IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 19-12-2025

CORAM

THE HONOURABLE MR JUSTICE C. SARAVANAN

WP No. 49756 of 2025
& WMP Nos.55641 & 55642 of 2025

1. M/s.Sree Swetha Steels,
Represented by its Proprietor,
Mr Sellathurai,
No.86, Bye Pass Road,
Opp Ramakrishna Dental
Clinic ,Dharapuram,
Tiruppur- 638 657

Petitioner(s)

Vs

1. The Deputy State Tax Officer-2
Dharapuram Assessment Circle,
Dharapuram.

2.The Deputy Commercial Tax Officer
Dharapuram, Tiruppur III, Tiruppur

3.The Branch Manager
Indian Bank, Dharapuram Branch,
No .24, Rajendra Nagar,
Udumalai Road, Dharapuram 638 656

4.The Branch Manager,
City Union Bank, Dharapuram Branch,
Old.No. 89, Church Road,
Dharapuram- 638 656

5.The Branch Manager,
HDFC Bank, Dharapuram Branch,
No 56, 47, Church Road ,
Anbagam Complex , Dharapuram
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…..Respondent(s)

PRAYER

This writ petition has been filed seeking for issuance of a Certiorarified Mandamus, to call for the records with respect to the Impugned Order vide Ref.No.ZD330525338948X dated 30.05.2025 passed under Section 74 along with summary of the Order vide Ref.No.ZD330525338948X dated 30.05.2025 under FORM GST DRC-07 passed by the 2nd Respondent and also the proceedings bearing GSTIN33BFVPS0608M1ZX/2023-24 dated 30.05.2025 passed under Section 74 of TNGST Act, 2017 by the 1st Respondent and quash the same and consequently direct the 3rd to 5th Respondents to de-freeze the petitioner Bank Account bearing A/c.Nos.6330931780, 500101012233919, 512120020000993, 50200079488850.

For Petitioner(s) : Ms.Gayathri Vasudevan
For Respondent(s): Mrs.Amritha Poongodi Dinakaran, for R1 & 2
Mr.C.Mohan &
Ms.Rexy Josephine Mary for
M/s.King and Partridge for R5

ORDER

In this writ petition, the petitioner has challenged the impugned Assessment order dated 30.05.2025, wherein, the demand proposed under show cause notice in DRC-01 dated 21.11.2024 has been confirmed under Section 74 of respective GST enactments for the tax period 2024-25 as the petitioner failed to respond to the said show cause notice that preceded the impugned order and failed to appear for the personal hearing fixed.

2. By the impugned order, the following demand has been confirmed against the petitioner:

Discrepancy details	Act	Period	Tax	Interest 18%	@Penalty	Total
Availed ineligible ITC(Blocked Credit)	IGST	2024-25	0	0	0	
	SGST	2024-25	238070	46257	238070	522397
	CGST	2024-25	238070	46257	238070	522397
Total			476140	92514	476140	1044794

2.The learned counsel for the petitioner would submit that the entire amount of disputed tax of Rs.4,76,140/- has been recovered on various dates from the petitioner's Electronic Credit Ledger.

3. The learned counsel for the respondent is however, unable to confirm the same.

4.Following the consistent view taken under similar circumstances and taking note of the date of the order, the case is remitted back to the concerned respondent to pass a fresh order on merits, subject to the petitioner depositing 25% of the disputed tax in cash or 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.

5. In case the recovery already made from the petitioner exceeds 25% of the disputed tax as stated by the petitioner, no further amount is required to be pre-deposited by the petitioner as a pre-condition for *de novo* adjudication.

6. 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 30.05.2025 as an addendum to the Show Cause Notice dated 21.11.2024.

7. 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 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.

8. It is made clear that bank attachment shall be lifted subject to the petitioner depositing 25% of the disputed tax as ordered above and the petitioner not being in arrears of any other amount barring the amount demanded under the impugned Order.

9. 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.

10. Needless to state, before passing any such order, the respondent shall give due notice to the petitioner.

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

19-12-2025

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Index:Yes/No
Neutral Citation:Yes/No

To

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C.SARAVANAN, J.
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