BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: 17.06.2026

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THE HON'BLE MR.JUSTICE D.BHARATHA CHAKRAVARTHY

W.P.(MD)No.16544 of 2026
and
W.M.P(MD)No.12306 of 2026

Tvl. Kings Builders,
Represented by its Proprietor N.Sathya Moorthi,
GSTIN 33EEAPS0099F1ZJ,
14/673-5, Main Road,
Pavoorchatram. .. Petitioner

– Vs. -

The Deputy State Tax Officer-2,
Tenkasi Assessment Circle,
Commercial Taxes Buildings,
Tenkasi. .. 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 : 33EEAPS0099F1ZJ/2021-22 dated 29.12.2025 for the assessment year 2021-2022 passed by the respondent under Section 73 of the 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.

For Petitioner : Mr.N.Sudalai Muthu

For Respondent : Mr.S.Vashik Ali
Government Standing Counsel

ORDER

This writ petition challenges the impugned order dated 29.12.2025 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 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
1. Exemption claimed on pure labour contract services was disallowed by the department. 2. Entire exempt turnover was treated as taxable construction service under Heading 9954. 3.Tax demand of Rs. 16,64,200/- (CGST Rs.8,32,100/- and SGST Rs.8,32,100/-) along with interest and penalty was levied. 4.The respondent presumed the services were taxable construction services and denied exemption claimed under Notification No. 12/2017.	1.The petitioner executed only pure labour contracts for construction of individual residential houses. 2.Customers supplied the land, materials, plans and specifications and the petitioner supplied only labour services. 3.The services squarely fall under Serial No.11 of Notification No.12/2017-Central Tax (Rate), exempting pure labour contracts relating to single residential units. 4.No finding was recorded that the petitioner supplied materials, executed a works contract, or constructed residential complexes.	1.All notices, hearing intimations and communications were uploaded only on the GST portal. 2.The petitioner is a small contractor with limited knowledge of GST law and online compliances. 3.GST compliance work was entrusted to a part time accountant. 4.The accountant failed to inform the petitioner about the notices and assessment proceedings. 5.Consequently, the petitioner remained unaware of the proceedings and could neither file objections nor produce supporting records before the assessment order was passed.

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.

5. Since it is stated that the petitioner is dealing with the labor contract, which is claimed to be exempt from tax, no additional condition is imposed. In view thereof, this Writ Petition is allowed on the following terms:

(i) The impugned order dated 29.12.2025 shall stand set aside, and the matter shall stand remanded back to the file of the respondent;

(ii) Within a period of four weeks from the date of receipt of a web copy of this order, 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 is closed.

17.06.2026

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NCC: Yes/No

To

The Deputy State Tax Officer-2,
Tenkasi Assessment Circle,
Commercial Taxes Buildings,
Tenkasi.

D.BHARATHA CHAKRAVARTHY, J.

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W.P.(MD)No.16544 of 2026

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