BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED : 27.04.2026

CORAM:

THE HONOURABLE MR.JUSTICE D.BHARATHA CHAKRAVARTHY

W.P(MD)No.12729 of 2026
and
W.M.P(MD)No.9592 of 2026

Tvl.P.Rengasamy,
Works Contractor,
GSTIN 33AJZPR872Q1ZX,
No.2-57, Balan Nagar,
S.Kulavaipatti, Alangudi,
Pudukottai. ... Petitioner

vs.

The Deputy State Tax Officer-2,
Pudukottai-2 Assessment Circle,
Commercial Tax Building,
Pudukottai. ... Respondent

PRAYER : Writ Petition filed under Article 226 of the Constitution of India praying for issuance of a Writ of Certiorari, calling for the records in the impugned order in GSTIN 33AJZPR8732Q1ZX/ 2023-24 dated 25.07.2025 issued by the respondent and quash the same as it is without jurisdiction and clear violation of statutory provisions.

For Petitioner : Mr.S.Karunakar

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

ORDER

This Writ Petition challenges the impugned order dated 25.07.2025 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:

Discrepancies found/Grounds on which the order is passed	Explanation offered by the Assessee on merits	Explanation for not availing the opportunity
i) Output mismatch between form GSTR 1 and GSTR 3B return to that of Form GSTR-7 return.	As far as the allegation of difference between the TDS tax reported in Form GSTR 07 to that of GSTR 1 and GSTR 38 return, whatever work he had executed was properly reported and tax paid. Normally, the work executed to Government departments would be reported in those years, but the Government departments in most of the case only on release of their fund report the transactions in their form GSTR 07 and pay the TDS tax @ 2%. That is the reason for the alleged variation.	The part time accountant failed to notice the fact of issuing of the proceedings. The petitioner was not able to access the web portal. Further even though the show cause notice was issued through RPAD, the part time accountant due to pressure of work had failed to consult and file a reply which resulted in the issuance of ex parte impugned order.
ii) Penalty under Section 74 and interest under Section 50 of the GST Act.	For invocation of Section 74 of the GST Act, fraud, wilful misstatement or suppression of facts with an intent to evade tax, should be established.	

4. Considering the nature of the discrepancies noted, the 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; however, under appropriate conditions.

5.Normally, this Court grants an opportunity by imposing a condition to deposit 25% of the disputed tax. In view of the fact that already 51% of the disputed tax amount has already been recovered, no additional condition is imposed.

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

i. Since 51% towards demand of CGST and SGST amount has already been recovered, the impugned order dated 25.07.2025 shall stand set aside, and the matter shall stand remanded back to the file of the respondent.

ii. The assessee shall appear before the respondent within a period of four weeks of receiving the web copy of the order 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.

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

No costs. Consequently, connected Miscellaneous Petition is closed.

27.04.2026
(2/2)

NCC : Yes / No
ps

To

The Deputy State Tax Officer-2,
Pudukottai-2 Assessment Circle,
Commercial Tax Building,
Pudukottai.

D.BHARATHA CHAKRAVARTHY, J.

ps

W.P(MD)No.12729 of 2026

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(2/2)