

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 13.04.2016

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THE HONOURABLE MR. JUSTICE M.DURAI SWAMY

W.P.No.13359 of 2016

and

W.M.P.Nos.11705 and 11706 of 2016

National Plywood Industries Limited,
Hosur-Thally Road,
Kalakondapallli - 635 114,
Dharmapuri District.

... Petitioner

Vs.

1. The State of Tamil Nadu,
represented by its Secretary
to Government, Industries Department,
Fort St.George,
Chennai - 600 009,

2. The Assistant Commissioner (CT)
Hosur South,
Hosur- 635 109.

... Respondents

Prayer: Writ Petition filed under Article 226 of the Constitution of India seeking for the relief of issuance of writ of mandamus to permit the petitioner to clear arrears of Rs.46,57,221/- towards TN VAT for the period from April, 2014 to February, 2016 in monthly installments of Rs.3 lakhs each from April 2016.

For Petitioner : Mr.Vijay Narayan, Sr.Counsel
for Mr.R.Parthiban

For Respondents : Mr.Manoharan Sundaram,
Additional Govt.Pleader (Taxes)

O R D E R

The petitioner has filed the above writ petition to issue a writ of mandamus to permit the petitioner to clear the arrears of Rs.46,57,221/- for the period from April, 2014 to February,

2016 in monthly instalments of Rs.3,00,000/- each from April 2016.

2. Mr.Vijay Narayan, learned Senior counsel appearing for the petitioner submitted that the petitioner Company was incorporated under the provisions of the Companies Act and is engaged in the manufacture of paper based decorative and industrial laminate sheets. Since the Company suffered huge loss during the previous years, its net worth was eroded. A reference was made to the Board for Industrial and Financial Reconstruction (BIFR) and the case has been registered as Case No.259/03. The revenue recovery proceedings were initiated by the 2nd respondent by issuing notice dated 30.3.2016 for a sum of Rs.56,67,860/-. After giving credit to a sum of Rs.10,00,000/- which was paid by the petitioner, the balance of Rs.46,57,221/- together with interest is still due and payable. The learned Senior Counsel appearing for the petitioner submits that since the petitioner is not in a position to pay the said amount in one lumpsum, the petitioner may be permitted to pay the said amount in twelve equal monthly installments commencing from the month of May, 2016.

3. Mr. Manoharan Sundaram, learned Additional Government Pleader appearing for the respondents submitted that the petitioner may be permitted to pay the tax amount of Rs.46,57,221/- together with interest in twelve equal monthly installments, however, the petitioner may be directed to give an undertaking that they will not alienate the property till the completion of period of the payment of installments. Mr.Vijay Narayan, learned Senior Counsel appearing for the petitioner on instructions submitted that the petitioner will not alienate the property on their own till the completion of period for payment of installments.

4. Having regard to the submissions made by the learned counsel appearing on either side, I permit the petitioner to pay the sum of Rs.46,57,221/- together with interest in 12 equal monthly installments commencing from the month of May, 2016 and the petitioner shall pay the said monthly installments on or before 5th of every succeeding month. It is also made clear that the petitioner shall also continue to pay the current liability of tax to the respondents without any default during the said period. In view of the order passed in this writ petition, the order of attachment made by the respondents in respect of the Bank account of the petitioner in I.C.I.C.I Bank, Hosur Main Branch stands raised. So far as the immovable property is concerned, the attachment shall continue till the entire arrears are paid.

With the above observations, The writ petition is ordered.
No costs. Consequently, the connected miscellaneous petitions
are closed.

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Sd/-
Asst.Registrar

/true copy/

Sub Asst. Registrar

To

1. The Secretary
to Government, Industries Department,
State of Tamil Nadu,
Fort St.George,
Chennai - 600 009.
 2. The Assistant Commissioner (CT)
Hosur South,
Hosur- 635 109.
- + 1 cc to Mr.R.Parthiban, Advocate Sr 23359
- + 1 cc to The Spl.Govt.Pleader (Taxes), High Court Mds.
Sr 23539

KR/20/4/16

W.P.No.13359 of 2016

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