IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 08-01-2026

CORAM

THE HONOURABLE MR JUSTICE C. SARAVANAN

WP No. 425 of 2026
and
WMP Nos.501 & 508 of 2026

Tvl.SSM Transport
Represented by its Proprietor
Mr.S.Muruga Pandian,
No.47 /202, MGR Salai, Chinnamathur,
Chennai 600 068.

Petitioner(s)

Vs

The Assistant Commissioner (CT) (FAC)
Manali Assessment Circle,
Integrate Commercial Taxes Building,
Room No.101, No.32,
Elephant Gate Bridge Road,
Vepery, Chennai 600 003.

Respondent(s)

PRAYER: Writ Petition filed under Article 226 of the Constitution of India, for issuance of Writ of Certiorarified Mandamus, calling for the records in Order passed by the Respondent GSTIN:33AMVP8074K1Z3/2020-2021 along with DRC-07 Ref No.ZD330225264033V both dated 25.02.2025 and quash the same as arbitrary, bad in law and consequently direct the respondent to hear the case on merits and pass.

For Petitioner(s): Mr.M.Narasimha Bharathi

For Respondent: Mrs.Vasanthamala
Government Advocate

ORDER

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

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 Respondent.

3. In this Writ Petition, the Petitioner has challenged the impugned Order dated 25.02.2025 for the tax period 2020-21. By the impugned order, the demand proposed in DRC-01 dated 27.11.2024 has been confirmed. The petitioner had filed a reply on 24.02.2025 to the aforesaid Show Cause Notice dated 27.11.2024. In reply dated 24.02.2025, the petitioner has stated as under:

> "Dear Sir,
>
> With reference to the SCN ZD3311242689556 dated 27.11.2024 we request to provide some more time as the supplier is liable to make the GST payment and as enquired by us the supplier will be making the payment within the given timeline. Requesting to please provide some more time. On the ineligible ITC, we are into Transport business and in voicing on forward charge basis, hence the ITC on motor vehicle and related ITC are eligible for our business. On the interest on late filing of GST 3B and late reporting of invoices,

please provide additional time for enabling us to make the payment.

Thank you"

4. Reading of the above reply, which has been extracted in the impugned order indicates that the petitioner's reply was inadequate and did not meet the allegations in the Show Cause Notice in DRC-01 dated 27.11.2024.

5. The learned counsel for the petitioner submitted that post-facto, the entire disputed tax has been paid by the supplier namely, S.Murugapandian, Proprietor of M/s.M Chem Logistics.

6. Under similar circumstances, Orders have been quashed and cases have been remitted back to the Respondent to pass a fresh order on terms subject to such Assessee depositing 10% to 100% of the disputed tax depending upon the length of time taken in approaching the Court. I do not find any extraneous reason to take a different view in this case.

7. Therefore, to balance the interest of both parties viz., the Assessee and the Revenue, the case is remitted back to the 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.

8. Within such time, the Petitioner shall also file an additional detailed reply to the Show Cause Notice in DRC-01 dated 27.11.2024 together with requisite documents to substantiate the case by treating the impugned Order dated 25.02.2025 as an addendum to the Show Cause Notice dated 27.11.2024.

9. Any amount which has already recovered from the petitioner or paid by the petitioner towards the tax liability demanded under the impugned order shall be adjusted towards the pre-deposit of 25% of the disputed tax as ordered above. This will be however subject to verification by the respondent.

10. 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.

11. 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 not being

in arrears of any other amount demanded for any other tax period barring the amount demanded under the impugned Order.

12. 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.

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

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

08-01-2026

Jd
Index:Yes/No
Speaking/Non-speaking order
Internet:Yes
Neutral Citation:Yes/No

To
The Assistant Commissioner (CT) (FAC)
Manali Assessment Circle,
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C.SARAVANAN J.
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