Case Citation: (2026) taxcode.in 1626 HC

WEB COPY

BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: **02.09.2026**

CORAM:

THE HONOURABLE MR.JUSTICE C.SARAVANAN

W.P.(MD) No. 25073 of 2026
and
W.M.P.(MD) No.18727 of 2026

Sri Anantha Kamatchi Contractors
rep. by its Managing Partner N.Sadasivam. ... Petitioner

Vs

1. The State of Tamil Nadu,
Rep by its Additional Secretary,
Government of Tamil Nadu, Finance Department,
Secretariat, Fort St George,
Chennai-600009.

2. The Secretary to Government,
Commercial Taxes and Registration Department,
Fort St George,
Chennai 600 009.

3. The Additional Chief Secretary to Government,
Finance Department,
Secretariat,
Fort St George,
Chennai 600 009.

4. The Director Commissioner,

https://www.mhc.tn.gov.in/judis

www.taxcode.in

WEB COPY

Rural Development and Panchayat Raj Department,
Panagal Building No.1,
Saidapet, Chennai 600 015.

5. The Principal Secretary,
Municipal Administration and Water Supply Department,
Secretariat,
Chennai 600 009.

6. The Secretary to the Government,
Department of Highways and Minor Ports Tamil Nadu,
Secretariat,
Fort St George,
Chennai 600 009.

7. The Block Development Officer,
Vedaranyam,
Nagapttinam District.

8. The Executive Officer,
Thalanayar Town Panchayat,
Vedaranyam,
Nagapattinam District.

9. The Executive Officer,
Town Panchayat,
Vellankani,
Nagapattinam Distirct.

10. The Divisional Engineer (Highways)
Divisional Engineer (Highways),
Nabard and Rural,
Nagapattinam.

11. The Block Development Officer (BP),
Vedaraniyam,

https://www.mhc.tn.gov.in/judis

www.taxcode.in

Case Citation: (2026) taxcode.in 1626 HC

WEB COPY

Nagapattinam District.

12. The Assistant Commissioner of GST and Central Excise,
Thanjavur. ... Respondents

PRAYER: Writ Petition filed under Article 226 of the Constitution of India for issuance of Writ of Certiorarified Mandamus to call for the records of the 12th respondent in Order No.03/2026-GST having DIN 20260159XN0300029703 dated 30.01.2026 and quash the same as illegal, arbitrary, against the principles of natural justice and without jurisdiction and further, direct the respondents 5 to 10 and his subordinates to implement and follow the G.O.Ms.No.114 Commercial Taxes and Registration (B1) department, dated 22.07.2022 in letter and spirit and further, direct the respondents 7 to 11 to pay GST at the rate of 18 percent on the bills of the petitioner with effect from 18.07.2022 to the petitioner on the basis of their representation dated 04.06.2026 along with interest at 18%.

For petitioner : Mr. A.Chandra Sekaran

For R1 to R6 & R10 : Mr.R.Parthiban
Special Government Pleader

For R7 to R9 & R11 : Mr.V.Karthik Raja
Government Advocate

For R12 : Mr.R.Gowrishankar
Senior Standing Counsel

*****

https://www.mhc.tn.gov.in/judis

www.taxcode.in

WEB COPY

ORDER

Mr.R.Parthiban, learned Special Government Pleader, takes notice for the respondents 1 to 6 and 10. Mr.V.Karthik Raja, learned Government Advocate, takes notice for the respondents 7 to 9 and 11. Mr.R.Gowrishankar, learned Senior Standing Counsel, takes notice for the 12th respondent.

2. This Writ Petition is taken up for final hearing at the time of admission with the consent of the learned counsel for the petitioner, learned Special Government Pleader for the respondents 1 to 6 and 10, learned Government Advocate for the respondents 7 to 9 and 11 and learned Senior Standing Counsel for the 12th respondent.

3. The petitioner is before this Court challenging the impugned Order-in-Original dated 30.01.2026 bearing reference in Order No.03/2026-GST, whereby the proposal in the Show Cause Notice bearing No.6/2025-GST (HAE), dated 28.03.2025, has been confirmed after considering the reply of the petitioner.

4. The case of the petitioner is that the petitioner has rendered contract

https://www.mhc.tn.gov.in/judis

www.taxcode.in

WEB COPY

services to various Government Departments and that, on account of the change in the rate of tax from 12% to 18% *vide* Notification No.3/2022-Central Tax (Rate), dated 13.07.2022, with effect from 18.07.2022, the petitioner has been mulcted with the differential tax liability.

5. Both the learned counsel for the petitioner as well as the respondents confirm that the issue is now covered by an order of this Court in ***Vadiyappan vs. the Secretary to Government, Commercial Taxes and Registration Department and others in W.P.No.22771 of 2023, dated 22.09.2023***, which has been followed in ***M.Murugesan vs. The Secretary to Government (Rural Development) and others vide order dated 25.06.2024 in W.P.(MD) Nos. 9095 & 13587 of 2023***. The operative portion of the order in ***Vadiyappan***'s case, referred to supra, is extracted below:

> *"This Writ Petition is disposed of after hearing the learned counsel for the petitioner and the learned Special Government Pleader for respective respondents.*
>
> *2.Although in paragraph No.3 of the counter affidavit, the 6 th respondent has stated that the Writ Petition is not maintainable either on law or on facts, in paragraph Nos.6 to 8 of the counter affidavit, there is an undertaking to the effect that the 6 th respondent had sought for an approval and for making payment of the differential GST at 6%,*

https://www.mhc.tn.gov.in/judis

www.taxcode.in

WEB COPY

which stood enhanced with effect from 18.07.2022. Paragarph Nos.6, 7 & 8 of the counter affidavit of the 6 th respondent reads as under:

