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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

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Decision delivered on: 11.07.2022

+ **W.P.(C) 9048/2021 & CM No.14460/2022**

MS SUN FLAME TRADING PVT
LTD & ORS.

.....Petitioners

Through: Mr Ajit Kumar Sinha, Sr. Adv. with
Mr Shadman Ahmed Siddiqui, Ms
Srishti Khanna and Mr Tushar
Sharma, Advs.

versus

COMMISSIONER CENTRAL EXCISE AND CENTRAL GST
COMMISSIONERATE DELHI SOUTHRespondent

Through: Mr Harpreet Singh, Sr. Standing
Counsel with Ms Suhani Mathur,
Adv. for Revenue.

+ **W.P.(C) 9049/2021**

M/S BLUE STAR INTERNATIONAL PVT LTD & ORS..Petitioners

Through: Mr Ajit Kumar Sinha, Sr. Adv. with
Mr Shadman Ahmed Siddiqui, Ms
Srishti Khanna and Mr Tushar
Sharma, Advs.

versus

COMMISSIONER CENTRAL EXCISE AND CENTRAL GST
COMMISSIONERATE DELHI SOUTHRespondent

Through: Mr Harpreet Singh, Sr. Standing
Counsel with Ms Suhani Mathur,
Adv. for Revenue.

+ **W.P.(C) 9079/2021**

MS ATLANTIC INTERNATIONAL
TRADING PVT LTD AND ORS.

.....Petitioners

Through: Mr Ajit Kumar Sinha, Sr. Adv. with
Mr Shadman Ahmed Siddiqui, Ms



Srishti Khanna and Mr Tushar
Sharma, Advs.

versus

COMMISSIONER CENTRAL EXCISE AND CENTRAL GST
COMMISSIONERATE DELHI SOUTHRespondent

Through: Mr Harpreet Singh, Sr. Standing
Counsel with Ms Suhani Mathur,
Adv. for Revenue.

CORAM:

HON'BLE MR. JUSTICE RAJIV SHAKDHER

HON'BLE MS. JUSTICE TARA VITASTA GANJU

ORDER

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11.07.2022

[Physical Hearing/Hybrid Hearing (as per request)]

RAJIV SHAKDHER, J. (ORAL):

CM No.14460/2022 in W.P.(C) 9048/2021

1. This is an application filed on behalf of the respondent/revenue, seeking condonation of the delay in filing counter-affidavit.

1.1. The delay involved is twenty days.

2. For the reasons given in the application, the delay is condoned.

3. The counter-affidavit is formally taken on record.

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4. Although several prayers have been made in the above-captioned writ petitions, Mr Ajit Kumar Sinha, learned senior counsel, who appears on behalf of the petitioners, on instructions from Mr Shadman Ahmed Siddiqui, Advocate, has confined his prayer to lifting of the provisional attachment *qua* the 38 bank accounts, which are presently the subject matter of investigation.



4.1 The details of these bank accounts are set forth at pdf page 1014 of the case file.(Running page 191A.)

5. A perusal of the details shown therein would disclose that the said 38 bank accounts concern three petitioners i.e., M/s Sun Flame Trading Pvt. Ltd., M/s Atlantic International Trading Pvt. Ltd., and M/s Blue Star International Pvt. Ltd.

6. Furthermore, a perusal of the details would show, that some of the bank accounts have “0” credit balance. The cumulative credit balance available, as per the details set out in the said table, is Rs.1,67,550.12/-.

7. Besides this, we are informed by Mr Harpreet Singh, who appears on behalf of the respondent/revenue, that there are 13 bank accounts, against which provisional attachment orders have been issued. These bank accounts, we are told, concern entities and persons, which are not being investigated. This position is affirmed by Mr Singh.

8. In the course of the proceedings, we had indicated to Mr Singh, as to whether the provisional attachment *vis-à-vis* the 38 bank accounts, which are referred to hereinabove, and the remaining 13 bank accounts, which concern persons and entities which are not the subject matter of investigation, can be lifted, upon the cumulative amount appearing as credit balance i.e., Rs.1,67,550.12/- being remitted to the respondent/revenue, to protect its interests, pending adjudication.

9. Mr Singh has obtained instructions from Mr Satyam Kumar, Deputy Commissioner, CGST, Delhi (South). Mr Singh says respondent/revenue will lift the provisional attachment orders *vis-à-vis* all bank accounts provided Rs. 1,67,550.12/- is remitted to it, which would abide by the final result in the adjudication proceedings and quarterly bank statements are filed



with the Court so that the respondent/revenue has an overview of the transactions made *via* such bank accounts.

10. Mr Singh has, in fact, informed us, *albeit*, across the bar, that a draft show cause notice has been prepared by the respondent/revenue, which, once it is finalized, will be served on the petitioners.

11. Learned counsel for the parties have, thus, agreed that the above-captioned writ petitions can be disposed of, based on the following directions:

- (i) The respondent/revenue will lift the provisional attachment order issued *qua* 38 bank accounts, adverted to in the tabular chart appended on pdf page 1014 of the case file.
- (ii) The concerned banks will remit the amounts available in the accounts of the petitioners to the respondent/revenue, upon necessary intimation being received by them. The concerned bank managers will act on the basis of such intimation received from the respondent/revenue.
- (iii) The transmission of the aforesaid amount will be without prejudice to the rights and contentions of the parties.
- (iv) The respondent/revenue will invest the money in an interest-bearing fixed deposit, maintained with a nationalized bank. The amount so invested and the interest accrued, will abide by the final orders passed in the adjudicatory process, which the respondent/revenue intends to commence.
- (v) The petitioners will be afforded opportunity to contest the show cause notice, if served on the petitioners.
- (vi) The respondent/revenue will ensure, that the show cause notice, if any, is served on the petitioners, within the next three weeks.
- (vii) The petitioners, as indicated above, will be given an opportunity to file



a reply, and will be heard in furtherance their case.

(viii) The respondent/revenue, thereafter, will pass a speaking order, a copy of which will be served on the petitioners.

(ix) The respondent/revenue will also lift the provisional attachment order *vis-à-vis* the other 13 bank accounts (as per the information furnished by Mr Singh).

(x). The petitioners will file quarterly bank statements concerning the 38 bank accounts which were being investigated.

12. There shall be no order as to costs.

13. The above-captioned writ petitions are disposed of in the aforesaid terms.

14. Consequently, the pending application shall stand closed.

RAJIV SHAKDHER, J

TARA VITASTA GANJU, J

JULY 11, 2022/aj

[Click here to check corrigendum, if any](#)