

ITEM NO.38

COURT NO.7

SECTION XI

S U P R E M E C O U R T O F I N D I A
RECORD OF PROCEEDINGS

Petition(s) for Special Leave to Appeal (C) No(s). 5266/2026

[Arising out of impugned final judgment and order dated 03-11-2025 in WT No. 533/2025 passed by the High Court of Judicature at Allahabad, Lucknow Bench]

M/S SIMLA GOMTI PAN PRODUCTS PVT. LTD.

Petitioner(s)

VERSUS

COMMISSIONER OF STATE TAX U.P. & ORS.

Respondent(s)

(FOR ADMISSION, IA No. 38830/2026 - EXEMPTION FROM FILING O.T., IA No. 38829/2026 - PERMISSION TO FILE ADDITIONAL DOCUMENTS/FACTS/ANNEXURES)

Date : 20-03-2026 This matter was called on for hearing today.

CORAM :

HON'BLE MR. JUSTICE J.B. PARDIWALA
HON'BLE MR. JUSTICE K.V. VISWANATHAN

For Petitioner(s) :

Mr. Mukul Rohatgi, Sr. Adv.
Mr. Balbir Singh, Sr. Adv.
Mr. Kuljeet Rawal, Adv.
Ms. Ruchika Jain, Adv.
Mr. Parminder S. Bhullar, Adv.
Mr. Deepak Agrawal, Adv.
Mr. D.Kumanan, AOR

For Respondent(s) :

UPON hearing the counsel the Court made the following
O R D E R

1. Heard Mr. Mukul Rohatgi, learned senior counsel appearing for the petitioner.
2. It appears from the materials on record that a show

cause notice came to be issued to the petitioner by the department, raising a demand in the sum of Rs.119,98,39,204/- (Rupees One Hundred Nineteen Crore Ninety Eight Lakh Thirty Nine Thousand Two Hundred Four) towards tax, interest and penalty.

3. It further appears that a second show cause notice also came to be issued wherein the demand towards principal tax liability was to the tune of Rs.17,25,49,263/- (Rupees Seventeen Crore Twenty Five Lakh Forty Nine Thousand Two Hundred Sixty Three).

4. Thus, in all, the total demand raised by the department is approximately Rs.67 crore.

5. It is the case of the petitioner that for the purpose of giving appropriate reply to the two show cause notices referred to above, he made a request to the department to furnish few relevant documents. It is a specific case of the petitioner that the said documents have been referred to by the department in their two show cause notices.

6. In pursuance of the request made by the petitioner for supply of the documents, the petitioner was informed by the department that the documents would be uploaded on a particular portal on or before 31.05.2024. The department also informed the petitioner that upon such

uploading of documents, the reply to the two show cause notices may be filed on or before 10.06.2024.

7. According to the petitioner although the documents were uploaded by the department, yet those were uploaded on a different portal. Consequently, the petitioner was unable to access to that particular portal on which the documents were uploaded.

8. In such circumstances referred to above, he was not in a position to file any appropriate reply to the two show cause notices and the department proceeded to pass two final orders of assessment in accordance with the show cause notices, referred to above.

9. If we go by the two assessment orders, the total liability of the petitioner as on date with interest and penalty comes to around Rs. 159 crore.

10. Mr. Rohatgi would submit that the two assessment orders could be said to be *ex parte* orders because his client had no opportunity to participate in the assessment proceedings.

11. In such a situation, as referred to above, the two assessment orders were made a subject matter of challenge before the High Court of Allahabad. The High Court declined to entertain the writ petition, essentially on the ground that the petitioner has an

alternative efficacious remedy of preferring a statutory appeal under Section 107 of the U.P. Goods and Sales Tax Act, 2017 by making a pre-deposit of 10 per cent of the principal amount.

12. Since the High Court declined to entertain the writ petition, the petitioner is here before us with the present petition.

13. It also appears from the materials on record that in the first round, after the High Court declined to entertain the writ petition, seeking to challenge the two assessment orders, the appeal was preferred before the Appellate Authority. However, the Appellate Authority declined to entertain those appeals on the ground of failure to make the pre-deposit.

14. Today, the position is that the principal amount towards the liability as fixed by the department comes to around Rs. 67 crore. If the appeal is to be preferred, the statutory pre-deposit of 10 per cent would come to around Rs. 6.70 crore.

15. Mr. Rohatgi, has manifold contentions to raise with regard to the legality and validity of the two assessment orders and the manner in which the department proceeded with the assessment proceedings. He has also highlighted the financial constraints at the end of his

client in making a pre-deposit.

16. We direct the petitioner to deposit an amount of Rs.3.50 crore with the concerned department within a period of two weeks from today. The department shall acknowledge the receipt of the said amount in writing.

17. Once the amount is deposited, the receipt of the same shall be produced before the Registry of this Court. Upon production of the receipt of deposit, the registry shall issue notice to the respondents, returnable on 11.05.2026.

18. Since the petitioner has agreed to deposit the amount of Rs.3.50 crore within the aforesaid stipulated time, no coercive steps shall be taken pursuant to the two assessment orders.

(DEEPAK SINGH)
ASTT. REGISTRAR-cum-PS

(POOJA SHARMA)
COURT MASTER (NSH)