IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 25.06.2025

CORAM :

THE HONOURABLE DR.JUSTICE ANITA SUMANTH
and
THE HONOURABLE MR.JUSTICE N. SENTHILKUMAR

Tax Case No.64 of 2025

The State of Tamil Nadu
Represented by the Joint Commissioner (CT),
Salem Division, Salem.

.. Petitioner

vs

Tvl.Aro Granite Industries Ltd.,
No.95-107, Koneripalli Village,
Shoolagiri (Via), Hosur.

.. Respondent

Prayer : PETITION filed under Section 60 of the Tamil Nadu Value Added Tax Act, 2006 against order dated 30.01.2023 made in CTSA No.106 of 2018 on the file of the Tamil Nadu Sales Tax Appellate Tribunal (Main Bench), Chennai.

For Petitioner	:	Mr.V.Prashanth Kiran Government Advocate
For Respondent	:	Ms.Saravana Selvi P. for Mr.K.Vaitheeswaran

O R D E R

(Order of the Court was made by Dr.ANITA SUMANTH.,J)

This Tax case has been filed by the Commercial Taxes Department challenging the order of the Tamil Nadu Sales Tax Appellate Tribunal (in short 'STAT'/'Tribunal') dated 30.01.2023 relating to the period 2013-14. The assessment had been completed on 07.03.2017 bringing to tax the turnover from sale of plant and machinery, furnitures, electrical equipments and office equipments along with profit on sale of aforesaid items and profit on the sale of building and sales turnover on old and used vehicles. Penalty was imposed under Section 27(3) of the Tamil Value Added Tax Act, 2006.

2. It is the contention of the assessee that the aforesaid assessment was bad in law as the turnover should be reckoned on the basis of a slump sale as Unit 1 at 103, Sipcot Industrial Complex, Hosur had been sold to one S.V.G.Exports Private Limited on 'as is where is basis'.

3. The matter had travelled in appeal before the first appellate authority, who rightly noted that if at all the sale consideration should be taxed on slump sale basis the agreement should have been looked into to ascertain the intention of the parties. The matter was hence remanded to the file of the Assessing Authority. However, certain observations were made while remanding the issue, aggrieved with which, the State went in

appeal before the Tribunal.

4. The Tribunal has merely confirmed the order of the first appellate authority, as against which, the present tax case has been filed. The questions of law raised for determination have been eschewed by Mr.Prashanth Kiran, learned Government Advocate for the Commercial Taxes Department. Instead, he has filed memo dated 25.06.2025 reading as follows:

> *'I, V.Janaki, Daughter of Thiru.V.Vasudevan, aged about 52 years, having my office 3/47, Sapthagiri Complex, Thorappalli Agraharam Village, Hosur-635 109 do hereby solemnly affirm and sincerely state as follows:-*
>
> *1. I am the Petitioner herein and as such, I am well acquainted with the facts of the case deposed hereunder and swearing to this affidavit.*
>
> *2. I submit that the above Tax Case Revision is filed against the order passed in CTSA.No.106 of 2018 dated 30.01.2023 by the Tamil Nadu Sales Tax Appellate Tribunal (Additional) Bench, Coimbatore. I crave leave of this Hon'ble Court to treat the grounds raised in the Tax Case Revision as part and parcel of this Memo for better appreciation of the issues involved in the present Tax Case Revision.*
>
> *3. I respectfully submit that in addition to the question of law already submitted for consideration, I submit below the additional question of law for consideration and render justice.*
>
> *Additional Question of law:*
>
> *1. Whether the Tribunal was right in upholding the remand order passed by the 1st Appellate Authority for fresh consideration in light of the material submitted at the time of appeal?*
>
> *2. Whether the Tribunal was right in not deleting the*

observations made by the 1st Appellate Authority in regards to the eligibility to tax of the transactions in question without getting into the fresh material placed by the Assessee in 1st Appeal?

In view of the foregoing reason, it is prayed that this Hon'ble Court may be pleased to admit this additional question of law against the order passed by the Tamil Nadu Sales Tax Appellate Tribunal (Additional Bench), Coimbatore in CTSA.No.106 of 2018 dated 30.01.2023 and thus render justice.'

5. He would submit that the State is not only per se aggrieved with the remand, but only by the observations made by the first appellate authority while remanding the matter as that would stand in the way of the Assessing Authority in determining the issue properly and afresh.

6. It would hence suffice for us to state that while concluding the assessment de novo, after hearing the assessee, the Assessing Authority shall not be bound by any of the observations made by the first appellate authority and shall proceed with the matter strictly in accordance with law, applying his mind independently to the facts and circumstances.

7. In light of this discussion, it is unnecessary to answer the substantial question of law and we merely confirm the order of remand with the directions supra.

8. This Tax Case is disposed. No costs.

[A.S.M., J] [N.S., J]
25.06.2025

sl
Index:Yes/No
Speaking order
Neutral Citation:Yes

DR. ANITA SUMANTH,J.

and
N. SENTHILKUMAR.,J

sl

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