IN THE HIGH COURT OF JUDICATURE AT MADRAS

Dated : 25.08.2025

CORAM
THE HON'BLE Mr. JUSTICE KRISHNAN RAMASAMY

W.P.No.31352 of 2025
& W.M.P.Nos.35083, 35084 & 35085 of 2025

M/s.SS Ryders India Pvt. Ltd.,
Rep. by its Authorised Signatory Mr.S.Suresh,
Having its Principal place of business at
Door No.108/11A, Shop No.3, NPM Complex,
Bangalore Road, Irungattukottai 602 117
Sriperumpudur Taluk, Kanchipuram District.
(GSTN33AATCS8733L1ZL) ... Petitioner

Vs.

1.The Assistant Commissioner (ST),
Sriperumbudur Assessment Circle,
4/109, Ground floor, Bangalore Chennai Highway,
Varadarajapuram, Nazarathpet,
Chennai - 600 123.

2.The Commissioner of Commercial Taxes,
Ezhilagam, Chepauk,
Chennai - 600 005. ... Respondents

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 Final Order in Form GST DRC-07 dated 31.08.2024 Ref No.ZD330824300705L and the Rectification Order in Form GST DRC-08 dated 07.03.2025 (Ref: ZD330325038435L), both issued by the first respondent.

For Petitioner	:	M/s.Santhi
For Respondents	:	Mrs.K.Vasanthamala, Government Advocate (T)

ORDER

This writ petition has been filed challenging the orders dated 31.08.2024 and 07.03.2025 passed by the first respondent.

2. Mrs.K.Vasanthamala, learned Government Advocate, takes notice on behalf of the respondents. By consent of the parties, this writ petition is taken up for hearing at the admission stage itself.

3. Learned counsel for the petitioner would submit that initially the respondents have issued a notice DRC-01A, to which a reply was filed on 28.03.2022 and thereafter, no order was passed. Hence, the petitioner was under the impression that the respondents have dropped the

proceedings. Under these circumstances, without affording an opportunity of personal hearing, the impugned order dated 31.08.2024 was passed by the first respondent, confirming the SGST demand of Rs.40,17,117/-. Challenging the same, the petitioner has filed a rectification application, wherein the SGST demand was revised and reduced from Rs.40,17,117/- to Rs.13,54,769/-. The present writ petition has been filed, challenging the order dated 31.08.2024 and rectification order dated 07.03.2025.

4. Learned counsel for the petitioner would further submit that after a lapse of 27 months, on 21.05.2024, the respondents issued the notice DRC-01 and passed the impugned order dated 31.08.2024, without affording an opportunity of personal hearing. Therefore, they pleaded this Court to set aside the impugned orders and remit back the matter to the respondents for fresh consideration, after providing an opportunity of hearing to the petitioner, subject to the payment of 25% of disputed tax.

5. Learned Government Advocate appearing for the respondents would submit that the petitioner have filed their reply for DRC-01A on 28.05.2022, and no reply was filed for DRC-01. Therefore, she would

submit that it cannot be said that the petitioner was not aware of the initiated proceedings. Hence, she prays for appropriate orders.

6. Heard the learned counsel on either side and perused the materials available on record.

7. It appears that initially, the petitioner received notice DRC-01A and to which reply was filed on 28.03.2022. Thereafter, almost, after a lapse of 27 months, notice DRC-01 was issued on 25.01.2025. As per Section 73 of the CGST Act, in the event that the respondents are not convinced with the petitioner's reply, they ought to have issued DRC-01, atleast three months before the expiry of the limitation period and completed the proceedings. In the event, any proceedings have been initiated under Section 74 of CGST Act, the same has to be completed within a period of six months.

8. In the present case, though DRC-01A was issued and reply was filed in the month of March 2022, the DRC-01 was issued on only on 25.01.2025, i.e, after a lapse of 27 months, which is against the law

mandated under Section 73 & 74 of CGST Act. Therefore, this Court is inclined to pass the following orders:-

(i) The impugned orders dated 31.08.2024 & 07.03.2025 are set aside and the matter is remanded to the respondents for fresh consideration.

(ii) The petitioner shall file their reply along with the required documents, if any, within a period of two weeks from the date of receipt of a copy of this order.

(iii) On filing of such reply by the petitioner, the respondents shall consider the same and issue a 14 day clear notice, by fixing the date of personal hearing, to the petitioner and thereafter, pass appropriate orders on merits and in accordance with law, after hearing the petitioner, as expeditiously as possible.

With the aforesaid direction, this writ petition is disposed of. No costs. Consequently, connected miscellaneous petitions are closed.

25.08.2025

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

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2.The Commissioner of Commercial Taxes,
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KRISHNAN RAMASAMY.J.,

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