IN THE HIGH COURT OF GUJARAT AT AHMEDABAD

R/SPECIAL CIVIL APPLICATION NO. 8120 of 2026

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M/S SUPREET CHEMICALS LTD.
Versus
UNION OF INDIA & ANR.

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Appearance:
MR D K TRIVEDI(5283) for the Petitioner(s) No. 1
MR UTKARSH SHARMA for MR PRADIP D BHATE(1523) for the Respondent(s) No. 1,2

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CORAM:**HONOURABLE MR. JUSTICE A.S. SUPEHIA**
and
HONOURABLE MS. JUSTICE VAIBHAVI D. NANAVATI

Date : 19/06/2026
ORAL ORDER
(PER : HONOURABLE MR. JUSTICE A.S. SUPEHIA)

1. At the outset learned Senior Standing Counsel Mr. Utkarsh Sharma upon instructions, has submitted that the petitioner has suppressed the letter/communication dated 09.05.2025 wherein the Director/Authorised signatory of the petitioner – Company, Mr. Vikas Pandey had categorically made a statement that the amount mentioned in the said communications are determined as per the provision of Section 74(6) of the Central Goods and Services Tax Act, 2017 (for short 'CGST Act') was paid voluntarily and neither any appeal will be filed on such payment nor any claim for refund will be made in future. He has also referred to the Audit Observation Form of GST ADT-01-A dated 06.05.2025, and has submitted that said communication is also not produced by the petitioner on record.

2. When this Court has confronted learned advocate Mr.D.K.Trivedi as to why these documents which go to the root of the matter, have not produced in the writ petition, he has submitted that he would like to take instructions in this regard.

It is pertinent to note that the writ petition, the petitioner has challenged the action of the respondents in levying the coercive recovery of tax interest and penalty through DRC-03 challans dated 06.05.2025 and 07.05.2025, aggregated to an amount of Rs.5,79,98,904/-. The petition is premised on various grounds mainly there was no issuance of Show-Cause Notice, no reasonable opportunity of hearing was granted, there are no reasoned adjudication order was passed as well as there was no opportunity either to file the reply or to avail personal hearing has been granted.

3. It is pertinent to note that at paragraph 10 of the petition, the petitioner has referred that the waiver letter dated 09.05.2025, was obtained under pressure and coercion during the audit proceedings. However, the said letter is also not produced on record.

4. *Prima facie*, we are of the opinion that the petitioner has made a misleading statements in order to wriggle out of the recovery proceedings. The amount, which is stated to have been voluntarily paid and referred in the communication dated 09.05.2025, has not been produced on record, which appears to be deliberate.

5. Under such circumstances, we direct the petitioner to deposit cost of Rs.25,000/- before the Registry of this Court. As at this stage, we are of the firm opinion that the petitioner has tried to mislead this Court by suppressing the communication dated 09.05.2025, wherein the petitioner has categorically made a statement that the amount of penalty and interest under the provision of Section 74 of the CGST Act has been paid voluntarily. We do not find that after the communication dated

09.05.2025, or at the time of writing the aforesaid letter or soon thereafter, petitioner has made any complaint either to the police authorities or to the higher authorities, complaining the coercive action of the respondents.

6. However, we grant further opportunity to the petitioner to satisfy the serious allegations levelled by the petitioner that the amount has been obtained by the coercive action of the respondents, by filing an additional affidavit before the next date of hearing. In case, the Court is convinced, the amount of cost deposited before this Court, shall be directed to be returned to the petitioner. However, if the Court finds it otherwise a further serious view will be taken against the petitioner for having deliberately misleading this Court.

The matter is ordered to be listed on **24.06.2026**, on top of the Board.

(A. S. SUPEHIA, J)

(VAIBHAVI D. NANAVATI,J)

Radhika/1