ARJUN MACHHINDRA KADAM

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IN THE HIGH COURT OF JUDICATURE AT BOMBAY
CIVIL APPELLATE JURISDICTION

WRIT PETITION NO.12365 OF 2026

Trivitron Healthcare Private Ltd. … Petitioner.

Versus

The Deputy Commissioner,
Division – VI, CGST & Central
Excise Commissionerate, Belapur. & Ors. … Respondents.

Mr. Sagar Tilak a/w. Adv. Preshita Adamane, Advocate for the Petitioners.
Mr. Ram Ochani a/w. Adv. Suman Kumar Das, Advocate for Respondent Nos. 1 and 3.
Dr. Dhruti M. Kapadia, AGP for Respondent/State.

CORAM : M. S. KARNIK &
SANDESH D. PATIL, JJ.

DATE : 7th OCTOBER, 2026

P.C. :

1. The challenge in this Petition is to the following notices and orders issued /passed by the Respondent No. 1 – The Deputy Commissioner, Division – VI, CGST & Central Excise Commissionerate, Belapur :

I. The impugned Order dated 10/12/2025 passed by Respondent No. 1 rejecting the Rectification Application filed by the Petitioner;

II. The impugned Refund Rejection Order dated 11/08/2025 passed in Form GST-RFD-06;

III. The summary of the Refund Rejection Order dated 11/08/2025; and

IV. The Show Cause Notice dated 11/07/2025 issued in Form GST-RFD-08.

2. The Assessment Order was passed by the Additional Commissioner, CGST & C. Ex Belapur on 30/8/2022 for the Financial Years 2017-18, 2018-19, 2019-20, raising a demand of Rs. 1,12,34,474/- against the Petitioner. Being aggrieved by the said Assessment Order, the Petitioner filed an appeal before the Commissioner of Central Tax (Appeals), Raigarh and at the time of filing the said appeal made a pre-deposit equal to 10% of the demand raised in the Assessment Order through Form DRC-03.

3. The First Appellate Authority rejected the said appeal of the Petitioner. The order was received by the Petitioner on 10/7/2023. On 20/10/2023, the Petitioner formally communicated its intention to file appeal before the Goods and Services Tax Appellate Tribunal ('Tribunal' for short) as and when the Tribunal becomes functional. Thereafter, on 11/7/2024 CBIC

Circular No. 224/19/2024- GST came to be issued clarifying that the recovery shall remain stayed upon payment of pre-deposit.

4. On 21/6/2025, the Petitioner filed refund application under section 54 of the Central Goods and Service Tax Act, 2017 for the period July, 2023 to September, 2023 amounting to Rs. 93,76,673/-. By the impugned refund rejection order dated 11/8/2025, the Respondent No. 1 determined the net eligible refund of Rs. 64,01,750/- after disallowing the claim of Rs.21,97,190.45/-. Instead of sanctioning the same, the Respondents adjusted the entire amount against the alleged outstanding demand pertaining to the Financial Years 2017-18, 2018-19, 2019-20 arising out of the Assessment Order dated 30/8/2022.

5. The Petitioner has already filed an appeal before the First Appellate Authority on 09/11/2025 challenging the disallowance of Rs.21,97,190.45/-.

6. Thereafter, on 19/8/2025, the Petitioner deposited a further 10% of the disputed demand through Electronic Credit Ledger pertaining to demand Financial Years 2017-18 to 2019-20. With that the Petitioner paid entire pre-deposit of 20% of the

disputed demand contemplated by the Statute, namely, first 10% made at the time of filing the first appeal through Form DRC-03 and further 10% of the disputed demand on 19/08/2025 through Electronic Credit Ledger. On payment of 20% of the demand, recovery of the balance 80% of the demand stood stayed by operation of law under Section 112(8) and 112(9) of CGST, 2017. It is the contention of the Petitioner that the adjustment of the refund against such State demand is without jurisdiction.

7. Thereafter, on 08/12/2025 the Petitioner filed a rectification application pointing out the said error, placing on record that the entire 20% pre-deposits were paid, the Petitioner had thereby discharged its statutory obligation in full with nothing whatsoever remained to be paid as a condition for maintaining its appeal before the Tribunal and the adjustment was accordingly contrary to Section 112(8) and 112(9) of the CGST, 2017 . The said application came to be rejected by the impugned order dated 10/12/2025 without assigning any reasons and without dealing with the contentions. Hence, this Petition.

