IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 06.11.2025

CORAM :

THE HONOURABLE MR.JUSTICE C.SARAVANAN

W.P.No.29274 of 2025
and
W.M.P.No.32825 of 2025

Tvl.Sree Senthil Murugan Traders
Represented by its Proprietor
Thangavelu Kumaravelu. ... Petitioner

Vs.

The Deputy State Tax Officer – I / Deputy Commercial Tax Officer,
Padi Assessment Circle,
Station: 4th Floor, Room No.416,
The Integrated Building for Commercial Taxes,
& Registration Department (South Tower),
Nandanam, Chennai – 600 035. ... Respondent

Prayer: 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 impugned order passed in GSTIN:33AXEPK2811J1ZR/2017-18 dated 03.02.2025 on the file of the Respondent herein along with the consequential DRC – 07 Order under Section 74, Ref No.ZD330225020910Z dated 03.02.2025 on the file of the Respondent herein and quash the same.

For Petitioner : Mr.J.Poojesh

For Respondent : Mrs.K.Vasanthamala
Government Advocate

ORDER

This Writ Petition is being disposed of at the time of admission with the consent of the learned counsel for the Petitioner and learned Government Advocate for the Respondent.

2. In this Writ Petition, the Petitioner has challenged the impugned Assessment Order and the consequential recovery notice in GST DRC - 07 both dated 03.02.2025 passed under Section 74 of the respective GST enactments for the tax period 2017 – 2018 which was preceded by a Show Cause Notice in GST DRC – 01 dated 23.09.2023. The Petitioner has failed to respond the same.

3. The learned counsel for the Petitioner submits that already a sum of Rs.63,724/- has been recovered from and out of the total tax liability of Rs.2,16,920/-. He further submits that the Petitioner may be given one opportunity to explain the case afresh.

4. The learned Government Advocate for the Respondent is however unable to

confirm whether an amount of Rs.63,724/- has been recovered or not.

5. Be that as it may, following the consistent view taken under similar circumstances, the impugned order is quashed and the case is remitted back to the Respondent to re-do the exercise subject to the Petitioner depositing 25% of the disputed tax in cash from the Petitioner's Electronic Credit Ledger within a period of thirty days from the date of receipt of a copy of this order. In case, the aforesaid amount is already been recovered as has been stated by the Petitioner during the period 01.05.2025 and 27.06.2025 from the Petitioner's Electronic Credit Ledger. The amounts recovered shall be set off for the purpose of aforesaid 25%.

6. Within such time, the Petitioner shall also file a reply to the Show Cause Notices in GST DRC-01 dated 22.09.2023 together with requisite documents to substantiate the case by treating the impugned Order dated 03.02.2025 as an addendum to the Show Cause Notice dated 22.09.2023.

7. 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, the attachment of the

bank account of the Petitioner shall also stand automatically raised/vacated.

8. 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.

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

10. This Writ Petition stands disposed of with the above observations. No costs. Connected Writ Miscellaneous Petition is closed.

06.11.2025

Neutral Citation : Yes / No

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To:

The Deputy State Tax Officer – I / Deputy Commercial Tax Officer,
Padi Assessment Circle,
Station: 4th Floor, Room No.416,
The Integrated Building for Commercial Taxes,
& Registration Department (South Tower),
Nandanam, Chennai – 600 035.

C.SARAVANAN, J.

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