Case Citation: (2026) taxcode.in 1079 HC

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IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 02-04-2026

CORAM

THE HONOURABLE MR JUSTICE C. SARAVANAN

WP No. 12207 of 2026
and WMP Nos. 13322 & 13323 of 2026

Tvl.PAM PAPER AND BOARDS
Rep by its Proprietor
Venkataraman Padmavathi
No.44/1/33,Ayyavoo Street
Shenoy Nagar, Chennai-600030.

Petitioner(s)

Vs

The Superintendent
Office of the Superintendent of GST and Central Excise,
Range-I, Purasawalkam Division,
Chennai North Commissionerate,
Chennai-600 040

Respondent(s)

PRAYER Writ Petition filed under Article 226 of the Constitution of India for issuance of a Writ of Certiorarified Mandamus, calling for the records of the impugned order of the Respondent in DIN 20251259TK000000C988 in Order in Original No.28/2025-GST (Supdt) dated 26.12.2025 and summary of the order in Reference No. ZD331225409436L dated 27.12.2025 and consequently direct the Respondent to consider the reply dated 26.11.2025 filed along with the documents and to afford an opportunity personal hearing to the Petitioner.

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For Petitioner(s): Mr.M.Hariharan

For Respondent: Mr.A.P.Srinivas
Senior Standing Counsel and
Mr.Nalinidhar
Junior Standing Counsel

ORDER

Mr.A.P.Srinivas, learned Senior Standing Counsel 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 Senior Standing Counsel for the Respondent.

3. In this Writ Petition, the Petitioner has challenged the impugned Order in Original No.28/2025-GST(Supdt), whereby the proposal contained in Show Cause Notice No.21/2025 (GST) Supdt., dated 29.09.2025 has been confirmed. The demands that have been confirmed by the impugned order as captured in Paragraph No.8 read as follows:

> i) I confirm the demand of Rs.24,548/- (CGST Rs.12,274/-, SGST Rs.12,274/-) (Rupees Twenty-four thousand five hundred forty-eight Only), as explained in para no. 7.3 above, and order for recovery of the same from them

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under Section 73 of the CGST/TNGST Act, 2017 which is made applicable to IGST vide section 20 of IGST Act, 2017;

ii) I confirm the demand of recovery of Interest in r/o amount confirmed in Sl. No. (i) under section 50 of the CGST Act 2017 read with provisions stipulated under Rule 88B (3) of the CGST Rules, 2017;

iii) I impose penalty of Rs. 20,000/- (CGST - Rs.10,000/- and SGST -Rs.10,000/-) on the demand confirmed under Sl. No. (i) in terms of Section 73(9) of the CGST Act, 2017 read with Section 122 of the CGST Act, 2017 read with similar provision of the TNGST Act, 2017 for the reasons discussed above;

iv) I confirm the demand of the excess ITC availed of Rs. 10,18,624/(IGST) (Rupees Ten lakhs eighteen thousand six hundred and twenty-four only), as explained in para no. 7.4 above, and order for recovery of the same from them under Section 73 of the CGST/TNGST Act, 2017 which is made applicable to IGST vide section 20 of IGST Act, 2017.

v) I confirm the demand of recovery of Interest in r/o amount confirmed in Sl. No. (iv) under section 50 of the CGST Act 2017 read with provisions stipulated under Rule 88B (3) of the CGST Rules, 2017

vi) I impose penalty of Rs. 1,01,862/- (IGST) on the demand confirmed under Sl. No. (iv) in terms of Section 73(9) of the CGST Act, 2017 read with Section 122 of the CGST Act, 2017 read with similar provision of the TNGST Act, 2017 for the reasons discussed above;

4.The specific case of the Petitioner is that the major portion of the demand pertains to the alleged wrongful availing of the Input Tax Credit amounting to Rs.10,18,624/-. It is stated that such liability was wrongly

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reflected in the IGST column instead of CGST and SGST columns payable on reverse charge basis. It is submitted that, despite the Petitioner furnishing adequate information and despite a finding to that effect, the Petitioner has already discharged a sum of Rs.5,72,146/- out of Rs.10,18,624. However, the entire demand has been confirmed on the ground that the Petitioner had failed to furnish documentary evidence.

5.The learned counsel for the Petitioner submitted that the Petitioner would be satisfied if the matter is remitted back to the Respondent for *denovo* adjudication, as the Petitioner has reversed the amount in the respective GSTR-3B returns for the succeeding months, namely January 2023, July 2023, August 2023, and October 2023.

6.The learned counsel for the Respondent was unable to confirm the same.

7.A perusal of the GSTR-3B returns filed by the Petitioner for the aforesaid months appears to indicate that certain reversals were made by the Petitioner. However, it cannot be straightaway concluded whether the amount of Rs.5,72,146/- was indeed towards the wrongful availment of Input Tax Credit.

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8.The learned counsel for the Petitioner submitted that the Petitioner also has excess Input Tax Credit lying unutilized in its Electronic Credit Ledger and that the balance amount may be appropriated therefrom. It is further submitted that, in the event the Department is of the view that no sufficient amount is available in the said account, or that there is a deficit towards the balance sum of Rs. 4,46,478/- (Rs. 10,18,624/- – Rs. 5,72,146/-), the Petitioner will remit the same in cash.

9.Recording the above submission, the matter is remitted back to the Respondent for passing a fresh order, subject to the Petitioner depositing a sum of Rs. 4,46,478/- in cash within a period of thirty (30) days from the date of receipt of a copy of this order. Insofar as the balance amount is concerned, the same shall be subject to reconciliation. The Petitioner shall also furnish a tabulated reply along with supporting documents substantiating its claim.

10.In the event the Petitioner complies with the above conditions, the Respondent shall proceed to pass a fresh order on merits and in accordance with law. Failing such compliance, this Writ Petition shall stand dismissed *in limine* today.

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

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

02-04-2026

Index:Yes/No
Speaking/Non-speaking order
Internet:Yes
Neutral Citation:Yes/No
ssr

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To

1.The Superintendent
Office of the Superintendent of GST and Central Excise,
Range-I, PUrasawalkam Division,
Chennai North Commissionerate, Chennai-600 040

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C.SARAVANAN J.

ssr

WP No. 12207 of 2026

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