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IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 01-09-2026

CORAM

THE HON'BLE MR JUSTICE SENTHILKUMAR RAMAMOORTHY

WP No. 30963 of 2026
and W.M.P.Nos.34024 & 34027 of 2026

Arjan Pokar Amrutlal
Sole Proprietor of Narayani Construction
126/7A, CMRD Road, Keelkattalai,
Kancheepuram - 600117.

..Petitioner(s)

Vs

1. Assistant Commissioner of CGST and Central Excise, Pallavaram Division, Chennai Outer Commissionerate, no.6, sridevi temple towers, 2nd main road, sembakkam, chennai – 600073.

2. The Branch Manager
Federal Bank, C48, TNHB Complex, 2nd AvenueAnna Nagar, Chennai.

..Respondent(s)

PRAYER: Writ Petition filed under Article 226 of The Constitution of India praying for the issuance of a Writ of Certiorarified Mandamus, calling for the records relating to bank attachment notice in Form GST DRC-13 bearing reference GEXCOM/TAR/F/GST/39/2026-CGST-RANGE-KUND-DIV-PLVM-COMMRTE-CHENNAI(OUTER) dated 09.03.2026 issued by the First Respondent and quash the same insofar as it seeks immediate coercive recovery of the interest demand, or in the alternative keep the same in abeyance, and consequently direct the Respondents to permit the Petitioner to pay the total

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interest amount of Rs. 69,72,534/- in 15 monthly instalments in the manner set out in paragraph 13 above or in such manner as this Hon'ble Court may deem fit.

For Petitioner(s): Ms.Sri Harini S P

For Respondent(s): Mr. Rajendran Raghavan,
Senior Standing Counsel for R1

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ORDER

An order dated 28.02.2025 was issued in respect of assessment period 2020-21 demanding a total sum of Rs.86,88,622/-. Pursuant thereto, a sum of Rs.30,13,691/- was paid by the petitioner. For recovery of the shortfall of Rs.56,74,931/- recovery proceedings under Section 79(1)(c) of applicable GST enactments were initiated. Communication dated 09.03.2026 in this regard is challenged in this writ petition.

2. Learned counsel for the petitioner has handed over a copy of the electronic liability ledger. She points out that the entire outstanding of Rs.56,74,931/- under order dated 28.02.2025 was discharged. Because these amounts were discharged belatedly, learned counsel for the petitioner submits that interest is payable by the petitioner. Referring to the table at paragraph 13

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of the affidavit, learned counsel submits that interest liability has been computed in an aggregate sum of Rs.69,72,534/- and that this sum would be paid in 15 equal monthly instalments. Although the table provides for payment from September 2026 to November 2027, she makes a request for a minor modification so as to make such payments from October 2026 to December 2027. She adds that if there is any variation in computation between the amounts mentioned in paragraph 13 and amounts arrived at by the GST authorities, such shortfall would be made up by increasing the monthly installments correspondingly.

3. Mr.Rajendran Raghavan, learned senior standing counsel, appears on behalf of the first respondent. He submits that the quantification of the petitioner is required to be verified and that the petitioner should make up there is the shortfall, if any, as agreed.

4. The impugned communication is in respect of the outstanding of Rs.56,74,931/- under assessment order dated 28.02.2025. The petitioner has submitted evidence of discharge of this amount. Such payments have been made belatedly. Therefore, interest is payable in accordance with the statute. At paragraph 13 of the affidavit, a schedule of payment of interest has been mentioned. Learned counsel for the petitioner has requested that such schedule may run from October 2026 to December 2027.

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5. As a pre-condition for consideration of this request, the petitioner should agree not to challenge order dated 28.02.2025. After obtaining instructions, learned counsel has made an endorsement to the effect that order dated 28.02.2025 will not be challenged by the petitioner before any forum.

6. Accordingly, this writ petition is disposed of on the following terms:

(i) Impugned communication dated 09.03.2026 is set aside.

(ii) The petitioner shall discharge the interest liability of Rs.69,72,534/- in 15 equal monthly installments of Rs.4,64,837/-. In case the respondents arrive at a higher amount as being payable towards interest, the petitioner agrees to discharge the same in the same 15 installments mentioned above by making a corresponding increase in the monthly installment amount. The first installment shall be paid on or before 10.10.2026 and each succeeding instalment shall be paid on or before the tenth of the following month.

(iii) If there is default in making payment of one or more installments as per the agreed schedule, it will be open to the 1st respondent to initiate recovery measures in accordance with law.

(iv) The undertaking of the petitioner not to challenge the order dated 28.02.2025 is recorded.

(v) Consequently, connected writ miscellaneous petitions are closed.

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(vi) There shall be no order as to costs.

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Index: Yes/No
Speaking/Non-speaking order
Neutral Citation: Yes/No
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To

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