



IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 07-07-2026

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THE HON'BLE MR JUSTICE SENTHILKUMAR RAMAMOORTHY

**WP No. 24326 of 2026
and W.M.P.Nos.26504 & 26505 of 2026**

Sri Manjulakshmi Spinners,
Represented by its Partner Mr.P.Chandrasekaran
S.F.No.189/2A,2B, Vellalore Road, Pattanam (Po),
Ondipudur (Via) Coimbatore 641 016

..Petitioner(s)

Vs

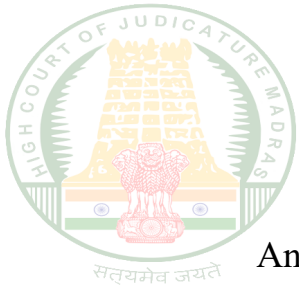
The Assistant Commissioner (ST)
Palladam -II Assessment Circle,
Palladam,Tiruppur.

..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 impugned proceedings of the respondent in TIN No.33236242885/2014-2015 and quash the impugned order dated 15.4.2026 in so far as the issue relating to reversal of ITC under section 19(2)(v) of the TNVAT Act,2006 is concerned as passed contrary to the order dated 29.8.2024 passed in W.P.No.26955 of 2021 by the Honble High Court and also contrary to the provisions of the TNVAT Act, 2006.

For Petitioner(s): Mr.Rajkumar P

For Respondent(s): Mr.R.Sethu Prabakaran,
Government Counsel (Tax)



ORDER

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An order dated 17.11.2021 was issued under the Tamil Nadu Value Added Tax Act, 2006 (TNVAT Act) for the assessment year 2014-15 *inter alia* in relation to reversal of Input Tax Credit (ITC) under Section 19(2)(v) of the TNVAT Act. Said order was challenged in W.P.No.26955 of 2021. By order dated 29.08.2024, this Court relied on the judgment in the *State of Tamil Nadu represented by its Secretary Commercial Taxes Department and another v. Everest Industries Limited*, MANU/TN/2953/2022 and held that the issue relating to Section 19(2)(v) had been decided in favour of the tax payer. Consequently, subject to the right to re-issue a notice in relation thereto if the tax department were to succeed in SLP(C) No.5815 of 2023, the issue was disposed of.

2. Without taking note of this decision, learned counsel submits that the assessing officer has issued an order in respect of the issue of reversal of ITC under Section 19(2)(v).

3. Mr.R.Sethu Prabakaran, learned Government Counsel (Tax), accepts notice for the respondent.

4. At paragraph 9 of order dated 29.08.2024 in W.P.No.26955 of 2021, this Court held as under:



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“9. The Court had rejected the appeal filed by the Commercial Tax Department. Therefore, the respondent is directed to drop the demand as far as issue arising out of Section 19(2)(v) of the TNVAT Act, 2006 is concerned, without prejudice to its right to revive the issue in the light of final order to be passed by the Hon'ble Supreme Court in SLP(C)no.5815/2023.”

5. In spite of the above specific finding, in order dated 15.04.2026, which is impugned herein, the demand in respect of ITC reversal was confirmed. Since such order is in the teeth of the earlier order of this Court, such order is set aside.

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.

07-07-2026

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

To

The Assistant Commissioner (ST)
Palladam -II Assessment Circle,
Palladam, Tiruppur.



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WP No. 24326 of 2



SENTHILKUMAR RAMAMOORTHY, J.

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