IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 16-10-2025

CORAM

THE HONOURABLE MR JUSTICE C. SARAVANAN

WP No. 38850 of 2025
AND
WMP NO. 43470 OF 2025,WMP NO. 43471 OF 2025

1. Tvl Shri Balaji Steel Industries
Rep. by its Manager Mr. P. Selvakumar,
143/4, Thachur Village, Panchetty,
Tiruvallur, Tamil Nadu, 601204

Petitioner(s)

Vs

1. Assistant Commissioner
Ponneri Assessment circle, Integrated
Commercial Taxes Building (North)
Division, First Floor Room No 106 No
32, Elephant Gate Bridge Road, Vepery,
chennai 600 003

2.State Tax Officer
Ponneri Assessment Circle, Integrated
Commercial Taxes Building (North)
Division, First floor, Room No. I 05,
No.32, Elephant Gate Bridge Road,
Vepery, Chennai 600003

Respondent(s)

PRAYER

calling for the records of the First Respondents impugned order in Form GST DRC-07 dated 24.04.2024 bearing Ref. No. 33AAUFS8552M2ZA and the connected detailed order bearing Ref. GSTN 33AAUFS8552M2ZA /2018-2019 dated 24.04.2024, and the consequent Recovery Notice dated 28.08.2025 issued by the First Respondent, seeking to quash the same and consequentially direct the First Respondent to provide the petitioner with an opportunity of hearing, and pass

For Petitioner : Ms. Vipula DS

For Respondents : Mr. TNC Kaushik
Additional Government Pleader

ORDER

Mr. TNC Kaushik, learned Additional 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 Additional Government Pleader 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 24.04.2024 which precedes a Show Cause Notice in GST DRC-01 dated 27.12.2023 for the Tax Period between April 2018 and March 2019.

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 24.04.2024 and to rectify the same under Section 161 of the respective GST enactments.

5. Reading of the impugned Assessment Order dated 24.04.2024 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 27.12.2023 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 27.12.2023.

7. The learned Additional Government Pleader 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 100% 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 Additional Government Pleader for the Respondents and having considered the consistent view taken by this Court under similar circumstances, the impugned order dated 24.04.2024 is quashed and the matter is remitted back to the Respondents to pass a fresh order *de novo* subject to the Petitioner depositing 100% 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, deposited earlier, shall be set off / adjusted towards the 100% of the pre-deposit condition as stipulated above.

11. The Petitioner shall file a reply to the Show Cause Notice in GST DRC-01 dated 27.12.2023 together with requisite documents to substantiate the case by treating the impugned Assessment Order dated 24.04.2024 as an addendum to the Show Cause Notice dated 27.12.2023 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, the attachment of the bank account of the Petitioner shall also stand raised, if any.

13. In case the Petitioner fails to comply with any of the conditions stipulated above, the Respondents are 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 Petitioner be heard.

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.

16-10-2025

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

1.Assistant Commissioner
Ponneri Assessment circle, Integrated Commercial Taxes Building (North) Division, First Floor Room No 106 No 32, Elephant Gate Bridge Road, Vepery, chennai 600 003

2.State Tax Officer
Ponneri Assessment Circle, Integrated Commercial Taxes Building (North) Division, First floor, Room No. I 05, No.32, Elephant Gate Bridge Road, Vepery, Chennai 600003

C.SARAVANAN J.

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