

State of U.P. & Ors. v. M/s GLS Films Industries Pvt. Ltd.

Case number: Civil appeal arising out of SLP(C) No. 7076/2021; civil appeal number blank in the signed order.

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

Decision date: 14 July 2022

GST seized-goods release directions applied from Kay Pan Fragrance

Court: Supreme Court of India

Bench: Hon'ble Mr. Justice A.M. Khanwilkar and Hon'ble Mr. Justice J.B. Pardiwala

Decision stage: Final signed order disposing of a civil appeal after grant of leave, by applying an earlier order.

01 Facts of case and issues

The State challenged the Allahabad High Court's judgment dated 3 September 2020 in Writ Tax No. 328/2020. The Supreme Court granted leave and recorded that this matter belonged to the same set of High Court cases addressed in Civil Appeal No. 8941/2019, decided on 22 November 2019.

The earlier case, Kay Pan Fragrance, concerned release of seized goods under the GST statutory mechanism. The question in GLS Films was whether those directions should also govern this related matter. The short GLS order does not independently narrate the seizure, quantify dues or decide the underlying tax liability.

Pinpoint: GLS official PDF p. 1, opening operative paragraphs; p. 3, High Court case metadata. Kay Pan official PDF pp. 1, 4–5 and 9–10.

02 Discussion by Hon'ble Court

The Hon'ble Court held that the earlier general directions required all concerned, including the authorities, to act under the regulations applicable at the relevant time. The same directions had to operate here because GLS Films formed part of that litigation group.

Kay Pan provides the incorporated context: release claims were to be processed under section 67 and the applicable Rules rather than inconsistent High Court directions. GLS Films applies that earlier order; it does not supply a new security formula or an independent interpretation of the release provisions.

Pinpoint: GLS official PDF p. 1, paragraph beginning "This appeal needs"; Kay Pan official PDF pp. 4–5 and 8–10.

03 Judicial decision and operative relief

The Court set aside the impugned High Court judgment and order and disposed of the appeal in the terms of the order dated 22 November 2019 in Civil Appeal No. 8941/2019. Pending applications were disposed of.

Counsel, on instructions, stated that GLS Films was willing to pay legitimate dues, including opting for compounding, if any. The Court left it open to the company to make a representation to the concerned authority, which could consider it appropriately. This liberty did not itself grant compounding or determine an amount payable.

Pinpoint: GLS official PDF pp. 1–2, complete signed operative order; p. 3, matching record of proceedings.

04 In favour of

State / Revenue on setting aside the High Court order; GLS Films retained liberty to seek consideration of its representation.

The operative result restores the application of the earlier statutory-processing directions. The respondent's statement and representation liberty are qualified relief, not a final tax-liability decision, an approved settlement or an unconditional entitlement to compounding.

Pinpoint: GLS official PDF pp. 1–2; incorporated Kay Pan order, official PDF pp. 9–10.

05 AKHB REVIEW POINT

AKHB analysis: Read this short order together with Kay Pan. Identify the statutory seizure and release route, the relevant-period law and whether the facts fall within the directions being applied. Do not substitute a convenient bond or security arrangement for the applicable statutory requirements.

If relying on the representation liberty, distinguish willingness to pay legitimate dues from a determination or acceptance of a particular liability. Check compounding eligibility and the competent authority's decision separately. The Court did not direct that compounding must be allowed.

The four-week processing direction in Kay Pan was part of the 2019 common order. GLS Films does not state a separately calculated deadline. Later compliance, compounding and any modification of the relevant orders have not been verified.

Pinpoint: AKHB analysis based on GLS official PDF pp. 1–2 and Kay Pan official PDF pp. 4–10; practical checks are not additional judicial directions.

Sources and limitations

Relevant provisions

GST seizure and release mechanism: section 67 of the CGST Act, 2017 and rules 140–141 of the CGST Rules, as discussed in the incorporated Kay Pan order. GLS Films does not repeat these provisions.

Statutory note

The statutory references explain the incorporated 2019 directions. They are not a certification of the current text, a universal rule for transport detention or a finding that every underlying seizure was lawful.

Treatment note

This note records the decision as delivered. Later judicial treatment, present law and compliance have not been comprehensively verified. A bounded public-source search does not establish that no later proceedings exist.

Scope of source review

All 3 GLS pages reviewed: signed order on pp. 1–2 and record of proceedings on p. 3. Unnumbered paragraphs are cited by PDF page. Incorporated Kay Pan statutory context also checked.

Source notes

The signed GLS order leaves the civil appeal number blank. Its decision date is 14 July 2022, distinct from the later digital-signature date.

Primary source

Source description: Official Supreme Court PDF containing the complete order and case metadata.

Official source: [Open source document](#)

Source pages: 3

Outcome type: final precedent application after leave

Additional source

Kay Pan Fragrance, Civil Appeal No. 8941/2019 and connected appeals, 22 November 2019

Official source: [Open source document](#)

Pinpoint: Official PDF pp. 4–10, incorporated statutory-release reasoning and directions.

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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