(1994) 08 OHC CK 0033

In the Orissa High Court

Case No : Original Jurisdiction Case No. 4775 of 1993

Ajanta Enterprisers APPELLANT

Vs

The Sales Tax Officer and Another RESPONDENT

Date of Decision : 01-08-1994

Acts Referred:
Orissa Sales Tax Act, 1947 — Section 14C

Citation : (1994) 2 OLR 463

Hon'ble Judges : R.K. Patra, J;G.B. Pattnaik, J

Bench : Division Bench

Advocate : R.P. Kar, A.N. Ray, M.K. Badu, B.P. Mohanty, N. Paikray, V.K. Agrawalla and A. Das, for the Appellant; Standing Counsel, for the Respondent

Final Decision : Dismissed

Judgement

1. Heard Mr. Paikray for the petitioner and the Seamed Standing Counsel even though the department has not filed a return for more than a year. The grievance of the petitioner is that while calculating interest, the appropriate authority has not borne in mind the provisions of Section 14-C of ''he Orissa Sales Tax Act and even though the amount has not been paid within 90 days from the date of receipt of the application, though the petitioner is entitled to interest at the rate of 18 per cent for the first 90 days and thereafter at the rate of 24 per cent per annum, but while making calculation the first 90 days has been excluded on an erroneous impression of the provisions contained in Section 14 C of tie Act. The amount involved in the proceeding being a paltry sum, we are not inclined to interfere with the impugned order of refund of interest passed by the Sales Tax Officer, Mr, Paikray, however states that the provisions of Section 14-C may be Interpreted and clarified so that in future the assessing officer would no! commit the same mistake as have been committed in the present case. On a plain reading of Section 14-C of the Act, the conclusion is irresistible that if an application for refund is made and refund is not granted within 90 days from the date of application, then the amount of refund would carry interest;, at the rate

of 18 per centre for the first 90 days and thereafter at the rate of 24 per cent per. annum'' from the date of expiry of 90 days from the date of application itself and not after excluding the first y0 days within which period the authority was entitled to refund the amount without payment of interest. Subject to the aforesaid observation, the writ application is dismissed.