

**IN THE HIGH COURT OF GUJARAT AT AHMEDABAD****R/SPECIAL CIVIL APPLICATION NO. 10773 of 2025**

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M/S ERIS LIFESCIENCES LTD.  
Versus  
UNION OF INDIA & ORS.

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Appearance:  
MR. JAGRAT B SHAH(17594) for the Petitioner(s) No. 1  
MR PRADIP D BHATE(1523) for the Respondent(s) No. 1,2,3,4,5

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**CORAM: HONOURABLE MR. JUSTICE BHARGAV D. KARIA**  
and  
**HONOURABLE MR. JUSTICE PRANAV TRIVEDI**

**Date : 05/08/2025**  
**ORAL ORDER**

**(PER : HONOURABLE MR. JUSTICE BHARGAV D. KARIA)**

1. Heard learned advocate Mr. Ashish Kumar Bansal with learned advocate Mr. Jagrat Shah for the petitioner and learned Senior Standing Counsel Ms. Hetal Patel for the respondents appearing on advance copy.

2. It was submitted by learned advocate Mr. Bansal for the petitioner that the Order-in-Original as well as the appellate order

confirming the demand of Rs. 1,28,52,421/- pertaining to the reversal of the Input Tax Credit availed by the petitioner on supply of Pharmaceutical Products which have been returned after expiry by the purchaser of such products is not legal.

3. The petitioner has also challenged clause (d) of Para 3(B) of the Notification No. 72/46/2018-GST dated 26.10.2018 on the ground that when the petitioner has received the goods, as per the guidance/documents on disposal of the expired/unused drugs published by the Central Drugs Standard Control Organization, the petitioner has to destroy such drugs after expiry, then the petitioner cannot be said to have destructed the drugs manufactured by it as

such drugs were already sold upon which, the petitioner has paid Output Tax Liability.

4. It was therefore, submitted that the provision of clause (h) of sub-section (5) of section 17 of the Central Goods and Service Tax Act, 2017 ['the CGST Act' for short] which is made applicable where the goods have been returned on payment of Input Tax Credit or reversal of Input Tax Credit would not be applicable in the facts of the case more particularly, when the credit note was issued on return of the time expired goods after the due date as prescribed under sub-section (2) of section 34 of the CGST Act.

5. Considering the above submission issue  
Notice returnable on 18.09.2025. Direct  
service through Email is permitted.

**(BHARGAV D. KARIA, J)**

**(PRANAV TRIVEDI,J)**

JYOTI V. JANI

