IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 24.11.2025

CORAM :

THE HONOURABLE MR.JUSTICE C.SARAVANAN

W.P.No.44647 of 2025
and
W.M.P.Nos.49797 and 49798 of 2025

Tvl. Jara Infratech Limited,
Represented by its Director,
R.Vivekraj, first Floor, No,5A,
Kamakoti Nagar, Narayanapuram,
Pallikaranai, Chennai 600 100. ... Petitioner

Vs.

The Assistant Commissioner (ST)(FAC)
Medavakkam Assessment Circle,
Integrated Commercial and Registration Building,
Room No.230, II Floor, Nandanam,
Chennai 600 035. ... Respondent

Prayer: Writ Petition filed under Article 226 of the Constitution of India, for issuance of a Writ of Certiorarified Mandamus calling for the records of the respondent in GSTIN: 33AADCJ5594J3Z7/2019-20 dated 24.08.2024 and quash the same and consequently direct the respondent to given an opportunity of personal hearing.

For Petitioner : Mr.P.R.Kumar

For Respondent : Mr.C.Harsharaj
Special Government Pleader

ORDER

Mr.C.Harsharaj, learned Special Government Pleader, 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 Special Government Pleader for the Respondent.

3. In this Writ Petition, the Petitioner has challenged the impugned Order dated 24.08.2024, which was preceded by a Show Cause Notice in Form GST DRC-01 dated 20.05.2024, fixing the personal hearing on 20.06.2024. The petitioner was also issued reminder notices on various dates. However, the

petitioner failed to respond to the same and consequently has suffered the impugned order whereby the proposal contained in Form GST DRC-01 dated 20.05.2024 has been confirmed.

4. The Revenue abstract in the impugned order is extracted below:-

“Revenue abstract for 2019-2020 Arrived as below:-

ACT	TAX	INTEREST	PENALTY	TOTAL
CGST	1019316	851031	101932	1972279
SGST	1019316	851031	101932	1972279

5. The learned counsel for the petitioner submits that, out of the aforesaid disputed tax amount of Rs.20,38,632/-, a sum of Rs.11,92,428/- pertains to input tax credit, which stands clearly cured in the light of the statutory intervention introducing Section 16(5) into the respective GST enactments vide S.O.4253(E), with retrospective effect from 01.07.2017, inserted by the Finance (No.2) Act, 2024 (15 of 2024) dated 16.08.2024.

6. The learned counsel for the petitioner further submits that *prima facie* the specific proposals contained in Form GST DRC-01 dated 20.05.2024 are covered. Relevant portion of which is extracted below:-

> ***Invalid ITC under section 16(4)***
> *Under Section 16(4) of the CGST & SGST Acts, 2017, a registered person shall not be entitled to take input tax credit for supply of goods or services after the due date of furnishing the return under Section 39 for the month of September Apr 19-Mar 20 (FY) i.e., 20 oct, 2020. However, it is observed that, you have availed input tax credit after this due date. Therefore, you are not entitled to the ITC claimed in the GST 3B return as below:*

S. No.	Tax Period	Dt. of filing of return	ITC Claimed				
			SGST	CGST	IGST	CESS	Total
1	2	3	4a	4b	4c	4d	4e
1	Mar,2020	2021-02-23	596214	596214	0	0	11,92,428

The above amount of ITC is proposed to be recovered.

7. Considering the length of delay in approaching this Court, and following the consistent view taken by this Court 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 the delay in approaching the Court. I do not find any reason to take a different view in this case.

8. Therefore, to balance the interest of both parties viz., the Assessee and the Revenue, the case is remitted back to the Respondent to pass a fresh order, subject to the Petitioner depositing 50% of the disputed tax, excluding the amount covered by Section 16(4) violation, since the amount was paid 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.

9. Within such time, the Petitioner shall also file a reply to the Show Cause Notice in Form GST DRC-01 dated 20.05.2024 together with requisite documents to substantiate the case by treating the impugned Order dated 24.08.2024 as an addendum to the Show Cause Notice dated 20.05.2024.

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 50% 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.

24.11.2025

Index : Yes/No
Neutral Citation : Yes/No

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To:

The Deputy State Tax Officer – I
Office of the Deputy Commercial Tax Officer,
Sri Perumbudur Assessment Circle, Kancheepuram.

C.SARAVANAN, J.

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W.P.No.44647 of 2025
and
W.M.P.Nos.50911 and 50912 of 2025

24.11.2025