IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 05-11-2025

CORAM

THE HONOURABLE MR JUSTICE C. SARAVANAN

WP No. 2265 of 2025
and
W.M.P.Nos.2604 & 2605 of 2025

1. Sri Balaji Metals
Rep by its Proprietor-Vellaisamy
Chettiar Magudeswaran 10,
K.N.K.Road, Karungalpalayam, Erode -
638 003. GSTIN- 33AIHPM5787B1Z8

Petitioner(s)

Vs

1. The Assistant Commissioner(ST)
Park Road Circle, Erode.

Respondent(s)

PRAYER

Writ Petition filed under Article 226 of the Constitution of India, praying to issue a Writ of Certiorari, calling for the impugned proceedings of the Respondent in GSTIN- 33AIHPM5787B1Z8 / 2023-24 dated 05.07.2024 and the consequential Summary Order of the impugned proceedings in Form GST DRC-07 vide Reference No. ZD330724073275C dated 05.07.2024 for the Tax Period April 2023 - March 2024 and quash the same as being wholly without jurisdiction.

For Petitioner(s): Mr.S.Rajasekar

For Respondent(s): Ms.Anitha Poonkodi Dinakaran
Government Advocate

ORDER

This writ petition is being disposed of with the consent of the learned counsel for the petitioner and the learned Government Advocate for the respondent.

2. In this petition, the petitioner has challenged the impugned order dated 05.07.2024, which was preceded by a Show Cause Notice in DRC-01 dated 27.05.2024. The petitioner neither filed any reply to Show Cause Notice dated 27.05.2024 nor appeared for the personal hearing fixed. Thus, the impugned order has been passed.

3. By the impugned order, a sum of Rs.18,52,720/- has been confirmed towards tax, along with an equal amount towards penalty and interest of Rs.1,30,604/-.

4. The learned counsel for the petitioner submits that, as against the total demand of tax Rs.18,52,720/-, a sum of Rs.5,00,000/- has already been paid by the petitioner as on 30.11.2024.

5. To this effect, the learned counsel for the petitioner draws attention to

https://www.mhc.tn.gov.in/judis

the payment receipt dated 30.11.2024.

6. The learned Government Advocate for the respondent, on the other hand, submits that the respondent is unable to confirm the same and would require verification.

7. The learned counsel for the petitioner further submits that the petitioner would be satisfied if an opportunity is given to file an appropriate reply to the Show Cause Notice that preceded the impugned order.

8. Therefore, to balance the interest of both parties viz., the Assessee and the Revenue, the impugned order is quashed and the case is remanded back to the respondent, subject to the petitioner depositing 25% of the disputed tax in cash from the Petitioner's Electronic Cash Register within a period of thirty (30) days from the date of receipt of a copy of this order.

9. Within such time, the Petitioner shall also file a reply to the Show Cause Notice in GST DRC-01 dated 27.05.2024 together with requisite documents to substantiate the case by treating the impugned Order dated 05.07.2024 as an addendum to the Show Cause Notice dated 27.05.2024.

10. In case the Petitioner complies with the above stipulations, the Respondent shall proceed to pass a final order on merits and in accordance with law as expeditiously as possible, preferably, within a period of three (3) months of such reply/pre-deposit. Subject to the Petitioner complying with the above stipulations, if any attachment of the bank account of the Petitioner shall also stand automatically raised/vacated.

11. It is made clear that bank attachment shall be lifted subject to the deposit of 25% of disputed tax as ordered above and no other amount is in arrears barring the amount demanded under the impugned order.

12. In case the Petitioner fails to comply with any of the stipulations, the Respondent is at liberty to proceed against the Petitioner to recover the tax in accordance with law as if this Writ Petition was dismissed *in limine* today.

13. Needless to state, before passing any such order, the Respondent shall give due notice to the Petitioner.

14. It is needless to state that, if the amount of Rs.5,00,000/- said to have been paid on 30.11.2024 is confirmed towards the demand, no further pre-

deposit will be required for the purpose of adjudication by the respondent. This will be however subject to verification by the Respondent.

15. This Writ Petition stands disposed of with the above observations. No costs. Connected Writ Miscellaneous Petitions are closed.

05-11-2025

kak
Index:Yes/No
Speaking/Non-speaking order
Neutral Citation:Yes/No

To

1.The Assistant Commissioner(st)
Park Road Circle, Erode

https://www.mhc.tn.gov.in/judis

C.SARAVANAN, J.

kak

WP No. 2265 of 2025

05-11-2025

https://www.mhc.tn.gov.in/judis