

2024 (90) G.S.T.L. 225 (S.C.)

IN THE SUPREME COURT OF INDIA

B.V. Nagarathna and Nongmeikapam Kotiswar Singh, JJ.

RHC GLOBAL EXPORTS PVT. LTD.

Versus

UNION OF INDIA

Petition for Special Leave to Appeal (C) Nos. 15992-15994 of 2023, decided on 18-9-2024

Attachment - Bank account - Renewal of attachment - Period of attachment having expired, department renewed attachment of bank account - Petitioners contended that there was no provision or jurisdiction with department to once again attach an account after expiry of attachment period - Petitioners also brought to notice department's Circular dated 2-9-2023 which prescribes time-frame for initiation and conclusion of proceedings - *HELD* : In view of Circular dated 2-9-2023, attachment of bank account was to be lifted - Section 83 of Central Goods and Services Tax Act, 2017 - Section 83 of Punjab Goods and Services Tax Act, 2017. *[paras 4 and 5]*

In favour of assessee

CASE REVIEW

RHC Global Exports Pvt. Ltd. v. Union of India — 2023 (74) G.S.T.L. 385 (Guj.) = (2023) 7 Centax 73 (Guj.) — **Disposed of**

DEPARTMENTAL CLARIFICATION CITED

CB.I. & C. GST-Investigation Wing Letter F.No. GST/INV/Provisional Attachment/Advisory/ 2023-24, dated 2-9-2023 — [Para 4

REPRESENTED BY : S/Shri Balbir Singh, Sr. Advocate, Shashank Khurana, Advocate and Ms. Nidhi Jaswal, AOR, for the Petitioner.

Ms. Manisha Lavkumar, S/Shri Aniruddha Joshi, Sr. Advocates, Siddharth Dharmadhikari, Bharat Bagla, Sourav Singh, Aditya Krishna, Ms. Preet S. Phanse and Adarsh Dubey, Advocates, Ms. Deepanwita Priyanka and Aaditya Aniruddha Pande, AORs, for the Respondent.

[Order]. - IA No. 249406/2023 : We have heard Learned Senior Counsel for the petitioners and Learned Senior Counsel for the respondent-State and others on the application filed by the petitioners herein.

2. During the course of submissions, Learned Senior Counsel for the respondent-State submitted that three bank accounts are the subject matter of this application : the attachment in respect of the First Account (Account No. 18961900005060) lapsed on 3-3-2024. That in fact there is no attachment of the Second Account (Account No. 20012021006064) mentioned by

the petitioners herein; that as far as the Third Account (Account No. 916020074041235) is concerned although the attachment lapsed on 3-3-2024 by virtue of sub-section (2) of Section 83 of the Central Goods and Services Tax, Act, 2017 (hereinafter referred to as the "Act") there has been a renewal of the attachment on 30-8-2024 and the third account is presently attached. There is no ground made out by the petitioners for lifting the said attachment. Hence, there is no merit in this application and the same may be dismissed.

3. In response to this submission, Learned Senior Counsel for the petitioners stated that once the attachment expires by virtue of operation of law in terms of sub-section (2) of Section 83 of the Act, there is no provision or jurisdiction vested with the Department to once again attach an account. In the circumstances, the attachment made on 30-8-2024 insofar as the third account is concerned is without authority of law and therefore, a direction may be issued for lifting of the said attachment. Submission was made that keeping in view the fact that the attachment of the first account has lapsed and that there is no attachment of the second account, a direction may be issued for lifting of the attachment insofar as the third account is concerned.

4. Learned Senior Counsel for the petitioners also brought to our notice a Circular dated 2-9-2023 and particularly to Paragraph '3.1' of the said Circular which prescribes a time-frame for the initiation and conclusion of proceedings and bearing in mind the effect of the expiry of the attachment in sub-section (2) of Section 83 of the Act.

5. Having regard to the aforesaid facts, we allow the application made by the petitioners herein. We direct that the attachment made of the third account by the respondent-State (Department) on 30-8-2024 be lifted and the account be defreezed.

6. The application is disposed of in the aforesaid terms.