IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED 02.08.2017

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THE HONOURABLE Mr.JUSTICE T.S.SIVAGNANAM

WP.No.12839 of 2006

N.Sivaji Ganesan .. Petitioner

Vs

The Commercial Tax Officer,
Sankari Assessment Circle,
Salem District. .. Respondent

Writ petition filed under Article 226 of the Constitution of India praying for issuance of Writ of Certiorari to call for the records of the respondent relating to the notice in Asst.No.3364/89/A3 dated 20.01.2006 and quash the same.

For Petitioner : Mr.M.Hariharan
for Mr.S.Ravee Kumar

For Respondent : Mr.S.Kanmani Annamalai
Addl. Govt. Pleader

O R D E R

Heard Mr.M.Hariharan, learned counsel appearing for the petitioner and Mr.S.Kanmani Annamalai, learned Additional Government Pleader appearing for the respondent.

2. The petitioner purchased an immovable property vide sale deed dated 02.02.1993 from the Tamil Nadu Industrial Investment Corporation Limited and the sale deed was registered as document No.282/1993 on the file of the Sub Registrar, Idappadi. After about 18 years, the respondent has issued the impugned notice stating as if one M/s.Sakthi Oil Mill has defaulted in payment of Sales Tax for the assessment years 1987-88 and they are liable to pay the same as they have purchased the property.

3. Firstly, the sale has been done by the Tamil Nadu Industrial Investment Corporation Limited, who stated to have advanced certain loans to M/s.Sakthi Oil Mill. The petitioner is a bonafide purchaser for valuable consideration and the petitioner cannot be fastened with any liability of M/s.Sakthi Oil Mill, who was a defaulter to the Tamil Nadu Industrial Investment Corporation Limited. The Tamil Nadu Industrial Investment Corporation Limited being the absolute owner of the property has sold the property to the petitioner and as such,

the property was offered as security for the loan transaction. Thus, the loan having not been repaid, the Tamil Nadu Industrial Investment Corporation Limited exercised their right and took over the property and sold the same by public auction. Thus, the question of attempting to enforce the alleged Sales Tax dues to be paid by M/s.Sakthi Oil Mills on the petitioner, that too, after a period of 18 years is wholly untenable.

4. For all the above reasons, the Writ Petition is allowed and the impugned order dated 20.01.2006 passed by the respondent in Asst.No.3364/89/A3 is set aside. No costs.

Sd/-
Assistant Registrar(CS VIII)

//True Copy//

Sub Assistant Registrar

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To

The Commercial Tax Officer,
Sankari Assessment Circle,
Salem District.

+1cc to Mr.Ravee Kumar, Advocate, S.R.No.55419

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VD(CO)
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