



IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 24-07-2026

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THE HON'BLE MR JUSTICE SENTHILKUMAR RAMAMOORTHY

**WP Nos. 27167, 27182, 27179, 27184, 27186 & 27171 of 2026
and WMP Nos. 29732, 29745, 29751, 29754, 29758 & 29735 of 2026**

M/S.B.S.Textiles

Represented by its Proprietor K. Sivachalapathy,
No. 221 Krishnammal Building, Easwaran Koil
Street, Erode - 638001.

..Petitioner(s)

Vs

The State Tax Officer (Intelligence)
Inspection Group-V, Office of the Joint
Commissioner (ST) (Intelligence), Erode Division,
Erode - Erode - 638002.

..Respondent(s)

PRAYER in W.P.No.27167 of 2026: Writ Petition filed under Article 226 of

The Constitution of India praying for the issuance of a Writ of Certiorari, calling for the records of the respondent in his proceedings in GSTIN 33AQSPS1778B1ZK/2020-21, quash the order dated 30.03.2026 passed therein.

PRAYER in W.P.No.27182 of 2026: Writ Petition filed under Article 226 of

The Constitution of India praying for the issuance of a Writ of Certiorari, calling for the records of the respondent in his proceedings in GSTIN 33AQSPS1778B1ZK/2022-23, quash the order dated 30.03.2026 passed therein.



PRAYER in W.P.No.27179 of 2026: Writ Petition filed under Article 226 of

The Constitution of India praying for the issuance of a Writ of Certiorari, calling for the records of the respondent in his proceedings in GSTIN 33AQSPS177SB1ZK/2021-22, quash the order dated 30.03.2026 passed therein.

PRAYER in W.P.No.27184 of 2026: Writ Petition filed under Article 226 of

The Constitution of India praying for the issuance of a Writ of Certiorari, calling for the records of the respondent in his proceedings in GSTIN 33AQSPS1778B1ZK /2023-24, quash the order dated 30.03.2026 passed therein.

PRAYER in W.P.No.27186 of 2026: Writ Petition filed under Article 226 of

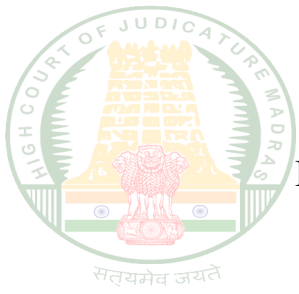
The Constitution of India praying for the issuance of a Writ of Certiorari, calling for the records of the respondent in his proceedings in GSTIN 33AQSPS1778B1ZK/ 2024-25, quash the order dated 30.03.2026 passed therein.

PRAYER in W.P.No.27171 of 2026: Writ Petition filed under Article 226 of

The Constitution of India praying for the issuance of a Writ of Certiorari, calling for the records of the respondent in his proceedings in GSTIN 33AQSPS1778B1ZK/2025-26, quash the order dated 30.03.2026 passed therein.

For Petitioner(s):
in all WP's

Mr.P.V.Sudakar



For Respondent(s):
in all WP's

Ms.Amirta Poonkodi Dinakaran,
Government Counsel (Tax)

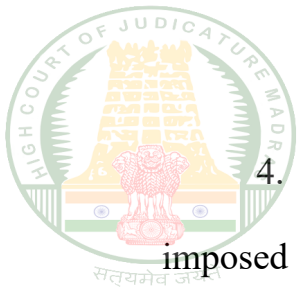
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COMMON ORDER

Orders imposing penalty under Section 122 of applicable GST enactments for availment of Input Tax Credit (ITC) and for enabling the availment of ITC are challenged in these writ petitions.

2. Learned counsel for the petitioner submits that the petitioner had shifted his place of business on account of ill-health to a place owned by him. On account of not carrying on business at the registered place of business on the date of inspection, he submits that penalty was imposed on the assumption that the petitioner did not carry on business during the entire period running from 2020-2021 to 2025-2026. He adds that the registration was restored pursuant to a revocation application filed by the petitioner.

3. Ms.Amirta Poonkodi Dinakaran, learned Government Counsel (Tax), accepts notice for the respondent. She points out that the proper officer found that no business was being carried on at the registered address and that the Proprietor was not traceable.



4. On perusal of the impugned orders, it is evident that penalty was imposed under Section 122(1)(ii) and Section 122(1)(vii) for availing of and utilizing ITC and passing on ITC to the recipient, respectively. Penalty is imposable on these grounds if the proper officer were to conclude that business was not carried on during the relevant periods and ITC was utilized or passed on as the case may be. The impugned orders do not indicate any basis for arriving at such conclusions. Hence, re-consideration is warranted. Towards that end, the impugned orders are set aside and these matters are remanded for re-consideration. After providing a reasonable opportunity to the petitioner, a fresh order shall be issued within **three months** from the date of receipt of a copy of this order.

5. These writ petitions are disposed of on the above terms. Consequently, connected writ miscellaneous petitions are closed. There shall be no order as to costs.

24-07-2026

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

The State Tax Officer (Intelligence)
Inspection Group-V, Office of the Joint Commissioner (ST) (Intelligence),
Erode Division, Erode - Erode - 638002.



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SENTHILKUMAR RAMAMOORTHY J.

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