

**IN THE HIGH COURT OF GUJARAT AT AHMEDABAD
R/SPECIAL CIVIL APPLICATION NO. 2229 of 2026**

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M/S MARHABBA OVERSEAS PRIVATE LIMITED
Versus
UNION OF INDIA & ORS.

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Appearance:

MR S N SOPARKAR, SENIOR ADVOCATE WITH MR PARTH H
BHATT(6381), MS KHYATI A CHUGH AND MR SUDEEP BISWAS for the
Petitioner(s) No. 1
MR ANKIT SHAH for the Respondent(s) No. 2,3
MR PRADIP D BHATE(1523) for the Respondent(s) No. 1

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CORAM:HONOURABLE MR. JUSTICE A.S. SUPEHIA
and
HONOURABLE MR. JUSTICE PRANAV TRIVEDI

Date : 20/02/2026
ORAL ORDER
(PER : HONOURABLE MR. JUSTICE A.S. SUPEHIA)

1. During the course of hearing, learned Senior Advocate Mr.Soparkar has pointed out very worrying trend adopted by the Additional Commissioner, Central GST and Central Excise, while passing the impugned order dated 26.09.2025, by placing reliance on the non-existing judgements or though in existence, albeit not even remotely connected to the issues raised by the petitioner in his defence statement dated 22.09.2025. While referring to four core defence submissions more particularly, in paragraph Nos.19.1, 19.2, 19.3 and 19.4 referred to in the impugned order, he has invited attention of this Court to the citations, upon which the reliance is placed while dealing with

such submissions made by the respondent-authority.

2. The defence submission recorded by the Officer in paragraph No.19.1 of the impugned order, relates to the issuance of defective and unreasonable show-cause notice dated 29.06.2025, which was uploaded on GST Portal without annexing or supplying the Relied Upon Documents (RUDs) to the assessee. The said defence submission has been rejected by the Officer by placing reliance on the judgement in the case of Union of India Vs. Coastal Container Transporters Association, 2019 S.C.C. OnLine SC 1744. Learned Senior Advocate has submitted that in fact, the said citation appears to be incorrect and instead page number is 274 instead of 1744. It is submitted that though there is some error in recording the page number, the judgement rendered by the Supreme Court does not even remotely connects to the issue relating to the non-supplying of the RUDs, but instead the same relates to the classification of the service and maintainability of the writ petition against the show-cause notice.

3. The second defence submission as recorded in paragraph No.19.2 raised by the petitioner

relates to the mandatory requirement of issuance of DRC-01A as per Rule 142A of the Central Goods and Service Tax (CGST) Rules, 2017 which are not complied with and correspondingly it is submitted that the respondent has rejected the said contention by placing reliance on the judgement of the Madras High Court in the case of M/s. NKAS Service Pvt. Ltd. Vs. Union of India, (2021-VIL-37-MAD). In this regard, learned Senior Advocate has submitted that in fact, neither the citation exists nor their any judgement of Madras High Court, and as per research undertaken by his office, the said judgement is delivered by the Jharkhand High Court in the case of M/s. NKAS Service Pvt. Ltd. Vs. State of Jharkhand, 2021 S.C.C. OnLine Jharkhand 1266 and while inviting attention of this Court to the said judgement, it is submitted that in fact, the Jharkhand High Court has held in favour of the petitioner by holding that the issue under GST DRC-01A has to fulfill ingredients of proper show-cause notice and in absence of such ingredients, the same would amount to violation of principles of natural justice.

4. Learned Senior Advocate has further referred to the defence submission recorded in paragraph

No.19.3 of the impugned order, which relates to delayed re-initiation of investigation and issuance of show-cause notice for the same cause of action. It is submitted that while dealing with the said submission, the respondent authority has placed reliance on the judgement of the Supreme Court in the case of CC Vs. Flock India Pvt. Ltd., 2000 (120) ELT 285 (SC). In this regard, learned Senior Advocate has submitted that this judgement has no relevance to the defence submission, which has been raised by the petitioner and it relates to the classification rules under Central Excise Act, 1944 and also relating to the issue of refund.

5. Finally, learned Senior Advocate has referred to the defence submission recorded in paragraph No.19.4 of the impugned order, which pertains to the gross violation of principles of natural justice since no adequate time and opportunity was provided to respond to the allegations contained in the show-cause notice against the petitioner. It is submitted that while dealing with such defence submission, though the respondent authority has precisely placed reliance on the judgement of the Supreme Court in the case of Union of India Vs. W.N.Chadha, 1993

Supp (4) S.C.C. 260, but has also simultaneously, reliance is placed on the judgement of the Gujarat High Court in the case of Rajasthan State Chemical Works Vs. Union of India, 1991 (55) ELT 444 (Guj), which is absolutely ill-conceived. It is submitted that in fact, no such judgement of the Gujarat High Court exists and as per the research done by him, the judgement is of the Supreme Court rendered in the case of Collector of Central Excise, Jaipur Vs. Rajasthan State Chemical Works, Deedwana, Rajasthan, 1991 (55) ELT 444. Thus, it is submitted that though the citation is correct, the same is of the Supreme Court and not of the Gujarat High Court and it emanates from the decision of Customs, Excise & Service Tax Appellant Tribunal, Delhi and not from the Gujarat High Court. It is submitted that the said decision also refers to the meaning of manufacturing process under the CGST Act and does not deal with the defence submissions raised by the petitioner relating to the violation of principles of natural justice.

6. Thus, it is urged by the learned Senior Advocate that some guidelines are required to be prescribed to the quasi-judicial authorities in referring to the judgements blindly generated

through Artificial Intelligence, which are not in existence and even if they are in existence, they do not remotely apply to the issues raised by the assessee.

7. The foregoing submissions and the concern expressed by the learned senior advocate Mr.Soparkar merits acceptance. The reasonings/findings recorded by the respondent-Commissioner, while dealing with the defence submissions, by placing reliance on the aforementioned judgement/citations, is flawed and deceptive. It appears that the Commissioner, without reading the actual judgements, has followed the AI generated citations and case law.

8. Hence, we find that this is an appropriate case, wherein some directions are called for regulating/prescribing some parameters for quasi-judicial authorities while placing reliance on the judgements either of the High Courts or of the Supreme Court of India, while dealing with legal issues raised by an assessee. We also call upon learned Senior Standing Counsel Mr.Ankit Shah to apprise this Court on this concern by the next date of hearing.

9. **Notice** returnable on 12.03.2026. Matter to be placed at the top of the board. Learned Senior Standing Counsel Mr.Shah waives service of notice for and on behalf of the respondent(s).

Interim relief is granted in terms of paragraph No.17(c) till the final disposal of the writ petition. Direct service is permitted.

Sd/-
(A. S. SUPEHIA, J)

Sd/-
(PRANAV TRIVEDI, J)

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