



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

CWP No.13067 of 2025

Date of Decision: 08.05.2025

M/s Arihant Cotton Processing and Oil Mills

...Petitioner

Versus

State of Punjab and others

...Respondents

**CORAM: HON'BLE MR. JUSTICE SANJEEV PRAKASH SHARMA
HON'BLE MRS. JUSTICE MEENAKSHI I. MEHTA**

Present:- Mr. Deepak Gupta, Advocate,
for the petitioner.

Mr. Gorav Kathuria, DAG, Punjab.

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SANJEEV PRAKASH SHARMA J.(Oral)

1. The issue raised in the present writ-petition is challenge to sub-Sections (2) and (3) of Section 174 of the Punjab Goods and Services Tax Act, 2017. The same provision was incorporated as Section 174(2) of the Kerala State Goods and Services Tax Act, 2017 as has been incorporated in Punjab State Goods and Services Tax Act, 2017 and Haryana State Goods and Services Tax Act, 2017.
2. Notice of motion.
3. Mr. Gorav Kathuria, DAG, Punjab, accepts notice on behalf of the respondent-State.
4. Challenge to *vires* of the said section was laid before the High Court of Kerala in bunch of cases which were decided in favour of the Revenue holding the provisions as within the framework of the Constitution



of India, and also the action was held to be within the competence of the department.

5. The concerned assesses have assailed the judgment before the Supreme Court *in C.A. No.006724/2024, [SLP(C) No.640/2023] titled as T.S. Belaraman vs. The Commercial Tax Officer and others* along-with connected SLPs, wherein leave has been granted vide order dated 14.05.2024. By interim order, the Revenue was restrained from taking any coercive steps, which has been directed to be continued by the Supreme Court while granting leave.

6. Now since the Supreme Court has granted leave, final adjudication will have to be done by the Supreme Court on the said issue.

7. Keeping in view thereto, we propose to dispose of this writ-petition and direct that the challenge to Section 174(2) of the GST Act, 2017 would be subject to the final outcome of the decision in the case of *T.S. Belaraman (supra)*.

8. Till the disposal of the SLP in *T.S. Belaraman (supra)* by the Supreme Court, recovery proceedings in respect of present petitioner shall remain stayed.

9. Writ-Petition stands *disposed of* as above.

(SANJEEV PRAKASH SHARMA)
JUDGE

May 08, 2025
seema

(MEENAKSHI I. MEHTA)
JUDGE

<i>Whether speaking/reasoned:</i>	<i>Yes/No</i>
<i>Whether Reportable:</i>	<i>Yes/No</i>