



W.P.No.22738 of 2024

IN THE HIGH COURT OF JUDICATURE AT MADRAS

Dated : 06.08.2024

Coram

The Hon'ble Mr.Justice Krishnan Ramasamy

W.P.No.22738 of 2024

and

W.M.P.No.24770 of 2024

M/s.Chendur Film International,
No.134/1, Thilagar Street,
Saligramam, Chennai-600 093
Rep. by Prop.
Sh.Thangaswamy Durai Rajha

...Petitioner

Vs.

1.The Superintendent of GST & Central Excise,
Saligramam Range,
Vadapalani Division,
Newry Rowers, No.2054-I,
II Avenue, Anna Nagar,
Chennai.

2.The Assistant Commissioner of
GST & Central Excise,
Vadapalani Division,
Newry Towers, No.2054-I,
II Avenue, Anna Nagar,
Chennai.

3.The Commissioner of GST & Central Excise,



W.P.No.22738 of 2024

Chennai North Commissionerate,
GST Bhawan, 1, Uttamar Gandhi Road,
Nungambakkam,
Chennai-600 034.

... Respondent

Prayer: This Writ Petition filed under Article 226 of the Constitution of India for issuance of a Writ of Certiorarified Mandamus, calling for the records of the first respondent made in order in REG 19, Reference No.ZA330523009824R dated 03.05.2023 and quash the same and consequently, direct the third respondent to issue Revocation Order.

For Petitioner : Mr.K.Chandrasekaran

For Respondent : Mr.Sai Srujan Tayi
Senior Panel Counsel

ORDER

This Writ Petition has been filed seeking issuance of a Writ of Certiorarified Mandamus to call for the records of the first respondent in Reference No.ZA330523009824R, dated 03.05.2023, and quash the same and, consequently, direct the third respondent to issue Revocation Order.

2. Heard Mr.K.Chandrasekaran, learned counsel appearing for the petitioner and Mr.Sai Srujan Tayi, learned Senior Panel Counsel for the respondents, who takes notice on behalf of the respondents. With consent, the



W.P.No.22738 of 2024

main Writ Petition is taken up for final disposal at the stage of admission itself.

WEB COPY

3. The case of the petitioner is that the petitioner-company, namely M/s.Chendur Film International, is engaged in production of films and duly registered for payment of the Goods and Services Tax (In short, 'GST'). The petitioner had duly filed the GST returns and paid the GST promptly till October 2022. Due to sudden financial crisis, even though the petitioner filed GSTR 1 return under Section 37 of CGST Act 2017 for the month of October 2022, the petitioner could not file GSTR 3B return under Section 39 of the Act and pay the tax. Consequently, the petitioner was unable to file the subsequent monthly returns under both Section 37 (GSTR-1) and Section 39 (GSTR-3B) of CGST Act 2017 due to the statutory bar under Rule 59(6)(a) of CGST Rules 2017. Subsequently, the petitioner on receipt of part amount due of Rs.5,68,61,111/- out of total due of Rs.10 crores from the customer accordingly paid the GST due of Rs.1,02,35,000/- on 21.12.2023 and filed subsequent monthly returns, both GSTR 1 and GSTR 3B along with payment of late fee till April 2023 i.e., till the date of cancellation of the Registration on 20.07.2024. When things stood thus, the petitioner's registration was cancelled. The petitioner made an application dated 28.09.2023, seeking for payment of dues in installments, so far, the third respondent has not passed any orders. Hence, the petitioner filed



W.P.No.22738 of 2024

the present petition to quash the Cancellation Order in Form REG 19 Reference No.ZA330523009824R, dated 03.05.2023 and to direct the third respondent to issue Revocation Order.

4. The learned counsel for the petitioner would submit that due to sudden financial crisis, the petitioner-company was unable to pay the GST for the month of October 2022. Subsequently, the petitioner has cleared all the GST dues. Under these circumstances, the petitioner undertakes to pay all the returns along with other taxes and statutory dues in accordance with law within a period of eight weeks, after the revocation of cancellation of Registration.

5. Mr.Sai Srujan Tayi, learned Senior Panel Counsel for the respondent would submit that, due to default in payment of GST, the petitioner's registration was cancelled on 03.05.2023. The petitioner slept over the issue for over one year and has now approached this Court. Hence, he submitted that any appropriate orders may be passed.

6. It is the case of the petitioner that the default in payment of GST was due to the financial crisis faced by the petitioner. It is not in dispute that the taxable value is Rs.10 crores and the petitioner on receipt of part payment paid



W.P.No.22738 of 2024

GST to the tune of Rs.1,02,35,000/- on 21.12.2023.

WEB COPY

7. Considering the aforesaid facts and the submissions made on either side, this Court is of the view that unless and otherwise the order impugned is set-aside, it is difficult for the petitioner to carry on the business and the State, will not be able to collect the revenues. On the other hand, if the registration is revoked, it will motivate the petitioner to do his business and to pay tax.

8. Taking into consideration all the aspect, this Court is inclined to set-aside the order passed by the first respondent. Hence, the petitioner's GST registration stands restored. Accordingly, the third respondent is directed to restore the GST registration of the petitioner, so as to enable him to file all the returns as well as to remit all the statutory dues in accordance with law. The said revocation can be made within a period of two weeks. Consequent to the revocation of the Registration, the petitioner is directed to file all the returns along with other outstanding statutory dues within a period of eight weeks thereafter.

9. With the above directions, this Writ Petition is disposed of. No costs. Consequently, connected Miscellaneous Petition is closed.



W.P.No.22738 of 2024

06.08.2024

WEB COPY

Speaking/Non-speaking order

Index : Yes / No

Neutral Citation : Yes / No

jd

To

1.The Superintendent of GST & Central Excise,
Saligramam Range,
Vadapalani Division,
Newry Rowers, No.2054-I,
II Avenue, Anna Nagar,
Chennai.

2.The Assistant Commissioner of
GST & Central Excise,
Vadapalani Division,
Newry Towers, No.2054-I,
II Avenue, Anna Nagar,
Chennai.

3.The Commissioner of GST & Central Excise,
Chennai North Commissionerate,
GST Bhawan, 1, Uttamar Gandhi Road,
Nungambakkam,
Chennai-600 034.



WEB COPY



W.P.No.22738 of 2024

Krishnan Ramasamy,J.,
jd

W.P.No.22738 of 2024

06.08.2024