IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 24-02-2026

CORAM

THE HON'BLE MR JUSTICE C. SARAVANAN

WP Nos. 7024 of 2026 and 7032 of 2026
AND
WMP NO. 7655 OF 2026, WMP NO. 7660 OF 2026, WMP NO. 7662 OF 2026 and WMP NO. 7654 OF 2026

W.P.No.7024/2026:
M/S.Sri Ezhumalaiyan Construction
Rep by its Partner,
R.Rajendran,
4/6-1, Kalabairavankadu,
Settiyar kuthangai, Vedaranyam,
Nagapattinam District.

..Petitioner(s)

Vs

1. The State Tax officer Inspection -1
   Office of the Joint Commissioner (State Tax)
   Intelligence
   Thiruvarur Division,
   No.3/216, Pavithra Manickam Main Road,
   Thiruvarur District.
2. The Secretary to Government
   Commercial Taxes and registration Department,
   Fort St. George, Chennai-600009

3. The Additional Chief secretary to Government,
   Finance Department,
   Fort St.George, Chennai -600009

4. The Commissioner
   Rural Development and Panchayat Raj
   Department,
   Panagal Building, No.1, Saidapet, Chennai- 600
   015

5. The District Collector
   Nagapattinam,

Nagapattinam District

6. The Project Director
District Rural Development Agency,
Nagapattinam

7. The Block Development Officer (VP)
Keelaiyur,
Kilvelur-katchnam Road, nagapattinam District

8. The Block Development officer (BP)
Keelaiyur,
Kilvelur- Katchanam road,
Nagapattinam District.

..Respondent(s)

Writ Petition is filed under Article 226 of the Constitution of India praying for issuance of a writ of certiorarified mandamus calling for the records of respondent in GSTIN. 33AEKFS0574H1ZY/ 2022- 23 dated 16.12.2025 in respect of defect No.1 and quash the same as illegal in so far as defect in respect of payment of revised tax at the rate of 18 percent is concerned and further direct the 4th to 8th respondent to pay the differential GST at the rate of 6 percent on the bills of the petitioner with effect from 18.07.2022 to the petitioner and pass.

WP No. 7032 of 2026

M/S.Sri Ezhumalaiyan Construction
Rep by its Partner,
R.Rajendran,
4/6-1, Kala Bairavankadu,
Settiyar kuthangai, Vedaranyam,
Nagapattinam District.

..Petitioner(s)

Vs

1. The State Tax officer Inspection -1

2. The Secretary to Government
   Commercial Taxes and registration Department,
   Fort St. George, Chennai-600009

3. The Additional Chief Secretary to Government
   Finance Department, Fort St.George, Chennai
   600 009.

4. The Commissioner
   Rural Development and Panchayat Raj
   Department,
   Panagal Building, No.1, Saidapet,
   Chennai- 600 015

5. The District Collector
   Nagapattinam,
   Nagapattinam District

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..Respondent(s)

Writ Petition is filed under Article 226 of the Constitution of India praying for issuance of a writ of certiorarified mandamus calling for the records of 1st respondent in GSTIN. 33AEKFS0574H1ZY/ 2023- 24 dated 16.12.2025 and quash the same as illegal in so far as defect in respect to payment of revised tax at the rate of 18 percent is concerned and further direct the 4th to 8th respondent to pay the differential GST at the rate of 6 percent on the bills of the petitioner with effect from 18.07.2022 to the petitioner and consequently, forbearing the 1st respondent from in any manner enforcing or executing the impugned order in GSTIN. 33AEKFS0574H1ZY/ 2023- 24 dated 16.12.2025.

In both petitions:

For Petitioner(s):	Mr.R.Suresh Kumar for M/s.K.M.Vijayan Associates
For Respondent(s):	Mrs.K.Vasanthamala, Government Advocate for R1 and R2

COMMON ORDER

Heard Mr.R.Suresh Kumar, the learned counsel for the petitioner and Mrs.K.Vasanthamala, the learned Government Advocate for the respondents 1 and 2.

2. These Writ Petitions are being disposed of at the time of admission with the consent of the learned counsel for the Petitioner and the learned Government Advocate for the Respondent.

3. The petitioner has challenged the respective impugned orders both dated 16.12.2025 passed for the Tax Period 2022-2023 and Tax Period 2023 – 2024, whereby the petitioner has been called upon to pay differential tax at 6%

in view of the **Notification No.3/2022 - Central Tax** dated **13.07.2022** w.e.f. 18.07.2022.

4. It appears that the petitioner has signed agreements for supply of service to respondents 6 to 8 before the above notification came into force whereby the supply of service to Government entities were to be charged tax at the rate of 12%. By the aforesaid notification the tax rate was enhanced from 12% to 18% for service to Government entities. The respective respondents 6 to 8 have also issued letters stating that they have taken up the issue with the Government of Tamil Nadu for reimbursement of the differential tax at 6%.

