IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 10.03.2026

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

W.P.No.7391 of 2026
and
W.M.P.No.7943 of 2026

M/s.Demoltech Engineers Private Limited
Represented by its Director
Mr.Surampalli Kishore
First Floor, No.4/290, HIG Block, M.M.D.A
Maduravoyal, Chennai-600 095. ... Petitioner

Vs.

1. The Deputy Commissioner of CGST & Central Excise
Newry Towers, Ground Floor, Plot No.2054,
1st Block, 2nd Avenue, 12th Main Road
Anna Nagar, Chennai-600 040.

2. The Commissioner of GST and Central Excise
Review Section, Hqrs
Chennai South Commissionerate
Chennai.

3. The Assistant Commissioner
Valasaravakkam Division
Chennai South Commissionerate
Newry Towers, Ground Floor,
Plot No.2054, 1st Block, 2nd Avenue
12th Main Road, Anna Nagar,
Chennai-600 040. ... Respondents

Prayer:

Writ Petition filed under Article 226 of Constitution of India, praying to issuance of Writ of Certiorari, calling for the records pertaining to the impugned demand order dated 28.02.2025 having the reference No.ZD330225294345E for the GSTIN/ID:33AAGCD4572R1Z4 issued by the 3rd respondent for the financial year 2020-2021 and quash the same.

For Petitioner	:	Mr.Sathyakumar .M
For Respondents	:	Mr.M.Santhanaraman Senior Standing Counsel assisted by Mr.J.Vasu, Junior Standing Counsel

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ORDER

Mr.J.Vasu, learned Junior Standing Counsel, accepts notice for the respondents.

2. The writ petition is taken up for final disposal at the admission stage itself with the consent of both sides.

3. The petitioner has filed the present writ petition challenging the impugned order dated 28.02.2025 in Form GST DRC-07 passed for the tax period 2020-2021 under Section 73 of the respective GST Enactments, whereby the following demand has been confirmed against the petitioner.

Demand Details :

(Amount in Rs.)

Sl No.	Tax Rate (%)	Turnover	Tax Period From	Tax Period To	Act	POS (Place of Supply)	Tax	Interest	Penalty	Fee	Others	Total
1	2	3	4	5	6	7	8	9	10	11	12	13
1	0	0.00	APR 2020	MAR 2021	IGST	Andhra Pradesh	0.00	25,82,506.00	0.00	0.00	0.00	25,82,506.00
2	9	0.00	APR 2020	MAR 2021	CGST	NA	76,104.00	36,970.00	10,000.00	1,120.00	0.00	1,24,194.00
3	9	0.00	APR 2020	MAR 2021	SGST	NA	76,104.00	36,970.00	10,000.00	1,120.00	0.00	1,24,194.00
Total							1,52,208.00	26,56,446.00	20,000.00	2,240.00	0.00	28,30,894.00

You are hereby directed to make the payment by 28/03/2025 failing which proceedings shall be initiated against you to recover the outstanding dues.

Signature
Name: K Chandramohan
Designation: Assistant Commissioner
Jurisdiction: VALASARAVAKKAM CHENNAI-SOUTH CHENNAI CBIC

4. The specific case of the petitioner is that pursuant to the Notice dated 01.10.2024 in Form GST ASMT - 10, the petitioner discharged the tax liability for the said tax period on 28.10.2024 and therefore, the demand confirmed by the impugned order dated 28.02.2025 pursuant to the Show Cause Notice dated 27.11.2024 in Form GST DRC - 01 issued for the said tax period is without any merits.

5. The learned Senior Standing Counsel for the Respondents submits that the submission of the learned counsel for the petitioner that the petitioner is not liable to pay the interest and penalty as confirmed by the impugned order is without any merits.

6. I have considered the arguments advanced by the learned counsel for the petitioner and the learned Senior Standing Counsel for the respondents.

7. The writ petition is liable to be dismissed, as Section 73 of the Central Goods and Services Tax Act, 2017 has been invoked and a Show Cause Notice dated 27.11.2024 in Form GST DRC-01 has been issued to the petitioner. The petitioner had the option to pay not only the tax demand for the said tax period but also interest and penalty at the rate specified under Sections 73(5) and 73(8) of the respective GST Enactments.

8. For the sake of clarity, Sections 73(5) and 73(8) of the Central Goods and Services Tax Act, 2017 is extracted hereunder:

Section 73(5)	**Section 73(8)**
The person chargeable with tax may, before service of notice under sub-section (1) or, as the case may be, the statement under sub-section (3), pay the amount of tax along with <u>interest</u> payable thereon under Section 50 on the basis of his own ascertainment of such tax or the tax as ascertained by the proper officer and inform the proper officer in writing of such payment.	Where any person chargeable with tax under sub-section (1) or sub-section (3) pays the said tax along with <u>interest</u> payable under Section 50 within thirty days of issue of show cause notice, no penalty shall be payable and all proceedings in respect of the said notice shall be deemed to be concluded.

9. However, the petitioner failed to take advantage of the inbuilt amnesty under Section 73 of the respective GST Enactments to discharge the liability. The petitioner also had other options available under the respective GST Enactments, which the petitioner had failed to avail.

10. Considering the above, the Writ Petition is dismissed with a direction to the petitioner to discharge the tax liability, interest and penalty as confirmed by the impugned order as expeditiously as possible, failing which, the respondents are at liberty to initiate appropriate proceedings under Section 79 of the respective GST Enactments. Consequently, connected miscellaneous petition is closed. There shall be no order as to costs.

10.03.2026

Index: Yes/No
Speaking Order : Yes/No
Neutral Citation Case : Yes/No

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To

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C.SARAVANAN, J

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