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W.P.Nos.29580, 29996 and 30242 of 2025

IN THE HIGH COURT OF JUDICATURE AT MADRAS

Reserved on	27.11.2025
Pronounced on	08.06.2026

CORAM:

THE HONOURABLE MR.JUSTICE C.SARAVANANW.P.Nos.29580, 29996 and 30242 of 2025andW.M.P.Nos.33129, 33622 and 33924 of 2025W.P.Nos.29580, 29996 and 30242 of 2025

Tvl.Technocast Foundry,
 Represented by its Partner
 T.Kamalakaran

... Petitioner in all W.Ps

Vs.

The State Tax Officer,
 Roving Squad-4,
 Office of the Commercial Tax Officer,
 Coimbatore.

... Respondent in all W.Ps

Prayer in W.P.No.29580 of 2025: Writ Petition filed under Article 226 of the Constitution of India, for issuance of a Writ of Certiorari, to call for the records relating to the impugned proceedings passed by the Respondent in the Order vide GSTIN: 33AADFT4302R1Z1/2018-19 dated 14.07.2025 along with consequential proceedings under Section 74 of the Act issued in FORM GST DRC-07 vide Ref.No.3307251294387 dated 14.07.2025 for the Assessment Year 2018-2019 to quash the same.



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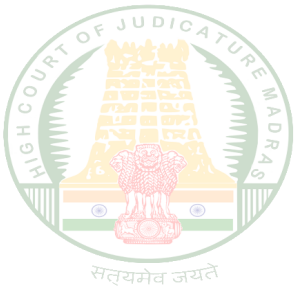
Prayer in W.P.No.29996 of 2025: Writ Petition filed under Article 226 of the Constitution of India, for issuance of a Writ of Certiorari, to call for the records relating to the impugned proceedings passed by the Respondent in the Order vide GSTIN: 33AADFT4302R1Z1/2019-20 dated 15.07.2025 along with consequential proceedings under Section 74 in FORM GST DRC-07 vide Ref.No.ZD330725143174J dated 15.07.2025 for the Assessment Year 2019-2020 and to quash the same.

Prayer in W.P.No.30242 of 2025: Writ Petition filed under Article 226 of the Constitution of India, for issuance of a Writ of Certiorari, to call for the records relating to the impugned proceedings passed by the Respondent in the Order vide GSTIN: 33AADFT4302R1Z1/2020-21 dated 17.07.2025 along with consequential proceedings under Section 74 in FORM GST DRC-07 vide Ref.No.ZD330725169073D dated 17.07.2025 for the Assessment Year 2020-2021 and to quash the same.

For Petitioner : Mrs.R.Hemalatha
(In all W.Ps)
For Respondent : Mr.C.Harsharaj
(In all W.Ps) Special Government Pleader

COMMON ORDER

By this Common Order, all these Writ Petitions are being disposed of.



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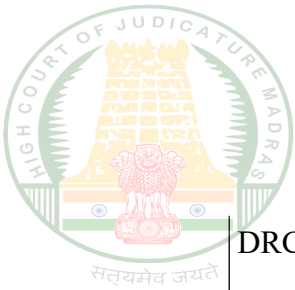
2. These cases were heard along with a batch of 250

Writ Petitions and as one of the 53 Writ Petitions which were finally heard on the larger issue regarding the challenge to the proceedings under Section 74 of the respective GST Enactments.

3. By a Common Order today in **W.P.No.2142 of 2026 [Turbo Energy Private Limited]**, **W.P.Nos.35967, 35970, 35974 and 35976 of 2024 [Fastenex Private Limited]** and **W.P.Nos.14487, 14492 and 14500 of 2025 [Ispahani Estates Private Limited]**, a detailed order has been passed insofar as the invocation of extended period of limitation under Section 74 of the respective GST Enactments.

