BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED : 08.06.2026

CORAM:

THE HONOURABLE MR.JUSTICE D.BHARATHA CHAKRAVARTHY

W.P.(MD)Nos.10053 to 10056 of 2026
and
W.M.P.(MD)Nos.7909, 7911, 7910, 7912, 7921, 7922, 7913 & 7915 of 2026

Neeyamo Enterprise Solutions Private Limited,
Rep. by its Manager - Finance (Statutory and Compliance),
K.Archana, D/o.P.Kumar,
ELCOT II Madurai (Vadapalanji) SEZ,
First Floor, Vadapalanji, Nagamalaipudukottai,
Madurai, Tamil Nadu – 625021. ... Petitioner in all the W.Ps.

-vs-

The Commercial Tax Officer,
Madurai, Office of the Joint Commissioner (State Tax) (Intelligence),
Commercial Taxes Building,
Dr.Thangaraj Salai, KK Nagar,
Madurai- 625 020. ... Respondent in all the W.Ps.

Prayer in W.P.(MD)No.10053 of 2026: Writ Petition is filed under Article 226 of the Constitution of India, praying this Court to issue a Writ of Certiorari, calling for the records in Reference No. ZD330226193572D dated 23.02.2026 order u/s. 73 of TNGST Act 2017 along with summary of the order in GSTIN : 33AACCN9502B2ZW/2018-19 dated 23.02.2026 on the file of the respondent for the F.Y.2018-19 and quash the same.

Prayer in W.P.(MD)No.10054 of 2026: Writ Petition is filed under Article 226 of the Constitution of India, praying this Court to issue a Writ of Certiorari, calling for the records in Reference No. ZD330226208685G dated 24.02.2026 order u/s. 73 of TNGST Act 2017 along with summary of the order in GSTIN : 33AACCN9502B2ZW/2019-20 dated 24.02.2026 on the file of the respondent for the F.Y.2019-20 and quash the same.

Prayer in W.P.(MD)No.10055 of 2026: Writ Petition is filed under Article 226 of the Constitution of India, praying this Court to issue a Writ of Certiorari, calling for the records in Reference No. ZD3302262087698 dated 24.02.2026 order u/s. 73 of TNGST Act 2017 along with summary of the order in GSTIN : 33AACCN9502B2ZW/2020-21 dated 24.02.2026 on the file of the respondent for the F.Y.2020-21 and quash the same.

Prayer in W.P.(MD)No.10056 of 2026: Writ Petition is filed under Article 226 of the Constitution of India, praying this Court to issue a Writ of Certiorari, calling for the records in Reference No. ZD330226250546I dated 27.02.2026 order u/s. 73 of TNGST Act 2017 along with summary of the order in GSTIN : 33AACCN9502B2ZW/2021-22 dated 27.02.2026 on the file of the respondent for the F.Y.2021-22 and quash the same.

For Petitioner in all the W.Ps. : Mr.G.Baskar

For Respondent in all the W.Ps. : Mr.R.Parthiban
Standing Counsel

COMMON ORDER

These writ petitions are interconnected and are, therefore, taken up together and disposed of by this common order.

2. The writ petitions challenge the respective assessment orders passed under Section 73 of the Tamil Nadu Goods and Services Tax Act, 2017 [hereinafter referred to as "the TNGST Act"].

3. Upon considering the oral and written submissions made on behalf of the petitioner and perusing the materials available on record, the case of the petitioner is that it is a Special Economic Zone (SEZ) Unit incorporated on 10.02.2009 and granted approval by the Development Commissioner on 16.10.2014 for establishing its unit at Madurai. The approval was subsequently renewed on 13.04.2020 and thereafter extended up to 26.04.2025. According to the petitioner, the Special Economic Zones Act, 2005 grants various exemptions and benefits to every developer and entrepreneur holding a Letter of Approval from the Development Commissioner for carrying out authorised operations.

4. In support of the said contention, the learned counsel for the petitioner relies upon Sections 7, 26(e) and 51 of the Special Economic Zones Act, 2005 and Rules 19, 22, 25 and 30 of the Special Economic Zones Rules, 2006.

5. The learned counsel further submits that with the introduction of the Goods and Services Tax regime with effect from 01.07.2017 pursuant to the Constitution (One Hundred and First Amendment) Act, 2016, service tax levied under the Finance Act, 1994 stood subsumed into the GST framework. Various notifications prescribing rates, exemptions and procedural requirements were also issued in that regard.

6. It is the further contention of the petitioner that the unit is administered under the control of the Development Commissioner and that supplies to and by an SEZ are accorded a special status under the statutory framework. According to the petitioner, such transactions are intended to be tax neutral and are governed by the provisions of the Integrated Goods and Services Tax Act, 2017 (for short, "the IGST Act").

