IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 16-12-2025

CORAM

THE HON'BLE MR JUSTICE C. SARAVANAN

WP No. 49018 of 2025
and W.M.P.Nos.54749 & 54750 of 2025

Tvl. Vedhanth Enterprises
Rep. by its proprietor, S.Karthick,
Venkatasubramaniya Swamy Nagar,
Plot no.55, S.F. No. 771, Vazhudhalambedu,
Kundrathur, Chennai – 600 069.

..Petitioner(s)

Vs

The Assistant Commissioner (ST) (FAC),
Kundrathur Assessment circle,
No. 4/109 Bangalore Highway Road,
Varadarajapuram, Nazarethpet,
Chennai 600 123.

..Respondent(s)

PRAYER - This Writ Petition is filed under Article 226 of the Constitution of India, seeking a Writ of Certiorari, calling for the impugned order of Respondent passed in GSTIN-33BDWPK0502M3ZD /2020-21 dated 27.01.2025 to quash the same.

For Petitioner(s): Mr.R.Kumar

For Respondent(s): Mrs.K.Vasanthamala, Government Advocate

ORDER

Mrs.K.Vasanthamala, learned Government Advocate takes notice for the Respondent.

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

3.In this Writ Petition, the Petitioner has challenged the impugned order dated 27.01.2025. The impugned order has preceded a Show Cause Notice in DRC 01 dated 27.02.2023 which was also replied on 02.03.2023. Thereafter, the Petitioner was called for a personal hearing. However, the Petitioner failed to appear before the Respondent during the personal hearing. Hence, the impugned order is passed.

4.The operative portion of the impugned order reads as under:

> *"They have produced invoice copies, E-way bill generated details and incorrect payment details. The documents filed by them was carefully examined and found not comprehensive. Further, they have not produced GSTR-2A reported detail and tax paid by the supplier through GSTR-3B filed to the*

Government Ex-Chequer as per provision of Section 16[2][c] of TNGST Act 2017.

The input tax credit cannot be allowed without establishing that the genuineness business transaction has been taken place. In the absence of such records and supporting documents, the proposal is hereby confirmed.

5.By the impugned order, following demand has been confirmed against the Petitioner:

	Tax	**Penalty @ 100%**	**Interest**	**Grand Total**
CGST	769211	769211	576633	2115055
SGST	769211	769211	576633	2115055
Total	1538422	1538422	1153266	4230110

6.The learned counsel for the Petitioner submits that the Petitioner failed to notice the impugned order dated 27.01.2025, however submits that 48% of the disputed tax has been recovered from the Petitioner's electronic credit ledger.

7.However, the learned Government Advocate appearing for the Respondent is unable to confirm the same.

8.Be than as it may, following the consistent view taken in the similar circumstances, 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.

9.Recording the above submissions of the learned counsel for the Petitioner and the learned Government Advocate appearing for the Respondent, the amount recovered so far from the Petitioner will be subject to verification by Respondent and shall be set-off towards aforesaid pre-deposit of 50%.

10.Within such time, the Petitioner shall also file a reply to the Show Cause Notice in GST DRC-01 dated 27.02.2023 together with requisite documents to substantiate the case by treating the impugned Order dated 27.01.2025 as an addendum to the Show Cause Notice dated 27.02.2023.

11.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.

12.It is made clear that bank attachment shall be lifted subject to the deposit of 50% 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.

13.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.

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

15.This Writ Petition stands disposed of with the above observations. No costs. Connected Writ Miscellaneous Petition is closed.

16-12-2025
(1/2)

Neutral Citation: Yes/No
GSA

C.SARAVANAN, J.

GSA

To

The Assistant Commissioner (ST) (FAC),
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