> *"6.It is submitted that the current prevailing rate of 12% GST was calculated while preparing the estimate. Hence, the approval and fund for making payment for the 6% difference cost has to be obtained from the competent authority. Action has been taken by this respondent to settle the 6% differences cost. After attending various remarks and observations made by the higher officials, finally this respondent addressed a letter to the Superintending Engineer, National Highways, Salem in Lr.No. 678/2022/A1 dated 17.07.2023 to take necessary action to get the 6% of GST from the National Highways Authority of India for making payment to the Contractor. In turn, the Superintending Engineer, National Highways, Salem has addressed a letter in Lr.No.302/2023/A2 dated 10.08.2023 to the Chief Engineer, National Highways, Chennai recommending to get 6% difference of GST. It is submitted that necessary orders are being expected by this respondent and on receipt of necessary orders and funds, the difference of 6% GST will be settled to the contractor. It is submitted that following part payments with 12% GST have been made in respect of above work.*

S. No.	***Month***	***Bill No.***	***Value of Work Done (Rs.)***	***12% GST (Rs.)***
1.	August 2022	Ist & Part	8,42,86,022/-	1,01,14,323/-
2.	September 2022	IInd & Part	6,34,99,065/-	76,19,888/-
3.	September 2022	IIIrd & Part	4,79,19,870/-	57,50,384/-
4.	November 2022	IVth & Part	3,88,36,525/-	46,60,503/-
5.	January 2023	Vth & Part	1,99,09,181/-	23,89,102/-
6.	March 2023	VIth & Part	3,04,41,694/-	36,53,003/-
7.	June 2023	VIIth & Part	6,14,81,930/-	73,77,832/-
Total			**34,63,74,287/-**	**4,15,65,035/-**

https://www.mhc.tn.gov.in/judis

www.taxcode.in

WEB COPY

7.It is pertinent to submit that the bill mentioned in May 2023 is not related to National Highways, Salem Division. It is also submitted that the bills mentioned in February 2023 & April 2023 were raised for different work for which 18% GST has been paid in July 2023.

8.It is submitted that on receipt of necessary funds and orders from the Competent Authority by Project Director, National Highways Authority of India, the petitioner will be settled the difference of 6% GST without any delay."

3.Recording the above, the Writ Petition is disposed of by directing the respondents to expedite the reimbursement of tax already paid by the petitioner and to pay the differential tax directly to the account of the respondents 8 & 9. The respondents 8 & 9 are directed not to take any coercive steps against the petitioner as the tax is to be paid to the Government and the amount to be paid also is also by the Government.

4.The 6 th respondent is directed to dispose of the petitioner's representation dated 21.04.2023 and to take steps for getting the amounts due from the Government as expeditiously as possible, preferably within a period of six months from the date of receipt of a copy of this order.

5.The Writ Petition is disposed of with the above observations. Consequently, the connected Miscellaneous Petitions are closed. No costs."

6. It is also noticed that the petitioner has partially discharged the tax liability for a total sum of Rs.36,62,314/- on 18.06.2026.

https://www.mhc.tn.gov.in/judis

www.taxcode.in

Case Citation: (2026) taxcode.in 1626 HC

WEB COPY

7. Considering the same and also considering the fact that there has been a change in the rate of tax, I direct the respondents 7 to 11 to consider the request of the petitioner for reimbursement of the additional tax liability together with interest.

8. Since the petitioner's representation is pending as on date with the respondents, recovery alone shall be kept in abeyance. It is open for the petitioner to, however, challenge the order at an appropriate time after the amount is paid.

9. This Writ Petition is disposed of, with the above observations. No costs. Consequently, connected miscellaneous petition is closed.

Index : Yes / No
Internet : Yes / No
apd

02.09.2026

To
1. The Additional Secretary,
Government of Tamil Nadu, Finance Department,
Secretariat, Fort St George,
Chennai-600009.

https://www.mhc.tn.gov.in/judis
www.taxcode.in

Case Citation: (2026) taxcode.in 1626 HC

WEB COPY

2. The Secretary to Government,
Commercial Taxes and Registration Department,
Fort St George,
Chennai 600 009.

3. The Additional Chief Secretary to Government,
Finance Department,
Secretariat,
Fort St George,
Chennai 600 009.

4. The Director Commissioner,
Rural Development and Panchayat Raj Department,
Panagal Building No.1,
Saidapet, Chennai 600 015.

5. The Principal Secretary,
Municipal Administration and Water Supply Department,
Secretariat,
Chennai 600 009.

6. The Secretary to the Government,
Department of Highways and Minor Ports Tamil Nadu,
Secretariat,
Fort St George,
Chennai 600 009.

7. The Block Development Officer,
Vedaranyam,
Nagapttinam District.

8. The Executive Officer,
Thalanayar Town Panchayat,
Vedaranyam,
Nagapattinam District.

https://www.mhc.tn.gov.in/judis
www.taxcode.in

WEB COPY

C.SARAVANAN, J.

apd

9. The Executive Officer,
Town Panchayat,
Vellankani,
Nagapattinam Distirct.

10. The Divisional Engineer (Highways)
Divisional Engineer (Highways),
Nabard and Rural,
Nagapattinam.

11. The Block Development Officer (BP),
Vedaraniyam,
Nagapattinam District.

12. The Assistant Commissioner of GST and Central Excise,
Thanjavur.

W.P.(MD) No. 25073 of 2026

02.09.2026

10/10