# IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 30.01.2026

CORAM :

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

W.P.No.3188 of 2026
and
W.M.P.Nos.3597 & 3598 of 2026

M/s. K R T Cashews,
Represented by its Proprietor,
Mr.Ramesh, 2/166, North Street,
Kadampuliyur, South Melmampattu,
Cuddalore – 607 103.
GSTIN: 33BLFPR0994B1Z7 ... Petitioner

Vs.

1. The Deputy Commissioner (GST)
   No.4, Barathiya Salai,
   Fort Round Road, Vellore – 632 001.

2. The State Tax Officer (ST),
   Panruti Town Assessment Circle,
   Commercial Taxes Department,
   Panruti, Cuddalore District.

3. The Branch Manager,
   Axis Bank, Panruti Branch,
   Cuddalore District. ... Respondents

Prayer: Writ Petition filed under Article 226 of the Constitution of India, for issuance of a Writ of Certiorarified Mandamus calling for the records relating to the adjudication order of the 2nd respondent in Form GST DRC-07 dated

29.04.2025 for the assessment year 2021-2022 vide Ref No.ZD3304252125861 and the subsequent adjudication order in Form GST DRC – 07 dated 26.11.2025 for the assessment year 2021-2022 Vide Ref No.ZD3311254625161; and quash the same and consequently direct the 2nd respondent to reverse the amount which has been deducted from the account of the petitioner's company.

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|---|---|---|
| For Petitioner | : | Mr.K.Jayaraman |
| For R1 | : | Mr.R.P.Pragadish<br>Senior Standing Counsel |
| | : | Mr.J.Harikrishnan,<br>Junior Panel Counsel |
| For R2 | : | Mr.C.Harsharaj<br>Additional Government Pleader |

## ORDER

Mr.R.P.Pragadish, learned Senior Standing Counsel takes notice for the 1st Respondent and Mr.C.Harsharaj, learned Additional Government Pleader takes notice for the 2nd Respondent.

2. This Writ Petition is being disposed of at the time of admission with the consent of the learned counsel for the Petitioner and the learned Senior Standing Counsel for the 1st Respondent and learned Additional Government Pleader for the 2nd Respondent.

3. In this Writ Petition, the Petitioner has challenged the Assessment Order dated 29.04.2025 in Form Gst DRC – 07 passed for the tax period 2021-2022 by the second respondent and the subsequent assessment order dated 26.11.2025, which was also passed for the same tax period by the second respondent.

4. However, it is noticed that both the aforesaid assessment orders were passed by two different officers.

5. The first impugned order was preceded by a Show Cause Notice in Form GST DRC-01 dated 28.11.2024 issued under Section 74 of the respective GST Enactments. After the said impugned order dated 29.04.2025 was passed, another Show Cause Notice in Form GST DRC-01 dated 09.06.2025 was issued under Section 73 of the respective GST Enactments, pursuant to which the second impugned order dated 26.11.2025 came to be passed by the said Respondent.

6. A reading of the impugned assessment orders indicate that major portion of the demand are common in both proceedings as confirmed by the

impugned orders. However, in the second passed impugned assessment order dated 26.11.2025, there is an additional demand for a sum Rs.7,477/- Confirmed against the petitioner.

7. The learned counsel for the petitioner placed reliance on the decision in ***M/s. Engineering Tools Corporation vs. The Assistant Commissioner (ST)*** in ***WP.No.3505 of 2024***, dated ***15.02.2024***. Specific reference was made to paragraph No. 6 of the said order of this Court, wherein it was held that the matter could be remitted back for examination of the genuineness of the transactions after considering all the relevant documents.

8. The facts of the present case are almost identical to the fact in the aforesaid case. However, considering the fact that the petitioner had already filed a reply dated 18.03.2025 to the Show Cause Notice in Form GST DRC – 01 dated 28.11.2024, which culminated in the first passed impugned assessment order dated 29.04.2025, there is no scope for quashing the said order and remitting the case back to pass a fresh order to the respondents.

9. However, the petitioner has made out a fair case insofar as the challenge to the second mentioned impugned assessment order dated 26.11.2025

is concerned, which was passed pursuant to the Show Cause Notice in Form GST DRC-01 dated 09.06.2025 issued under Section 73 of the respective GST Enactments.

10. The demand confirmed in the second passed impugned assessment order dated 26.11.2025 overlaps with the demand already confirmed in the first passed impugned assessment order. Therefore, to that extent, the second mentioned impugned assessment order dated 26.11.2025 is liable to be quashed.

11. Accordingly, the second mentioned impugned assessment order dated 26.11.2025 is quashed, subject to the petitioner admitting and remitting the balance liability of Rs.7,477/- confirmed in the second impugned order.

12. As far as the first passed impugned assessment order dated 29.04.2025 is concerned, since the petitioner had already filed a reply to the Show Cause Notice, liberty can be granted to the petitioner to challenge the first passed impugned assessment order before the Appellate Authority. Therefore, following the consistent view taken by this Court under similar circumstances, liberty is granted to the petitioner to file an appeal before the

Appellate Authority, subject to the Petitioner depositing 25% of the disputed tax confirmed vide impugned order dated 29.04.2025 in cash from the Petitioner's Electronic Cash Register within a period of 30 days from the date of receipt of a copy of this order.

13. At this stage, the learned counsel for the petitioner submits that a sum of Rs.4,88,309/- has already been recovered from the petitioner's bank account.

14. However, the learned Additional Government Pleader for the 2nd respondent is unable to confirm the same.

15. Whether any amount has already been recovered from the petitioner's bank account towards tax liability confirmed by the first impugned assessment order dated 29.04.2025 shall be verified and adjusted towards the aforesaid pre-deposit 25% of disputed tax as ordered above.

16. In case the amount already recovered, as stated above, which either exceeds or satisfies the 25% pre-deposit requirement, no further amount shall be required to be pre-deposited by the petitioner for the purpose of *de nono*

proceedings.

17. Since the system may not facilitate the filing of an appeal electronically, the petitioner may not able to upload proof of the pre-deposit already made. Therefore, the petitioner is permitted to file the appeal manually along with the necessary documents, stating that the required amount has already been recovered/paid.

18. In case, the Petitioner complies with the above stipulation, the Appellate Authority shall proceed to consider the appeal and pass a final order on merits and in accordance with law, as expeditiously as possible, without reference to limitation on its own turn.

19. Subject to the Petitioner complying with the above stipulation, the attachment of the bank account of the Petitioner shall also stand automatically raised/vacated.

20. 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 amount barring the amount demanded

under the impugned Order.

21. In case the Petitioner fails to comply with any of the stipulation, 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.

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

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

**30.01.2026**

Neutral Citation : Yes / No
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To:

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   No.4, Barathiya Salai,
   Fort Round Road, Vellore – 632 001.

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**C.SARAVANAN, J.**

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