IN THE HIGH COURT OF JUDICATURE AT MADRAS

Dated : 08.08.2024

CORAM

THE HON'BLE Mr. JUSTICE KRISHNAN RAMASAMY

W.P.No.23151 of 2024
and
W.M.P.Nos.25290 & 25293 of 2024

M/s.Sitaram Energy and Logistics Limited,
Rep by its Director,
1/168, G.Thillaiammal, W/o.P.Govindasamy,
Railway Street, Velangudi, Keelapadugai,
Tiruvarur, Tamil Nadu 610 109.

... Petitioner

Vs.

1.The Commissioner of Central Tax, Tiruchirapalli,
1, Williams Road, Cantonment,
Trichy, Tamil Nadu 620 001.

2.The Assistant Commissioner of Central Tax,
Thiruvarur, Ponnagar,
Medical College Road,
Thanjavur, Tamil Nadu 613 007.

... Respondents

Prayer:

Writ Petition filed under Article 226 of the Constitution of India praying to issue a Writ of Certiorarified Mandamus, to call for the records connected with Notice dated May 27, 2024 for recovery of demand raised as per Order- in-Original bearing Reference No. ZD3301241183390 dated January 25, 2024 and quash the same, and further direct Respondents to refrain continuing with and initiating any fresh coercive steps for recovery of demand raised by Impugned Order and defreeze the 3 bank accounts maintained by Petitioner with Canara Bank: Current Account No. 2348201001038 maintained with Canara Bank (CNRB0002348), Current Account No. 1150201001220 maintained with Canara Bank (CNRB0017060); Current Account No. 3310201000072 maintained with Canara Bank (CNRB0003310).

For Petitioner : Mr.Lalitendra Gulani

For Respondent : Mr.Rajendran Raghavan,
Standing counsel

ORDER

This writ petition has been filed challenging the Notice dated 27.05.2024 and the impugned order dated 25.01.2024 and to de-freeze the 3 bank accounts maintained by Petitioner with Canara Bank

2. Ms.K.Vasanthamala, learned Government Advocate, takes notice on behalf of the respondent. By consent of the parties, the main writ petition is taken up for disposal at the admission stage itself.

3. The learned counsel for the petitioner would submit that all notices/communications were uploaded by the respondent under the column, viz., "View Additional Notices and Orders", in the GST portal. Since the petitioner was not aware of the said notices, they failed to file their reply within the time. Under these circumstances, the impugned order came to be passed by the respondent without providing any opportunity of personal hearing to the petitioner. Based on the said impugned order, the respondent freezed 3 bank accounts of the petitioner, due to which, the day to day activities of the petitioner has come to stand still. Hence, this petition has been filed.

4. On the other hand, the learned Standing counsel appearing for the respondent would submit that the respondent has uploaded the

notices in the GST Online Portal. But the petitioner failed to avail the said opportunity. Further, she has fairly admitted that no opportunity of personal hearing was provided to the petitioner prior to the passing of impugned order. Therefore, she requested this Court to remit the matter back to the respondent, subject to the payment of 15% of the disputed amount by the petitioner.

5. In reply, the learned counsel for the petitioner would submit that they had already deposited 14% of the disputed amount and also filed a proof with regard to the same.

6. Heard the learned counsel for the petitioner and the learned Standing counsel for the respondent and also perused the materials available on record.

7. In the present case, it appears that no opportunity of personal hearing was provided to the petitioner prior to the passing of impugned order. Hence, this Court is of the view that the impugned order was

passed in violation of principles of natural justice and it is just and necessary to provide an opportunity to the petitioner to establish their case on merits. In such view of the matter, this Court is inclined to set aside the impugned order dated 25.01.2024 passed by the respondent. Accordingly, this Court passes the following order:-

(i) The impugned order dated 25.01.2024 is set aside and the matter is remanded to the respondent for fresh consideration.

(ii) The petitioner shall file their reply/objection along with the required documents, if any, within a period of two weeks from the date of receipt of said notice.

(iii) On filing of such reply/objection by the petitioner, the respondent shall consider the same and pass appropriate orders on merits and in accordance with law, after providing an opportunity of personal hearing to the petitioner, within a period of 8 weeks from the date of receipt of the reply filed by the petitioner.

(iv) Considering the fact that the impugned order itself has been quashed, this Court is of the opinion that the freezing of the bank accounts of the petitioner cannot survive any longer. As a sequel, the respondent is directed to de-freeze the bank accounts of the petitioner, within a period of two weeks from the date of receipt of a copy of this order.

8. With the above directions, this writ petition is disposed of. No costs. Consequently, the connected miscellaneous petitions are also closed.

08.08.2024

Speaking/Non-speaking order
Index : Yes / No
Neutral Citation : Yes / No
nsa
To

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KRISHNAN RAMASAMY.J.,

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