Case Citation: (2026) taxcode.in 1630 HC

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BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

Dated : 18/09/2026

CORAM

THE HONOURABLE **MR. JUSTICE C.SARAVANAN**

WP(MD) NO. 26903 of 2026
{CNR: HCMD011312522026}
Case QR

and

WMP(MD)Nos.20331 and 20334 of 2026

Tvl.Noor Jewellers,
Rep. by its Proprietor
Mohammed Kani ... Petitioner

Vs

The State Tax Officer,
Nanguneri Assessment Circle,
Nanguneri. ... Respondent

PRAYER :-

Writ Petition, filed under Article 226 of the Constitution of India, praying this court to issue a Writ of Certiorarified Mandamus, calling for the records pursuant to the impugned show cause notice bearing Ref.No.ZD330924003242V dated 02.09.2024 and the consequential impugned order passed by the Respondent bearing Ref No. ZD331224004197U dated 02.12.2024 and quash the same and consequentially direct the respondent herein to conduct enquiry afresh by treating the proceedings as under section 73 of CGST Act instead of Section 74 of the CGST Act and pass appropriate order under section

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73(9) of the CGST ACT so as to enable the petitioner to avail the benefits under the Amnesty scheme under section 128 A of CGST Act and pass such further or other orders as this Honble Court may deem fit and proper in the circumstances of the case and thus render justice.

For Petitioner : Mr.A.Lakshmi
for M/s.Polax Legal Solutions
For Respondent : Mr.R.Parthiban
Special Government Pleader

ORDER

Mr.R.Parthiban, learned Special Government Pleader takes notice for the 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 and the learned Special Government Pleader for the respondent.

3. The petitioner is before this Court challenging the impugned order dated 02.09.2024, whereby the proposal contained in the Show Cause Notice in Form GST DRC-01, dated 02.09.2024, for the tax period 2018-2019, has been confirmed after considering the petitioner's reply to the said Show Cause Notice.

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4. The allegation against the petitioner is that the petitioner had availed Input Tax Credit on the strength of fake invoices raised by Roys Gold, Coimbatore, whose GST registration was cancelled with effect from 01.07.2024.

5. On a specific query as to whether the documents were produced by the petitioner to substantiate the receipt of the gold items from the said supplier, the learned counsel for the petitioner submits that the petitioner is in possession of the invoices and that the transactions were routed through the petitioner's bank account, which is also reflected in the income-tax statement of the petitioner.

6. The learned counsel for the petitioner further submits that 52% of the disputed tax has already been recovered. He submits that the matter may be remitted back to the respondent to re-examine whether a case is made out for invocation of the extended period of limitation, in the light of the decision of this Court in ***R.Muruganandam (Works Contractor) Vs. The State Tax Officer (Inspection-II), Office of the Joint Commissioner (State Tax) (Intelligence), No.3/216,***

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Pavithramanikkam Main Road, Thiruvarur and another [W.P.Nos. 42667, 42671, 42682 and 42688 of 2025, dated 06.11.2025].

7. Per contra, the learned Special Government Pleader for the respondent has referred to the decision of this Court in ***M/s.Fastenex Private Limited, Represented by its Managing Director A.L.Shah Vs. State Tax Officer (Inspection-VI), Office of the Joint Commissioner (ST) (Intelligence), No.1, Vallalar Nagar, Manjakuppam, Cuddalore – 607 001 [W.P.Nos.35967 of 2024 etc. batch, dated 08.06.2026]***, rendered in the context of Sections 73 and 74 of the respective GST enactments, 2017.

8. Having considered the submissions made by the learned counsel on either side, I am of the view that the matter can be remitted back to the respondent for fresh consideration.

9. In view of the above, the impugned order is set aside and the matter is remitted back to the respondent for fresh consideration, subject to the petitioner filing a reply to the Show Cause Notice that preceded the impugned order.

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10. The petitioner shall file a reply to the said Show Cause Notice within a period of thirty (30) days from the date of receipt of a copy of this order, by treating the impugned order as an addendum to the Show Cause Notice.

11. The respondent shall re-examine the issue as to whether the petitioner has sufficient documents to substantiate the actual receipt of the gold items/consignment from the said supplier and, consequently, whether the Input Tax Credit availed by the petitioner is liable to be disallowed.

12. The respondent shall also re-examine the issue as to whether the facts and circumstances of the case warrant invocation of the extended period of limitation under the applicable provisions of the respective GST enactments, 2017.

13. In case the petitioner files the reply within the stipulated period, the respondent shall proceed to pass fresh orders on merits and in accordance with law, as expeditiously as possible, preferably within a

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Case Citation: (2026) taxcode.in 1630 HC

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period of three (3) months thereafter, after affording an opportunity of personal hearing to the petitioner.

14. In case the petitioner fails to file the reply within the period stipulated above, the respondent is at liberty to proceed against the petitioner in accordance with law, as if this Writ Petition had been dismissed in limine today.

15. Needless to state, before passing any fresh order, the respondent shall afford due opportunity of personal hearing to the petitioner.

16. This Writ Petition stands disposed of with the above observations. No costs. Consequently, the connected miscellaneous petitions are closed.

18.09.2026

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NCC : Yes/No

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The State Tax Officer,
Nanguneri Assessment Circle,
Nanguneri.

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C.SARAVANAN, J.

sji

ORDER
IN
WP(MD) No.26903 of 2026

Date : 18/09/2026

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