BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

Dated: 03.06.2026

CORAM

THE HONOURABLE MR JUSTICE D.BHARATHA CHAKRAVARTHY

W.P(MD)No.14732 of 2026
and
W.M.P(MD)No.11077 of 2026

Tvl.V.N.S.Construction,
Represented by its Proprietor K. Vetrivel,
GSTIN 33ACMPV0854B1ZP,
No. 34,
Williams Road,
Cantonment,
Trichy – 620001. ... Petitioner

Vs.

The State Tax Officer, (Review),
O/o The Joint Commissioner (ST) (Intelligence),
Trichy Division,
Commercial Taxes Buildings,
Trichy. ...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 33ACMPV0854B1ZP /2019-20 dated 29.01.2026 for the assessment year 2019-20 passed by the Respondent under section 74 of TNGST Act 2017 and to quash the same as cryptic, nonspeaking, illegal , arbitrary, wholly without jurisdiction and direct the respondent to pass assessment order afresh after affording opportunity of being heard 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 Respondent	:Mr.R.Parthiban Government Advocate

ORDER

This writ petition challenges the impugned order dated 29.01.2026, 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 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 respondent alleged suppression of turnover based on differences between the turnover reflected in Form GSTR-7 (TDS deductions) and the turnover reported in GSTR-3B/GSTR-9 for AY 2019-20. The TDS figures were treated as additional taxable turnover and a tax demand of Rs. 19,15,554/- together with interest and penalty was raised under Section 74 of the TNGST Act. The respondent proceeded on the assumption that the petitioner had failed to produce relevant work orders fo the assessment year 2019-2020.	The petitioner explained that the services were rendered to TWAD Board under contracts relating to operation and maintenance of public water supply schemes, which are exempt under Notification No.12/2017-Central Tax (Rate). Clause 4.12 of the bid document specifically stated that GST was not applicable to the contract. The petitioner had furnished work orders and supporting records for all assessment years, including FY 2019-20, but the respondent overlooked the relevant documents. Form GSTR-7 merely reflects TDS deductions and cannot by itself determine taxability or establish suppression of turnover. The respondent failed to independently examine the nature of services, contractual terms and exemption eligibility before fastening liability.	The petitioner had actively participated in the proceedings and submitted detailed replies along with work orders, bid documents and exemption-related records. However, the respondent proceeded on an erroneous factual assumption that documents relating to FY 2019-20 had not been furnished. The materials produced by the petitioner were not properly examined or discussed in the impugned order. The explanation regarding exempt services and the applicability of the exemption notification was mechanically rejected without adequate reasons. Consequently, the petitioner was denied effective consideration of his objections, resulting in violation of principles of natural justice.

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 commodity is an exempted from GST 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 29.01.2026 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

The State Tax Officer, (Review),
O/o The Joint Commissioner (ST) (Intelligence),
Trichy Division,
Commercial Taxes Buildings,
Trichy.

D.BHARATHA CHAKRAVARTHY, J.

rgm

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