

IN THE HIGH COURT OF JUDICATURE AT BOMBAY

CIVIL APPELLATE JURISDICTION

WRIT PETITION (st) NO. 14118 OF 2025

Guiltfree Industries Ltd. ...Petitioner

VS

Addl. Commissioner, CGST & Central Excise,
Palghar & Ors. ...Respondents

Mr. V. Sridharan, Senior Counsel with Sriram Sridharan with Aditi Jain i/b.
Sriram Sridharan, for the Petitioner.

Mr. Satyaprakash Sharma and Mr. Abhishek Mishra, for Respondent Nos.1 to 4.

CORAM: G. S. KULKARNI &
AARTI SATHE, JJ.

DATE: 23 February 2026.

P.C.

1. List the proceeding on **11 March 2026**.
2. We have perused the order dated 21 July 2025 passed by the co-ordinate Bench of this Court in pursuant to which the present petition is tagged to be heard alongwith Writ Petition No.9549 of 2025 (*Gopal Snacks Ltd. vs. Union of India*). While adjourning the proceedings, by the said order a request made on behalf of the Revenue to file reply affidavit was accepted and which was required to be filed in the time schedule as ordered in the companion petition. It appears that although about more than seven months have passed, no reply affidavit is placed on record.
3. Today Mr. Sridharan, learned Senior Counsel for the petitioner submits that the impugned order is sought to be implemented and a notice for recovery

being issued by the Punjab Authorities. In such context, we have briefly heard Mr. Sridharan. The issue appears to be of classification, as on one hand the Revenue has asserted recovery at the rate of 18% on the products in question belonging to the petitioner, the details of which are set out in paragraph 7, whereas the petitioner contends that the tax was in fact paid at the rate of 12% which is contended to be in accordance with law being under sub-heading 2106 90 in Sl.No.46 of Schedule II of the GST Rate Notification. On the other hand, the contention of the Revenue is that the tax was payable at 18% as goods were covered under Heading 1905 in Sl.No.16 of Schedule III. Thus, the deficit is only of 6%. The rival contentions on the issue would be required to be examined. The proceedings are pending before this Court for some time.

4. Till the parties are heard after the reply affidavit is filed, we are of the opinion that no coercive steps for recovery of the demand in question under the impugned order shall be taken forward by the respondents. Ordered accordingly.

5. Let reply affidavit be served on the petitioner well in advance.

(AARTI SATHE, J.)

(G. S. KULKARNI, J.)