IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 04.12.2025

CORAM :

THE HONOURABLE MR.JUSTICE C.SARAVANAN

W.P.No.47398 of 2025
and
W.M.P.Nos.52912 and 52914 of 2025

Shri Vaari Agencies,
Represented by its Proprietor
Prabhu. ... Petitioner

Vs.

The Deputy State Tax Officer – 1,
Hasthampatty Assessment Circle,
3rd Floor Integrated Commercial Taxes Building,
Pitchards Road, Hasthampatty,
Salem – 636 007. ... Respondent

Prayer: Writ Petition filed under Article 226 of the Constitution of India, for issuance of a Writ of Certiorarified Mandamus, to call for the records on the files of the Respondent pertaining to Order in GSTIN:33ATQPP3943C1ZM/2020-21 dated 25.02.2025 quash the same as illegal and consequently direct the Respondent to consider the matter afresh after providing opportunity of hearing and dispose the case on merits.

For Petitioner : Mr.S.Rajesh

For Respondent : Mr.V.Prashanth Kiran
Government Advocate

ORDER

Mr.V.Prashanth Kiran, 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 order dated 25.02.2025 which preceded by a Show Cause Notice in GST DRC – 01 dated 21.11.2024 under Section 73 of the respective GST enactments. The Petitioner had also replied to the Show Cause Notice on 14.02.2025.

4. Although in Form 6, the Petitioner has not opted for the personal hearing in the concluding paragraph of the reply dated 14.02.2015, the Petitioner has categorically stated that the Petitioner prays leave to adduce fresh / additional grounds either before or at the time of hearing of the personal hearing.

5. The learned counsel for the Petitioner submits that the Respondent has failed to note that discrepancies on account of the fact that the Petitioner was partly exempted from payment of tax and partly liable to tax at different rate of tax.

6. It is submitted that the Respondent has however uniformly applied the rate for all transactions to come to a incorrect conclusion that the Petitioner had failed to pay the tax at 18%.

7. On the other hand, the learned Government Advocate for the Respondent would submit that personal hearing notice was issued to the Petitioner on 14.02.2025. However, the Petitioner failed to take advantage of the same and therefore the Petitioner cannot find fault with the Respondent.

8. He further submits that the Petitioner had failed to file a reply to the Show Cause Notice in GST DRC – 01 dated 21.11.2024 and therefore several reminders have to be sent.

9. It is submitted that in this connection, the first reminder was sent on 22.01.2025 followed by second reminder on 24.01.2025 and followed by

the third reminder dated 07.02.2025 pursuant to which the Petitioner had filed a reply on 14.02.2025.

10. It is submitted that thereafter a personal hearing was also extended to the Petitioner by a personal hearing notice dated 22.02.2025. However, the Petitioner failed to appear and it is in this background the impugned order has been passed. It is submitted that no procedural irregularity is dis-enabled from the impugned order and therefore the impugned order does not merit any interference.

11. Having considered the submissions made by the learned counsel for the Petitioner and the learned Government Advocate for the Respondent and having perused the records it is noticed that the Respondent has not violated any of the procedural safeguards contemplated under the Act and the Rules made thereunder. As such there is no scope for interfering with the impugned order on the ground raised in this Writ Petition.

12. That apart, the impugned order dated 25.02.2025 indicates *prima facie* application of mind by the Respondent and that there was a reconciliation based on the reply dated 14.02.2025 of the Petitioner.

13. However considering the fact that the Petitioner may or may not have a case and since the Petitioner could not not explain the case, the case is remitted back to the Respondent to re-do the exercise 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.

14. Within such time, the Petitioner shall also file a reply to the Show Cause Notice in GST DRC-01 dated 21.11.2024 together with requisite documents to substantiate the case by treating the impugned Order dated 25.02.2025 as an addendum to the Show Cause Notice dated 21.11.2024.

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) 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 deposit of 25% of the disputed tax as ordered above and the Petitioner is not in arrears of any other amount 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.

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

04.12.2025

Neutral Citation: Yes / No
jas

To:

The Deputy State Tax Officer – 1,
Hasthampatty Assessment Circle,
3rd Floor Integrated Commercial Taxes Building,
Pitchards Road, Hasthampatty,
Salem – 636 007.

C.SARAVANAN, J.

jas

W.P.No.47398 of 2025
and
W.M.P.Nos.52912 and 52914 of 2025

04.12.2025