IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 07.01.2026

CORAM :

THE HONOURABLE MR.JUSTICE C.SARAVANAN

W.P.No.50769 of 2025
and
W.M.P.Nos.56826 and 56827 of 2025

Tvl.Sri Dhanalakshmi Sago Factory
Rep by its Proprietor
K.Venkatesan. ... Petitioner

Vs.

The State Tax Officer,
Attur (Town) Circle,
Attur, Salem District. ... Respondent

Prayer: Writ Petition filed under Article 226 of the Constitution of India, for issuance of a Writ of Certiorarified Mandamus, to call for the records on the files of the Respondent pertaining to GSTIN:33ABGFS5611Q1ZT/2020-2021 dated 14.02.2025, to quash the same as illegal and consequently direct the Respondent to consider the matter afresh after providing an opportunity of hearing and dispose the case on merits.

For Petitioner : Mr.S.Rajesh

For Respondent : Mr.V.Prashanth Kiran
Government Advocate

ORDER

Mr.V.Prashanth Kiran, 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 14.02.2025, whereby the demand proposed in Show Cause Notice in GST DRC – 01 dated 25.11.2024 has been partly confirmed and dropped.

4. The dispute pertains to confirmation of demand on defect No.3 "undeclaration on ineligible ITC" to which the petitioner has replied as under:-

Particulars	SGST	CGST	Total
Total ineligible ITC u/s 17(5)	307408	307408	614816
Ineligible ITC declared	5552	5552	11104
Difference / Excess ITC claimed	301856	301856	603712

> For that we did not take ITC for Motor Vehicles, Sand and Hardware. And also Without electrical goods and Machinery spares we cannot manufacture the sago and sago products.
>
> Hence, the question of Excess availment of ITC is not applicable, as we have not used any excess ITC credits.

5. The learned counsel for the Petitioner submits that by oversight, the Petitioner did not opt for personal hearing at the time of filing of reply dated 10.12.2024. He further submits that the Petitioner may be given one opportunity to explain the case afresh.

6. The learned counsel for the Petitioner further submits that the Petitioner is willing to pre-deposit 25% of the disputed tax as a condition for *denovo* adjudication.

7. I have considered the submissions made by the learned counsel for the Petitioner and the learned Government Advocate for the Respondent.

8. Following the consistent view taken by this Court under similar circumstances, the case is remitted back to the Respondent to pass a fresh order on merits and considering the fact that the Petitioner's reply dated 10.12.2024 in response to defect No.3 in DRC-01 dated 25.11.2024 was

skeletal subject to the Petitioner depositing 25% of the disputed tax in cash or from the Petitioner's Electronic Cash Register within a period of six weeks from the date of receipt of a copy of this order.

9. Within such time, 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 Order dated 14.02.2025 as an addendum to the Show Cause Notice dated 25.11.2024.

10. 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 shall also stand automatically vacated.

11. It is made clear that bank attachment shall be lifted subject to the Petitioner depositing 25% 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.

12. 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.

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

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

07.01.2026

Neutral Citation: Yes / No
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To:

The State Tax Officer,
Attur (Town) Circle,
Attur, Salem District.

C.SARAVANAN, J.

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