Case Citation: (2026) taxcode.in 1442 HC

WEB COPYBEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: **18.08.2026**

CORAM:

THE HONOURABLE MR.JUSTICE C.SARAVANAN

W.P.(MD) No. 23792 of 2026
and
W.M.P.(MD)No.17696 of 2026

Tvl. Om Sakthi Agency,
rep. by its Proprietor PappaiyaTamilvanan ... Petitioner

Vs

The Deputy State Tax Officer - 2 /
The Deputy Commercial Tax Officer,
Aruppukottai Assessment Circle,
Virudhunagar District. ... Respondent

PRAYER: Writ Petition filed under Article 226 of the Constitution of India for issuance of Writ of Certiorarified Mandamus to call for the impugned assessment order on the file of respondent vide GSTIN. 33BINPT0821L1Z0/2019-20 and in summary order Reference No. ZD3307243227776 dated 26.07.2024 and quash the same as illegal and devoid of merits and direct the respondent to redo the assessment proceedings for the year 2019-20.

For petitioner : Mr. Raja Karthikeyan

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For respondent : M/s.P.Sudarkodi Natchiyar
Government Advocate (Tax)

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ORDER

M/s.P.Sudarkodi Natchiyar, learned Government Advocate (Tax), takes notice for the respondent.

2. This Writ Petition is taken up for final hearing at the time of admission with the consent of the learned counsel for the petitioner and learned Government Advocate (Tax) for the respondent.

3. The petitioner is before this Court against the impugned Assessment Order dated 26.07.2024 bearing reference in GSTIN 33BINPT0821L1Z0/2019-20 and consequential Summary Order in Ref No. ZD3307243227776 dated 26.07.2024, whereby the proposal in the Show Cause Notice dated 25.02.2024 issued for the tax period April 2019 to March 2020 has been confirmed under Section 73 of the respective GST enactments. It is noticed that there was no reply to the Show Cause Notice and thus, the demand was confirmed.

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4. It is noticed that the petitioner also accepted the tax liability and attempted to have the issue resolved under Section 128A of the respective GST enactments by filing an application in Form GST SPL-02 on 26.07.2024.

5. It is the case of the petitioner that the entire disputed tax confirmed by the impugned order has also been paid into the petitioner's Electronic Credit Ledger in Form GST DRC-03 dated 06.12.2022.

6. A reading of the order in Form GST SPL-07 dated 30.07.2025 indicates that the petitioner has not subsequently adjusted the amount deposited towards the tax liability by generating DRC-03A. Thus, it is evident that the petitioner has admitted to the tax liability, but had made a half-hearted attempt to settle the case under the Amnesty Scheme under Section 128A of the respective GST enactments, which came to be rejected on 30.07.2025.

7. The amount that was deposited in Form GST DRC-03 dated 06.12.2022 would have been adjusted towards the tax liability for the succeeding period.

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Even though the intention of the petitioner appears to be to settle the case under the Amnesty Scheme, there are no records to indicate that the said amount has also been debited by the Department towards the tax liability as confirmed by the Impugned Order dated 26.07.2024.

8. However, considering the fact that the petitioner claims that the entire disputed tax has been paid, I am inclined to remit the case back to the respondent to verify whether there has been any subsequent recovery of the amount towards the tax liability confirmed by the impugned order from and out of the amount paid into the Electronic Credit Ledger on 06.12.2022.

9. In case there has been no payment or appropriation of the aforesaid amount towards the tax liability, the petitioner is directed to deposit the entire amount of tax, interest and penalty within a period of thirty (30) days from the date of receipt of a copy of this order.

10. In case the petitioner complies with the above stipulations, the

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petitioner is given liberty to file a reply to the Show Cause Notice in DRC 01 dated 20.05.2024 that preceded the Impugned Order dated 26.07.2024. It is open for the petitioner to contest the liability, insofar as the imposition of penalty is concerned. In case there is any variation between the demand confirmed by the impugned order and the order to be passed subsequently, the same shall be adjusted accordingly.

11. This Writ Petition is disposed of, with the above observations. No costs. Consequently, connected miscellaneous petition is closed.

Index : Yes / No **18.08.2026**
Internet : Yes / No
apd

To
The Deputy State Tax Officer - 2 /
The Deputy Commercial Tax Officer,
Aruppukottai Assessment Circle,
Virudhunagar District.

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C.SARAVANAN, J.

apd

W.P.(MD) No. 23792 of 2026

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