IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 05.01.2026

CORAM :

THE HONOURABLE MR.JUSTICE C.SARAVANAN

W.P.No.50337 of 2025
and
W.M.P.No.56344 of 2025

M/s. Clan Laboratories Private Limited
Rep. By its Director Mr. Jaganathan Jayaseelan,
S/o.M.Jaganathan, 5/5A, 3rd Cross Street,
Pudupakkam, SIPCOT IT Park, Siruseri,
Tamil Nadu – 603 103.
GSTIN : 33AABCO0958K1ZE. ... Petitioner

Vs.

1. The Deputy Commissioner (ST) (GST),
   Kelambakkam, Chengalpattu,
   Commercial Tax Office, 26, 2nd Floor,
   Abhirami Complex, Mahalakshmi Nagar,
   Kanchipuram Main Road, Thimmavaram,
   Chengalpattu – 603 101.

2. The Deputy Commercial Tax Officer,
   Kelambakkam, Chengalpattu Circle,
   Integrated Commercial Taxes Building,
   Nandanam, Chennai, Tamil Nadu – 600 035.

... Respondents

Prayer: Writ Petition filed under Article 226 of the Constitution of India, for issuance of a Writ of Mandamus, direction to first respondent herein to consider and process the application dated 07.10.2025 in FORM GST SPL-02 filed by the petitioner for waiver of interest and penalty without reference to limitation, within a time limit to be stipulated by this Court.

For Petitioner : Mr.S.Sathish
For Respondents : Ms.Amirtha Poonkodi Dinakaran
Government Advocate

ORDER

Ms.Amirtha Poonkodi Dinakaran, learned Government Advocate takes notice for the Respondents.

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

3. In this Writ Petition, the Petitioner seeks a direction to the first respondent to consider and process the application dated 07.10.2025 filed by the petitioner in FORM GST SPL-02 for waiver of interest and penalty under Section 128A of the respective GST enactments without reference to limitation and within a time frame to be stipulated by this Court.

4. The petitioner was a recipient of assessment earlier an order dated 26.04.2024 for the tax period 2018-2019. By the aforesaid assessment order, the demand confirmed against the petitioner is as follows:-

S.No.	Act	Tax	Interest	Penalty	Total
1	2	3	4	5	6
1	SGST	216809	217474	21681	455964
2	CGST	216809	217474	21681	455964
3	IGST	0	794969	0	794969
4	CESS	114280	114630	11428	240338
	TOTAL	**547898**	**1344547**	**54790**	**1947235**

5. A reading of the assessment order dated 26.04.2024 indicates that the part of the demand may have to be dropped in view of statutory intervention by way of insertion of Section 16(5) and 16 (6) into the respective GST enactments vide **SO 4253(E) with retrospective effect from 01.07.2017** inserted by the **Finance (No.2) Act, 2024 (Act 15 of 2024)** dated **16.08.2024.**

6. The remaining tax liability confirmed by the assessment order appear to pertain to availing of ineligible Input Tax Credit under Section 17(5) of the respective GST enactments.

7. The petitioner appears to have paid a sum of Rs.2,72,264/- on 18.10.2025 and 31.10.2025 towards the tax liability confirmed by the assessment order. However, the learned Government Advocate for the respondents is unable to confirm the same.

8. In view of the aforesaid statutory intervention by insertion of Sections 16(5) and 16 (6) into the respective GST Enactments vide **SO 4253(E) with retrospective effect from 01.07.2017** inserted by the **Finance (No.2) Act, 2024 (15 of 2024)** dated **16.08.2024**, the matter requires reconsideration.

9. Accordingly, the assessment order dated 26.04.2024 is quashed and case is remitted back to the second Respondent to examine whether the petitioner was otherwise entitled to Input Tax Credit but for the belated availment of such Input Tax Credit for the relevant tax period. The second respondent shall thereafter pass appropriate orders on merits as expeditiously as possible.

10. Upon such orders being passed, the petitioner shall be at liberty to workout the remedy in the manner known to law in so far as the other issue.

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

05.01.2026

Neutral Citation : Yes / No

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To:

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   Kelambakkam, Chengalpattu,
   Commercial Tax Office, 26, 2nd Floor,
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   Kanchipuram Main Road, Thimmavaram,
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2. The Deputy Commercial Tax Officer,
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C.SARAVANAN, J.

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