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IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 09.12.2025

CORAM :

THE HONOURABLE MR.JUSTICE C.SARAVANAN

W.P.No.47228 of 2025
and
W.M.P.Nos.52761 and 52765 of 2025

M/s.ARR Industries,
Represented by its Proprietor,
Arunkumar Rajavelu ... Petitioner

Vs.

The Deputy State Tax Officer I,
Thirumazhisai Circle,
Avadi Zone,
Thiruvallur. ... Respondent

Prayer: Writ Petition filed under Article 226 of the Constitution of India, for issuance of a Writ of Certiorari, to quash the impugned detailed order dated 15.04.2024 along with the summary order bearing DRC 07 Reference No.ZD330424179722C dated 24.04.2024, passed by the Respondent.

For Petitioner : M/s.N.Asmitha

For Respondent : Ms.Amirtha Poonkodi Dinakaran
Government Advocate

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ORDER

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

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 Respondent.

3. The Petitioner is before this Court against the impugned assessment order dated 15.04.2024 passed for the tax period 2018 – 2019 under Section 73 of the respective GST enactments which was preceded by a Show Cause Notice in GST DRC-01 dated 27.12.2023 to which the Petitioner failed to reply nor appeared for personal hearing.

4. The learned counsel for the Petitioner would submit that although the Petitioner had not filed a reply to the Show Cause Notice in GST DRC – 01 dated 27.12.2023, there is an error that has crept in the impugned order as is apparent from the comparison of GSTR 3B and GSTR 9 filed by the Petitioner.

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5. It is further submitted that in GSTR 3B clearly states that the Petitioner has discharged the tax liability. As far as CGST is concerned, it has been paid through a debit from the ITC on Input Tax Credit availed on Integrated Tax and Central Tax, while the balance was paid in cash.

6. It is further submitted that as far as SGST is concerned, a part of the amount was paid from the Input Tax Credit availed in the SGST and balance was paid in cash as detailed below:-

Description	**Total Tax Payable**	**Tax Paid Through ITC**				**Tax/Cess paid in cash**
		Integrated Tax	**Central Tax**	**State/UT Tax**	**Cess**	
(A) Other than Reverse Charge						
Integrated Tax	0.00	0.00	0.00	0.00	0.00	0.00
Central Tax	2,94,705.00	13,235.00	28,715.00	0.00	0.00	2,52,755.00
State/ UT Tax	2,94,705.00	0.00	0.00	28,715.00	0.00	2,65,990.00
Cess	0.00	0.00	0.00	0.00	0.00	0.00

7. However, the same has not been correctly reflected in the annual returns filed by the Petitioner in GSTR 9 filed under Rule 80 of the respective GST enactments.

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8. At this stage, the learned counsel for the Petitioner submits that the Petitioner is willing to pre-deposit 50% of the disputed tax as a condition for *denovo* adjudication.

9. The learned Government Advocate for the Respondent on the other hand would submit that in so far as the tax liability mentioned above, *prima facie* there are indications that the Petitioner has discharged the tax liability in the monthly return filed by the Petitioner in GSTR 3B.

10. I have considered the submissions made by the learned counsel for the Petitioner and the learned Government Advocate for the Respondent.

11. 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.

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12. Following the consistent view taken by this Court under similar circumstances, the impugned order is quashed and the case is remitted back to the Respondent to pass a fresh order on merits, subject to the Petitioner depositing 50% 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.

13. Any amount already paid / recovered from the Petitioner, towards the tax liability confirmed vide impugned order, shall be adjusted towards the aforesaid pre-deposit of 50% as ordered above. This will be however subject to verification by the Respondent.

14. Within such time, the Petitioner shall also file a reply to the Show Cause Notice in GST DRC-01 dated 27.12.2023 together with requisite documents to substantiate the case by treating the impugned Order dated 24.04.2024 as an addendum to the Show Cause Notice dated 27.12.2023.

15. 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)

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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.

16. It is made clear that bank attachment shall be lifted subject to the Petitioner depositing the disputed tax as ordered above and no other amount is in arrears barring the amount demanded under the impugned Order.

17. 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.

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

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

09.12.2025

Neutral Citation: Yes / No
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To:

The Deputy State Tax Officer I,
Thirumazhisai Circle,
Avadi Zone,
Thiruvallur.

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C.SARAVANAN, J.

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