BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED :**11.03.2026**

CORAM:

THE HONOURABLE MR JUSTICE D.BHARATHA CHAKRAVARTHY

W.P(MD)No. 4930 of 2026
and
W.M.P.(MD) No.4124 of 2026

Tvl Unique Multi Films Virudhunagar Pvt. Ltd.
rep. by its Managing Director T.Muralidharan. ... Petitioner

Vs

1. The Commissioner of Commercial Taxes,
O/o.The Principal and Special Commissioner
of Commercial Taxes,
Ezhilagam, Chepauk,
Chennai - 600005.

2. The Asisstant Commissioner (ST),
Virudhunagar II Assessment Circle,
Commercial Taxes Buildings,
Madurai Road,
Virudhunagar – 626001. ... Respondents

PRAYER: Writ Petition filed under Article 226 of the Constitution of India, praying this Court to issue a Writ of Certiorari, calling for records pertaining to impugned order of the second respondent in Reference No. ZD331225341116U / 2021-22 dated 22.12.2025 and quash the same.

For Petitioner	:	Mr. B.Rooban
For Respondents	:	Mr.R.Suresh Kumar Additional Government Pleader

ORDER

The writ petition is filed, challenging the impugned order of the second respondent, dated 22.12.2025.

2. The impugned order is passed under Section 73 of the TNGST Act, 2017. The impugned order assesses the tax and penalty on the ground that there is a discrepancy in adjustments of turnover while the petitioner had mentioned different amounts in GSTR 9 and GSTR 9C.

3. Upon hearing the learned counsel for the petitioner and perusing the material records of the case, it is the case of the petitioner that prior to the exercise, a show cause notice was issued to the petitioner on 25.09.2025 disclosing the discrepancies. The petitioner appeared before the Authorities and submitted his GSTR 9C and also a reply.

4. It is the case of the petitioner that while calculating the difference, the Authority has wrongly included the turnover in its Puducherry branch and secondly, with reference to the escaped turnover, the Auditor has mentioned the total amount of turnover by including the tax component also.

5. According to the learned counsel for the petitioner, as per the definition of turnover as contained under the TNGST Act, 2017, the tax component should not be included. If the same is excluded, there is no difference except for a sum of Rs.20,00,000/-, which is claimed by the Authorities. When that being the position, while the Authorities, accepting the case of the assessee with reference to the Puducherry Branch alone, did not consider the same with reference to the inclusion of the tax component and now have assessed huge tax dues of a sum of Rs.2,07,03,942/- towards SGST and the similar sum to the CGST and have also calculated interest and penalty on the said amount.

6. *Per contra*, the learned Additional Government Pleader, taking this Court through the reply that is submitted by the petitioner, would

submit that with reference to the inclusion of the tax component also in the turnover, the petitioner never specifically mentioned the same in the reply to the show cause notice. The matter was not argued in detail before the Assessing Authority. The same is, now, being taken for the first time before this Court. In any event, this is only a ruse to avoid the payment of 10% pre-deposit for filing of the appeal and this question can also be gone into by the Appellate Authority.

7. The learned Additional Government Pleader would rely upon the judgment of the High Court of Madhya Pradesh in ***M/s.Prem Motors Pvt. Ltd vs. the Union of India and others (W.P.(MD) No.16434 of 2024, dated 29.07.2024)***, more specifically, relying upon paragraph No.8 of the judgment.

8. I have considered the rival submissions made on either side and perused the material records of the case.

9. With reference to the contention that the tax component is also taken into account while declaring the turnover wrongly by the Chartered

Accountant of the petitioner-assessee, it can be seen that though the same was not expressly taken in the show cause notice, in the impugned order of assessment, the Authority had taken into consideration the said argument made on behalf of the petitioner. As a matter of fact, the Authority did not even reject the said contention. The Authority only found that even calculating from the said aspect as against the claim made, the total only works out to Rs.22,79,74,335/- and therefore, instead of restricting it to the said sum, however, holds that the case of the petitioner deserves to be dismissed in toto. The said portion of the impugned order is extracted hereunder for ready reference:

> *"However, with a view to exhaust all possible sources, it is decided to search for any explanation that has been declared in GSTR9C so filed by them. On doing so, it could be noted that the taxpayer is found to have mentioned this difference emanating from the amount of GST collected Rs.230043801/- and the turnover in Pondicherry for Rs.844708/-.*
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> *In order to cross examine this contention for its correctness, the GST collected so declared in No. 4A & 4B of the returns in GSTR9 has been summed up and the total is worked out to be Rs.227974335/-. This very clearly differs from the value so claimed as GST collected by the taxpayer. This apparently exposes out the fact that the claim for GST collection is incorrect & invalid, deserving to be dismissed in toto."*

10. Thus, I am of the view that it cannot be contended that the matter is raised for the first time only to avoid the pre-deposit of 10% to be made before the Appellate Authority. The matter deserves reconsideration by the Authority. If it is only a mistake of including the tax value in the turnover amount, then the same has to be appropriately considered, as, if the same is also taken as a turnover, then that would amount to double taxation and therefore, that would go against the core principles of law to be borne in mind.

11. In view thereof, I am of the view that the matter has to be remitted back to the second respondent/Authority for a fresh consideration. The petitioner shall deposit a sum of Rs.5,00,000/- with the second respondent within a period of four (4) weeks from the date of receipt of the certified copy of the order. Upon such a deposit, then the impugned order of assessment dated 22.12.2025 shall stand set aside and the matter is remitted back to the file of the second respondent and an opportunity of hearing shall be given to the petitioner once again and the matter shall be decided afresh in accordance with law.

12. With the above observations, the Writ Petition is allowed. No costs. Consequently, connected miscellaneous petition is closed.

NCC : Yes/No **11.03.2026**
apd

To
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of Commercial Taxes,
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2. The Asisstant Commissioner (ST),
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Commercial Taxes Buildings,
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D.BHARATHA CHAKRAVARTHY.,J.

apd

ORDER MADE IN

W.P(MD)No. 4930 of 2026

11.03.2026