BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

Dated: 16.06.2026

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THE HONOURABLE MR JUSTICE D.BHARATHA CHAKRAVARTHY

W.P(MD)No.16377 of 2026
and
W.M.P(MD)No.12215 of 2026

S.Baskar ... Petitioner

Vs.

The Deputy State Tax Officer-2,
Karur - 2 Assessment Circle,
2nd Floor,
Combined Commercial Taxes Buildings,
RDO Office Campus,
North Pradakshnam Road,
Karur - 639001. ...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. 33BHJPB7801D1ZW / 2021-22 dated 05.12.2025 for the assessment year 2021-22 passed by the Respondent under section 73 of TNGST Act 2017 and to quash the same as cryptic, non-speaking, 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.S.Vashik Ali
Government Standing Counsel

ORDER

This writ petition challenges the impugned order dated 05.12.2025 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 Government Standing Counsel representing the revenue.

3. By the impugned order, the assessment was made 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 summarized 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.58,164/- (CGST and SGST Rs.29,082/- Rs.29,082/-) based on mismatch between GSTR-3B and GSTR-2A for AY 2021-22. The difference was treated as ineligible ITC and tax, interest and penalty were levied under Section 73 of the TNGST Act.	The petitioner specifically denied execution of any work for the concerned Panchayats during the relevant assessment year. Mere reflection of GST-TDS in GSTR-7 cannot by establish the itself existence of a taxable supply without verification of the underlying transaction. The petitioner immediately approached the Panchayat authorities and subsequently obtained proceedings dated 23.01.2026 from the Block Development Officer, Thanthoni Panchayat Union, certifying that no work was executed by the petitioner in the concerned Panchayats. The said official certificate completely demolishes the factual basis of the assessment. Therefore, the demand is founded on erroneous assumption and is liable to be set aside.	The petitioner had in fact filed a detailed reply the denying the allegations respondent that no such and informing works had been executed. Since the relevant records were in the custody of the Panchayat authorities, the petitioner dependent was upon Government authorities for obtaining supporting documents. While the petitioner was actively pursuing the records and awaiting confirmation, official the respondent proceeded to finalize the assessment. The non-production of documents was neither wilful nor deliberate but was due to circumstances beyond the petitioner's control.

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. Since, in this case it is stated that the concerned Panchayat itself has given a certificate that no such work is undertaken, no additional condition is imposed.

5. In view of this, the writ petition is allowed on the following terms:-

i. The impugned order dated 05.12.2025 shall stand set aside, and 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 petition shall stand closed.

16.06.2026

Neutral Citation: No
rgm

D.BHARATHA CHAKRAVARTHY, J.

rgm

To

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