IN THE HIGH COURT OF JUDICATURE AT MADRAS

Dated : 15.09.2025

Coram:

THE HONOURABLE MR.JUSTICE MOHAMMED SHAFFIQ

W.P.No.34455 of 2025
and W.M.P.Nos.38603 & 38604 of 2025

Jeeva
[Trade Name: Tvl.Sri Balaji Glass Work]
represented by its Proprietor,
No.75, By Pass Road, Kurinjipadi,
Cuddalore, Tamil Nadu – 607 302.

...Petitioner

Versus

1.Deputy Commercial Tax Officer,
Cuddalore (Taluk): Cuddalore
Cuddalore: Tamil Nadu

2.Deputy State Tax Officer – GST Inspector,
O/o. The Deputy Commissioner (ST) Cuddalore,
Attached with the O/o.
the Assistant Commissioner (ST),
Cuddalore Taluk, Cuddalore.

...Respondents

Writ Petition filed under Article 226 of the Constitution of India praying for issuance of a writ of certiorarified mandamus calling for the records of Original Order of Assessment in DRC-07 bearing Reference No.ZD330225141523U in GSTIN/ID: 33ATPPJ8132Q1Z1/APR 2020 – MAR 2021 dated 14.02.2025 passed by the 1st respondent and to quash the same and to further direct the 2nd respondent to lift the Bank Attachment in

Form DRC-13 bearing GSTIN 33ATPPJ8132Q1Z1/2020-21 dated 24.06.2025 issued on the petitioner's banker.

For Petitioner : Mr.R.Ganesh Kanna
For Respondents : Mr.V.Prashanth Kiran, Government Advocate (Tax)

ORDER

Mr.V.Prashanth Kiran, learned Government Advocate (Tax) takes notice for the respondents.

2. The present writ petition has been filed by the petitioner challenging the Original Order of Assessment in Form GST DRC-07 dated 14.02.2025 passed by 1st respondent and Bank Attachment Notice in Form DRC-13 dated 24.06.2025 issued by 2nd respondent, to the petitioner's Banker.

3. The learned counsel for the petitioner submitted that the petitioner has been duly filing their returns and paying all the statutory taxes. However, on scrutinization of the returns filed by the petitioner for the year 2020-21, following discrepancies were *inter-alia* noticed:

(i) Excess ITC availed in GSTR-3B compared to the tax on inward supplies declared by the suppliers;

(ii) ITC to be reversed on non-business transactions & exempt supplies

(iii) Under declaration of ineligible ITC

Hence, 1st respondent issued a Show Cause Notice in Form GST DRC-01 dated 25.11.2024, followed by three Reminder Notices dated 02.01.2025, 01.02.2025 & 05.02.2025. However, the petitioner neither replied to the Show Cause Notice nor appeared for personal hearing. Therefore, 1st respondent has passed the impugned Order of Assessment dated 14.02.2025 along with Form GST DRC-07 dated 14.02.2025, confirming the demands proposed in the Show Cause Notice and directing the petitioner to pay the demand of Rs.12,30,891/- comprising tax, interest and penalty. Subsequently, the respondent has issued a Bank Attachment Notice in Form GST DRC-13 dated 24.06.2025 to the petitioner's Banker viz., The State Bank of India, Neyveli Branch, Chennai seeking to recover a sum of Rs.7,85,935/- from the petitioner's Bank Account towards the tax dues arising out of the impugned order of assessment.

3.1. It is submitted by the learned counsel for the petitioner that both the Show Cause Notice and the impugned Order of Assessment had not been served to the petitioner either by tender or by way of RPAD, instead, the same had been uploaded in “View Additional Notices/Orders” tab of GST portal and thus, the petitioner was unaware of the proceedings initiated by 1st respondent and was also unable to participate in the adjudication proceedings. It is also submitted by the learned counsel for the petitioner that if the petitioner is provided with an opportunity, the petitioner would be able to explain the alleged discrepancies.

3.2. The learned counsel for the petitioner has placed reliance on the order passed by 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 in similar circumstances, this Court has remanded the matter back to the respondent, subject to the payment of 25% of the disputed tax by the petitioner therein.

3.3. The learned counsel for the petitioner further submitted that the petitioner is ready and willing to pay 25% of the disputed tax amount and that on such payment, attachment made in petitioner's Bank Account may be ordered to be lifted and one final opportunity may be granted to the petitioner to put forth their objections to the proposal before the Adjudicating Authority, to which, the learned Government Advocate (Tax) appearing for the respondents does not have any serious objection.

4. By consent of the learned counsel on both sides, this Writ Petition stands disposed of on the following terms:

(a) The impugned order of assessment in Form GST DRC-07 dated 14.02.2025 passed by 1st respondent is quashed.

(b) The petitioner shall deposit 25% of the disputed tax as agreed by the learned counsel for the petitioner, within a period of four weeks from the date of uploading of web copy of this order without waiting for the receipt of a certified copy of this order.

(c) If any amount has been recovered or paid out of the disputed tax, 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 intimate the balance amount out of 25% of disputed tax to be paid, if any, within a period of one week from the date of uploading of web copy of this order without waiting for the receipt of a certified copy of this order. 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 tax within a period of four weeks from the date of uploading of web copy of this order shall result in restoration of the impugned order of assessment.

(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 that the petitioner shall pay 25% of the disputed tax, within a period of four weeks from the date of uploading of web copy of this order.

(f) On complying with the above condition, the impugned order of assessment shall be treated as Show Cause Notice and the petitioner shall submit their objections along with supporting documents/material, within a period of four weeks from the date of compliance of the conditions relating to deposit in Clauses (b) and (c). If any such objections are filed, 1st respondent shall consider the same and pass orders, in accordance with law, after affording a reasonable opportunity of hearing to the petitioner.

(g) It is made clear that if the above conditions viz., payment of 25% of disputed tax is not complied or objections are not filed within the stipulated time as stated above, the impugned order of assessment shall stand restored.

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

15.09.2025

mrr
Index : Yes/No
Speaking Order (or) Non-Speaking Order

To

1.Deputy Commercial Tax Officer,
Cuddalore (Taluk): Cuddalore
Cuddalore: Tamil Nadu

2.Deputy State Tax Officer – GST Inspector,
O/o. The Deputy Commissioner (ST) Cuddalore,
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MOHAMMED SHAFFIQ, J.

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