BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

Dated: 03.06.2026

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THE HONOURABLE MR JUSTICE D.BHARATHA CHAKRAVARTHY

W.P(MD)No.14771 of 2026
and
W.M.P(MD)No.11126 of 2026

Tvl.Shri Ram Agencies,
Represented by its Proprietor,
R. Rajakumar,
GSTIN – 333BCBPR9170E1ZM,
152/23, 152/25, Polepettai,
Thoothukudi - 628 002. ... Petitioner

Vs.

The Assistant Commissioner (ST)-1,
Tuticorin - I Assessment Circle,
Commercial Taxes Buildings,
Tuticorin. ...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 - 333BCBPR9170E1ZM/2020-21 dated 07.02.2025 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 Respondents	:Mr.R.Parthiban Government Advocate

ORDER

This writ petition challenges the impugned order dated 01.09.2025, 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 respondent alleged excess availment of ITC of Rs.20,49,702/- based on mismatch between GSTR-1, GSTR-9, GSTR-2A and Rule 42 reversal relating to exempt turnover for AY 2021-22. The department treated duplicated invoices reflected in GSTR-1 for August 2021 as additional taxable turnover. It was further alleged that the petitioner had availed excess ITC and failed to reverse common credit attributable to exempt charcoal business. Interest and penalty were levied under Section 73 of the TNGST Act.	The petitioner explained that the alleged turnover difference arose solely due to a technical glitch in the GST portal, whereby Tata Play invoices already reported and taxed during April 2021 to July 2021 were automatically duplicated in GSTR-1 for August 2021. The tax relating to those invoices had already been discharged through GSTR-3B and therefore no suppression of turnover or revenue loss had occurred. The duplication was subsequently rectified through credit notes and annual reconciliation in GSTR-9. The petitioner also maintained separate books for taxable recharge business and exempt charcoal business and had not availed any common ITC requiring reversal under Rule 42. Detailed reconciliation statements, invoice-wise details and books of accounts were furnished to substantiate the claim.	The petitioner had participated in the proceedings and submitted detailed replies, reconciliation statements, sales registers, ITC workings and supporting records. However, the respondent failed to any conduct of the documents meaningful verification produced and did not examine the reconciliation in its verification proper perspective. No was undertaken with Tata Play Limited though the dispute related entirely to duplicated invoices pertaining to that entity. The respondent mechanically rejected the explanation on the ground that GSTR-1 figures are final and proceeded solely on portal data. Consequently, the impugned order was passed without proper consideration of the petitioner's objections and supporting materials.

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 01.09.2025 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 petition shall stand closed.

03.06.2026

NCC:Yes/No
rgm

To

The Assistant Commissioner (ST)-1,
Tuticorin - I Assessment Circle,
Commercial Taxes Buildings,
Tuticorin.

<u>D.BHARATHA CHAKRAVARTHY, J.</u>

<u>rgm</u>

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