BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

Dated: 03.06.2026

CORAM

THE HONOURABLE MR JUSTICE D.BHARATHA CHAKRAVARTHY

W.P(MD)No.14685 of 2026
and
W.P(MD)No.10991 of 2026

Tvl.T.Sivakumar ... Petitioner

Vs.

The Deputy State Tax Officer – 1,
Thanjavur - II Assessment Circle,
Commercial Taxes Buildings,
Thanjavur. ...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 respondent in GSTIN 33APKPS2021Q1ZL/2020-21 dated 29.01.2025 for the assessment year 2020-21 passed by the Respondent under section 73 of TNGST Act 2017 and to quash the same as cryptic, non-speaking, illegal, arbitrary, wholly without jurisdiction and direct the respondent to pass assessment order afresh after affording opportunity of being heard and pass such further or other orders as this Honble Court may deem fit and proper in the circumstances of the case and thus render justice.

For Petitioner :Mr.N.Sudalai Muthu

For Respondent :Mr.R.Parthiban
Government Advocate

ORDER

This writ petition challenges the impugned order dated 29.01.2025, which is an assessment order passed under Section 73 of the CGST 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 assessment was made on the alleged mismatch between Form GSTR-07 and Form GSTR-09 for AY 2020-21. The respondent treated the differential turnover reflected in GSTR-07 as suppressed outward supply. Based on the alleged mismatch, tax of Rs.8,32,130/- along with interest and penalty was demanded under Section 73 of the TNGST Act. The order proceeds on the assumption that the petitioner had filed GSTR-09 with nil turnover. The demand was confirmed ex parte.	The petitioner was not liable to file GSTR-09 for the relevant period due to exemption available under Section 44 and the applicable notification. Hence, comparison of GSTR-07 with a non-filed GSTR-09 is fundamentally erroneous. GSTR-07 is only a TDS return filed by Govt deductors and cannot be treated as taxable turnover. The figures include retention money, running bills, advances and payments relating to different periods. The petitioner is prepared to furnish complete reconciliation with GSTR-1, GSTR-3B and books of accounts.	The entire proceedings were uploaded only in a the GST portal and no effectivecommunication was received by the petitioner. Being small contractor, the petitioner depended entirely upon a part-time accountant for GST compliances. The accountant failed to inform him about notices, hearing dates and assessment proceedings. Due to lack of GST knowledge and portal access, the petitioner remained unaware of the proceedings. Consequently, no reply could be filed and the assessment came to be passed ex parte.

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. Therefore, an opportunity is granted to the petitioner assessee on the condition of depositing 25% of the disputed tax amount.

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

i. Within four weeks of receiving the web copy of the order, the petitioner shall deposit 25% of the disputed tax amount with the respondent, without waiting for a certified copy of the order.

ii. Upon such deposit, the impugned order dated 29.01.2025 shall stand set aside, and the matter shall stand remanded back to the file of the respondent.

iii. 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.

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

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

03.06.2026

NCC:Yes/No
rgm

To

The Deputy State Tax Officer – 1,
Thanjavur - II Assessment Circle,
Commercial Taxes Buildings,
Thanjavur.

D.BHARATHA CHAKRAVARTHY, J.

rgm

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