BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED : 17.10.2022

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THE HONOURABLE MR.JUSTICE MOHAMMED SHAFFIQ

W.P.(MD).No.23851 of 2022
and
W.M.P(MD).No.17925 of 2022

Tvl.Sastha Engineeering Works,
Rep by its Partner,
Duraisamy Bhoopathi,
3-260, Velliyanai, Karur 639 118. ... Petitioner

Vs.

1.The State Tax Officer (Circle), Karur-4,
Commercial Taxes Building, Rdo Campus,
North Pradhakshnam Road, Karur 639 001.

2.The Deputy Commissioner (GST Appeal),
Salem, & Erode,
Commercial Taxes Building,
No.1, Brough Road,
Erode-638 001. ... Respondents

PRAYER : Petition filed under Article 226 of the Constitution of India praying for issuance of Writ of Certiorarified Mandamus, to call for the records of the impugned order dated 30.11.2020 having Reference Number:ZA331120127480B passed by the 1st respondent, quash the same as illegal and unconstitutional.

For Petitioner	:Mr.S.Anandh
For Respondents	:Mr.M.Prakash Additional Government Pleader

O R D E R

This Writ Petition has been filed against the impugned order dated 30.11.2020 having Reference Number:ZA331120127480B passed by the 1st respondent.

2.The petitioner has not filed Return in GSTR 3B for more than six months. The 1st respondent has cancelled the GST registration of the petitioner, by the Order dated 30.11.2020.

3. It is submitted by the learned counsel for the Petitioner that the petitioner is engaged in the business of doing works contract services to the District Rural Development Agency, Thanthonimalai. The petitioner had registration under Central Goods and Service Act 2017/ Tamil Nadu Goods and Services Tax Act, 2017 with GSTIN 33ANDFS0314F1ZT. The petitioner had regularly filed monthly GST return upto Feburary 2020. After the pandemic, the petitioner did not receive payments due to it from the

District Rural Development Agency and hence the petitioner was unable to remit the taxes due to the Government, he failed to furnish the returns for more than six months. Hence, the GST Registration of the Petitioner was cancelled by the 1st Respondent vide order dated 30.11.2020. As against the said order of cancellation, he preferred an appeal before the appellate authority/2nd respondent on 18.08.2022 beyond the statutory time limit prescribed under Section 107.

4. It is submitted by the learned counsel for the Petitioner that in identical circumstances, this Court, in the case of ***Tvl.Suguna Cutpiece Vs The Appellate Deputy Commissioner (ST) (GST) and others (W.P.Nos. 25048, 25877, 12738 of 2021 etc., batch)***, dated 31.01.2022, issued the following directions:

> *"229. In the light of the above discussion, these Writ Petitions are allowed subject to the following conditions:*
>
> *i. The petitioners are directed to file their returns for the period prior to the cancellation of registration, if such returns have not been already filed, together with tax defaulted which has not been paid prior to cancellation*

along with interest for such belated payment of tax and fine and fee fixed for belated filing of returns for the defaulted period under the provisions of the Act, within a period of forty five (45) days from the date of receipt of a copy of this order, if it has not been already paid.

ii. It is made clear that such payment of Tax, Interest, fine / fee and etc. shall not be allowed to be made or adjusted from and out of any Input Tax Credit which may be lying unutilized or unclaimed in the hands of these petitioners.

iii. If any Input Tax Credit has remained utilized, it shall not be utilised until it is scrutinized and approved by an appropriate or a competent officer of the Department.

iv. Only such approved Input Tax Credit shall be allowed for being utilized thereafter for discharging future tax liability under the Act and Rule.

v. The petitioners shall also pay GST and file the returns for the period subsequent to the cancellation of the registration by declaring the correct value of supplies and payment of GST shall also be in cash.

vi. If any Input Tax Credit was earned, it shall be allowed to be utilised only after scrutinising and approving by the respondents or any other competent authority.

vii.The respondents may also impose such *restrictions / limitation on petitioners as may be warranted to ensure that there is no undue passing of Input Tax Credit pending such exercise and to ensure that there is no violation or an attempt to do bill trading by taking advantage of this order. viii.On payment of tax, penalty and uploading of returns, the registration shall stand revived forthwith.*

viii. On payment of tax, penalty and uploading of returns, the registration shall stand revived forthwith.

ix. The respondents shall take suitable steps by instructing GST Network, New Delhi to make suitable changes in the architecture of the GST Web portal to allow these petitioners to file their returns and to pay the tax/penalty/fine.

x. The above exercise shall be carried out by the respondents within a period of thirty (30) days from the date of receipt of a copy of this order.

xi. No cost.

xii.Consequently, connected Miscellaneous Petitions are closed."

The same has been consistently thereafter followed by this Court in various decisions, viz.,

a) ***M/s.Maaruthi Foundations Private Limited Vs Deputy Commissioner (ST) (FAC),*** reported in ***2022 (5) TMI 405;***

b) ***J.Jayakrishnan Vs The Additional Chief Secretary/Commissioner of Commercial Taxes, Chennai*** reported in ***2022 (7) TMI 1226;***

c) ***TVL.Jeyalakshmi Store represented by its Proprietor, Sivanu Pandian Vs Commissioner of Commercial Taxes*** reported in ***2022 (7) TMI 1275*** ;

d) ***M/s.Pearl and Company Vs The Commissioner of Commercial Taxes*** in ***W.P(MD)No.19127 of 2022***.

5. In view of the fact that this Court has been consistently following the directions issued in the case of ***Tvl.Suguna Cutpiece Vs Appellate Deputy Commissioner (ST) (GST) and others (W.P.Nos.25048, 25877, 12738 of 2021 etc., batch)*** and the Revenue/Department has also accepted the said view as evident from the fact that no appeal has been filed in any of the matters, this Court intends to follow the above order of this

Court.

6. In view of the same, this Court feels that the benefit extended by this Court in the earlier orders referred to above in *Suguna Cutpiece Centre's case* cited supra, may be extended to the Petitioner.

7. This Writ Petition is ordered on the same terms mentioned in paragraph 229 of the order of *Suguna Cutpiece Centre* (cited *supra)*. No costs. Consequently, connected miscellaneous petition is also closed.

17.10.2022

Index : Yes / No
Speaking Order : Yes / No

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To

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MOHAMMED SHAFFIQ, J.

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