IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 17.09.2025

CORAM :

THE HONOURABLE MR.JUSTICE C.SARAVANAN

W.P.No.35556 of 2025
and
W.M.P.Nos.39797 and 39799 of 2025

M/s.Aarthi Enterprises,
Represented by its Partner
G.Mythili ... Petitioner

Vs.

1.State Tax Officer,
Perambur Assessment Circle,
No.1, Greams Road,
Annex Building,
2nd Floor, Thousand Lights,
Chennai – 600 006.

2.Union Bank of India,
Kilpauk Branch,
Kilpauk,
Chennai – 600 010.
(R2 impleaded as *suo motu* as per order of this
Court dated 17.09.2025 in W.P.No.35556 of 2025) ... 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 in Order bearing No GSTIN: 33AAQFA7205H2ZJ/2018-2019 dated 07.10.2024 passed by the Respondent and quash the same as arbitrary and illegal.

For Petitioner : Mr.Joseph Prabakar
For Respondents :
For R1 : Mr.V.Prashanth Kiran
Government Advocate

ORDER

Mr.V.Prashanth Kiran, learned Government Advocate takes notice for the 1st Respondent.

2. This Writ Petition is being disposed of at the time of admission with the consent of the learned counsel for the Petitioner and the learned Government Advocate for the 1st Respondent.

3. In this Writ Petition, the Petitioner has challenged the impugned Order dated 07.10.2024 passed for the Tax Period 2018-2019. The impugned Order dated 07.10.2024 was preceded by a Show Cause Notice in GST DRC-01 dated 15.03.2024 (wrongly mentioned as 16.03.2024 in the preamble to the impugned Order).

4. The Petitioner was issued with reminders on 06.06.2024, 24.06.2024 and 15.07.2024, which called upon the Petitioner to file a reply and to appear for a personal hearing on 14.06.2024, 27.06.2024 and 19.07.2024 respectively.

After the personal hearing held on 27.08.2024, the Petitioner *post facto* filed replies on 28.06.2024 and 30.08.2024 which have been considered in the impugned Order.

5. The impugned Order merely reproduces the reply of the Petitioner dated 30.08.2024. However, a reading of the impugned Order indicates that after the reproduction of the reply given by the Petitioner, the remark of the Officer concerned indicates that there is no proper discussion on the reply filed by the Petitioner.

6. In this case, the Petitioner has however slept over the statutory rights and not filed an appeal in time against the impugned Order dated 07.10.2024.

7. Under somewhat similar circumstances where there has been violation of Principles of Natural Justice, this Court has come to the rescue of persons like the Petitioner by quashing the impugned Order. In order to balance the interest of the assessee and the Department, the impugned Order dated 07.10.2024 is quashed subject to the assessee depositing 25% of the disputed tax.

8. Therefore, the Petitioner deserves a chance. However, considering the fact that the Petitioner has approached this Court long after the expiry of the period for filing a statutory appeal, the Petitioner shall deposit 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.

9. The Petitioner shall file a consolidated reply to the Show Cause Notice in GST DRC-01 dated 15.03.2024 together with requisite documents to substantiate the case by treating the impugned Order dated 07.10.2024 as an addendum to the Show Cause Notice dated 15.03.2024 within a period of thirty (30) days from the date of receipt of a copy of this order.

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

11. 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.

12. It is informed by the learned counsel for the Petitioner that the Petitioner's Bank Account with the Union Bank of India, Kilpauk Branch, Kilpauk, Chennai – 600 010 has been attached by the Department. Therefore, the Union Bank of India, Kilpauk Branch, Kilpauk, Chennai – 600 010 is *suo motu* impleaded as a 2nd Respondent in this Writ Petition.

13. The Union Bank of India, Kilpauk Branch, Kilpauk, Chennai – 600 010 Bank may debit 25% of the disputed tax and pay the same directly to the Department. On payment of 25% of the disputed tax, the attachment of the Bank Account of the Petitioner shall stand automatically raised/vacated.

14. The Petitioner is at liberty to present the copy of this order to the Union Bank of India, Kilpauk Branch, Kilpauk, Chennai – 600 010 for further action.

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

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

17.09.2025

Neutral Citation : Yes / No

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To:

1.State Tax Officer,
Perambur Assessment Circle,
No.1, Greams Road,
Annex Building,
2nd Floor, Thousand Lights,
Chennai – 600 006.

2.Union Bank of India,
Kilpauk Branch,
Kilpauk,
Chennai – 600 010.

C.SARAVANAN, J.

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