IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 16.09.2025

CORAM :

THE HONOURABLE MR.JUSTICE C.SARAVANAN

W.P.No.34498 of 2025
and
W.M.P.Nos.38659 and 38660 of 2025

Tvl.Sri Mangala Rocks,
Represented by its Partner
Natarajan Rajen Prabaker ... Petitioner

Vs.

1.The Deputy State Tax Officer-2,
Krishnagiri-1 Circle,
Integrated Commercial Taxes Building,
1st Floor, Krishnagiri-635 115.

2.The Assistant Commissioner (ST),
Hosur North-1 Circle,
Integrated Commercial Taxes Building,
1st Floor, Krishnagiri-635 115. ... Respondents

Prayer: Writ Petition filed under Article 226 of the Constitution of India, for issuance of a Writ of Certiorari, to call for the records pertaining to the impugned Order passed vide DRC 07 in Ref.No.ZD331223260583N dated 29.12.2023 for the Assessment Year 2017-2018 by the 1st Respondent and the consequential Demand Notice dated 08.07.2025 issued by the 1st Respondent and quash the same.

For Petitioner : Mr.Derrick Sam

For Respondents : Mr.V.Prashanth Kiran
Government Advocate

ORDER

Mr.V.Prashanth Kiran, learned Government Advocate takes notice for the Respondents.

2. This Writ Petition is being disposed of at the time of admission after hearing the learned counsel for the Petitioner and the learned Government Advocate for the Respondents.

3. In this Writ Petition, the Petitioner has challenged the impugned Assessment Order dated 29.12.2023 of the 1st Respondent for the tax period between July 2017 and March 2018 and the consequential impugned Demand Notice dated 08.07.2025 issued by the 1st Respondent. The impugned Assessment Order dated 29.12.2023 preceded a Show Cause Notice in DRC-01 dated 29.09.2023 to which, the Petitioner has also replied on 18.12.2023. However, while passing the impugned Assessment Order dated 29.12.2023, the 1st Respondent has recorded as if the Petitioner has not filed any reply.

4. It is the case of the Petitioner that after the impugned Assessment Order was passed on 29.12.2023, the Petitioner also approached the Respondents and the Respondents undertook to pass a revised Assessment Order by invoking power under Section 161 of the respective GST enactments and passed Rectification Order on 05.01.2024.

5. It is submitted by the learned counsel for the Petitioner that preamble to the aforesaid Rectification Order dated 05.01.2024, the Petitioner assumed that the impugned Assessment Order dated 29.12.2023 had been reworked and therefore the Petitioner did not file any further appeal against the aforesaid Order. It is further submitted that the 2nd Respondent however rejected the application filed for rectification and thus the Petitioner has been put to prejudice. It is further submitted that the Petitioner failed to file an appeal as the Petitioner assumed that the demand has been dropped in the Rectification Order dated 05.01.2024.

6. Learned counsel for the Petitioner submits that the Petitioner has a fair case and the Petitioner's reply has not been considered till date and therefore the impugned Assessment Order dated 29.12.2023 and the consequential impugned Demand Notice dated 08.07.2025 are liable to be quashed.

7. Having considered the submissions made by the learned counsel for the Petitioner and the learned Government Advocate for the Respondents and having considered the consistent view taken by this Court in similar circumstances, this Court is inclined to come to the rescue of the Petitioner by quashing the impugned Assessment Order dated 29.12.2023, the Rectification Order dated 05.01.2024 and the impugned Demand Notice dated 08.07.2025 of the 1st Respondent on terms subject to the Petitioner depositing 25% of the disputed tax in cash from the Petitioner's Electronic Cash Register within a period of thirty (30) days from the date of receipt of a copy of this order.

8. The Petitioner shall file a detail reply to the Show Cause Notice in DRC-01 dated 29.09.2023 together with requisite documents to substantiate the case by treating the impugned Assessment Order dated 29.12.2023, the Rectification Order dated 05.01.2024 and the impugned Demand Notice dated 08.07.2025 of the 1st Respondent as an addendum to the Show Cause Notice dated 29.09.2023 within a period of fifteen (15) days from the date of receipt of a copy of this order.

9. Subject to the Petitioner complying with the above stipulated conditions, the 1st Respondent shall proceed to pass a fresh order on merits and in accordance with law as expeditiously as possible, preferably, within a period of three (3) months thereafter.

10. In case the Petitioner fails to comply with any of the conditions stipulated above, the 1st Respondent is at liberty to proceed against the Petitioner to recover the tax in accordance with law as if this Writ Petition was dismissed *in limine* today.

11. Needless to state, before passing any such order, the 1st Respondent shall give due notice to the Petitioner.

12. In view of the above, all further recovery proceedings shall be kept in abeyance and shall be subject to the Petitioner complying with the above stipulated conditions.

13. This Writ Petition stands disposed of with the above observations. No costs. Connected Writ Miscellaneous Petitions are closed.

16.09.2025

Neutral Citation : Yes / No

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To:

1.The Deputy State Tax Officer-2,
Krishnagiri-1 Circle,
Integrated Commercial Taxes Building,
1st Floor, Krishnagiri-635 115.

2.The Assistant Commissioner (ST),
Hosur North-1 Circle,
Integrated Commercial Taxes Building,
1st Floor, Krishnagiri-635 115.

C.SARAVANAN, J.

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