
(2024) 02 KL CK 0164

High Court Of Kerala

Case No: Writ Petition (C) No.37987 Of 2023

M/s Playads
Advertisement Spaces
Private Limited

APPELLANT

Vs

Southern Railway

RESPONDENT

Date of Decision: Feb. 20, 2024

Citation: (2024) 02 KL CK 0164

Hon'ble Judges: Dinesh Kumar Singh, J

Bench: Single Bench

Advocate: T.S.Harikumar; P.B.Sahasranaman, Manu S., I.Sheela Devi, K.R.Rajkumar,
Jasmine M.M

Final Decision: Allowed

Judgement

Dinesh Kumar Singh, J

1. The present writ petition has been filed impugning the Ext.P10 notice issued to the petitioner demanding the CGST of Rs.3,21,920/- and the same

amount of SGST, totalling Rs.6,43,840/- besides the applicable interest and penalty.

2. The petitioner had executed contract work for Southern Railways. The GST amount, at the rate of 18% of the contract value, was deducted by

Railways. However, the same was not deposited by the Railways. As a result, Ext.P10 notice was issued to the petitioner. The petitioner, being

aggrieved by the said notice, as the tax was already deducted by the Railways but not deposited, has filed this writ petition impugning the said notice.

3. Mr Rajkumar learned Counsel appearing for the 1st and 2nd respondents has submitted that the tax has been deposited now. However, the interest

and penalty have not been deposited.

4. Ms Jasmin M M learned that the Government Pleader, on instructions, says that interest and penalty are worked out to Rs.2,67,122/- and

Rs.34,248/- respectively as on 01.02.2022.

5. Learned Counsel for the 1st and 2nd respondents submits that the respondents/Railways will hold talks with the GST Department for waiver of the

interest and penalty. However, the petitioner may be absolved from any liability and if the talks fail the 1st and the 2nd respondent shall deposit the

interest and penalty.

6. Considering the said fact, the impugned show cause notice issued against the petitioner is set aside. The 1st and 2nd respondents may hold talks with

the GST Department for waiver of interest and penalty, and if the talks fail, it would be the responsibility of the 1st and 2nd respondents to deposit the

interest and penalty as well. The GST Department will also take a lenient view, as it was the initial period of the GST regime, and the officers and the

public, in general, were not aware of the rigour of the law.

With the aforesaid direction, the writ petition stands allowed.