IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

CWP No. 18101 of 2015

Date of Decision: 31.8.2015

M/s B.R. Steel Industries and another

....Petitioners.

Versus

The State of Punjab and others

...Respondents.

CORAM:- HON'BLE MR. JUSTICE AJAY KUMAR MITTAL.
HON'BLE MR. JUSTICE RAMENDRA JAIN.

PRESENT: Mr. S.D. Bansal, Advocate for the petitioners.

AJAY KUMAR MITTAL, J.

1. Through the instant petition filed under Articles 226/227 of the Constitution of India, the petitioners have prayed for issuance of a writ in the nature of mandamus directing the respondents to pay interest @ 18% per annum on the delayed payment of Value Added Tax (VAT) refund for the accounting year 2006-07, amounting to ₹ 18,86,978/- as per order dated 13.1.2014 (Annexure P-3) passed by respondent No.2 and the directions issued by respondent No.4 vide order dated 21.6.2013 (Annexure P-2) which was partly refunded in three installments i.e. on 16.2.2009 (₹ 4,56,872/-), 3.8.2009 (₹ 1,81,277/-) and 26.3.2014 (₹ 12,26,220/-) to them and the balance VAT amount of ₹ 22,659/-.

2. Petitioner No.1 is engaged in the business of manufacturing of the C.R. Strips and Iron Stamping and is registered with the Excise &

Taxation Department, Punjab since 1999, having TIN No. 03711037902. The petitioners submitted Form VAT 15 to respondent No.2 on 28.7.2006 for excess VAT amounting to ₹ 97,870/- for the first quarter ending 30th June, 2006, Form VAT 15 for the second quarter on 30.10.2006 for refund of ₹ 3,35,046/- as excess VAT, Form VAT 15 on 30.1.2007 for the third quarter for refund of ₹ 9,27,960/- as excess VAT and Form VAT 15 for the fourth quarter on 30.4.2007 for refund of excess VAT amounting to ₹ 18,86,978/- for the accounting year 2006-07. Out of the said amount, the respondents refunded an amount of ₹ 4,56,872/- on 16.2.2009. Respondent No.2 vide order dated 7.7.2009 (Annexure P-1) issued VAT refund voucher amounting to ₹ 1,81,227/- and withheld the balance amount of the excess VAT refund. The petitioners filed an appeal against the order, Annexure P-1, passed by respondent No.2 and respondent No.4 vide order dated 21.6.2013 (Annexure P-2) remanded the matter to respondent No.2 for passing the self speaking and final order on merits after considering all the facts within two months. In pursuance thereto, respondent No.2 vide order dated 13.1.2014 (Annexure P-3) ordered for refund of ₹ 12,26,220/-. Thereafter, the petitioners sent various letters including letters dated 1.9.2014, 6.1.2015 and 28.4.2015 (Annexure P-4 Colly) to respondents No.2 and 3 for payment of interest on delayed payment of VAT refund, but no response has been received till date. Hence, the present writ petition.

3. Learned counsel for the petitioners submitted that for the relief claimed in the writ petition, the petitioners sent various letters including letters dated 1.9.2014, 6.1.2015 and 28.4.2015 (Annexure P-4 Colly) to respondents No.2 and 3, but no action has so far been taken

thereon.

4. After hearing learned counsel for the petitioners, perusing the present petition and without expressing any opinion on the merits of the case, we dispose of the present petition by directing respondent No.2 to take a decision on the letters dated 1.9.2014, 6.1.2015 and 28.4.2015 (Annexure P-4 Colly), in accordance with law by passing a speaking order and after affording an opportunity of hearing to the petitioners within a period of two months from the date of receipt of certified copy of the order. It is further directed that in case it is found that the petitioners are entitled to the amount of refund, the same be released to them within next one month in accordance with law.

(AJAY KUMAR MITTAL)
JUDGE

August 31, 2015
gbs

(RAMENDRA JAIN)
JUDGE