IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 03-03-2026

CORAM

THE HON'BLE MR JUSTICE C. SARAVANAN

WP No. 8198 of 2026
and WMP No.8884 of 2026

The Commissioner
Namakkal Municipality
145, Municipal Office,
Paramathi Road, Namakkal 637 001

..Petitioner(s)

Vs

1. The Deputy Commissioner (Commercial Tax)
   Appellate Authority,
   Commercial Tax Office,
   Combined Commercial Tax Building,
   Pitchards Road,
   Hasthampatti,
   Salem 636 007.

2. The Commercial Tax Officer
   Office of the Joint Commissioner (ST),
   Intelligence, Salem, Commercial Taxes
   Building, Hasthampatti, Salem 636 007.

..Respondent(s)

Writ Petition filed under Article 226 of the Constitution of India, pleased to issue a Writ of Certiorarified Mandamus, to call for the records of the impugned summary order dated 15.04.2025 in DRC-07 vide Ref. No. ZD330425107671P passed by the 2nd respondent and the consequential dismissal of the Impugned appeal order dated 10.10.2025 vide Ref No. ZD331025093295H passed by the 1st Respondent and quash the same as arbitrary, against the principles of natural justice and total inconformity with the provisions of the GST Act, 2017 and consequently direct the 1st respondent to hear the appeal filed by the petitioner on merits.

For Petitioner(s): Mr. Vasanthanayagan K

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

ORDER

The Petitioner is before this Court against the Impugned Order dated 15.04.2025 whereby the proposal in Show Cause Notice in DRC 01 dated 16.12.2024 has been confirmed for the Tax period 2019-2020. Revenue abstract from the impugned order is extracted below:

Defects	Tax			Penalty			Interest			Total
	IGST	CGST	SGST	IGST	CGST	SGST	IGST	CGST	SGST	
Wrong utilization of ITC in GSTR-3B	0	112859	112859	0	112859	112859	0	121442	121442	694321

2. Aggrieved by the said order, the Petitioner has filed an Appeal before the Appellate Authority on 09.10.2025 which has now been rejected by the Appellate Authority. The first respondent by an order dated 10.10.2025 which is also impugned in this Writ Petition.

3. The learned counsel for the Petitioner submitted that the Petitioner is willing to deposit additional 15% of the Disputed Tax over and above 10% already pre-deposited at the time of filing of an appeal on 09.10.2025 before the office of the second Respondent as a condition for *denovo* adjudication.

4. The learned counsel for the Petitioner has also made a following endorsement to that effect in the Court bundle which has been extracted hereunder:-

> ***"The Petitioner shall pay an additional 15% of disputed tax to consider the matter afresh by the 2nd respondent."***

5. 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 25% to 100% of the disputed tax depending upon the length of delay in approaching the Court. I do not find any reason to take a different view in this case. makes an endorsement to that effect.

6. Having considered the submission of the learned counsel for the petitioner and the learned Government Advocate for the respondents and following the consistent view taken by this Court under similar circumstances, the case is remitted back to the 1st respondent to pass a fresh order on merits, subject to the Petitioner depositing an additional 15% of the disputed tax, over

and above 10% already pre-deposited at the time of filing of an appeal in cash or from the petitioner's Electronic Cash Register within a period of 30 days from the date of receipt of copy of this order.

7. Within such time, the Petitioner shall also file a reply to the Show Cause Notice in GST DRC-01 dated 16.12.2024 together with requisite documents to substantiate the case by treating the impugned Order dated 15.04.2025 as an addendum to the Show Cause Notice dated 16.12.2024.

8. Amount which has already recovered from the petitioner or paid by the petitioner towards the tax liability confirmed vide impugned order dated 15.04.2025 shall be adjusted towards the pre-deposit of 15% of disputed tax. This will be however subject to verification by the Respondents.

9. In case the Petitioner complies with the above stipulations, the 1st 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 raised/vacated.

10. It is made clear that bank attachment shall be lifted subject to the

deposit of 15% 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.

11. In case the Petitioner fails to comply with any of the stipulations, the 1st 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.

12. Needless to state, before passing any such order, the 1st Respondent shall give due notice to the Petitioner.

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

03-03-2026

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

jv

To

1. The Deputy Commissioner (Commercial Tax)
   Appellate Authority,
   Commercial Tax Office,
   Combined Commercial Tax Building,
   Pitchards Road,
   Hasthampatti, Salem 636 007.

2. The Commercial Tax Officer
   Office of the Joint Commissioner ST, Intelligence,
   Salem, Commercial Taxes Building,
   Hasthampatti, Salem 636 007.

C.SARAVANAN, J.

jv

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