IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 30-10-2025

CORAM

THE HONOURABLE MR JUSTICE C. SARAVANAN

WP No. 40703 of 2025
and WMP.Nos.45622 and 45624 of 2025

M/s.Guru Spinning Mills Private
Limited
REP. BY ITS DIRECTOR
Smt. R. Anandhi,
New No. 20, Old No. 12,
Nehru Street Extension,
Udumalpet,
Tiruppur-642126

Petitioner(s)

Vs

1. The Assistant Commissioner (ST)
Udumalpet (South) Assessment Circle,
Udumalpet,
Tiruppur District -642 126

2.The Branch Manager
City Union Bank Ltd,
No. 314, 1st Floor, Dhali Road,
Udumalpet

Respondent(s)

PRAYER

calling for the records connected with order passed by the 1st Respondent vide No GSTIN. 3AAFCG7171G1ZO/2020-21 dated 26.02.2025 along with its consequential summary order in Form GST DRC-07 No. ZD3302252730003 dated 26.02.2025 and quash the same as being contrary to law and consequentially direct the 2nd Respondent bank to lift the attachment of bank account as directed by the 1st Respondent

For Petitioner : Mr.R.Balachandar

For Respondent: Mr.TNC. Kaushi, AGP, for R1

ORDER

In this Writ Petition, the Petitioner has challenged the impugned order dated 26.02.2025 passed for the tax period 2020-21. The impugned order was preceded by a notice in DRC-01 dated 03.11.2023, but the Petitioner failed to respond, despite several remainders and opportunity of personal hearing was granted to the Petitioner.

2. The learned counsel for the Petitioner submits that the Petitioner's GST registration was cancelled as early as on 23.04.2024 and therefore, the Petitioner was unaware of the aforesaid notice of the impugned order and thus approached this Court now.

3. The learned Additional Government Pleader appearing for the first

Respondent submitted that the Writ Petition is liable to be dismissed on the ground of latches.

4. It is noticed that the limitation for filing an appeal under Section 107 of the respective GST enactments, 2017 against the impugned Orders has already expired. The present Writ Petition has been filed only on 25.10.2025.

5. Under similar circumstances, Orders have been quashed and cases have been remitted back to pass a fresh order on terms subject to such Assessee depositing 25% to 100% of the disputed tax depending upon the length of delay in approaching the Court. I do not find any reason to take a different view in this case.

6. Therefore, to balance the interest of both parties viz., the Assessee and the Revenue, the case is remitted back to the first Respondent to pass a fresh order 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.

7. Within such time, the Petitioner shall also file a reply to the Show Cause Notice in GST DRC-01 dated 03.11.2023 together with requisite documents to substantiate the case by treating the impugned Order dated 26.02.2025 as an addendum to the Show Cause Notice dated 03.11.2023.

8. Amount which has already been recovered from the Petitioner shall be adjusted towards pre-deposit of 25% of the disputed tax as ordered above. This will be however subject to verification by the first Respondent.

9. In case the Petitioner complies with the above stipulations, the first Respondent shall proceed to pass a final order on merits and in accordance with law as expeditiously as possible, preferably, within a period of three (3) months of such reply/pre-deposit. Subject to the Petitioner complying with the above stipulations, the attachment of the bank account of the Petitioner shall also stand automatically raised/vacated.

10. In case the Petitioner fails to comply with any of the stipulations, the

first Respondent is at liberty to proceed against the Petitioner to recover the tax in accordance with law as if this Writ Petition was dismissed *in limine* today.

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

12. It is made clear that recovery of 25% of the disputed tax ordered above pertains only to the impugned Order dated 26.02.2025.

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

30-10-2025

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

To

1.The Assistant Commissioner ST
Udumalpet (South) Assessment Circle,
Udumalpet, Tiruppur District -642 126

2.The Branch Manager
City Union Bank Ltd, No. 314, 1st
Floor, Dhali Road, Udumalpet

C.SARAVANAN J.

pvs

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