IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 24-02-2026

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THE HON'BLE MR JUSTICE C. SARAVANAN

WP No. 6429 of 2026
and
W.M.P.Nos.6967 and 6970 of 2026

Tvl.City Blue Metal,
Represent by its Managing Partner
Mr.Alaudin Basha.

..Petitioner(s)

Vs

The Deputy State Tax officer -2 (FAC)
(Also Known as Deputy Commercial Tax officer)
Harur Assessment Circle,
Dharmapuri 636 903.

..Respondent(s)

Prayer: Writ Petition filed under Article 226 of the Constitution of India, for issuance of a Writ of Certiorari, to call for the records on the files of the Respondent herein in FORM GST DRC-07 with Reference No. ZD3307242847351 in GSTIN:33AAFFC8313F1ZU / 2018-19 dated 24.07.2024 and quash the same.

For Petitioner(s): Mr.N Chandirasekar

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 24.07.2024, whereby proposal in Show Cause Notice in Form GST DRC – 01 dated 26.10.2023 issued for the Tax period 2018-2019 has been confirmed.

4. It is the specific case of the Petitioner that the Petitioner had given a reply on 30.04.2024. However, the impugned order records, as if the Petitioner have neither filed any written objections within stipulated period nor attended the personal hearing. It is stated that 4th reference cited the taxpayer have reply filed along with invoice copy not accepted.

5. The reply of the Petitioner dated 30.04.2024 and 30.05.2024 reads as under:-

Reply dated 30.04.2024:-

The difference of Tax liability between the GSTR1 and GSTR 3B is due to the error found in the GSTR as short reported. But the tax liability is determined only in the GSTR3B the turnover and tax liability in the GSTR 3B is correct. The error in the GSTR 1 do not make any liability in *the output tax liability. Hence, the Show Cause Notice may be dropped.*

Reply dated 30.05.2024:-

The difference in the turnover is Rs.5,77,500 that too in short report in GSTR1 and not in GSTR 3B. The actual turnover is in GSTR3B and against which the output liability is paid / set off. The copies of invoices are sent as the reason for difference.

6. A reading of the aforesaid reply indicates that the Petitioner's reply is not proper reply in Form GST DRC – 06, the Petitioner has not opted for personal hearing. Therefore, no fault can be found with the Respondent for being the impugned order.

7. However, considering the fact that the Petitioner wants to be the matter to be re-adjudicated, the case is remitted back to the Respondent to pass a fresh order on merits and in accordance with law.

8. At this stage, the learned counsel for the Petitioner submits that the Petitioner is willing to pre-deposit 25% of the disputed tax as a condition for *denovo* adjudication.

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

"Petitioner is ready to pay 25% disputed tax."

10. 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.

11. 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 or 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.

12. Within such time, the Petitioner shall also file a reply to the Show Cause Notice in GST DRC-01 dated 26.10.2023 together with requisite documents to substantiate the case by treating the impugned Order dated 24.07.2024 as an addendum to the Show Cause Notice dated 26.10.2023.

13. 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 if any, shall also stand automatically vacated.

14. 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 other amount for any other tax period barring the amount demanded under the impugned Order.

15. 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.

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

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

24-02-2026

Index: Yes/No
Speaking/Non-speaking order

Neutral Citation: Yes/No
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To

The Deputy State Tax officer -2 (FAC)
(Also Known as Deputy Commercial Tax officer)
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C.SARAVANAN, J.

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