IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 06.11.2025

CORAM :

THE HONOURABLE MR.JUSTICE C.SARAVANAN

W.P.No.42823 of 2025
and
W.M.P.Nos.47879 and 47880 of 2025

M/s.Nabati Food (India) Private Limited,
Represented by its Managing Director Mr.Justin Samuel
No.961, 2nd Floor, Siyat House, Poonamallee High Road,
Chennai - 600 084. ... Petitioner

Vs.

The Assistant Commissioner of Central Tax & Central Excise, Audit I
The Commissioner of GST and Central Excise
Chennai Audit I Commissionerate
No.1775 Jawaharlal Nehru Inner Ring Road,
Anna Nagar West Extension, Chennai - 600 101.

The Assistant Commissioner of GST & Central Excise,
Purasawalkam Division,
Newry Towers, No.2054, I Block, II Avenue,
12th Main Road, Anna Nagar, Chennai - 40. ... Respondents

Prayer: Writ Petition filed under Article 226 of the Constitution of India, for issuance of a Writ of Certiorari, to call for the records in the file of the respondent and quash the impugned order under Section 73 of the Tamil Nadu Goods and Service Tax Act, 2017/Central Goods and Service Tax Act, 2017 having GSTIN 33AADCE6908RIZ6 dated 27.02.2025 along with summary of the order in Form GST DRC 07 dated 27.02.2025 passed by the second respondent having reference No.ZD3302252909919 and Rectification order dated 26.08.2025 in Reference No.ZD330825322556A passed by the second respondent for the FY 2020-21.

For Petitioner : Mr.N.V.Balaji
For Respondent : Mr.Rajnish Pathiyil,
Senior Standing Counsel

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O R D E R

The Writ Petition is disposed of at the time of admission after hearing the learned counsel for the petitioner and the learned counsel for the respondent.

2. In this Writ Petition, the petitioner has challenged the impugned order dated 27.02.2025 passed under Section 73 of the respective GST Enactment, and the subsequent order dated 26.08.2025, whereby the petitioner's application dated 27.05.2025 seeking rectification of the said order was rejected.

3. The learned counsel for the petitioner submits that, for the very same period, an earlier order had been passed on 03.02.2025. The said proceedings pertained to a composite period covering the assessment years 2017–2018 to 2021–2022.

4. It is further submitted that the amount forming the subject matter of the order dated 03.02.2025 also forms part of the impugned order dated 27.02.2025. Hence, the petitioner filed an application for rectification of the order dated 27.02.2025, which came to be rejected by the subsequent order dated 26.08.2025.

5. The specific case of the petitioner is that, in the order dated 03.02.2025, the only issue pertained to excess Input Tax Credit (ITC) availed in GSTR-3B as compared to GSTR-2A, for a sum of Rs. 1,08,39,873/-.

6. It is further submitted that, in the impugned proceedings, the same amount has been reflected as Rs. 1,08,28,252/-, apart from certain other issues.

7. The learned counsel for the petitioner contends that the impugned orders are arbitrary and have not taken into account the fact that there is a duplication of demand between the order dated 03.02.2025 and the impugned order dated 27.02.2025.

8. On the other hand, the learned counsel for the respondent submits that the impugned order dated 27.02.2025 is a detailed order and does not warrant any rectification under Section 161 of the respective GST Enactment. It is therefore submitted that the rectification application was rightly rejected by order dated 26.08.2025, and that the petitioner is at liberty to work out his remedy before the Appellate Authority, namely the Additional Joint Commissioner (No. 38, Nungambakkam, Chennai).

9. Having considered the submissions of both learned counsel and on perusal of the order dated 03.02.2025 passed for the tax period 2017–2018 to 2021–2022, it prima facie appears that there is a duplication of demand insofar as the excess ITC availed, when compared with the auto-populated input data under GSTR-2A, is concerned. This aspect ought to have been examined by the respondent under Section 161 of the respective GST Enactment, particularly when a specific request to that effect had been made by the petitioner on 27.05.2025.

10. Under these circumstances, the impugned order dated 26.08.2025 is set aside, and the matter is remitted back to the respondent authority to reconsider the issue afresh in accordance with law. If, upon such reconsideration, an adverse order is passed against the petitioner, the petitioner shall be entitled to file a consolidated appeal within 30 days from the date of receipt of a copy of such order.

11. In view of the above, the following directions are issued:

(i) The petitioner's application for rectification dated 27.05.2025 shall be considered and disposed of within a period of 30 days from the date of receipt of a copy of this order.

(ii) The petitioner shall thereafter be at liberty to file an appeal before the Appellate Authority, both against the demand confirmed by order dated 27.02.2025, and in respect of the other issues if the rectification application is rejected.

12. With the above directions, **the Writ Petition stands disposed of**. No costs. Consequently, the connected W.M.Ps. are closed.

06.11.2025

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Neutral Citation : Yes / No

<u>To</u>:

The Assistant Commissioner of Central Tax & Central Excise, Audit I
The Commissioner of GST and Central Excise
Chennai Audit I Commissionerate
No.1775 Jawaharlal Nehru Inner Ring Road,
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<u>C.SARAVANAN, J.</u>

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W.P.No.4283 of 2025 and
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06.11.2025