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IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 24.11.2025

CORAM :

THE HONOURABLE MR.JUSTICE C.SARAVANAN

W.P.No.45838 of 2025
and
W.M.P.Nos.51083, 51084, 51085 & 51086 of 2025

M/s. JSM Logistics Pvt. Ltd.,
Represented by its Managing Director,
Mr.Jahir Hussain M.,
No.1, and 1A, U.R.Nagar Extension
Anna Nagar West, Chennai 600 101. ... Petitioner

Vs.

1. The Commissioner of Commercial Taxes,
   O/o. Commissioner of Commercial Taxes,
   Nandanam, Chennai – 600 035.
2. The Deputy Commissioner (ST),
   Chennai Central – I,
   No.1, Greams Road, 3rd floor,
   Papjm Building, Chennai – 600 006.

... Respondents

Prayer: Writ Petition filed under Article 226 of the Constitution of India, for issuance of a Writ of Certiorarified Mandamus, calling for the records pertaining to the impugned intimation notice dated 28.08.2025 bearing R2/9331824/2025, issued by the first respondent and the consequential impugned attachment notice dated 04.11.2025 bearing GSTIN:33AABCJ3840P1ZE/2020-21, issued by the second respondent and

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quash the same and to further permit the petitioner to pay the outstanding dues in twelve months installments.

For Petitioner : Mr.Hari Radhakrishnan

For Respondents : Mr.V.Prashanth Kiran
Government Advocate

ORDER

Mr.V.Prashanth Kiran, learned Government Advocate, takes notice for the Respondent.

2. This Writ Petition is being disposed of at the time of admission with the consent of the learned counsel for the Petitioner and learned Government Advocate for the Respondent.

3. In this Writ Petition, the Petitioner has challenged the impugned order dated 28.08.2025, bearing reference R2/9331824/2025. The petitioner has also challenged the Garnishee order dated 04.11.2025, bearing reference GSTIN:33AABCJ3840P1ZE/2020-21.

4. The petitioner's request for payment of arrears of tax for the tax period 2020-2021 has been rejected by invoking the provisions of Rule 158B(3) and Rule 158(3)(a) of the GST Rules, 2017.

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5. The operative portion of the impugned order rejecting the petitioner's request for payment of tax in monthly installments for the tax period 2020-2021, pursuant to the application dated 21.12.2024 filed under Section 80 of the TNGST Act, 2017, reads as under:-

> *"2.11) As per Rule 158(3)(b) of the TNGST Rules 2017, "the taxable person should not have already defaulted on the payment of any amount under the Act or the Integrated Goods and Services Tax Act, 2017 or the Union Territory Goods and Services Tax Act, 2017 or any of the State Goods and Services Tax Act, 2017", for which the recovery process is on.*
>
> *2.12) From the above, it is evident that you should not have defaulted under any of the State Goods and Services Tax Act, 2017. In order to verify this fact, the PAN has been verified and found that you have obtained registration in the States of Uttar Pradesh, Himachal Pradesh, Karnataka and Assam. Except Karnataka and Tamil Nadu, in all other States, the registration is inactive which means that there is more scope of default in tax in all these States for the following reasons:-*
>
> ***UP Registration: (09AABCJ3840P1Z5)**: Registration obtained on 15-07-2017, Registration cancellation initiated suo-moto on 15-12-2020 by proper officer of that State- Returns not filed from December 2019 to December 2020.*
>
> ***Himachal Pradesh Registration: (02AABCJ3840P1ZJ)**: Registration obtained on 26-07-2017; Registration cancellation initiated suo-moto on 28-12-2019 by proper officer of that State- Returns not filed since the date of Registration.*
> ***Assam State Registration:(18AABCJ3840P126):** Registration obtained on 14-07-2017, Registration cancellation initiated suo-moto on 30-12-2019 by proper officer of that State- Returns not filed since the date of Registration.*
>
> *2.13) As the registration pertains to other states, it is difficult to identify whether you are in arrears of tax in those States. However,*

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from the above, it is evident that there is default in payment of tax due to the respective States. Thus on the face of it, it is established that the conditions stated in Rule 158 is not satisfied.

