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**IN THE HIGH COURT OF JUDICATURE AT BOMBAY**  
**NAGPUR BENCH, NAGPUR**

**Writ Petition No.4344 of 2025**

*Modern Traders*

*vs.*

*Deputy Commissioner/Joint Commissioner, Central Goods and Service Tax  
(Anti Evasion), Nagpur-II and others*

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*Office notes, Office Memoranda of  
Coram, appearances, Court's orders  
or directions and Registrar's orders.*

*Court's or Judge's Orders*

*Mr. Kapil Hirani, Advocate for the Petitioner.*

*Mr. R.K. Maheshwari, Advocate for Respondent Nos.1, 3 & 5 to 7.*

*Mr. K.R. Lule, A.G.P. for Respondent Nos.2 & 4/State.*

**CORAM** : **ANIL L. PANSARE & NIVEDITA P. MEHTA, JJ.**

**DATE** : **30<sup>th</sup> JANUARY, 2026.**

Heard.

02. We repeatedly enquired with the Counsel for respondent Nos.1, 3 and 5 to 7 to point out the provision of law under which stock kept by a person/entity like the petitioner, at an unregistered place, could be subjected to tax despite the petitioner submitting documentary evidence to the department showing ownership of the stock as well as payment of taxes and whether, in such circumstances, the department could have recovered the tax again and imposed a penalty equal to 100% of the tax amount. The Counsel, instead of giving reply, submitted that under the Rules, refund is not permissible.

03. Thus, it appears that the Revenue wants to take a stand that even if the recovery of tax and the imposition of penalty is contrary to the provisions of law, the department will not refund the amount so recovered, because the Rules do not permit so. We are not satisfied with the submissions advanced by Mr. Maheshwari, as it lacks clarity on law.

04. Accordingly, we call upon all the respondents to remain present before this Court so as to assist the Court on the issue involved in the matter.

The respondents shall remain present on 6<sup>th</sup> February, 2026 either personally or through Video Conferencing.

*\*sandesh*

(Nivedita P. Mehta, J.)

(Anil L. Pansare, J.)