IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 15-07-2026

CORAM

THE HON'BLE MR JUSTICE SENTHILKUMAR RAMAMOORTHY

WP No. 25512 of 2026
and W.M.P.Nos.27823 & 27825 of 2026

V R Automation Engineering
Represented by its Partner,
Haridha Mol,
No. 1, Zion Street, Padi,
Chennai- 600 050

..Petitioner(s)

Vs

The Deputy State Tax Officer 1
Padi Assessment circle,
No 4/109 Room No.202, 2nd Floor,
Integrated Commercial taxes Building,
Chennai Bangalore Highway,
Varadharajapuram,
Nazarath pettai, Chennai 123

..Respondent(s)

PRAYER: Writ Petition filed under Article 226 of The Constitution of India praying for the issuance of a Writ of Certiorarified Mandamus, calling for the records relating to the impugned order in DRC-07 bearing Reference No. ZD3312254629853 /FY 2021-2022 dated 31.12.2025 passed by the Respondent under Section 73 of the TNGST Act, 2017 and quash the same, and consequently direct the Respondent to reconsider the matter afresh after providing a fair and reasonable opportunity of hearing to the Petitioner and permitting the Petitioner to submit all supporting documents.

For Petitioner(s): M/s.Suresh T
S.Monisha

For Respondent(s): Ms.G.Dhana Madhri,
Government Counsel (Tax)

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ORDER

An order dated 31.12.2025 is assailed primarily on the ground that the petitioner did not have a reasonable opportunity to submit supporting documents

2. Ms.G.Dhana Madhri, learned Government Counsel (Tax), accepts notice on behalf of the respondent.

3. Learned counsel for the petitioner submits that the petitioner is in possession of supporting documents to establish that only eligible Input Tax Credit (ITC) was claimed. He adds that recoveries were made from the petitioner's electronic liability ledger. Learned counsel submits that the petitioner would remit 50% of the tax demand pertaining to issue no.2 relating to ineligible ITC as a condition for remand. An endorsement to that effect has been made on the bundle.

4. On perusal of the impugned order, it is noticeable that the tax payers replies were considered and cogent reasons were recorded for confirming the tax proposal relating to excess claim of ITC with regard to GSTR 2A. As regards ineligible ITC, the petitioner's claim was rejected on the ground of insufficient documentation. Since the petitioner asserts that requisite documents are available now to establish that only eligible ITC was availed of and utilized, re-consideration is warranted with regard to this issue subject to the remittance of 50% of the tax demand relating thereto within ***thirty days*** from the date of receipt of a copy of this order, after taking into account recoveries made earlier.

5. For reasons aforesaid, the impugned order dated 31.12.2025 is set aside partly only insofar as issue no.2 relating to ineligible ITC is concerned subject to the condition mentioned above. After providing a reasonable opportunity to the petitioner, a fresh order shall be issued on the above mentioned issue within ***three months*** from the date of remittance of 50% of the disputed tax demand in the manner mentioned above.

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

15-07-2026

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

To

The Deputy State Tax Officer 1
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SENTHILKUMAR RAMAMOORTHY, J.

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