IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 30-07-2025

CORAM

THE HONOURABLE MR JUSTICE KRISHNAN RAMASAMY

WP No. 17469 of 2025
AND
WMP NO. 19810 OF 2025,WMP NO. 19811 OF 2025

Kannappan Rajendran,
proprietor of M/s.Kannan Padal Nilayam,
526/2A, Pannimadai Road, Kanuvai,
Coimbatore.

Petitioner(s)

Vs

Assistant Commissioner,
Central GST and Excise Coimbatore - I
Division
1441, Trichy Road (Elgi Building),
Coimbatore 641 018.

Respondent(s)

PRAYER:-Writ Petition filed under Article 226 of the Constitution of India, praying for an issuance of Writ of Certiorarified Mandamus, calling for the records on the file of the Respondent leading to the issuance of Impugned Order dated 20.10.2022 vide C. NO. lV/ 09/ 18/ 2021 ST - ADJN/ 2016-17 and quash the same, and consequently direct the Respondents to drop the proceedings initiated against the petitioner and pass shall pass a fresh speaking order in accordance with law.

For Petitioner(s): Mr.A.G.Sathyanarayana

For Respondent(s): Mr.K.S.Ramaswamy
Senior Standing Counsel

ORDER

This Writ Petition has been filed by the petitioner challenging the impugned assessment order dated 20.10.2022, passed by the respondent.

2.Learned counsel for the petitioner would submit that the respondent issued the show cause notice dated 08.10.2021, based on discrepancies found between the Service Tax returns and the Income Tax data. Thereafter on 28.07.2022, the petitioner attended the personal hearing and requested some time from the respondent to submit the reply along with the relevant documents. However, the petitioner could not file their reply, since the petitioner is running the business in an unorganized manner and he has no much knowledge about the GST portal and consequently, the impugned assessment order came to be passed. He would further submit that the petitioner has already remitted 10% of the disputed tax demand as directed by this Court vide order dated 22.05.2025, while granting interim order and now he is ready and willing to pay another 15% of the disputed tax demand in respect of the impugned assessment period and prayed to set aside the impugned order directing the respondent to permit the petitioner to file their reply and provide an opportunity of personal hearing so that the petitioner would be able to substantiate their case.

3.Learned Senior Standing Counsel appearing for the respondent would submit that as per the voluntary submissions made by the learned counsel for the petitioner, subject to the deposit of 15% of the disputed tax demand in addition to the 10% depsoite already being made by the petitioner in respect of the impugned assessment period, if the Court feels it appropriate and it is a fit case for re-consideration, this Court may consider and pass orders.

4.Heard the learned counsel appearing for the petitioner as well as the learned Senior Standing Counsel appearing for the respondent and perused the materials available on record.

5.Considering the submissions made by the learned counsel appearing for the petitioner as well as the learned Senior Standing Counsel appearing for the respondent, it is evident that though the petitioner appeared before the respondent and sought time for filing reply, the petitioner failed to file his reply due to the reason that the petitioner is not familier with the GST portal. Taking note of this aspect and in the interest of justice, this Court is inclined to grant one more opportunity to the petitioner so as to enable the petitioner to file his reply. Accordingly, this Court pass the following orders:-

(i) The order impugned herein is set aside and the matter is remanded back to the respondent for fresh consideration on condition that the petitioner deposits 15% of the disputed tax amount over and above the 10% deposit already made by the petitioner in respect of the impugned assessment period, as agreed by the petitioner, within a period of four weeks from the date of receipt of a copy of this order.

(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 7 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) Upon production of proof with regard to the payment of 15% of the disputed tax made by the petitioner, the respondent-Department is directed to issue appropriate direction on the petitioner's banker towards de-freezure of the petitioner's bank account forthwith and the ITC blocked by the respondent may be released.

6.With the above directions, the writ petition is disposed of. There is no order as to costs. Consequently, the connected miscellaneous petitions are closed.

30-07-2025

rst

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

To

Assistant Commissioner Central GST
and Excise Coimbatore I Division
1441, Trichy Road (Elgi Building),
Coimbatore - 641 018.

KRISHNAN RAMASAMY J.

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