IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 07-08-2025

CORAM

THE HONOURABLE MR JUSTICE KRISHNAN RAMASAMY

WP No. 698 of 2024
AND
WMP NO. 718 OF 2024,WP NO. 701 OF 2024,WMP NO. 720 OF 2024

Tvl.Vels Institute Of Science, Technology And
Advanced Studies (VISTAS)
Rep. By Its Authorized Signatory,
No.1, Velan Nagar, P.V. Vaithiyalingam Road,
Pallavaram, Chennai-600 117.

Petitioner(s)

Vs

State Tax Officer,
Chrompet Assessment Circle,
Integrated Commercial Tax Building
Block No.19, T.S.No.2,
Government Farm Village, Nandanam,
Chennai-600 035.

Respondent
in W.P.No.698 of 2024

Assistant Commissioner (ST)(FAC),
Chrompet Assessment Circle,
Integrated Building Commercial Taxes
And Registration Dept., Nandanam,
Chennai-600 035.

Respondent
in W.P.No.701 of 2024

PRAYER in WP No. 698 of 2024:-Writ Petition filed under Article 226 of the Constitution of India, praying for an issuance of Writ of Certiorarified Mandamus, calling for the entire records relating to the order in Ref. No. ZD330923045535C dated 08.09.2023 passed by the respondent and quash the same and consequently direct the respondent to sanction the refund amount of GST of Rs. 7,04,368/- erroneously paid on exempted services along with appropriate interest.

PRAYER in WP No. 701 of 2024:-Writ Petition filed under Article 226 of the Constitution of India, praying for an issuance of Writ of Certiorarified Mandamus, calling for the records relating to the order in Rejection Order No.ZD3303230310172 dated 07.03.2023 passed by the respondent and quash the same and consequently direct the respondent to sanction the refund amount of GST of Rs.1,19,08,217/- erroneously paid on the exempted services along with appropriate interest.

In both W.Ps

For Petitioner(s): Mr.T.Ramesh

For Respondent(s): M/s.Amirta Poonkodi Dinakaran, Govt. Advocate

COMMON ORDER

Challenges have been made against the impugned orders of rejection dated 08.09.2023 & 07.03.2023, passed by the respondents in the refund applications filed by the petitioner.

2.Learned counsel for the petitioner would submit that the impugned orders of rejection have been passed by the respondents in the refund applications filed by the petitioner, relating to the tax periods 2017-18 to 2019-20 and 2021-22, on the ground that the petitioner failed to furnish the details regarding the exempted turnovers and the taxable turnovers.

3.He would further submit that the Directorate General of Central Excise Intelligence, Chennai (hereinafter referred as "DGCEI") conducted inquiry into the various activities of the petitioner's institution and called upon the petitioner to pay GST on the fees v.z., online fees collection, application fees, condonation fees etc., collected from the students. Based on the said oral direction by the DGCEI, the petitioner made a payment of Rs.1,19,08,217/- and Rs.7,04,368/-, relating to the tax periods 2017-18 to 2019-20 and 2021-22 respectively. Thereafter, the petitioner filed refund applications dated 03.08.2022 & 28.03.2023 for the amount of Rs.1,19,08,217/- and Rs.7,04,368/- based on the Circular No.177/09/2022-TRU dated 03.08.2022, issued by the Department of Revenue, Ministry of Finance, clarifying that the amount collected by the respondents on the aforesaid heads are exempted from levy of GST. Since the respondents Department issued a deficiency memo pointing out that the petitioner has not uploaded the relevant documents along with the refund applications, the petitioner again filed a fresh refund applications on 04.01.2023 and 28.06.2023 along with necessary documents. Thereafter, the respondents issued a show cause notices dated 06.02.2023 and 18.07.2023, proposing to reject the aforesaid refund applications. In response, the petitioner filed their replies on 11.02.2023 and 02.08.2023, clarifying all the queries raised in the show cause notices. However, without considering the same, the respondents rejected the refund applications filed by the petitioner by virtue of impugned orders dated 07.03.2023 & 08.09.2023, even though the petitioner furnished all the details.

