IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 27.02.2026

CORAM :

THE HONOURABLE MR.JUSTICE C.SARAVANAN

W.P.No.7981 of 2026
and
W.M.P.Nos.8635, 8638 and 8641 of 2026

M/s.Nissi Cars
Rep by its Partner
A.Thomas Packiaraj ... Petitioner

Vs.

1.The Assistant Commissioner (ST)(FAC),
Office of the Assistant Commissioner,
Arisipalayam Circle, Salem.

2.The Bank Manager,
Tamil Nadu Mercantile Bank Ltd,
126, Fort Main Road,
Shevapet,
Salem – 636 002. ... Respondents

Prayer: Writ Petition filed under Article 226 of the Constitution of India, for issuance of a Writ of Certiorarified Mandamus, to call for the records pertaining to the impugned proceedings passed by the 1st Respondent in order vide GSTIN:33AAJFN5930D1ZI/2019-20 dated 08.11.2023 along with consequential summary of order in Form GST DRC 07 bearing No.ZD3311230430709 dated 08.11.2023 passed under Section 73 of the act, for the tax period April 2019 – March 2020 to quash the same and further direct the Respondent to lift the bank attachment in pursuant to the notice in Form GST DRC – 13 dated 21.01.2026 by the 2nd Respondent.

For Petitioner	:	M/s.R.Hemalatha
For Respondents	:	Mr.v.Prashanth Kiran Government Advocate for R1

ORDER

Mr.V.Prashanth Kiran, learned Government Advocate takes notice for R1.

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 R1.

3. In this Writ Petition, the Petitioner has challenged the impugned Order dated 08.11.2023 in Form GST DRC – 07 passed for the tax period 2019-2020, whereby, Late Fee under Section 47 of the respective GST enactments and General Penalty under Section 125 of the respective GST enactments were imposed on the Petitioner for the tax period 2019-2020.

4. It is noticed that the Petitioner has filed the Annual Return in GSTR – 9 for the Tax Period 2019-2020 on 22.11.2022 i.e., before the cut-off date prescribed under the Notification No.07/2023-CT dated 31.03.2023 as amended by the Notification No.25/2023-CT dated 17.07.2023.

5. It is further noticed that the Petitioner has already made voluntary payment of Rs.20,000/- (each Rs.10,000/- under CGST and SGST) on 24.06.2023 in Form GST DRC – 03 under the Amnesty provided under the Notification No.07/2023-CT dated 31.03.2023 as amended by the Notification No.25/2023-CT dated 17.07.2023. The aforesaid payment was also acknowledged by the office of the Respondent in Form GST DRC – 04 on 08.09.2025.

6. The issue is now covered by the decision of this Court in ***Ms.Kandan Hardware Mart*** Vs. ***The Assistant Commissioner (ST)(FAC)*** in **W.P.No.27029 of 2023** vide order dated **02.01.2026**. Operative portion of the said order reads as under:-

> "*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**.*

*206. Therefore, the benefit of the above Notifications namely **Notification No.7/2023- Central Tax** dated **31.03.2023** as amended by **Notification No.25/2023-Central tax** dated **17.07.2023** has to be extended to all those Petitioners in **Table – 4A** who had filed the returns before **01.04.2023.***

*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.*

*208. It is therefore held that the Petitioners in **Table-4A** are neither liable for **"Late Fee"** over and above Rs.10,000/- under each of the respective GST Enactments nor liable for **"General Penalty"** under Section 125 of the respective GST Enactments.*

*209. As far as the case of Petitioners in **Table-4B** namely the Petitioners in W.P.No.19967 of 2023 and W.P.Nos.23356, 30854, 9867 of 2024 and W.P.Nos.47726, 38007, 48941 of 2025 are concerned, they have been subjected to only **"Late Fee"** under Section 47(2) of the respective GST Enactments. They have not been subjected to **"General Penalty"** under Section 125 of the respective GST Enactments.*

*210. Since these Petitioners have also filed the **"Annual Returns"** before **01.04.2023**, they cannot be subjected to **"Late Fee"** over and above **Rs.10,000/-** under each of the* *respective GST Enactments as ordered in the case of those Petitioners in **Table-4A**.*

*211. As far as the case of Petitioner in **Table-4C** namely the Petitioner in W.P.No.3915 of 2024 is concerned, the said Petitioner has filed the **"Annual Return"** only on **19.01.2024** for the Tax Period 2020-2021. It was within the time under Section 44(2) of the respective GST Enactments as the said date would have expired on **31.12.2024**. However, there is no scope for granting any waiver from payment of **"Late Fee"** under section 47 of the respective GST Enactments, as it was long after the date specified in Section 44(1) of the respective GST Enactments read with Rule 80(1) of the respective GST Rules. The said Petitioner has been imposed with **"General Penalty"** of Rs.25,000/- each under Section 125 of the respective GST Enactments. There is no scope for imposing **"General Penalty"** under Section 125 of the respective GST Enactments for the reasons stated for the other Petitioners. Therefore, to that extent W.P.No.3915 of 2024 deserves to be allowed.*

212. In the result,

*(i)W.P.Nos.3540, 3567, 3570, 3902 and 3966 of 2024 as detailed in **Table-3** are allowed. Therefore, **"General Penalty"** imposed under Section 125 of the respective GST Enactments on these Petitioners are set aside.*

*(ii)W.P.Nos.27029, 27032, 27036, 32599, 34352, 34357, 35186 of 2023 and W.P.Nos.3572, 3916, 15690 of 2024 and W.P.Nos.9988, 28786, 42416, 46522 of 2025 as detailed in **Table-4A** are allowed. Therefore, **"General Penalty"** imposed under Section 125 of the respective GST Enactments on these Petitioners are set aside. These Petitioners are liable to pay a **"Late Fee"** of **Rs.10,000/-** under the respective GST Enactments.*

*(iii)W.P.No.19967 of 2023 and W.P.Nos.23356, 30854, 9867 of 2024 and W.P.Nos.47726, 38007, 48941 of 2025 as detailed in **Table-4B** are allowed. These*

> *Petitioners are liable to pay a* ***"Late Fee"*** *of* ***Rs.10,000/-*** *under the respective GST Enactments.*
>
> *(iv) W.P.No.3915 of 2024 in* ***Table-4C*** *is partly allowed. However, imposition of* ***"General Penalty"*** *under Section 125 of the respective GST Enactments is set aside in view of imposition of* ***"Late Fee"*** *against the Petitioner.*
>
> *(v) No costs. Consequently, all connected Writ Miscellaneous Petitions are closed."*

7. In view of the order of this Court in ***Ms.Kandan Hardware Mart*** Vs. ***The Assistant Commissioner (ST)(FAC)*** referred to supra, imposition of Late Fee under Section 47 of the respective GST enactments in excess of Rs.10,000/- each under CGST and SGST and the General Penalty under Section 125 of the respective GST enactments is set aside and the attachment of the Petitioner's bank account stand automatically lifted / vacated.

8. This Writ Petition stands allowed with the above observations. No costs. Connected Writ Miscellaneous Petitions are closed.

27.02.2026

Neutral Citation: Yes / No
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To:

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Arisipalayam Circle, Salem.

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C.SARAVANAN, J.

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