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Cont.P.No.345 of 2025

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 06.02.2026

Coram

The Honourable **Mr.Justice C.Saravanan**

Cont.P.No.345 of 2025

M/s. Gaurav Metal
Rep. By its Partner,
Mr.Sanjay Mittal

...Petitioner

Vs.

1. Mr.Pandiraja
The Additional Commissioner,
Central Goods and Services Tax and Central Excise
Enforcement & Compliance Management,
Chennai North Commissionerate
No.26/1, Mahatma Gandhi Road Chennai – 600 034

2. Mr.Ramaroa Reddy
The Superintendent
Central Goods and Services Tax and Central Excise
Enforcement & Compliance Management,
Chennai North Commissionerate
No.26/1, Mahatma Gandhi Road Chennai – 600 034.

...Respondents

Prayer

Contempt Petition filed under Section 11 of the Contempt of Courts Act, 1971 for wilful disobedience of the Order dated 07.09.2023 passed by this Court in WP.No.26209 OF 2023.

For Petitioner : Mr.Saurabh Sankar Sengupta
For Respondents : Mr.Mohana Murali
Senior Standing Counsel



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Order

This Contempt Petition has been filed for wilful disobedience of the Order dated 07.09.2023 passed by this Court in W.P.No.26209 of 2023 by the Respondents.

2. The operative portion of the Order dated 07.09.2023 is extracted hereunder:-

“Mr.V.Sundareswaran, learned Senior Standing Counsel takes notice on behalf of the respondents and submits that all the relied upon documents in the Show Cause Notice dated 04.08.2023 has been furnished and all the documents which were seized during the course of search and seizure will be returned to the petitioner within a period of four weeks from today.

2. Recording the above submission of the learned Senior Standing Counsel for the respondents, this Writ Petition is disposed of at the time of admission, by dispensing with the requirement of filing of counter affidavit, by directing the second respondent to furnish/return all the documents seized from the petitioner's premises within a period of four weeks from today.

3. The petitioner shall file additional reply/representation to the above Show Cause Notice within a period of four weeks thereafter.

4. The second respondent shall pass appropriate orders on merits and in accordance with law within a period of two weeks thereafter. No costs. Connected Writ Miscellaneous Petition is closed. ”



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3. The learned counsel for the Petitioner has submitted that the Order passed by this Court has been only partially complied with, as only part of the documents have been returned to the Petitioner and still there are certain other important documents that are yet to be returned.

4. On the other hand, the learned Senior Standing Counsel for the Respondents has filed an Affidavit in November, 2025, wherein, it is stated as under:-

“3.4. In compliance with the directions of the Hon'ble High Court, the petitioner was requested to collect the required documents from the department vide letter dated 09.11.2023.

3.5. As per the Order of Seizure in Form GST INS-02 dated 21.12.2021, various documents were seized under 15 serial numbers during the search operation conducted on that date. Out of these, documents at Sl. Nos. 12 to 15 were returned to the petitioner on 24.01.2022.

3.6. Further in pursuant to the directions of the Hon'ble High Court of Madras, documents seized under Sl. Nos. 2, 5, 6, 7, 8, 10, and 11 were fully returned on 20.11.2023, duly acknowledged by the petitioner. Thus, out of the total 15 items seized, 11 items were returned on 24.01.2022 and 20.11.2023.

4. The respondents humbly submit that, due to paucity of office space, the Headquarters Preventive Unit shifted old seized records to a common store room, which was also utilized by



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other sections for storage. During this process, some files became inter-mixed with those of other sections. Hence, the documents could not be returned in entirety. Intensive searches were undertaken, and the following seized documents were subsequently traced and are returned to the petitioner on 24.10.2025.

SI.No.As per order of seizur	Description of Goods (Yet to be returned)	Quantity / Units returned on 24.10.2025
1	Sales Bills	03
3	Purchase Bills	05
4	Purchase Register	02
9	Bank Statement Files	03

5. . It is further humbly submitted that after returning of above documents, the position of seized documents is as follows:-

SI.No . As per order of seizur e	Description of Goods (Yet to be returned)	Quantity or Units	Quantity/ Units returned	Balance Documents to be returned
1	Sales Bills	11	03	8
2	Sales Register	3	Fully returned on 20.11.2023	
3	Purchase Bills	06	05	1
4	Purchase Register	02	Fully returned on 24.10.2025	
5	Ledger Register	04	Fully returned on 20.11.2023	
6	Stock Register	02	Fully returned on 20.11.2023	
7	Cash Book Register	02	Fully returned on 20.11.2023	
8	Bank Register	04	Fully returned on 20.11.2023	
9	Bank Statement Files	04	03	1
10	File named TCS 31.03.2021 – Debit Notes	01	Fully returned on 20.11.2023	



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11	Made up files containing loose sheets numbered 1 to 24	01	Fully returned on 20.11.2022
12	Post dated Cheque	03	Fully returned on 24.01.2022
13	Post dated Cheque	03	Fully returned on 24.01.2022
14	Post dated Cheque	01	Fully returned on 24.01.2022
15	Post dated Cheque	07	Fully returned on 24.01.2022

5.1 It is further humbly submitted that the officers of the HPU section, as well as other sections, frequently access the store room to retrieve records, and during such movement, certain files may have been inadvertently misplaced or mixed with other records. Nevertheless, most of the seized documents have already been returned. and the remaining few have been traced and are proposed to be handed over shortly. Sincere and continuous efforts are being made to trace the balance documents, which will be returned to the petitioner as soon as they are located.

6. It is further humbly submitted that the respondent has acted in good faith and with due diligence, without any will full or deliberate disobedience of the Hon'ble Court's orders.

6.1. The present affidavit is submitted to place the factual position on record for kinds consideration.

7. Therefore, it is respectfully prayed that this Hon'ble Court may be pleased to this affidavit on record the close the contempt and thus render justice.”

5. The failure on the part of the Respondents to return the documents in time has resulted in adjudication and issuance of Show Cause Notice No.04/2023-GST-CH.N(ADC) dated 04.08.2023 to the petitioner.



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6. The said Show Cause Notice dated 04.08.2023 has been issued alleging that the Petitioner has availed an Input Tax Credit on the basis of fake invoices issued by the fake Entities without the actual receipt of the goods, which was utilized for discharging the tax liability.

7. It is noticed that there is a substantial compliance of the Order dated 07.09.2023 of this Court in W.P.No.26209 of 2023 and therefore, adjudication of the proceedings initiated vide Show Cause Notice No.04/2023-GST-CH.N(ADC) dated 04.08.2023 cannot be kept pending indefinitely.

8. That apart, the issue as to whether all the documents have been received by the Petitioner or not cannot be adjudicated in a Contempt Petition and that it is for the Petitioner to establish that all relevant documents, which were seized by the Respondents have been furnished or not before the Respondent in the show cause proceedings.



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9. It is open for the petitioner to canvass all issues before the Respondent in the show cause proceedings.

10. Therefore, this Contempt Petition stands closed with liberty to the Petitioner to raise a defence, as stated above, in the proceedings initiated vide Show Cause Notice No.04/2023-GST-CH.N(ADC) dated 04.08.2023.
No costs.

06.02.2026

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Index : yes/no

To

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C.Saravanan,J.,

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