

**IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH**

Varinder Singh
2016.09.28 10:36
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Punjab & Haryana High Court at
Chandigarh

C.W.P. No. 19644 of 2016 (O&M)

Date of decision: 27.9.2016

M/s Jindal Oil Mills

.. Petitioner

VS

State of Punjab and others

.. Respondents

**Coram: Hon'ble Mr. Justice Rajesh Bindal
 Hon'ble Mr. Justice Darshan Singh**

Present: Mr. J. S. Bedi, Advocate, for the petitioner.
 Mr. Piyush Bansal, Deputy Advocate General, Punjab.

Rajesh Bindal, J.

The petitioner approached this Court at the stage when the vehicle and the goods being imported by him in the State of Punjab were detained and for released thereof surety bonds furnished by the petitioner were not being attested.

The stand of the petitioner is that the goods originated from the State of Gujarat. The same were purchased by the petitioner from a Delhi dealer, who had purchased the same from the Gujarat dealer. Online declaration of the goods for entry in the State of Punjab were made at 12.27.21 hours on 10.9.2016. As the goods were moving from State of Gujarat, those were to be declared at the nearest ICC but were detained in transit. There was no intention to evade tax. The same was not covered under Section 51(7)(c) of the Punjab Value Added Tax Act, 2005 (for short, 'the Act'). The petitioner is ready to get the transaction verified.

Reply to the petition filed by the respondents in Court is taken on record.

During the pendency of the petition, order has been passed levying penalty under Section 51(7)(c) of the Act.

Learned counsel for the petitioner submitted that the petitioner will avail of his remedy of appeal. He will deposit 25% of the demand of penalty raised, however, the goods may be released on furnishing of surety bonds for the balance amount. The petitioner is a registered dealer in the State of Punjab. In support of his arguments, reliance was placed on an earlier order passed by this Court in CWP No. 23591 of 2012 - M/s Bedi Gas Agency, Dera Baba Nanak, District Gurdaspur vs The State of Punjab and others, decided on 10.12.2012.

Learned counsel for the State submitted that penalty having been levied under Section 51(7)(c) of the Act, the goods could be released only on cash deposit or furnishing of bank guarantee.

After hearing learned counsel for the parties and relegating the petitioner to remedy of appeal and considering the contention raised by learned counsel for the parties, it is directed that the goods and the vehicle detained be released to the petitioner on deposit of 25% of the amount of penalty imposed and furnishing of surety for the balance amount.

The petition stands disposed of.

(Rajesh Bindal)
Judge

27.9.2016
vs

(Darshan Singh)
Judge

Whether speaking/reasoned : Yes/No
Whether reportable : Yes/No