IN THE HIGH COURT OF ANDHRA PRADESH :: AMARAVATI
(Special Original Jurisdiction)

WEDNESDAY ,THE TWENTY THIRD DAY OF APRIL
TWO THOUSAND AND TWENTY FIVE

PRESENT

THE HONOURABLE SRI JUSTICE R RAGHUNANDAN RAO

AND

THE HONOURABLE SRI JUSTICE B V L N CHAKRAVARTHI

WRIT PETITION NO's: 9376, 9385 & 9389 OF 2025

WRIT PETITION NO: 9376 OF 2025

Between:

Allu Ramana Murthy, S/o Allu Jayaram, Aged about 54 years, H. No. 23-8-5/1, Veluturi Vari Veedhi, Vizianagaram town, Vizianagaram District - 535002

...PETITIONER

AND

1. Assistant Commissioner (ST), Vizianagaram West Circle, Vizianagaram.
2. Deputy Assistant Commissioner (ST), Vizianagaram West Circle, Vizianagaram.
3. State of Andhra Pradesh, Rep. by Principal Secretary, Revenue (CT) Department, Secretariat Building, Velagapudi Amaravathi, Guntur District.
4. Chief Commissioner of State Taxes, Kunchanapalli, Guntur District.

...RESPONDENTS

Petition under Article 226 of the Constitution of India praying that in the circumstances stated in the affidavit filed therewith, the High Court may be pleased to issue a writ, order or direction, more particularly in the nature of a Writ of Mandamus declaring the Assessment Order passed by the 1st Respondent bearing AO No. ZH370321OD47456 dated 30.03.2021 under Section 21(5) of AP VAT Act, 2005 for the year 2015-16 and the consequential bank attachment notice issued by the 2nd respondent in Form GST DRC -13 under Section 79(1)(C) of CGST/SGST Act, 2017 dated 21.02.2025 without the name of the petitioner in assessment order, and without service of notice and assessment order, as being void, illegal, arbitrary and in violation of principles of natural justice and consequently set aside the same.

IA NO: 1 OF 2025

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased may be pleased to grant interim suspension of the impugned attachment notice dated 21.02.2025 issued by the 2nd Respondent in Form GST DRC -13 under Section 79(1)(C) of CGST/SGST Act, 2017, pending disposal of the Writ Petition as otherwise the petitioner will be put to severe loss and hardship.

Counsel for the Petitioner: SRI. L CHANDRA OBUL REDDY

Counsel for the Respondents: GP FOR COMMERCIAL TAX

WRIT PETITION NO: 9385 OF 2025

Between:

Allu Ramana Murthy, S/o Allu Jayaram, Aged about 54 years, H. No. 23-8-5/1, Veluturi Vari Veedhi, Vizianagaram town, Vizianagaram District - 535002

...PETITIONER

AND

1. Assistant Commissioner, Vizianagaram West Circle, Vizianagaram.
2. Deputy Assistant Commissioner (ST),, Vizianagaram West Circle, Vizianagaram.
3. State of Andhra Pradesh,, Rep. by Principal Secretary, Revenue (CT) Department, Secretariat Building, Velagapudi, Amaravathi, Guntur District.
4. Chief Commissioner of State Taxes,, Kunchanapalli, Guntur District.

...RESPONDENTS

Petition under Article 226 of the Constitution of India praying that in the circumstances stated in the affidavit filed therewith, the High Court may be pleased to issue a writ, order or direction, more particularly in the nature of a Writ of Mandamus declaring the Assessment Order passed by the 1st Respondent bearing AO No. ZH3704220D43007 dated 08.04.2022 under Section 21(5) of AP VAT Act, 2005 for the year 2016-17 and the consequential bank attachment notice issued by the 2nd respondent in Form GST DRC -13 under Section 79(1)(C) of CGST/SGST Act, 2017 dated 21.02.2025 without the name of the petitioner in assessment order, and without service of notice and assessment order, as being void, illegal, arbitrary and in violation of principles of natural justice and consequently set aside the same and pass

