IN THE HIGH COURT OF JUDICATURE AT MADRAS

Dated : 29.11.2024

Coram:

THE HONOURABLE MR.JUSTICE C.SARAVANAN

W.P.No.22849 of 2022
and W.M.P.No.21871 of 2022

Tvl.Krishna Impex
Represented by its Proprietor,
Mr.Harish Raj Purohit,
No.58/842, Slimlin Square bearing
Chintaderipet,
Chennai – 600 002.

...Petitioner

Versus

1.Commissioner of GST and Central Excise,
Chennai North Commissionerate,
No.26/1, MG Road, Nungambakkam,
Chennai – 600 034.

2.Deputy Commissioner, Range – IV,
PAPJM Buildings, Greams Road,
Chennai – 600 006.

...Respondents

Writ Petition filed under Article 226 of the Constitution of India praying for issuance of a writ of mandamus directing the respondents herein to unblock the petitioner's Input Tax Credit under the TNGST Act amounting to Rs.11,70,726 (blocked vide reference no.BL3304220000184 on 15.04.2022) and consequently, permit the petitioner to debit the corresponding ITC from its electronic credit ledger.

For Petitioner	:	Mr.Adithya Reddy
For Respondents	:	Mr.K.Mohanamurali, Senior Panel Counsel

ORDER

The relief sought in the present writ petition is to direct the respondents to unblock the petitioner's Input Tax Credit (ITC) under the TNGST Act amounting to Rs.11,70,726 (blocked vide reference no.BL3304220000184 on 15.04.2022) and consequently, permit the petitioner to debit the corresponding ITC from its Electronic Credit Ledger.

2. In the present case, the GST Department had already blocked the petitioner's ITC pertaining to the purchase made from one M/s.Sree Sathya Traders during August 2019. Aggrieved over the same, the petitioner had filed a writ petition in W.P.No.9721 of 2021, seeking to issue appropriate direction to the GST Department to unblock its ITC. Subsequently, the petitioner's ITC was unblocked on 07.04.2022. While so, the GST Department has sent an e-mail dated 15.04.2022 to the petitioner, intimating that ITC available in petitioner's Electronic Credit Ledger has been blocked

purportedly by the 2nd respondent on 15.04.2022. After the expiry of one year's time restriction ceases to have effect under Rule 86A(3) of the Central Goods and Services Rules, 2017 (for brevity, 'CGST Rules, 2017). The Rule 86A(3) of the CGST Rules, 2017 reads as follows:

> *"**86A. Conditions of use of amount available in electronic credit ledger.-***
> *(3). Such restriction shall cease to have effect after the expiry of a period of one year from the date of imposing such restriction."*

3. As per the aforesaid Rule, blocking of credit available in the electronic credit ledger of a registered tax payer will be in force for a period of only one year. Thereafter, it will expire. Since the petitioner's ITC was blocked on 15.04.2022, it will expire on 15.04.2023. Hence, the relief sought by the petitioner has become infructuous due to efflux of time. Therefore, this writ petition is liable to be dismissed as infructuous. It is dismissed as infructuous. No costs. Consequently, connected miscellaneous petition is closed.

29.11.2024

mrr
Index : Yes/No

To

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C.SARAVANAN, J.

mrr

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