7. The learned counsel submits that Section 7(5)(b) of the IGST Act treats the supply of goods or services or both to or by an SEZ developer or an SEZ unit as an inter-State supply. Reliance is also placed upon Section 16 of the IGST Act, which defines "zero-rated supply". It is contended that Section 16(1)(b) specifically provides that the supply of goods or services or both for authorised operations to an SEZ developer or an SEZ unit constitutes a zero-rated supply. According to the petitioner, the services in question fall within the category of authorised operations.

8. In this regard, reliance is placed upon the communication dated 02.01.2018 issued by the Department of Commerce, SEZ Section, Ministry of Commerce and Industry, Government of India, wherein the authorised services are enumerated. The petitioner contends that the services availed by it, including professional and consultancy services, fall within the entries specified therein and are consequently covered by the expression "authorised operations".

9. The learned counsel further submits that the concept of reverse charge is defined under Section 2(98) of the CGST Act. While Notification No.13/2017-

Central Tax dated 28.06.2017 and Notification No.10/2017-Integrated Tax dated 28.06.2017 prescribe categories of supplies liable to tax under the Reverse Charge Mechanism, no specific provision has been made therein requiring an SEZ unit to discharge tax on supplies which otherwise qualify as zero-rated supplies under Section 16 of the IGST Act. Therefore, according to the petitioner, the conclusion reached by the respondent that the professional fees paid by the petitioner are liable to tax under the Reverse Charge Mechanism is erroneous. It is accordingly contended that the impugned orders have been passed without properly appreciating the effect of Section 16 of the IGST Act and the status of the petitioner as an SEZ unit.

10. Per contra, the learned Standing Counsel appearing for the respondent, relying upon the counter affidavit, submits that the petitioner is not outside the GST framework altogether merely because it is an SEZ unit. According to the respondent, it is for the assessee to establish its entitlement to the benefits available under the statutory scheme by producing the necessary documents before the adjudicating authority. In particular, the learned Standing Counsel places reliance upon paragraphs 10 and 11 of the counter affidavit, which are extracted hereunder for ready reference.

> "10. It is humbly submitted that as per Section 16 of the IGST Act 2017 the supply of goods service or both to a SEZ is a zero rated supply. Hence the supplier shall pay the tax on sales and get refund the same or effect sales without payment of tax under a valid letter of undertaking (LUT) or sand, whereas in the situation in which supplier are not liable to pay the tax the recipient/SEZ has to pay tax under RCM or effect interval supply without payment of tax under LUT as they are being a supplier.
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> 11. It is further submitted that in this case in hand the tax payer/the petitioner herein had not furnished the LUT and SEZ certificates to the adjudicating authority for verification and hence the impugned order had been passed in accordance with laws and it needs no interference."

11. I have considered the rival submissions made on either side and perused the materials available on record.

12. From the submissions made on behalf of the respondent and from paragraphs 10 and 11 of the counter affidavit extracted above, it appears that the impugned orders came to be passed primarily on account of the petitioner's failure to produce the Letter of Undertaking (LUT) and the SEZ Certificate before the adjudicating authority for verification.

13. Even during the course of hearing, the SEZ Certificate has been produced before this Court. The learned counsel for the petitioner submits that the Letter of Undertaking would also be produced before the authorities.

14. In the above circumstances, this Court is of the view that the controversy can be effectively resolved by affording one further opportunity to the petitioner to place the relevant documents before the adjudicating authority. Accordingly, without expressing any opinion on the merits of the rival factual or legal contentions, the matter deserves to be remanded for fresh consideration.

15. In view thereof, these writ petitions are disposed of on the following terms:

(i) The impugned assessment orders dated 23.02.2026, 24.02.2026, 24.02.2026 and 27.02.2026 shall stand set aside.

(ii) The petitioner shall, within a period of three (3) weeks from the date of receipt of the web copy of this order, file an additional reply, if any, and produce the Letter of Undertaking (LUT) and the SEZ Certificate before the adjudicating authority.

(iii) Upon receipt of the said documents, the adjudicating authority shall consider the petitioner's claim, particularly in the light of Section 16 of the IGST Act, and thereafter, pass fresh orders on merits and in accordance with law after affording due opportunity to the petitioner.

No costs. Consequently, the connected Miscellaneous Petitions are closed.

08.06.2026

NCC : Yes / No
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To:-

The Commercial Tax Officer,
Madurai, Office of the Joint Commissioner (State Tax) (Intelligence),
Commercial Taxes Building,
Dr.Thangaraj Salai, KK Nagar,
Madurai- 625 020.

D.BHARATHA CHAKRAVARTHY, J.

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Common order in
W.P.(MD)Nos.10053 to 10056 of 2026

08.06.2026