IN THE HIGH Court OF JUDICATURE AT MADRAS

DATED : 17.12.2025

CORAM :

**THE HONOURABLE MR.JUSTICE C.SARAVANAN**

**WP No.31508 of 2025**
**and**
**WMP.Nos.35274 & 35276 of 2025**

TVL. SRI KALKI TRADING
Rep by its Partner Mr.Nalla Muthu R aja
N.No.65/111, Angalamman Koil Street,
Choolai, Chennai 600 112 ...Petitioner

Vs.

The State Tax Officer
Choolai Assessment Circle
No.1, PAPAJM, Annexure Building,
Greams Road, 1st floor
Chennai 06 ...Respondent

**Prayer** : This Writ Petition is filed under Article 226 of the Constitution of India for issuance of the Writ of Certiorari to call for the records of the respondent in Order dated 15.05.2025 in GSTIN: 33ABYS6119B1Z1/2021-22 bearing Ref.No.ZD330525156067F and quash the same.

For Petitioner :Mr.C.Rekhakumari
For Respondent :Mrs.P.Selvi, GA

**ORDER**

Mrs.P.Selvi, learned Government Advocate takes notice for the Respondent.

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

3. The petitioner is before this court against the impugned order dated 15.05.2025 passed by the Respondent for the tax period 2021-2022, whereby the assessment order dated 22.10.2024 in Form GST DRC – 07 has been revised.

4. The tax amount that was proposed in the Show Cause Notice in DRC-01 was confined to tax liability of Rs.1,06,484/- further along with interest and penalty as detailed below:-

| Sl.No. | Tax | Interest | Penalty | Total |
|---|---|---|---|---|
| 1 | 53,242.00 | 17,224.00 | 10,000.00 | 80,466,00 |
| 2 | 53,242.00 | 17,224.00 | 10,000.00 | 80,466,00 |
| 3 | 53,242.00 | 17,224.00 | 10,000.00 | 80,466,00 |
| | 1,06,484,00 | 34,448.00 | 20,000.00 | 1,60,932.00 |

5. However, by the impugned order, the tax liability has been increased multi-fold times as detailed below **:-**

**ABSTRACT OF TOTAL DEMAND PROPOSED**

| **ISSUE** | **TAX** | | **INTEREST** | | | | **PENALTY** | | |
|---|---|---|---|---|---|---|---|---|---|
| | **CGST** | **SGST** | **IGST** | **CGST** | **SGST** | **IGST** | **CGST** | **SGST** | **IGST** |
| As per notice | 32,37,942 | 32,37,942 | 0 | 1462663 | 1462663 | | 323794 | 323794 | 0 |

6. Section 161 of the respective GST Enactments contemplates a proper Show Cause Notice to be issued to the assessee in case any order prejudicial to the assessee is to be made as per the third proviso to Section 161 of the respective GST Enactments revising the assessment orders passed in G ST DRC-07 for the respective tax period.

7. Since the impugned order has been passed without proper Show Cause Notice to the petitioner to file a reply and appear for personal hearing and whereby, the assessment order dated 22.10.2024 has been revised, the impugned order is unsustainable and therefore deserves to be quashed.

8. Accordingly, the impugned order is quashed and the case is remitted back to the respondent to pass a fresh order on merits within a period of 30 days from the date of receipt of a copy of this order.

**C.SARAVANAN.J**

**gv**

9. Within such time, the Petitioner shall file a reply to the Show Cause Notice dated 15.05.2025 by treating the impugned order as an addendum to the Show Cause Notice dated 15.05.2025 and the Respondent thereafter shall proceed to pass appropriate order on merits.

10. This Writ Petition stands allowed by way of remand with the above observations. No costs. Connected Miscellaneous Petitions are closed.

**17.12.2025**

Neutral Citation: Yes/No
gv

To

The State Tax Officer
Choolai Assessment Circle
No.1, PAPAJM, Annexure Building,
Greams Road, 1st floor
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