IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 06.10.2025

CORAM

THE HONOURABLE MR.JUSTICE C.SARAVANAN

W.P.No.37245 of 2025
and
W.M.P.Nos.41671, 41672 & 41806 of 2025

M/s. Gajendraa Electric Company
Represented by its Partner,
Mr.Hariharan Gajendran
No.13 (Old No.21), Ayyavoo Naidu Colony,
Aminjikarai, Chennai – 600 029. ... Petitioner

Vs.

1. The State Tax Officer/Proper Officer
MMDA Colony Assessment Circle,
Egmore Taluk Office Building, 2nd Floor,
No.88, Mayor Ramanathan Salai (Spurtank Road),
Chetpet, Chennai – 600 031.

2. The Deputy Commissioner (ST)
Central-I, Greams Road
Chennai – 600 006.

3. The Branch Manager
DCB Bank Limited
Nungambakkam Branch,
No.2/1, Old No.37/1 Jambulingam Street,
Nungambakkam, Chennai – 600 034. ... Respondents

Writ Petition is filed under Article 226 of the Constitution of India, for issuance of a Writ of Certiorari, calling for the impugned proceedings of the first respondent passed in GSTIN: 33AAOFG6433H1ZC/2020-21 dated 24.02.2025 and the summary of the order in form GSTR DRC-07 dated 24.02.2025 issued in reference No. ZD330225248058J and quash the impugned proceedings as passed contrary to the provisions of the Central Goods and Service Tax Act, 2017 read with the provisions of the Tamil Nadu Goods and Services Tax Act, 2017.

For Petitioner : Mr.P.Rajkumar

For R1 & R2 : M/s.P.Selvi
Government Advocate

ORDER

This Writ Petition is being disposed of at the time of admission with the consent of the learned counsel for the petitioner and learned Government Advocate for R1 and R2.

2. In this Writ Petition, the petitioner has challenged the impugned Order dated 24.02.2025 passed for the assessment year 2020-2021.

3. The impugned order was preceded with Show Cause Notice in Form

GST DRC-01 dated 25.11.2024, to which, the petitioner replied on 07.01.2025.

4. It is the specific case of the petitioner that demand insofar as for a sum of Rs.3,30,006/- each towards CGST and SGST is concerned as confirmed by the impugned Order dated 24.02.2025, which was an excess amount paid by the petitioner during the assessment year 2019-2020.

5. It is submitted by the learned counsel for the petitioner that, for the aforesaid tax period, a notice in DRC 01 was issued. To which, the petitioner replied on 23.07.2024, wherein the defence of the petitioner was that petitioner made an excess payment during 2019-2020 and therefore, the demand should be dropped.

6. It is further submitted by the learned counsel for the petitioner that, by the Assessment Order dated 30.08.2024, the aforesaid demand for a sum of Rs.3,30,006/- each towards CGST and SGST, had been dropped.

7. It is further submitted by the learned counsel for the petitioner that as per clarification issued by the Central Board of Excise and Customs by Circular No.26/26/2017-GST, an Assessee who has over-reported their liability may

reduce it in the subsequent monthly return or claim a refund of the same.

8. It is further submitted by the learned counsel for the petitioner that in this case, the petitioner has adjusted the current tax liability with the excess amount of tax paid during tax period 2019-2020.

9. On the other hand, the learned Government Advocate for R1 and R2 would submit that the impugned order was passed, only after considering the petitioner's reply and that the impugned order is a detailed order, and therefore, does not warrant any interference under Article 226 of the Constitution of India.

10. It is further submitted by the learned Government Advocate that, the order for some of the demands that were proposed in DRC 01 was also dropped and therefore, on this ground, this writ petition is liable to be dismissed.

11. The learned counsel for the petitioner however submitted that the entire tax liability confirmed vide the impugned order has been recovered together with interest and penalty on 17.06.2025.

12. Having considered the submission made by the learned counsel for

the petitioner and learned Government Advocate for R1 and R2, and considering the fact that, the amount was allegedly paid by the petitioner in excess during the assessment year 2019-2020, which ought to have been adjusted towards the petitioner's tax liability during the assessment year 2020-2021, and in view of the illustration in Common Error-II in Annexure to the aforesaid Circular No.26/26/2017-GST, I am of the *prima facie* view that the petitioner has made out a case. Therefore, I am inclined to set aside the impugned Order dated 24.02.2025 and remit the case back to the 1st respondent to pass a fresh order in the light of Annexure to the aforesaid Circular No.26/26/2017-GST.

13. It is made clear that the 1st respondent shall independently consider the applicability of the illustration provided in Common Error-II in annexure to the aforesaid Circular No.26/26/2017-GST and pass appropriate orders within a period of 12 weeks from the date of receipt of a copy of this order. It is needless to state that, before passing such order, the petitioner shall be heard.

14. If necessary, the petitioner may also submit an additional representation and the same shall be considered.

15. With the above directions, this Writ Petition stands disposed of. Consequently, connected miscellaneous petitions are closed. No costs.

06.10.2025

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Neutral Citation : Yes / No

To

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C.SARAVANAN, J.

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