IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 24-09-2025

CORAM

THE HONOURABLE MR JUSTICE C. SARAVANAN

WP No. 36527 of 2025
AND
WMP NO. 40817 OF 2025,WMP NO. 40816 OF 2025

1. Four Brothers Apparels Private Limited
Rep Y Its Managing Director.M.Rajaram, 6b, East Colony,
No. 6b, East Colony, Komarapalayam,
Namakkal-638 183

2. Four Brother Apparels Private Limited
6B East Colony Komarapalayam
Namakkal

Petitioner(s)

Vs

1. The Deputy State Tax Officer-1
Kumarapalayam, Assessment Circle,
Sankari

Respondent(s)

PRAYER

calling for the records of the respondent culminating in the Order dated

28.08.2024 issued under Reference No. ZD3308242488228 by the respondent and quashing the same, direct the respondent to consider the case afresh on merits

For Petitioner(s): S.Murugappan
M.Pooja
Anugrahan. X
Priyadarsini .K.T.K

For Respondent: Mr. T. N. C. Kaushik
Additional Government Pleader

ORDER

Mr. T. N. C. Kaushik, learned Additional Government Pleader takes notice for the Respondent.

2. This Writ Petition is being disposed of at the time of admission after hearing the learned counsel for the Petitioner and learned Additional Government Pleader for the Respondent following the consistent view taken by this Court under similar circumstances.

3. In this Writ Petition, the Petitioner has challenged the impugned Assessment Order dated 28.08.2024, which was preceded by a Show Cause Notice in GST DRC-01 dated 20.05.2024 for the Tax Period between April 2019

and March 2020.

4. It is the specific case of the petitioner that the petitioner has also approached the appellate authority, by filing an appeal on 04.09.2025, beyond the condonable period of limitation under Section 107 of the respective GST enactments.

5. Reading of the impugned Assessment Order dated 28.08.2024 indicates that the Petitioner has not participated in the assessment proceedings by filing a reply to the Show Cause Notice in GST DRC-01 dated 20.05.2024 and therefore, the demand has been confirmed against the Petitioner vide the impugned assessment order dated 28.08.2024.

6. The Petitioner was also issued with Reminders on 18.06.2024, 25.06.2024 and 01.07.2024, called upon to file a reply and to appear for a personal hearing. On receiving the same, the Petitioner neither filed any reply nor appeared for the personal hearing fixed.

7. The learned counsel for the petitioner also submits that the petitioner could not file any reply to the show cause notice in GST DRC-01 dated 20.05.2024, as the employee, who was filing GST compliance, had resigned the job and therefore, the Management was unaware of the show cause notice in GST DRC-01 dated 20.05.2024 and the reminders thereafter.

8. It is submitted by the learned counsel for the Petitioner that the Petitioner be given another chance to substantiate the case. The demand has been confirmed against the Petitioner merely because the Petitioner failed to respond to the Show Cause Notice in GST DRC-01 dated 20.05.2024.

9. The learned Additional Government Pleader for the Respondent on the other hand would submit that this Writ Petition is devoid of merits and is liable to be dismissed in the light of the decisions of the Hon'ble Supreme Court in **Singh Enterprises Vs. Commissioner of Central Excise, Jamshedpur and others, (2008) 3 SCC 70** and in **Commissioner of Customs and Central**

Excise Vs. Hongo India Private Limited and another, (2009) 5 SCC 791 and also in **Assistant Commissioner (CT) LTU, Kakinada and others Vs. Glaxo Smith Kline Consumer Health Care Limited, 2020 SCC Online SC 440.**

10. That apart, it is submitted that the Petitioner has not substantiated the case with any documents and therefore, on this count also, this Writ Petition is liable to be dismissed.

11. It is noticed that under similar circumstances, this Court has come to the rescue of the persons like the Petitioner by quashing the impugned Assessment Order on terms subject to the Petitioner depositing 25% of the disputed tax. I do not find any extenuating reason to take a different stand in this case.

12. Having considered the submissions made by the learned counsel for the Petitioner and the learned Additional Government Pleader for the Respondent and having considered the consistent view taken by this Court in similar circumstances, I am inclined to come to a partial rescue of the Petitioner

by quashing the impugned Assessment Order dated 28.08.2024 and remits the case back to the Respondent to pass a fresh order *de novo,* 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.

13. It is also submitted by the learned counsel for the Petitioner that as against the tax demand of Rs.39,28,792/-, the petitioner has pre-deposited a sum of Rs.2,96,000/-, by debiting a sum of Rs.1,96,000/- on 19.07.2025 and by taking a demand draft for a sum of Rs.1,00,000/- on 13.08.2025.

14. Therefore, the amount deposited by the petitioner at the time of filing of appeal shall be adjusted / set off for the purpose of pre-depositing and thereafter as a pre-condition in this order, subject to verification.

15. The Petitioner shall file a reply to the Show Cause Notice in GST DRC-01 dated 20.05.2024 together with requisite documents to substantiate the case by treating the impugned Assessment Order dated 28.08.2024 as an

addendum to the Show Cause Notice dated 20.05.2024 within a period of thirty (30) days from the date of receipt of a copy of this order.

16. In case the Petitioner complies with the above stipulated conditions, the Respondent shall proceed to pass a fresh order *de novo* on merits and in accordance with law as expeditiously as possible, preferably, within a period of three (3) months thereafter. Subject to the Petitioner complying with the above stipulated conditions, the attachment of the petitioner's bank account shall also stand raised.

17. In case the Petitioner fails to comply with any of the conditions stipulated above, the Respondent is at liberty to proceed against the Petitioner in accordance with law as if this Writ Petition was dismissed *in limine* today. Thereafter, it is for the Respondent to take steps against the Petitioner to recover the tax that has been confirmed in the impugned Assessment Order.

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

19. It is made clear that the Petitioner shall co-operate with the Respondent in the *de novo* proceedings.

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

24-09-2025

Index:Yes/No
Speaking/Non-speaking order
Internet:Yes
Neutral Citation:Yes/No

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WP No. 36527 of 2025

To

1.The Deputy State Tax Officer-1
Kumarapalayam, Assessment Circle,
Sankari

C.SARAVANAN J.

ab

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AND WMP NO. 40817
OF 2025,WMP NO.
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