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W.P. No.950 of 2025

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 22.01.2025

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THE HONOURABLE MR.JUSTICE MOHAMMED SHAFFIQ

W.P. No.950 of 2025

and

W.M.P. Nos.1153 and 1154 of 2025

Nallallam Ellappan Bhaskaran,
Proprietor of
M/s.Tvl.Sri Velmurugan Translines &
Sree Velmurugan Aqua Farms,
No.12, Rasi Nagar, 2nd Street,
Puzal, Chennai-600 006.

... Petitioner

Vs.

- 1.Union of India,
Represented by its Secretary,
Department of Revenue,
Ministry of Finance,
North Block, New Delhi.
- 2.Central Board of Indirect Taxes and Customs,
Ministry of Finance,
Department of Revenue,
North Block, New Delhi-110 001.
- 3.Commercial Tax Officer,
Surappattu Assessment Circle,
Integrated Commercial Tax Officer Complex,
1st Floor, No.1275/3, Bridge Road, Vepery,
Chennai-600 003.

... Respondents



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PRAYER: Writ Petition filed under Article 226 of the Constitution of India, praying to issue a Writ of Certiorari calling for the records pertaining to the impugned order dated 07.08.2024 issued in Reference No.ZD330824055592A by the 3rd Respondent and quash the same.

For Petitioner : Mr.Derrick Sam

For Respondents : Mrs.Revathi Manivannan
Standing Counsel (for R1 & R2)

Ms.Amrita Dinakaran
Government Advocate (for R3)

ORDER

The present writ petition is filed challenging the impugned order dated 07.08.2024 relating to the assessment year 2019-2020.

2. It is submitted by the learned counsel for the petitioner that the petitioner is registered under the Goods and Services Tax Act, 2017. During the relevant period 2019-20, the petitioner filed its returns and paid the appropriate taxes. However, during the scrutiny of the petitioner's monthly return, the following discrepancies were noticed:

- i) Mismatch between GSTR 3B and Form 26AS;
- ii) Mismatch between GSTR 3B and GSTR 9.



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3. It is submitted by the learned counsel for the petitioner that a notice in DRC-01 was issued on 07.08.2023 followed by a reminder notice dated 17.06.2024. However, the petitioner had neither filed its reply nor paid the disputed tax. Hence, the impugned order came to be passed. It is submitted by the learned counsel for the petitioner 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. 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.

4. The learned counsel for the petitioner would 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.



5. 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 further submitted that subsequent to the passing of the impugned order Rs.6,00,000/- has been paid and requests that the same may be adjusted towards 25% of the disputed tax. It is further submitted that there is bank attachment and the same may be lifted, to which the learned Government Advocate appearing for the Respondents does not have any serious objection.

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

- a) The impugned order dated 07.08.2024 is set aside.
- b) The petitioner shall deposit 25% of the disputed taxes as admitted by the learned counsel for the petitioner and the 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



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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.

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



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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.

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

22.01.2025

Speaking (or) Non Speaking Order

Index : Yes/ No

Neutral Citation: Yes/No

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To:

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MOHAMMED SHAFFIQ, J.

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