



W.P.Nos.34656, 34661, 34665, 34670, 34676 & 34679 of 2024

IN THE HIGH COURT OF JUDICATURE AT MADRAS

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Dated : 07.04.2025

CORAM

THE HON'BLE Mr. JUSTICE KRISHNAN RAMASAMY

W.P.Nos.34656, 34661, 34665, 34670, 34676 & 34679 of 2024
& W.M.P.Nos.37583, 37585, 37590, 37592, 37597, 37598, 37605,
37606, 37607, 37609, 37612 & 37613 of 2024

Tvl.Green Star Recreation Club,
Rep by its Secretary, Arun Vijay,
Regd No.122/2008, S.F.No.503/1,
Palayanji Palayam, Pirivu Dharapuram Road,
Tiruppur 641 608.

... Petitioner in all petitions

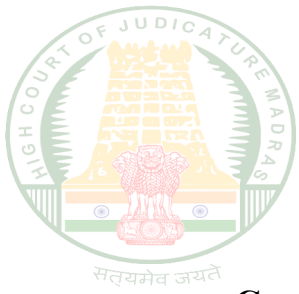
Vs.

1.The State Tax Officer,
Anupparpalayam Assessment Circle,
Tiruppur I, No.16, Emberar Building,
Indira Nagar, Avinashi Salai,
Tiruppur 641 003

2.The Joint Commissioner (State Tax),
Intelligence CT Annexe Building,
160/161, Meenakshi Sundaranar Road,
Erode 638 001

3.District Manager,
Tamil Nadu State Marketing Corporation Ltd.,
Having Office at Tamil Nadu Ware Housing Corporation,
Angeripalayam, Tiruppur 641 602

... Respondents in all petitions



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Common Prayer:

Writ Petition filed under Article 226 of the Constitution of India praying to issue a Writ of Certiorarified Mandamus, to call for the records pertaining to the impugned proceedings of the 1st respondent

i) in TIN .No. 33842396354/2022-2023 dated 23.09.2024 annexed with a Notice of Assessment and Demand in TIN. No. 33842396354(Assessment Year 2022-2023) for a sum of Rs. 39,192/-, a Notice of Assessment and Demand in TIN. No. 33842396354(Assessment Year 2022-2023) for a sum of Rs. 22,085/- towards interest, a Notice of Penalty in TIN. No. 33842396354(Assessment Year 2022-2023) for a sum of Rs. 58,788/-, and the consequential impugned notice in TIN. No. 33842396354/2022-23 dated 24.10.2024

ii) in TIN .No. 33842396354/2020-2021 dated 23.09.2024 annexed with a Notice of Assessment and Demand in TIN. No. 33842396354(Assessment Year 2020-2021) for a sum of Rs. 73,16,742/-, a Notice of Assessment and Demand in TIN. No. 33842396354(Assessment Year 2020-2021) for a sum of Rs. 76,35,070/- towards interest, a Notice of Penalty in TIN. No. 33842396354(Assessment Year 2020-2021) for a sum of Rs. 1,09,75,113/-, and the consequential impugned notice in TIN. No. 33842396354/2020-21 dated 24.10.2024



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iii) in TIN .No. 33842396354/2019-2020 dated 23.09.2024 annexed with a Notice of Assessment and Demand in TIN. No. 33842396354(Assessment Year 2019-2020) for a sum of Rs. 54,07,917/-, a Notice of Assessment and Demand in TIN. No. 33842396354(Assessment Year 2019-2020) for a sum of Rs. 69,44,654/- towards interest, a Notice of Penalty in TIN. No. 33842396354(Assessment Year 2019-2020) for a sum of Rs. 81,11,876/-, and the consequential impugned notice in TIN. No. 33842396354/2019-20 dated 24.10.2024

iv) in TIN .No. 33842396354/2018-2019 dated 23.09.2024 annexed with a Notice of Assessment and Demand in TIN. No. 33842396354 (Assessment Year 2018-2019) for a sum of Rs. 47,98,002/-, a Notice of Assessment and Demand in TIN. No. 33842396354 (Assessment Year. 2018-2019) for a sum of Rs. 73,12,944/- towards interest, a Notice of Penalty in TIN. No. 33842396354(Assessment Year 2018-2019) for a sum of Rs. 71,97,003/-, and the consequential impugned notice in TIN. No. 33842396354/2018-19 dated 24.10.2024

v) in TIN .No. 33842396354/2021-2022 dated 23.09.2024 annexed with a Notice of Assessment and Demand in TIN. No. 33842396354(Assessment Year 2021-2022) for a sum of Rs. 1,17,69,601/-, a Notice of Assessment and Demand in TIN. No. 33842396354(Assessment Year 2021-2022) for a sum of Rs. 94,56,955/- towards interest, a Notice of Penalty in



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TIN. No. 33842396354(Assessment Year 2021-2022) for a sum of Rs. 1,76,54,402/-, and the consequential impugned notice in TIN. No. 33842396354/2021-22 dated 24.10.2024

vi) in TIN .No. 33842396354/2017-2018 dated 23.09.2024 annexed with a Notice of Assessment and Demand in TIN. No. 33842396354(Assessment Year 2017-2018) for a sum of Rs. 23,85,996/-, a Notice of Assessment and Demand in TIN. No. 33842396354(Assessment Year 2017-2018) for a sum of Rs. 42,09,289/- towards interest, a Notice of Penalty in TIN. No. 33842396354(Assessment Year 2017-2018) for a sum of Rs. 35,78,994/-, and the consequential impugned notice in TIN. No. 33842396354/2017-18 dated 24.10.2024

and quash the same as illegal and consequently, direct the 3rd respondent to resume the supply of alcoholic liquor to the petitioner club.

