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W.P.No.28575 of 2025

IN THE HIGH COURT OF JUDICATURE AT MADRAS

Dated : 31.07.2025

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THE HON'BLE Mr. JUSTICE KRISHNAN RAMASAMY

W.P.No.28575 of 2025
& W.M.P.Nos.31996 & 31997 of 2025

M/s.Shine Metals

... Petitioner

Vs.

The Additional Director,
Directorate General of GST Intelligence (DGGI),
Chennai Zonal Unit,
No.16th, BSNL Building, Tower-II,
5th & 8th Floors, Greams Road,
Chennai - 600 006.

... Respondent

Prayer:

Writ Petition filed under Article 226 of the Constitution of India praying to issue a Writ of Certiorari calling for the records pertaining to the Impugned Show Cause Notice No.36/2025 dated 02.07.2025 issued by the respondent and quash the same.

For Petitioner : Mr.Vikram Ramakrishnan
for Tatva Legal Chennai

For Respondent : Ms.Pooja Jain,
Junior Panel Counsel



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ORDER

This writ petition has been filed challenging the Impugned Show

Cause Notice No.36/2025 dated 02.07.2025 issued by the respondent.

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2. Ms.Pooja Jain, learned Junior Panel Counsel, takes notice on behalf of the respondent. By consent of the parties, the main writ petition is taken up for disposal at the admission stage itself.

3. When this writ petition was taken up for hearing, the learned counsel for the petitioner and the learned Junior Panel Counsel for the respondent would submit that the issue involved in the present petition is with regard to the bunching of show cause notice, i.e., issuance of single show cause notice for more than one financial year.

4. Further, they would submit that the aforesaid issue has already been decided by this Court vide common order dated 21.07.2025 passed in W.P.Nos.29716 of 2024, etc., batch, wherein it has been held as follows:

“28. (i) The GST Act permits only for issuance of



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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.”



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5. Therefore, considering the submissions made by the learned counsel for the petitioner and by following the aforesaid order dated 21.07.2025 passed in W.P.Nos.29716 of 2024, etc., batch, this Court holds that in this case, without any jurisdiction, the impugned show cause notice came to be issued for more than one financial year, viz., 2021-22 to 2022-23, which is impermissible in law and hence, the same is liable to be quashed.

6. Accordingly, this Court passes the following order:

(i) The impugned show cause notice dated 02.07.2025 is quashed.

(ii) The respondent is directed to de-freeze the bank account of the petitioner immediately upon production of a copy of this order, if any.

(iii) The respondent is granted liberty to initiate separate proceedings, against the petitioner, for each financial year.



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7. With the above directions, this writ petition is disposed of. No

cost. Consequently, the connected miscellaneous petitions are also closed.

31.07.2025

Speaking/Non-speaking order

Index : Yes / No

Neutral Citation : Yes / No

vm

To

The Additional Director,
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Chennai Zonal Unit,
No.16th, BSNL Building, Tower-II,
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