IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 31.10.2025

CORAM :

THE HONOURABLE MR.JUSTICE C.SARAVANAN

W.P.No.40747 of 2025
and
W.M.P.Nos.45644 and 45643 of 2025

Tvl.V.S.Associates,
Represented by its Partner,
M.Vadivel. ... Petitioner

Vs.

The State / Commercial Tax Officer,
Attur (Town) Circle,
Attur, Salem II,
Salem. ... Respondent

Prayer: Writ Petition filed under Article 226 of the Constitution of India, for issuance of a Writ of Certiorarified Mandamus, to call for the records of the Respondent in GSTIN:33AAIFV0380J1Z4/2019-2020 dated 23.08.2024 and consequential rejection order in Reference No.ZD330125201569N dated 23.01.2025 and quash the same and consequently direct the respondent to given a opportunity of personal hearing.

For Petitioner : Mr.P.R.Kumar

For Respondent : Ms.Amirtha Poonokodi Dinakaran
Government Advocate

ORDER

Ms.Amirtha Poonkodi Dinakaran, learned Government Advocate takes notice for the Respondent.

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 Respondent.

3. The Petitioner is before this Court against the impugned order dated 23.08.2024 which was preceded by a Show Cause Notice in DRC – 01 dated 24.05.2024. However, the Petitioner had failed to respond to the same and has

thus suffered the impugned order.

4. According to the learned counsel for the Petitioner, there are defects in the impugned order dated 23.08.2024. The Petitioner explained the issue by filing an application for rectification of the aforesaid order dated 23.08.2024 by filing an application under Section 161 of the respective GST enactments on 19.11.2024 which has now been rejected by an order dated 23.01.2025, on the ground that the application has not been found satisfactory for the reasons attached in the annexure.

5. Explaining the case, the learned counsel for the Petitioner submits that part of the demand is covered by statutory intervention with insertion of Section 16(5) to the respective GST enactments vide SO 4253(E) with retrospective effect from 01.07.2017 inserted by Finance (No.2) Act, 2024 (15 of 2024) dated 16.08.2024.

6. That apart, the learned counsel for the Petitioner further submits that in so far as the tax that has been confirmed towards the balance due for the previous year is concerned, the Petitioner has paid the same which has also been brought to the knowledge of the Respondent in the application filed for rectification which that has not been considered.

7. That apart, the learned counsel for the Petitioner therefore submits that after the impugned orders were passed following amounts were recovered for a total sum of Rs.7,81,058/- out of the total demand confirmed vide impugned order dated 27,21,445/- as detailed below:-

Payment Schedule

Paid through DRC 03 on 04.08.2023	CGST Rs.1,30,000/-	SGST RS.1,30,000
Paid through DRC 03 on 10.08.2023	CGST Rs.2,84,176/-	SGST Rs.2,84,176
Recovered by the Respondent from The Cash ledger		SGST Rs. 77,780
Recovered by the Respondent from the Credit Ledger		SGST Rs.2,89,102
		7,81,058

8. The learned Government Advocate for the Respondent submits that although the orders were passed on 23.08.2024 and 23.01.2025 under Section 73 and 161 of the respective GST enactments, the present Writ Petition has been filed only on 10.10.2025.

9. The Petitioner appears to have made out a *prima facie* case in so far as the payment of tax that was due for the previous year as the Petitioner appears to have paid the same and filed copies of the relevant DRC – 03 in the

application filed for rectification. However, it has not been considered while passing the 2nd mentioned impugned order dated 23.01.2025 under Section 161 of the Act. The order of the respondent also fails to take note that insertion of Section 16(5) to the respective GST enactments vide SO 4253(E) with retrospective effect from 01.07.2017 inserted by Finance (No.2) Act, 2024 (15 of 2024) dated 16.08.2024.

10. Considering the same, I am inclined to quash the impugned order and remit the case back to the Respondent to pass a fresh order subject to the Petitioner depositing 25% of the disputed tax excluding an amount of Rs.5,45,151/- being the amount that confirmed for belated availing of input tax credit under Section 16(4) of respective GST enactments. In other words, the Petitioner shall deposit 25% of Rs.18,68,086/- out of Rs.27,39,639/-. However, if the Petitioner has already deposited a sum of Rs.7,81,058/- as detailed above, the Petitioner shall not be required to deposit any amount. The Petitioner shall file a detailed reply to the Notice in DRC – 01 by treating the impugned order as

addendum to them within a period of thirty days from the date of receipt of a copy of this order.

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

31.10.2025

Neutral Citation : Yes / No
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To:

The State / Commercial Tax Officer,
Attur (Town) Circle,
Attur, Salem II,

Salem.

C.SARAVANAN, J.

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