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W.P.No.39054 of 2024

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED :20.12.2024

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THE HONOURABLE MR.JUSTICE MOHAMMED SHAFFIQ

W.P. No.39054 of 2024

and

W.M.P.Nos.42295, 42296 and 42298 of 2024

Tvl.A1 Power Tools,
Rep. By its Partner – Ziaul Haq,
9/4, Kurinji Complex, Thadagam Road,
Edayarpalayam,
Coimbatore 641 025.

... Petitioner

Vs.

- 1.The Assistant Commissioner (ST),
Velandipalayam Circle,
Coimbatore.
- 2.The Bank Manager,
City Union Bank Limited,
Thachil Complex, 10, Annamalai Road,
Saibaba Colony, Coimbatore 641 011.

... Respondents

PRAYER: Writ Petition filed under Article 226 of the Constitution of India praying to issue a Writ of Certiorarified Mandamus, call for the records of the first respondent in the impugned order in GSTIN:33ABHFA5400G1Z0/2019-20 dated 24.06.2024 along with consequential order bearing a Ref No.ZD330624269470E dated 24.06.2024 for the period 2019-20 quash the same the same as being contrary to the provision of CGST Act, 2017 and further direct the first respondent to lift the Bank Attachment by withdrawing the letter issued in Ref.No.33ABHFA5400GIZ0/2024 dated 01.10.2024 along with Form GST DRC-13 dated 01.10.2024 to the second respondent Bank.



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For Petitioner

: Mr.K.Vignesh Kumar

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: Mr.C.Harsha Raj,
Additional Government Pleader for R1.

ORDER

The present writ petition is filed challenging the impugned order passed by the first respondent dated 24.06.2024 relating to the assessment year 2019-20.

2. The petitioner is registered under the Goods and Services Tax Act, 2017. During the relevant period of 2019-20, the petitioner filed its returns and paid the appropriate taxes. However, during the scrutiny of the petitioner's return, the following discrepancies were noticed viz.,

- i. Form GSTR-3B and GSTR-1 turnover and tax payable differences
- ii.Mismatch between GSTR-3B and GSTR-2A

2.1. Pursuant thereto, a notice in DRC-01A was issued on 20.10.2023, followed by a Show Cause Notice on 05.04.2024. Personal hearing was offered on 13.06.2024. However, the petitioner had neither filed its reply nor availed the opportunity for a personal hearing. Hence, the impugned order came to be passed, confirming the proposal.



3. The impugned order is challenged on the premise that neither the show cause notices nor the impugned order of assessment has been served on the petitioner by tender or sending it by RPAD, instead it had been uploaded in the GST Portal, thereby, the petitioner was unaware of the initiated proceedings and was thus unable to participate in the adjudication proceedings.

4. It is submitted by the learned counsel for the petitioner that if the petitioner is provided with an opportunity, they would be able to explain the alleged discrepancies.. The learned counsel for the petitioner would then place reliance upon the recent judgment of this Court in the case of ***M/s.K.Balakrishnan, Balu Cables vs. O/o. the Assistant Commissioner of GST & Central Excise in W.P.(MD)No.11924 of 2024 dated 10.06.2024***, to submit that this court has remanded the matter back in similar circumstances subject to payment of 25% of the disputed taxes. It was further submitted that the petitioner is ready and willing to pay 25% of the disputed tax and that they may be granted one final opportunity before the adjudicating authority to put forth their objections to the proposal. It is submitted that there is bank attachment and the same may be lifted to which the learned Additional Government Pleader appearing for the first respondent does not have any serious objection.



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5. By consent of both parties, the writ petition stands disposed of on the following terms:

- a) The impugned order dated 24.06.2024 is set aside.
- b) The petitioner shall deposit 25% of the disputed taxes as admitted by the learned counsel for the petitioner and the first respondent, within a period of four weeks from the date of receipt of a copy of this order.
- c) If any amount has been recovered or paid out of the disputed taxes, including by way of pre-deposit in appeal, the same would be reduced/adjusted, from/towards the 25% of disputed taxes directed to be paid. The assessing authority shall then intimate the balance amount out of 25 % of disputed taxes to be paid, if any, within a period of one week from the date of receipt of a copy of this order. The petitioner shall deposit such remaining sum within a period of three weeks from such intimation.
- d) The entire exercise of verification of payment, if any, intimation of the balance sums, if any, to be paid for compliance with the direction of payment of 25% of the disputed taxes, after deducting the sums already paid and payment by the petitioner of the balance amount, if any, on intimation in compliance with the above direction shall be completed within a period of four weeks from the date of receipt of copy of this order.



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e) Failure to comply with the above condition viz., payment of 25% of disputed taxes within the stipulated period i.e., four weeks from the date of receipt of a copy of this order shall result in restoration of the impugned order.

f) If there is any recovery by way of attachment of Bank account or garnishee proceedings, the same shall be lifted /withdrawn on complying with the above condition viz., payment of 25 % of the disputed taxes.

g) On complying with the above condition, the impugned order of assessment shall be treated as show cause notice and the petitioner shall submit its objections within a period of four (4) weeks from the date of receipt of a copy of this order along with supporting documents/material. If any such objections are filed, the same shall be considered by the respondent and orders shall be passed in accordance with law after affording a reasonable opportunity of hearing to the petitioner. It is made clear that if the above conditions viz., 25% of disputed taxes is not complied or objections are not filed within the stipulated period, four weeks respectively from the date of receipt of a copy of this order, the impugned order of assessment shall stand restored.



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6. There shall be no order as to costs. Consequently, connected miscellaneous petitions are closed.

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Speaking (or) Non Speaking Order

Index : Yes/ No

Neutral Citation: Yes/No

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To:

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- 1.The Assistant Commissioner (ST),
Velandipalayam Circle,
Coimbatore.
- 2.The Bank Manager,
City Union Bank Limited,
Thachil Complex, 10, Annamalai Road,
Saibaba Colony, Coimbatore 641 011.



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MOHAMMED SHAFFIQ, J.

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and
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