IA NO: 1 OF 2025

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased to grant interim suspension of the impugned attachment notice dated 21.02.2025 issued by the 2nd Respondent in Form GST DRC -13 under Section 79(1)(C) of CGST/SGST Act, 2017, pending disposal of the Writ Petition

Counsel for the Petitioner: SRI. L CHANDRA OBUL REDDY

Counsel for the Respondents: GP FOR COMMERCIAL TAX

WRIT PETITION NO: 9389 OF 2025

Between:

Allu Ramana Murthy, S/o Allu Jayaram, Aged about 54 years, H. No. 23-8-5/1, Veluturi Vari Veedhi, Vizianagaram town, Vizianagaram District - 535002

...PETITIONER

AND

1. Assistant Commissioner, Vizianagaram West Circle, Vizianagaram.
2. Deputy Assistant Commissioner (ST), Vizianagaram West Circle, Vizianagaram.
3. State of Andhra Pradesh, Rep. by Principal Secretary, Revenue (CT) Department, Secretariat Building, Velagapudi Amaravathi, Guntur District.

4. Chief Commissioner of State Taxes, Kunchanapalli, Guntur District.

...**RESPONDENTS**

Petition under Article 226 of the Constitution of India praying that in the circumstances stated in the affidavit filed therewith, the High Court may be pleased to issue a writ, order or direction, more particularly in the nature of a Writ of Mandamus declaring the Assessment Order passed by the 1STRespondent bearing AO No. ZH37111200D41178 dated 17.11.2020 under Section 21(5) of AP VAT Act, 2005 for the period from October 2014 to March 2015and the consequential bank attachment notice issued by the 2ND respondent in Form GST DRC -13 under Section 79(1)(C) of CGST/SGST Act, 2017 dated 21.02.2025 without the name of the petitioner in assessment order, and without service of notice and assessment order, as being void, illegal, arbitrary and in violation of principles of natural justice and consequently set aside the same and pass

IA NO: 1 OF 2025

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased to grant interim suspension of the impugned attachment notice dated 21.02.2025 issued by the 2nd Respondent in Form GST DRC -13 under Section 79(1)(C) of CGST/SGST Act, 2017, pending disposal of the Writ Petition as otherwise the petitioner will be put to severe loss and hardship

Counsel for the Petitioner: SRI. L CHANDRA OBUL REDDY

Counsel for the Respondents: GP FOR COMMERCIAL TAX

The Court made the following Common Order:

APHC010185852025

IN THE HIGH COURT OF ANDHRA PRADESH
AT AMARAVATI
(Special Original Jurisdiction)

[3535]

WEDNESDAY, THE TWENTY THIRD DAY OF APRIL
TWO THOUSAND AND TWENTY FIVE

PRESENT

THE HONOURABLE SRI JUSTICE R RAGHUNANDAN RAO

THE HONOURABLE SRI JUSTICE B V L N CHAKRAVARTHI

WRIT PETITION Nos: 9376, 9385 & 9389 /2025

Between:

Allu Ramana Murthy, **...PETITIONER**

AND

Assistant Commissioner St and Others **...RESPONDENT(S)**

Counsel for the Petitioner:

1. L CHANDRA OBUL REDDY

Counsel for the Respondent(S):

1. GP FOR COMMERCIAL TAX

The Court made the following common order:

(per Hon'ble Sri Justice R. Raghunandan Rao)

The 1st respondent had passed orders of assessment against one Sri A. R. Maruthi Raj, under the provisions of the Andhra Pradesh Value Added Tax Act, 2005 (here-in-after referred to as "VAT Act"), for the assessment periods 2014-15, 2015-16 & 2016-17. The 1st respondent, after giving due notice and opportunity of hearing, had passed orders of assessment, determining various amounts to be due from Sri A. R. Maruthi Raj, on account of hire charges received by him from M/s.APSRTC, in relation to bus bearing No.AP 35 X 0288.