4. In these Writ Petitions, the Petitioner has challenged the respective Impugned Orders. The Impugned Orders are detailed below, wherein, the following amounts have been confirmed towards the Tax, Interest and Penalty:-

	W.P.No.29580 of 2025	W.P.No.29996 of 2025	W.P.No.30242 of 2025
Assessment Years	2018-2019	2019-2020	2020-2021
INS – 01 *	23.09.2024	23.09.2024	23.09.2024
DRC – 01A	19.12.2024	19.12.2024	19.12.2024
DRC – 01	28.12.2024	28.12.2024	28.12.2024



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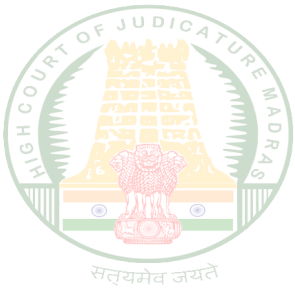
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DRC – 06	18.03.2025 07.04.2025 20.05.2025	28.02.2025 18.03.2025 07.04.2025 20.05.2025	28.02.2025 18.03.2025 20.05.2025
DRC – 07	14.07.2025	15.07.2025	17.07.2025
Tax	21988962	19716698	12700158
Interest	17957452	15226692	7734918
Penalty	21988962	19716698	12700158

* The surprise inspection was conducted from 23.09.2024 to 24.09.2024.

5. By the Impugned Orders, the proposals in the respective Notices issued to the Petitioner for the respective Tax Periods have been confirmed for violation of Section 143 of the respective GST Enactments read with Rule 45 of the respective GST Rules.

6. The allegations against the Petitioner are that the Petitioner had sent goods to Tvl.Unitech Couplers India Private Limited without maintaining proper records as is contemplated under Section 143 of the respective GST enactments read with Rule 45 of the respective GST Rules. The impugned proceedings were initiated pursuant to an inspection under Section 67 with the issuance of Inspection Notice in INS-01 dated 23.09.2024.



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7. The learned counsel for the Petitioner would submit that the

Show Cause Notice has not specified the ingredients under Section 74 for confirming the demand proposed in the said Notice on defect No.7.

8. The learned Special Government Pleader for the Respondent would submit that the following Paragraph in Show Cause Notice clearly invokes Section 74 of the respective GST Enactments after giving the calculation by referring Section 143(3), 144(4) and Rule 45(3) and 45(4) of the respective GST Enactments and the Rules made thereunder as follows:-

Hence you are liable to pay the tax on total value of goods sent for job work along with interest under Section 50 and penalty under Section 74 of TNGST Act, 2017. Failing which the entire ITC availed by you for the Jobwork service would be disallowed under TNGST Act, 2017.

9. I have considered the submissions advanced by the learned counsel for the Petitioner and the learned Special Government Pleader for the Respondent.

10. The case of the Petitioner appears to be that the Petitioner had sent the goods to the aforesaid sister concerns on job work basis. However, it could not maintain the records required for establishing the same. There are



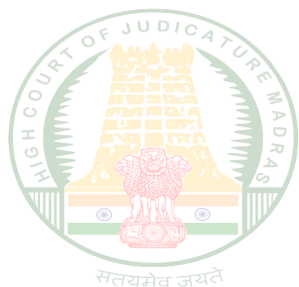
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no records to show that the goods that were sent were returned back to the
Petitioner and thereafter sold/supplied by the Petitioner on payment of tax.

11. It is the further case of the Petitioner that there were technical glitches and therefore, the Petitioner could not upload the statement in Form ITC 04 as is contemplated under Rule 45 of the respective GST Rules in terms of Section 143 of the respective GST Enactments.

12. The Show Cause Notice which preceded the impugned orders alleged that the Petitioner had not maintained records to show that the goods were sent by the Petitioner to the Petitioner's aforesaid sister concern namely Tvl.Unitech India Couplers Private Limited and thus the latter had sent the goods back to the Petitioner within the period contemplated under Section 143(3) of the respective GST Enactments.

13. The Show Cause Notice also refers to Sections 143(3) and 143(4) of the respective GST Enactments which concludes that the Petitioner as a Principal manufacturer should have received the goods back within 3 years or 1 year from the effective date of sending the capital goods of the input respectively.



