

WEB COPY

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: **03.04.2024**



W.P.No.8849 of 2024

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THE HONOURABLE MR.JUSTICE SENTHILKUMAR RAMAMOORTHY

W.P.No.8849 of 2024
and W.M.P.Nos.9845 & 9846 of 2024

K.C.Mathaiyan

... Petitioner

-vs-

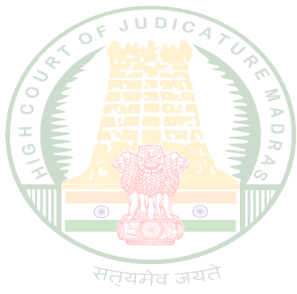
Assistant Commissioner (ST)
Ayyothiyapattinam Assessment Circle,
Salem.

... Respondent

PRAYER: Writ Petition filed under Article 226 of the Constitution of India, pleased to issue a Writ of Certiorari, calling for the entire records relating to the order in Reference No. ZD330423092605G dated 20.04.2023 passed by the Respondent and quash the same.

For Petitioner : Mr.T.Ramesh

For Respondent : Mr.T.N.C.Kaushik, AGP (T)



W.P.No.8849 of 2024

WEB COPY

ORDER

An assessment order dated 19.04.2023 is challenged in this writ petition. The petitioner states that he is a works contractor executing civil work for government departments and local authorities. He states that a show cause notice was issued in February 2023 in relation to the discrepancy between the GSTR 1 statement and the GSTR 3B returns. Upon receipt thereof, he remitted a sum of Rs.3,00,000/- on 12.04.2023 towards tax liability. By asserting that the delay in reconciling the discrepancy was on account of delayed receipt of payments from the government departments and that penalty was imposed at 100% of the tax dues, the present writ petition was filed.

2. Learned counsel for the petitioner referred to Form GST DRC-03 under which the payment of Rs.3,00,000/- was made. In

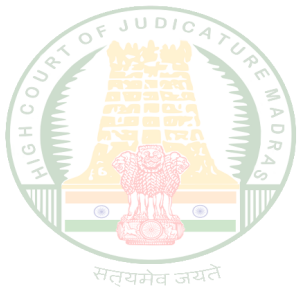


W.P.No.8849 of 2024

particular, he pointed out that such payment was made even before the impugned order was issued. He further submits that the payment was not taken into consideration and given credit to while issuing the impugned order.

3. In addition, he submits that the imposition of 100% penalty by invoking Section 74 of the Tamil Nadu Goods and Services Tax Act, 2017 was not warranted in the facts and circumstances. On instructions, he submits that the petitioner is ready and willing to remit a sum of Rs.3,00,000/- as a condition for remand.

4. Mr.T.N.C.Kaushik, learned Additional Government Pleader, accepts notice for the respondent. By referring to the impugned order, he submits that such order was preceded by an intimation, show cause notice and personal hearing notice. Since the petitioner did not participate in proceedings and contest the tax demand, he submits that no case is made out for interference.



W.P.No.8849 of 2024

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6. For reasons set out above, the impugned order dated 19.04.2023 is set aside subject to the condition that the petitioner remits an additional sum of Rs.3,00,000/- towards the tax demand



W.P.No.8849 of 2024

within *three weeks* from the date of receipt of a copy of this order.

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The petitioner is also permitted to submit a reply to the show cause notice within the aforesaid period. Upon receipt of the petitioner's reply and on being satisfied that an additional sum of Rs.3,00,000/- was received, the respondent is directed to provide a reasonable opportunity to the petitioner, including a personal hearing, and thereafter issue a fresh order within *two months* from the date receipt of the petitioner's reply.

7. W.P.No.8849 of 2024 is disposed of on the above terms. No costs. Consequently, W.M.P.Nos.9845 and 9846 of 2024 are closed.

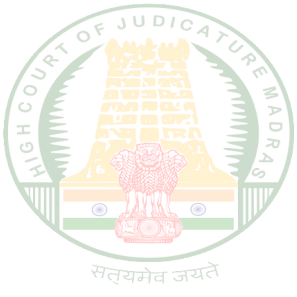
03.04.2024

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W.P.No.8849 of 2024

SENTHILKUMAR RAMAMOORTHY,J

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To

Assistant Commissioner (ST)
Ayyoithiapattinam Assessment Circle,
Salem.

W.P.No.8849 of 2024
and W.M.P.Nos.9845 & 9846 of 2024

03.04.2024

6/6