IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 11-03-2026

CORAM

THE HON'BLE MR JUSTICE C. SARAVANAN

WP No. 9273 of 2026
and
W.M.P.Nos.9979 and 9980 of 2026

Shri Deivasigmani Mahendran
Proprietor of M/s.LNP Surveyors,
New No.158 Old No.100, 3rd Floor
Room No.2, Coral Merchant Street,
Mannady, Chennai-600 001.

..Petitioner(s)

Vs

The Deputy State Tax officer-II
Muthialpet Assessment circle
3rd floor, Room No.319,
No.32, Integrated Commercial Taxes offices complex,
Elephant Gate Bridge Road,
Chennai-600 003.

..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 leading to the issuance of Assessment order bearing reference no.GSTIN:33BSNPM6594F1ZA/2020-2021 dated 21.10.2024 passed by the Respondent herein and quash the same.

For Petitioner(s): Mr.Gokulraj L

For Respondent(s): Mrs.P.Selvi
Government Advocate

ORDER

Mrs.P.Selvi, 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 21.10.2024, whereby proposal in Show Cause Notice in Form GST DRC – 01 dated 14.08.2023. While passing the impugned order, the Respondent has considered the submission of the Petitioner and has confirmed the demand proposed in the said Notice in Form GST DRC – 01 dated 14.08.2023.

4. The dispute has arisen on account of the difference between the figures reported in Form 26AS for the Assessment Year / Financial Year 2020-2021.

5. According to the Petitioner, the total value of sales during the period was only confined to taxable supplies amounting to Rs.66,28,950/-.

6. The learned Government Advocate for the Respondent has wrongly confirmed the demand based on the wrong noting of the amount in Form 26AS.

7. Today, the learned counsel for the Petitioner has produced a copy of the certificate issued by Chartered Accountants dated 09.03.2026, wherein, it has been stated as under:-

> "*This is to certify that we have examined the Form 26AS, Income Tax Return (ITR) filed, and the Financial Statements comprising the Profit and Loss Account and Balance Sheet of Mr.Deivasigmani Mahendran (PAN:BSNPM6594F) residing at "42, Perumal Kovil Street, Nungambakkam, Tiruvallur-602002", for the Financial Year 2020-21 relevant to the Assessment Year 2021-22, based on the records and information made available to us.*
>
> *On verification of Form 26AS, the receipts on which Tax Deducted at Source (TDS) have been reported amount to Rs.39,72,202/- (Rupees Thirty-nine lakhs, seventy-two thousand and two hundred and two only). Further, as per the Profit and Loss Account and the Income Tax Return filed for the said Assessment Year, the gross receipts / turnover declared amount to Rs.66,28,950/- (Rupees Sixty-six lakhs, twenty-eight thousand and nine hundred and fifty only). Accordingly, the difference between the gross receipts declared in the Profit and Loss Account / ITR and the receipts reflected in Form 26AS represents on which no tax has been deducted, which amounts to Rs.26,56,748/- (Rupees Twenty-Six Lakhs, fifty-Six Thousand and Seven Hundred and Forty-Eight only).*
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> *This certificate is issued based on verification of Form 26AS, the Income Tax Return filed, and the financial statements produced before us, and is issued at the request of the assessee for submission before the Income Tax Authorities in connection with appellate proceedings for Assessment Year 2021-22.*"

8. The certificate appears to have been obtained only with a view to secure favourable order at this distant point of time. The veracity of its contents

cannot be examined in a summary proceedings, even if a counter Affidavit is filed by the Respondent.

9. At this stage, the learned counsel for the Petitioner submits that the Petitioner is willing to pre-deposit 50% of the disputed tax and seeks liberty to file an appeal before the Appellate Authority.

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

> *"As per the instructions of the Petitioner, it is stated the Petitioner is willing to deposit 50% of the tax demand."*

11. Therefore, to balance the interest of both parties viz., the Assessee and the Revenue, liberty is given to the Petitioner to file an appeal before the Appellate Authority 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.

12. Within such time, the Petitioner shall also file a reply to the Show Cause Notice in GST DRC-01 dated 14.08.2023 together with requisite documents to substantiate the case by treating the impugned Order dated 21.10.2024 as an addendum to the Show Cause Notice dated 14.08.2023.

13. In case the Petitioner files such appeal together with pre-deposit of 50% of the disputed tax confirmed vide impugned order, the Appellate Authority shall dispose of the appeal on merits without further reference to the limitation. 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 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.

15. In case the Petitioner fails to file an appeal, 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.

11-03-2026

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

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C.SARAVANAN, J.

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