

**IN THE HIGH COURT OF MANIPUR
AT IMPHAL**

WP(C) No. 106 of 2023

Mingthing Horam

... Petitioner

Vs.

Union of India & anr.

... Respondents

B E F O R E
HON'BLE MR. JUSTICE AHANTHEM BIMOL SINGH

23-02-2023

Heard Mr. Y. Nirmolchand, learned senior counsel assisted by Mr. U. Augusta, learned counsel appearing for the petitioner and Mr. Boboy Potsangbam, learned CGSC appearing for the respondents.

At the outset, the learned senior counsel appearing for the petitioner draw the attention of this court to para. 2 of the reply affidavit filed by the respondents to the additional affidavit filed by the petitioner and submitted that the petitioner is agreeable to the terms and conditions mentioned by the respondents in the said paragraph and the present writ petition can be disposed of with a rider that the whole process about quantification of the liabilities due payable by the petitioner may be completed within a stipulated period.

Mr. Boboy Potsangbam, learned CGSC also submitted that if the petitioner promptly comply with the terms and conditions mentioned in the said para 2, the authorities will have no difficulty in expediting the matter and that as mentioned in the said para, the respondents will unfreeze the Bank account of the petitioner once the quantification process is over and the petitioner made the payment, if he is liable to pay such taxes. For ready reference, the contents of the aforesaid para 2 is reproduced hereunder:-

"2. That in reference to para no. 2, the answering respondents' state that the present investigation involves a huge quantum of GST evasion by way of non-declaration and utilization of ineligible input tax credit. The petitioner by his action led the department to incur huge losses in terms of revenue. Estimated GST evasion by the petitioner is to the tune of more than Rs. 8 crores. So far the petitioner has not cooperated in the investigation by non-appearance on summons and non-submission of requisite documents. His actions of non-cooperation, non-submission of statutory documents and considering the quantum of revenue involved, led the respondents' to invoke Section 83 and issue

Order of Provisional attachment. This Honourable court may give directions to the petitioner to submit all the requisite documents to the respondents' within one week and cooperate in the investigation. Also, the petitioner may be directed to make complete payment of tax liabilities along with applicable interest and penalty once all documents are submitted and all liabilities quantified. The respondents' has no objection in unfreezing the bank account once the petitioner pays all the liabilities."

In view of the submissions made by the learned counsel appearing for the parties, the present writ petition is disposed of with the following directions.

- (i) The petitioner is directed to submit all the required documents to the respondents within one week from today and thereafter to cooperate with the investigation;
- (ii) As and when the petitioner submitted the required documents, the respondents should promptly took up and complete the process for quantification of the liabilities due payable by the petitioners as taxes as early as possible but not later than two weeks from the date of submission of the required documents by the petitioner. It is also made clear that the petitioner should cooperate with the investigation;
- (iii) As soon as the process for quantification of the liabilities of the petitioner is completed, the respondents are at liberty to initiate the process for recovery of the taxes due payable by the petitioner in terms of the applicable laws and the respondents should unfreeze the Bank Account of the petitioner; and
- (iv) It is further made clear that if for any reason, the respondents could not complete the process for quantification of the liabilities of the petitioner within the time given hereinabove, they are at liberty to approach this court again for extension of time.

With the aforesaid directions, the present writ petition is disposed of.

JUDGE

Devananda