IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 11.09.2025

CORAM

THE HONOURABLE MR.JUSTICE MOHAMMED SHAFFIQ

W.P. No.34616 of 2025
and
W.M.P.No.38802 of 2025

M/s.Baghyaa Home Appliances
(represented by its Proprietor Gunasekaran Narendran)
Address: 108-109, Hameedia Shopping Complex,
Triplicane High Road, Triplicane,
Chennai, Tamil Nadu 600 005. .. Petitioner

Vs.

The Superintendent, Range-II,
Triplicane Division,
Chennai North Commissionerate,
Chennai 600 034. .. Respondent

PRAYER: Writ Petition filed under Article 226 of the Constitution of India, praying to issue a Writ of Certiorari, calling for records on the files of the respondent herein vide Order in Original No.12/2024-25-GST dated 11th February, 2025 issued along with the summary of the order in Form GST-DRC-07 vide reference no.ZD3302251322132 dated 14th February, 2025 for the tax period between April, 2020 to March, 2021 and quash the same.

For Petitioner : Ms.S.Vishnupriya

For Respondent : Mr.S.M.Deenadayalan
Senior Standing Counsel

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 11.02.2025 and 14.02.2025 relating to the assessment year 2020-21.

3. It is submitted by the learned counsel for the petitioner that the petitioner is engaged in the business of supply of goods viz., transmission apparatus for radio telephony, radiotelegraphy, radio broadcasting etc. and is registered under the Goods and Services Tax Act, 2017. During the relevant period of 2020-21, petitioner filed its returns and paid the appropriate taxes. However, on verification of the returns filed by petitioner, following discrepancies were *inter-alia* noticed:

i) Short Payment of Tax in comparison with liability declared in GSTR-1 and payment made through GSTR 3B

ii) Excess availment of Input Tax Credit through GSTR 3B than available in GSTR 2A

iii) Availment of Input Tax Credit on the basis of invoices raised by suppliers whose registrations have been cancelled retrospectively

iv) Non-reversal of Input Tax Credit involved in credit notes issued by the supplier

v) Non payment of interest on net cash liability due to belated filing of return and belated payment of tax

4. Pursuant thereto, a notice in GST ASMT 10 was issued to the petitioner on 12.09.2024 followed by show cause notice in DRC 01 dated 25.11.2024. However, the petitioner had not responded to any of the above notices and the impugned order dated 11.02.2025 and order in Form GST DRC 07 dated 14.02.2025 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 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 Senior Standing Counsel 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 orders dated 11.02.2025 and 14.02.2025 are 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 petition is closed.

11.09.2025

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

MOHAMMED SHAFFIQ, J.

spp

To:

The Superintendent, Range-II,
Triplicane Division,
Chennai North Commissionerate,
Chennai 600 034.

W.P. No.34616 of 2025

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