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W.P.No.8193 of 2024

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 26.03.2024

CORAM

THE HONOURABLE MR.JUSTICE SENTHILKUMAR RAMAMOORTHY

Writ Petition No.8193 of 2024

&

W.M.P.No.9143 of 2024

M/s.Angel Label Division & Angel Zippel (HUF),

Represented by its Karta,

No.32, Parasakthi Kovil Street,

Kongu nagar, Tirupur-641 607.

Mr.PADMACHARAN BEHERA

... Petitioner

-VS-

1.The Assistant Commissioner (ST) (FAC),

Tirupur Kongunagar Circle,

Indira Nagar 1st Street,

No.16, Emperor Building,

Avinashi Road, Tirupur-641 603.

2.The Branch Manager,

Federal Bank,

P.B.419 Industrial Finance Branch,

Deepa Complex, Mangalam Road,

Tirupur – 641 604.

... Respondents

PRAYER: Writ Petition filed under Article 226 of the Constitution of

India, pleased to issue a Writ of Certiorarified Mandamus to call for the

records of the first respondent in his proceedings in

GSTIN:33AABHD7353J1ZE/2023/A2, quash the bank attachment notice

dated 24.02.2024 issued to the second respondent therein and further direct

the first respondent to permit the petitioner to remit the interest liability of



W.P.No.8193 of 2024

Rs.68,63,683/- for the period 2018-19 and 2019-20 in fifteen equal monthly installments.

For Petitioner : Mr.P.V.Sudakar

For Respondents : Mr.C.Harsha Raj
Additional Government Pleader for R1

ORDER

A bank attachment notice dated 24.02.2024 is challenged in this writ petition.

2. The petitioner is a registered person under applicable GST enactments. On account of non-filing of returns, the petitioner's GST registration was cancelled by order dated 20.09.2017. Such order was revoked after the petitioner remitted tax dues and filed returns up to to the date of cancellation. Since such tax liability was discharged belatedly, the petitioner became liable to pay interest thereon. As against the total interest liability of Rs.75,84,264/-, a sum of Rs.7,20,581/- was paid by the petitioner leaving a balance of Rs.68,63,683/-.

3. Learned counsel for the petitioner submits that the petitioner is in



W.P.No.8193 of 2024

great financial difficulty and, therefore, requires time for payment of amounts outstanding towards interest. He makes a request that the petitioner be permitted to discharge the interest liability in 15 equal installments.

4. Mr.C.Harsha Raj, learned Additional Government Pleader, accepts notice for the first respondent.

5. By referring to Section 80 of the Tamil Nadu Goods and Services Tax Act, 2017, he submits that the Commissioner is empowered to permit payment of tax in instalments, but such authority does not extend to self assessed tax liability.

6. The admitted position is that the tax liability pertaining to the relevant periods was discharged by the petitioner, albeit belatedly. The petitioner asserts that a sum of about Rs.7.20 lakhs was paid towards discharge of interest liability leaving a balance of about Rs.68 lakhs. By taking into account that the tax liability was discharged and the petitioner also paid about Rs.7.20 lakhs towards interest liability, it is just and appropriate that conditions be imposed subject to which the petitioner is permitted to pay the interest liability in installments.



W.P.No.8193 of 2024

7. Therefore, W.P.No.8193 of 2024 is disposed of on the following

terms:

(i) the petitioner shall pay a sum of Rs.10,00,000/- towards outstanding interest liability on or before 15.04.2024. Subject to and upon receipt of this sum by the first respondent, the impugned bank attachment and garnishee notices issued for recovery of such interest liability shall stand withdrawn.

(ii) The petitioner shall pay the remaining outstanding interest liability in 11 equal monthly installments on or before the 15th of every succeeding month. In case of default, it is open to the first respondent to issue fresh bank attachment or garnishee orders or take any other measures for recovery of dues in accordance with law. Consequently, connected miscellaneous petition is closed. No costs.

26.03.2024

Index : Yes/No

Internet : Yes/No

Neutral Citation : Yes/No

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To



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SENTHILKUMAR RAMAMOORTHY J.



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