BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED :**12.03.2026**

CORAM:

THE HONOURABLE MR JUSTICE D.BHARATHA CHAKRAVARTHY

W.P(MD)No. 6701 of 2026
and
W.M.P.(MD) Nos.5535 & 5536 of 2026

Tvl. Tenkasi Municipality
rep. by its Commissioner S.Ravichandran ... Petitioner

Vs

The Assistant Commissioner (ST),
Tenkasi Assessment Circle,
SBI Bank 3rd Floor,
Near Yanai Palam,
Tenkasi - 627 811. ... Respondent

PRAYER: Writ Petition filed under Article 226 of the Constitution of India, praying this Court to issue a Writ of Certiorarified Mandams, to call for the records on the file of the respondent in GSTIN - 332500002760TMP/2021-22 dated 31.10.2025 for the assessment year 2021-22 passed by the respondent under section 63/76/73 of TNGST Act 2017 and to quash the same as being without jurisdiction, arbitrary and contrary to the provisions of the GST enactments and further, direct the respondent to permit the petitioner to regularise its GST compliance under the petitioner's PAN-based GST registration, by allowing reconciliation of the payments already made and by transferring the amounts lying in the electronic cash ledger of the Temporary/provisional GST ID (332500002760TMP) to the petitioner's regular GSTIN (33AAAGC0726J1ZV) and thereafter, conduct any proceedings, If required, only under the said PAN-based GST registration.

For Petitioner : Mr.N.Sudalai Muthu

For Respondent : Mr.R.Suresh Kumar
Additional Government Pleader

O R D E R

The writ petition is filed challenging the impugned order dated 31.10.2025, which is passed in exercise of power under Sections 63, 76 and 73 of the TNGST Act, 2017.

2. Upon hearing the learned counsel on either side and perusing the material records, it can be seen that the petitioner, being a Local Authority-Municipality, is receiving rental and other receipts and it is alleged that it has not remitted the GST to the Government, resulting in a demand of Rs.1,13,19,806/- along with interest and penalty.

3. The contention of the Municipality is that the Authorities have generated temporary IDs and have assessed tax and in the process when show cause notices were uploaded in the portal, they were not able to access the same.

4. In reply thereof, the learned Additional Government Pleader would submit that the show cause notice and the orders were also sent by post and in person to the Municipality and the same were also received. Therefore, when opportunities were given, without availing the same, very belatedly the present writ petition is filed.

5. It must be seen that the order is passed on 31.10.2025. It is true that the Municipality should have availed the opportunity. However, the reason pleaded in the affidavit is that the entire mistake was not with an intention to evade tax but only on account of a lack of professional setup on the part of the Local Authority and when every official is involved in the other activities, for lack of proper follow-up and machinery, the default had happened and the same is also taken note of by this court.

6. Considering the fact that the petitioner is a Local Authority and the submission that there was no intention to evade tax, I am of the view that an opportunity can be granted to the petitioner to appear before the respondent and place on record its version and also to take such steps to rectify the errors. Normally, when an opportunity is granted, especially

beyond time, this Court imposes a condition to deposit a part of the disputed tax amount. In this case, the learned counsel for the petitioner submits that already about 50% of the liability has been realized by the respondent Authority.

7. In view thereof, this writ petition is allowed on the following terms:

(a) The impugned order dated 31.10.2025 shall stand set aside and the matter is remitted back to the file of the respondent.

(b) It will be open for the petitioner Municipality to appear before the respondent and place on record its reply and such documents in support of its submission.

(c) It will also be open for the respondent Authority to direct the Municipality to undertake such compliance so as to regularize the filing of returns, payment of GST, etc., without fail and on time.

(d) The petitioner can also plead with reference to the ID in which the assessment shall be made and it is for the Authorities to consider the same in accordance with law. Further, the Municipality shall cooperate for the expeditious completion of the proceedings and orders afresh, in accordance with law, shall be passed by the respondent.

(e) No costs. Consequently, connected miscellaneous petitions are closed.

NCC : Yes/No **12.03.2026**
apd

To

The Assistant Commissioner (ST),
Tenkasi Assessment Circle,
SBI Bank 3rd Floor,
Near Yanai Palam,
Tenkasi - 627 811.

D.BHARATHA CHAKRAVARTHY.,J.

apd

ORDER MADE IN

W.P(MD)No. 6701 of 2026

12.03.2026