



W.P.(MD) No.19205 of 2026

WEB COPY BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: **08.07.2026**

CORAM:

THE HONOURABLE MR.JUSTICE **C.SARAVANAN**

W.P.(MD) No.19205 of 2026
and
W.M.P.(MD) No.14206 of 2026

Tvl Madhi Trading CO.,
Represented by its Partner
D.Ravikumar

... Petitioner

/vs./

The Assistant Commissioner (ST) 1 (FAC)
Sivakasi Assessment Circle
Commercial Taxes Buildings
N.G.O. Colony
Satchiyapuram
Sivakasi - 626124.

... Respondent

PRAYER: Writ Petition filed under Article 226 of the Constitution of India for issuance of Writ of Certiorarified Mandamus, to call for the records on the file of the respondent in GSTIN 33AABFM1936A1ZZ/2023-24 dated 20.05.2026 for the assessment year 2023-24 passed by the Respondent under section 74A(1) of TNGST Act 2017 and to quash the same as cryptic, non-speaking, illegal , arbitrary, wholly without jurisdiction and consequently direct the respondent to pass assessment afresh after duly considering the petitioners detailed objections and records, after affording a reasonable opportunity of personal hearing.



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For Petitioner : Mr.N.Sudalai Muthu

For Respondent :Mr.S.Venkatesh
counsel for the State of Tamil Nadu

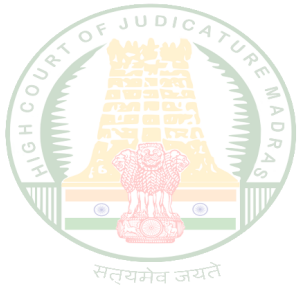
ORDER

Mr.S.Venkatesh, learned counsel for the State of Tamil Nadu, takes notice for the respondent.

2.By consent, this writ petition is disposed of at the time of admission after hearing the learned counsel for the petitioner and the learned counsel for the State of Tamil Nadu appearing for the respondent.

3.The petitioner is before this Court against the impugned assessment order in GST DRC--07 dated 20.05.2026 passed for the tax period 2023-24 under Section 74 of the respective GST enactment (*wrongly mentioned as Section 74A*).

4.The impugned order has been passed in the background of a show cause notice issued in GST DRC 01 dated 08.12.2025.



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5.The case of the petitioner is that the petitioner is having principal place of business in the State of Karnataka and since there was a demand in Tamil Nadu, the petitioner obtained a separate GST registration in the State of Tamil Nadu on 12.07.2022. The demand has, however, been confirmed, based on the profit and loss account and entries in the bank by comparing the monthly GSTR-3B returns filed by the petitioner during the tax period. It is submitted that the petitioner had substantiated the same. However, a cryptic order has been passed.

6.The learned counsel for the petitioner would draw attention to an order passed for the assessment year 2022-23 dated 27.05.2026, wherein for the identical demand proposed in the show cause notice in DRC 01 dated 07.01.2026, the demand has been dropped.

7.However, the demand has been confirmed for the above tax period 2023-24, vide impugned order after considering the petitioner's reply, despite the petitioner having appeared and submitted all documents to substantiate that the petitioner was liable to be taxed independently in Karnataka for the separate GST registration, which the petitioner had obtained earlier. The case of the petitioner appears to be reasonable and there is a palpable arbitrariness



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discernible from the impugned order.

8. Therefore, this Writ Petition stands allowed. The impugned order passed by the respondent in GSTIN:33AABFM1936A1ZZ/2023-24 dated 20.05.2026 is set aside and the matter is remitted back to the respondent to pass a *de novo* order, subject to the petitioner filing an additional reply, if any, to the show cause notice issued in Form GST DRC-01 dated 08.12.2025, to substantiate the case by treating the impugned order dated 20.05.2026 as an addendum to the show cause notice dated 08.12.2025.

9. The respondent shall proceed to pass a final order on merits and in accordance with law as expeditiously as possible, preferably, within a period of three months of such reply, if any. Needless to state, before passing any such order, the respondent shall issue due notice on the petitioner.

10. This Writ Petition stands disposed of with the above observations. No costs. Consequently, connected Miscellaneous Petition is closed.

Index : Yes / No
Internet : Yes / No
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To

The Assistant Commissioner (ST) 1 (FAC)
Sivakasi Assessment Circle
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N.G.O. Colony
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Sivakasi - 626124.



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Case Citation: (2026) taxcode.in 1258 HC



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C.SARAVANAN, J.

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