IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 21.07.2025

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The Honourable **Mr.Justice Krishnan Ramasamy**

W.P.No.23599 of 2025
and
WMP NO. 26527 OF 2025

Sree Gokulam
Chit and Finance Co Pvt Ltd,
Rep by its Director,
Mr. T.H. Pradeeshkumar Aged about 63 years,
66, Sree Gokulam Towers,
Arcot Road, Kodambakkam, Chennai - 600024

...Petitioner

Vs.

Additional Commissioner,
Office of Commissioner of GST & Central Excise,
Chennai South Commissionerate, MHU Complex,
No.692, 5th Floor, Anna Salai, Nandanam,
Chennai-600035. ...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 the records of Respondent order passed u/s.74 of CGST Act, 2017 dated 07.01.2025 bearing Order in original No.10/2025-DGGI(ADC) DIN 20250159TL00007707D6, along with a summary order dated 30.01.2025 in Form GST DRC-07 bearing Reference No. ZD3301252914499 for the period Financial Year 2017 -18 (July 2017 to April 2018) and quash the same.

For Petitioner : Mr.S.Sriniranjani

For Respondent : Mr.Rajendran Raghavan
Senior Panel Counsel

ORDER

Mr.Rajendran Raghavan, learned Senior Panel Counsel 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 dated 07.01.2025 passed by the respondent and to quash the same.

3. The issues involved in this writ petition pertains to bunching of show cause notices/orders as well as other issues. This Court in a batch of writ petitions in W.P.Nos.29716/2025 etc., batch vide order dated 21.07.2025 passed the order, quashing the show cause notices/orders. The operative portition of the said order is exracted hereunder:

28. In view of the above discussion, this Court pass the following orders:

(i) The GST Act permits only for issuance of show cause notice based on the tax period. Therefore, if the annual return is filed, the entire year would be considered as a tax period and accordingly, the show cause notice shall be issued based on the said annual returns.

(ii) If show cause notice is issued before the filing of annual returns, the same can be issued based on the filing of monthly returns;

(iii) If show cause notice is issued after the filing of annual returns or after the commencement of limitation, the said notice shall be issued based on the annual returns with regard to the relevant financial year.

(iv) No show cause notice can be clubbed and issued for more than one financial year since the same is impermissible in law.

(v) In these cases, without any jurisdiction, the impugned show cause notices/orders came to be issued/passed for more than one financial year, which is impermissible in law and hence, the same is liable to be quashed. Accordingly, the impugned show cause notices/orders stand quashed based on the aspect of clubbing of show cause notices for more than one financial year.

4. As far as the issue pertains to clubbing of show causes notices and passing of consequent orders are concerned, this writ petition stands allowed in the light of the aforesaid order passed by this Court on 21.07.2025. With respect to all other issues, it is open to the Department to issue independent show cause notice in accordance with law.

5. With the aforesaid observations, this Writ Petition stands disposed of. No costs. Consequently, connected Miscellaneous Petitions are closed.

21.07.2025

arr
Index : yes/no
Neutral Citation : yes/no

To

Additional Commissioner,
Office of Commissioner of GST & Central Excise,
Chennai South Commissionerate, MHU Complex,
No.692, 5th Floor, Anna Salai, Nandanam,
Chennai-600035.

Krishnan Ramasamy,J.,

arr

W.P.No.23599 of 2025

21.07.2025