IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 12.09.2024

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THE HONOURABLE MR. JUSTICE KRISHNAN RAMASAMY

W.P.Nos.25656 and 25698 of 2024
and
WMP.Nos.28027, 28028, 28030, 28081, 28082 and 28083 of 2024

M/s.Bethel Education Society Sipcot Hosur,
(Represented by its correspondent,
Shri.Viji Thomas Kariammanal,
Hosur-635126. ... Petitioner in both W.P.'s

Vs.

1. The Commissioner of Income Tax (CIT-Appeals),
National Faceless Appeal Centre (NFAC),
New Delhi.

2. The Income Tax Officer,
Ward I Hosur,
Hosur,
Krishnagiri- 635 109.

3. The Assessment Unit,
NFAC (National Faceless Assessment Unit),
Income Tax Department.

4. The Branch Manager,
The South Indian bank Limited,
TPS Towers, RLY STN Road, Near Taluk Office,
Hosur- 635 109. ... Respondent in both W.P.'s

PRAYER in both W.P.'s: These Writ Petitions are filed under Article 226 of the Constitution of India, for the issuance of a Writ of Certiorari to call for the records relating to the proceedings in DIN & Notice No:ITBA/RCV/S/226(3)_1/2024-25/10673191761) dated 05.08.2024 issued by the 2nd respondent to the 4th respondent to attach the bank account of the petitioner bearing in Savings Accounts Nos.057105300004454 and 057105300007137 South Indian Bank Limited, Hosur Branch quash the same.

For Petitioner (in both W.P.'s)	:	Mr.S.Doraisamy
For Respondents (in both W.P.'s)	:	Dr.B.Ramaswamy (R1 to R3) Senior Standing Counsel

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COMMON ORDER

Since the issue involved and the relief sought for in these Writ Petitions are one and the same, they are taken up together and disposed of by a common order.

2. These Writ Petitions have been filed challenging the proceedings dated 05.08.2024 issued by the 2nd Respondent to the 4th Respondent to attach the bank accounts of the Petitioner bearing Savings Bank Account Nos. 0571053000004454 and 0571053000007137 South Indian Bank Limited, Hosur Branch.

3. The learned counsel for the Petitioner submitted that the Petitioner is an Educational institution and initially show cause notices were issued to the Petitioner and the same were uploaded in the GST Portal. Since, the Petitioner was not aware of the same, they could not file reply and therefore the 2nd Respondent passed the Assessment Orders dated 06.02.2024 and 19.02.2024 and only after the receipt of the said assessment orders, the Petitioner came to know of the show cause notices. Immediately, as against the said Assessment Orders, the Petitioner filed Appeals on 28.03.2024 before the 1st Respondent along with stay petitions and the same is still pending. He further submitted that pending disposal of the same, the 2nd Respondent issued bank attachment notices dated 05.08.2024 to the 4th Respondent and also demanding payment of Rs.5,78,88,170/- from the bank account of the Petitioner for the assessment years 2018-19 and 2019-20 for the alleged period of non-filing of return of income and consequently the 4th Respondent freezed the bank accounts of the Petitioner, challenging which the present Writ Petitions have been filed.

4. Further, he would submit that 2nd Respondent without affording an opportunity of personal hearing to the petitioner and during the pendency of Appeals has passed the impugned attachment orders which is arbitrary and illegal and that apart the Petitioner is having account with the 4th respondent

bank bearing Saving Accounts No.0571053000007137 and 0571053000004454 and all the expenditure, income and other financial transactions are being made through the bank accounts and the Petitioner is facing financial constraint due to the attachment of the said bank accounts.

5. Dr.B.Ramasamy, learned Senior standing counsel for the Respondents 1 to 3 submitted that in the present cases, Appeals have been filed against the assessment orders and the same are pending with the 1st Respondent and since no stay of the assessment orders were granted, assessment orders were passed. He therefore would submit that a direction may be issued to dispose of the said Appeals, within a stipulated period.

6.Heard the learned counsel for the petitioner as well as learned Senior Standing Counsel appearing for the Respondents 1 to 3.

7.Since no stay was granted against the impugned assessment orders, the impugned orders came to be passed and therefore as rightly contended by the learned Senior Standing Counsel for the Respondents 1 to 3, this Court feels that a direction may be issued to the 1st Respondent to dispose of the Appeals along with stay petition.

8. At this juncture, the learned counsel appearing for the Petitioner submitted that Petitioner being an Educational institution has to withdraw monies to pay salary to the staff members and to fulfill other statutory dues, which comes to Rs.60,00,000/- and therefore, this Court may permit the petitioner to withdraw the said amount, pending disposal of the Appeals.

9. Considering the facts and circumstances of the case and upon hearing the submissions on either side, the 1st Respondent is directed to dispose of the Appeals dated 28.03.2024 along with stay applications within a period of four weeks from the date of receipt of a copy of this order. The 4th Respondent shall permit the Petitioner to withdraw a sum of Rs.60,00,000/- alone from the aforesaid bank accounts only by way of cheques and bank transfer through NEFT/RTGS , for the purpose as contended by the Petitioner.

With the above directions, these Writ Petitions are disposed of. There shall be no order as to costs. Consequently, the connected Miscellaneous Petitions are closed.

12.09.2024

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KRISHNAN RAMASAMY, J.

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To

1. The Commissioner of Income Tax (CIT-Appeals),
   National Faceless Appeal Centre (NFAC),
   New Delhi.

2. The Income Tax Officer,
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   Hosur,
   Krishnagiri- 635 109.

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