5. The challenge to the impugned Assessment Orders, in so far as it proposes to demand tax at 18%, cannot be countenanced in view of the above notification. The first respondent, under respondents 2 and 3, are bound to recover tax due from the petitioners as per the above rate notification for the supply service made after 18.07.2022.

6. Therefore, the recovery of the amounts in so far as Defect No.1 in the respective impugned orders can be deferred in view of the communications issued by the respondents 6, 7 and 8, following the decision of this Court rendered in **W.P.(MD).No.9095 & 13587 of 2023** on **25.06.2024** following the order dated 22.09.2023 in **W.P.No.22771 of 2023** in **Vediappan Vs. The**

Secretary to Government, Commercial Taxes and Registration Department and others, wherein it was held as under:-

"This Writ Petition is disposed of after hearing the learned counsel for the petitioner and the learned Special Government Pleader for respective respondents.

2.Although in paragraph No.3 of the counter affidavit, the 6th respondent has stated that the Writ Petition is not maintainable either on law or on facts, in paragraph Nos.6 to 8 of the counter affidavit, there is an undertaking to the effect that the 6th respondent had sought for an approval and for making payment of the differential GST at 6%, which stood enhanced with effect from 18.07.2022. Paragraph Nos.6, 7 & 8 of the counter affidavit of the 6th respondent reads as under:- "

" 6.It is submitted that the current prevailing rate of 12% GST was calculated while preparing the estimate. Hence, the approval and fund for making payment for the 6% difference cost has to be obtained from the competent authority. Action has been taken by this respondent to settle the 6% differences cost. After attending various remarks and observations made by the higher officials, finally this respondent addressed a letter to the Superintending Engineer, National Highways, Salem in Lr.No. 678/2022/A1 dated 17.07.2023 to take necessary action to get the 6% of GST from the National Highways Authority of India for making payment to the Contractor. In turn, the Superintending Engineer, National Highways, Salem has addressed a letter in Lr.No.302/2023/A2 dated 10.08.2023 to the Chief Engineer, National Highways, Chennai recommending to get 6% difference of GST. It is submitted that necessary orders are being expected by this respondent and on receipt of necessary orders and funds, the difference of 6% GST will be settled to the contractor. It is submitted that following part payments with 12% GST have been

made in respect of above work.

S.No.	***Month***	***Bill No.***	***Value of work done (Rs.)***	***12% GST***
1	August 2022	I & Part	8,42,86,022-	1,01,14,323-
2	Sept 2022	II & Part	6,34,99,065-	76,19,888-
3	Sept 2022	III & Part	4,79,19,870-	57,50,384-
4	Nov 2022	IV & Part	3,88,36,525-	46,60,503-
5	January 2023	V & Part	1,99,09,181-	23,89,102-
6	March 2023	VI & Part	3,04,41,694-	36,53,003-
7	June 2023	VII & Part	6,14,81,930-	73,77,832-
	Total		34,63,74,287-	4,15,65,035-

7.It is pertinent to submit that the bill mentioned in May 2023 is not related to National Highways, Salem Division. It is also submitted that the bills mentioned in February 2023 & April 2023 were raised for different work for which 18% GST has been paid in July 2023.

8.It is submitted that on receipt of necessary funds and orders from the Competent Authority by Project Director, National Highways Authority of India, the petitioner will be settled the difference of 6% GST without any delay."

3.Recording the above, the Writ Petition is disposed of by directing the respondents to expedite the reimbursement of tax already paid by the petitioner and to pay the differential tax directly to the account of the respondents 8 & 9. The respondents 8 & 9 are directed not to take any coercive steps against the petitioner as the tax is to be paid to the Government and the amount to be paid also is also by the Government.

4.The 6th respondent is directed to dispose of the petitioner's representation dated 21.04.2023 and to take steps for getting the amounts due from the Government as expeditiously as possible, preferably within a period of six *months from the date of receipt of a copy of this order.*

5.The Writ Petition is disposed of with the above observations. Consequently, the connected Miscellaneous Petitions are closed. No costs."

7. Therefore, the respondents 6, 7 and 8 are directed to pursue with the Government to reimburse the due on account of change in rate of tax vide **Notification No.3/2022 - Central Tax** dated **13.07.2022** w.e.f. **18.07.2022** and the corresponding notification issued by the State Authority. This exercise shall be completed by the respondents 6, 7 and 8 within a period of six months from the date of receipt of this order.

8. Pending such exercise, the recovery of differential tax in so far as Defect No.1 in the impugned order is concerned, shall be kept in abeyance. As far as the other demands confirmed in the impugned order are concerned, if the amounts remain unpaid, the petitioner shall pay the same together with interest and other amounts confirmed vide Impugned Orders.

9. These Writ Petitions stand disposed of with the above directions and observations. No costs. Connected miscellaneous petitions are closed.

24-02-2026

Index: Yes/No
Neutral Citation: Yes/No
BKN

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