Pallavi

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

WRIT PETITION NO. 2225 OF 2025

MIRC Electronics Limited ...Petitioner
Versus
State of Maharashtra ...Respondent

Mr. Sahil Parghi a/w Dhananjay Sethuraj, Vidhi Jain i/b. Sriram Sridharan for Petitioner.

Mr. Amar Mishra, AGP for Respondent Nos.1 to 4.

CORAM : M.S. Sonak &
Advait M. Sethna, JJ.

DATED : 9 December 2025

P.C.:-

1. Heard learned counsel for the parties.

2. The Petitioner challenges the purely discretionary order dated 19 March 2025 made by the Maharashtra Sales Tax Tribunal, requiring the Petitioner to deposit only 15% of the demanded amount as a pre-condition for a stay.

3. The learned counsel for the Petitioner states that there are decisions which cover the issue in favour of the Petitioner and therefore, an unconditional stay should have been granted.

4. In paragraphs 9 and 10, the Tribunal has indicated the basis for exercising discretion. There is no perversity involved. Only 15% of the amount is directed to be deposited as a pre-condition for a stay. The exercise is entirely consistent with the provisions of Section 26(6) of the MVAT Act.

5. The issue whether the matter is fully covered or not is a debatable issue which will have to be gone into in the Appeal. The Appeal itself is not made conditional upon deposit. Possibly this could not have been made so. Only, stay is granted subject to deposit of only 15% of the disputed amount. The impugned order is consistent with the principle of proportionality.

6. For the above reasons, we find no merit in this Petition and dismiss the same. No costs.

7. At this stage, the learned counsel for the Petitioner seeks additional three weeks' time to deposit the 15% amount as directed in the impugned order. This is granted. However, if within this extended period, no deposit is made, the Department will be free to execute its demand in accordance with law, since the conditional stay will stand vacated.

(Advait M. Sethna, J) **(M.S. Sonak, J.)**