IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 15-04-2025

CORAM

THE HONOURABLE MR JUSTICE J.SATHYA NARAYANA PRASAD

WP.No.13310 of 2025

Devaki Constructions,
Rep by its Partner,
Mr.V.Balakrishnan,
S/o.Vasudevan,
No.1035/A, 2nd Floor,
JV Street, Sudhakar Nagar,
Villupuram, Tamil Nadu – 605 602.

Petitioner(s)

Vs

1.The Director,
Rural Development and Panchayat Raj,
Panagal Building, Chennai – 600 015.

2.The Director,
General Rural Development and Panchayat Raj (Training)
Panagal Building, Chennai – 600 015.

3.The District Collector,
Office of the District Collector, Villupuram.

4.The Additional Collector (Development Agency),
District Rural Development Agency,
Villupuram.

5.The Executive Engineer,
District Rural Development Agency, Villupuram.

6.The Block Development Officer,
(Block Panchayat) Kanai, Villupuram.

7.The Block Development Officer,
Village Panchayat, Kanai, Villupuram.

8.The Block Development Officer (Village Panchayat),
Kandamangalam Villupuram.

9.The Block Development Officer (village Panchayat),
Vanur, Villupuram

10.The Block Development Officer (Village Panchayat),
Vikravandi, Villupuram.

Respondent(s)

Prayer: Writ Petition filed under Article 226 of the Constitution of India, praying for the issuance of a direction in the nature of Writ of Mandamus, directing the 1st respondent to sanction the remaining GST of 6% with all interest and penalty by considering the petitioner's representation dated 19.11.2024 forthwith and pass such further orders.

For Petitioner: M/s.N.Lavanya

For Respondents: Mr.M.Rajendiran,
Additional Government Pleader

ORDER

This writ petition has been filed for issuance of a Writ of Mandamus, directing the 1st respondent to sanction the remaining GST of 6% with all interest and penalty by considering the petitioner's representation dated 19.11.2024 forthwith.

2. The petitioner, Devaki Constructions, represented by its Partner, Mrs. B. Rama, is a registered Government Contractor engaged in building and road construction works. The GST Council, in its 47th meeting held on 28th and 29th July, 2022, revised the GST rate for works contracts supplied to the Central or State Governments from 12% to 18%, effective from 18.07.2022. However, despite this revision, the respondents have continued to pay GST at the old rate of 12%. Repeated instructions were issued by higher authorities, including communications on 05.12.2022 and 17.03.2023, to implement the revised rate, but the concerned respondents failed to comply. A tax inspection on 30.08.2024 led to a warning to the petitioner to pay GST at 18%, while the petitioner had not been reimbursed the differential 6% by the Government authorities.

Representations were sent by the petitioner on 19.11.2024 and legal notice on 13.03.2025, yet no action was taken. Though consent to release the differential tax amount was obtained in two specific instances (04.12.2024 and 02.01.2025), the payments remain pending. The total unpaid GST amount claimed is Rs. 4,15,69,980/-.

3. Learned counsel appearing for the petitioner submits that the respondents' failure to pay the revised GST rate despite clear directions, approvals, and even legal notice has caused financial hardship and legal complications, especially after being warned by the Commercial Tax Officer. He submits that the petitioner seeks a direction to the respondents to pay the differential 6% GST amount retrospectively from 18.07.2022, totalling Rs. 4.15 crores, and to ensure compliance with the GST rate as revised by the GST Council.

4. Learned Additional Government Pleader appearing for the respondents submits that the proposal has already been forwarded to the third respondent/ District Collector, Villupuram.

5. Heard both sides and perused the materials available on record.

6. Without going into the merits of the case, the first respondent is directed to sanction the remaining GST of 6% with all interest and penalty by considering the petitioner's representation dated 19.11.2024 after conducting a detailed enquiry by giving due notice to the petitioner, affording an opportunity of personal hearing to the petitioner, to take into consideration all the relevant documents submitted by the petitioner and pass appropriate orders on merits, in accordance with law, within a period of eight (8) weeks from the date of receipt of a copy of this order.

In the result, the **writ petition stands disposed of with the above observations and direction**. No costs.

15-04-2025

cda
Index:Yes/No
Speaking/Non-speaking order

To

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J.SATHYA NARAYANA PRASAD J.

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