**IN THE HIGH COURT OF JUDICATURE AT MADRAS**

DATED : 19.11.2025

CORAM :

**THE HONOURABLE MR.JUSTICE C.SARAVANAN**

**W.P.Nos.10195, 7068, 7071, 7073, 7078 & 7095 of 2024**
**and**
**WMP.Nos.11249, 11251, 7887, 7888, 7980, 7981,7896, 7897, 7905, 7906,7936 and 7937 of 2024**

Kargwal Enterprises Pvt Ltd.,
Rep by its authorised Signatory Mr.Rajendra Agarwal
219/1a, 219/2aI-Log Hub NH7,
Kasthuriba School Back Side Gollapalli
Schoolagiri, Hosur Taluk
Krishnagiri Dt. 635 109 ...Petitioner in all the cases

Vs.

1.Deputy State Tax Officer (intelligence)
Adjudication Wing, Hosur
Office of the Joint Commissioner (State Taxes) Intelligence Division
3/47, Sapthagiri Complex, Thorapalli Agraharam Village
Adj to Ashok Leyland Unit -II, F, Gandhi nagar
Hosur (TK) Krishnagiri Dt. PIN 6335 109

2. State Tax Officer (Intelligence)
Office of the Assistant
Commissioner (State Taxes) Investigation
Data Cell, Salem
Room No.316, 3rd floor
Integrated Commercial Taxes Department
Hasthampatti – 636 007

3. Assistant Commissioner (ST) (FAC)
Inspection, Salem

Officer of Joint Commissioner (DT)
Intelligence, Salem Division
Salem 636 007 ...Respondents in all the cases

**Prayer in WP.No.10195 of 2024** : Writ Petition filed under Article 226 of the Constitution of India for issuance of a Writ of Certiorari to call for the records of the 1st respondent's order dated 28.12.2023 in Reference No.33AADCK5046Q1Z7/2017-18 and quash the same.

**Prayer in WP.No.7068 of 2024** : Writ Petition filed under Article 226 of the Constitution of India for issuance of a Writ of Certiorari to call for the records of the 1st respondent's order dated 05.02.2024 in Reference No.33AADCK5046Q1Z7/2018-19 and quash the same.

**Prayer in WP.No.7071 of 2024** : Writ Petition filed under Article 226 of the Constitution of India for issuance of a Writ of Certiorari to call for the records of the 1st respondent's order dated 05.02.2024 in Reference No.33AADCK5046Q1Z7/2019-20 and quash the same.

**Prayer in WP.No.7073 of 2024** : Writ Petition filed under Article 226 of the Constitution of India for issuance of a Writ of Certiorari to call for the records of the 1st respondent's order dated 05.02.2024 in Reference No.33AADCK5046Q1Z7/2020-21 and quash the same.

**Prayer in WP.No.7078 of 2024** : Writ Petition filed under Article 226 of the Constitution of India for issuance of a Writ of Certiorari to call for the records of the 1st respondent's order dated 05.02.2024 in Reference No.33AADCK5046Q1Z7/2021-22 and quash the same.

**Prayer in WP.No.7095 of 2024** : Writ Petition filed under Article 226 of the

Constitution of India for issuance of a Writ of Certiorari to call for the records of the 1st respondent's order dated 08.02.2024 in Reference No.33AADCK5046Q1Z7/2022-23 and quash the same.

For Petitioner in all the cases : Mr.P.Rajkumar
Mr.Adithya Reddy

For Respondent in all the cases: Mr.V.Prashanth Kiran
Government Advocate

**COMMON ORDER**

Mr.V.Prashanth Kiran, learned Government Advocate takes notice for the Respondents.

2. These Writ Petitions are being disposed of at the time of admission with the consent of the learned counsel for the Petitioner and learned Government Advocate for the Respondents.

3. By this common order, all these writ petitions have been disposed of. In these writ petitions, the petitioner has challenged the respective impugned orders passed on different dates for the tax period 2017-18 to 2022-2023. By the impugned orders demands have been confirmed over and above the proposals in the respective show cause notices.

4. The respective show cause notices had called upon the petitioner to furnish the bank account details which were either not furnished in time or were furnished without proper details.

