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IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 29.07.2021

CORAM

THE HONOURABLE MR. JUSTICE S.M.SUBRAMANIAM

W.P.No.15687 of 2021

M/s.Kiran Distributors,
Rep., by its Proprietor Rail Chand,
No.63, Perumal Koil Garden, 2nd Lane,
Sowcarpet, Chennai,
Tamil Nadu-600 079. .. Petitioner

-vs-

1. The Senior Intelligence Officer,
   Directorate General of Goods and Service
   Tax Intelligence, Chennai Zonal Unit,
   No.16, BSNL Tower II,
   5th Floor, Greams Road,
   Chennai-600 006.

2. The Commissioner of Commercial Taxes,
   Office of the Commissioner of Commercial Taxes,
   Commercial Tax Department,
   Ezhilagam, Chepauk,
   Chnennai-600 005. .. Respondents

Petition filed under Article 226 of the Constitution of India praying for issuance of Writ of Mandamus directing the 2nd respondent not to block the ITC on the supplies made by the petitioner to various customers pending investigation by the 1st respondent.

For Petitioner : Mr.P.Jitendra Kumar

For Respondent : Mr.V.Sundareswaran,
Standing Panel Counsel

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ORDER

The relief sought for in the present writ petition is to direct the second respondent not to block the Input Tax Credit (ITC) on the supplies made by the petitioner to various customers pending investigation by the first respondent.

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2.The relief as such sought for cannot be granted in a blanket manner, as the authorities cannot be restrained from exercising their duties as conferred under the provisions of the statutes.

3.The petitioner is a Proprietor of M/s.Kiran Distributors, having its registered office at No.63, Perumal Koil Garden 2nd Line, Sowcarpet, Chennai-600 079 engaged in the business of trading and supply of steel products such as steel pipes, ingots, fittings, utensils, etc., and is registered under the Goods and Service Tax effective from 01.07.2017.

4.The learned counsel for the petitioner made a submission that the investigation is in progress and during the investigation, the respondents are blocking the input tax credit on the supplies made by the petitioner to various customers, which is affecting the trading activities of the petitioner.

5.When the authorities are in the process of conducting investigation and they are empowered to continue the investigation and take a decision by following the procedures, the consequences are to be dealt strictly in accordance with the provisions of the Act. Blanket injunction or direction cannot be granted restraining the competent authorities from exercising their powers in accordance with law.

6.Thus, the relief as such sought for is absurd and the petitioner has to cooperate for the investigation and complete the process in accordance with law. These being the principles to be followed, this Court is of the opinion that this writ petition is devoid of merits and stands dismissed. No costs.

Sd/-
Assistant Registrar(CS-IX)

// True Copy//

Sub Assistant Registrar

abr

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To

1. The Senior Intelligence Officer,
   Directorate General of Goods and Service
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   Commercial Tax Department,
   Ezhilagam, Chepauk,
   Chnennai-600 005.

+1cc to Mr.V.Sundareswaran,SSC. Advocate, S.R.No.36504

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KV(CO)
SU(26/08/2021)

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