IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 02.01.2026

CORAM :

THE HONOURABLE MR.JUSTICE C.SARAVANAN

W.P.No.50013 of 2025
and
WMP Nos.55937 & 55939 of 2025

M/s.Ponnshankar Traders,
Rep. By its Prop- Mani Mohankumar ... Petitioner

Vs.

1.The Appellate Deputy Commissioner of State Taxes,
Salem.

2.The Deputy Commissioner (CT),
Salem.

3.The State Tax Officer (FAC),
O/o. The Commercial Tax Officer,
Sankari, Salem. ... Respondent

Prayer: Writ Petition filed under Article 226 of the Constitution of India, for issuance of a Writ of Certiorari, to call for the records relating to the impugned proceedings initiated by the respondent in the impugned order FORM GST DRC-07 bearing ref No.ZD33122328533IV dated 23.12.2023 along with annexure dated 23.12.2023 passed by the third respondent along with the consequential appellate proceedings in FORM GST APL – 02 bearing ref No.ZD3312242023821 dated 24.12.2024 passed by the second respondent on behalf of the first respondent for the AY 2017-18 to quash the same.

For Petitioner : Mr.A.Rithika

For Respondent : Mrs.P.Selvi
Government Advocate

ORDER

Mrs.P.Selvi, learned Government Advocate takes notice for the Respondents.

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 Respondents.

3. The petitioner is before this Court against the impugned Order dated 23.12.2023 in DRC-07 passed for the Tax Period 2017-2018 whereby the demand proposed in the Show Cause Notice issued to the petitioner in DRC-01 has been confirmed as the petitioner failed to file a reply to the said Show Cause Notice.

4. The petitioner has also challenged the order of the second respondent dated 24.12.2024, whereby the petitioner's appeal against the impugned order dated 23.12.2023 has been rejected on the ground of

limitation.

5. The said appeal was filed by the petitioner on 30.09.2024 which is long after the expiry of the limitation period prescribed under Section 107 of the respective GST enactments, Act 2017. At the time of filing of the appeal, the petitioner has pre-deposited 10% of the disputed tax.

6. The challenge to the impugned order dated 24.12.2024 passed by the second respondent cannot be countenanced in view of the limitation period prescribed under Section 107 of the respective GST enactments, 2017.

7. However, it is noticed that the impugned order of the third respondent dated 23.12.2023 is an *ex parte* order as the petitioner failed to respond to the Show Cause Notice in DRC-01.

8. Under similar circumstances, Orders have been quashed and cases have been remitted back to the Respondent to pass a fresh order on terms subject to such Assessee depositing 10% to 100% of the disputed tax depending upon the length of delay in approaching the Court. I do not find any reason to take a different view in this case.

9. Therefore, to balance the interest of both parties viz., the Assessee and the Revenue, the case is remitted back to the third Respondent to pass a fresh order on merits subject to the Petitioner depositing 90% of the disputed tax over and above 10% of the disputed tax already pre-deposited at the time of filing an appeal dated 30.09.2024, in cash 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.

10. Within such time, the Petitioner shall also file a reply to the Show Cause Notice in GST DRC-01 dated 19.08.2023 together with requisite documents to substantiate the case by treating the impugned Order dated 23.12.2023 as an addendum to the Show Cause Notice dated 19.08.2023.

11. In case the Petitioner complies with the above stipulations, the third 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.

12. It is made clear that bank attachment shall be lifted subject to the deposit of 90% 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.

13. In case the Petitioner fails to comply with any of the stipulations, the third 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.

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

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

02.01.2026

mtl
Neutral Citation : Yes /No

To:

1.The Appellate Deputy Commissioner of State Taxes,
Salem.

2.The Deputy Commissioner (CT),
Salem.

3.The State Tax Officer (FAC),
O/o. The Commercial Tax Officer,
Sankari, Salem.

C.SARAVANAN, J.

mtl

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