BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: 22.07.2026

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THE HONOURABLE MR.JUSTICE M.DHANDAPANI

W.P(MD)No.20773 of 2026
and
W.M.P(MD)Nos.15420 & 15422 of 2026

Veerapandi ... Petitioner

Vs

1.Union of India,
Rep by the Additional Director General,
Directorate General of Goods and Service Tax Intelligence,
1st, 2nd, 3rd Floor, Plot No.44,
Sector 32, Gurugram Zonal Unit, Haryana State.

2.The Chief Compliance Officer,
Tamilnadu Mercantile Bank Ltd.,
No.57, V.E.Road, Head Office, Thoothukudi District.

3.The Branch Manager,
Tamilnadu Mercantile Bank Ltd.,
Paramakudi Branch,
No.9/110A1, Bagavath Singh Road,
Near Paramakudi Bus Stand,
Paramakudi Taluk,
Ramanathapuram District. ... Respondents

PRAYER: Writ Petition filed under Article 226 of Constitution of India, to issue a Writ of Certiorirified Mandamus calling for the records pertaining to the impugned notice in GST DRC-22 bearing F.No.DGGI/GZU/INV/Gr-F/298/2024-25, DIN:202502adgEE000666CFC/35166 dated 21.02.2025 issued by the first respondent, quash the same as illegal and consequential directing the 2nd and 3rd respondents to defreeze the petitioner's bank account bearing A/c.No.181100050319102, IFSC Code:TMBL0000181 maintained with 3rd respondent viz., Tamilnadu Mercantile Bank Paramakudi Branch, Ramanathapuram District and permit the petitioner to operate his bank account, based on the petitioner's representation dated 30.06.2026 within a time stipulated by this Court.

For Petitioner : Mr.B.Anandan

For Respondents : Mr.R.Gowri Shankar (R1)
Central Government Standing Counsel

ORDER

This Writ Petition has been filed challenging the impugned notice dated 21.02.2025 issued by the first respondent and consequently seeking a direction to respondents 2 and 3 to defreeze the petitioner's bank account maintained with the third respondent, namely, Tamil Nadu Mercantile Bank, Paramakudi Branch, Ramanathapuram District, and permit the petitioner to operate the said bank account, based on the petitioner's representation dated 30.06.2026, within a time frame to be stipulated by this Court.

2.By consent of the learned counsel appearing on either side, the Writ Petition is taken up for final disposal at the stage of admission itself.

3.Since no adverse order is proposed to be passed against the respondents 2 and 3, notice to the respondents 2 and 3 is dispensed with.

4.The learned counsel appearing for the petitioner submitted that the petitioner is running a footwear shop under the name and style of "Singapore Shoe Mart" situated on the Madurai–Ramanathapuram Road, Paramakudi Town. The said business is registered and operated in the name of the petitioner's wife. Apart from the said business, the petitioner is also engaged in agricultural activities by cultivating his agricultural lands, which are the only sources of income for the petitioner's family.

5.It is further submitted that, out of his lawful earnings, the petitioner opened and maintained a Savings Bank Account with the third respondent Bank for meeting the day-to-day expenses of his family and for the educational expenses of his children.

6.The learned counsel for the petitioner further submitted that, on 21.02.2025, the third respondent Bank informed the petitioner that his Savings Bank Account had been frozen pursuant to the proceedings issued by the first respondent dated 21.02.2025 under Section 83 of the Central Goods and Service Tax Act, 2017.

7.The learned counsel for the petitioner submitted that, as per Section 83(2) of the Central Goods and Service Tax Act, 2017, an order of provisional attachment of a bank account remains valid only for a period of one year. After the expiry of the said period, the attachment automatically ceases to have effect. He further submitted that the said issue has already been considered by the Hon'ble Delhi High Court in W.P.(C) No.10398 of

2024 and C.M. Application No.42732 of 2024, by order dated 12.09.2025. Hence, he prayed for allowing the Writ Petition.

8.The learned Central Government Standing Counsel appearing for the first respondent fairly submitted that the factual aspects stated by the learned counsel for the petitioner are not disputed.

9.Heard the learned counsel appearing for the petitioner and the learned Central Government Standing Counsel appearing for the first respondent and perused the materials available on record.

10.Considering the facts and circumstances of the case and in view of the statutory limitation prescribed under Section 83(2) of the Central Goods and Service Tax Act, 2017, the provisional attachment of the petitioner's bank account cannot be continued beyond the period prescribed under the Act.

11.Accordingly, the impugned proceedings issued by the first respondent attaching the petitioner's bank account are set aside. The petitioner is at liberty to operate the bank account maintained with the third respondent Bank. The concerned Manager of the third respondent Bank is directed to give effect to this order and permit the petitioner to operate the bank account without insisting upon any further communication from the Directorate General of GST Intelligence (DGGI).

12.With the above directions, the Writ Petition stands allowed. There shall be no order as to costs. Consequently, connected Miscellaneous Petitions are closed.

22.07.2026

NCC : Yes / No
Index : Yes / No
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To

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M.DHANDAPANI, J.

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