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IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 09.09.2025

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THE HONOURABLE MR.JUSTICE MOHAMMED SHAFFIQ

W.P. No.33281 of 2025
and
W.M.P. Nos.37418 and 37419 of 2025

Tvl. Magnum Pneumatics,
Rep. by its proprietor Mr.Prem Kumar,
No.174, 1st Street, Gandhipuram,
Coimbatore 641 012.

Petitioner(s)

Vs

Assistant Commissioner (ST)
Gandhipuram Assessment circle,
Coimbatore.

Respondent(s)

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 order passed in Form GST DRC-07 vide Ref.No.ZD3303241852610 dated 27.03.2024 demanding a sum of Rs.3,62,823/- dated 27.03.2024 towards tax, interest and penalty and the consequent communication in Form GST DRC-13 vide Reference No.33AREPP9658G1ZE/2018-19 dated 06.05.2025 towards freezing of bank accounts and quash the same.

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For Petitioner(s) : Mr.R.Mansoor Ilahi

For Respondent(s) : Mrs.R.Vasanthamala
Government Advocate

ORDER

By consent of learned counsel on both sides, this writ petition is taken up for final disposal at the admission stage itself.

2. The present writ petition is filed challenging the impugned order dated 27.03.2024 relating to the assessment year 2018-19.

3. It is submitted by the learned counsel for the petitioner that the petitioner is engaged in the business of dealership in PET Bottle Blowing Machine and is registered under the Goods and Services Tax Act, 2017. During the relevant period 2018-19, the petitioner filed its returns and paid the appropriate taxes. However, on verification of the returns the following discrepancies were *inter-alia* noticed:

i) ITC difference between GSTR 3B and 2A and

ii) Mismatch between GSTR 1 and 3B.

4. Pursuant thereto, a notice in GST ASMT-10 was issued on 11.10.2023,

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followed by GST DRC-01A notice dated 23.01.2024 and show cause notice in GST DRC-01. However, the petitioner had not responded to any of the above notices, the impugned order was thus passed confirming the proposal. It is submitted by the learned counsel for the petitioner that neither the show cause notices nor the impugned order of assessment has been served on the petitioner by tender or sending it by RPAD, instead it had been uploaded under "additional notices and orders" tab on the GST Portal, thereby, the petitioner was unaware of the initiated proceedings and was thus unable to participate in the adjudication proceedings. It is submitted by the learned counsel for the petitioner that if the petitioner is provided with an opportunity, they would be able to explain the alleged discrepancies.

5. 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 has remanded the matter back in similar circumstances subject to payment of 25% of the disputed taxes.

6. It was further submitted that the petitioner is ready and willing to pay

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25% of the disputed tax and that they may be granted one final opportunity before the adjudicating authority to put forth their objections to the proposal. It was submitted that pursuant to the impugned order of assessment, recovery proceedings were initiated and bank accounts have been attached and requests that the same may be lifted on payment of 25% of disputed taxes, to which the learned Government Advocate appearing for the respondent does not have any serious objection.

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

a) The impugned order dated 27.03.2024 is set aside.

b) The petitioner shall deposit 25% of the disputed taxes as admitted by 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

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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.

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

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Speaking (or) Non Speaking Order
Index : Yes/ No
Neutral Citation: Yes/No
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To:

Assistant Commissioner (ST)
Gandhipuram Assessment circle, Coimbatore.

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MOHAMMED SHAFFIQ, J.

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