CNR : KLHC010512652026

2026:KER:60441

IN THE HIGH COURT OF KERALA AT ERNAKULAM

PRESENT

THE HONOURABLE MR.JUSTICE ZIYAD RAHMAN A.A.

THURSDAY, THE 6TH DAY OF AUGUST 2026 / 15TH SRAVANA, 1948

WP(C) NO. 23689 OF 2026

PETITIONER:

O.P.BIJU,
AGED 53 YEARS,
OTTAKANDATHIL HOUSE, KUMARAMANGALAM,
PARAVOOTHARA, CHENNAMANGALAM P.O., ERNAKULAM,
PIN – 683 513.

BY ADVS. SRI.P.S.SOMAN
SMT.S.VEENA
SMT.T.RADHAMONY

RESPONDENTS:

1 SUPERINTENDENT,
CENTRAL TAX AND CENTRAL EXCISE PARAVUR RANGE,
VATHIATTU TOWER THOTTAKKATTUKARA, ALUVAND, PIN – 683 108.

2 THE COMMISSIONER,
CENTRAL GOODS AND SERVICE TAX KOCHI COMMISSIONERATE, CR BUILDING, I S PRESS ROAD,
ERNAKULAM, PIN – 682 018.

3 THE BRANCH MANAGER,
THE FEDERAL BANK LTD., NORTH PARAVUR BRANCH,
SUNNY TOWER, CHENNAMANGALAM JUNCTION,
ERNAKAULAM, PIN – 683 513.

4 THE DEPUTY COMMISSIONER,
CENTRAL TAX AND CENTRAL EXCISE, ALUVA DIVISION,
VATHIATTU TOWER, THOTTAKKATTUKARA,
ALUVA, PIN – 683 108.

5 UNION OF INDIA,
REPRESENTED BY THE SECRETARY, MINISTRY OF FINANCE, DEPARTMENT OF REVENUE, NORTH BLOCK, NEW DELHI, PIN – 110 001.

BY ADVS.
SRI.P.T.DINESH
SHRI.NAVANEETH.N.NATH, CGC

THIS WRIT PETITION (CIVIL) HAVING COME UP FOR ADMISSION ON 06.08.2026, THE COURT ON THE SAME DAY DELIVERED THE FOLLOWING:

JUDGMENT

The petitioner is a registered taxpayer under the provisions of CGST/KSGST Act. The grievances of the petitioner that are highlighted in this writ petition pertain to the denial of the installment facility to the petitioner to pay off interest payable by the petitioner. Earlier, based on the return submitted by the petitioner, even though belatedly, the assessment was completed as per Ext.P1 order, thereby fixing the liability upon the petitioner. Although, the same was rectified by Ext.P2 order, there was no difference in the amount demanded.

2. The petitioner had paid the amount covered as per Exts.P1 and P2 including all the interest and penalty mentioned therein. However, the petitioner was subsequently issued with Ext.P4 notice intimating that, a further sum of Rs.6,31,920/- is due to the petitioner, as the petitioner failed to pay the certain amount towards the interest portion covered by Exts.P1 and P2. Thereupon, the petitioner submitted Ext.P6 application seeking an installment facility, invoking Section 80 of the CGST Act. However, as per Ext.P7, the petitioner was informed that the

application submitted by the petitioner before the Commissioner, CGST, Kochi Commissioner was rejected by the Commissioner declining the request. Therefore, the petitioner was required to pay the amount in lump sum. In these circumstances, the petitioner approached this Court seeking the following reliefs:

> "i. Call for the records leading to Exhibit-P4 reminder letter and quash the same by issuing a Writ of Certiorari or any other appropriate writ, direction or order;
> ii. Issue a Writ in the nature of Mandamus or any other appropriate Writ or order directing the 1st Respondent permitting the Petitioner to remit the arrears in Exhibit-P4 reminder letter in Twenty Four monthly installments;
> iii. Issue a Writ in the nature of Mandamus or any other appropriate Writ or order directing the 1st and 3rd and 4th Respondents to keep in abeyance the recovery proceedings pursuant to Exhibit-P4 reminder letter;
> iv. Issue a Writ in the nature of Mandamus or any other appropriate Writ or order directing the 3rd and 4th Respondents to lift the freezing of the bank account Numbers 11255500313223 and 11250100369782 of the Federal Bank, North Paravur Branch.

v. To dispense the filing of translation of the vernacular document.

