IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 17-12-2025

CORAM

THE HON'BLE MR JUSTICE C. SARAVANAN

WP No. 49348 of 2025
and W.M.P. Nos.55116 & 55118 of 2025

Rhenus Logistics India Private Limited,
Rep by its Deputy Manager (Finance and Accounts),
5, Srinivas Towers,
Cenotaph Road,
Chennai -600 018.

..Petitioner(s)

Vs

1. State Of Tamilnadu,
   Rep By Its Principal Secretary To Government &
   Commissioner Of Commercial Tax,
   Ezhilagam, Chepauk,
   Chennai-600 005.

2. Deputy commissioner (CT),
   Saidapet Assessment Circle,
   Integrated Buildings for Commercial Taxes &
   Registration Department,
   Nandanam, Chennai-600 035.

3. Assistant commissioner (ST),
   Saidapet Assessment Circle,
   Integrated Buildings for Commercial Taxes &
   Registration Department,
   Nandanam, Chennai- 600 035.

4. Commercial Tax Officer,
   Saidapet Assessment Circle,
   Integrated Buildings for Commercial Taxes &
   Registration Department,
   Nandanam, Chennai- 600 035.

5. Deputy Commercial Tax Officer,
Saidapet Assessment Circle,
Integrated Buildings for Commercial Taxes &
Registration Department,
Nandanam, Chennai-600 035.

..Respondent(s)

PRAYER: Writ Petition filed under Article 226 of the Constitution of India, for issuance of a Writ of Certiorarified Mandamus, seeking to call for the records leading to issuance of the impugned Recovery Notice dated 18.11.2025 pertaining to the demand No. ZD3312232728974 on the file of the 3rd Respondent and to QUASH the same and to consequently DIRECT the 3rd Respondent to un-freeze/unblock the Petitioner’s Electronic Credit Ledger.

For Petitioner(s): Mr.Niranjan JV

For Respondent(s): Mrs.P.Selvi,
Government Advocate

O R D E R

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 Demand Notice dated 18.11.2025 demanding a total tax due of Rs.8,42,810/- along with the interest and penalty from the Petitioner for the tax period 2017-2018.

4.The challenge to the demand notice dated 18.11.2025 is on the strength of the judgment of the Punjab and Haryana High Court in ***J.S.B. Trading Co. Vs. State of Punjab., 2024 (12) TMI 436.***

5.In this Writ Petition, the Petitioner has challenged the impugned demand notice dated 18.11.2025 primarily on the ground that the demand was earlier confirmed vide order dated 30.12.2023 in DRC-07 for the same tax period, which preceded a notice in DRC-01 dated 27.09.2023. Although the appeal filed before the Appellate Authority on 30.04.2024 against the order dated 30.12.2023 was rejected on the ground of limitation vide order dated 22.04.2025, a parallel proceeding was initiated by issuance of a notice in DRC-01 dated 11.12.2023 and that by an order dated 14.06.2024, the demand was dropped.

6.It is submitted by the learned counsel for the Petitioner that it is impermissible for the authorities to pass two orders and since the demand was subsequently dropped vide order dated 14.06.2024, impugned demand dated 18.11.2025 is liable to be quashed.

7.The argument of the Petitioner that the demand that was proposed in Show Cause Notice dated 11.12.2023 was dropped by an order dated 14.06.2024 substitutes and dilutes the earlier assessment order in DRC-07 dated 30.12.2023 is inconceivable.

8.The Petitioner was issued with a Show Cause Notice in Form DRC-01 for the tax period 2017-2018 on 27.09.2023, since the Petitioner had failed to respond to the same, the assessment order dated 30.12.2023 came to be passed by the Commercial Tax Officer. The subsequent order dated 14.06.2024 that was passed by the Deputy Commissioner (CT) of Tax pursuant to the Show Cause Notice dated 11.12.2023 is in line with the requirements of the respective GST enactments.

9.In fact the 2nd Show Cause Notice itself could not have been issued as demand had already been confirmed vide order dated 30.12.2023. At best, the demand that was confirmed vide order dated 30.12.2023 could have been recalled, subject to any error apparent on the face in terms of Section 161 of respective GST enactments.

10.However, the demand proposed in show cause notice in DRC-01 dated 11.12.2023 which was dropped vide order dated 14.06.2024 itself records as follows:-

"With reference to the above referred show cause notice issued to you for representing your case against the reasons stated in the Annexure attached thereto and on the basis of information available on record, the proceedings are hereby dropped for the reasons and other details stated in the Annexure attached herewith."

The said order also records:-

Act/Rules Provisions:
Sec 73 for this same issue DRC 07 Already passed as on 30.12.2023 regarding demand ID ZD3312232728974

Therefore, the challenge to the impugned demand notice on this specious ground is liable to be rejected and is accordingly rejected.

11.At this stage, the learned counsel for the Petitioner submits that the Petitioner may be allowed to agitate the case on merits. The appeal filed against the Assessment order in DRC-07 dated 30.12.2023, was rejected on the ground of limitation as it was filed one day beyond the condonable period of limitation. The Petitioner has already deposited 10% of the disputed tax amount at the time of filing the appeal on 30.04.2024 against the Assessment Order dated 30.12.2023.

12.Considering the same, the appeal that was dismissed by the Appellate Authority namely the 2nd Respondent shall stand restored. If decided by the

Department, the Petitioner may be asked to file a fresh copy of the appeal for the purpose of records within a period of 30 days from the date of receipt of a copy of this order. The 2nd Respondent shall thereafter pass fresh orders on merits without reference to limitation on its own turn.

13.It is made clear that challenge to the order dated 30.12.2023 on technical ground that the said order stood substituted by subsequent order dated 16.04.2024 shall not be canvassed before the Appellate Authority.

14.With the above observations, the Writ Petition stands disposed of. No costs. Consequently, connected Miscellaneous Petitions are closed.

17-12-2025

Index : Yes/No
Neutral Citation: Yes/No

GSA

To

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   And Commissioner Of Commercial Tax,
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C.SARAVANAN, J.

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