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W.P.No.29115 of 2025

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 05.08.2025

Coram

The Honourable **Mr. Justice Krishnan Ramasamy**

W.P.No.29115 of 2025

and

W.M.P.Nos.32666 & 32668 of 2025

M/s. SPB New Alloy Steel Pvt. Ltd

Rep. by its Managing Director, Subbiah Palaniswamy.

...Petitioner

Vs.

The Assistant Commissioner (ST)

Ganapathy Assessment Circle,

Coimbatore, T.N.

...Respondent

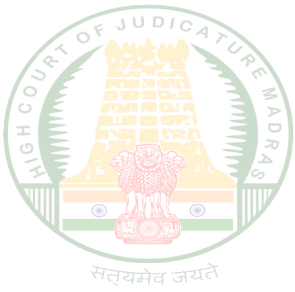
Prayer

Writ Petition filed under Article 226 of the Constitution of India praying for the issuance of a Writ of Certiorari to call for records of the impugned order in Ref.No.ZD3302252654510 dated 26.02.2025 passed under Section 73 of the CGST/TNGST Act, 2017 for the FY 2020-21 and uploaded along with the summary of the order in DRC-07 from the files of the respondent and to quash the same.

For Petitioner : Mrs.Aparna Nandakumar

For Respondent : Mr.V.Prashanth Kiran
Government Advocate (T)

Order



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Heard Mrs.Aparna Nandakumar learned counsel appearing for the petitioner and Mr.V.Prashanth Kiran, learned Government Advocate (T) who takes notice on behalf of the respondent. With consent, the main Writ Petition is taken up for final disposal at the stage of admission itself.

2. The challenge in this Writ Petition is to the order passed by the respondent under Section 73 of the CGST/TNGST Act, 2017 for the FY 2020-21 dated 26.02.2025 and uploaded along with the summary of the order in DRC-07 and to quash the same.

3. The learned counsel appearing for the petitioner would submit that after reply was filed by the petitioner, no personal hearing opportunity was given to the petitioner; that only in the event, the respondent is convinced with the reply filed by the petitioner and intends to pass orders in favour of the petitioner, the question of affording personal hearing opportunity does not arise, and in the event, the respondent intends to pass any adverse orders against the petitioner, in terms of Section 75 (4) of the CGST Act, it is mandatory to provide an opportunity of hearing to the



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assessee before passing any adverse order; that in the present case, no such opportunity was granted to the petitioner before confirming the demand made in the show cause notice, therefore, the impugned order is not only against the provisions contemplated under the Section 75 (4) of CGST Act but also suffers from violation of principles of natural justice, as the petitioner has not been heard before passing such order. Hence, the learned counsel prayed to set aside the impugned order.

4. The learned Government Advocate (T) for the respondent fairly admitted that no personal hearing opportunity was afforded to the petitioner subsequent to the receipt of the reply from the petitioner to the show cause notice, therefore, submitted that appropriate orders may be passed.

5. I have given due considerations to the submissions made on either side and perused the materials available on record.

6. The petitioner is an assessee on the files of the respondent under the provisions of the CGST/SGST Act. The respondent issued a show cause notice in Form DRC-01 dated 26.11.2024 for the year 2020-21. The



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petitioner, upon receipt of such show cause notice, filed reply dated 24.02.2025 in Form GST DRC-06, however, the respondent, without affording any opportunity of personal hearing to the petitioner, passed the impugned order, thereby, confirming the proposals contained in the show cause notice.

6.1 In terms of Section 75 (4) of the CGST Act, it is mandatory on the part of the respondent to provide an opportunity of hearing to the assessee before passing any adverse order, whereas, in the present case, no such opportunity was granted to the petitioner before confirming the demand made in the show cause notice, therefore, the impugned order is not only against the provisions contemplated under the Section 75 (4) of CGST Act but also suffers from violation of principles of natural justice. Hence, this Court is inclined to set aside the impugned order.

6.2 Accordingly, this Court is inclined to pass/issue the following



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orders/directions:-

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- i) The impugned order dated 26.02.2025 is set aside.
- ii) Consequently the matter is remanded to the respondent for fresh consideration.
- iii) The respondent is directed to issue a notice affording an opportunity of personal hearing to the petitioner and after considering the reply that has already been filed by the petitioner and hearing the petitioner in full, shall decide the matter in accordance with law.

7. In the result, the Writ Petition is allowed on the aforesaid terms.

No costs. Consequently, connected Miscellaneous Petitions are closed.

05.08.2025

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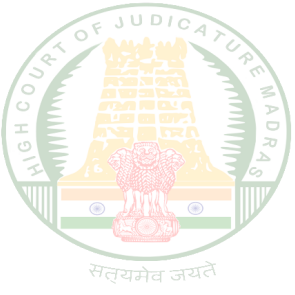
Index : yes/no

To
The Assistant Commissioner (ST)
Ganapathy Assessment Circle,
Coimbatore, T.N.

Krishnan Ramasamy,J.,

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