

Rita Textiles P. Ltd. and Others; Narendra Processing Industries and Another; and Dhanmal Silk Mills P. Ltd. and Another

Vs

Union of India and Others

Civil Miscellaneous Petition Nos. 26341-48 with C.M.P. No. 26556 with C.M.P. No. 26929 of 1986

(CJI P. N. Bhagwati, G. L. Oza, M. M. Dutt JJ)

23.09.1986

ORDER

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 August 18, 1986.
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 was been given by the petitioners for 50 per cent of the amount of arrears, if they have not already encashed the same. With regard to the balance or 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 per cent of such balance shall be paid on or before March 15, 1987 and the remaining part of the balance shall be paid by the petitioners on or before September 15, 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 March 15, 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.

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