IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 18.12.2025

CORAM:

THE HONOURABLE MR. JUSTICE **C.SARAVANAN**

W.P.No.49596 of 2025
and
W.M.P.Nos.55439 and 55441 of 2025

Tvl Sabari Builders
Represented By Its Managing Partner Sabari Anand
4/243A, Lakshmi Nagar,
Achipatty Panchayat,
Pollachi – 641 002. ... Petitioner

-Vs-

The State Tax Officer (ST),
Inspection 7 Coimbatore,
Commercial Taxes Building,
Coimbatore – 641 018. ... Respondent

Prayer : Writ Petition is filed under Article 226 of Constitution of India praying for the issuance of a Writ of Certiorari, calling for the records of the respondent in his proceedings in GSTIN 33ABIFS3557P1ZK/2023-24 dated 28.11.2025 and quash the same as illegal.

For Petitioner : Mr.S.Ramnathan
For Respondent : Mr.C.Harsharaj
Special Government Pleader

ORDER

The petitioner is before this Court against the impugned order dated 28.11.2025 in GST DRC-07 for the tax period 2023-2024 preceded a Show

Cause Notice in DRC 01 dated 02.09.2025 to which the petitioner had also filed a reply on 03.11.2025 in Form GST DRC-06.

2. The case of the petitioner is that there was doubt in the outward tax liability related to outward supply for the tax period 2023-2024 for a turn over of Rs.5,40,37,321/- reported in the Financial Year 2024-2025. However, the same was accounted for and tax has been paid by the petitioner.

3. It is noticed that there is a contradiction in the operative portion of the impugned order whereby the demand proposed in the Show Cause Notice in DRC 01 dated 02.09.2025 has been confirmed against the Petitioner.

4. In the impugned order, the difference in turnover is recorded as under:

> "*It is* ***established that****:*
>
> *Outward supply of* ***Rs.5,40,37,321/-*** *for FY 2023-24 was not* ***reported in FY 2024-25,*** *and suppressed.*
>
> *Corresponding tax* ***has been not fully paid*** *by the taxpayer across FY 2023-24, FY 2024-25 and DRC-03.*
>
> *Hence,* ***the proposed tax demand of Rs.95,01,964/- is sustainable under Section 74****, as there is* ***fraud, wilful mis-statement or suppression****."*

5. However, in the succeeding paragraph of the impugned order, it has been stated as under :-

> *"However:*
>
> ** The differences arose due to* ***timing of reporting*** *(FY 2024-25)*
>
> ** All taxes are duly paid*
>
> ** Records were made available during inspection*
>
> ** No evidence of suppression or fraudulent intention."*

6. Thus, there is an apparent contradiction between the two paragraphs extracted above from the impugned order. As such the reasoning in impugned order is unsustainable. Therefore, the impugned order deserves to be interfered with.

7. Considering the same, the impugned order is quashed and the case is remitted back to the Respondent to pass a fresh order on merits. Taking note of the reply of the petitioner dated 03.11.2025, within a period of three months from the date of receipt of a copy of this order.

8. The Petitioner shall also file an additional reply to the Show Cause Notice in DRC-01 dated 02.09.2025 together with requisite documents to substantiate the case by treating the impugned Order dated 28.11.2025 as an

addendum to the Show Cause Notice dated 02.09.2025 within a period of 30 days from the date of receipt of a copy of this order.

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

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

18.12.2025

Neutral Citation: Yes/No

gv

To

The State Tax Officer (ST),
Inspection 7 Coimbatore,
Commercial Taxes Building,
Coimbatore – 641 018.

C.SARAVANAN. J,
gv

W.P.No.49596 of 2025

18.12.2025