IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 01.06.2026

CORAM

THE HON'BLE MR JUSTICE SENTHILKUMAR RAMAMOORTHY

WP No. 17291 of 2026
and
W.M.P. Nos.18579 and 18580 of 2026

NK Power Tech Engineering
Rep. by its Proprietor
Natarajan Hajay Kasi Visvanathan,
184, Meelbatchapet, Harur
Dharmapuri-636 903

..Petitioner

Vs

1. The Deputy State Tax Officer 1,
   Harur Assessment Circle
   T.V.Ka Nagar, Varnatheertham
   Near PWD Quarters, Harur,
   Dharmapuri 636 903

2. The Deputy Commissioner (Appeals) (ST)
   Room No. 233, 2nd Floor,
   Commercial Taxes Building,
   Pitchards Road, Salem-636 007

..Respondents

Petition filed under Article 226 of The Constitution of India praying for the issuance of a writ of certiorari to call for the records of impugned order u/s.74 dated 13.08.2025 having reference Number ZD330825136118E for the tax period from April 2018 to March 2019 passed by the 1st respondent and quash the same.

For Petitioner:	Mr.M.Rajesh for Mr.Anandh S
For Respondents:	Mr.L.Gokulraj, Govt. Counsel (Tax)

ORDER

An order dated 13.08.2025 under Section 74 of the applicable GST enactments is challenged in this writ petition.

2. Learned counsel for the petitioner submits that the entire tax demand was discharged by the petitioner. He also submits that ingredients for invoking Section 74 are not present in this case and that re-consideration is warranted.

3. Mr.L.Gokulraj, learned Government Counsel (Tax), accepts notice for the respondents. He submits that the imposition of interest and penalty is automatic once the tax payer accepts the tax liability.

4. As contended by learned counsel for the respondents, the statute prescribes interest at 18% per annum on delayed payment. There is no scope for the petitioner to contest the same. Subject to the petitioner discharging the entire interest liability, it is, however, possible for the petitioner to assert and endeavour to establish that the ingredients of Section 74 are not satisfied.

5. On instructions, learned counsel for the petitioner agrees to remit entire interest liability within thirty days from the date of receipt of a copy of this order. He has also made an endorsement to that effect on the bundle.

6. Subject to fulfillment of the above condition, the order impugned herein is set aside only insofar as penalty is concerned and the matter is remanded for re-consideration of that limited aspect. Upon fulfillment of the condition regarding payment of interest, attachment of the bank account of the petitioner shall stand raised.

7. The writ petition is disposed of on the above terms. Consequently, connected miscellaneous petitions are closed. There shall be no order as to costs.

01.06.2026

Index: Yes/No
Neutral Citation: Yes/No
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To

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SENTHILKUMAR RAMAMOORTHY, J.

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