

W.P. No.32979 of 2025

IN THE HIGH COURT OF JUDICATURE AT MADRAS

WEB COPY

DATED : 01.09.2025

CORAM

THE HONOURABLE MR.JUSTICE MOHAMMED SHAFFIQ

W.P. No.32979 of 2025

and

W.M.P. Nos.36989 and 36990 of 2025

Shibu Kumar,
Prop. M/s.Royal Constructions,
57/15, Shiva Moorhy Complex,
Shop No.6, First Floor, M.T.H.Road,
Padi, Chennai 600 050.
GSTIN/ID-33CLDPS7263M1ZK

... Petitioner

Vs.

1. State Tax Officer,
Padi Assessment Circle,
Integrated Commercial Taxes &
Registration Department Building,
Room No.426, 4th Floor, Nandanam,
Chennai 600 035.

2. HDFC Bank,
Rep. by the Bank Manager,
Annanagar, West Branch,
No.1513/E1, East Main Road,
Annanagar West, Chennai 600 101.

... Respondent

PRAYER: Writ Petition filed under Article 226 of the Constitution of India, praying to issue a Writ of Certiorarified Mandamus, to call for the records on the file of the 1st respondent in connection with impugned assessment order vide Ref



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No. ZD330824085014I dated 12.08.2024 and quash the same as illegal, arbitrary and consequently directing the 1st respondent to redo the assessment proceedings for the 2019-20 after giving full and fair opportunity to the petitioner as well as revocation of the blocking of access to funds from the petitioners bank account (HDFC Bank Current Account No. 15962020000521 and HDFC Bank Savings Account No. 15961530002445) which is with the second respondent.

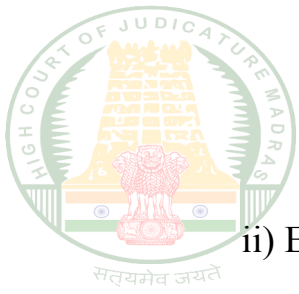
For Petitioner	: Mr.A.Ganesh
For R1	: Mr.V.Prashanth Kiran Government Advocate
For R2	: Mr.C.Mohan, Ms.A.Rexy Josephine Mary for M/s.King and Patridge

ORDER

The present writ petition is filed challenging the impugned order dated 12.08.2024 relating to the assessment year 2019-20.

2. It is submitted by the learned counsel for the petitioner that the petitioner is engaged in the business of construction and is registered under the Goods and Services Tax Act, 2017. During the relevant period of 2019-20, petitioner filed its returns and paid the appropriate taxes. However, on verification of the returns the following discrepancies were *inter-alia* noticed:

i) Reconciliation of GSTR 01 with GSTR 3B



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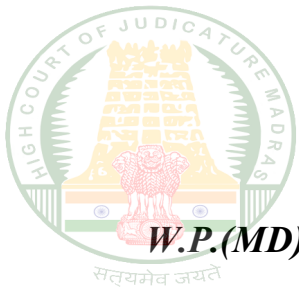
ii) Excess claim of Input Tax Credit

iii) Under declaration of Ineligible Input Tax Credit and

iv) Interest on Late Payment of GSTR 3B

3. Pursuant thereto, a notice in DRC-01 was issued on 20.05.2024, followed by two reminder notices dated 13.07.2024 and 22.07.2024 with personal hearing on 22.07.2024 and 30.07.2024. 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, 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.

4. 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*



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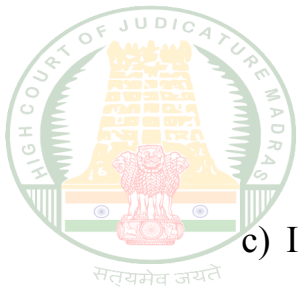
W.P.(MD)No.11924 of 2024 dated 10.06.2024, to submit that this court has

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

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

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

- a) The impugned order dated 12.08.2024 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.



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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



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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.

7. 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:

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MOHAMMED SHAFFIQ, J.

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