BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

Dated: 19.06.2026

CORAM

THE HONOURABLE MR JUSTICE D.BHARATHA CHAKRAVARTHY

W.P(MD)No.16859 of 2026
and
W.M.P(MD)No.12500 of 2026

Tvl Sri Balaji Traders
Rep by its Proprietor V Selvam GSTIN 33CFTPS3794D1ZW
16.6.17 V.SS.Colony
Dindigul Road
Singampunari.. ... Petitioner

Vs.

The State Tax Officer,
Commercial Tax Building
Thirupathur ...Respondent

Prayer: Writ Petition filed under Article 226 of the Constitution of India, praying this Court to issue a Writ of Certiorari, calling for the records in the impugned order in GSTIN 33CFTPS3794D1ZW/2021-22 dated 15.12.2025 in form GST DRC 07 Ref No.ZD331225270791G dated 17.12.2025 issued by the respondent and quash the same as it is without jurisdiction and clear violation of statutory provisions or 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.S.Karunakar

For Respondent : Mr.R.Parthiban
Government Standing Counsel

ORDER

This writ petition challenges the impugned order dated 15.12.2025, 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 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
I) Excess Claim of ITC availed w.r.t. form GSTR 2A to that of GSTR 3B return ii) ITC to be reverse on non-business transactions & exempt supplies iii) Late fee for belated filing of form GSTR 01 iv) Non filing of GSTR 09 annual return v) Penalty under Section 73 and interest under Section 50 of the GST Act	As far as the alleged discrepancy of input tax mismatch between form GSTR 3B to that of GSTR 2A, he submits the purchase was covered by proper tax invoice with collection of GST tax as provided under section 31 of the GST Act and Rule 36 of the GST Rules With regard to ITC to be reversed on non business transactions & exempt suppiles as per rule 42 & 43 of GST rules, he denies the allegations that he had wrongfully availed ITC. He operates a manufacturing unit and the inputs/input services are primarily used in the course or furtherance of his taxable business. Inspite of the above fact, to his knowledge he had already segregated and reversed the ineligible ITC As far as levy of late fee, he submits that only due to covid pandamic there was the delay uploading and the filing the return and hence there is no need for adverse inference As far as the non filing of form GSTR 09 return, it was only due to the previous part time accountants mistake. Later, when the mistake was realised, due to some portal glitches he was not able to upload and file form GSTR 09 annual return. This issue has already been reported to the department and till date they are not able to rectify the mistake in the portal and therefore, the late fee of Rs.97,600/- each is arbitrary and without any justification In the absence of any excess claim or wrong claim the question of levy of interest under section 50 and penalty under section 73 of the GST act does not arise to the facts of this case	The Part time accountant failed to notice the fact of issuing of the proceedings The respondent had only chosen to upload communication, all the summons, notices, and orders only on the web portal. Because of the above reasons, the petitioner was not able to access the Web portal which resulted in the issuance of Ex Partee impugned 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 extending such opportunities on equitable grounds; however, under appropriate conditions. Since it is stated that 49% of the disputed tax amount towards SGST and 10% towards SGST late fee had already been recovered, no additional condition is imposed.

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

i. The impugned order dated 15.12.2025 shall stand set aside and the matter shall stand remanded back to the file of the respondent for reconsideration.

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.

19.06.2026
(2/2)

Neutral Citation: No
rgm

To

The State Tax Officer,
Commercial Tax Building
Thirupathur

D.BHARATHA CHAKRAVARTHY, J.

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