IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 16.09.2025

CORAM :

THE HONOURABLE MR.JUSTICE C.SARAVANAN

W.P.No.35269 of 2025
and
W.M.P.Nos.39482 & 39485 of 2025

Tvl. Schakralaya Motors
A Unit of G R K Theatres Private Limited,
Rep by its Authorised Signatory – Durairaj Gomathi
69, Aria Arcade, G.R.K.Link Road,
Cuddalore, Tamil Nadu – 607 002. ... Petitioner

Vs.

1.The State Tax Officer (ST),
O/o The Commercial Tax Officer,
Cuddalore Town Assessment Circle,
Cuddalore, Tamil Nadu.

2.The State Tax Officer (Audit – II),
O/o The Commercial Tax Office, Cuddalore. ... 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 proceedings passed by the 1st respondent in impugned order the FORM GST DRC 07 bearing ref No.ZD330725279050I dated 25.07.2025 along with the Annexure bearing Ref No:GST/33AACCG0210B3ZP/2021-2022 dated 25.07.2025 for the A.Y. 2021-2022 to quash the same.

For Petitioner : M/s.R.Hemalatha

For Respondents : Mr.C.Harsharaj
Special Government Pleader

ORDER

Mr.C.Harsharaj, learned Special Government Pleader 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 learned Special Government Pleader for the Respondents.

3. In this Writ Petition, the Petitioner has challenged the impugned Assessment order dated 25.07.2025 which was preceded by a Notice in DRC 01 dated 21.05.2025 for the tax period April 2021 to March 2022. The impugned order has been passed under Sections 73, 125 and 50 of the TNGST Act, 2017 read with similar provisions of the CGST Act, 2017, as the petitioner is assessed by the State Tax Authority. However, the Petitioner had failed to file a reply to the same.

4. It is the specific case of the Petitioner that the 2^{nd} Respondent had issued a Notice dated 23.03.2023 and thereafter sought for further clarification by communication dated 01.10.2024 and 30.01.2025 to which the Petitioner has given a consolidated reply dated 30.01.2025.

5. It is submitted that the aforesaid reply has been taken note while passing the impugned Assessment order dated 25.07.2025. However, the content of the reply has been not accepted. It is further submitted that although the Petitioner has failed to file a reply to the Notice in DRC 01 dated 21.05.2025, the petitioner's reply dated 30.01.2025 ought to have been considered properly and if the same was considered the demand would have been dropped.

6. The learned counsel for the petitioner would fairly concede that despite reminders, the Petitioner failed to respond to the personal hearing notice issued pursuant to the Notice in DRC 01 dated 21.05.2025.

7. The learned Special Government Pleader for the Respondents on the other hand would submit that the impugned order is a detailed order and has been passed after considering the reply of the Petitioner dated 30.01.2025 in response to the Notice dated 23.03.2023 followed by the clarification sought for on 01.10.2024 and 30.01.2025.

8. It is further submitted by the Respondents that the Petitioner has an alternate remedy by way of an appeal and therefore the Petitioner should file an appeal before the Appellate Authority. It is further submitted that the impugned order is a detailed order and therefore the Petitioner cannot contend that there is a manifest violation of Principles of Natural Justice.

9. I have considered the arguments advanced by the learned counsel for the Petitioner and the learned Special Government Pleader for the Respondents.

10. It is noticed that the Petitioner has filed this writ petition on 02.09.2025 within the time prescribed for filing an appeal. If the Petitioner was to be directed to file an appeal, the petitioner has to deposit 10% of the disputed tax at the time of filing the appeal. Since the order has been passed without the

petitioner effectively participating in the Show Cause Notice proceedings, the impugned order is liable to be quashed.

11. The impugned order dated 25.07.2025 is quashed and the case is remitted back to the Respondents to pass a fresh order subject to the Petitioner depositing 15% of the disputed tax in cash from the Petitioner's Electronic Cash Register within a period of 30 days from the date of receipt of a copy of this order.

12. The petitioner shall file a reply to the Notice in DRC 01 dated 21.05.2025 within a period of thirty days from the date of receipt of a copy of this order.

13. Subject to the Petitioner complying with the above requirement, the Respondent shall proceed to pass a fresh order on merits and in accordance with law. The Petitioner shall co-operate with the Respondents and file necessary evidence to substantiate the case.

14. In case the Petitioner fails to comply with the same, the Respondents are at liberty to proceed against the petitioner in accordance with law as if this Writ Petition was dismissed *limine* today.

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

16.09.2025

Neutral Citation : Yes / No

jas

To

1.The State Tax Officer (ST),
O/o The Commercial Tax Officer,
Cuddalore Town Assessment Circle,
Cuddalore, Tamil Nadu.

2.The State Tax Officer (Audit – II),
O/o The Commercial Tax Office, Cuddalore.

C.SARAVANAN, J.

jas

W.P.No.35269 of 2025
and
W.M.P.Nos.39482 & 39485 of 2025

16.09.2025