BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

Dated: 03.06.2026

CORAM

THE HONOURABLE MR JUSTICE D.BHARATHA CHAKRAVARTHY

W.P(MD)No.14715 of 2026
and
W.P(MD)No.11064 of 2026

Tvl.Punitha Antony Store,
Represented by its Proprietor Rajaprakash,
GSTIN 33BAYPR8468J1ZL,
No. 10/1061-1,
Tenkasi Main Road,
Pavoorchatram,
Tirunelveli – 627 808. ... Petitioner

Vs.

1. The State Tax Officer (Roving Squad-2),
O/o The Joint Commissioner (ST) (Intelligence Wing),
Tirunelveli Division,
Commercial Taxes Buildings,
Tirunelveli.

2. The Assistant Commissioner (ST)(FAC),
Tenkasi Assessment Circle,
Near Yaanaipalam,
Tenkasi - 627811. ...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 1st respondent in GSTIN 33BAYPR8468J1ZL /2018-19 dated 09.12.2025 bearing Reference No Z2D3312251388189 for the assessment year 2018-19 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 1st respondent to proceed afresh, if at all required, only under Section 73 of the TNGST Act, 2017 after affording due opportunity of personal hearing to the Petitioner or pass such further or other orders, as the Honble Court may deem fit and proper in the circumstances of the case and thus render justice.

For Petitioner	:Mr.N.Sudalai Muthu
For Respondents	:Mr.R.Parthiban Government Advocate

ORDER

This writ petition challenges the impugned order dated 09.12.2025, which is an assessment order passed under Section 73 of the TNGST Act 2017.

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

3. By the impugned orders, 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
The impugned order alleged excess availment of Input Tax Credit of Rs. 18,82,956/- (including IGST of Rs. 16,92,684/-) based on mismatch between GSTR-3B and GSTR-2A for AY 2018-19. The Intelligence Wing initiated proceedings under Section 74 and treated the ITC mismatch as suppression. same discrepancy The of Rs. 8,48,596/- had already been examined in earlier proceedings by the jurisdictional officer. The very same transactions were again reworked under different defects,resulting in duplication of demand. The respondents consequently levied tax, interest and penalty under Section 74 of the TNGST Act.	The issue relating to excess ITC had already been adjudicated by the jurisdictional authority and quantified at Rs.8,48,596/-. The petitioner had already paid Rs. 6,95,238/-through DRC-03, which was acknowledged by the department. No new material, fresh evidence or independent transaction was discovered by the Intelligence Wing. The alleged additional demand of Rs. 8,44,088/-arises from the very same ITC mismatch and amounts to double taxation and double recovery. Further, there is no allegation or evidence of fraud, wilful misstatement or suppression to justify invocation of Section 74.	The notices and proceedings were uploaded only in the GST portal. The petitioner, being a small trader with limited GST knowledge, had entrusted GST compliance and portal monitoring to a part-time accountant. The accountant failed to inform the petitioner about the notices and proceedings initiated by the respondents. Consequently, the petitioner was unaware of the adjudication process and could not submit objections or supporting records. The impugned order was therefore passed ex parte without affording an effective opportunity of hearing.

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. But in this case, the respondent has already assessed the same defect mismatch between GSTR-3B and GSTR-2A and therefore, an opportunity is granted to the petitioner assessee without any condition.

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

i. The impugned order dated 09.12.2025 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 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.

iv. No costs. Consequently, the connected miscellaneous petitions shall stand closed.

03.06.2026

NCC:Yes/No
rgm

To

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2. The Assistant Commissioner (ST)(FAC),
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D.BHARATHA CHAKRAVARTHY, J.

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