For Petitioner
in all petitions

: Mr.Sricharan Rangarajan, Sr.counsel,
for Mr.N.S.Amogh Simha

For Respondent
in all petitions

: Mr.C.Harsha Raj,
Special Government Pleader, R1&2
Mr.M.Sekar,
Standing counsel for R3



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COMMON ORDER

These writ petitions have been filed challenging the impugned orders dated 23.09.2024 passed by the respondent.

2. The learned Senior counsel appearing for the petitioner would submit that in these cases, the respondent had conducted the inspection at the petitioner's premises on 21.06.2023. After the said inspection, a show cause notice was issued by the respondent, whereby they had called for the following documents:

- i) Income Tax returns filed for the FY 2018-19;
- ii) Profit and Loss account and balance sheet for the FY 2018-19;
- iii) Purchase and Sales details for the FY 2018-19;
- iv) FL3 Register for the FY 2018-19;
- v) Bank Statement for the FY 2018-19;
- vi) Details of club members Registration details (old & new);

3. Further, he would submit that except the calling for the aforesaid records, the respondent had not raised any other allegations,



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against the petitioner, with regard to the sale of liquors to the outsiders, who are other than its members. However, the petitioner had not filed any reply for the said show cause notice. Under these circumstances, the impugned order came to be passed by the respondent.

4. Per contra, the learned Special Government Pleader and the learned Standing counsel appearing for the respondents would submit that there is no dispute on the aspect that the petitioner is exempted from payment of tax for the sale of liquors to its members. However, it does not mean that the respondent has no power to inspect the petitioner's premises and verify as to whether any sale has been made to the outsiders, other than its members. Due to some suspicion, the respondent had conducted a surprise inspection at the petitioner's premises and thereafter, issued a show cause notice calling for the aforementioned documents. However, the said documents were not produced by the petitioner. Under these circumstances, the impugned order came to be passed. Hence, he requests this Court to pass appropriate orders.



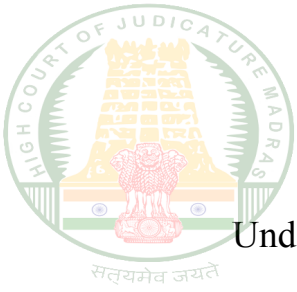
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5. In reply, the learned Senior counsel appearing for the petitioner would submit that now the petitioner is ready to furnish all the documents and hence, he requests this Court to set aside the impugned orders.

6. Heard the learned Senior counsel for the petitioner and the learned Special Government Pleader and the learned Standing counsel appearing for the respondents and also perused the materials available on record.

7. In the cases on hand, there is no dispute on the aspect that the petitioner, being a social club, is exempted from the payment of tax for the sale of liquor to its members. However, due to some suspicion, the respondent had conducted a surprise inspection at the petitioner's premises. After the said inspection, they issued a show cause notice to the petitioner calling for some documents as stated above. However, the petitioner had neither filed their reply nor produced the said documents.



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Under these circumstances, the impugned order came to be passed by the respondent.

8. As contended by the respondent, though the petitioner is an exempted entity, it does not mean that the respondent has no power to inspect the petitioner's premises. Hence, when the respondent sought for some documents, it is the duty of the petitioner to provide the same before the respondent for scrutiny. In the absence of those documents, the respondent will not be able to conclude the issue.

9. Further, it was submitted by the petitioner that now, they are intend to file all the documents, which were sought for by the respondents. Therefore, considering the submissions made by the petitioner and in the interest of justice, this Court is inclined to provide an opportunity to the petitioner to produce the documents, along with reply, which were sought for by the respondent. Accordingly, this Court passes the following orders:

i) The impugned orders dated 23.09.2024 are set



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aside and the matters are remanded back to the 1st respondent for fresh consideration.

ii) The petitioner is directed to file their reply along with all the relevant documents, within a period of 4 weeks from the date of receipt of a copy of this order.

iii) Thereafter, the respondent is directed to consider the reply filed by the petitioner and pass fresh orders, after providing sufficient opportunity to the petitioner, as expeditiously as possible.

10. With the above directions, these writ petitions are disposed of.

No costs. Consequently, the connected miscellaneous petitions are also closed.

07.04.2025

Speaking/Non-speaking order

Index : Yes / No

Neutral Citation : Yes / No

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To

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KRISHNAN RAMASAMY.J.,

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and W.M.P.Nos.37583, 37585, 37590, 37592, 37597,
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(1/2)