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W.P.No.17905 of 2024

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 12.07.2024

CORAM

THE HONOURABLE **MR.JUSTICE SENTHILKUMAR RAMAMOORTHY**

W.P.No.17905 of 2024 and
W.M.P.Nos.19642 & 19644 of 2024

Tvl. Thilak Silk House Readymades,
(Represented by its Proprietor Mr. B. M. Govindaraj,
No. 5, 6, B. S. T. Market,
Bargur, Krishnagiri 635 104.

... Petitioner

-VS-

The Deputy State Tax Officer – I,
(also known as Commercial Tax Officer-I),
Krishnagiri-II.

... Respondent

PRAYER: Writ Petition filed under Article 226 of the Constitution of India, to issue a Writ of Certiorari calling for the records on the files of the Respondent in FORM GST DRC - 07 with Reference No. ZD331223192157J dated 25.12.2023 along with detailed proceedings in GST 33AXIPG3946N1Z5 dated 25.12.2023 for the tax period 2018-19 and



W.P.No.17905 of 2024

quash the same.

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For Petitioner : Mr.N.Chandirasekar

For Respondent : Mr.V.Prashanth Kiran, Govt. Adv. (T)

ORDER

An order in original dated 25.12.2023 is challenged on the ground that the petitioner did not have a reasonable opportunity to contest the tax proposal on merits. The petitioner asserts that GST compliances were entrusted to the accounting staff. Since the show cause notice and other communications were uploaded in the “View Additional Notices and Orders” tab on the GST portal, it is stated that the staff did not notice the same. Consequently, it is stated that the petitioner could not participate in the proceedings culminating in the impugned order.

2. Learned counsel for the petitioner submits that the tax proposal pertains to the difference between the purchase and sales turnover. If provided an opportunity, he contends that the petitioner would have explained the mismatch satisfactorily. Learned counsel further submits that the impugned order was issued on the misconception that the petitioner falls



W.P.No.17905 of 2024

within the composition scheme, whereas the petitioner has not opted for the composition scheme. On instructions, learned counsel submits that the petitioner agrees to remit 10% of the disputed tax demand as a condition for remand.

3. Mr.V.Prashanth Kiran, learned Government Advocate, accepts notice for the respondent. He submits that principles of natural justice were complied with by issuing an intimation and a show cause notice.

4. On perusal of the impugned order, it is evident that the tax proposal was confirmed on account of the petitioner's failure to reply to the show cause notice. By taking into account the assertion that such non participation was on account of not being aware of proceedings, the interest of justice warrants reconsideration by putting the petitioner on terms.

5. Therefore, the impugned order dated 25.12.2023 is set aside on condition that the petitioner remits 10% of the disputed tax demand as agreed to within a period of two weeks from the date of receipt of a copy of



W.P.No.17905 of 2024

this order. The petitioner is permitted to submit a reply to the show cause notice within the aforesaid period. Upon receipt of the petitioner's reply and upon being satisfied that 10% of the disputed tax demand was received, the respondent is directed to provide a reasonable opportunity to the petitioner, including a personal hearing, and thereafter issue a fresh order within a period of three months from the date of receipt of the petitioner's reply.

6. The writ petition is disposed of on the above terms without any order as to costs. Consequently, connected miscellaneous petitions are closed.

12.07.2024
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Neutral Citation: Yes / No
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W.P.No.17905 of 2024

SENTHILKUMAR RAMAMOORTHY,J

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To

The Deputy State Tax Officer – I,
(also known as Commercial Tax Officer-I),
Krishnagiri-II.

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12.07.2024
(4/5)

5/5