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IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 11.09.2025

CORAM

THE HONOURABLE MR.JUSTICE MOHAMMED SHAFFIQ

W.P. No.34022 of 2025
and
W.M.P.Nos.38184 and 38186 of 2025

Mass Royal Club and Resorts,
Represented by its Proprietor,
Mr.Somasundaram Madhavan,
17/14, Throwpathiamman Koil 1st Street,
Velachery, Chennai 600 042. .. Petitioner

Vs.

1. The Deputy Commissioner (ST),
   Chennai – Central – III,
   No.1, Greams Road, Chennai 600 006.

2. The Assistant Commissioner (ST),
   Pondy Bazaar Assessment Circle,
   No.46, Greenways Road, Chennai 600 028.

3. The Commercial Tax Officer,
   Pondy Bazaar Assessment Circle,
   No.46, Greenways Road, Chennai 600 028.

4. Axis Bank Limited,
   Represented by its Branch Manager,
   37-D, Velachery – Tambaram Main Road,
   Velacherry, Chennai 600 042. .. Respondents

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PRAYER: Writ Petition filed under Article 226 of the Constitution of India, praying to issue a Writ of Certiorarified Mandamus, calling for the records of the 3rd respondent's impugned proceedings bearing Reference No.:ZD330124048351X dated 10.01.2024 and culminating in the 1st respondent's impugned proceedings bearing GSTIN/33AOMMPM8512K1ZN 2024-25 dated 27.05.2025 issued for recovery of a sum of Rs.56,57,706/- (Rupees Fifty Six Lakhs Fifty Seven Thousand Seven Hundred and Six Only)demanded for the period April 2018 to March 2019 and for the period April 2019 to March 2020, quash the same and direct the 1st to 3rd respondents, their officers, men, agents, representatives, assigns and/or anyone claiming under or through them to desist from in any manner claiming, demanding or taking any action or initiating coercive steps against the petitioner and its proprietor to recover the said sum.

For Petitioner : Mr.Arun Anbumani

For R1 to R3 : Mrs.R.Vasanthamala
Government Advocate

ORDER

By consent of both sides, this writ petition is taken up for final disposal at the stage of admission itself.

2. The present writ petition is filed challenging the order of

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assessment dated 10.01.2024 for the assessment year 2019-20 and the consequential demand notice for the period 2018-19 and 2019-20 dated 27.05.2025.

3. Learned counsel for the petitioner would submit that a demand notice was raised for the period 2017-18 and 2018-19 and the same was set aside by this Court with the following directions:

> *"5. Without going to the merits of the case, I feel that a reasonable opportunity has to be given to the writ petitioner. However, at the same, the writ petitioner has to be put on terms, in order to equally safeguardthe interest of the Department.*
>
> *6. Accordingly, this Writ Petition is disposed of on the following terms :*
> *[i] The impugned notice dated 12.04.2024 of the respondent is quashed.*
> *[ii] As a pre condition, the petitioner shall pay 10% of the tax within a period of six weeks from the date of receipt of a copy of this Order.*
> *[iii] The Department shall serve fresh notice on the petitioner within a period of two weeks and thereafter, call for objection and after affording personal hearing and due enquiry, fresh Orders shall be passed in accordance with law and on merits within a period of eight weeks thereafter.*
> *No costs."*

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4. It is submitted that pursuant to the above directions of this Court, 3rd respondent rectified / revised the order for the period 2017-18. However for the period 2018-19 the order remains unaltered even after the above direction of this Court. The present impugned demand notices have been issued for the period 2018-19 and 2019-20, however as stated supra the demand notice for the period 2018-19 is covered by the earlier order of this Court.

5. When this was pointed out, learned counsel for respondents 1 to 3 would submit that for the assessment period 2018-19 the impugned demand notice will be kept in abeyance and appropriate orders would be passed in compliance with the earlier orders of this Court, within a time frame to be fixed by this Court. Agreed to by the learned counsel for the petitioner.

6. It is submitted by the learned counsel for petitioner that for the period 2019-20, they would place reliance upon the recent judgment of this Court in the case of ***M/s.K.Balakrishnan, Balu Cables vs. O/o. the Assistant Commissioner of GST & Central Excise in***

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W.P.(MD)No.11924 of 2024 dated 10.06.2024, to submit that this court has remanded the matter back in similar circumstances subject to payment of 25% of the disputed taxes. It was further submitted that the petitioner is ready and willing to pay 25% of the disputed tax and that they may be granted one final opportunity before the adjudicating authority to put forth their objections to the proposal, to which the learned Government Advocate appearing for the respondents 1 to 3 does not have any serious objection.

7. By consent of both parties, the writ petition stands disposed of on the following terms:

i) Assessment year 2018-19:

a) The impugned demand notice dated 27.05.2025 is set aside.

b) Respondents 1 to 3 are directed to comply with the earlier order of this Court in W.P.No.14160 of 2024 dated 23.05.2024 and pass appropriate orders within a period of 4 weeks from the date of uploading of web copy without waiting for the receipt of certified copy.

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ii) Assessment year 2019-20:

a) The impugned order dated 10.01.2024 and demand notice dated 27.05.2025 are set aside.

b) The petitioner shall deposit 25% of the disputed taxes as agreed to by both the learned counsel for the petitioner and the respondent, within a period of four weeks from the date of uploading of web copy without waiting for the receipt of the certified copy.

c) If any amount has been recovered or paid out of the disputed taxes, including by way of pre-deposit in appeal, the same would be reduced/adjusted, from/towards the 25% of disputed taxes directed to be paid. The assessing authority shall then intimate the balance amount out of 25 % of disputed taxes to be paid, if any, within a period of one week from the date of uploading of web copy without waiting for the receipt of the certified copy. The petitioner shall deposit such remaining sum within a period of three weeks from such intimation.

d) Failure to comply with the above condition viz., payment of 25% of disputed taxes within the stipulated period i.e., four weeks from the date of uploading of web copy of this order, shall result in restoration

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of the impugned order.

e) If there is any recovery by way of attachment of Bank account or garnishee proceedings, the same shall be lifted /withdrawn on complying with the above condition viz., payment of 25 % of the disputed taxes.

f) On complying with the above condition, the impugned order of assessment shall be treated as show cause notice and the petitioner shall submit its objections within a period of four (4) weeks from the date of compliance of the conditions relating to deposit in Clause (b) and (c) supra, along with supporting documents/material. If any such objections are filed, the same shall be considered by the respondent and orders shall be passed in accordance with law after affording a reasonable opportunity of hearing to the petitioner. It is made clear that if the above conditions viz., payment of 25% of disputed taxes is not complied or objections are not filed within the stipulated time as stated above the impugned order of assessment shall stand restored.

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8. There shall be no order as to costs. Consequently, connected miscellaneous petitions are closed.

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Speaking (or) Non Speaking Order
Index:Yes/No
Neutral Citation: Yes/No
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To:

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MOHAMMED SHAFFIQ, J.

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