IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 18.09.2025

CORAM

THE HONOURABLE MR.JUSTICE C.SARAVANAN

W.P.No.33130 of 2025
and
W.M.P.Nos.37214 & 37215 of 2025

M/s.Alpha Beta Trade Links,
Represented by its Director,
Mr. Bharath Kumar Dugar,
No.56/2, Audiappa Naicken Street,
Sowcarpet, Chennai – 600079. ... Petitioner

Vs.

The Deputy State Tax Officer,
Peddunaickenpet Assessment Circle,
No.32, Second Floor,
Elephant Gate Bridge Road,
Chennai – 600003. ... Respondent

Prayer: Writ Petition is filed under Article 226 of the Constitution of India, for issuance of a Writ of Certiorari, calling for the records on the file of the respondent and quash the impugned Assessment Order dated 27.08.2024 bearing File No. 33ABJFA6568P1ZS/2019-20 passed by the respondent as arbitrary.

For Petitioner : Mr.J.Ashish

For Respondent : Mr.T.N.C.Kaushik
Additional Government Pleader

ORDER

The petitioner is before this Court against the impugned Order dated 27.08.2024.

2. The impugned order has been preceded by a Show Cause Notice in Form GST DRC-01 dated 31.05.2024 and three reminders dated 15.07.2024, 29.07.2024 and 06.08.2024. After repeated reminders, the petitioner filed a reply on 15.08.2024.

3. In the said reply, the petitioner specifically requested for a personal hearing. However, without giving an opportunity of personal hearing, the impugned order has been passed on 27.08.2024.

4. It is noticed that, the dispute was on account of the discrepancy between the Input Tax Credit availed in Form GSTR-3B and the amount reflected in Form GSTR-2A.

5. It appears that the petitioner had availed a sum of Rs.4,85,32,521/- as Input Tax Credit under the tax heads CGST and SGST. However, the petitioner appears to be eligible only a sum of Rs.4,55,65,056/- under the tax heads CGST and SGST as per GSTR-2A.

6. The petitioner claims that excess amount that was availed in Form GSTR-3B was not utilised and the same was reversed during the month of June 2020 and therefore, levying of interest under Section 50(3) of the respective GST enactment, was unjustified.

7. The Learned Additional Government Pleader appearing for the respondent would submit that there is no disputed question of fact and that interest is payable as a consequence of the wrongful availment of the Input Tax Credit and therefore, there is no reason for entertaining this writ petition. Hence, he prays for dismissal of this Writ Petition.

8. That apart, the Learned Additional Government Pleader would submit that the impugned order was passed on 27.08.2024, whereas the present writ petition was filed on 30.07.2025 approximately with a delay of more than a year and therefore, on this ground also, the Writ Petition is liable to be dismissed.

9. Having considered the submissions made by the learned counsel for the petitioner and Learned Additional Government Pleader for the respondent and having considered the consistent view taken by this Court in similar circumstances, this Court is inclined to come to the rescue of the petitioner by quashing the impugned Assessment Order dated 27.08.2024 on terms subject to the petitioner depositing 25% of the disputed tax in cash from the Petitioner's Electronic Cash Register within a period of thirty (30) days from the date of receipt of a copy of this order. It is needless to state that, the said 25% of the disputed tax to be deposited only as pre-deposit, which is subject to final adjustment or further demand in terms of the demand order.

10. The petitioner shall also file a reply to the Show Cause Notice dated 31.05.2024 by treating the impugned Assessment Order dated 27.08.2024 as an addendum to the Show Cause Notice dated 31.05.2024 within a period of thirty (30) days from the date of receipt of a copy of this order.

11. Subject to the petitioner complying with the above stipulated conditions, the respondent shall proceed to pass fresh orders on merits and in accordance with law as expeditiously as possible, preferably, within a period of

three (3) months thereafter. It is needless to state that, before passing such order, the petitioner shall be heard.

12. In case the petitioner fails to comply with any of the conditions stipulated above, 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.

13. With the above directions, this Writ Petition stands disposed of. Consequently, connected miscellaneous petitions are closed. No costs.

18.09.2025

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Neutral Citation : Yes / No

To

The Deputy State Tax Officer,
Peddunaickenpet Assessment Circle,
No.32, Second Floor, Elephant Gate Bridge Road,
Chennai – 600003.

C.SARAVANAN, J.

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W.P.No.33130 of 2025

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