



IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 13-10-2025

CORAM

THE HONOURABLE MR JUSTICE C. SARAVANAN

WP No. 38609 of 2025

AND

WMP NO. 43165 OF 2025, WMP NO. 43169 OF 2025

1. TVL.Sri Mahalakshmi Enterprises
Rep by its Proprietor, Thiru Yuvaraj,
Plot No.6, 2/1 Sriram Garden,Bajanai
Koil Street, Chathiram,Pattabiram,
Tiruvallur-072.

Petitioner(s)

Vs

1. Assistant Commissioner (st) (fac)
Avadi Assessment circle, Wall Tax
Road, chennai-03

2.The Manager
Indian Overseas Bank,Pattabiram
Branch,Pattabiram-072.

Respondents(s)

PRAYER

calling for the records of the first Respondents herein in impugned order having Reference in Form DRC-07 No. ZD330824145930D dated 19.08.2024 passed under Section 73 of the Tamilnadu Goods and Service Tax Act, 2017 read with Central Goods and Service Tax Act, 2017 herein after referred to as GST Act, 2017 and quash the same as arbitrary, unjust and illegal and consequently direct



the second Respondents for revocation of blocking of access to funds from the petitioners Saving Bank Account Number 170601000131313 and thus render justice.

For Petitioner(s): Suresh T
M.Govindarajan
M.Thilakarasan

For Respondents: Mrs. K. Vasanthamala
Government Advocate for R1

ORDER

Mrs. K. Vasanthamala, learned Government Advocate 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 Government Advocate for the Respondents 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 19.08.2024 which preceded a Show Cause Notice in GST DRC-01 dated 25.05.2024 for the Tax Period between April 2019 and March 2020.



4. The Petitioner has approached this Court long after the expiry of the limitation period prescribed both for filing an appeal against the impugned Assessment Order dated 19.08.2024 and to rectify the same under Section 161 of the respective GST enactments.

5. Reading of the impugned Assessment Order dated 19.08.2024 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 25.05.2024 and therefore, the demand has been confirmed against the Petitioner.

6. It is submitted by the learned counsel for the Petitioner that the Petitioner be given one 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 25.05.2024.

7. The learned Government Advocate for the Respondents 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.

8. 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.

9. 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 50% of the disputed tax. I do not find any extenuating reason to take a different stand in this case.



10. Having considered the submissions made by the learned counsel for the Petitioner and the learned Government Advocate for the Respondents and having considered the consistent view taken by this Court under similar circumstances, this Court is inclined to come to the partial rescue of the Petitioner by remitting the case back to the Respondents to pass a fresh order *de novo* subject to the Petitioner depositing 50% 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. Any amount, if deposited earlier, shall be set off / adjusted towards the 50% of the pre-deposit condition as stated above.

11. The Petitioner shall file a reply to the Show Cause Notice in GST DRC-01 dated 25.05.2024 together with requisite documents to substantiate the case by treating the impugned Assessment Order dated 19.08.2024 as an addendum to the Show Cause Notice dated 25.05.2024 within a period of thirty (30) days from the date of receipt of a copy of this order.



12. In case the Petitioner complies with the above stipulated conditions, the Respondents 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, all the recovery proceedings may be kept pending subject to verification.

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

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

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



16. This Writ Petition stands disposed of with the above observations.

No costs. Connected Writ Miscellaneous Petitions are closed.

13-10-2025

Index: Yes/No

Speaking/Non-speaking order

Internet: Yes

Neutral Citation: Yes/No

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To

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C.SARAVANAN J.

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