IN THE HIGH COURT OF KERALA AT ERNAKULAM

PRESENT

THE HONOURABLE MR. JUSTICE DEVAN RAMACHANDRAN

&

THE HONOURABLE MR.JUSTICE BASANT BALAJI

FRIDAY, THE 3RD DAY OF JULY 2026 / 12TH ASHADHA, 1948

WA NO. 558 OF 2026

AGAINST THE JUDGMENT DATED 19.01.2026 IN WP(C) NO.113 OF 2026 OF HIGH COURT OF KERALA

APPELLANT:

DHANYAMOL V, AGED 43 YEARS, PROPRIETRIX, ABHINAYA DIGITAL SOLUTIONS, CHEMMATH ROAD, NEAR K.K BRIDGE, ERNAKULAM, PIN - 682017

BY ADV SRI.V.DEVANANDA NARASIMHAM

RESPONDENTS:

1 STATE TAX OFFICER, TAX PAYER SERVICES CIRCLE KALOOR AT THEVARA, ERNAKULAM NORTH DIVISION, PERUMANNOOR P.O, ERNAKULAM, PIN - 682015

2 SUPERINTENDENT OF CENTRAL TAX & CENTRAL EXCISE, ERNAKULAM RANGE-2, CENTRAL EXCISE BHAVAN, KATHRIKADAVU, KALOOR ERNAKULAM, PIN - 682017

3 DEPUTY COMMISSIONER OF STATE TAX (ARREAR RECOVERY), KSGST DEPARTMENT, SGST COMPLEX, 1ST FLOOR, PERUMANNOOR P.O, ERNAKULAM, PIN - 682015

BY ADVS
SHRI.P.R.SREEJITH
SRI. SUDHISH KUMAR. S – G.P.

THIS WRIT APPEAL HAVING COME UP FOR ADMISSION ON 03.07.2026, THE COURT ON THE SAME DAY DELIVERED THE FOLLOWING:

JUDGMENT

Devan Ramachandran, J.

The learned Single Judge has dismissed the Writ Petition filed by the appellant adverting to the statements in Ext.P4 – being the impugned order – that the 2nd respondent had rejected the credit of Rs.3,62,061/- in GST, availed by the former, through an order dated 07.08.2023.

2. The argument of the then learned Government Pleader for respondents 1 and 3 was that there was no option available to her clients to issue any order other than Ext.P4, when the 2nd respondent had already rejected the entitlement of the appellant to the aforesaid credit.

3. Noticing the afore submissions, we directed the learned Government Pleader to produce on record the copy of the letter referred to as Item No.3 in Ext.P4; and the same has been made available along with a Memo dated 23.03.2026.

4. Sri.Devananda Narasimham – learned counsel for the appellant, vehemently argued that his client came to be aware of the

order of the 2nd respondent dated 07.08.2023 only when it was produced before this Court; and that neither its copy, nor a notice preceding it, has ever been received by her. He added that, in such circumstances and by way of abundant caution and since his client is only seeking what is legitimate to her, she preferred an application before the 2nd respondent, praying to pass necessary orders on the credit claimed by her; and pointed out that this was preferred as early as on 03.04.2026, pending this Appeal. He pleaded that the 2nd respondent be directed to consider the said application - which has been produced as Annexure A along with I.A.No.1/2026 before this Court; consequentially praying that, depending upon the result of such exercise, the 1st respondent be ordered to revise Ext.P4 appositely.

5. Sri.P.R.Sreejith – learned Senior Panel Counsel appearing for the 2nd respondent, submitted that, if Annexure A mentioned above is still pending before his client, it can be considered in terms of law; but, praying that this Court make no affirmative declarations in favour of the appellant and leave every issue to be decided by the said respondent.

6. Sri.Sudhish Kumar S. - learned Government Pleader for respondents 1 and 3, submitted that, it is only if the 2nd respondent takes a different view on the claim for credit of the CGST component, can his client vary from the decision taken in Ext.P4.

7. There is force in the afore submissions of the learned Government Pleader because, we cannot blame the 1st respondent in any manner, when the order of the 2nd respondent stood against the appellant. However, we are of the firm view that the appellant should not be prejudiced, if she is able to establish that she is entitled to the TRAN credit, as claimed by her before the 2nd respondent.

In such perspective we allow this Appeal and set aside the impugned judgment, with the following directions:

a) The 2nd respondent will take up Annexure A application preferred by the appellant before him on 03.04.2026 – marked as Annexure A before this Court, along with I.A.No.1/2026 – and dispose of the same, after affording her necessary opportunity of being heard, as expeditiously as is possible, but not later than three months from the date of receipt of a copy of this judgment.

b) Depending upon the afore decision and on the same being produced before the 1st respondent, the said Authority will reconsider Ext.P4 in terms of law, also after affording the appellant necessary opportunity of being heard. For this purpose, we clarify that, though we have not set aside Ext.P4, we have not approved it either; and that it is left to be modified or otherwise by the 1st respondent in terms of these directions. To paraphrase, if the benefit of the TRAN credit is to be given by the 2nd respondent to the appellant, then the 1st respondent will issue appropriate orders in modification of Ext.P4; but if it is to the contrary, then the said Authority will be entitled to leave the said order in tact.

Sd/-

DEVAN RAMACHANDRAN

JUDGE

Sd/-

BASANT BALAJI

JUDGE

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APPENDIX OF WA NO. 558 OF 2026

RESPONDENT ANNEXURES

Annexure-R2(a)	A true copy of the Reference 3 letter No. O.C. 345/2023 dated 7.8.2023 of the 2nd Respondent relied on by the 1st Respondent for passing Ext.P4 order

PETITIONER ANNEXURES

Annexure- A	TRUE COPY OF THE RECTIFICATION APPLICATION DATED 03-04-2026 FILED BEFORE THE 2ND RESPONDENT ALONG WITH COPIES OF THE PURCHASE BILLS IN SUPPORT OF EXBT-P1 CLAIM BY THE APPELLANT.