IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 12.09.2025

CORAM

THE HONOURABLE MR.JUSTICE MOHAMMED SHAFFIQ

W.P. No.33989 of 2025
and
W.M.P. Nos.38143 and 38144 of 2025

Tvl.Koorag Polymers,
Represented by its Partner,
Thiru.Murugan,
No.127, Perumal Nagar, 2nd Street,
Thiruneermalai Road, Thirumudivakkam,
Chennai-600 044. ...Petitioner(s)

vs.

1.The State Tax Officer,
Thirumudivakkam Assessment Circle,
1st Floor, Room No.123 & 124,
Greenways Road, Raja Annamalaipuram,
Mylapore, Chennai-600 028.

2.The Manager,
Canara Bank, 184/2, SIDCO Industrial Estate,
Thirumudivakkam, Chennai-600 044. ...Respondent(s)

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 the impugned order on the file of respondent vide DRC-07 Ref.No.ZD3302251938266 for the assessment year 2020-2021 and consequently direct the respondents to quash the same as illegal and devoid of merits and remand back the matter for fresh adjudication after providing an opportunity to the petitioner to submit explanation and the supporting documents as well as revocation of the blocking of access to funds from the petitioner's bank current account number 3412261000121 with the 2nd respondent.

For Petitioner(s)	: Mr.T.Suresh
For Respondent(s) 1	: Mr.T.N.C.Kaushik Additional Government Pleader

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 19.02.2025 relating to the assessment year 2020-21.

3. It is submitted by the learned counsel for the petitioner that petitioner is engaged in the business of manufacture of plastic moulded components and provides custom moulding service and is registered under the Goods and Services Tax Act, 2017. During the relevant period 2020-21, the petitioner filed its returns and paid the appropriate taxes. However, on verification of the returns the following discrepancies were *inter-alia* noticed:

i) Excess claim of Input Tax Credit;

ii) Interest due for late payment of GSTR-3B and

iii) Late Fee for GSTR-1 Filing.

4. Pursuant thereto, a show cause notice in DRC-01 was issued on 25.11.2024 with personal hearing on 11.12.2024 , followed by three reminder notices dated 27.12.2024, 06.01.2025 and 13.01.2025 with personal hearing on 02.01.2025, 09.01.2025 and 20.01.2025. 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 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 was submitted that pursuant to the impugned order of assessment, bank accounts have been attached and requests that the same may be lifted on payment of 25% of disputed taxes, to which the learned Additional Government Pleader appearing for 1st 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 19.02.2025 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.

12.09.2025

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

To:
1.The State Tax Officer,
Thirumudivakkam Assessment Circle,
1st Floor, Room No.123 & 124,
Greenways Road, Raja Annamalaipuram,
Mylapore, Chennai-600 028.

2.The Manager,
Canara Bank, 184/2, SIDCO Industrial Estate,
Thirumudivakkam, Chennai-600 044.

MOHAMMED SHAFFIQ, J.

mka

W.P. No.33989 of 2025

12.09.2025