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IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 25.07.2025

Coram

The Honourable **Mr.Justice Krishnan Ramasamy**

W.P.No.27187 of 2025
and
W.M.P.Nos.30517 & 30523 of 2025

M/s.Balaji Traders,
Represented by its Sole Proprietor,
Mrs. Sathya, No. 37A, Durugam Road,
Mahalakshmi Nagar,
Kallakurichi-606 202.

...Petitioner

Vs.

1. The Deputy Commercial Tax Officer
Kallakurichi Vellore, Tamil Nadu.

2.The Deputy State Tax Officer
Office of the Assistant Commissioner (ST),
Kallakurichi, Vellore,
Tamil Nadu.

3. The Deputy Commissioner,
Office of the Deputy Commissioner (ST),
No. 103/5, Nepal street,
Kallakurichi, TamilNadu.

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4. The Principal Commissioner of CGST & Central Excise,
GST Bhawan, 26/1,Mahatma Gandhi Road,
Nungambakkam, Chennai- 600 034.

...Respondents

Prayer : Writ Petition filed under Article 226 of the Constitution of India praying for the issuance of a Writ of Certiorarified Mandamus calling for the records of the assessment order vide Order No. 33FZKPS2391E1Z4/2019-20 dated 08.07.2024 bearing reference number ZD330724091632C passed by the 2nd Respondent and quash the same as arbitrary and illegal and consequently direct the 3rd respondent to remove the notice of recovery under Section 79 TN GST Act, 2017/ CGST Act, 2017 dated 25.06.2025 and remand back the matter to the 1st Respondent for re-assessment.

For Petitioner : Mr.S.Sudhangan
for Mr.Dhanaram Ramachandran

For Respondents : Ms.Amirtapoonkodidinakaran
Government Advocate (Taxes)
(R1 to R3)
Mr.Rajnish Pathiyil (R4)
Senior Panel Counsel

ORDER

Ms.Amirtapoonkodidinakaran, learned Government Advocate (Taxes) takes notice for the respondents 1 to 3. Mr.Rajnish Pathiyil, learned Senior Panel Counsel takes notice on behalf of the 4th respondent. With consent, the main Writ Petition is taken up for final disposal at the stage of

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admission itself.

2. The challenge in this Writ Petition is to the order dated 08.07.2027 passed by the respondent for the AY 2019-20 and to quash the same and consequently remove the notice of recovery under Section 79 TN GST Act, 2017/ CGST Act, 2017 dated 25.06.2025 and remand back the matter to the 1st Respondent for re-assessment.

3. The learned counsel for the petitioner would submit that the 1st respondent has issued a show cause notice on 20.07.2023, followed by three reminders dated 07.06.2024, 20.06.2024 and 24.06.2024 by uploading the same in the GST portal without serving physical copy of the same to the petitioner. Therefore, the petitioner was not aware of those notices and failed to file reply to those notices. Since the petitioner failed to file reply to the said show cause notice, the respondent has confirmed the proposals contained in the show cause notice and passed the present impugned order. Therefore, the learned counsel would submit that the impugned order suffers from violation of principles of natural justice and is liable to be aside, as the

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petitioner has not been heard before passing the impugned order.

3.1. It is also submitted by the learned counsel for the petitioner that the petitioner is ready and willing to deposit 25% of the disputed tax, in the event, this Court is inclined to set aside the impugned order and remand the matter back to the Authority for fresh consideration. He would further submit that there is bank attachment and the same may be lifted, subject to the payment of 25% of the disputed tax. Hence, he prayed for appropriate directions.

4. The learned Government Advocate (Taxes) for the respondents 1 to 2 fairly submitted that since the petitioner has voluntarily come forward to deposit 25% of the disputed tax, the prayer sought for by the petitioner may be considered.

5. Considering the above submissions made by the learned counsel on either side and upon perusal of the materials, it is evident that the impugned show cause notice was uploaded on the GST Portal Tab.

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According to the petitioner, the petitioner was not aware of the issuance of the show cause notice issued through the GST Portal and the original of the said show cause notice was not furnished to them.

6. No doubt sending notice by uploading in portal is a sufficient service, but, the Officer who is sending the repeated reminders, inspite of the fact that no response from the petitioner to the show cause notices etc., the Officer should have applied his/her mind and explored the possibility of sending notices by way of other modes prescribed in Section 169 of the GST Act, which are also the valid mode of service under the Act, otherwise it will not be an effective service, rather, it would only fulfilling the empty formalities. Merely passing an *ex parte* order by fulfilling the empty formalities will not serve any useful purpose and the same will only pave way for multiplicity of litigations, not only wasting the time of the Officer concerned, but also the precious time of the Appellate Authority/Tribunal and this Court as well. Thus, when there is no response from the tax payer to the notice sent through a particular mode, the Officer who is issuing notices should strictly explore the possibilities of sending notices through some

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other mode as prescribed in Section 169(1) of the Act, preferably by way of RPAD, which would ultimately achieve the object of the GST Act.

7. Therefore, this Court finds that there is a lack of opportunities being provided to serve the notices/orders etc., effectively to the petitioner. In such circumstances, this Court is of the view that the impugned assessment order came to be passed without affording any opportunity of personal hearing to the petitioner, confirming the proposals contained in the show cause notice. Hence, this Court is inclined to set-aside the impugned order with terms, by issuing the following directions:-

i) The impugned order passed by the 1st respondent dated 08.07.2024 is set aside, subject to the payment of 25% of the disputed tax demand to the 1st respondent, as volunterred by them within a period of 2 weeks from the date of receipt of copy of this order and the setting aside of the impugned order will take effect from the date of payment of the aforesaid amounts.

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ii) Consequently, the matter is remanded to the 1st respondent for fresh consideration.

iii) Thereafter, the petitioner is directed to file a reply along with supportive documents within a period of two weeks.

iv) Thereupon, the respondent is directed to consider the reply and shall issue a clear 14 days notice affording an opportunity of personal hearing to the petitioner and shall decide the matter in accordance with law.

v) Upon production of proof with regard to the payment of 25% of the disputed tax made by the petitioner, the 1st respondent-Department is directed to issue appropriate direction on the petitioner's banker towards de-freezure of the petitioner's bank account forthwith.

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

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Index : yes/no
Neutral Citation : yes/no

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Krishnan Ramasamy,J.,

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