IN THE HIGH COURT OF JUDICATURE AT MADRAS

Dated : 10.06.2025

Coram:
The Honourable Mr.Justice KRISHNAN RAMASAMY

W.P.No.25161 of 2022
and W.M.P.Nos.24113 of 2022 & 3196 of 2023

M/s.Tvl Read Wood Furn,
Rep. by its Authorized Signatory G.Karpagambal,
No.65/2, Agaramel Village, Nazarathpettai,
Chennai – 123.

...Petitioner

Versus

State Tax Officer,
Office of the Assistant Commissioner (ST),
Vanagaram Assessment Circle,
No.4/109, Bangalore Highway,
Varadharajapuram, Chennai – 600 123.

...Respondent

Writ Petition filed under Article 226 of the Constitution of India praying for issuance of a writ of certiorarified mandamus calling for the records relating to the impugned notice TIN: 33181350863/2016-17 dated 15.07.2022 issued by the Respondent against the Petitioner, quash the same and also, direct the Respondent to hold proper enquiry.

For Petitioner	:	Mr.Leelesh Sundaram for M/s.Nathan and Associates
For Respondent	:	Mr.V.Prashanth Kiran, Government Advocate

ORDER

Mr.V.Prashanth Kiran, learned Government Advocate takes notice for the respondent.

2. With the consent of both sides, this writ petition is taken up for final disposal.

3. The relief sought in this writ petition is to quash the Notice dated 15.07.2022 bearing TIN: 33181350863/2016-17 issued by the respondent and direct the respondent to hold proper enquiry.

4. The brief facts of the case are that the petitioner is a company doing the business of making furniture and selling the same to intending purchasers. The petitioner has been duly paying the statutory taxes. While so, the respondent vide impugned Notice dated 15.07.2022, directed the petitioner to pay Rs.8,81,658/- towards arrears of tax and Rs.44,089/- towards penalty immediately. In the said notice, it has been stated by the respondent that if the petitioner fails to pay the aforesaid amounts, the same will be realized by the following three ways:

(i) By Attaching the Bank Account of the petitioner.

(ii) By initiating action under Section 48 & 49 of RR Act.

(iii) By filing an application before the Magistrate Court.

Aggrieved over the same, the petitioner has filed the present writ petition for the relief stated *supra.*

5. The learned counsel for the petitioner submitted that after the Covid-19 Pandemic, the petitioner's business is very low and standstill. Hence, the petitioner is not in a position to pay such a huge amount towards arrears of tax and penalty as directed by the respondent.

5.1. It is further submitted that the impugned notice suffers from violation of the principles of natural justice since prior to the issuance of impugned notice, no intimation notice was issued to the petitioner and no opportunity of hearing was provided to the petitioner to put forth its case.

5.2. The learned counsel for the petitioner also submitted that the petitioner is ready and willing to pay a sum of Rs.2 Lakhs to the respondent-Department, in the event, this Court is inclined to quash the impugned notice and remand the case back to the respondent for fresh consideration.

6. The learned Government Advocate appearing for the respondent fairly submitted that since the petitioner has voluntarily come forward to pay a sum of Rs.2 Lakhs to the respondent-Department, the prayer sought for by the petitioner may be considered.

7. Taking into consideration of the submissions made by the learned counsel on either side and upon perusing the materials available on record, there is no dispute that the impugned notice has been issued by the respondent without any prior intimation to the petitioner.

8. The facts on record reveal that after the Covid-19 Pandemic, the petitioner's business is very low and standstill, as a result of which, the petitioner is not able to pay the aforesaid arrears of tax and penalty as directed by the respondent.

9. In the present case, the respondent has issued the impugned notice without affording any opportunity of hearing to the petitioner. As rightly

pointed out by the learned counsel for the petitioner that the impugned notice issued by the respondent suffers from violation of the principles of natural justice.

10. Thus, once an order is passed in violation of the principles of natural justice, this Court cannot impose any condition requiring the petitioner to make any deposit. However, in this case, since the petitioner has voluntarily come forward to pay Rs.2 Lakhs to the respondent-Department, to which, the learned Government Advocate for the respondent is also agreeable, this Court is inclined to issue the following directions:-

(i) The impugned notice dated 15.07.2022 issued by the respondent is quashed.

(ii) Consequently, the case is remanded back to the respondent for fresh consideration.

(iii) Liberty is granted to the petitioner to pay a sum of Rs.2,00,000/- (Rupees Two Lakhs Only) to the respondent-Department, within a period of four weeks from the date of receipt of a copy of this order.

(iv) Thereafter, the petitioner shall file its Reply along with supporting documents, within a period of three weeks.

(v) On filing of such Reply by the petitioner, the respondent shall consider the same and issue a 14 days clear notice affording an opportunity of personal hearing to the petitioner and thereafter, the respondent shall decide the case in accordance with law, as expeditiously as possible.

(vi) If the Petitioner fails to comply the above directions within the stipulated time as mentioned above, this writ petition shall stand automatically dismissed, without any further reference to this Court.

11. With the above directions, this Writ Petition is disposed of. No costs. Consequently, connected Miscellaneous Petitions are closed.

10.06.2025

mrr

Index: Yes/No

Neutral Citation: Yes/No

Speaking Order (or) Non-Speaking Order

To

State Tax Officer,
Office of the Assistant Commissioner (ST),
Vanagaram Assessment Circle,
No.4/109, Bangalore Highway,
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KRISHNAN RAMASAMY, J.

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