



W.P.Nos.37428, 37434, 37432, 37411 & 37420 of 2024

IN THE HIGH COURT OF JUDICATURE AT MADRAS

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DATED : 10.07.2025

Coram

THE HONOURABLE MR.JUSTICE KRISHNAN RAMASAMY

W.P.Nos.37428, 37434, 37432, 37411 & 37420 of 2024

and

W.M.P.Nos.40433, 40441, 40442, 40440, 40418 & 40426 of 2024

Laxmi Rolling and Strips Pvt. Ltd.,
Represented by its Director
Mahaveer Prasad Aggarwal,
Kallukondapalli Village,
Thally Road,
Hosur - 635 114.

...Petitioner
(in all W.Ps)

Vs.

The State Tax Officer (Intelligence),
Inspection Cell 3 Hosur,
3/47, Sapthagiri Complex,
Thorapalli Agraharam Village,
Gandhi Nagar,
Hosur - 635 105.

...Respondent
(in all W.Ps)

Common Prayer : Writ Petitions filed under Article 226 of the Constitution of India praying for the issuance of a Writ of Certiorari, to call for the respondent order dated 26.09.2024 passed in Reference No.: 33AAACL8886A1ZK/2017-18 to 2022-23 respectively and quash the same.

For Petitioner : Mr.P.Raj Kumar
(in all W.Ps) for Mr.Adithya Reddy



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For Respondent : Mr.C.Harsha Raj
(in all W.Ps) Special Government Pleader (Tax)

COMMON ORDER

The challenge in these Writ Petitions is to the order dated 26.09.2024 passed by the respondent for the assessment years 2017-18 to 2022-23 and to quash the same.

2. The learned counsel for the petitioner would submit that the respondent issued show cause notice on 22.07.2024 and thereafter, the petitioner filed reply before the authorities concerned on 19.09.2024, but however, without considering the same, the respondent passed the present impugned order. He would submit that in the impugned order the finding of the inspecting officer is as follows:-

“In the above reply, the tax payer had only referred the case laws not discussed about the difference turnover derived based on the electricity consumption. The findings of the Inspecting Officer is based on consumption of electricity. During the inspection Electricity meter reading was taken before Electricity board authorities with the consent and knowledge of the tax payer for sample test to measure the quantity of out come of TMT Bar in Kgs per Unit with the documentary evidence and this is not an imaginary assessment.

In the reply, the tax payer had not directly stated about the



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calculation mentioned in the defect merely referred the case laws only.

From the calculation mentioned in the SCN there is a difference in turnover calculation based on energy consumption, it is construed that the taxpayer might have doing their production elsewhere in a unregistered place of business or the tax payer would have purchased it without sufferance of Tax from some unknown sources.

In view of the above facts and circumstances, the tax payer being the beneficiary under section 122(1A) of the CGST / TNGST Act, 2017. Hence, the tax payer is levied penalty u/s 74 of the TNGST / CGST Act.”

3. He would also submit that as per Section 75(4) of the GST Act, 2017, the respondent was supposed to provide personal hearing to the petitioner. However, without providing any opportunity to the petitioner, the respondent passed the impugned order dated 26.09.2024, which is violation of principles of natural justice.

4. On the other hand, the learned Special Government Pleader (Tax) for the respondent strongly opposed by stating that after providing personal hearing to the petitioner on 23.08.2024, 30.08.2024 and 11.09.2024, the respondent had passed the impugned order. Therefore, the petitioner cannot blame the respondent that no opportunity of personal



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hearing was provided to the petitioner. Hence, he prayed for appropriate orders.

5. Heard the learned counsel for the petitioner and the learned Special Government Pleader (Tax) for the respondent and also perused the materials available on record.

6. Considering the above submissions made by the learned counsel on either side and upon perusal of the materials, it appears that the petitioner filed reply containing 130 pages and the same was extracted in the order also and hence, the respondent has to provide an opportunity of personal hearing to the petitioner as mandated under Section 75(4) of the TNGST Act, 2017. In the present case, it appears that no opportunity of personal hearing was provided to the petitioner prior to the passing of impugned order. Hence, this Court is of the view that the impugned order was passed in violation of principles of natural justice and it is just and necessary to provide an opportunity to the petitioner to establish their case on merits.



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7. In such view of the matter, this Court is inclined to set aside the impugned order dated 26.09.2024 passed by the respondent. Accordingly, this Court passes the following order:

(i) The impugned order passed by the respondent dated 26.09.2024 is set aside.

(ii) Consequently, the matter is remanded to the 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.



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8. With the above directions, these Writ Petitions are disposed of.

No costs. Consequently, connected Miscellaneous Petitions are closed.

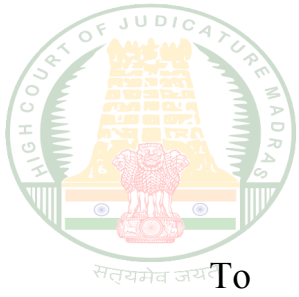
10.07.2025

Speaking order / Non-Speaking order

Index : Yes / No

Neutral Citation : Yes / No

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To
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The State Tax Officer (Intelligence),
Inspection Cell 3 Hosur,
3/47, Saptagiri Complex,
Thorapalli Agraharam Village,
Gandhi Nagar,
Hosur - 635 105.



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KRISHNAN RAMASAMY, J.,

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