IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 20-04-2026

CORAM:

THE HON'BLE Dr.JUSTICE G. JAYACHANDRAN

and

THE HON'BLE MR.JUSTICE SHAMIM AHMED

WA No. 907 of 2026
and
C.M.P.No.9620 of 2026
--

M/s.Era Cell Private Limited
Represented by its Director, Mrs.Molly Rafi,
Having correspondence address at Gabriels,
39/189, Bhatt Road, West Hill,
Kozhikode-673 005,
Kerala

..Petitioner

Vs.

1. The Assistant Commissioner of GST & Central Excise
   Poonamallee Division,
   R40, A-1, 100 Feet Road,
   Mogappair(East)
   Chennai-600 037.

2. The Deputy Commissioner of GST & Central Excise,
   TRC Section
   Chennai South Commissionerate,
   Newry Towers, No. 2054-I,
   II Avenue, Anna Nagar,
   Chennai 600 040

..Respondents

Writ Appeal filed under Clause 15 of the Letters Patent against the order dated 27.01.2026 passed by the Single Judge in W.P.No.833 of 2026 on the file of this Court.

For Appellant : Mr.Hari Radhakrishnan

For Respondent(s): Mr.Rajendran Raghavan, Spl.G.P.

JUDGMENT

(The Judgment of the Court was delivered by Dr.G.Jayachandran J)

This intra-Court appeal is filed by the assessee being aggrieved by the order passed by the learned Single Judge in setting aside the proceedings initiated by the Department, giving an opportunity of hearing to the assessee to agitate the matter with a condition to deposit Rs.25 lakhs as a pre-condition for setting aside the impugned order therein.

2.Learned counsel for the appellant/writ petitioner submitted that the appellant's business came to a halt on cancellation of the GST Registration on 12.04.2023. Thereafter, it appears that a show cause notice was issued on 15.07.2024 to the address of the assessee by Registered Post Acknowledgement Due (RPAD) and also through e-mail to one Bhoopalan, who is no way connected with the assessee-Company. Following the show cause notice, order-in-original was passed on 30.07.2025 and thereafter, on being uploaded in the portal of the assessee, who has agitated the cause by filing application to rectify and recall the impugned order-in-original, dated 30.07.2015, which was negatived by the Department, and hence, the assessee filed Writ Petition seeking to issue a Writ of Certiorarified Mandamus before the Single Judge to quash the impugned order and to re-adjudicate the show cause notice after granting the writ petitioner an access to e-mail bill in the portal. The learned Single Judge, having considered the submissions made by the assessee as well as the Department and after perusing the records, has found that there is no sufficient material placed by the assessee to show that the mail sent to the Director in kishen@eracell.co.in, which was received, was either received or delayed or it appears to be spam.

3.In the above said circumstances, the interest of the assessee as well as the Revenue, had to be protected and so, to quash the order after affording an opportunity of hearing to the assessee to agitate the cause before the adjudicating authority by depositing the amount to be paid by the assessee within a period of 30 days from the date of receipt of a copy of this order.

4.The main contention of the learned counsel for the appellant is that when once the Court finds that no adequate opportunity of hearing was given to the assessee and notice was not properly served on the assessee, there cannot be any conditional order for participating in the adjudication proceedings.

5.This Court perused the records and also considered the submissions made by the learned counsel for the assessee as well as the Department and finds that the show cause notice dated 15.07.2024 sent by RPAD as well as through e-mail and the show cause notice sent by post RPAD, had been unserved and thereafter, the proceedings have commenced and it is clear that the communication was sent by e-mail to the petitioner's Director Kishen Raphael. It is also contended that the materials were not received. There is no adequate material either to accept the said contention or to reject it. Hence, it is deserved that in the interest of the Revenue where notice issued to the petitioner, was received or not, cannot be decided summarily and it will be suffice to meet the interest of justice to give an opportunity of hearing to the assesee to appear before the adjudicating authority and put forth his case. The pre-condition to deposit Rs.25 lakhs had been ordered, taking into consideration the alleged valuation for evasion of tax during the assessment year financial year 2018-2019 in the months of September, October, July, and September and November 2018.

6.The demand of tax as per the order-in-original is Rs.1,49,51,529/- (IGST Rs.1,47,36,125, CGST Rs.1,07,702/- and SGST Rs.1,07,702/-) under Section 74(9) of the CGST and TNGST Act, read with Section 122(2)(b) of the CGST/TNGST Act, for being non-payment of tax and order for recovery of the same with penalty of Rs.1,49,51,529/-, i.e., totally around Rs.29 crores is the demand made against the assessee under the order-in-original. The condition to deposit the sum of Rs.25 lakhs is against the alleged demand of Rs.2,99,03.058/- which does not appear to be onerous condition or unreasonable. From 2018 for the past more than 7 years, the dispute is pending and therefore, the vague allegation of the assessee that notice was not properly considered, cannot stand in the way of the Department expecting the conditional order to revisit its order-in-original.

7. Hence, we find no reason to interfere with the impugned order passed by the learned Single Judge. Accordingly, this Writ Appeal is dismissed. There shall be no order as to costs. Time to deposit the amount as ordered by the respondent-authority, is extended upto 30.05.2026.

(G.J.,J.) (S.S.A.,J.)

20-04-2026

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

To

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