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VST INDUSTRIES LIMITED

v.

THE STATE OF UTTAR PRADESH & ORS.

(Civil Appeal No. 3256 of 2019)

B

APRIL 22, 2019

[ASHOK BHUSHAN AND K. M. JOSEPH, JJ.]

C *Uttar Pradesh Tax on Entry of Goods into Local Areas Act, 2007 – Writ petition filed by the appellant before the High Court – Impugned interim order passed by the Division Bench inter alia directing that subject to deposit of 50% of the interest by way of recovery, no coercive measure be taken against the appellant – Plea of appellant that after the impugned interim order was passed, about 33 percent of amount of interest has already been realised from the appellant – Held: Writ petition filed by the appellant pending in the High Court, need to be finally decided – No further recovery be affected against the appellant towards the demand of interest on arrears of Entry Tax and recovery, if any, of the interest from the appellant shall be subject to the final outcome of the writ filed by the appellant.*

E

Disposing of the appeal, the Court

F **HELD: 1.1 In Order passed in Civil Appeal Nos.3257-3268 of 2019, *Indian Oil Corporation Limited versus State of U.P. & Others*, issues pertaining to liability of interest under U.P. Act 2007 have been decided. Writ petition of the appellant pending in the High Court need to be finally decided. In result, this appeal is disposed of providing that no further recovery be affected against the appellant towards the demand of interest on arrears of Entry Tax and recovery, if any, of the interest from the appellant shall be subject to the final outcome of the Writ filed by the appellant. [Paras 3, 4][639-G-H; 640-A-B]**

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Indian Oil Corporation Limited versus State of U.P. & Others **Decision of Supreme Court in Civil Appeal Nos.3257-3268 of 2019 – referred to.**

H

CIVIL APPELLATE JURISDICTION : Civil Appeal No. 3256 of 2019. A

From the Judgment and Order dated 11.07.2018 of the High Court of Judicature at Allahabad in Writ Tax No. 961 of 2018.

Ms. Aishwarya Bhati, ASG, Dr. Manish Singhvi, AAG, Guru Krishan Kumar, Dhruv Agrawal, Dinesh Dwivedi, Sr. Advs., Ajay Aggarwal, Ms. Mallika Joshi, Rajan Narain, Nishit Agrawal, Manik Sethi, Bhakti Vardhan Singh, Yasharth Kant, Krishnam Mishra, Satyendra Kumar, Shailja Nanda Mishra, Udit Jain, Abhishek Anand, Isaan Saran, M. P. Devanath, Advs. for the appearing parties. B

The Judgment of the Court was delivered by **ASHOK BHUSHAN, J.** C

1. This appeal has been filed against the Division Bench order of the Allahabad High Court dated 11.07.2018 by which order the High Court directed: -

“...Subject to deposit of 50% of the interest so demanded by way of recovery dated 26.06.2018 within the next one week, no coercive measure may be taken against the Petitioner till 18th July, 2018. D

List this matter on 18th July, 2018 along with Writ-Tax No.757 of 2018.” E

2. The order impugned under this appeal is only an interim order. In above interim order, High Court directed the writ petition to be listed along with Writ-Tax No. 757 of 2018. The Division Bench of the High Court has decided the Writ-Tax No. 757 of 2018 vide its judgment dated 22.11.2018 against which judgment, Civil Appeal Nos.3257-3268 of 2019, Indian Oil Corporation Limited vs. State of U.P. and others, have been filed, which have been decided by us by order of the date. F

3. Learned counsel for the appellant submits that after interim order dated 11.07.2018 passed in the writ petition of the appellant, about 33 percent of amount of interest has already been realised from the appellant. In our Order of the date passed in Civil Appeal Nos.3257-3268 of 2019, Indian Oil Corporation Limited versus State of U.P. & Others, we have decided issues pertaining to liability of interest under U.P. Act 2007. Writ petition in which impugned interim order dated 11.07.2018 is still pending in the High Court. We are of the view that writ petition of the appellant pending in the High Court need to be finally decided. G H

- A 4. In result, this appeal is disposed of providing that no further recovery be affected against the appellant towards the demand of interest on arrears of Entry Tax and recovery, if any, of the interest from the appellant shall be subject to the final outcome of the Writ-Tax No. 961 of 2018 filed by the appellant.
- B 5. The appeal is disposed of accordingly.

Divya Pandey

Appeal disposed of.