BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: 28.01.2026

CORAM:

THE HONOURABLE **DR.JUSTICE G. JAYACHANDRAN**
AND
THE HONOURABLE **MR.JUSTICE K.K. RAMAKRISHNAN**

W.A.(MD)No.57 of 2026
and
C.M.P.(MD)No.679 of 2026

M/s.V.K.Palappa Nadar Poultry Farms Pvt., Ltd.,
Represented by its Director, K.Anandhakrishnan,
1/278-Kamaraj Nagar Street,
Dhalavipuram-626 188,
Virudhunagar District. ...Appellant

Vs.

1.The Superintendent of CGST
& Central Excise,
Rajapalayam II Range,
1/15-Shenbaga Thoppu Road,
Rajapalayam-626 117.

2.The Assistant Commissioner of CGST
& Central Excise,
Rajapalayam Division,
1/15-Shenbaga Thoppu Road,
Rajapalayam-626 117.

3.The Commissioner of CGST &
Central Excise,
Central Revenue Buildings,
GST Bhavan,
No.4-Lal Bahadur Shastri Road,
Bibikulam, Madurai-625 002.

4.The Sub Registrar,
Office of the Sub Registrar,
Rajapalayam. ... Respondents

PRAYER:- Writ Appeal – filed under Clause 15 of the Letters Patent, to set aside the order passed in W.P.(MD)No.403 of 2025 dated 12.11.2025.

For Petitioner : Mr.S.Renganathan
For Respondent : Mr.R.Gowri Shankar
Senior Panel Counsel (R1 to R3)
Mr.V.Om Prakash (R4)
Government Advocate

JUDGMENT

(Judgment of the Court was delivered by **DR.G.JAYACHANDRAN, J.)**

M/s.V.K.Palappa Nadar Poultry Farms Pvt., Ltd., represented by its Director filed the writ petition seeking prohibition directing the respondents 1 to 3 from proceeding with the recovery process against the properties of the petitioner's company. The order in original was passed by the Commissioner of General Excise on 17.02.2009 in respect of the default in payment of excise duty after conducting surprise check of the following terms:

i.V.K.P.K Arivuthurai and Brothers, 3/72 Samanthapuram Muslim Street, Rajapalayam (hereinafter referred to as VKPKA & Bros) *ii.V.K. Palappanadar and Co, 1/281, Rajapalayam Main Road, Dhalavaipuram (hereinafter referred to as VKP & Co)*

iii.V.K.P.K Ammaiyappan & Brothers, Kadayanallur (hereinafter referred to as VKPKAm & Bros)

(iv)V.K Palappanadar Firm, Dhalavaipuram (hereinafter referred to as VKP Firm).”

2.The said order has ultimately led to issuance of communication to the Sub Registrar, Rajapalayam on 17.02.2023, wherein it has been informed that sinces an offence case has been registered agaisnt M/s.V.K.P.K.Arivuthurai and Brothers and M/s.Palappa Nadar Firm by the General Excise Department and subsequently, the case was adjudicated and orders were passed against them in respect of default in payment of tax to the tune of Rs.1.78 Crores, the properties stood in the name of V.K.Palappa Nadar Firm listed shall be frozen from sale, mortgage and transfer of title to anyone until further orders.

3.Contending that the property now sought to be frozen by the order does not belong to the writ petitioner and the writ petition is no way connected with the alleged liability of default. Hence, the writ petition filed seeking issuance of writ of direction.

4.The learned Single Judge after going through the records and relied sought had passed the following order:

> "*2. It is not in dispute that V.K.P.K.Arivuthurai & Brothers and M/s.V.K.Palappa Nadar Firm are defaulting assessees. In order to recover the tax dues, the Department has proceeded against the petition mentioned properties (20 in number). The stand of the petitioner is that all the attached properties do not belong to the defaulting assessees and that they belong to the writ petitioner company which is a separate entity in law.*
>
> *3.This writ petition has been filed in the nature of writ of prohibition. The petitioner is yet to produce all the relevant materials before the authority concerned. I therefore permit the petitioner to go before the Commissioner of CGST & Central Excise, Central Revenue Buildings, GST Bhavan, No.4, Lal Bahadur Sastri Road, Bibikulam, Madurai-625 002 and place all the materials available with them. The authority concerned will afford an opportunity of personal hearing. Proper enquiry shall be held. A speaking order shall be passed as to whether to accept the claim of the writ petitioner or not. The impugned attachment will abide by the said order to be passed. It is needless to mention that no further coercive action shall be taken by the department till the conclusion of the enquiry against the petitioner. This writ petition stands disposed of on these terms. No costs. Consequently, connected miscellaneous petition is closed.*"

5.Being aggrieved, the writ petitioner has preferred the present intra court appeal stating that the appellant has made a clear case that levy of assessment against the appellant and the adjudication of the property of the appellant is without jurisdiction. Hence, the recovery proceedings in terms of Section 11 of the Central Excise Act, 1944 r/w Section 142 of Customs Act is void ab initio. It is specifically contended by the appellant that the appellant is a separte legal entity and the company, which is at default is a separate legal entity. The liability of the defaulted company cannot be fasten agaisnt the appellant company.

6.This Court on perusing the record finds that ever since 2009, when the order in original was issued by the Commissioner of Central Excise, pursuant to the surprise check of stock and accounts of four companies mentioned above, the appellant herein being part and parcel of the defaulted company and was proceeded and there have been various sort of adjudication before issuing communication to the Sub Registrar to freeze the property from any transaction. If at all the appellant has any ground to question the order, the proper forum must be the authority, who has passed the order and seek to revisit of the order by placing all the records available with him.

7.The writ Court has rightly considered the legal matrix in this case and has disposed of the writ petition at the same time, the appellant has been given protective umbrella till the Commissioner of CGST General Excise passes the speaking order on its representation after giving personal opportunity, there shall not be any coercive action. We find that the interest of the petitioner is well protected by the restraint order passed by the learned Single Judge. At the same time, the interest of the revenue is also to be equally protected and for that reason alone the order freezing the transaction of the appellant's property is a proper order.

8.Therefore, we find no merits in this writ appeal. Hence, this writ appeal stands dismissed. Consequently, connected miscellaneous petition is closed. There shall be no order as to costs.

[G.J., J.] & [K.K.R.K., J.]
28.01.2026

Index :Yes/No
Internet :Yes
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To

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AND
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