IN THE HIGH COURT OF JUDICATURE AT BOMBAY
NAGPUR BENCH, NAGPUR

Writ Petition No.1583 of 2026

M/s. Santosh Steel Enterprises, Teh. Kamptee, Nagpur
vs.
The State of Maharashtra, through the Secretary, Department of Goods & Services Tax, Mumbai and others

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Office notes, Office Memoranda of Coram, appearances, Court's orders or directions and Registrar's orders.	Court's or Judge's Orders

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Mr. Sahil Dewani, Advocate for the Petitioner.
Mr. S.S. Hulke, A.G.P. for the Respondents.

CORAM : ANIL L. PANSARE & NIVEDITA P. MEHTA, JJ.
DATE : 20th FEBRUARY, 2026.

01. The petitioner is aggrieved of inaction on the part of Revenue in not processing it's case, despite submitting reply to the 'show cause notice' dated 20/01/2025. By the said notice, the Revenue has called upon the petitioner to show cause as to why the ineligible ITC (Input Tax Credit) amount of Rs.1,42,83,018/- should not be blocked in the electronic credit ledger. The Revenue has, on 07/02/2025, blocked the ITC of the petitioner. The petitioner submitted his reply on 26/03/2025. However, no decision has been taken till date

02. The learned Counsel for the petitioner has invited our attention to Rule 86A of the Central Goods and Services Tax Rules, 2017 *(for short "the Rules of 2017")* to contend that even in such situation, where the decision has been not taken by the Revenue, it is under an obligation to release the restriction of blocking the ITC after one year from the date of imposing such restriction. However, till date, neither decision is taken nor ITC is unblocked.

03. Issue notice to the respondents, returnable on 6th March, 2026.

04. The learned A.G.P. waives service of notice on behalf of the Respondents/State.

05. The learned A.G.P. shall take instructions as to why the respondents have not taken a decision in the matter and, secondly, why the ITC has been not unblocked in terms of Sub-rule (3) of Rule 86A of the Rules of 2017.

06. The respondents may also take corrective measures before the next date.

(Nivedita P. Mehta, J.) **(Anil L. Pansare, J.)**

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