IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 11.09.2025

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THE HONOURABLE MR.JUSTICE MOHAMMED SHAFFIQ

W.P. No.33966 of 2025
and
W.M.P.Nos.38112 and 38114 of 2025

Chilakapati Srinivasa Rao,
(Trade Name:Tvl.Chowdhry Ceramics)
represented by its Proprietor,
No.121, J.N.Salai 100 Feet Road, Senthil Nagar,
Arumbakkam, Chennai, Tamil Nadu 600 106. .. Petitioner

Vs.

Assistant Commissioner ST
Vadapalani: Central-I: Chennai,
Central: Tamil Nadu.

.. Respondent

PRAYER: Writ Petition filed under Article 226 of the Constitution of India, praying to issue a Writ of Certiorarified Mandamus, calling for the records of Order of Assessment in DRC-07 bearing Reference No.ZD330824265033K in GSTIN/33AKRPS6413L1ZM/APR 2019-MAR 2020 dated 28.08.2024 passed by the respondent and to quash the same and to further direct the respondent to lift the Bank Attachment Notice in Roc.No.33AKRPS6413L1ZM/APR 2019- MAR 2020 dated 04.12.2024 issued by the respondent on the petitioner's banker.

For Petitioner : Mr.R.Ganesh Kanna

For Respondent : Mrs.Amritha Dinakaran
Government Advocate

ORDER

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

2. The present writ petition is filed challenging the impugned order dated 28.08.2024 relating to the assessment year 2019-20 and the consequential Bank Attachment Notice dated 04.12.2024.

3. It is submitted by the learned counsel for the petitioner that the petitioner is a company registered under the Goods and Services Tax Act, 2017 and had filed its returns and paid the appropriate taxes for the assessment year 2019-2020. However, on verification of the returns the following discrepancies were *inter-alia* noticed:

i) Excess availment of Input Tax Credit

ii) Discrepancy in Credit Notes

4. Pursuant thereto, a notice in DRC-01 was issued to the petitioner on 31.05.2024, followed by three reminder notices dated 06.07.2024, 09.07.2024 and 24.07.2024 with personal hearing fixed on 08.07.2024, 15.07.2024 and 29.07.2024. However, 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.

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 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 is submitted by the learned counsel for petitioner that pursuant to the impugned order of assessment, recovery proceedings were initiated and bank accounts have been attached vide Bank Attachment Notice dated 04.12.2024 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 28.08.2024 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.

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.

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

11.09.2025

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

MOHAMMED SHAFFIQ, J.

spp

To:

Assistant Commissioner ST
Vadapalani: Central-I: Chennai,
Central: Tamil Nadu.

W.P. No.33966 of 2025

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