IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 02.12.2025

CORAM :

THE HONOURABLE MR.JUSTICE C.SARAVANAN

W.P.No.46181 of 2025
and
W.M.P.Nos.51503 and 51504 of 2025

M/s.Priya Hardwares
Rep by its Proprietrix
R.Malathi. ... Petitioner

Vs.

1.The Assistant Commissioner (ST),
Ganapathy Assessment Circle,
Coimbatore Division,
Coimbatore, Tamil Nadu.

2.The State Tax Officer,
Thudiyalur Assessment Circle,
Coimbatore, Tamil Nadu. ... Respondents

Prayer: Writ Petition filed under Article 226 of the Constitution of India, for issuance of a Writ of Certiorari, to call for the records of the impugned assessment Order in Ref.No.ZD330225165342Q dated 17.02.2025 passed under Section 73 of the CGST/TNGST Act, 2017 for the Financial Year 2020-21, and uploaded along with the summary of summary in DRC – 07 from the files of the first respondent herein, quash the same.

For Petitioner : M/s.Aparna Nandakumar

For Respondents : Mrs.P.Selvi
Government Advocate

ORDER

Mrs.P.Selvi, learned Government Advocate takes notice for the Respondents.

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

3. The Petitioner is before this Court against the impugned order dated 17.02.2025 in Form GST DRC - 07 passed for the Tax Period 2020 – 2021 by the 1st Respondent under Section 73 of the respective GST enactments which preceded a Show Cause Notice in GST DRC-01 dated 25.11.2024 to which the Petitioner has also replied on 05.12.2024 and 30.12.2024 in Form GST DRC – 06.

4. The learned counsel for the Petitioner submits that the Petitioner's aforesaid reply was not complete and inadequate in respect of the defense of the Petitioner to the demand proposed in the Show Cause Notice in DRC – 01 for the respective tax period.

5. Since the Petitioner had not filed any proper reply to the Show Cause Notice in time, the impugned order has been passed on 17.02.2025.

6. It is noticed that the Petitioner has also filed two applications for Rectification of the impugned order dated 17.02.2023 on 23.02.2025 and 18.09.2025 under Section 161 of the respective GST enactments which came to be rejected on 24.06.2025 and 30.09.2025.

7. The learned counsel for the Petitioner submits that the Petitioner may be given an opportunity to file a proper reply together with requisite documents and also submits that the Petitioner is willing to deposit 25% of the disputed tax as a condition for *de novo* proceedings.

8. I have considered the submissions made by the learned counsel for the Petitioner and the learned Government Advocate for the Respondents.

9. Under similar circumstances, Orders have been quashed and cases have been remitted back to the Respondent to pass a fresh order on terms subject to such Assessee depositing 25% to 100% of the disputed tax depending upon the length of delay in approaching the Court. I do not find any reason to take a different view in this case.

10. Therefore, to balance the interest of both parties viz., the Assessee and the Revenue, the impugned order is quashed and the case is remitted back to the 1st Respondent to pass a fresh order on merits subject to the Petitioner 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.

11. Within such time, the Petitioner shall also file a detailed reply to the Show Cause Notice in GST DRC-01 dated 25.11.2024 together with requisite documents to substantiate the case by treating the impugned Order

dated 17.02.2025 as an addendum to the Show Cause Notice dated 25.11.2024.

12. In case the Petitioner complies with the above stipulations, the 1st 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 vacated.

13. It is made clear that bank attachment shall be lifted subject to the Petitioner depositing 25% of the disputed tax as ordered above and the Petitioner not being in arrears of any other amount barring the amount demanded under the impugned Order.

14. In case the Petitioner fails to comply with any of the stipulations, the 1st 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.

15. Needless to state, before passing any such order, the 1st Respondent shall give due notice to the Petitioner.

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

02.12.2025

Neutral Citation: Yes / No
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To:

1.The Assistant Commissioner (ST),
Ganapathy Assessment Circle,
Coimbatore Division,
Coimbatore, Tamil Nadu.

2.The State Tax Officer,
Thudiyalur Assessment Circle,
Coimbatore, Tamil Nadu.

C.SARAVANAN, J.

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