IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 27-01-2026

CORAM

THE HON'BLE MR JUSTICE C. SARAVANAN

WP No. 2618 of 2026

AND

WMP NO. 2847 OF 2026,WMP NO. 2849 OF 2026

Prajith Enterprises
Rep by its Proprietor Deepa.
Plot No. 274, Indira Nagar, Vellore,
Tamil nadu 632009

..Petitioner(s)

Vs

State Tax Officer
Vellore Rural Assessment circle,
No 4, fort Round Road,
Vellore 632 001

..Respondent(s)

PRAYER

Writ Petition filed under Art. 226 of Constitution of India seeking for issuance of Writ of Certiorari, calling for the records relating to the impugned order in GSTIN 33DXUPD3186A1ZK FY 2021-22 dated 15.04.2025 and its consequential Demand Order dated 15.04.2025 having Reference No. ZD330425109312X issued by the Respondent and quash the same.

For Petitioner(s): Mr. Sanskar Samdaria S

For Respondent(s): Mrs.K.Vasanthamala, Government Advocate

ORDER

Mrs.K.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.The Petitioner is before this Court against the impugned order dated 15.04.2025 in Form GST DRC-07 passed under Section 73 of the respective GST Enactments for the tax period 2021-2022, which was preceded by a Show Cause Notice and thus suffered the impugned order. By the impugned order, Late Fee under Section 47(2) of the respective GST Enactments and also General Penalty under Section 125 of the respective GST Enactments has been imposed as detailed below :-

Act	**Late fee (Rs.)**	**Penalty (Rs.)**	**Total (Rs.)**
CGST	83600	25000	108600
SGST	83600	25000	108600
Total	**167200**	**50000**	**217200**

4.The petitioner has challenged the impugned order on the ground that another Assessment Order dated 13.05.2025 was passed for the same tax period, wherein also the petitioner has been subjected to a penalty of Rs.50,000/- for the same tax period.

5.Facts on record reveal that the petitioner has preferred an appeal on 11.08.2025 against the aforesaid Assessment Order dated 13.05.2025 before the Appellate Authority.

6. The learned counsel for petitioner submitted that both General Penalty and Late Fee go hand in glove. The learned counsel for petitioner further submitted that the issue has also now attained clarity in terms of decision rendered by this Court in ***Ms.Kandan Hardware Mart, Represented by its Proprietor E.Palani vs. The Assistant Commissioner (ST) (FAC), Park Town Assessment Circle, Chennai – 600 003*** in ***W.P.No.27029 of 2023, dated 02.01.2026*** wherein it has been observed as under:-

> *"203. To single them out would amount to hostile discrimination and contrary to Article 14 of the Constitution of India. To suspend "Late Fee" would also lead to mistrust in the tax administration and would be an anathema to Article 14 of the Constitution of India.*
>
> *204. To single out would amount to arbitrary exercise of law failing the test of arbitrariness recognized under Article 14 of the Constitution of India.*

205. The Division Bench of the Himachal Pradesh High Court in the case of M/s.R.T.Pharma Vs. Union of India and others, while dealing with a similar issue arising out of delay in filing of the "Annual Returns" in GSTR-9 under Section 39 of the respective GST Enactments held that it would be unjust to deny a "Late Fee", waiver to a taxpayer who filed their Goods and Services Tax (GST) Annual Returns (GSTR-9 and GSTR-9C) before a specific Amnesty Notification was issued in Notification No.7/2023-Central Tax dated 31.03.2023, and was amended by Notification No.25/2023-Central Tax dated 17.07.2023.

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207. Since these Petitioners are liable to pay "Late Fee", the question of imposing "General Penalty" under Section 125 of the respective GST Enactments cannot be countenanced in view of the reasons that "General Penalty" under Section 125 of the respective GST Enactments can be imposed only in the absence of 'any other penalty' under the respective GST Enactments."

7. The learned counsel for respondent also conceded that the aforesaid decision has not been appealed as of now and the order governs field.

8. Recording the above submission and taking note of the fact that two Assessment Orders have been passed on 13.05.2025 and 15.04.2025 for the same tax period, this Writ Petition is disposed of by dropping the General Penalty of Rs.50,000/- imposed on the petitioner under Section 125 of respective GST Enactments. The petitioner shall pay a Late Fee of Rs.1,67,200/- confirmed by the impugned order within a period of 30 days from the date of receipt of a copy of this order.

9.In case the Petitioner complies with the above stipulations, the impugned order dated 15.04.2025 passed by the Respondent shall stand quashed and also recovery proceedings shall also be dropped.

10. Subject to the Petitioner complying with the above stipulations, the Appellate Authority shall proceed to pass a final order on merits in the appeal pending against order dated 13.05.2025 and in accordance with law as expeditiously as possible, preferably, within a period of three (3) months of such deposit and the attachment of the bank account of the Petitioner shall also stand automatically vacated.

11. 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 late fee in accordance with law as if this Writ Petition was dismissed *in limine* today.

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

27-01-2026

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

To

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Vellore Rural Assessment circle,
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C.SARAVANAN J.

RPP

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