IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 05-03-2026

CORAM

THE HON'BLE MR JUSTICE C. SARAVANAN

WP No. 8854 of 2026
and
W.M.P.Nos.9533 and 9534 of 2026

M/s.A and A Developers,
Represented By Its Managing Partner
Abdul Gafoor,
New No.9, Old No.5,
Seethammal Extension,Teynampet,
Chennai-600 018.

..Petitioner(s)

Vs

The Assistant commissioner(ST),
Alwarpet Assessment circle,
Integrated Registration and commercial Taxes
building,
2nd floor, Room No.210,
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, to call for the records of the respondent in his proceedings in GSTIN - 33AAUFA1186B1ZO/ 2019-20, quash the order dated 09.08.2024.

For Petitioner(s): Mr.P.V.Sudakar

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 being disposed of at the stage of admission itself with the consent of the learned counsel for the Petitioner and the learned Special Pleader for the Respondent.

3. In this Writ Petition, the Petitioner has challenged the impugned Order dated 09.08.2024, whereby, proposal in Show Cause Notice in Form GST DRC-01 dated 31.05.2024 has been confirmed.

4. It is noticed that the demand has been confirmed on account of the excess credit availed by the Petitioner in Form GSTR – 3B, as against the Input Tax Credit availed in Form GSTR 2A for the Tax Period 2019-2020.

5. Although the case of the Petitioner is that the Petitioner had excess Input Tax Credit of Rs.5,44,637.66 was reflected in Form GSTR 2A as of March 2019 which was availed by the Petitioner during the Tax Period.

6. The issue is not free from down and the Petitioner will have to establish the same.

7. At this stage, the learned counsel for the Petitioner submits that the Petitioner is willing to pre-deposit 50% of the disputed tax as a condition for *denovo* adjudication and he has also made an endorsement to that effect in the Court bundle.

8. 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.

9. 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 50% 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.

10. Within such time, the Petitioner shall also file a reply to the Show Cause Notice in GST DRC-01 dated 31.05.2024 together with requisite documents to substantiate the case by treating the impugned Order dated 09.08.2024 as an addendum to the Show Cause Notice dated 31.05.2024.

11. 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.

12. It is made clear that bank attachment shall be lifted subject to the Petitioner depositing 50% 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.

13. 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.

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

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

05-03-2026

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

To

The Assistant commissioner(ST),
Alwarpet Assessment circle,
Integrated Registration and commercial Taxes building,
2nd floor, Room No.210,
Nandanam, Chennai-600 035.

C.SARAVANAN, J.

jas

WP No. 8854 of 2026
and
W.M.P.Nos.9533 and 9534 of 2026

05-03-2026