BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

Dated: 11.06.2026

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THE HONOURABLE MR JUSTICE D.BHARATHA CHAKRAVARTHY

W.P(MD)No.15781 of 2026
and
W.M.P(MD)Nos.11827 and 11828 of 2026

M/s.DFE Pharma India Private Limited,
Represented by its Authorised Signatory,
TN. Preetam,
B-4, SIPCOT Industrial Complex,
Kudikadu,
Cuddalore - 607 005,
Tamil Nadu. ... Petitioner

Vs.

1. The Additional Commissioner Of CGST and Central Excise,
   No.1 Williams Road,
   Cantonment,
   Tiruchirappalli - 620 001.

2. The Additional Commissioner (Audit),
   Office of Commissioner of GST and Central Excise (Audit),
   6/7, ATD Street,
   Race Course Road,
   Coimbatore - 641 018.

3. The Commissioner Of Gst And Central Excise (Audit),
   6/7, ATD Street,
   Race Course Road,
   Coimbatore - 641 018. ...Respondents

Prayer: Writ Petition filed under Article 226 of the Constitution of India, praying this Court to issue a Writ of Certiorari, calling for the records relating to the Order-in-Original No. 22/2025-26-GST dated 13.03.2026 with Summary in Form GST DRC-07 bearing Ref. No. ZD330326137196H, ZD330326137277F and ZD330326137339D dated 16.03.2026, passed by the 1st Respondent, and to quash the same and pass such further or other orders as this Honble Court may deem fit and proper in the circumstances of the case and thus render justice.

For Petitioner	: Mr.Raghavan Ramabadran
For Respondents	: Mr.R.Gowrishankar Senior Standing Counsel

ORDER

The writ petition is filed challenging the impugned order dated 13.03.2026. The same is an Order-in-Original passed under section 74 of the Central Goods and Services Tax Act, 2017.

2. Heard M/s.Raghavan Ramabadran, learned counsel appearing for the petitioner and Mr.R.Gowrishankar, learned Senior Standing Counsel, who takes notice on behalf of the respondents.

3. The crux of the contention advanced by the learned counsel appearing for the petitioner is that the petitioner was originally incorporated as a Limited Liability Partnership (LLP) in the year 2011 and was subsequently converted into a private limited company on 30.03.2019. The impugned order pertains to the transitional period following such conversion. It is the petitioner's case that, owing to various difficulties encountered during the transition, the returns continued to be filed in the name of the company, as the change in documents and other identification particulars could not be effected immediately. It is further contended that the tax liability had been duly discharged and that there was absolutely no evasion of tax. These facts were brought to the notice of the assessing authority by way of a reply.

4. With regard to the said contention, it is submitted that the assessing authority failed to consider the same. Despite there being no allegation of tax evasion, the authority proceeded to confirm the proposal to the tune of Rs.19,15,46,238/-. It is further stated that a sum of Rs.17,08,52,984/- has already been paid and that only the balance amount remains to be accounted for.

5. The learned counsel for the petitioner would submit that the petitioner should be permitted to challenge the assessment order directly before this Court. According to the petitioner, there is absolutely no element warranting invocation of Section 74 of the Act. It is further contended that there cannot be any liability at all, since the tax has already been paid under the GST registration standing in the name of the LLP. The learned counsel would also submit that, in cases of this nature, the appellate authority may not grant effective relief and, therefore, the petitioner should be permitted to agitate the matter directly before this Court.

6. Per contra, the learned Senior Standing Counsel appearing on behalf of the respondents would submit that the impugned order has been passed after detailed consideration and assigns cogent reasons. It is further submitted that the petitioner has an efficacious alternative remedy by way of an appeal under Section 107 of the CGST Act. The appellate authority is fully empowered to consider all the grounds raised by the petitioner.

7. I have considered the rival submissions made on either side and perused the materials available on record.

8. At the outset, it is to be noted that an efficacious alternative remedy by way of an appeal is available to the petitioner. At the same time, this Court takes note of the petitioner's contention that the tax liability relating to the alleged discrepancy had already been discharged under the GST registration of the LLP entity and that, owing to transitional issues arising from the conversion into a private limited company, including the non-updation of documents and registration particulars, the payment could not be reflected under the GST registration of the private limited company. The said contention shall be specifically considered by the appellate authority. Since it is also the petitioner's case that there was neither any evasion of tax nor any short payment of tax, the appellate authority shall examine the said plea on its own merits and render a reasoned finding thereon.

9. In view thereof, the writ petition is disposed of on the following terms:-

i. The petitioner will be at liberty to file an appeal as against the impugned order before the appropriate authority and the appropriate authority shall consider the appeal on its merits by duly taking into account the aforesaid observations made.

ii. With reference to the question of 10% pre-deposit for filing the appeal, the petitioner will be entitled to place the payment of Rs. 17,08,52,984/- of tax already made and the same shall be considered by the appellate authority.

iii. No costs. Consequently, connected miscellaneous petitions are closed.

11.06.2026

Neutral Citation: No
rgm

To

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D.BHARATHA CHAKRAVARTHY, J.

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