IN THE HIGH COURT OF PUNJAB & HARYANA AT CHANDIGARH

CWP-7790-2019

Date of Decision: 20.3.2019

RHG Constructions, Ludhiana

...Petitioner

Versus

State of Punjab and another

...Respondents

CORAM:- HON'BLE MR. JUSTICE AJAY KUMAR MITTAL.
HON'BLE MRS. JUSTICE MANJARI NEHRU KAUL.

PRESENT: Mr. Rajesh Gupta, Advocate for the petitioner.

AJAY KUMAR MITTAL, J.

1. Through the instant petition filed under Article 226 of the Constitution of India, the petitioner has prayed for issuance of a writ of mandamus directing respondent No.2 to issue refund of ₹ 55,815/- on account of interest on the delayed payment of VAT refund of ₹ 37,20,982/-.

2. The petitioner is engaged in the business of construction works. It filed the returns for the financial year 2016-17 along with the annual statement. The petitioner deducted tax at source while making payments. It had to pay advance tax on the goods purchased from outside the State of Punjab on the purchases made within the State of Punjab and was entitled to Input Tax Credit (ITC) of the tax paid to the seller. The petitioner was entitled to refund as the tax collected by the State for the period from 1.4.2016 to 30.6.2017 is more than the output tax liability and, therefore, it applied for refund in Form VAT 29. When the refund was not made, the petitioner sent a letter dated 27.8.2018 (Annexure P-2) for refund. The

refund amount of ₹ 37,20,982/- was credited to the account of the petitioner but without any interest. Accordingly, the petitioner sent a letter dated 6.2.2019 (Annexure P-3) to respondent No.2 for the payment of interest on delayed VAT refund, but no response has been received till date. Hence, the present writ petition.

3. Learned counsel for the petitioner submitted that for the relief claimed in the writ petition, the petitioner has sent a letter dated 6.2.2019 (Annexure P-3) to respondent No.2, but no action has so far been taken thereon.

4. After hearing learned counsel for the petitioner, 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 letter dated 6.2.2019 (Annexure P-3), in accordance with law by passing a speaking order and after affording an opportunity of hearing to the petitioner within a period of one month from the date of receipt of the certified copy of the order.

(AJAY KUMAR MITTAL)
JUDGE

March 20, 2019
gbs

(MANJARI NEHRU KAUL)
JUDGE

Whether Speaking/Reasoned **Yes/No**

Whether Reportable **Yes/No**