BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: **28.08.2025**

CORAM:

THE HONOURABLE MR.JUSTICE C.SARAVANAN

W.P.(MD) No. 23516 of 2025
and
W.M.P.(MD) No.18477 of 2025

Tvl. New Golden Agency,
rep. By its Proprietrix A.Thahira Banu. ... Petitioner

Vs

The Assistant Commissioner (ST) (FAC),
Palakkarai Assessment Circle,
Commercial Taxes Buildings,
Trichy – 18. ... Respondent

PRAYER: Writ Petition filed under Article 226 of the Constitution of India for issuance of Writ of Certiorarified Mandamus, to call for the records on the file of the respondent in GSTIN - 33AZJPT2047G1ZC/2017-18 dated 31.01.2024 passed by the respondent under Section 73 of TNGST Act, 2017 and to quash the same as cryptic, clear non-application of mind, non-speaking, illegal, arbitrary, wholly without jurisdiction and direct the respondent to pass assessment order afresh.

For petitioner : Mr. N. Sudalai Muthu

For respondent : Mr.R.Suresh Kumar
Additional Government Pleader
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ORDER

This Writ Petition is taken up for hearing at the time of admission with the consent of the learned counsel for the petitioner and the learned Additional Government Pleader for the respondent.

2. The petitioner is before this Court against the impugned assessment order dated 31.01.2024, whereby the demand proposed in Notice in DRC 01, dated 27.09.2023 has been confirmed under Section 74 of the respective GST enactments by invoking Rule 86B of the TN GST Rules, 2017.

3. The learned counsel for the petitioner submits that Rule 86B of the TN GST Rules, 2017 itself was introduced in Notification No.94/2020-CT, dated 22.12.2020 with effect from 01.01.2021.

4. It is submitted that questioning the petitioner discharging 99% of the tax liability from and out of credit available and 1% in cash during the assessment year 2017-18 was not contemplated, as the said Rule was introduced with effect from 01.01.2021.

5. It is submitted that although the petitioner has failed to reply to the show cause notice issued on 27.09.2023, the petitioner attempted to rectify the order by filing an application under Section 161 of the respective GST enactment on 19.03.2024 and 24.05.2024, which have been rejected by the respondent on 31.12.2024.

6. It is further submitted that entire disputed amount has also been recovered on 27.05.2024 itself.

7. Being satisfied with the reasons stated above, I am inclined to set aside the impugned order and remit the case back to the respondent to pass a fresh order on merits within a period of six (6) weeks from the date of receipt of a copy of this order, taking note of the fact that Rule 86B of the TN GST Rules, 2017 was

introduced only in the year 2020 with effect from 01.01.2021 vide Notification No.94/2020-CT, dated 22.12.2020.

8. This Writ Petition is disposed of, with the above observations. No costs. Consequently, connected miscellaneous petition is closed.

28.08.2025

Index : Yes / No
Internet : Yes / No
apd

To
The Assistant Commissioner (ST) (FAC),
Palakkarai Assessment Circle,
Commercial Taxes Buildings,
Trichy – 18.

C.SARAVANAN, J.

apd

W.P.(MD) No. 23516 of 2025

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