BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

Dated: 10.04.2026

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THE HONOURABLE MR JUSTICE D.BHARATHA CHAKRAVARTHY

W.P(MD)No.15587 of 2026
and
W.M.P(MD)No.11686 of 2026

Bathurallam and Co.,
Represented by its Proprietor Shahul Hameed,
Gstin. 33fmbps86140c1z5,
1, Gandhiji Road, Pudur Ilayangudi,
Sivaganga – 630709. ... Petitioner(s)

– Vs. -

The Deputy State Tax Officer
O/o.The State Tax Officer,
Paramakudi Assessment Circle,
Commercial Taxes Buildings,
No. 3/103, Thriu Nagar,
Thelichathanalloor,
Paramakudi – 6 ... Respondent(s)

Prayer: Writ Petition is filed under Article 226 of the Constitution of India, praying this Court 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. 33FMBPS8614C12Z5 /2021-22 dated 24.12.2025 for the assessment year 2021-22 passed by the Respondent under section 73 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.P.Sudarkodi Nachiyar
Government Standing Counsel

ORDER

This writ petition challenges the impugned order dated 24.12.2025 which is an assessment order passed under Section 73 of the GST Act 2017.

2.I have heard the learned counsel for the petitioner and the learned Government Standing Counsel appearing 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:

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 input Tax credit of Rs.1,44,470/- (SGST Rs.72,235/- and CGST Rs.72,235/-) based on an alleged mismatch between GSTR-3B and GSTR-2A for AY 2021-22. The alleged difference was treated as ineligible ITC and tax, interest and penalty were levied under Section 73 of the TNGST Act, 2017. The order proceeds on system-generated data without proper verification.	The petitioner categorically denies the existence of any mismatch between GSTR-3B and GSTR-2A. The ITC claimed is supported by genuine purchase invoices, books of accounts and statutory returns. The petitioner has proper reconciliation records demonstrating that the ITC availed is correct and legally admissible. No excess or ineligible credit has been claimed. The demand has been raised without examining the underlying documents and transactions.	All notices and communications were uploaded only on the GST common portal. The petitioner, being a small trader with limited technical knowledge of GST compliance, was entirely dependent on a part-time accountant. The said accountant was on medical leave during the relevant period and failed to inform the petitioner about the proceedings. Consequently, the petitioner could not furnish a detailed reply or produce reconciliation records.

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 thereof, the Writ Petition is allowed on the following terms:

(i)Within a period of four weeks from the date of receipt of 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 24.122025 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 raised.

(v)No costs. Consequently, connected miscellaneous petition is closed.

10.06.2026

NCC:Yes/No
Ns

To
The Deputy State Tax Officer
O/o.The State Tax Officer,
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Commercial Taxes Buildings,
No. 3/103, Thriu Nagar,
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D.BHARATHA CHAKRAVARTHY, J.

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