IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 19-06-2026

CORAM

THE HON'BLE MR JUSTICE SENTHILKUMAR RAMAMOORTHY

WP No. 18077 of 2026
and W.M.P.Nos.19438 & 19440 of 2026

Sri Shanmuga Traders
Pre by its Proprietor Mr. Pechimuthu Perumal,
No. 3/396A, NA, VENRASI AMMAN KOIL
STREET, KARAPAKKAM, CHENNAI
Kancheepuram, Tamil Nadu, 600097

..Petitioner(s)

Vs

The Assistant Commissioner ST
Sholinganallur Assessment Circle,
2nd Floor, Room No 218 The Integrated Building
for commercial taxes and
Registration Department, (South Tower)
Nandama, Chennai 35

..Respondent(s)

PRAYER: Writ Petition filed under Article 226 of The Constitution of India praying for the issuance of a Writ of Certiorari, calling for the records relating to the Impugned Assessment ORDER-IN-ORIGINAL dated 24.12.2025 and its consequential DRC-07 dated 24.12.2025 vide Reference No. ZD331225383355E issued by the Respondent and quash the same as arbitrary.

For Petitioner(s): Mr.A Abdul Rahman

For Respondent(s): Mr.R.Sethu Prabakaran,
Government Counsel (Tax)

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ORDER

An order dated 24.12.2025 rejecting the Input Tax Credit claimed by the petitioner is challenged in this writ petition.

2. Adverting to replies dated 26.08.2025 and 20.11.2025, learned counsel for the petitioner submits that several documents were enclosed with reply dated 20.11.2025, including documents such as invoices, e-way bills, bank statements, RC book for transport vehicle etc. Without considering the said documents, he submits that the Assessing Officer rejected the Input Tax Credit claimed solely on the ground that the registration of the suppliers was cancelled subsequently with retrospective effect.

3. Mr.R.Sethu Prabakaran, learned Government Counsel (Tax), appears on behalf of the respondent.

4. On perusal of the impugned order, it is evident that the tax officer has recorded that the registrations of the suppliers concerned were cancelled with retrospective effect. While the burden of proof is statutorily imposed on the person claiming Input Tax Credit, solely on the ground that the suppliers' registrations were cancelled after the relevant transactions with retrospective effect, Input Tax Credit cannot be denied.

5. In the case at hand, the petitioner has enclosed several documents to establish that the supplies were genuine. It is necessary that these documents be considered before a decision is taken on the petitioner's eligibility for Input Tax Credit.

6. For reasons aforesaid, the impugned order is set aside and the matter is remanded for re-consideration. After providing a reasonable opportunity to the petitioner, a fresh order shall be issued within ***three months*** from the date of receipt of a copy of this order.

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

19-06-2026

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

To

The Assistant Commissioner ST, Sholinganallur
Assessment Circle, 2nd Floor, Room No.218 The
Integrated Building for commercial taxes and
Registration Department, (South Tower)
Nandama, Chennai 35.

SENTHILKUMAR RAMAMOORTHY, J.

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