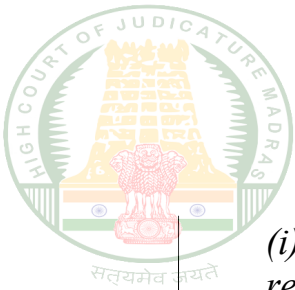
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14. There are no records to substantiate that the Petitioner had

indeed received the goods within the time and therefore it was deemed that there was a supply and therefore, the Petitioner was liable to be pay tax.

15. Section 143 of the respective GST Enactments and Rule 45 of the respective GST Rules are re-produced below:-

143. Job Work Procedure	45. Conditions and restrictions in respect of inputs and capital goods sent to the job-worker:
(1) A registered person (hereafter in this section referred to as the “principal”) may under intimation and subject to such conditions as may be prescribed, send any inputs or capital goods, without payment of tax, to a job worker for job work and from there subsequently send to another job workers and likewise, and shall - (a).... (b).... Provided that the principal shall not supply the goods from the place of business of a job worker in accordance with the provisions of this clause, unless the said principal declares the place of business of the job worker as its additional place of business except in a case -	(1)The inputs, semi-finished goods or capital goods shall be sent to the job-worker under the cover of a challan issued by the principal, including where such goods are sent directly to a job-worker, and where the goods are sent from one job worker to another job worker; the challan may be issued either by the principal or the job worker sending the goods to another job worker. Provided that the challan issued by the principal may be endorsed by the job worker, indicating therein the quantity and description of goods where the goods are sent by one job worker to another or are returned to the principal. Provided further that the challan endorsed by the job worker may be further endorsed by another job worker, indicating therein the quantity and description of goods



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(i) where the job worker is registered under section 25; or
(ii) where the principal is engaged in the supply of such goods as may be notified by the Commissioner.

Provided further that the period of one year and three years may, on sufficient cause being shown, be extended by the Commissioner for a further period not exceeding one year and two years respectively.

where the goods are sent by one job worker to another or are returned to the principal.

(2) The challan issued by the principal to the job worker shall contain the details specified in rule 55.

(3) The details of challans in respect of goods dispatched to a job-worker or received from a job-worker during a specified period shall be included in Form GST ITC – 04 furnished for that period on or before the twenty-fifth day of the months succeeding [the said period] [or within such further period as may be extended by the commissioner by a notification in this behalf.

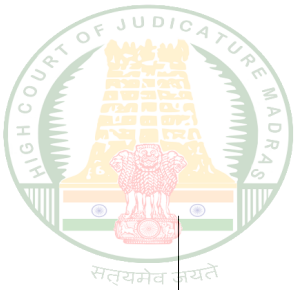
Provided that any extension of the time limit notified by the Commissioner of State Tax or the commissioner of Union territory tax shall be deemed to be notified by the Commissioner.

[Explanation: for the purposes of this sub-rule, the expression “specified period” shall mean -

(a) the period of six consecutive months commencing on the 1st day of April and the 1st day of October in respect of a principal whose aggregate turnover during the immediately preceding financial year exceeds five crore rupees; and

(b) a financial year in any other case.]

(4) where the inputs or capital goods



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are not returned to be principal within the time stipulated in Section 143, it shall be deemed that such inputs or capital goods had been supplied by the principal to the job-worker on the day when the said inputs or capital goods were sent out and the said supply shall be declared in Form GSTR-1 and the principal shall be liable to pay the tax along with applicable interest.

Explanation: For the purposes of this Chapter -

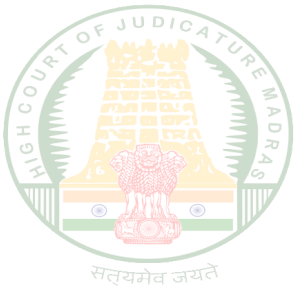
(1) the expressions “capital goods” shall include “plant and machinery” as defined in the Explanation to Section 17;

(2) for determining the value of an exempt supply as referred to in sub-section (3) of section 17-

(a) the value of land and building shall be taken as the same as adopted for the purpose of paying stamp duty; and

(b) the value of security shall be taken as one per cent of the sale value of such security.

