IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 08-01-2026

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THE HONOURABLE MR JUSTICE C. SARAVANAN

WP No. 462 of 2026
and
WMP Nos.566 & 568 of 2026

City Enterprises,
Represented by its Proprietor
Mr.Subbaiyan Parameswaran,
No.10/4, Kamaraj Nagar, 2nd Street,
Ramanathapuram, Coimbatore 641 045.

Petitioner(s)

Vs

The Deputy State Tax Officer-1,
The Deputy Commercial Tax Officer,
Trichy Road Circle,
Commercial Tax Complex,
Dr.Balasundaram Road, Coimbatore 641 018.

Respondent(s)

PRAYER: Writ Petition filed under Article 226 of the Constitution of India, for issuance of Writ of Certiorarified Mandamus, to call for the records on the files of the Respondent relating to the impugned order passed in Reference No.ZD3308241666734 in GSTIN/ID:33AJQPP4913N1ZN dated 20.08.2024 passed for F.Y.2019-20, and to quash the same as illegal, without jurisdiction, and in violation of the principles of natural justice and consequently, to direct the respondent to re-do the assessment after affording the petitioner a proper opportunity of hearing, and pass.

For Petitioner: Mr.K.Sankaranarayanan

For Respondent: Ms.Palani Selvi,
Government Advocate

ORDER

Ms.Palani Selvi, 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 20.08.2024. By the impugned order, the demand proposed in Show Cause Notice in Form DRC-01 dated 22.05.2024 issued for the tax period April 2019-March 2020 has been confirmed. The revenue abstract of the demand confirmed against the petitioner is under:

S.No.	Issue	SGST	CGST	IGST	CESS	Total
1	2	3	4	5	6	7
1	Total tax due in (Under declaration of output tax)+ (Excess claim of ITC) above	256298	256298	0	0	512596
2	Interest	216670	216670	0	0	433340
3	Penalty on amount in S.No.1	25630	25630	0	0	51260
	Total (1+2+3)	498598	498598	0	0	997196

4. The impugned order is primarily challenged on the ground that it has been passed in contravention of the limitation prescribed for issuance of notice under Section 73(2) and for passing orders under Section 73(9) and (10) of the respective GST enactment Act.

5. The learned counsel for the petitioner submits that the extension of limitation in exercise of power conferred under Section 168A of the CGST Act, 2017, vide Notification No.09/2023-CT dated 31.03.2023 and 56/2023-CT dated 28.12.2023, does not extend the period prescribed under Section 73(10) of CGST Act, as the expression used therein pertains to recovery of tax and not determination of tax.

5.1. It is further submitted that the dispute relates to the assessment year 2019-20, for which, the last date for filing return in GSTR-9 would ordinarily have expired on 31.12.2020 in terms of Section 44 of the CGST Act 2017 r/w Rule 80 of the CGST Rules, 2017. The said period was extended by virtue of notification issued in the wake of the Covid-19 pandemic. However, but for such statutory intervention, the notice under Section 73(2) has to be issued within three months prior to the time limit prescribed under Section 73(10) of the CGST Act.

6. In view of the above extensions by the notification mentioned above, the last date for passing the order expires on 31.08.2024. The impugned order has been passed on 20.08.2024. The argument of the petitioner is that the notification has extended the limitation only for recovery of tax and not for determination of tax cannot be countenanced. The expression used in the notification as under:

Notification No.9/2023-C.T., dated 31.03.2023	"hereby, extends the time limit specified under sub-section (10) of section 73 for issuance of order under sub-section (9) of section 73 of the said Act, for **recovery of tax** not paid or short paid or of input tax credit wrongly availed or utilised, relating to the period as specified below namely:- (i)for the financial year 2017-18, up to the 31st day of December, 2023; (ii)for the financial year 2018-19, up to the 31st day of March, 2024; (iii)for the financial year 2019-20, up to the 30th day of June, 2024."
Notification No.56/2023-C.T., dated 28.12.2023	"hereby, extends the time limit specified under sub-section (10) of section 73 for issuance of order under sub-section (9) of section 73 of the said Act, **for recovery of tax** not paid or short paid or of input tax credit wrongly availed or utilized, relating to the period as specified below, namely: (i)for the financial year 2018-19, up to the 30th day of April, 2024; (ii)for the financial year 2019-20, up to the 31st day of August, 2024."

7. Therefore, challenging to the impugned order on the ground of limitation cannot be countenanced, issue has also been answered against the assessee by a detailed order of this Court dated ***06.12.2025*** in the case of ***M/s. Tata Play Limited vs Union of India***, which was also appealed by the Division Bench of this Court, and the same has been dismissed. Therefore, this Writ

Petition is liable to be dismissed on the ground stated in the affidavit and canvassed before this Court.

8. However, considering the fact that the impugned order is an ex-parte order, as the petitioner has failed to file a reply to the Show Cause Notice in DRC-01 dated 22.05.2024, and following the consistent view taken by this Court under similar circumstances, the case is remitted back to the respondent to pass fresh orders on merits subject to the petitioner deposits 50% of the disputed tax amount in cash or from the Petitioner’s Electronic Cash Ledger, within a period of 30 days 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 DRC-01 dated 22.05.2024, together with requisite documents to substantiate the case by treating the impugned order dated 20.08.2024 as an addendum to the Show Cause Notice in DRC-01 dated 22.05.2024.

10. Any amount which has been recovered from the petitioner or paid by the petitioner towards the tax liability confirmed vide impugned order dated 20.08.2024 shall be adjusted towards the pre-deposit of 50% of the disputed tax.

11. 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.

12. It is made clear that bank attachment shall be lifted subject to the deposit of 50% of the disputed tax as ordered above and the Petitioner not being in arrears of any other amount demanded 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 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 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.

08-01-2026

Jd
Index:Yes/No
Speaking/Non-speaking order
Internet:Yes
Neutral Citation:Yes/No
To
The Deputy State Tax Officer-1,
The Deputy Commercial Tax Officer,
Trichy Road Circle,
Commercial Tax Complex,
Dr.Balasundaram Road, Coimbatore 641 018.

C.SARAVANAN J.
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