IN THE HIGH COURT OF JUDICATURE AT BOMBAY
NAGPUR BENCH, NAGPUR

CIVIL APPLICATION (W) NO. 2248 OF 2025
IN
WRIT PETITION NO. 5278 OF 2025

(Shio Buildcon Pvt. Ltd. vs. State Tax Officer and others)

Office Notes, Office Memorandum of Coram, appearances, Court's orders or the directions, and Registrar's orders.	Court's or Judge's order

Mr. Shwetanshu Dev, Advocate for petitioner.
Mr. I.J.Damle, AGP for respondent No.1.

CORAM : ANIL L. PANSARE AND SIDDHESHWAR S. THOMBRE, JJ.
SEPTEMBER 26, 2025

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For the reasons set out in the application, same is allowed. Necessary amendment shall be carried out within three working days and amended copy be served on respondents.

WRIT PETITION NO. 5278 OF 2025

1) On 12/09/2025, following order was passed :-

> *1. Heard.*
>
> *2. The counsel for the petitioner submits that a notice under Section 142 (1) of the Central Goods and Services Act, 2017 (hereinafter referred as "Act") is required to be issued by proper officer. In the present case, such notice has been issued through System (Annexure-E) calling upon the petitioner to pay the difference in liability assessed to Rs.1,45,38,123.00 approximately.*
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> *3. The counsel further submits that the system generated notice provides an option for filing a reply, however, there are certain limitations in the sense the columns available on the portal enables filing reply but in limited words. The petitioner accordingly submitted brief reasons saying that CGST for the previous year (2022-23)*

had been paid in excess and, therefore, the same was adjusted in subsequent financial year (2023-24). Thus, according to the petitioner there is no difference in liability.

4. Thereafter, the respondent no.1 issued an intimation for recovery of the amount in terms of Rule 142(2) of the CGST Rules, 2017.

5. The argument is that the notice under Section 142(1) of the Act ought to have been issued by proper Officer, if not earlier then, at least after the reply was filed through system generated process. Having not done so, the subsequent intimation/recovery notice has been issued without giving an opportunity of hearing to the petitioner.

6. The learned counsel for the petitioner further submits that not only the notice of intimation for recovery of amount is issued but the bank account of the petitioner has also been attached.

7. The counsel submits that because of such action, the petitioner is not able to conduct his business and has suffered and is suffering heavy losses on that count. He submits that the petitioner being a Contractor, is unable to make payment to the labourers as well. He submits that the petitioner will place on record the details of payment due and payable to the labourers and other entities.

8. The respondent no.1 shall justify the action so taken viz. issuance of intimation for recovery of amount without giving an opportunity of hearing to the petitioner and also the attachment of the petitioner's bank account particularly, when there appears mechanism to recover the outstanding dues under Section 79 of the Act read with Circular dated 7th January, 2022 issued by the Principal Commissioner (GST).

9. Issue notice to the respondents, returnable on 26th September, 2025.

10. Mr. I.J.Damle, learned AGP waives service of notice on behalf of the respondent no.1.

11. Mr. S.A.Choudhari, learned counsel waives service of notice on behalf of the respondent no.2.

2) Thus, the petitioner's grievance is that he is not able to conduct his business and suffering heavy losses because of the

order of attachment of bank account. The respondent has passed such orders to recover the liability of more than Rs.2 crore. Learned counsel for the petitioner submits that he is ready to furnish bank guarantee of the alleged amount with a request to permit him to operate the bank account, pending petition.

3) Having considered the order passed on 12/09/2025, since the petitioner is under some difficulty to conduct his business because of attachment of the account, we permit the petitioner as an interim measure to operate bank account bearing No.00000034484382268 with State Bank of India, Wardha, subject to his furnishing bank guarantee in the sum of Rs.2.50 crore. The bank guarantee shall be submitted to this Court within seven working days from today and upon depositing the bank guarantee, he will be permitted to operate the bank account.

4) We, however, permit the petitioner to operate the bank account forthwith only for the purpose of furnishing bank guarantee. All concerned, including Bank Authorities shall take note of the order and act accordingly.

5) Stand over to 10/10/2025.

(JUDGE) **(JUDGE)**

KOLHE