

Union of India and Others

Vs

Assam Timber Treating Works and Another

Civil Appeal No. 8877 of 1997

(Dr. A. S. Anand, K. Venkataswami JJ)

19.12.1997

ORDER

1. Leave granted.
2. Heard learned counsel for the parties.
3. It is not disputed that a three-Judge Bench in the case of CCE v. Wood Craft Products Ltd. ((1995) 3 SCC 454 : (1995) 77 ELT 23) has settled the issue involved in this case and following the law laid down therein, the judgment of the High Court under appeal cannot be sustained. We, accordingly, allow the appeal and set aside the judgment of the High Court dated 25-5-1991.
4. The respondents had withdrawn the amount of Rs 5,02,621 pursuant to the judgment of the High Court and despite directions given by this Court, bank guarantee to the satisfaction of the Registrar has not been filed by the respondents. It is obvious that the respondents have had the benefit of retaining that amount, to which amount they were not legally entitled for all these years. It, therefore, appears appropriate to us to direct the respondents to refund the said amount with 12 per cent interest per annum from the date of withdrawal of the said amount by them from the Assistant Collector, i.e., 18-7-1991, till the payment is made by them. The respondents shall refund the amount together with the aforesaid interest to the appellants within a period of three months from today failing which the appellants shall be entitled to recover the same together with the accrued interest by taking recourse to such proceedings as are available to them under law.
5. In the event the appellants find that some amount is due to the respondents as transport subsidy as claimed by them in IA No. 3, the appellants would adjust that amount towards the dues as hereinabove mentioned. This exercise shall be done by the appellants within four weeks from the date of the order and the respondents be informed accordingly. No costs.