

M/s Falcon Enterprises v. State of Gujarat and others

Case number: Special Leave Petition (Civil) No. 6923/2021, arising from Gujarat High Court SCA No. 2094/2021, decided on 5 February 2021.

Citation: No neutral or reported citation is printed in the official source PDF.

Decision date: 1 June 2021

GST confiscation: section 107 statutory appeal and liberty to raise all issues before the appellate authority

Court: Supreme Court of India

Bench: L. Nageswara Rao and Aniruddha Bose, JJ.

Decision stage: Final reasoned disposal of the special leave petition, leaving the petitioner to raise all issues before the statutory appellate authority. No grant of leave or decision on the substantive confiscation merits is recorded.

01 Facts of case and issues

Falcon Enterprises challenged the Gujarat State Tax Department's order of 31 August 2020 confiscating goods and demanding tax, fine and penalty. Its writ petition was not entertained because the section 130 order was appealable under section 107 of the Central Goods and Services Tax Act, 2017.

Before the Supreme Court, the petitioner relied on Rule 141 concerning release of seized goods and argued that the section 107 appeal was not an efficacious remedy. The source does not state the nature or value of the goods or quantify the disputed demand.

Pinpoint: Official PDF pp. 1–2, opening factual account and petitioner's submission.

02 Discussion by Hon'ble Court

The order records counsel's reliance on Rule 141 and its release-payment mechanism. It also sets out section 107(6) as requiring payment of admitted tax, interest, fine, fee and penalty in full, together with ten per cent of the remaining disputed tax. The Court then notes that section 107 provides an appeal against any decision or order of the adjudicating authority.

The Court did not resolve the Rule 141 release claim or decide the underlying confiscation challenge. Its operative response was to preserve the petitioner's liberty to raise all issues before the appellate authority. The discussion of the provisions must be read as part of this 2021 order, rather than as a certification of their current text or applicability.

Pinpoint: Official PDF p. 2, Rule 141 and section 107 discussion preceding the operative directions.

03 Judicial decision and operative relief

The Supreme Court stated that Falcon Enterprises was at liberty to raise all issues before the appellate authority. With that observation, it disposed of the special leave petition and pending applications.

The order does not grant leave, set aside the confiscation order, direct release of the goods, waive the statutory deposit, extend the appeal period or decide the tax, fine and penalty on their merits.

Pinpoint: Official PDF p. 2, final three substantive paragraphs and disposal direction.

04 In favour of

Statutory-appeal route maintained; the petitioner retained liberty to raise all issues before the appellate authority.

The Supreme Court proceeding ended through a reasoned statutory-remedy disposition. The petitioner's objections were left for the appellate authority. The result cannot be presented as a Supreme Court approval of the confiscation's substantive legality or as an adjudication of entitlement to release under Rule 141.

Pinpoint: Official PDF pp. 1-2, particularly the concluding section 107 observation and liberty granted.

05 AKHB REVIEW POINT

AKHB analysis: Identify the actual appealable order and prepare all relevant grounds for the statutory authority, including any distinct release claim. Treat an argument recorded from counsel separately from the Court's own decision. This order provides no case-specific waiver of deposit or enlargement of limitation.

Before advising on a present appeal or release application, verify the applicable statutory version, rules, limitation and procedural history. Do not use this short disposal to suggest that every writ challenge is barred or that all confiscation orders are substantively valid.

Pinpoint: AKHB analysis based on the complete official PDF pp. 1-2; no additional judicial holding.

Sources and limitations

Relevant provisions

Central Goods and Services Tax Act, 2017: sections 107, 107(6) and 130.

Rule 141, as invoked by the petitioner in the order; its release claim was not determined.

Statutory note

The note describes the statutory provisions as recorded in the order of 1 June 2021. It does not independently certify the current version of section 107 or Rule 141, or decide whether the rule applies to the particular confiscated goods.

Treatment note

This note records the Supreme Court's final procedural disposal as delivered. Any later statutory appeal, release application, implementation or subsequent judicial treatment has not been comprehensively checked. Source verification does not establish that no later proceedings exist.

Scope of source review

Both pages of the official PDF read and visually checked. Party identity, SLP number, impugned High Court proceeding, date, bench, reasoning and final disposal verified. The source records disposal of the special leave petition without a grant of leave.

Source notes

The two-page primary source is the complete digitally signed record of proceedings, not an extract of a separately unavailable judgment. Its operative order is reasoned but does not grant leave.

The decision date is 1 June 2021; the digital-signature timestamp of 2 June 2021 is not substituted for it.

The finality label concerns disposal of the Supreme Court proceeding and its statutory-remedy directions, not a final merits determination of confiscation or GST liability.

Primary source

Source description: Complete official Supreme Court two-page digitally signed record of proceedings containing the reasoned disposal order.

Official source:

https://api.sci.gov.in/supremecourt/2021/11201/11201_2021_37_6_28036_Order_01-Jun-2021.pdf

Source pages: 2

Outcome type: final-procedural

Disclosures and source rights

AI disclosure: Prepared with AI assistance from the complete official Supreme Court source identified in this note. No human legal review is claimed.

General disclaimer: For professional information only; not legal advice. Read the complete decision and applicable law, verify subsequent treatment and obtain case-specific professional advice before acting.

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Source checked: 18 October 2026