IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 16-12-2025

CORAM

THE HON'BLE MR JUSTICE C. SARAVANAN

WP No. 49080 of 2025
and W.M.P. Nos.54824 & 54826 of 2025

Tvl. M M and Co,
Represented by its Partner, Mani Senniyappan,
7/356-A, M.M Building,
Pollachi Main Road, Sulthanpet,
Sulur Taluk, Coimbatore,
Tamil Nadu 641 669.

..Petitioner(s)

Vs

1. The Assistant Commissioner (Circle)
   Tiruppur Central II,
   Tamil Nadu.

2. The State Tax Officer,
   (also known as Commercial Tax Officer),
   Central-II Assessment Circle, Tiruppur II,
   Tiruppur, Tamil Nadu.

..Respondent(s)

PRAYER: Writ Petition filed under Article 226 of the Constitution of India, for issuance of a Writ of Certiorari, to call for the records on the files of the 2nd Respondent herein in GSTIN 33AAOFM1410E1ZT/2018-19 dated 09.07.2025, Order under section 74 and the summary of the order in Form GST DRC-07 dated 09.07.2025 both issued in Reference No ZD330725084302I and quash the same.

For Petitioner(s): Mr.Jayaprathap A N R

For Respondent(s): 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.In this Writ Petition, the Petitioner has challenged the impugned order dated 08.07.2025 and summary of the order in GST DRC-07 dated 09.07.2025. By the impugned order, the proposal in Show Cause Notice dated 25.09.2024 has been confirmed, after considering the Petitioner's reply dated 23.01.2025.

4.The content of the aforesaid reply is reproduced below:

"***Observation 1: Taxpayer's Inward Supplies Post Cancellation of Registration – GSTR 2A Assessment***

The notice indicates that there are inward supplies reflected in GSTR-2A, but no corresponding reporting in our monthly returns of GSTR-1.

We have not purchased any such goods as reflected in GSTR-2A. It appears that suppliers have mistakenly filed their returns, reporting transactions that did not occur, which has led to the incorrect data being reflected in our GSTR-2A. We hereby request your good selves to drop the proceedings in this regard."

5.The 2nd Respondent has however confirmed the demand without proper cross verification from their counter parts from the Supplier's end.

6.Learned counsel for the Petitioner however submits that the Petitioner is willing to deposit 25% of the disputed tax.

7.Recording the above submission and following the consistent view taken under similar circumstances, the impugned order is quashed and the case is remitted back to the 2nd 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 and also substantiating the same with proper communication from the Supplier's end. Since the Petitioner has to get such a document with the Supplier, the Petitioner is given three months time to file the same.

8.Any amount already recovered/paid by the Petitioner towards the tax liability confirmed under the impugned order shall be adjusted towards the pre-deposit of 25% as ordered above, subject to verification.

9.In case the Petitioner complies with the above stipulations, the 2nd 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. Considering the fact that the impugned order is being quashed, the recovery proceedings initiated by attaching the Allahabad Bank Account, Palladam, Tamilnadu 638669 of the Petitioner shall also stand automatically vacated.

10.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.

11.In case the Petitioner fails to comply with any of the stipulations, the Respondents are 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.

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

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

16-12-2025

Neutral Citation: Yes/No
GSA

To

1. The Assistant Commissioner (Circle)
   Tiruppur Central II,
   Tamil Nadu.

2. The State Tax Officer,
   (also known as Commercial Tax Officer),
   Central-II Assessment Circle,
   Tiruppur II, Tiruppur,
   Tamil Nadu.

C.SARAVANAN, J.

GSA

WP No. 49080 of 2025

and W.M.P. Nos.54824 & 54826 of 2025

16-12-2025