IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 17-03-2026

CORAM

THE HONOURABLE MR JUSTICE C. SARAVANAN

WP No. 9877 of 2026
and WMP Nos.10652 & 10653 of 2026

Velmurugan Cotton Traders
Represent by its Propeietorship
Mr.Boopathi 7/102-1,Kunjappunur
Kattuvalavu, A.Pudur, Edappadi,
Salem-637102.

Petitioner(s)

Vs

State Tax officer (FAC)
(Also Known as Commercial Tax
Officer) Edappadi Assessment Circle,
Salem.

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 on the files of the Respondent herein in FORM GST DRC-07 with Reference No ZD330225148375I dated 15.02.2025 in GSTIN 33AXZPB4173D1ZH dated 27.01.2025 and quash the same along with consequential rectification order dated 26.05.2025.

For Petitioner(s): Mr.N. Chandirasekar

For Respondent: Ms. Amirtha Poonkodi Dinakaran
Government Advocate

ORDER

Ms. Amirtha Poonkodi Dinakaran, 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 before this Court against the impugned order dated 15.02.2025 the proposal in Show Cause Notice dated 25.11.2024 in GST DRC-01 has been confirmed. The petitioner had responded to the above Show Cause Notice in GST DRC-06 dated 06.02.2025.

4. It is noticed that the limitation for filing an appeal under Section 107 of the respective GST enactments, 2017 against the impugned Order has already expired. The present Writ Petition has been filed only on 09.03.2026.

5.Earlier, the petitioner filed application for rectification of the aforesaid order under Section 161 of the TNGST Act, 2017 on 08.05.2025 which came to be rejected by an order dated 26.05.2025. Thereafter, the petitioner filed an appeal against the impugned order before the Appellate Authority in FORM GST APL-01 dated on 22.08.2025 which was dismissed on 03.09.2025.

6.The learned counsel for the petitioner submits that 10% of the disputed tax has already been paid at the time of filing appeal.

7.The learned counsel for the petitioner submits that the petitioner will deposit another 15% of the disputed tax as a condition for *denovo* adjudication.

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

"The Petitioner 15% willing to pay".

9.The learned counsel for the respondent has no objection. However, the amount recovery made to be verified and being consent given by the learned counsel for the petitioner to additionally deposit 15% of the disputed tax less amount recovered and the case is remitted back to the respondent to pass *denova* adjudication in view of the Impugned Order dated 15.02.2025, for the tax period 2020- 2021.

10. 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 additionally deposit 15% 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.

11. The learned counsel for the petitioner submits that the petitioner had filed reply in DRC-06 dated 06.02.2025. The reply was inadequate. Therefore, the Petitioner shall also file a reply to the Show Cause Notice in GST DRC-01 dated 25.11.2024 together with requisite documents to substantiate the case by treating the Impugned Assessment Order dated 15.02.2025 as an addendum to the Show Cause Notice dated 25.11.2024.

12. 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.

13. It is made clear that bank attachment shall be lifted subject to the Petitioner additionally deposit 15% 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.

14. 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.

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

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

17-03-2026

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

To

State Tax officer (Fac)
(Also KInown as commercial Tax officer) Edappadi Assessment Circle,
Salem

C.SARAVANAN J.

kp

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