5. Therefore, the Respondent has chosen to tax the petitioner based on the difference between the turn over delcared in the GSTR 3 B and the information in bank statements as the turn over escaping assessment.

6. Learned counsel for the petitioner would submit that the respondents have given limited time for the petitioner to respond after Bank statements were furnished. It is therefore submitted that the impugned orders that have been passed on various dates mentioned above have resulted in the manifest of violation of the Principles of Natural Justice and smack of arbitrariness.

7. Defending the impugned order, learned Government Advocate for the respondents, on the other hand, would submit that the conduct of the petitioner shows that the petitioner had willfully suppressed fact despite repeated reminders in DRC 01 A intimations and in DRC 01 notices. It is submitted that there was willful supression of fact resulting in invocation of Section 74 of the respective GST Enactment Act.

8. In this connection, learned Government Advocate for the respondents, has drawn the attention to the definition of suppression in Section 74 of the respective GST Enactment Act as it stood during the period in dispute. It is submitted that the petitioner may be relegated to workout the remedy before the appellate forum considering the fact that these writ petitions have been filed within the time stipulated for filing an appeal before the appellate authority under Section 107 of the respective GST Enactment Act.

9. I have considered the arguments advanced by the learned counsel for the petitioner and the learned learned Government Advocate for the respondents.

10. Reading of the impugned order impugned in these writ petitions indicates that for the assessment year 2017-18, petitioner has not produced all the required documents.

11. As far as the other years are concerned, the petitioner has produced the bank accounts much later few days prior to the passing of the impugned orders. The petitioner has merely furnished the bank statement without a proper

explanation by correlating the amount reflected in the respective bank accounts with the turn over reflected in the GSTR 3 B and corresponding GSTR 1. The Department has stated that the petitioner has not stated the difference by giving particulars of the loan amount and other credits into the petitioner's bank account.

12. Though it is the submission of the learned counsel for the petitioner that the demand has been confirmed way beyond the proposals in GSTR 01 and 01 A is partially accepted, the fact however remains that the petitioner has delayed the proceedings resulting in the impugned order. The petitioner is also guilty of not giving proper explanation to the notices that preceded the impugned order.

13. Instead the petitioner had merely stated that there were several bank accounts and it is for the department to particularize which account's details were to be furnished. Thus, the petitioner was responsible for the orders that have been passed.

14. Therefore, to balance the interest of the Petitioner and the Respondents and considering the fact that the Petitioner is engaged in the import

of marble stones and would be have banking facilities for issuance of Letter of Credit/ Bank Guarantee as import of goods is normally accompanies such Letter of Credit/Bank Guarantee. The Petitioner is directed to furnish the bank guarantee for 10% of the disputed tax in so far as the tax confirmed on account of aforesaid difference between the turnover declared in GSTR-3B and bank statement.

15. Subject to the Petitioner furnishing the Bank Guarantee for the aforesaid amount, the Respondents shall pass a fresh order on merits in so far as the demand confirmed on the difference between the GSTR-3B Return and the Bank Statement of the Petitioner, within a period of thirty (30) days from the date of receipt of a copy of this order.

16. As so far as the other issues are concerned, the Petitioner shall not only file an appeal before the Appellate Authority within such time but also deposit 10% of the disputed tax in cash.

17. This Writ Petition stands disposed, subject to the Petitioner complying with the above requirements of furnishing bank guarantee for the difference between the amount confirmed based on the mismatch between the Petitioner's

Bank Statement and GSTR-3B Return.

18. As far as the balance amount is concerned the petitioner shall deposit 10% of the disputed tax in cash.

19. These Writ Petitions stand disposed of with the above observations. No costs. Connected Writ Miscellaneous Petitions are closed.

**19.11.2025**

Neutral Citation : Yes / No
gv

To:

1.Deputy State Tax Officer (intelligence)
Adjudication Wing, Hosur
Office of the Joint Commissioner (State Taxes) Intelligence Division
3/47, Sapthagiri Complex, Thorapalli Agraharam Village
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**C.SARAVANAN.,J.**
**<u>Gv</u>**

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