

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

**Date of Decision: 02.03.2020.**

**(1) VATAP No. 28 of 2011 (O&M)**

Aggarwal Cotton and General Mills, Barnala-Bathinda Road, Tapa  
.....Appellant

**Versus**

The State of Punjab and another  
.....Respondents

**(2) VATAP No. 27 of 2011 (O&M)**

Aggarwal Cotton and General Mills, Barnala-Bathinda Road, Tapa  
.....Appellant

**Versus**

The State of Punjab and another  
.....Respondents

**CORAM: HON'BLE MR. JUSTICE AJAY TEWARI  
HON'BLE MR. JUSTICE AVNEESH JHINGAN**

Present: Mr. Sandeep Goyal, Advocate  
for the appellants.

Mr. Pankaj Gupta, Addl. AG Punjab.

**AJAY TEWARI, J.(Oral)**

1. By these appeals the appellant had challenged the action of the Assessing Officer in determining its liability for purchase tax.
2. Today learned counsel for appellant states that the fact of the matter is that the case has become revenue neutral because untimely tax which was due from the appellant was paid on sale of goods and for the tax if paid on purchase the petitioner would have been entitled to input tax credit.
3. Learned Additional Advocate General very fairly states that this may be so.

4. In this view of the matter, we dispose of these appeals with direction to the Assessing Authority to verify whether the matter has indeed become tax neutral and if so, the liability of interest and penalty thereon, is exigible. Accordingly, the impugned orders are set aside.

5. Since the appeals was of the year 2011 and assessment years 2005-2006 and 2006-07, the Assessing Authority is now directed to pass a fresh order within two months of the appearance of the parties.

6. Parties through their counsel are directed to appear before the Assessing Officer on 17.3.2020.

7. Since the main case has been disposed of, the pending Civil Misc. Application, if any, also stands disposed of.

**(AJAY TEWARI)**  
**JUDGE**

**(AVNEESH JHINGAN)**  
**JUDGE**

**02.03.2020**  
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| Whether speaking/reasoned: | Yes |
| Whether Reportable:        | No  |