

## HC: Natural Justice Violated: Bank Account Attached Without Notice

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**REFER THE DECISION OF THE HON'BLE MADRAS HIGH COURT IN THE CASE OF**

**M.Velusamy v. State Tax Officer - [2025] 176 taxmann.com 271 (Madras)**

### Facts of the Case:

The assessee, M. Velusamy, was unaware of the issuance of a notice and subsequent assessment order under GST.

No proper service of notice or order was effected upon the assessee.

Despite this, the department proceeded to attach the assessee's bank account for recovery of dues.

The assessee came to know of the proceedings only after the bank attachment and approached the court, claiming violation of principles of natural justice.

### Hon'ble High Court Judgement:

The Madras High Court held that the attachment of the bank account without serving notice or providing an opportunity to be heard was unjustified.

The court observed that the assessee must be allowed to file a reply and a fresh order must be passed considering such reply.

Direction issued to lift the bank account attachment subject to deposit of the tax amount by the assessee.

**The matter was remanded to the department for fresh consideration after giving a proper hearing.**