IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 18-06-2026

CORAM

THE HON'BLE MR JUSTICE SENTHILKUMAR RAMAMOORTHY

WP No. 21785 of 2026
and W.M.P.Nos.23608 & 23609 of 2026

Dhanalakshmi Agencies,
Represented by its Proprietor, senkattupalayam
muthusamygounder kandasamy, No.3/452, Main
Road,Koduvai, Tiruppur 638 660.

..Petitioner(s)

Vs

The State Tax Officer
Dharapuram Assessment Circle, No.130-138,
Jawlikadai street, Dharapuram - 638656.

..Respondent(s)

PRAYER: Writ Petition filed under Article 226 of The Constitution of India praying for the issuance of a Writ of Certiorarified Mandamus, calling for the records of the Respondent herein in impugned order in Form DRC-07 having reference No.ZD3312252577575 dated 16.12.2025 for the financial year 2020-21 passed under Section 73 of the Tamilnadu Goods and Service Tax Act, 2017 read with Central Goods and Service Tax Act, 2017 herein after referred to as GST Act, 2017 and quash the same as arbitrary, unjust and illegal and violative of Principles of Natural Justice and consequently direct the respondent to consider the matter afresh on merits after providing an opportunity of personal hearing.

For Petitioner(s): Mr.Parthiban V

For Respondent(s): Ms.Amirta Poonkodi Dinakaran,
Government Counsel (Tax)

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ORDER

An order imposing late fee and penalty is assailed in this writ petition on the ground that the petitioner did not have a reasonable opportunity to contest the same.

2. Learned counsel for the petitioner submits that the turn over for financial year ended on 31.03.2021 was below the threshold of Rs.2 Crores. Consequently, he contends that the petitioner was not required to file an annual return as per the proviso to Section 44 of applicable GST enactments. He relies on Notification No.31/2021-Central Tax.

3. Ms.Amirta Poonkodi Dinakaran, learned Government Counsel (Tax), accepts notice for the respondent.

4. On examining Section 44 and Notification No.31/2021, the petitioner makes out a *prima facie* case that he is not required to file the annual return.

However, this aspect is required to be determined after closely examining the financial statement and other documents of the petitioner.

5. Learned counsel for the petitioner submits that the petitioner agrees to remit 25% of the amounts payable under the impugned order towards late fee as a condition for remand. He has made an endorsement to that effect on the bundle.

6. In *Kandhan Hardware* and other cases, this Court held that the imposition of a late fee is penal and that general penalty should not be imposed in cases where a late fee is levied. By following the said judgment, the impugned order is partly set aside as regards the imposition of general penalty.

7. Subject to remittance of 25% of the late fee within ***thirty days*** from the date of receipt of a copy of this order, the impugned order is set aside and the matter is remanded for re-consideration only so far as late fee is concerned. After providing a reasonable opportunity to the petitioner, a fresh order shall be issued within ***three months*** from the date of remittance of the said 25%.

8. This writ petition is disposed of on the above terms. There shall be no order as to costs. Consequently, the connected writ miscellaneous petitions are closed.

18-06-2026

Index: Yes/No
Speaking/Non-speaking order
Neutral Citation: Yes/No
RNA

To

The State Tax Officer
Dharapuram Assessment Circle, No.130-138,
Jawlikadai street, Dharapuram - 638656.

SENTHILKUMAR RAMAMOORTHY, J.

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