IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 25.10.2025

CORAM :

THE HONOURABLE MR.JUSTICE C.SARAVANAN

W.P.No.40237 of 2025
and
W.M.P.Nos.45183 and 45186 of 2025

Tvl.Sripath Enterprises Private Limited,
Having office at No.1/L, G-10, Ground Floor,
Blackers Road, Chennai – 600 002. ... Petitioner

Vs.

The State Tax Officer,
Pammal Assessment Circle,
Commercial Taxes Department,
Chengalpattu District, Tamil Nadu. ... Respondent

Prayer: Writ Petition filed under Article 226 of the Constitution of India, for issuance of a Writ of Certiorari, to call for the records relating to passing of the impugned order in Form DRC – 07 bearing ref No.ZD330225257842F 2020 – 2021 dated 25.02.2025, passed by the respondent and quash the same as the same being arbitrary, illegal and passed in violation of sub-section (4), (5), (6) and (7) of Section 75 of the CGST and TNGST Act, 2017 and articles 14, 19 (1)(g) and 265 of Section 75 of the CGST and TNGST Act, 2017 and articles 14, 19 (1)(g) and 265 of the Constitution of India.

For Petitioner : Mr.G.Natarajan

For Respondent : Mr.V.Prashanth Kiran
Government Advocate

ORDER

Mr.V.Prashanth Kiran, learned Government Advocate takes notice for the Respondent.

2. This Writ Petition is being disposed of at the time of admission with the consent of the learned counsel for the Petitioner and learned Government Advocate for the Respondent.

3. In this writ petition, the petitioner has challenged the impugned order in DRC 07 dated 25.02.2025, whereby the demand proposed in Show Cause Notice in GST DRC – 01 dated 26.11.2024 for the tax period 2020-21 has been confirmed. The impugned order has been passed as the petitioner failed to respond to the aforesaid notice in GST DRC – 01 dated 26.11.2024.

4. The learned counsel for the petitioner submits that after the impugned order was passed on 25.02.2025, the respondent have also

recovered a sum of Rs.6,65,199/- on 16.10.2025. He further submits that the Petitioner has filed a copy of the Electronic Liability Register to demonstrate the same.

5. The learned Government Advocate for the Respondent submits that the same may be subject to verification by the Respondent.

6. I have considered the submissions made by the learned counsel for the Petitioner and the learned Government Advocate for the Respondent and following the consistent view taken by this Court under similar circumstances, the impugned order is quashed and the case is remitted back to the respondent to pass a fresh order subject to the petitioner depositing 25% of the disputed tax confirmed vide order dated 25.02.2025 within a period of thirty 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 26.11.2024 together with requisite documents to substantiate the case by treating the impugned Order dated 25.02.2025 as an addendum to the Show Cause Notice dated 26.11.2024.

8. In case the Petitioner complies with the above stipulations, the 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.

9. In case the Petitioner fails to comply with any of the stipulations, the 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. Needless to state, for the purpose of pre-deposit of 25% of the amount which is said to have been recovered shall be adjusted / set off subject to the verification of the respondent.

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

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

25.10.2025

Neutral Citation : Yes / No

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<u>To</u>:

The State Tax Officer,
Pammal Assessment Circle,
Commercial Taxes Department,
Chengalpattu District, Tamil Nadu.

C.SARAVANAN, J.

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