



W.P.(MD) No.15517 of 2018

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BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED : 03.09.2025

CORAM:

THE HONOURABLE MS.JUSTICE P.T.ASHA

W.P.(MD) No.15517 of 2018

and

W.M.P(MD)No.13970 of 2018

M/s.Dhanalakshmi Timbers,
No.1/506, Tenkasi-Shenkottai Road,
Piranoor Border, Shenkottai,
Tirunelveli District-627 809,
Represented by its Partner,
G.Shenbagaraman.

.. Petitioner

Vs.

The Tahsildar,
Shenkottai,
Tirunelveli District.

.. Respondent

Prayer: Writ Petition filed under Article 226 of the Constitution of India, praying for issuance of Writ of Certiorari, to call for the records relating to the proceedings of Respondent dated 23.04.2018 and consequential proceeding dated 07.06.2018 both in Na.Ka.m9/6491/12 and quash the same.

For Petitioner : M/s.P.Kamali Pushpamary
for Mr.N.Dilip Kumar



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For Respondent : Mrs.D.Farjana Goushia
Special Government Pleader

ORDER

The above writ petition is filed seeking to quash the proceeding of the respondent, dated 23.04.2018 and the consequential proceeding, dated 07.06.2018.

2. It is the case of the petitioner that the petitioner Firm is involved in timber business and it also had business operations in Kerala. The petitioner was issued VAT assessment orders on 10.09.2013 for the years 2005-06, 2006-07 and 2007-08, wherein a total vat of Rs.11,25,918/- was demanded. Challenging these assessment orders, the petitioner had filed appeals in KVATA Nos.839, 840 and 841 of 2013. These appeals were dismissed by the appellate authority on 04.01.2016. Challenging the same, the petitioner had filed appeals before the Kerala Value Added Tax Appellate Tribunal on 31.01.2018 along with applications for interim stay. As they were not taken up for consideration, the petitioner had moved WP(C) No.5903 of 2018 before the Hon'ble High Court of Kerala at Ernakulam. The petition was disposed of on 22.02.2018 with direction



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to the tribunal to pass orders on the stay application within a period of two months and further ordered that no coercive steps shall be taken till the disposal of those applications. However, no orders of stay were passed and they are pending to date.

3. Meanwhile, the Commercial Tax Officer, Punalur, Kerala passed an order of penalty against the petitioner for the year 2006-07 on 31.01.2011 to a tune of Rs.12,53,418/-. The petitioner had filed an appeal before the Department of Commercial Taxes, Kerala on 12.02.2013 which was rejected by the Deputy Commissioner of Appeals on 28.10.2017. Challenging the same, the petitioner had filed WP (C) No. 6071 of 2018 and by an order, dated 12.03.2018, the Hon'ble High Court of Kerala was pleased to allow the writ petition and set aside the order passed by the appellate authority. In this background, revenue recovery proceeding under Section 25 of the Tamil Nadu Revenue Recovery Act, 1864 has been initiated by the respondent on the ground that the petitioner had failed to pay VAT arrears. The order of the Hon'ble High Court of Kerala was produced and the tax authority from Kerala had also



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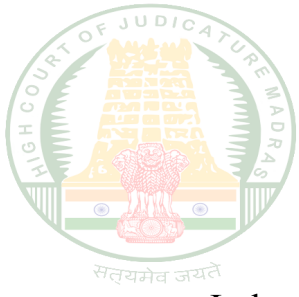
written to the respondent indicating that the Kerala High Court had stayed the VAT demands, despite which the impugned order has been issued. Therefore, the petitioner is before this Court.

4. From perusal of the records, it is seen that three assessment orders have been stayed by the Hon'ble High Court of Kerala by an order, dated 22.02.2018 and the order passed by the Deputy Commissioner (Appeals), Kerala State GST Department, Kollam has been set aside by the Hon'ble High Court of Kerala in WP (C) No.6071 of 2018. Therefore, revenue recovery proceedings initiated is contrary to the above stay order as well as the order passed by the Hon'ble High Court of Kerala and the same is totally misconceived.

5. Hence, the impugned orders, dated 23.04.2018 and 07.06.2018 are set aside and the Writ Petition stands allowed. No costs. Consequently, connected Miscellaneous Petition is closed.

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NCC : Yes/No



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Internet : Yes

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To

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P.T.ASHA, J.

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