IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 11.03.2026

CORAM :

THE HONOURABLE MR.JUSTICE C.SARAVANAN

W.P.No.9214 of 2026
and
WMP Nos.9939 & 9942 of 2026

Tvl. Sai Cashew Processors
Rep. by its Proprietor
Mr.M.Karthick Gupta
S/o.Mr/Muthukumar
5, NA, Oraiyur Road
Mettamedu, Thorapadi, Pudupet
Cuddalore District-607108. ... Petitioner

Vs.

The Deputy State Tax Officer
Panruti (Town) Assessment Circle
Near Taluk Office
Old Kumbakkonam Road
Panruti, Cuddalore-607106. ... Respondent

Prayer: Writ Petition filed under Article 226 of the Constitution of India, for issuance of a Writ of Certiorarified Mandamus, calling for the records relating to the impugned order dated 13.03.2025 bearing Reference No. ZD330325086653B passed by the respondent and quash the same, as arbitrary, unjust and illegal and violative of Principles of Natural Justice and consequently direct the respondent to redo the assessment after affording opportunity of personal hearing to the petitioner.

For Petitioner : Mr.N.Neevetha

For Respondent : Mrs.K.Vasanthamala
Government Advocate

ORDER

Mrs.K.Vasanthamala, learned Government Advocate takes notice for the Respondent.

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 the Respondent.

3.The present writ petition is against the impugned order dated 13.03.2025 which has been passed pursuant to the remand order of this Court dated 16.08.2024 in WP.Nos.13066, 13068 & 13071 of 2024 by the aforesaid order the Court had directed the respondent to pass fresh order in view of the impugned order therein subject to the petitioner depositing 10% of the disputed tax. In the said writ petition the petitioner had challenged three separate orders all dated 14.12.2023, 22.12.2023 and 31.07.2023.

4.Pursuant to the remand order the petitioner paid a sum of Rs.2,88,181/- on 21.11.2024. Over and above the amount the petitioner appears to paid an amount of Rs.77,201/- on 16.10.2024 which is disregarded in the impugned order. The impugned order earlier records that the petitioner has paid an excess amount of Rs.1,73,365/-. The impugned order records that the petitioner has paid a sum of Rs.3,65,382 as detailed below.

Sl. No.	**Details of Tax**	**Abstract of amount (Rs.) of Demand**				
		IGST	**CGST**	**SGST**	**CESS**	**Total**
1.	a) Defect 1-GSTR-3B vs GSTR-1 Out mismatch (**Tax**)	77201	8750	8750	0	94701
	b)Defect 3-Less turnover reported in GSTR 3B (**Tax)**	0	47350	47350	0	94701
	c)Defect 5-Nonpayment of tax for Loading and Unloading charges income credit onc apital goods (**Tax)**	0	1308	1308	0	2616
2.	Total Tax amount to be payable	77201	57408	57408	0	192017
3.	a) Tax payer had paid against demand on 16.10.2024 (**LESS)**	77201	0	0	0	77201
	b) Tax payer had paid tax portion of 10% on 21.11.2024**(LESS)**	7721	140230	140230	0	288181
4.	Total Paid Tax Amount	84922	140230	140230		365382
	An Excess paid Amount (Tax) Sl.No.(2-4)	**7721**	**82822**	**82822**	**0**	**173365**

5.The impugned order further demands interest and penalty as detailed below:

	Details of Interest					
5(b)	Interest U/S.50(1) TNGST Act, 2017 for Defects 1, 3 & 5	90991	71824	71824	0	234639

6.The learned counsel for the petitioner also submits that the excess amount paid by the petitioner ought to have been adjusted towards the interest and penalty sustainable.

7.In the facts and circumstances of the case there are no justification in imposing penalty under Section 73 of the GST Act, 2017. Since there is a liability admits the petitioner is bound to pay interest under Section 50(1) of the respective GSTN Act, 2017. However, there appears some doubt as to the calculation given in the above table which has been extracted from the impugned order.

8.Considering the above, case is remitted back to the respondent to pass fresh orders on merits insofar as the correct amount interest payable by the petitioner on the belated payment of the tax as mentioned after adjusting the excess amount mentioned in the table above for a sum of Rs.1,73,365/- . Balance if any after adjustment shall be demanded from the petitioner. As far as the penalty imposed under Section 73 of the GST Act, 2017 is concerned the petitioner may give proper representation.

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

11.03.2026

Index: Yes/No
Speaking/Non-speaking order
Neutral Citation: Yes/No
kp

To:

The Deputy State Tax Officer
Panruti (Town) Assessment Circle
Near Taluk Office
Old Kumbakkonam Road
Panruti, Cuddalore-607106.

C.SARAVANAN, J.

kp

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