IN THE HIGH COURT OF JUDICATURE AT BOMBAY
CIVIL APPELLATE JURISDICTION

WRIT PETITION NO. 15733 OF 2025

Dhairya Trade Link ...Petitioner
Versus
Deputy Commissioner of State Tax And Ors. ...Respondent

Mr. Mohit P. Chordiya, i/b. Sachin Kumar for Petitioner.

Ms. S.D. Vyas, Addl. G.P., a/w Ms. S.D. Chipdde, AGP for Respondent - State.

CORAM : M.S. Sonak &
Advait M. Sethna, JJ.

DATED : 25 November 2025

P.C.:-

1. Heard Mr. Mohit P. Chordiya holding for Mr. Sachin Kumar, learned counsel for the Petitioner and Ms. Vyas, learned Addl. Government Pleader for the Respondent.

2. Rule. Rule is made returnable immediately at the request of and with the consent of the learned counsel for the parties.

3. The challenge in this Petition is to the impugned order dated 15 July 2025 to the extent it negatively blocks Input Tax Credit (ITC) to the extent of Rs.5,56,409/- has been ultra virus Rule 86A of the Central Goods and Services Tax Rules, 2017 ("**CGST Rules**").

4. In the case of ***Rawman Metal & Alloys vs. The Deputy Commissioner of State Tax, Thane***[1] and ***King Enterprises vs. Union of India & Ors.***[2], this Court has held that such negative blocking is impermissible under Section 86A of the CGST Rules.

5. Therefore, by following the reasoning in the above two decisions, we quash and set aside the impugned order dated 15 July 2025, to the extent it blocks negatively the Petitioner's ITC to the extent of Rs.5,56,409/-. This exercise must be completed within 15 days of the uploading of this order.

6. Rule is made partly absolute in above terms without any orders for costs.

7. All concerned must act upon an authenticated copy of this order.

(Advait M. Sethna, J) **(M.S. Sonak, J.)**

[1] Writ Petition (L) No.10928 of 2025 decided on 7 October 2025

[2] Writ Petition No.5094 of 2025 decided on 18 November 2025