IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 17.11.2025

CORAM:

THE HONOURABLE MR.JUSTICE S.M.SUBRAMANIAM
AND
THE HONOURABLE MR.JUSTICE MOHAMMED SHAFFIQ

W.P.Nos. 22768, 22769 of 2017,
1751, 8288, 24331 of 2018,
10153, 10175 of 2019 & 21101 of 2021
and
W.M.P.Nos.23894, 23895 of 2017, 2176, 28347, 10250 of 2018,
10714, 10736 of 2019, 22359 of 2021 and 17591 of 2024

W.P.Nos.22768 & 22769 of 2017:

Sundaram Fasteners Limited,
Represented by its Chief Financial Officer,
S.Meenakshisundaram,
No.98-A, Radhakrishnan Salai,
Mylapore, Chennai – 600 004. ...Petitioner

Vs.

The Deputy Commissioner (CT)-IV,
Large Tax Payer Unit,
5th Floor, Dugar Towers,
Marshall Road,
Chennai – 600 008. ...Respondent

PRAYER in W.P.Nos.22768 & 22769 of 2017: This Writ Petition has been filed under Article 226 of the Constitution of India praying to issue a Writ of Certiorari to call for the records on the file of the respondent herein in TIN:33050741047/2015-16 and TIN:33050741047/2016-17, dated 24.07.2017 and quash the same.

W.P.No.1751 of 2018:

Sundaram Fasteners Limited,
(Represented by its Chief Financial Officer,
S.Meenakshisundaram),
No.98-A, Radhakrishnan Salai,

Mylapore, Chennai – 600 004. ...Petitioner

Vs.

The Deputy Commissioner (CT)-I,
Large Tax Payer Unit,
5th Floor, Dugar Towers,
Marshall Road,
Chennai – 600 008. ...Respondent

PRAYER in W.P.No.1751 of 2018: This Writ Petition has been filed under Article 226 of the Constitution of India praying to issue a Writ of Certiorari to call for the records on the file of the respondent herein in TIN:33050741047/2014-15, dated 22.12.2017 and quash the same.

W.P.No.8288 of 2018:

Soundarya Decorators Pvt. Ltd.,
(Represented by Asst. General Manager-
Indirect Taxes & Govt. Liasioning,
P.Madhusudanan)
26, Porur Village, Kolathur Post,
Keezhkottaiyur, Chennai – 600 127. ...Petitioner

Vs.

The Assistant Commissioner (CT),
Thirukazhukundram Assessment Circle,
No.42, Wahab Nagar,
Thirukazhukundram – 603 109. ...Respondent

PRAYER in W.P.No.8288 of 2018: This Writ Petition has been filed under Article 226 of the Constitution of India praying to issue a Writ of Certiorari to call for the records on the file of the respondent herein in TIN:33110903198/2010-11, dated 25.01.2018 and quash the same.

W.P.No.24331 of 2018:

TANFAC Industries Limited,
Represented by its Chief Financial Officer,
N.R.Ravichandran,
No.14, SIPCOT Industrial Complex,
Cuddalore – 5. ...Petitioner

Vs.

The Assistant Commissioner (CT) (FAC)
Cuddalore Taluk Assessment Circle,
Cuddalore – 5. ...Respondent

PRAYER in W.P.No.24331 of 2018: This Writ Petition has been filed under Article 226 of the Constitution of India praying to issue a Writ of Certiorari to call for the records on the file of the respondent herein in TIN:33814400730/2012-13, dated 31.07.2018 and quash the same.

W.P.Nos.10153 & 10175 of 2019:

M/s.L&T Valves Limited,
Rep. by Mr.T.A.Sridharan,
(Senior DGM Finance & Accounts),
No.4/5, Club House Road,
Anna Salai, Chennai – 2. ...Petitioner

Vs.

The Assistant Commissioner (ST),
Anna Salai Assessment Circle,
4th Floor, PAPJM Building Annexure,
No.1, Greams Road,
Chennai – 600 006. ...Respondent

PRAYER in W.P.Nos.10153 & 10175 of 2019: This Writ Petition has been filed under Article 226 of the Constitution of India praying to issue a Writ of Certiorari to call for the records of the impugned order of re-assessment in TIN No.33400620041/2013-14 and TIN No.33400620041/2014-15 dated 25.02.2019 passed by the respondent herein, and quash the same.

W.P.No.21101 of 2021:

Tulsyan NEC Limited,
(Represented by its Director,
Mr.Sanjay Agarwalla)
No.61, Semudoss Street,
Chennai – 600 001. ...Petitioner

Vs.

The Assistant Commissioner (ST),

Broadway Assessment Circle,
Integrated Commercial Taxes Building,
3rd Floor, Elephant Gate Bridge Road,
Chennai – 600 003. ...Respondent

PRAYER in W.P.No.21101 of 2021: This Writ Petition has been filed under Article 226 of the Constitution of India praying to issue a Writ of Certiorari to call for the records on the file of the respondent herein in TIN:33370040046/2012-13, dated 23.08.2021 and quash the same insofar as it relates to reversal of input tax credits on inter-state sales to SEZ Developers and Co-Developers to the tune of Rs.1,22,30,554/-.

For Petitioners : Mr.N.Prasad in all WPs
For Respondents : Mr.Haja Nazirudeen,
Addl. Advocacte General
Assisted by Mr.C.Harsha Raj,
Spl. G.P (Taxes) and
Mr.P.Hari Babu, Govt. Advocate in all WPs

COMMON ORDER

(Order of the Court was made by MOHAMMED SHAFFIQ, J.)

In all these batch of Writ Petitions common question that arises for consideration is as to whether assessees are entitled to input tax credit in terms of Section 19 on the tax paid on purchase of raw materials used in manufacture or processing of goods and sold to SEZ units, located/situated outside of the State of Tamil Nadu, by way of inter-State sale.

2. It is submitted by the learned counsel for the assessees that the issue stands covered by the decision of the learned Single Judge of this Court in the case of Simpsons and Company Ltd., v. The Deputy Commissioner (CT) – IV and others, in W.P.No.37654 of 2016.

3. Learned Additional Advocate General on the other hand would submit that there are disputed questions as far filing of form I is concerned in terms of Sections 8(5) and 8(6) of Central Sales Tax Act, 1956 and also submits that the entitlement of credit was in terms of Section 19(5)(a) and Section 19(12) as well. He would thus submit that reference to Section 19(5)(a) in the orders of assessment / notices is misquoting of provision and what was in fact invoked while reversing input tax credit is Section 19(12) of Tamil Nadu Value Added Tax Act.

4. In response the learned counsel for the petitioners would submit that their right to input tax credit gets crystallized the moment goods are used in manufacture or processing goods, the manner/mode of sale of such manufactured or processed goods may not have any bearing on the appellants entitlement to input tax credit. He would also submit that if Section 19(12) is sought to be involved, the appellant ought to be afforded an opportunity to respond.

5. We are not inclined to go into the merits of the matter for the present, in view of disputed question of fact viz., whether transactions are covered by requisite declaration form in form I or not. We also agree with the submission of the petitioner that Section 19(12) if sought to be relied, petitioner ought to be afforded an opportunity of hearing. In view thereof, we are inclined to set aside the orders of assessment with liberty to re-do the assessment. All rights and contentions are left open.

6. Accordingly, these Writ Petitions are disposed of. No costs. consequently, the connected miscellaneous petitions are closed.

(S.M.S., J.) **(M.S.Q., J.)**
17.11.2025

dsa
Internet :Yes/No
Index :Yes/No
Neutral Citation :Yes/No
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