

W.P(MD)No.10257 of 2026

BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

Dated: 15.04.2026

CORAM

THE HONOURABLE MR JUSTICE D.BHARATHA CHAKRAVARTHY

W.P(MD)No.10257 of 2026

and

W.M.P(MD)No.8059 of 2026

Tvl.C.Kumar

... Petitioner

Vs.

The Deputy State Tax Officer – II,
Pudukkottai - 3 Assessment Circle,
Commercial Taxes Buildings,
Pudukkottai.

...Respondent

Prayer: Writ Petition filed under Article 226 of the Constitution of India, praying this Court to issue a Writ of Certiorarified Mandamus, to call for the records on the file of the respondent in GSTIN. 33BAHPK0555L2ZO /2022-23 dated 03.09.2025 for the assessment year 2022-23 passed by the Respondent under section 74 of TNGST Act 2017 and to quash the same as cryptic, non-application of mind, illegal, arbitrary, wholly without jurisdiction and direct the respondent to proceed afresh, if at all required, only under Section 73 of the TNGST Act, after affording due opportunity of personal hearing to the Petitioner or pass such other or further orders as this Honble Court may deem fit and proper in the circumstances of this case and thus render justice.



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For Petitioner
For Respondent

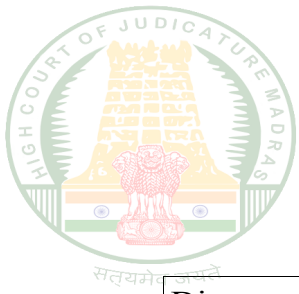
:Mr.N.Sudalai Muthu
:Mr.R.Suresh Kumar
Additional Government Pleader

ORDER

This writ petition challenges the impugned order dated 03.09.2025, which is an assessment order passed under Section 74 of the TNGST Act 2017.

2. I have heard the learned counsel for the petitioner and the learned Additional Government Pleader representing the revenue.

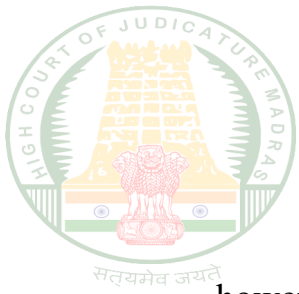
3. By the impugned order, the assessment was made ex parte because the petitioner did not utilise the opportunities provided. The discrepancies and grounds on which the assessment order was issued, the dealer's explanation on merits and the reasons for not participating in the assessment proceedings are summarised briefly and presented in a table below:



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Discrepancies found/Grounds on which the order is passed	Explanation offered by the Assessee on merits	Explanation for not availing the opportunity
(I) Mismatch between Form GSTR-7 and Form GSTR-3B, treating the difference as suppressed turnover.	The mismatch is due to timing differences between invoice-based reporting (GSTR-3B) and payment-based TDS reporting (GSTR-7). In works contracts, payments are received later through RA bills, causing natural variance in returns. GST rate revision from 12% to 18% during the year also contributed to reporting differences. GSTR-7 reflects gross payments including advances and prior period adjustments, not actual taxable turnover.	(i) All notices (DRC-01A, DRC-01, hearing notices) were uploaded only on the GST portal without proper service. (ii) The petitioner, being a small contractor, depended on a part-time accountant for GST compliance. The accountant was suffering from serious health issues and failed to inform about the notices. (iii) The petitioner was therefore unaware of the proceedings and could not file a reply or attend hearing.

4. Considering the nature of the discrepancies noted, explanation provided by the assessee and the reason given before this Court for not availing the opportunity, I believe that an opportunity can be granted to the assessee to present their submissions and produce the relevant supporting documents before the respondent assessing officer. This Court has been extending such opportunities on equitable grounds;



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however, under appropriate conditions. Therefore, an opportunity is granted to the petitioner assessee on the condition of depositing 25% of the disputed tax amount.

5. In view of this, the writ petition is allowed on the following terms:-

- i. Within four weeks of receiving the web copy of the order, the petitioner shall deposit 25% of the disputed tax amount with the respondent, without waiting for a certified copy of the order.
- ii. Upon such deposit, the impugned order dated 03.09.2025 shall stand set aside, and the matter shall stand remanded back to the file of the respondent.
- iii. The assessee shall appear before the respondent without fail and submit their reply and documents in support of their claim, and it is for the respondent to consider the matter afresh and pass orders in accordance with law.



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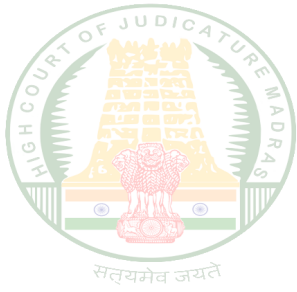
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iv. Since the impugned order of assessment is set aside, any attachment of the bank account made pursuant to the impugned order shall stand raised.

v. No costs. Consequently the connected miscellaneous petition shall stand closed.

15.04.2026

Index: Yes
Speaking Order: Yes
Neutral Citation: No
rgm



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D.BHARATHA CHAKRAVARTHY, J.

rgm

To

The Deputy State Tax Officer – II,
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Commercial Taxes Buildings,
Pudukkottai.

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