IN THE HIGH COURT OF JUDICATURE OF BOMBAY
BENCH AT AURANGABAD

WRIT PETITION NO.12116 OF 2025

M/s Rithwik Projects Private Limited … **PETITIONER**

VERSUS

Union of India & ors. … **RESPONDENTS**

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Mr. Darius B. Shroff, Senior Counsel with
Mr. Ashok Singh with Mr. Bharat Jain, Advocates i/b
Mr. A.C. Darandale, Advocate for petitioner
Mr. A.G. Talhar, A.S.G. for R.No.1.
Mr. D.S. Ladda, Standing Counsel with
Mr. Pratik Kothari, Advocate for R.No.2 to 4

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CORAM : R.G. AVACHAT AND
ABASAHEB D. SHINDE, JJ.

DATE : 1ST OCTOBER, 2025

O R D E R :

Heard. The petitioner's Credit Ledger Account has been blocked by the respondent – G.S.T. authorities. According to learned Senior Counsel for the petitioner, the mandate of Rule 86-A has not been followed before passing the impugned order. He meant to say that, the words "reason to believe" appearing in the Rule do not reflect in the nature of reasons in support of the order impugned herein.

2. It is true that, the authorities concerned have not given any reason while the order impugned herein is passed. The Gujarat High Court, in case of **New Nalbandh Traders Vs. State of Gujarat [2022 (66) GSTL 334 (Guj)**, has observed that, even if the reasons are cited, a post-decisional hearing needs to be given to the aggrieved party within two weeks thereafter.

3. In the case in hand, the authorities concerned appear to have issued notice/ summons, calling upon it to furnish certain documents including the documents relating to supplies made by Darwin Platforms Infrastructure Limited. The record further indicates that, the petitioner appeared in response to the notice and sought for time. The petitioner did not avail the opportunity. Be that as it may. The respondent authorities have now come around to grant the petitioner post-decisional hearing. The petitioner is ready to avail the same.

4. The learned Standing Counsel for GST authorities has relied on the judgment of the Orissa High Court in case of **Transtech Solution Vs. The Commissioner Ct & GST, Banijyankar Bhawan Buxibazar, Cuttack, The Joint**

Commissioner of State Tax Bhubaneshwar-I Circle Bhubaneshwar [2025] 86 TAXLOK./COM 154 (Orissa) to submit that the petitioner shall cooperate with the investigating agency to take the matter to the logical end.

5. In the aforesaid factual backdrop, we are inclined to interfere with the order impugned herein. With this, the Writ Petition stands disposed of in terms of the following order :

O R D E R

(i) The order 8/9/2025, blocking the Credit Ledger Account of the petitioner is hereby set aside, on condition of the petitioner furnishing Bank guarantee (from Nationalised Bank) in the sum of Rs.6,50,00,000/- (Rupees Six Crores Fifty Lakhs).

(ii) The respondent G.S.T. authorities shall grant the petitioner full opportunity to meet its case and then pass the necessary orders within a time frame of four months.

(iii) The respondent authority shall not encash the Bank guarantee until four months next after it passes the decision in the proceedings before it.

(ABASAHEB D. SHINDE, J.) **(R.G. AVACHAT, J.)**

fmp/-