2.14) In view of the above, you are hereby informed that, as per the provisions of the TNGST Act, 2017 and the Rules made thereunder, your request to permit payment of tax dues in monthly instalments is not feasible for compliance."

6. The learned counsel for the petitioner today produced a copy of the worksheet to show that, out of the total tax liability together with interest, the petitioner has substantially reduced a part of the tax liability, and that a sum of Rs.78,84,688/- remains unpaid till date. It is submitted that the petitioner has approached the respondents for payment of arrears of tax along with interest in installments, through an application dated 21.12.2024 under Section 80 of the TNGST Act, 2017.

7. The learned counsel for the petitioner submits that, out of the total tax liability of Rs.10,74,759/- + Rs.97, 45, 775/-, the petitioner has paid a sum of Rs.29,35,846/- (Rs.10,74,759/- + Rs.18,61,087/-), which amounts to approximately 25% of the arrears, and the balance that is payable is Rs.78,84,688/-.

8. On the other hand, the learned Government Advocate for the respondents draws attention to the notice in Form GST DRC-13 dated 04.11.2025, as per which the amount due is Rs.97,65,641/-.

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9. At this stage, the learned counsel for the petitioner submits that the impugned order has been passed without due notice to the petitioner, and that in respect of the demand confirmed for the GST Registration obtained at Allahabad, the petitioner has secured an interim order in Writ Tax No.1090 of 2025 on 19.03.2025, which remains in force till date. As for the registration in the other State is concerned, it is stated that the petitioner had obtained GST registration with the hope of supplying goods to a unit being established. However, no work order has been issued till date and as such there is no liability.

10. The learned counsel for the petitioner further submits that the petitioner is primarily engaged in the logistics business and that one of the customers availing the petitioner's services has been issued a notice under Section 79 (1) (c) in Form GST DRC-13 dated 04.11.2025, thereby disrupting the petitioner's operations. It is further submitted that the petitioner employs more than 350 employees who are dependent on the petitioner, and that the petitioner logistic business is on the verge of complete collapse, resulting in the inability to pay salaries, which demonstrates the petitioner's bonafide.

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11. The learned counsel for the petitioner further submits that the petitioner will discharge an additional tax liability for sum of Rs.5,00,000/- within a period of two weeks from today. It is contended that the embargo under Rule 158(3)(a) applies only to pending recovery proceedings, and since the recovery proceedings have been stayed by the order of the Allahabad High Court dated 19.03.2025 in Writ Tax No.1090 of 2025, invocation of Rule 158(3)(a) is without merits. It is also submitted that the respondents may verify whether any tax liability exists under the petitioner's GST registration in any other State. It is submitted that if any such liability exists, the same may be considered during the disposal of the matter after granting a personal hearing.

12. The learned Government Advocate for the respondents submits that the petitioner is in arrears of tax for the period 2020-2021 and, therefore, the petitioner's request was not entertained. It is further submitted that the petitioner has not furnished details of any of recovery proceedings that are pending against the petitioner in other States. Hence, it is submitted that the impugned order does not suffer from any infirmity to warrant an interference.

13. Having considered the submissions made by the learned counsel for the petitioner and the learned Government Advocate for the respondents, the

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writ petition is disposed of and the case is remitted back to the first respondent to pass a fresh order on merits after affording an opportunity of personal hearing to the petitioner. The petitioner shall, however, deposit an additional sum of Rs.5,00,000/- within a period of two weeks from the date of receipt of a copy of this order. Subject to such payment, all further proceedings pursuant to Form GST DRC-13 dated 04.11.2025 shall be kept in abeyance.

14. This Writ Petition stands disposed of with the above observations. No costs. Connected Writ Miscellaneous Petitions are closed.

24.11.2025

Index : Yes/No
Neutral Citation : Yes/No

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To:

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   O/o. Commissioner of Commercial Taxes,
   Nandanam, Chennai – 600 035.

2. The Deputy Commissioner (ST),
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