IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 29.05.2025

CORAM :

THE HONOURABLE MR.JUSTICE SENTHILKUMAR RAMAMOORTHY

W.P.No. 19604 of 2025
and
W.M.P.Nos. 21959 & 21962 of 2025

Bahadur Gajendra Kumar Jain
Proprietor of B.M.Fabrics,
Ground Floor, 1183, Sukrawarpet Street,
Oppanakara Street, Coimbatore – 641 001. .. Petitioner

vs

The Deputy State Tax Officer – II,
R.G.Street Circle,
Coimbatore. .. Respondent

Prayer : Writ Petition filed under Article 226 of the Constitution of India praying to issue a writ of certiorarified mandamus calling for the records on the file of the respondent leading to the issuance of Impugned Order dated 26.04.2024 vide Reference No. ZD330424207662P/2018-19 and quash the same, and consequently direct the respondent to drop the proceedings initiated against the petitioner.

For Petitioner : Mr.A.G.Sathyanarayana

For Respondent : Mr.T.N.C. Kaushik
Additional Government Pleader (T)

ORDER

An order dated 26.04.2024 is challenged in this writ petition primarily on the ground that the petitioner's replies were not taken into consideration.

2. Learned counsel for the petitioner submits that a show cause notice was issued in respect of the three alleged defects. The petitioner replied thereof on 27.01.2024 and also appeared in person before the respondent. He also submits that very limited time was provided to the petitioner to present all relevant material.

3. Mr.T.N.C. Kaushik, learned Additional Government Pleader, accepts notice for the respondent. By referring to the impugned order, he points out that multiple opportunities were provided to the petitioner as indicated therein. He also submits that the petitioner was called upon to comply with the requirements of Circular No.183/2022 in respect of the difference in input tax credit as between GSTR-3B and GSTR-2A returns. In view of the non-compliance, he submits that the tax proposal was confirmed.

4. Learned counsel for the petitioner submits that the petitioner is now in a position to comply with the requirement of Circular No.183/2022, if provided another opportunity. He also submits that the petitioner agrees to remit 25% of the disputed tax demand indicated in the impugned order as a condition for remand.

5. Since the petitioner was denied input tax credit under the impugned order only on account of non-compliance of Circular No.183/2022, it is just and necessary that the petitioner be provided another opportunity subject to putting the petitioner on terms.

6. Therefore, subject to the petitioner remitting 25% of the disputed tax demand indicated in the impugned order, the impugned order is set aside and the matter is remanded for reconsideration. The petitioner is directed to remit the said 25% of the disputed tax demand within four weeks from the date of receipt of a copy of this order. Upon receipt thereof, the respondent is directed to provide reasonable opportunity to the petitioner and issue fresh order within three months from the date of receipt of the 25% remittance.

7. The writ petition stands disposed of in the above terms. No costs. Consequently, connected miscellaneous petitions are closed.

29.05.2025

Index:Yes/No
Neutral Citation:Yes/No
mmi/ssm

To

The Deputy State Tax Officer – II,
R.G.Street Circle,
Coimbatore.

SENTHILKUMAR RAMAMOORTHY , J.

mmi/ssm

W.P.No.19604 of 2025

29.05.2025