BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

Dated: 11.06.2026

CORAM

THE HONOURABLE MR JUSTICE D.BHARATHA CHAKRAVARTHY

W.P(MD)No.15887 of 2026
and
W.M.P(MD)No.11904 of 2026

Tvl. Barani Enterprises,
Represented by its Proprietor,
D. Baskaran,
2/42, North Street,
Adaikalapuram,
Tiruchendur,
Tuticorin District - 628 207. ... Petitioner

Vs.

The Deputy State Tax Officer-2,
Tuticorin-III Assessment Circle,
Tuticorin. ...Respondent

Prayer: Writ Petition filed under Article 226 of the Constitution of India, praying this Court to issue a Writ of CERTIORARI, calling for records pertaining to the impugned order passed by the Respondent vide his proceedings in GSTIN 33AFYPB3656G1ZB/2021-22 dated 02-12-2025 and quash the same as it is illegal, without jurisdiction and in gross violation of Principles of Natural Justice 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.A.Satheesh Murugan

For Respondent :Mr.P.Rajagopalan
Senior Standing Counsel

ORDER

This writ petition challenges the impugned order dated 02.12.2025, 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 Senior Standing Counsel representing the revenue.

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
Excess claim of ITC availed with reference to GSTR-2A	The petitioner has claimed only the eligible Input Tax Credit (ITC) on the inward supply effected from the registered dealers and also duly reported outward supply through his returns and also paid the corresponding tax due to the department then and there through returns. Thus, what have reported through GSTR-1 statement and paid through GSTR-3B return is correct. However, there is no excess claim of ITC as per GSTR-2A. The Circular 193/5/2023-GST dated 17-07-2023 is also covered the above issue.	The reply has filed by the petitioner but he has not filed supporting documents due to the excess claim of ITC
ITC to be reversed on the non-business transactions & exempt supplies	The petitioner has claimed ITC on the inward supplies of taxable goods only but he has not claimed any ITC on the exempted supply of goods but the respondent's contention is incorrect and against the provisions of the Act.	The reply has filed by the petitioner but he has not filed supporting documents due to the excess claim of ITC

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 the certified copy of the order.

ii. Upon such deposit, the impugned order dated 02.12.2025 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.

11.06.2026
(1/2)

Index: Yes
Speaking Order: Yes
Neutral Citation: No
rgm

D.BHARATHA CHAKRAVARTHY, J.

rgm

To

The Deputy State Tax Officer-2,
Tuticorin-III Assessment Circle,
Tuticorin.

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