IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 26-03-2025

CORAM

THE HONOURABLE MR JUSTICE KRISHNAN RAMASAMY

WP No. 5407 of 2025

M/s.Selvam Overseas
Rep. By Ganesh Selvaraj,
Managing Partner,
1, Pitchampalayam Itteri Road, Tirupur.

Petitioner(s)

Vs

1. The Joint Commissioner (ST)
AEPC Building, Avinashi.

2.The Deputy Commissioner (ST)
Zone I, CT Buildings, Kumaran Road,
Tirupur.

3.The Assistant Commissioner (ST)(FAC)
Tirupur (north) II Circle, Tirupur.

Respondent(s)

PRAYER:-Writ Petition filed under Article 226 of the Constitution of India, pleased to issue a Writ of Mandamus, to direct the 2nd respondent to pass orders on the representation dated 23.01.2025 filed by the petitioner, after grant of personal hearing.

For Petitioner(s): Mr.V.Srikanth

For Respondent(s): Mr.C.Harsha Raj,
Special Government Pleader (t)

ORDER

This Writ Petition has been filed by the petitioner seeking for a direction to direct the 2nd respondent to pass order on the representation dated 23.01.2025 made by the petitioner, after affording opportunity to the petitioner.

2.Learned counsel appearing for the petitioner would submit that the petitioner is engaged in the business of supply of fabrics and hosiery garments. While so, on 02.01.2025, the petitioner received a SMS stating that his input tax credit amounting to Rs.23,39,032/- has been blocked. Thereafter, the 3rd respondent issued notice in Form DRC 01 A dated 06.01.2025 demanding tax, interest and penalty of Rs.54,76,190/-. After the receipt of the said notice, the petitioner realized that due to default committed by the petitioner's supplier viz., Fateh Enterprises, the credit ledger of the petitioner was blocked and on verification of the GST portal, it was found that the registration certificate of Fateh Enterprises was cancelled with effect from 13.01.2024 only.

3.He would further submit that the petitioner made a representation before the respondents 1 and 2 requesting to unblock the credit ledger as the action affects the business of the petitioner. The respondents 1 and 2, while promising to look into the issue, seemed to have given a direction to appropriate the credit ledger and the respondents have recovered the disputed amounts by blocking the credit ledger and there is only a negative balance in the ledger. The petitioner was not issued with any proceeding under Rule 86A of the CGST Rule, 2017. Therefore, the petitioner made a representation dated 23.01.2025, to unblock the Input Tax Credit before the 2nd respondent and the same is yet to be considered. Hence, the present writ petition.

4.Considering the facts of the case and the limited prayer sought for in the Writ Petition, this Court, without delving into the merits of the matter, directs the 2nd respondent to consider the representation of the petitioner dated 23.01.2025 and dispose of the same in accordance with law, after affording an opportunity to the petitioner, within a period of three weeks from the date of receipt of a copy of this order.

5.In the result, the Writ Petition is disposed of with the above direction.

No costs.

26-03-2025

Index:Yes/No
Speaking/Non-speaking order
Internet:Yes
Neutral Citation:Yes/No

rst

To

1.The Joint Commissioner (ST)
Aepc Building, Avinashi.

2.The Deputy Commissioner (ST)
Zone I, Ct Buildings,
Kumaran Road, Tirupur

3.The Assistant Commissioner
(ST)(FAC)
Tirupur (north) II Circle,
Tirupur.

KRISHNAN RAMASAMY J.

rst

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