IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 22-06-2026

CORAM

THE HON'BLE MR JUSTICE SENTHILKUMAR RAMAMOORTHY

WP No. 18875 of 2026
and W.M.P.Nos.20156 & 20157 of 2026

M/s.Sri Ragavendra Transport
(Rep. by its Proprietor Mr.Srinivasan Suresh)
No.9, Gandhi Nagar,
Chettipedu, Thandalam Post,
Kancheepuram, Tamil Nadu 602 105

..Petitioner(s)

Vs

The Assistant Commissioner (ST)
Sriperumbudur Assessment Circle,
Station No.4/109, Chennai Bangalore Highway,
Varadharapuram-600 123

..Respondent(s)

PRAYER: Writ 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 the Respondent in passing the impugned Order Reference No.ZD330225235473O dated 24.02.2025 read with Rectification Order Reference No.ZD331025023655R dated 06.10.2025 passed by the Respondent for the period April, 2020 to March, 2021 and quash the same as it is passed in contravention of principles of natural justice without application of mind.

For Petitioner(s): Ms.Sharanya Vijay.K
for Mr.K Vaitheeswaran

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

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ORDER

An order dated 24.02.2025 is challenged primarily on the ground that the tax officer failed to verify the GSTR 3B return properly insofar as it pertains to the alleged excess Input Tax Credit (ITC) claim.

2. Learned counsel for the petitioner submits that the central GST authorities conducted an inspection and accepted the responses of the petitioner to issues raised therein. Referring to the GSTR 3B return, learned counsel points out that the reversal of ITC and the net ITC were not duly examined. If this had been done, learned counsel contends that the tax officer would have appreciated that the petitioner had not availed of or utilized excess ITC.

3. Mr.R.Sethu Prabakaran, learned Government Counsel, appears for the respondent. He points out that the order in original was issued on 31.01.2025 and that one of the issues was dropped after examining the petitioner’s reply with regard thereto.

4. The order in original deals with about four issues. Out of these issues, the tax payer's explanation was accepted with regard to the issue relating to reversal of ITC on non business transaction and exempt supplies. Out of the remaining three issues, as regards excess claim of ITC, on perusal of the relevant GSTR 3B return and the impugned order relating thereto, it appears *prima facie* that the reversal of ITC recorded therein has not been taken into consideration. No case is made out to interfere with the imposition of late fee.

5. Learned counsel for the petitioner agrees that the petitioner would remit 25% of the tax demand relating to under declaration of ineligible ITC in the context of blocked credits. An endorsement to that effect has been made on the bundle.

6. Subject to the petitioner paying the late fee and remitting 25% of the tax demand under the impugned order pertaining to under declaration of ineligible ITC, 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 remittance in the manner specified above.

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.

22-06-2026

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

To

The Assistant Commissioner (ST)
Sriperumbudur Assessment Circle,
Station No.4/109, Chennai Bangalore Highway,
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SENTHILKUMAR RAMAMOORTHY, J.

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