8. Mr. Ochani, learned counsel for Respondent Nos. 1 and 3 submitted that the Petition deserves to be dismissed as what has

been done by the Respondent No. 1 is rejection of the rectification application since there were outstanding demands pertaining to Financial Years 2017-18, 2018-19, 2019-20 which was by invoking Section 54 of the CGST /MGSC Act and hence, the demand was recoverable. It is submitted that such adjustment cannot be said to be contrary to the provisions of law. It is further submitted that the entity which has filed the proceedings is Trivitron Healthcare Private Limited whereas the trade name in the GST Department has been amended and the records indicate the name as "Kiran Medical Systems (A Division of Trivitron Healthcare Private Limited).

9. We have heard the learned Counsel for the parties. We have gone through the pleadings on the record.

10. It is pertinent to note that so far as the demand for the year 2017-18, 2018-19, 2019-20 is concerned, the Petitioner had made a pre-deposit equivalent to 10% to the demand raised in the Assessment Order at the time of filing of the appeal. The First Appellate Authority rejected the said appeal of the Petitioner which order is received by the Petitioner on 10/07/2023. On 20/10/2023 the Petitioner communicated its intention to file

appeal before the Goods and Service Tax Appellate Tribunal as and when said Tribunal becomes functional. CBIC Circular dated 11/07/2024 came to be issued clarifying that the recovery would be stayed on payment of the prescribed pre-deposit. The Petitioner having paid the pre-deposit, there was no question of effecting recovery on the basis of the demand raised in the Assessment Order for the Financial Years 2017-18, 2018-19, 2019-20.

11. The refund application of the Petitioner under section 54 of the CGST Act of the period July, 2023 to September, 2023 was decided and the Respondent determined the net eligible refund at Rs. 64,01,750/-. The entire amount was adjusted against the alleged outstanding demand pertaining to Financial Years 2017-18, 2018-19, 2019-20 arising out of the Assessment Order dated 30/8/2022. In view of the CBIC Circular dated 11/7/2024 by which it was clarified that recovery shall be remained stayed upon pre-deposit of prescribed amount, it was not open for the Respondent No. 1 to adjust the amount of Rs. 64,01,750/- towards the alleged outstanding demand pertaining to the Financial Years 2017-18, 2018-19, 2019-20 arising out of the Assessment Order dated 30/08/2022.

12. So far as the contention of Mr. Ochani, learned counsel for the Respondents that the proceedings are not maintainable as the trade name of the Petitioner is now amended, it is pertinent to consider the stand of the Petitioner. These are issues that can be gone into and decided by the Tribunal. Even otherwise the stand of the Petitioner is that while filing the appeal under the GST Act, once the GST Registration number is inserted, the name of the entity gets auto-populated. Accordingly, the name of the entity in the appeal before the Tribunal has auto-populated as Kiran Medical Systems (A Division of Trivitron Healthcare Private Limited). As the name gets auto-populated in the GST system, the Petitioner/Appellant is not in a position to manually amend the name of the Appellant in the appeal. However, the GST Registration number which is the only unique controlling number has always been the same. The Petitioner is a company named Trivitron Healthcare Private Limited. It was always registered under the same legal as well as trade name. It got its trade name amended in the records of GST Department to “Kiran Medical Systems” (A Division of Trivitron Healthcare Private Limited) on 18/05/2018. This aspect obviously can be gone into by the

Tribunal.

13. The Petitioner having paid the pre-deposit of 10% of the disputed amount at the stage of first appeal and has thereafter paid a further 10% thereof on 19/08/2025, has thereby discharged the entire pre-dposit of 20% of the disputed demand, and that the Petitioner has, upon such payment, filed an appeal on 15/07/2026 before the Tribunal against the demand pertaining to the Financial Years 2017-18, 2018-19 and 2019-20, whereby recovery of the balance demand stands deemed to be stayed by operation of sub-section 9 of Section 112 of the CGST Act, 2017 read with CBIC Circular No. 224/18/2024 dated 11/07/2024.

14. The Petitioner has preferred an appeal against the impugned Refund Rejection Order dated 11/08/2025 in respect of the refund for the period July, 2023 to September, 2023 on 09/11/2025, which appeal is presently pending before the First Appellate Authority under Section 107 of the said Act.

15. In such circumstances, we have no hesitation in holding that the sum of Rs.64,01,750/- cannot be appropriated against the demand pertaining to the Financial Years 2017-18, 2018-19 and 2019-20, and that the appropriation already effected shall stand

reversed and the said sum restored to the Petitioner within a period of four weeks from the date of uploading of this Order. Order accordingly.

16. The Tribunal as well as the Appellate Authority to decide the appeal filed by the Petitioner on its own merits and in accordance with law. Our observations are limited only to the reversal of the amount of Rs.64,01,750/- in view of the pre-deposit made and nothing more.

17. The Petition is accordingly allowed. No order as to costs.

(SANDESH D. PATIL, J.) **(M. S. KARNIK, J.)**