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.34531 of 2025
and
W.M.P.Nos.38690 and 38688 of 2025

Tvl.Gokul Enterprises,
Rep. by its Proprietor Mr.R.Gokul,
286 B, Telugu Brahmin Street,
Coimbatore,
Tamil Nadu 641 001. .. Petitioner

Vs.

1. The Assistant Commissioner,
   R G Street Circle,
   Coimbatore, Tamil Nadu.

2. The State Tax Officer,
   GST Audit Team-II,
   Office of the Joint Commissioner (ST),
   C.T.Buildings, Dr.Balasundaram Road,
   Coimbatore, Tamil Nadu 641 018. .. Respondents

PRAYER: Writ Petition filed under Article 226 of the Constitution of India, praying to issue a Writ of Certiorari, call for the records of the Impugned Assessment Order in Ref.No.ZD330225197563A dated 20.02.2025 under Section 73 of the CGST/TNGST Act, 2017 and uploaded the same along with the summary of order in DRC07 for the

Financial Year 2020-21 from the files of the second respondent herein and quash the same.

For Petitioner : Ms.Aparna Nandakumar

For Respondents : Ms.P.Selvi
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 20.02.2025 relating to the assessment year 2020-21.

3. It is submitted by the learned counsel for the petitioner that the petitioner is a proprietorship concern dealing with retail, wholesale and manufacturing of Camphor 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) Sundry Creditors

ii) Credit note received as per GSTR 2A

iii)Input Tax Credit availed for blocked credit under Section 17(5) of TNGST Act, 2017

iv) Ineligible Input Tax Credit claim

v) Professional Charges

vi) Comparison of Input Tax Credit availed between GSTR 3B and GSTR 2A

vii) Conveyance, Delivery and Distribution Expenses

viii) Travelling Expenses

ix) Telephone and Internet Charges

x) Maintenance Expenses

xi) Generation of E-way bills for Outward Supplies

xii) E-way bills generated but not accounted in returns

xiii) Credit Note issued to the recipients

xiv) Input Tax Credit to be reversed on non-business transactions and exempt supplies

4. Pursuant thereto, a notice in DRC-01A was issued to the petitioner on 04.09.2024, followed by a notice in DRC 01 dated

01.10.2024. Thereafter, Personal hearing notices were also issued on 30.12.2024, 20.01.2025 and 07.02.2025. However, petitioner had not responded to any of the above notices, the impugned order dated 20.02.2025 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, 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 20.02.2025 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.

11.09.2025

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

1. The Assistant Commissioner (ST),
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2. The State Tax Officer,
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MOHAMMED SHAFFIQ, J.

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