IN THE HIGH COURT OF JUDICATURE AT MADRAS

Dated : 07.11.2025

CORAM:

THE HONOURABLE MR.JUSTICE C.SARAVANAN

W.P. No. 43036 of 2025
and
W.M.P.Nos.48164 & 48165 of 2025

M/s. M L F Traders,
represented by its Proprietor Faiyaz Ahmed Meerlabbai,
First Floor. No.1088/3,
P.J.Nehru Road, Vaniyambadi,
Vellore – 635 751. ...Petitioner

Versus

The Deputy State Tax Officer – 2,
Vaniyambadi Assessment Circle,
Pandit Jawaharlal Nehru Road,
Court Complex, Vaniyambadi – 635 751.

...Respondent

Writ Petition is filed under Article 226 of the Constitution of India praying for issuance of a writ of Certiorari calling for the records on the file of the respondent in his proceedings in GSTIN No.33ADEPF1875H1ZS/2020-21, quash the order dated 28.02.2025 passed therein.

For Petitioner : Mr.P.V.Sudakar
For Respondent : Mr.C.Harsharaj
Special Government Pleader

ORDER

This Writ Petition is disposed of at the time of admission with the consent of the learned counsel for the Petitioner and the learned Special Government Pleader, who takes notice on behalf of the Respondent.

2. Heard the learned counsel appearing for the petitioner and learned Special Government Pleader appearing for the respondent.

3. In this Writ petition, the petitioner has challenged the impugned order dated 28.02.2025. The said impugned order was passed pursuant to the Show Cause Notice in Form DRC – 01 dated 26.11.2024. By the impugned order, the demand proposed in the notice has been confirmed based on the following observations:-

> *"Reply:*
> *In reply the tax payer stated that I am sending you ITC Balance Report and GST 2A Bills screen short for your reference. I ready to pay the ITC Balance Amount"*

4. The learned counsel for the petitioner submits that, in the reply, the

petitioner had annexed a tabulation showing that he was liable to pay tax only to the extent of Rs.7,000/- each towards IGST and CGST, and that the petitioner had also paid the said amounts on 11.09.2025.

5. A reading of the impugned order and the notice, along with the reply filed before this Court, shows that although the reply has been extracted in the impugned order, the tabulation uploaded by the petitioner on 27.02.2025 indicates that the petitioner did not submit a proper reply. Due to the absence of the detailed reply, the respondents confirmed the proposed demand. As such, though the respondent cannot be faulted for passing the impugned order, the petitioner may still have a case to explain.

6. Since the reply was inadequate, the petitioner may be given an opportunity to submit a proper reply, and the respondent may thereafter pass a fresh order.

7. Therefore, to balance the interest of both parties, viz., the Assessee and the Revenue and following the consistent view taken in similar circumstances, the impugned Order is quashed, and the case is remitted back

to the Respondent to pass a fresh order on terms, subject to the Assessee 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.

8. The amount deposited on 11.09.2025 pursuant to the reply dated 27.02.2025 shall be given credit and set off towards the required pre-deposit of 25% of the disputed tax.

9. 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 28.02.2025 as an addendum to the Show Cause Notice dated 26.11.2024.

10. 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.

11. It is made clear that bank attachment shall be lifted, subject to the deposit of 25% of the disputed tax as ordered above and no other amount is in arrears barring the amount demanded under the impugned order.

12. 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.

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

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

07.11.2025

Index : Yes/No
Neutral Citation :Yes/No
av

To

The Deputy State Tax Officer – 2,
Vaniyambadi Assessment Circle,
Pandit Jawaharlal Nehru Road,
Court Complex, Vaniyambadi – 635 751.

C.SARAVANAN, J.

av

W.P. No. 43036 of 2025
and
W.M.P.Nos.48164 & 48165 of 2025

07.11.2025