



BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

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DATED: 12.12.2025

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THE HONOURABLE MR. JUSTICE KRISHNAN RAMASAMY

W.P.(MD)No.35398 of 2025
and
W.M.P.(MD)No.28224 of 2025

Tvl R P G Traders,
Rep. by its Proprietor R.P.Govindarajan
No.1/116 A, Mahilambadi, Purathakudi,
Tiruchirappalli- 621 111. ... Petitioner

Vs

1. The State Tax Officer,
Lalgudi Assessment Circle,
Lalgudi.

2. The Branch Manager,
State Bank of India,
No.21/33,Shri Gangeya Apartments,
Chennai Main Road, Tiruvarur. ... Respondents

Prayer: Writ Petition filed under Article 226 of the Constitution of India praying to issue a Writ of Certiorarified Mandamus, calling for records pertaining to the impugned order passed by the 1st respondent vide his order in GSTIN 33AKSPG5898G1ZL/2020-21 dated 26-02-2025 and quash the same as it is illegal, without jurisdiction and in gross violation of Principles of Natural Justice and further direct the 2nd respondent to



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defreeze the Saving bank account No 30603963135 of the petitioner in
State Bank Of India, Tiruvarur Branch, Tiruvarur,

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For Petitioner : Mr.B.Naveenkumar

For Respondents : Mr.R.Suresh Kumar,
Addl. Govt. Pleader for R1
Mr.V.Balasubramanian for R2

ORDER

This Writ Petition is filed challenging the impugned order passed by the 1st respondent vide his order in GSTIN 33AKSPG5898G1ZL/2020-21 dated 26-02-2025 and quash the same as it is illegal, without jurisdiction and in gross violation of Principles of Natural Justice and further direct the 2nd respondent to defreeze the Saving bank account No 30603963135 of the petitioner in State Bank Of India, Tiruvarur Branch, Tiruvarur,

2. Mr.R.Suresh Kumar, learned Additional Government Pleader takes notice for the first respondent and Mr.V.Balasubramanian, learned counsel takes notice for the second respondent.. By consent, this Writ Petition is taken up for final disposal at the admission stage itself.



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3. The learned counsel appearing for the petitioner would submit that since the petitioner failed to file its annual returns, the first respondent passed the impugned order by levying the penalty fee of Rs.75,025/- CGST and Rs.75,025 of SGST, totalling to Rs.1,50,050/- along with general penalty of Rs.50,000/-. He further submits that as per Section 47 of the TNGST Act, 2017 (hereinafter referred to as “the Act”), only late fee can be levied. Further, the provision under Section 125 of the Act will apply only in the case where no penalty is levied under Section 47 of the Act. He further submits that without proper enquiry and verification of records as contemplated under Section 73 of the GST Act, the 1st respondent has passed the impugned order. Therefore, the impugned order is liable to be quashed. In this regard, the petitioner has also produced the order passed by the Principal Bench of this Court in W.P.No.36614 of 2024, dated 04.02.2025.

4. The learned Additional Government Pleader appearing for the first respondent would submit that since the petitioner failed to file its annual returns, the impugned order has been passed levying the late fee along with general penalty. Therefore, he prays for dismissal of the Writ Petition.



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5. On a perusal of the records, it is seen that since the petitioner failed to file its annual returns, as per Section 47 of the Act, the first respondent has levied the late fee of Rs.75,025/- CGST and Rs. 75,025/- of SGST, totalling to Rs.1,50,050/-. Further, under Section 125 of the Act, the first respondent has levied the general penalty of Rs.25,000/- CGST and Rs.25,000/- of SGST, totalling to Rs.50,000/-. This Court is of the view that the provision under Section 125 of the Act, apply only in the case where no penalty is levied under Section 47 of the Act. However, in this case, already late fee has been levied under Section 47 of the Act. Therefore, the question of levying general penalty under Section 125 of the Act will not apply. Therefore, the same is liable to be quashed. Accordingly, the levying of general penalty of Rs.50,000/- is hereby set aside.

6. With regard to the levying of late fee of Rs.1,50,050/- is concerned, this Court is of the view that as per Section 47(2) of the Act, any registered person, who fails to furnish the return required under Section 44 of the Act, shall be liable to pay a late fee of one hundred rupees for every day during which such failure continues subject to a maximum of an amount calculated at a quarter per cent of his turnover in



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the State. According to the first respondent, they have calculated the late fee at Rs.1,50,050/- and divided the said amount for SCGST and CGST. Such interpretation of the first respondent is wrong. If the first respondent calculated the late fee at Rs.75,025/-, at the rate of 25%, the total turnover or Rs.100/- per day whichever is higher and such amount has to be divided for SCGST and CGST. Therefore, if Rs.75,025/- is taken into consideration as late fee, the late fee would be at Rs.37,512.50/-. Accordingly, the late fee calculated by the first respondent is modified as Rs.37,512.50/- SGST and Rs.37,512.50/- CGST. Therefore, the petitioner is directed to pay the late fee of Rs.75,025/-.

7. The learned counsel appearing for the 2nd respondent would submit that the petitioner's account has been wrongly mentioned in the Writ Petition. The petitioner is having bank account in State Bank of India, Manachanallur Branch.

8. The learned counsel appearing for the petitioner would submit that in view of the impugned order, the petitioner's account has been froze and therefore, the petitioner seeks a direction to defreeze the



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bank account of the petitioner. Accordingly, upon payment of late fee of Rs.75,025/- by the petitioner to the authorities concerned, the State Bank of India, Manachanallur Branch is directed to permit the petitioner to operate the bank account, upon production of payment of late fee.

9. With the above observations, this Writ Petition is disposed of. There shall be no order as to costs. Consequently, connected miscellaneous petition is closed.

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Index : Yes/No
Neutral Citation: Yes/No
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To

1. The State Tax Officer,
Lalgudi Assessment Circle,
Lalgudi.
2. The Branch Manager,
State Bank of India,
Manachanallur Branch.



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KRISHNAN RAMASAMY, J.

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