IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 09-03-2026

CORAM

THE HON'BLE MR JUSTICE C. SARAVANAN

WP No. 8642 of 2026
and
WMP No.9315 of 2026

Tvl.Royal Steel Traders,
Rep. by its Proprietor viz., Shri. Syed Ahamed Ibrahim,
No. 46, Coromandel Town, SIDCO,
Ambattur Estate, Tiruvallur-600 098.

..Petitioner(s)

Vs

The State Tax Officer (ST),
Pattaravakkam Assessment Circle,
4th Floor, Integrated Buildings for Commercial Taxes and
Registration Department, Room No.415,
Govt Farm Estate, Nandanam, Chennai-600 035.

..Respondent(s)

Prayer: Writ Petition filed under Article 226 of the Constitution of India, for issuance of a Writ of Certiorari, calling for the records of the Respondent in and connected with impugned Order reference No. GSTIN 33AAFPI4757F1ZV/ 2020-21 dated 18.02.2025 and its consequential summary order No. ZD330225179623E dated 18.02.2025 vide Form GST DRC-07 and quash the same as being contrary to law and statutory mandates.

For Petitioner(s): Mr.R Balachandar

For Respondent(s): Mr.C.Harsharaj
Special Government Pleader

ORDER

Mr.C.Harsharaj, learned Special Government Pleader takes notice for the Respondent.

2. This Writ Petition is disposed of at the stage of admission itself, with the consent of the learned counsel for the Petitioner and the learned Special Government Pleader for the Respondent.

3. In this Writ Petition, the Petitioner has challenged the impugned order dated 18.02.2025, whereby the proposal in show cause notice in Form GST DRC-01 dated 25.11.2024 fixing the personal hearing on 24.12.2024 has been confirmed in the absence of the reply despite two reminders given to the petitioner. By the impugned order, the following demand has been confirmed:

S.No	Description	SGST	CGST	IGST	CESS	Total
1	2	3	4	5	6	7
1	Total tax due in (Excess claim of ITC) above	2450371	2450371	0	0	4900742
2	Interest	1830233	1830022	0	0	3660255
3	Penalty on amount in S.No.1	245037	245037	0	0	490074
4	Late fee	1275	1275	0	0	2550
5	Total (1+2+3+4)	4526916	4526705	0	0	9053621

4. The learned counsel for the petitioner submits that the entire disputed tax has been recovered from the petitioner's electronic liability ledger during February 2025 to December 2025.

5. The learned Special Government Pleader, however, is unable to confirm the same.

6. Considering the fact that the impugned order dated 18.02.2025, the impugned order is quashed and the case is remitted back to the respondent subject to 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.

7. Within such time, the Petitioners shall also file a reply to the Show Cause Notice in GST DRC-01 dated dated 25.11.2024 together with requisite documents to substantiate the case by treating the impugned Order dated 18.02.2025 as an addendum to the Show Cause Notice dated 25.11.2024.

8. Needless to state, any amount recovered from the Petitioner / paid by the Petitioner, towards the tax liability confirmed vide impugned order, shall be adjusted towards the aforesaid pre-deposit of 25% as ordered above. This will be however subject to verification by the Respondent.

9. In case, the amount recovered more than 25% of the disputed tax no further pre-deposit will be required.

10. 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.

11. 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.

12. 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.

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

14. This Writ Petition stands disposed of with the above observations. No costs. Connected Writ Miscellaneous Petition is closed.

09-03-2026

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

GBI

To
The State Tax Officer(ST)
Pattaravakkam Assessment Circle,
4th Floor, Integrated Buildings for Commercial taxes and
Registration Department, Room No.415,
Govt Farm Estate, Nandanam, Chennai-600 035

C.SARAVANAN, J.

GBI

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