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IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

CWP-16655-2024 (O&M)
Date of Decision:22.10.2024

SONAM MALIK ....*Petitioner(s)*

V/s.

U.T., CHANDIGARH THROUGH ITS SECRETARY, CIVIL SECRETARIAT, SECTOR-9, CHANDIGARH AND OTHERS ....*Respondent(s)*

CORAM: HON'BLE MR. JUSTICE SANJEEV PRAKASH SHARMA
HON'BLE MR. JUSTICE SANJAY VASHISTH

Present: Mr. Manpreet Singh Kanda, for the petitioner.

Mr. Sumeet Jain, Addl. Standing Counsel, U.T., Chandigarh, with Mr. Himanshu Arora, Panel Counsel, for the respondent-U.T., Chandigarh

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SANJEEV PRAKASH SHARMA, J. (Oral)

1. The petitioner had preferred this Writ Petition with a prayer to refund of 50% amount as collected by way of Motor Vehicle Tax for issuance of Registration Certificate of strong Hybrid car, along with interest, on the basis of the notification dated 24.11.2023 which allows tax rebate of 50% to be granted in respect of strong hybrid cars having price range below ₹20 Lakhs (Ex-showroom price).

2. The claim of the petitioner was not accepted as the respondents included the value of other amounts in the Ex-showroom price. Now, the respondents have issued a clarification circular vide notification dated 21.10.2024, whereby the Administrator, U.T., Chandigarh has defined the Ex-show room price as mentioned in notification dated 07.12.2023, to be the sum total of sale amount of the vehicle as uploaded on Homologation portal by the manufacturer, the amount of GST & Cess and shall not include the tax collected at source / tax deducted at source and discount, if any, given by the dealer, in the Ex-showroom price. The Circular/notification dated 21.10.2024 is taken on record.

3. Keeping in view circular/notification dated 21.10.2024, which would be effective from the date of notification dated 07.12.2023, as it explains the definition of Ex-showroom price mentioned in the notification dated 07.10.2023, the petitioner would be entitled to the benefit of the notification dated 21.10.2024 and the tax paid by the petitioner shall have to be reduced to 50% on the basis of the Ex-show room price as clarified vide the circular/notification dated 21.10.2024. The amount already received by the Department in excess, therefore, will have to be refunded.

4. Considering the fact that the amount of tax was deposited by the petitioner only in the month of June, 2024, we do not intend to grant any interest on the refund amount.

5. We accordingly ***allow*** this Writ Petition and direct the respondents to refund the amount to the petitioner, deposited in excess of 50% tax amount, calculated on the basis of the Ex-showroom price as clarified vide circular/notification dated 21.10.2024.

6. The refund of the amount shall be paid to the petitioner within a period of ***one week*** henceforth. If the amount is not refunded within the aforesaid period, the petitioner would also be entitled to interest @ 9% per annum.

7. All pending applications also stand disposed of accordingly.

[SANJEEV PRAKASH SHARMA]
JUDGE

[SANJAY VASHISTH]
JUDGE

October 22, 2024
Ess Kay

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