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By **Nidhi, Advocate**

Judgment No.: 001
Dt.: 26-10-2023

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Judgment Deals With

Section/Rule	Rule 86A of CGST Act, 2017
Authority	Bombay High Court
Case Name	M/s Guru Storage Batteries VS The State of Maharashtra
Dated	13th September, 2023

Brief Facts:
The State Tax Officer blocked the Electronic Credit Ledger of the petitioner which aggrieved him to file present petition.

Contention of Petitioner:
The blocking of Electronic Credit Ledger (ECL) has been done by State Tax Officer as per impugned communication and it cannot be done by State Tax Officer being an Officer below the rank of Assistant Commissioner. Under Rule 86A of CGST Rules, 2017, such blocking can be done either by Commissioner or any Officer authorised by Commissioner, who is not below the rank of an Assistant Commissioner.

Contention of Respondent:
Notification dated 24/1/2020 has been relied upon under which the power has now been delegated by the Commissioner to the State Tax Officer.

Findings & Order:
The Electronic Credit Ledger has been blocked by State Tax Officer. A perusal of Rule 86A of the CGST Rules, 2017, indicates that such a blocking can be done by the Commissioner or an officer authorized by him in this behalf, not below the rank of Assistant Commissioner. Admittedly, the State Tax Officer does not fall within that category and is an Officer of the rank below that of the Assistant Commissioner. Though the Notification dated 24/1/2020 has been relied upon to contend that the power has now been delegated by the Commissioner to the State Tax Officer, the same is under the State GST Act, whereas Rule 86A of the aforesaid Act would contemplate a delegation by way of amendment to the Rule. The Notification dated 24/01/2020, would be of no assistance to the Department.

Thus, the action on behalf of the State Tax Officer in blocking the Electronic Credit Ledger of the petitioner cannot be sustained and the same was quashed and set aside

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