

Supreme Court of India

State Of Rajasthan And Others vs Novelty Stores, Etc. on 13 December, 1994

Equivalent citations: AIR 1995 SC 1132, JT 1998 (8) SC 405, (1998) 9 SCC 570

Bench: K Ramaswamy, N Venkatachala

JUDGMENT The orders of the High Court in the impugned appeals are to be set aside on the sole ground that the respondents after paying octroi duty have passed on the burden to the consumers and collected from the customers on the cloth purchased and sold by them. Therefore, the order of refund would be an unjust enrichment for them. This Court has repeatedly held that such a refund should not be ordered. In that view of the matter without expressing any opinion on the merits during the interregnum Gram Panchayat was entitled to collect the octroi, since respondents are not entitled to the refund of the amount which is already collected and passed on the burden to the consumers these appeals are to be allowed. The appeals are accordingly allowed and the writ petitions in the High Court stand dismissed.