2. Thereafter, the petitioner herein as well as his banker, had been served with a bank attachment notice by the 2nd respondent, dated 21.02.2025, calling upon the banker to remit the tax dues raised against Sri A. R. Maruthi Raj, under the orders of assessment.

3. The petitioner, being aggrieved by the said order of attachment, has approached this Court, by way of these Writ Petitions. The petitioner has filed three Writ Petitions against three separate assessment orders. The details of the assessment orders and the consequential attachment orders are given below:

W.P.No.	Assessment Period	Assessment order No. & Date	Bank Attachment Notice Date
9376 of 2025	2015-16	ZH370321OD47456, dated 30.03.2021	21.02.2025
9385 of 2025	2016-17	ZH370422OD43007, dated 08.04.2022	21.02.2025
9389 of 2025	2014-15	ZH371120OD41178, dated 17.11.2020	21.02.2025

4. The contention of the petitioner was that the assessment orders had been passed against a third party and the petitioner was made liable for clearing the dues of the third party.

5. The learned Government Pleader for Commercial Tax, on instructions, submits that the petitioner had purchased the said vehicle bearing No.AP 35 X 0288. The learned Government Pleader would contend that, by virtue of Sections 26, 27 & 30 of the VAT Act, the petitioner would become liable to discharge the tax dues of Sri A. R. Maruthi Raj.

6. Section 26 of the VAT Act provides for creation of a charge over the assets of a VAT dealer or TOT dealer or any other dealer under the VAT Act for recovery of tax dues. Section 27 of the VAT Act voids any transfer of property by a dealer with the intention to evade payment of tax and empowers the authorities under the Act to provisionally attach any property, even during the pendency of the assessment proceedings so as to protect interests of revenue. Section 30 of the VAT Act stipulates that the liability of taxes of a dealer would have to be discharged by any other person to whom the business of the dealer has been transferred.

7. In the present case, Sri A. R. Maruthi Raj is said to have sold his bus to the petitioner. This would not mean, in any manner, transfer of business.

8. The provisions of Sections 26 & 27 would at best be available for recovery of taxes by sale of the bus that is said to have been sold to the petitioner. This right would also be subject to the conditions stipulated under Section 27 of the VAT Act.

9. In such circumstances, the respondent authorities, who could at best proceed against the vehicle sold by Sri A. R. Maruthi Raj, subject to the conditions set out under Section 27 of the VAT Act, and cannot seek to recover the taxes due of Sri A. R. Maruthi Raj from the petitioner.

10. Accordingly, these Writ Petitions are allowed, setting aside the orders of attachment mentioned above, leaving it open to the authorities to recover the tax dues from Sri A. R. Maruthi Raj and to take steps against the vehicle, if the conditions under Section 27 of the VAT Act are complied with. There shall be no order as to costs.

As a sequel, pending miscellaneous applications, if any, shall stand closed.

Sd/- SHAIK MOHD. RAFI
//TRUE COPY// **ASSISTANT REGISTRAR**

SECTION OFFICER

To,

1. The Assistant Commissioner (ST), Vizianagaram West Circle, Vizianagaram.
2. The Deputy Assistant Commissioner (ST), Vizianagaram West Circle, Vizianagaram.
3. The Principal Secretary, Revenue (CT) Department, Secretariat Building, Velagapudi Amaravathi, Guntur District.
4. The Chief Commissioner of State Taxes, Kunchanapalli, Guntur District.
5. One CC to SRI. L CHANDRA OBUL REDDY Advocate [OPUC]
6. Two CCs to GP FOR COMMERCIAL TAX ,High Court Of Andhra Pradesh. [OUT]
7. **Three CD Copies**

vna

HIGH COURT

DATED:23/04/2025

COMMON ORDER

WP.No's.9376, 9385 & 9389 of 2025

ALLOWING THE WRIT PETITIONS'
WITHOUT COSTS