And

vi. Pass such other orders as the Hon'able Court deems justified in the facts and circumstances of the case."

3. The specific case of the petitioner is that, even though an order rejecting the application of the petitioner has been referred to in Ext.P7, the same was not served upon the petitioner as well.

4. A counter affidavit has been submitted on behalf of respondents 1, 2 and 4. Along with the said counter affidavit, Ext.R1(a), which is the financial stability report of the petitioner submitted by the Deputy Commissioner to the Commissioner, based on which the application of the petitioner was rejected, was produced. It is asserted in the counter affidavit that, the financial credentials of the petitioner were examined and scope of the powers conferred upon the Commissioner under Section 80 of the CGST Act for granting the facility of payment in installments was also examined. The order rejecting the application for installment was rejected in such circumstances, it was pointed out.

5. I have heard the learned counsel for the petitioner and the learned Senior standing counsel for the respondents. Of course, it is true that contention raised by the learned Senior standing counsel is to the effect that, the petitioner is not entitled to get the installment facility under Section 80 of the CGST Act. However, from the materials on record, it is discernible that the petitioner has already remitted the entire amount covered by Exts.P1, P2 and P4. Therefore, without going into the question of the powers of the Commissioner or the circumstances under which the application of the petitioner seeking installment facility was rejected, I am inclined to grant installment facility to the petitioner, taking note of the fact that immediately after receipt of Exts.P1 and P2, the petitioner had cleared the liability specified therein. This is particularly because, the petitioner is also highlighting financial difficulties in making the payments. Although there is finding in Ext.R1(a) report that the petitioner is financially stable, such an assessment is based on the business income of the petitioner and in fact the same as such may not be a correct criteria to conclusively determine the financial stability of a person.

Therefore, I am of the view that, an installment facility can be granted, by taking note of the peculiar circumstances of this case and also considering the *bona fides* of the petitioner by making the payments covered by Exts.P2 and P3.

Accordingly, this writ petition is disposed of, directing the petitioner to remit the amount covered by Ext.P4 in fifteen equal monthly installments. The first installment shall become due on the 5th day of September 2026 and the remaining installments would become payable on the 5th day of succeeding months. It is clarified that, in case of any default on the part of the petitioner in making the payment of any of the installments, this facility shall stand canceled. In such event, it shall be open to the respondents to initiate appropriate proceedings for realizing the amount in lump sum. On payment of the first installment and executing a bond, the bank account of the petitioner shall be defreezed.

Sd/-

ZIYAD RAHMAN A.A.

JUDGE

DG/6.8.26

APPENDIX OF WP(C) NO. 23689 OF 2026

PETITIONER EXHIBITS

Exhibit P1	TRUE COPY OF THE ORDER-IN-ORIGINAL NO. 55/2024- 25-GST DATED 24-2-2025 ISSUED BY THE 1 ST RESPONDENT ALONG WITH THE DEMAND NOTICE DRC 07
Exhibit P2	TRUE COPY OF THE RECTIFICATION ORDER NO. 01/2025-26- GST-REC DATED 14-7-2025 ISSUED BY THE 1 ST RESPONDENT
Exhibit P3	TRUE COPY OF THE RECEIPT FOR THE REMITTANCE OF THE BALANCE OUTSTANDING DEMAND IN EXHIBIT-P1 ORDER
Exhibit P4	A TRUE COPY OF THE REMINDER LETTER NO. OC NO. 164/2025 DATED 20-11-2025 ISSUED BY THE 1 ST RESPONDENT
Exhibit P5	TRUE COPY OF THE INTIMATION LETTER NPR/LETTER/2025-26 DATED 06-01-2026 ISSUED BY THE 3 RD RESPONDENT TO THE PETITIONER
Exhibit P6	TRUE COPY OF THE APPLICATION DATED NIL FILED BEFORE THE 2 ND RESPONDENT UNDER SECTION 80 OF THE CGST ACT
Exhibit P7	TRUE COPY OF THE INTIMATION O.C. NO.21/2026 DATED 08-04-2026 ISSUED BY THE 1 ST RESPONDENT

RESPONDENT EXHIBITS

Exhibit-R1(a)	True copy of the Financial Stability Report submitted by the 4th respondent Deputy Commissioner on 12.02.2026 to the 2nd respondent Commissioner