

Rita Textiles P. Ltd. And Ors. vs Union Of India (Uoi) And Ors. on 23 September, 1986

Equivalent citations: AIR1987SC1747, 1987(14)ECC133, 1988(35)ELT611(SC), 1986SUPP(1)SCC557, AIR 1987 SUPREME COURT 1747, 1986 SCC (SUPP) 557, (1988) 35 ELT 611, 1987 SCC (TAX) 87, (1987) 14 ECC 133

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Bench: P.N. Bhagwati, M.M. Dutt, G.L. Oza

JUDGMENT

P.N. Bhagwati, C.J.

1. The writ petitions are dismissed since they are covered by the decision of this Court in "Union of India v. Modi Rubber Ltd." given on 18th August, .

2. So far as the payment of arrears of excise duty is concerned, the respondents will be at liberty to encash the bank guarantee which has been given by the petitioners for 50% of the amount of arrears, if they have not already encashed the same. With regard to the balance of arrears, learned Counsel for the petitioners has requested for time to make payment on the ground that the textile industry is in a very difficult position and unless some time is given, the textile units may face closure resulting in loss of production and unemployment. We would, therefore, grant time to the petitioners to pay off the balance of arrears of excise duty. Fifty percent of such balance shall be paid on or before 15th March, 1987 and the remaining part of the balance shall be paid by the petitioners on or before 15th September, 1987. In view of this order granting time, the respondents will raise the attachments levied on the goods of some of the textile units in question. If the petitioners commit default in payment of one half of the balance on or before 15th March, 1987, the entire amount of the balance shall become due and payable forthwith. The petitioners also undertake to this Court through their counsel that they will not alienate or dispose of or deal with their assets except in the usual course of business.