IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 05-08-2026

CORAM

THE HON'BLE MR JUSTICE SENTHILKUMAR RAMAMOORTHY

WP No. 18905 of 2026
and W.M.P.Nos.20196 & 20200 of 2026

M Devi
Proprietor of M/s Devi Transport, Old No. 1/94,
New No. 1/32, Padasalai Strett, Kancheepuram,
Chennai. 600 125

..Petitioner(s)

Vs

The Deputy State Tax Officer
Ministry of Finance / Department of Revenue,
Ayyappanthangal Assessment circle,
Office of the Integrated State Tax offices
Buildings, Station No 4-109 First Floor,
Chennai Bangalore Highway, Varadharajapuram,
Nazarathpet, Chennai 600 123

..Respondent(s)

PRAYER: Writ Petition filed under Article 226 of The Constitution of India praying for the issuance of a Writ of Certiorari, to call for the records pertaining to the proceedings of the Impugned order dated 25.06.2025 bearing Ref. No. ZD3306252743377 passed by the respondent herein and quash the same.

For Petitioner(s): Mr.R Krishnamurthy

For Respondent(s): Ms.Amirtha Poonkodi Dinakaran,
Additional Government Pleader (Tax)

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ORDER

An order dated 25.06.2025 imposing tax, interest and penalty is assailed in this writ petition.

2. Learned counsel for the petitioner submits that the entire tax demand, as intimated in Form GST DRC – 01A, was paid by the petitioner on 19.05.2024. Since such payment was made within thirty days of the intimation, learned counsel submits that the petitioner is not liable for tax, interest or penalty. He also submits that provision for refund in such circumstances has been made in sub-section (2) of Section 77 of the CGST Act.

3. After obtaining instructions, learned Additional Government Pleader confirms that there is no IGST liability as regards the petitioner. She adds that the petitioner has made the remittance towards IGST instead of CGST and SGST.

4. By intimation dated 21.12.2024, the petitioner was called upon to pay a sum of Rs.60,500.5 each towards SGST and CGST. An aggregate sum of Rs.1,21,002/- was paid prior thereto by the petitioner on 19.05.2024. It is noticeable, however, that such payment was made under the IGST head.

Effectively, the full tax liability was discharged by the petitioner albeit by inadvertently remitting the amount under the IGST head.

5. Section 77 of the CGST Act and, in particular, sub-section (2) thereof deals with a situation where remittance is made under the IGST head under the misconception that it is an interstate sale. This case does not fall within Section 77. In this case, the remittance was made inadvertently under the IGST head instead of making such remittance towards CGST and SGST. Especially in the context of the petitioner having no IGST liability, this is clearly a case of an inadvertent clerical error by the petitioner. Therefore, the petitioner should not be mulcted with interest or penalty.

6. For reasons aforesaid, the impugned order is set aside and the matter is remanded. The respondent may appropriate the amount remitted by the petitioner inadvertently under the IGST head towards the CGST and SGST liability. If procedurally necessary for this purpose, an appropriate application, including an application for refund and transfer, may be submitted by the petitioner. In view of the assessment order being set aside, the bank attachment shall stand raised.

7. This writ petition is disposed of on the above terms. There shall be no order as to costs. Consequently, the connected writ miscellaneous petitions are closed.

05-08-2026

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

To

The Deputy State Tax Officer
Ministry of Finance / Department of Revenue,
Ayyappanthangal Assessment circle,
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StationNo 4-109 First Floor,
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SENTHILKUMAR RAMAMOORTHY, J.

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