IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 28.03.2023

CORAM

THE HONOURABLE DR. JUSTICE ANITA SUMANTH

W.P. No.8009 of 2020 and
WMP.No.24517 of 2020

P.C.Shyamsunder, Partner,
M/s.P.K.Vaduvammal,
No.97/143A, Rassappa Chetty Street,
Park Town, Chennai-600 002. .... Petitioner

Vs.

1.The Principal Commissioner of GST & Central Excise,
Chennai North Commissionerate,
No.26/1, Uthamar Gandhi Salai
Nungambakkam, Chennai-600 034

2.The Superintendent of Central Excise,
Headquarters Preventive Unit, Group X,
Chennai North Commissionerate,
No.26/1, Uthamar Gandhi Salai,
Nungambakkam, Chennai-600 034 ...Respondents

Prayer: Writ Petition filed under Article 226 of the Constitution of India praying to Writ of Mandamus, directing the 1st respondent herein to forthwith withdraw the temporary blocking of the input tax credit of Rs.27,62,643/- on 14.01.2020 vide his reference No.BL3301200000068 and the further temporary blocking of the input tax credit of Rs.1,54,605/- on 28.01.2020 vide reference No.BL3301200000641 in the petitioner's Electronic credit ledger thereby preventing the Petitioner from utilising the said input tax credit for discharge of GST on the supplies made by them as permitted under the law, holding that the said action of the 1st respondent is contrary to law, abuse of power and in gross violation to the principles of natural justice.

For Petitioner	:	Ms.P.Jayalakshmi for Mr.N.Viswanathan
For Respondents	:	Mr.T.C.Prakash for Mr.Rajendran Raghavan Senior Standing Counsel

ORDER

Read this order in conjunction and in continuation of order dated 14.03.2023 that reads as follows:

'The short prayer of the petitioner is for a mandamus directing the first respondent to lift the restriction imposed in terms of Rule 83A of the Central Goods Service Taxes Rules, 2021 (Rules) upon availment of Input Tax Credit (ITC).

2. At the time of admission of the matter on 08.04.2021, the attention of the Court was drawn to Notification No.75/19, particularly Clause 3, which states that such restriction upon the availment of credit, shall cease to have effect after a period of one year from the date of its imposition.

3. In the present case, the restriction has been imposed on 21.02.2020 and has lapsed on 20.02.2021. This Court, by order dated 08.04.2021 had directed the respondents to look into the matter prior to the next date of hearing. The matter has been adjourned thereafter on four occasions.

4. In the interregnum, a counter has been filed raising various allegations touching on extraneous matters which have no bearing on the issue of restriction under Rule 86A of Rules. The petitioner alleges that the blockage of credit continues till today, two years after the date when the restriction has lapsed.

5. There has been no action taken on the representation dated 21.02.2020, seeking removal of the blockage, till date. To be noted, it is also the categoric contention of the petitioner that no show-cause notice has been issued in the matter till date.

6. In light of the inaction of the respondent in this 2020 writ petition, till date, despite prompts from this Court for necessary action, the first respondent is put to terms and will remit a sum of Rs.5,000/- to the Cancer Institute, Adayar, Chennai, prior to next date of hearing, fixed on 28.03.2023. Let the needful be done in regard to the blocked credit by then.'

2.Today, learned counsel for the petitioner states that the direction at paragraph 6 has been complied with and that the blockage of credit has also been lifted.

3.With this, nothing survives in this writ petition and recording the same, this writ petition is closed. No costs. Connected miscellaneous petition is also closed.

28.03.2023

vs
Index: Yes/No
Speaking order
Neutral citation:Yes/No

To

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Nungambakkam, Chennai-600 034

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Dr.ANITA SUMANTH, J.

vs

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