IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 10.01.2025

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THE HONOURABLE MR.JUSTICE MOHAMMED SHAFFIQ

W.P. No.38259 of 2024
and
W.M.P. Nos.41408, 41411 and 41414 of 2024

Tvl.HDFC Bank Limited (Cards Division),
At GKS Technology Park, Ground Floor,
Zone 4, Door No.94 SP,
HDFC Bank Ltd. Branch Code 9994,
Wavin Main Road, Estate Bus Stand,
Mugappair East, Chennai-600 058.
(GSTIN:33AAACH2702H2Z6)
Represented by Power of Attorney Holder
Mr.Pradeep Kumar Ramkrishnalal ... Petitioner

Vs.

1.State Tax Officer, Group-IV-Inspection,
Office of the Joint Commissioner (ST),
Chengalpattu Intelligence Division,
No.870/2A, 1st Floor, Kancheepuram High Road,
Thimmavaram, Chengalpattu-603 101.

2.Deputy Commissioner (ST) -III,
Large Tax Payers Unit,
Commercial Taxes Department,
IV Floor, Integrated CT Buildings, Nandanam,
Chennai-600 035.

3.State of Tamil Nadu,
Through its Commissioner of Commercial Taxes,

Commercial Taxes Department,
Ezhilagam, Chepauk, Chennai-600 005. ... Respondents

PRAYER: Writ Petition filed under Article 226 of the Constitution of India, praying to issue a Writ of Certiorari calling for the records relating to the impugned show cause notice bearing reference number ZD331024020676S and dated 03.10.2024 along with summary thereof in Form GST DRC-01 issued by the 1st Respondent and quash the same.

For Petitioner : Mr.Rohan Shah
Senior Advocate
for Mr.Karthik Sundaram

For Respondents : Mr.C.Harsha Raj
Additional Government Pleader

ORDER

The present writ petition is filed challenging the show cause notice dated 03.10.2024 wherein, the following four issues were proposed:

S. No.	Nature of the defect	Assmt. Year	IGST tax payable	IGST penalty payable @100% of the tax due	CGST tax payable	CGST penalty payable @100% of the tax due	SGST tax payable	SGST penalty payable @100% of the tax due	IGST/ CGST/ SGST interest payable	Order-in-Original Dt. 23.04.2024 [pg.218]
1.	Adjustment in Turnover	2018-19	The taxable person is required to furnish the additional details (i.e.) the invoice wise (with date of invoice) break up details on the said turnover of Rs.2,54,95,03,536/- as soft copy in order to finalize the adjudication proceedings for the said issue.						Interest payable at 18% per annum on the tax due under section 50 of the GST Act.,2017.	220-221
2.	Exempted Turnover: i. Tax not paid on the interest on Jumbo Loan provided to Credit Card holders	2018-19	2,26,66,44,180	2,26,66,44,180	11,26,34,473	11,26,34,473	11,26,34,473	11,26,34,473		222-223
	ii. Interest Income – Consumer Durable	2018-19	As per the sample statement copies, tax not collected on the interest on loan amount but collected on the fees such as pre-closure, processing etc.,. The taxable person is requested to furnish the following information in order to conclude the adjudication proceedings. Consumer Durable Loan is provided to both the Credit and Debit card customers. Whether this interest income belongs to consumer durable loan provided through Credit Card or Debit Card or Separate Cards if any issued. Kindly clarify with supportive documents with breaking details.							
	iii. Interest Income – Distributor Card Program	2018-19	1,09,31,402	1,09,31,402	5,43,205	5,43,205	5,43,205	5,43,205		
3.	IGST paid instead of CGST & SGST	2018-19	-	-	7,01,719	-	7,01,719	-		New Issue
4.	Documents called for	2018-19	Tvl. HDFC Bank Limited (Cards Division) are requested to furnish the Outward supplies register and ITC register with HSN wise as Soft copy through Pendrive/CD for verification.							224
	TOTAL		2,27,75,75,582	2,27,75,75,582	11,38,79,397	11,38,79,397	11,38,79,397	11,38,79,397		

2. It is submitted by the learned counsel for the petitioner that except item 3, other three issues were earlier adjudicated and moreover items 1 and 2 were initiated and dropped. In view thereof, it is submitted that the impugned notice insofar as item Nos.1, 2 and 4 cannot be sustained.

3. The learned counsel for the Respondents would submit that, it is open to the petitioner to submit their objections. If any such objections are filed, the same would be considered and orders passed after affording a reasonable opportunity of hearing. All the issues including that of jurisdiction are left open to be raised by way of objections. It is made clear that this Court has not expressed any views on the merits of the case.

4. In view thereof, the writ petition stands disposed of. No costs. Consequently, the connected miscellaneous petitions are closed.

10.01.2025

Speaking (or) Non Speaking Order
Index : Yes/ No
Neutral Citation: Yes/No
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MOHAMMED SHAFFIQ, J.

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To:
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