**DATED: 07-11-2025**

CORAM

**THE HONOURABLE MR JUSTICE C. SARAVANAN**

**WP No. 41859 of 2025**
**and**
**W.M.P.Nos.46901 & 46902 of 2025**

1. Tvl.Sri Ganesh Paints
(Rep by its Proprietor Mr.Ashok)
1, Railway Station Road, Stalin
Nagar,Athipattu, Tiruvallur, Chennai,
Tamil Nadu 600 120.

Petitioner(s)

Vs

1. The Deputy State Tax Officer II
Cholavaram Assessment Circle, Room
No.109, 1st Floor, Integrated
Commercial Taxes Building, Elephant
Gate, Wall Tax Road,
Chennai-600 003.

Respondent(s)

**PRAYER**

Writ Petition filed under Article 226 of the Constitution of India, praying to issue a Writ of Certiorari, calling for the records on the files of the

Respondent herein in FORM GST DRC-07 with Reference No.ZD3308241904085 dated 22.08.2024 along with the detailed order in GSTIN/33BJEPA9224L1ZB/2019-20 dated 22.08.2024 for the tax period April 2019 - March 2020 and quash the same.

For Petitioner(s): Mr.S.Kamalakanth

For Respondent: M/s.Amirtha Poonkodi Dinakaran
Government Advocate

**ORDER**

With the consent of the learned counsel for the petitioner and the learned Government Advocate for the respondent, this writ petition is being disposed of at the time of admission.

2. In this writ petition, the petitioner has challenged the impugned order dated 22.08.2024, which was preceded by a notice in Form GST DRC-01 dated 22.05.2024, for the tax period April 2019 – March 2020.

3. By the impugned order, the following demand has been confirmed:

| S.No | Issue | SGST | CGST | IGST | CESS | Total |
|---|---|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 1 | Total tax due in (Under declaration of output tax) + (Excess claim of ITC) above | 345254 | 345254 | 1345 | 0 | 691853 |
| 2 | Interest | 288595 | 288595 | 1124 | 0 | 578314 |
| 3 | Penalty on amount in S.No.1 | 34525 | 34525 | 20000 | 0 | 89050 |
| | Total (1+2+3) | 668374 | 668374 | 22469 | 0 | 1359217 |

4. The learned counsel for the petitioner submits that, as against the total tax liability of Rs.6,91,853/-, a sum of Rs.6,45,254/- has already been recovered partly towards SGST and partly towards CGST from the Electronic Credit Ledger.

5. The learned Government Advcoate for the respondent is unable to confirm the same.

6. Following the consistent view taken under similar circumstances, the case is remitted back to the respondent to redo the exercise, subject to the petitioner filing a reply and depositing 50% of the disputed tax, which is stated to have been recovered from the petitioner, if the same has not already been recovered, 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. In case, recovery has already been made, the petitioner shall only file a reply to the Show Cause Notice in GST DRC-01 dated 22.05.2024, clearly stating the exact amount recovered, together with requisite documents to substantiate the case by treating the impugned Order dated 22.08.2024 as an addendum to the Show Cause Notice dated 22.05.2024.

8. Amount which has already recovered from the Petitioner shall be adjusted towards pre-deposit of 50% of the disputed tax as ordered above. This will be however subject to verification by the Respondent.

9. 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, if any attachment of the bank account of the Petitioner shall also stand automatically raised/vacated.

10. It is made clear that bank attachment shall be lifted subject to the deposit of 50% of disputed tax as ordered above and no other amount is in arrears barring the amount demanded under the impugned order.

11. 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, if any, in accordance with law as if this Writ Petition was dismissed *in limine* today.

12. Needless to state, before passing any such order, the Respondent shall

give due notice to the Petitioner.

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

**07-11-2025**

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

To

1.The Deputy State Tax Officer II
Cholavaram Assessment Circle, Room No.109, 1st Floor, Integrated Commercial Taxes Building, Elephant Gate, Wall Tax Road, Chennai-600 003.

**C.SARAVANAN, J.**

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