IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 02.09.2025

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THE HONOURABLE MR.JUSTICE MOHAMMED SHAFFIQ

W.P.No. 31301 of 2025
and
W.M.P.Nos. 35027 and 35029 of 2025

M/s.Aruna Battery Sales & Service & Co.,
Rep. By its Proprietor, Mr.Ramesh Balaraman,
No.106, Heerachand Complex,
Gingee Road, Tindivanam,
Viluppuram, Tamil Nadu – 604001. ..Petitioner

Vs.

The Deputy State Tax Officer,
Tindivanam Assessment Circle,
Viluppuram Zone, Cuddalore Division. ..Respondent

PRAYER: Writ Petition filed under Article 226 of the Constitution of India, praying to issue Writ of Certiorari, calling for records of the respondent pertaining to the impugned order dated 03.02.2025 with Ref No.ZD3302250163123 and quash the same and consequently, direct the respondent to de-freeze the bank account No.189700050900092 held with Tamil Nadu Mercantile Bank, Tindivanam Branch.

For Petitioner : Mr.Aadeish

For Respondent : Mrs.K.Vasanthamala
Government Advocate (Tax)

ORDER

The present Writ Petition is filed challenging the impugned order passed by the respondent dated 03.02.2025 relating to the assessment year 2020-21.

2. The petitioner is engaged in the business of selling batteries and is a registered dealer under Goods and Services Act, 2017. During the relevant period, the petitioner had filed its return and paid appropriate taxes. However, on verification of the monthly returns, it was found that there was mismatch between GSTR -3B and GSTR-2A.

2.1. Pursuant thereto, a notice in GST DRC 01 was issued to the petitioner on 26.11.2024. Further, personal hearing was offered on 28.12.2024 but, the said notice was not directly served on the petitioner but were merely uploaded in the GST portal. However, the petitioner had neither filed its reply nor availed the opportunity of personal hearing. Hence, the impugned order came to be passed, confirming the proposal.

3. The learned counsel for the petitioner would place reliance upon the recent

judgment of this Court in the case of ***M/s.K.Balakrishnan, Balu Cables vs. O/o. the Assistant Commissioner of GST & Central Excise in W.P.(MD)No.11924 of 2024 dated 10.06.2024,*** to submit that this Court had remanded the matter back in similar circumstances subject to payment of 25% of the disputed taxes.

4. It is also the case of the petitioner that subsequent to the order of assessment, the petitioner had remitted entire amount of the disputed taxes and his only request is that the same may be adjusted towards payment of 25% of the disputed tax and, he would further submit that he is ready and willing to demonstrate before the respondent that the entire tax has been paid, to which, the learned Additional Government Pleader appearing for the respondent does not have any serious objection.

5. By consent of both parties, the writ petition stands disposed of on the following terms:

a) The impugned order dated 03.02.2025 is set aside.

b) The petitioner shall deposit 25% of the disputed taxes as agreed to by both the learned counsel for the petitioner and the respondent, within a period of four weeks from the date of uploading of web copy without waiting for the receipt of the certified copy.

c) If any amount has been recovered or paid out of the disputed taxes, including by way of pre-deposit in appeal, the same would be reduced/adjusted, from/towards the 25% of disputed taxes directed to be paid. The assessing authority shall then intimate the balance amount out of 25 % of disputed taxes to be paid, if any, within a period of one week from the date of uploading of web copy without waiting for the receipt of the certified copy. The petitioner shall deposit such remaining sum within a period of three weeks from such intimation.

d) Failure to comply with the above condition viz., payment of 25% of disputed taxes within the stipulated period i.e., four weeks from the date of uploading of web copy of this order, shall result in restoration of the impugned order.

e) If there is any recovery by way of attachment of Bank account or garnishee proceedings, the same shall be lifted /withdrawn on complying with the above condition viz., payment of 25 % of the disputed taxes.

f) On complying with the above condition, the impugned order of assessment shall be treated as show cause notice and the petitioner shall submit its objections within a period of four (4) weeks from the date of compliance of the conditions relating to deposit in Clause (b) and (c) supra, along with supporting documents/material. If any such objections are filed, the same shall be considered by the respondent and orders shall be passed in accordance with law after affording a reasonable opportunity of hearing to the petitioner. It is made clear that if the above conditions viz., payment of 25% of disputed taxes is not complied or objections are not filed within the stipulated time as stated above the impugned order of assessment shall stand restored.

6. There shall be no order as to costs. Consequently, connected miscellaneous petitions are closed.

02.09.2025

Speaking (or) Non Speaking Order
Neutral Citation: Yes/No
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MOHAMMED SHAFFIQ, J.

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To

The Deputy State Tax Officer,
Tindivanam Assessment Circle,
Viluppuram Zone, Cuddalore Division.

W.P.No.31301 of 2025

02.09.2025