WEB COPY

BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: 09.06.2026

CORAM

THE HON'BLE MR.JUSTICE D.BHARATHA CHAKRAVARTHY

W.P.(MD)No.15521 of 2026
and
W.M.P(MD)No.11614 of 2026

Tvl. Bejan Singh Eye Hospital Private Limited
Rep. by its Managing Director Bejan Singh
GSTIN 33AAFCB2729K1ZQ
2/1-313C, Bejan Singh Eye Hospital,
MS Road, Vettoornimadam,
Kanniyakumari-629 003. .. Petitioner

– Vs. -
–

The Deputy State Tax Officer/
Nagercoil -2 Assessment Circle,
Commercial Taxes Buildings,
Mead Street, Nagercoil. .. Respondent

Prayer: Writ Petition is 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 : 33AAFCB2729K1ZQ/2020-21 passed by the respondent under Section 73 of TNGST Act, 2017 and to quash the same as cryptic, non-speaking,

https://www.mhc.tn.gov.in/judis

WEB COPY

illegal, arbitrary, wholly without jurisdiction and direct the respondent to pass assessment order afresh after affording opportunity of being heard.

For Petitioner : Mr.N.Sudalai Muthu

For Respondent : Ms.P.Sudarkodi Nachiar
Government Standing Counsel

ORDER

This writ petition challenges the impugned order dated 20.02.2025 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 Standing Counsel for the respondent.

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:

https://www.mhc.tn.gov.in/judis

WEB COPY

Discrepancies found/Grounds on which the assessment is passed	Explanation offered by the Assessee on merits	Explanation for not availing the opportunity
Excess availment of Input Tax Credit of Rs. 18,14,838/- (CGST Rs. 9,07,419/- and SGST Rs.9,07,419/-) on the premise that certain credits reflected in GSTR-2A/2B constituted ineligible credit under Section 17(5) of the GST Act. The respondent treated credits relating to motor vehicle insurance, works contract services and electrical goods as blocked credits. The proposal was based on non-reporting of such credits in the annual return and portal generated figures.	The petitioner subsequently, reconciled GSTR-3B with GSTR-2A/2B and found that the actual ITC availed was substantially lower than the credit reflected in the auto-populated statements. Thus, the very foundation of the allegation of excess ITC is factually incorrect. No invoice numbers, supplier details, taxable value or tax component were identified to establish wrongful availment of blocked credit under Section 17(5). In the absence of invoice-wise verification and proof of actual availment, the impugned demand is based purely on assumptions and is legally unsustainable.	The entire proceedings were uploaded only in the GST portal and the petitioner, who depended on a part time accountant for GST compliance, was not informed about the notices due to the accountant's medical issues. Simultaneously, the Managing Director was suffering from severe cervical ailments, preventing effective coordination and collection of records. Despite seeking adjournment and time to furnish reconciliation statements, the respondent passed the impugned ex parte assessment order

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

https://www.mhc.tn.gov.in/judis

WEB COPY

extending such opportunities on equitable grounds; however, under appropriate conditions. In view of the fact that the respondent has already recovered a sum of Rs.2,48,786/- which comes to around 13.5% of the disputed tax and therefore, an opportunity is granted to the petitioner assessee on the condition of depositing a further 10% of the disputed tax amount.

5. In view thereof, this Writ Petition is allowed on the following terms:

(i) Within a period of four weeks from the date of receipt of a web copy of this order, the petitioner shall pay 10 % 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 20.02.2025 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;

https://www.mhc.tn.gov.in/judis

WEB COPY

(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 is closed.

09.06.2026

sji

NCC: Yes/No

To

The Deputy State Tax Officer/
Nagercoil -2 Assessment Circle,
Commercial Taxes Buildings,
Mead Street, Nagercoil.

https://www.mhc.tn.gov.in/judis

HIGH COURT OF JUDICATURE MADRAS
WEB COPY

D.BHARATHA CHAKRAVARTHY, J.

sji

W.P.(MD)No.15521 of 2026

09.06.2026

https://www.mhc.tn.gov.in/judis