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W.P.No.27920 of 2024

IN THE HIGH COURT OF JUDICATURE AT MADRAS

Dated : 25.09.2024

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THE HON'BLE Mr. JUSTICE KRISHNAN RAMASAMY

W.P.No.27920 of 2024 &
W.M.P.Nos.30446 and 30447 of 2024

Tvl.Giri Industries,
Represented by its Proprietor Mr.V.Selvamoorthy,
No.2/551-18, Hanumepalli Layout Zuzuvadi,
Hosur, Krishnagiri,
Tamil Nadu- 635 126.

...

Petitioner

Vs.

1. The State Tax Officer,
Hosur North, 1, Assessment Circle,
Commercial Tax Building, Second Floor,
Hosur- 635 109.

2. The Branch Manager,
Oriental Bank of Commerce, 694,
Old Bangalore Road, Hosur- 635 109. ...

Respondents

Prayer: Writ Petition filed under Article 226 of the Constitution of India praying for issuance of Writ of Certiorarified Mandamus to call for the records relating to the original impugned order bearing Reference No.33AAJFG1644B1ZY Dt.11.10.2023 along with the summary order DRC 07 bearing reference number ZD331023070580X dated 12.10.2023



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passed by the first respondent and quash the same as being arbitrary, passed in violation of the principles of natural justice and direct the first respondent to remove the attachment of the petitioner's Bank account, in accordance with communication bearing reference no.GSTIN:33AAJFG1644B1ZY/2023/A3 dated 21.03.2024.

For Petitioner : Mr.Sanjay Nikaash
for Mr.G.Natarajan

For Respondents : Ms.Amirtha Poonkodi Dinakaran (R1)
Government Advocate (Taxes)

ORDER

This writ petition has been filed by the petitioner challenging the order of the Respondent dated 11.10.2023 along with summary order dated 12.10.2023 and to quash the same.

2. Ms.Amirtha Poonkodi Dinakaran, learned Government Advocate (Taxes) takes notice on behalf of the respondent.

3. By consent of the parties, the main writ petition is taken up for disposal at the admission stage itself.



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4. The learned counsel for the petitioner would submit that in the present case, the respondents served the intimation notice followed by show cause notice, by uploading in the in the GST portal. Since the Petitioner was not aware of the said notice they had failed to file their reply. Under these circumstances, the impugned order dated 11.10.2023 as well as summary order dated 12.10.2023 came to be passed by the Respondent demanding tax along with penalty and interest for the Assessment Year 2017-2018 and the same were also uploaded in "Additional Notices and Orders" column in the GST portal and therefore the Petitioner was not aware of the said order. The Petitioner came to know of the said notices and the impugned orders only after receipt of the recovery notice dated 21.03.2024 and pursuant to the said notice, the bank account of the petitioner has been attached. Hence, the petitioner has filed this Writ Petition.

5. Further, he would submit that impugned assessment order came to be passed without affording an opportunity of hearing to the Petitioner



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and therefore the same is in violation of principles of natural justice and therefore prays to set aside the same.

6. On the other hand, the learned Government Advocate (Taxes) appearing for the 1st Respondent would submit that the respondents uploaded the show cause notice as well as the personal hearing notice in the GST Online Portal. But the petitioner failed to submit reply and appear before the authority concerned to substantiate its case and therefore the impugned assessment order came to be passed.

7. In reply, the learned counsel for the petitioner would fairly submit that the petitioner is now ready and willing to pay 10% of the disputed tax liability made by the respondent in the event of providing an opportunity to them to file their reply along with the required documents to substantiate their claim, for which, the learned Government Advocate (Taxes) has no serious objection.

8. Heard the learned counsel for the petitioner and the learned



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Government Advocate (Taxes) for the respondent and also perused the materials available on record.

9. In the present case, since the show cause notice followed by personal hearing notice were uploaded in the GST Portal, the petitioner was not aware of the same and therefore they were not in a position to file reply for the show cause notice.

10. Further, it appears that no opportunity of personal hearing was provided to the petitioner prior to the passing of impugned order. Hence, this Court is of the view that the impugned order is passed in violation of principles of natural justice and it is just and necessary to provide an opportunity to the petitioner to establish their case on merits. In such view of the matter, this Court is inclined to set aside the impugned orders dated 11.10.2023 and 12.10.2023 passed by the Respondent. Accordingly, this Court passes the following order:-

(i) The impugned orders dated 11.10.2023 and 12.10.2023 are set aside and the matter is remanded to the respondent for fresh consideration on condition that



the petitioner shall pay 10% of disputed tax to the respondents within a period of *four weeks* from the date of receipt of a copy of this order and the setting aside of the impugned order will take effect from the date of payment of the said amount.

(ii) The petitioner shall file their reply/objection along with the required documents, if any, within a period of two weeks thereafter.

(iii) On filing of such reply/objection by the petitioner, the respondent shall consider the same and issue a 14 days clear notice by fixing the date of personal hearing to the petitioner and thereafter, pass appropriate orders on merits and in accordance with law, after hearing the petitioner, as expeditiously as possible.

(iv) Considering the fact that the impugned order itself has been set aside, this Court is of the opinion that the attachment made on the bank account of the petitioner cannot survive any longer and hence, it is lifted. As a sequel, the respondent is directed instruct the concerned bank to release the attachment on the bank account of the petitioner, immediately upon the



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production of proof with regard to the payment of 10% of the demand amount by the petitioner as stated above.

11. With the above directions, this writ petition is disposed of. No costs. Consequently, the connected miscellaneous petitions are also closed.

23.09.2024

Speaking/Non-speaking order
Index : Yes / No
Neutral Citation : Yes / No
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To

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KRISHNAN RAMASAMY.J.,

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