cIN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 05.03.2026

CORAM :

THE HONOURABLE MR.JUSTICE C.SARAVANAN

W.P.No.8869 of 2026
and
W.M.P.Nos.9558, 9560 and 9561 of 2026

M/s.Sudama Power Controls Private Limited,
Managing Partner
Mariappan Nagarajan,
Represented by Legal heir,
Mrs.Devishree Vivek ... Petitioner

Vs.

1.The Assistant Commissioner (ST),
Gandhipuram Assessment Circle,
Commercial Taxes Department,
Coimbatore, Tamil Nadu – 641 018.

2.The Branch Manager,
Tamil Nadu Mercantile Bank Limited,
Dr.Nanjappa Road Branch,
364, Dr.Nanjappa Road,
Coimbatore, Tamil Nadu – 641 018.

3.The Branch Manager,
Indian Bank, Sivananda Colony Branch,
81/82, Raju Naidu Street,
Coimbatore – 641 012. ... Respondents

Prayer: Writ Petition filed under Article 226 of the Constitution of India, for issuance of a Writ of Certiorarified Mandamus, to call for the records of the impugned order of the 1st Respondent in Reference No.ZD330224144847D dated 23.02.2024 quash the same and pass orders after consideration of GSTR 3B and directing the 2nd and 3rd Respondent to release the attachment of the Petitioner's bank accounts, including the pension account, imposed vide Form DRC-13 dated 18.03.2025 and 20.11.2025, forthwith.

For Petitioner : Mr.B.Ramana Kumar

For Respondents : Mrs.P.Selvi
Government Advocate
for R1

ORDER

Mrs.P.Selvi, learned Government Advocate takes notice for R1.

2. This Writ Petition is being disposed of at the stage of admission itself with the consent of the learned counsel for the Petitioner and the learned Government Advocate for R1.

3. This Writ Petition has been filed by Mrs.Devishree Vivek in her capacity as the next friend of one Mr.Mariappan Nagarajan, the Director of the Petitioner.

4. In this Writ Petition, the Petitioner has challenged the impugned order in Form GST DRC – 07 dated 23.02.2024 passed by the 1st Respondent against the Petitioner's company pursuant to a Show Cause Notice in Form GST DRC – 01 dated 28.09.2023 issued for the tax period 2017-2018. The impugned order has been passed ex-parte in the absence of a reply to the said Show Cause Notice.

5. The dispute had arisen on account of mis-match between GSTR3B and GSTR2A i.e., on account of the Petitioner having availed excess Input Tax Credit as against the amount reflected in GSTR2A.

6. The learned counsel for the Petitioner demonstrated before this Court that in the GSTR 3B filed for the month of October 2018, entire input tax credit of Rs.9,21,666/- that was availed in excess has been reversed. This can be seen in Sl.No.4 to GSTR 3B filed for the period 2018-2019 dated 19.11.2018. Same is extracted below:-

3.1 Details of Outward Supplies and inward supplies liable to reverse charge.

Nature of supplies	Total taxable value	Integ rated tax	Central tax	State/UT tax	Cess
(a)Outward taxable supplies (Other than zero rated, nil rated and exempted)	173032.00	0.00	24225.00	24225.00	0.00
(b)Outward taxable supplies (zero rated)	0.00	0.00	-	-	0.00
(c)Other outward supplies (nil rated, exempted)	0.00	-	-	-	-
(d)Inward supplies (liable to reverse charge)	0.00	0.00	0.00	0.00	0.00
(e)Non-GST outward supplies	0.00	-	-	-	-

3.2 **Out of supplies made in 3.1 (a) above, details of inter-state supplies made.**

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4. **Eligible ITC**

Details	Integrated tax	Central tax	State/UT tax	Cess
A.ITC Available (Whether in full or part)				
(1)Import of goods	0.00	0.00	0.00	0.00
(2)Import of Services	0.00	0.00	0.00	0.00
(3)Inward supplies liable to reverse charge (other than 1 and 2 above)	0.00	82873.00	82873.00	0.00
(4)Inward supplies from ISD	0.00	0.00	0.00	0.00
(5)All other ITC	0.00	0.00	0.00	0.00

B.ITC Reversed				
(1)As per rules 42 and 43 of CGST Rules	0.00	0.00	0.00	0.00
(2)Others	0.00	202032.00	900907.00	0.00
C.Net ITC available (A-B)	0.00	-119159.00	-818034.00	0.00
D.Ineligible ITC	0.00	0.00	0.00	0.00
(1)As per Section 17(5)	0.00	0.00	0.00	0.00
(2) Others	0.00	0.00	0.00	0.00

7. A reading of the above indicates that the tax liability of the Petitioner was only Rs.48,450/- (24225 x 2) toward outward supplies made by the Petitioner during the said period. The tax liability of the Petitioner on the RCM on inward supply was only 1,65,746 (82,873 x 2) and the Petitioner has made the above reversal, based on Input Tax wrongly availed towards the inward supplies for which the Petitioner was required to pay tax on reversed charge basis.

8. Considering the same, the case is remitted back to the 1st Respondent to pass a fresh order on merits and in accordance with law, subject to the Petitioner filing a detailed reply to the Show Cause Notice only treating the impugned order as an addendum, within a period of thirty (30) days from the date of receipt of a copy of this order.

9. In case the Petitioner complies with the above stipulations, the Respondent shall proceed to pass a final order on merits and in accordance with law as expeditiously as possible, preferably, within a period of three (3) of such reply. Subject to the Petitioner complying with the above stipulations, the attachment of the bank account of the Petitioner is any, shall stand automatically vacated.

10. Needless to state, before passing any such order, the 1st Respondent shall give due notice to the Petitioner.

11. This Writ Petition stands disposed of with the above observations. No costs. Connected Writ Miscellaneous Petitions are closed.

05.03.2026

Neutral Citation: Yes / No
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To:

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C.SARAVANAN, J.

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