16. As per *Proviso* to Section 143(1) of the respective GST Enactments, the Petitioner as the Principal cannot supply goods from the place of business of a job worker unless such place of business of the said job worker is also declared as the additional place of business of the Petitioner. Exceptions to the above namely:-



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- (i) *Where the job worker is registered under Section 25; or*
 (ii) *Where the principal is engaged in the supply of such goods as may be notified by the Commissioner*

is not attracted in the facts of the present case.

17. As mentioned in detailed Common Order passed today in the above mentioned cases, the Department relies on the records maintained by an assessee. Thus, if the goods were dispatched on job work basis to a job worker, necessary proper accounts were required to be maintained by the Petitioner and the goods were to be supplied only from the registered premises of the Petitioner after duly accounted for.

18. Insofar as the allegations that there is no case made out for invocation of extended period of limitation is concerned, the challenge to the impugned proceedings on the ground that proceedings are without jurisdiction as the ingredients of Section 74 of the respective GST Enactments have not been satisfied, has to be rejected for the aforesaid reasons as the Department relies only on the records maintained by the tax payer under the scheme of self-assessment under the respective GST Enactments, and if during the course of scrutiny if any mistake or short fall is found, Notice under Section 74 of the respective GST Enactments can be



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pressed into service. Only in case of *bona fide* mistake, machinery under

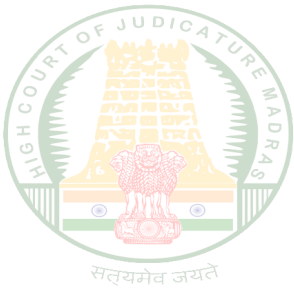
Section 74 of the respective GST Enactments is not available.

19. This is in view of the Common Order passed in the batch today by a Separate Order, wherein it has been explained in detail that the threshold for invoking the extended period of limitation under Section 74 of the respective GST Enactments is much lower compared to the earlier Indirect Tax Legislations.

20. Therefore, the challenge to the Impugned Orders based on technical objections raised cannot be countenanced in the light of the scheme of the respective GST Enactments.

21. However, considering the fact that the issue could be revenue neutral, I am of the view that the case can be remitted back to the Respondent to verify the same.

22. It is for the Petitioner to establish that the Inputs that were sent to the sister Company for job work have suffered tax either in the hands of the Petitioner or in the hands of the job worker.



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23. Since this would require a detailed consideration and since the same is a disputed question of fact, I do not wish to make any observations on the same in these orders.

24. Suffice to state, the Petitioner shall give a proper reply to the Respondent within a period of 30 days from the date of receipt of a copy of this order to establish that the issue is revenue neutral.

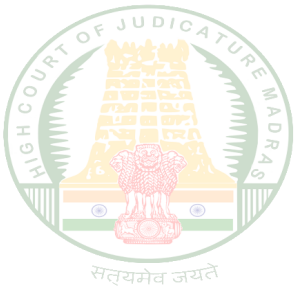
25. The Respondent shall thereafter pass final orders on merits after hearing the Petitioner as expeditiously as possible, preferably, within a period of three (3) months from the date of receipt of a certified copy of this order.

26. These Writ Petitions stand disposed with the above liberty. No costs. Connected miscellaneous petitions are closed.

08.06.2026

Neutral Citation : Yes / No

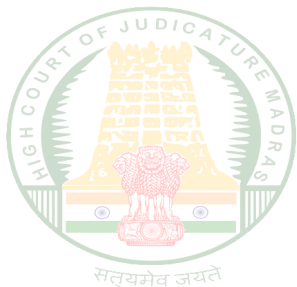
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The State Tax Officer,
Roving Squad-4,
Office of the Commercial Tax Officer,
Coimbatore.



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C.SARAVANAN, J.

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Pre-delivery Common Order in
W.P.Nos.29580, 29996 and 30242 of 2025

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