



W.P.No.38876 of 2024

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 26.11.2025

CORAM :

THE HONOURABLE MR.JUSTICE C.SARAVANAN

W.P.No.38876 of 2024

and

W.M.P.Nos.42108, 42109, 42110 and 42111 of 2024

S.M.Enterprises,
Rep. By Mr.Sathik Basha,
No.481, Sadam Hussain Street,
Pudupattinam, Kancheepuram – 603 102.

... Petitioner

Vs.

1. The Deputy Commercial Tax Officer,
Thirukazhukundram Assessment Circle,
No.42, Wahab Nagar, Thirukazhukundram – 603 109.
2. The Branch Manager,
State Bank of India, Kalpakkam Branch,
8th Avenue, DAE Township, Kalpakkam – 603 102.

... Respondents

Prayer: Writ Petition filed under Article 226 of the Constitution of India, for issuance of a Writ of Certiorari calling for the records of the first respondent in Reference Number: ZD330624147801I dated 18.06.2024 and quash the same as arbitrary, illegal.

For Petitioner : Ms.N.Karthika
For Respondents : Mr.V.Prashanth Kiran
Government Advocate



W.P.No.38876 of 2024

ORDER

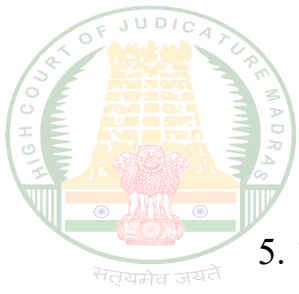
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This writ petition was tagged along with batch of matters challenging the proceedings initiated under Section 74 of the respective GST enactments.

2. In this Writ Petition, the Petitioner has challenged the Order dated 18.06.2024 in Form GST DRC - 07 issued for the tax period from July 2017 to March 2018, which was preceded by a Show Cause Notice in DRC – 01 dated 03.08.2023. The dispute pertains to a mismatch between the details in GSTR-1 filed by the petitioner and the monthly return filed in GSTR-3B for the aforesaid tax period.

3. The petitioner's reply to the aforesaid notice in DRC – 01 dated 03.08.2023 was not considered or explained in the impugned order by the respondent. The respondent has also not arrived at any conclusion favourable to the petitioner. As such, the respondent has not passed the impugned order in the light of the reply filed by the petitioner to the Show Cause Notice.

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 16.12.2024.



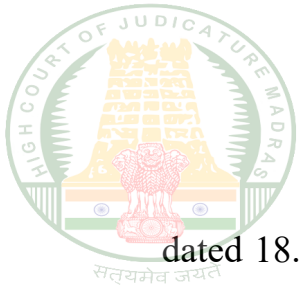
W.P.No.38876 of 2024

5. The petitioner approached this Court belatedly, almost two days after the expiry of the limitation period for filing a statutory appeal against the impugned order dated 18.06.2024, i.e. after 09.12.2024.

6. Under similar circumstances, Orders have been quashed and cases have been remitted back 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.

7. 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 considering the reply of the petitioner, subject to the Petitioner depositing 10% of the disputed tax 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.

8. Within such time, the Petitioner shall also file an additional reply to the Show Cause Notice in Form GST DRC-01 dated 03.08.2023 together with requisite documents to substantiate the case by treating the impugned Order



W.P.No.38876 of 2024

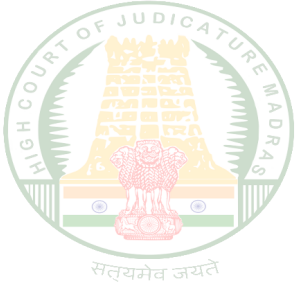
dated 18.06.2024 as an addendum to the Show Cause Notice dated 03.08.2023,
if so desires.

9. 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 without reference to limitation. Subject to the Petitioner complying with the above stipulations, the attachment of the bank account of the Petitioner shall also stand automatically raised/vacated.

10. It is made clear that bank attachment shall be lifted subject to the deposit of 10% of the disputed tax as ordered above and the petitioner is not in arrears of any amount barring the amount demanded under the impugned Order.

11. 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.

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



W.P.No.38876 of 2024

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13. This Writ Petition stands disposed of with the above observations.

No costs. Connected Writ Miscellaneous Petitions are closed.

26.11.2025

Index : Yes/No

Neutral Citation : Yes/No

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C.SARAVANAN, J.

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