IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

250 **VATAP-157-2014 (O&M)**
Date of decision:- 11.01.2023

SARASWATI SUGAR MILL LIMITED YAMUNA NAGAR

.... Appellant

VS.

STATE OF HARYANA AND ORS

...Respondents

CORAM: HON'BLE MS. JUSTICE RITU BAHRI
HON'BLE MRS. JUSTICE MANISHA BATRA

Present: Mr. Akshay Bhan, Senior Advocate with
Mr. Shantanu Bansal, Advocate for the appellant.

Ms. Mamta Singla Talwar, DAG, Haryana.

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Ritu Bahri, J. (Oral)

The instant appeal has been filed under Section 36 Sub Section (8) of the Haryana Value Added Tax Act, 2003 for setting aside the order dated 26.08.2013 passed by the Haryana Tax Tribunal, Chandigarh in appeal STA No.380 of 2009-2010.

Learned State counsel has referred to a decision passed by the co-ordinate Bench of this Court in VATAP No. 78 of 2011, ***Saraswati Sugar Mills Limited Vs. State of Haryana and others***, decided on 11.07.2018 whereby in a similar case purchase tax was held to be payable on goods which were used for production of sugarcane, which was tax free item.

In the present case, vide order dated 26.08.2013, Annexure A-3 Haryana Tax Tribunal, Chandigarh has examined the case where input tax credit on the sale of products which were used for manufacturing of sugar, has been dismissed.

Since, sugar is a tax free item, the case of ***Saraswati Sugar Mills's case*** cited (supra) is directly applicable in the facts of the present case. Sugar is item No.47 in Schedule B of the Haryana Value Added Tax Act, 2003. Section 6(1)(c) (ii) of the Haryana General Sales Tax Act, 1973 provides for levy of purchase tax of all purchases which are utilized for production of sugar and keeping in view the order passed in ***Saraswati Sugar Mills'*** cited (supra), the present appeal is hereby dismissed.

(RITU BAHRI)
JUDGE

(MANISHA BATRA)
JUDGE

11.01.2023
pooja saini

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