IN THE HIGH COURT OF PUNJAB & HARYANA AT
CHANDIGARH

CWP-7914-2020(O&M)
Date of Decision: 27.11.2020

M/s Matrix Clothing Pvt. Ltd. --Petitioner

Versus

State of Haryana & others --Respondents

CORAM:- HON'BLE MR.JUSTICE JASWANT SINGH.
HON'BLE MR. JUSTICE RAJESH BHARDWAJ.

Present:- Mr. Sandeep Goyal, Advocate for the petitioner.

Mr. Raman Sharma, Addl. A.G., Haryana.

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RAJESH BHARDWAJ.J

Petitioner is a company incorporated under the provisions of Companies Act, 1956 is a dealer engaged in the business of manufacturing of readymade garments. For the purpose of sales tax in the State of Haryana petitioner company was registered with the Assessing Authority, Gurugram vide TIN 06821919134. It has been contended that for the Assessment Year 2014-15 the petitioner filed quarterly as well as annual returns in compliance with the provisions of the Haryana VAT Act, 2003. It has been contended that the returns filed by the petitioner company were taken up in scrutiny and assessment proceedings were initiated and finally assessed vide order dated 30.3.2018 (Annexure P-1) by the Assessing Authority and an excess amount refundable was calculated to be Rs.1,50,92,451 under the Haryana VAT Act, 2003 and a demand of Rs.12,28,065/- was also raised under the Central Sales Tax Act, 1956. This amount was refundable subject to filing of the refund application after approval of the competent authority. The petitioner has contended that the refund application dated 14.6.2018 (Annexure P-2) was filed for the refund of aforesaid amount. Counsel for the petitioner has relied upon the circular dated 20.7.2017 vide which respondent no.2 has issued guidelines with regard to the approval of refunds under the Haryana VAT Act, 2003 in pursuance to which the lower authority/authorities shall forward the case within 40 days from the receipt of the application for refund along with recommendations to the competent committee for the decision. He further relied upon the statutory provisions of Section 20 of the Haryana VAT Act read with Rule 41 of Haryana VAT Rules which mandate the refund to be made within a period of 60 days from the date of receipt of application failing which the dealer is entitled to interest @ 1% for the period from the date of making the application to the date when the refund is made. But despite this the respondents totally ignored the statutory provisions and kept sitting over the applications filed, without taking any decision on the same. Counsel has appended the copy of the various reminders to the respondents to take appropriate decision on the applications filed but the same made no difference. Having left with no other alternative, the petitioner company has filed the instant writ petition praying for the issuance of a Writ of Mandamus for directing the respondents to grant refund along with interest in pursuance to the application dated 14.6.2018 (Annexure P-2).

This court vide its interim order dated 30.9.2020 had directed the State to take a decision on the applications filed for refund by the competent authority.

Court has been apprised by the counsel for petitioner that in pursuance to the interim order passed, the competent authority has decided the refund application dated 14.6.2018 and the order has been further challenged before the competent authority in accordance with law.

In view of the statement made by counsel for petitioner, instant petition is rendered infructuous and hence disposed of accordingly.

(JASWANT SINGH)
JUDGE

(RAJESH BHARDWAJ)
JUDGE

27.11.2020
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Whether speaking/reasoned: Yes/No
Whether Reportable: Yes/No