4.Learned Government Advocate appearing for the respondents would submit that in the present case, the petitioner made a claim of refund based on the payment made particulars for the tax periods 2017-18 to 2019-20 and 2021-22, over the periods from 14.08.2020 to 24.06.2021 and 04.06.2022. During that period, the petitioner supposed to remit the GST for taxable services. Therefore, the petitioner has to provide the details regarding the taxable services and the GST remitted by them for the taxable services and the details of remittance of GST for the exempted services. Thus, in the absence of documentary evidence to substantiate the claim of the petitioner, the respondents rejected the refund applications of the petitioner. However, she would fairly submit that if the petitioner intend to file the relevant documentary evidence with regard to the remittance of GST for taxable turnover and exempted turnovers for the tax periods 2017-18 to 2019-20 and 2021-22, the respondents would consider the same.

5.In reply, learned counsel for the petitioner would submit that they would provide the relevant documents regarding the taxable services and the non-taxable service rendered by them and the details of remittance of GST for both taxable and non-taxable services, for the tax periods 2017-18 to 2019-20 and 2021-22, to substantiate their entitlement of refund.

6.Heard the learned counsel for the petitioner as well as the learned Government Advocate appearing for the respondents and perused the materials available on records.

7.Considering the submissions made by the learned counsel for the petitioner and the learned Government Advocate appearing for the respondents, there is no dispute on the remittance of Rs.1,19,18,217/- and Rs.7,04,368/- towards GST for the tax periods 2017-18 to 2019-20 and 2021-22, over the periods from 14.08.2020 to 24.06.2021 and 04.06.2022. The petitioner filed refund applications on 04.01.2023 & 28.06.2023 and the same got rejected since the petitioner failed to provide details of taxable turnovers and non-taxable turnovers. According to the respondents, there is no clarity in the amount paid by the petitioner during the aforesaid periods, which would be either for taxable service or non-taxable services. Further, according to the petitioner, based on the oral direction from DGCGI, the petitioner remitted the GST for exempted services and no proceeding was initiated with regard to the payment of tax for the exempted services provided by the petitioner and the respondents have also not disputed the same.

8.When such being the case, the petitioner supposed to provide the month wise details regarding the taxable service and exempted service rendered by them during the tax periods 2017-18 to 2019-20 and 2021-22 and proof for the payment of GST for the same. In the absence of such evidence, the respondents have passed the impugned orders rejecting the refund applications and this

Court does not find any irregularity in the impugned orders passed by the respondents. However, since the petitioner intend to produce the necessary documents of taxable turnovers and non-taxable turnovers and the respondents also agreed to consider the same, this Court in the interest of justice, is inclined to set aside the impugned orders. Accordingly, this Court pass the following orders:-

(i) The impugned orders are set aside and the matters are remanded to the respondents for re-consideration.

(ii) The petitioner is directed to file additional reply, if any, along with documentary evidence i.e details regarding the monthwise taxable services and non-taxable service rendered by them and remittance of GST for the said services during the tax period 2017-18 to 2019-20 and 2021-22 within a period of four weeks from the date of receipt of a copy of this order.

(iii) On filing of such reply and documentary evidence by the petitioner, the respondents shall consider the same and issue a 14 days clear notice by fixing the date of personal hearing to the petitioner and thereafter, pass appropriate orders on merits and in accordance with law, after hearing the petitioner, as expeditiously as possible.

9.With the above directions, these writ petitions are disposed of. There is no order as to costs. Consequently, the connected miscellaneous petitions are closed.

07-08-2025

rst

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

To

1.State Tax Officer,
Chrompet Assessment Circle,
Integrated Commercial Tax Building
Block No.19, T.S.No.2, Government
Farm Village, Nandanam,
Chennai-600 035.

2.Assistant Commissioner (ST)(FAC)
Chrompet Assessment Circle,
Integrated Building Commercial Taxes
And Registration Dept., Nandanam,
Chennai-600 035.

KRISHNAN RAMASAMY J.

rst

WP No. 698 of 2024

AND

WMP NO. 718 OF 2024,

WP NO. 701 OF 2024,

WMP NO. 720 OF 2024

07-08-2025