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W.P.No.50528 of 2025

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED :21.01.2026

Coram

The Honourable **Mr.Justice C.Saravanan**

W.P.No.50528 of 2025

and

W.M.P.Nos.56777, 56578 & 56579 of 2025

1. N.Ramkhuan Narasimhan
2. Poorani Nagarajan ..Petitioners

Vs.

1 Assistant Commissioner (ST)
T.Nagar Assessment Circle,
nd
No.46, 2nd Floor, Mylapore Taluk Office Building
RA Puram, Greenways Road, Chennai – 600 028.

2. Deputy State Tax Officer-1,
T Nagar Assessment Circle,
No.46, Mylapore Taluk Office Building,
2nd Floor, Greenways Road, RA Puram
Chennai – 600 028.

3. Branch Manager,
Indian Overseas Bank,
No.9, Dr Natesan Salai,
Ashok Nagar, Chennai – 600 083. ...Respondents

For Petitioner : Mr.M.Siddharth Mallinathan
For Respondents : Ms.Amirta Poonkodi Dinakaran,
Government Advocate



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O R D E R

The petitioner appears to be the Directors of the Company under liquidation, viz., M/s. Infinitas Energy Solutions Pvt. Ltd. It appears that proceedings under IBC, 2016 came to be initiated against the said Company, and therefore, the fourth respondent herein was appointed as an Interim Resolution Professional (IRP) on 08.09.2017.

2. Subsequently, by an order dated 06.02.2019, in C.P.No.558/1B/CB/2017, the aforesaid Company was ordered to be liquidated and the fourth respondent herein was appointed as a Liquidator of the said Company.

3. It further appears that the business of the said Company was carried on thereafter even during the period of April, 2019 and March, 2021, in respect of which certain tax liability is said to have been incurred by the said Company under liquidation.

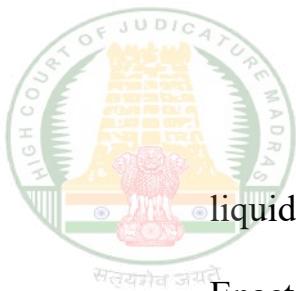


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4. In respect of those tax liability incurred by the said Company under liquidation, impugned recovery proceedings has been initiated by attaching the Bank account of the petitioners maintained with the third respondent-Bank on the ground that the petitioner and the Directors as per the records maintained by the Corporate Affairs Department.

5. According to the petitioner, they are no longer associated with the said Company under liquidation, as, the said Company is in charge of the fourth respondent, who was initially appointed as Interim Resolution Professional by order dated 08.09.2017 and later on, appointed as a Liquidator of the said Company by order dated 06.02.2019.

6. The facts on records also reveal that tax amount has also been recovered from the credit ledger maintained by the said Company and that the said Company is in arrears of interest and penalty as confirmed by orders passed by the Assessing Officer. There is no justification on the part of the respondent-Income Tax Department to attach the respective petitioner's Bank account, who are the individual Directors of the said Company under 3/6



liquidation for the mandate of Section 88(3) of the respective GST
Enactments.

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7. For the sake of clarity, Section 88 of the respective GST enactment is reproduced below:

“88. Liability in case of company in liquidation

(1) When any company is being wound up whether under the orders of a court or Tribunal or otherwise, every person appointed as receiver of any assets of a company (hereafter in this section referred to as the “liquidator”), shall, within thirty days after his appointment, give intimation of his appointment to the Commissioner.

(2) The Commissioner shall, after making such inquiry or calling for such information as he may deem fit, notify the liquidator within three months from the date on which he receives intimation of the appointment of the liquidator, the amount which in the opinion of the Commissioner would be sufficient to provide for any tax, interest or penalty which is then, or is likely thereafter to become, payable by the company.

(3) When any private company is wound up and any tax, interest or penalty determined under this Act on the company for any period, whether before or in the course of or after its liquidation, cannot be recovered, then every person who was a director of such company at any time during the period for which the tax Writ Appeal due shall, jointly and severally, be liable for the payment of such tax, interest or penalty, unless he proves to the satisfaction of the Commissioner that such non-recovery cannot be attributed to any gross neglect, misfeasance or breach of duty on his part in relation to the affairs of the company.”



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in the impugned order. The petitioners are therefore given liberty to file suitable application within 15 days from the date of receipt of a copy of this order. The respondent shall thereafter pass appropriate orders on merits as expeditiously as possible preferably within a period of 15 days.

9. Needless to state the petitioner shall be heard before passing final order.

10. The attachment of the petitioner's bank account(s) shall also stand vacated subject to the order to be passed.

11. This Writ Petition is disposed of with the above observations. No costs. Connected W.M.Ps are closed.

21.01.2026

nvi

Neutral Citations : Yes / No



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C.SARAVANAN,J.,

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