



IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 14TH DAY OF MAY, 2026

BEFORE

THE HON'BLE MR. JUSTICE S.R.KRISHNA KUMAR

WRIT PETITION NO. 15309 OF 2026 (EXCISE)

BETWEEN:

DEEKSHITH. H. P.
S/O PUTTARAJU H.B.,
AGED ABOUT 36 YEARS,
OWNER OF 14 WHEELER TANKER
NO.KA-13-D-1827
RESIDING AT NO. MIG 7/C,
2ND STAGE, KUVEMPU NAGARA,
HASSAN -573 201.

...PETITIONER

(BY SRI. RAVI M.M., ADVOCATE)

AND:

1. THE STATE OF KARNATAKA
DEPARTMENT OF EXCISE
REP BY ITS SECRETARY
VIDHANA SOUDHA,
AMBEDKAR VEEDHI,
BENGALURU-560 001.
2. THE DEPUTY COMMISSIONER OF EXCISE,
BENGALURU URBAN DISTRICT (BUD-6)
NO.334/6, EXCISE BHAVANA,
KSBCL COMPLEX,
OPP BYATARYANAPURA POLICE STATION,
MYSORE ROAD,
BENGALURU- 560 026.
3. THE INSPECTOR OF EXCISE
PADMANABHANAGARA ZONAL NO.36,
BENGALURU- 560 006.

...RESPONDENTS

(BY SRI. BOPANNA BELLİYAPPA, AGA)

Digitally signed
by CHANDANA
B M

Location: High
Court of
Karnataka



THIS W.P IS FILED UNDER ARTICLES 226 AND 227 OF THE CONSTITUTION OF INDIA PRAYING TO QUASH THE CONDITION NO.1 IMPOSED BY THE RESPONDENT NO.2 IN ORDER NO.EXE/BUD-6/VA-36/DTCR/134/2025-26 DATED 23.02.2026, WHEREIN THE RESPONDENT NO.2 IMPOSED A CONDITION TO FURNISH BANK GUARANTEE FOR RS.10,20,000/-TO RELEASE THE SEIZED VEHICLE 14 WHEELER TANKER NO.KA-13-D-1827 BELONG TO THE PETITIONER VIDE ANNEXURE-A.

THIS PETITION, COMING ON FOR PRELIMINARY HEARING, THIS DAY, ORDER WAS MADE THEREIN AS UNDER:

CORAM: HON'BLE MR. JUSTICE S.R.KRISHNA KUMAR

ORAL ORDER

In this petition, the petitioner seeks the following reliefs:

“a) Quash the Condition No.1 imposed by the Respondent No.2 in Order No. EXE/BUD/-6/Va-36/DTCR/134/2025-26 dated: 23.02.2026, herein the Respondent No.2 imposed a condition to furnish Bank Guarantee for Rs.10,20,000/- to release the seized vehicle 14 Wheeler Tanker No. KA-13-D-1827 belong to the petitioner vide Annexure-A.

b) grant such other reliefs as this Hon'ble Court deems fit and proper in the circumstances of the case in the interest of justice and equity.”

2. Heard learned counsel for the petitioner and learned AGA for the respondents and perused the material on record.

3. In addition to reiterating the various contentions urged in the memorandum of petition and referring to the material on record,



learned counsel for the petitioner invited my attention to the order of the Co-ordinate Bench of this Court in the case of **Sudeep S. Vs. State of Karnataka and others – W.P.No.7357/2025 dated 22.08.2025**, in order to contend that the present petition deserves to be disposed of in terms of the aforesaid decision.

4. Per contra, learned AGA for the respondents submits that there is no merit in the petition and that the same is liable to be dismissed.

5. As rightly contended by the learned counsel for the petitioner, the present petition is directly and squarely covered by the decision of a Co-ordinate Bench of this Court in the case of **Sudeep S. Vs. State of Karnataka and others – W.P.No.7357/2025 dated 22.08.2025**, which reads as under:

“Challenging condition no.1 imposed by respondent no.2 in order dated 25.10.2024 at Annexure-A requiring petitioner to furnish bank guarantee for Rs.4,10,000/- for release of petitioner's vehicle no.KA-45-A-3767, this writ petition is filed.

2. *Sri B Lethif, learned counsel for petitioner submitted, on a complaint by respondent no.3 that at 8:15 P.M. on 12.04.2023, information was received about a vehicle parked near Raghavendra Sweets and Bakery contained a plastic*



cover in which 15.03 ltrs. of liquor in tetra packs were stored, petitioner's vehicle namely, Tata Magic vehicle reg.no. KA-45-A-3767 ('vehicle' for short) was searched between 8:45 P.M. to 10:15 P.M., mahazar drawn to effect that quantity of 15.03 ltrs. liquor in tetra packs were found in illegal possession constituting offences under Sections 32(1), 38(A) and 43(A) of Karnataka Excise Act, 1965, ('Act' for short) said vehicle was seized.

3. *After completion of investigation, charge sheet as per Annexure-F was filed for offences under Sections 32(1), 38(A) and 43(A) of Act against petitioner on 05.02.2024. With filing of charge sheet and matter awaiting trial, as vehicle was lying idle and open to elements sustaining damage/wastage of value, an application for its release was filed on 24.02.2024. But on 08.05.2024, respondent no.2 passed an order of forfeiture of vehicle. Said order was challenged in WP no.18345/2024 before this Court. Same was allowed on 23.07.2024 as per order at Annexure-L permitting release subject to petitioner furnishing security to satisfaction of respondent no.2.*

4. *In pursuance of said order, respondent no.2 passed order on 25.10.2024, allowing application subject to various conditions, including impugned condition requiring petitioner to furnish bank guarantee for Rs.4,10,000/- from any Nationalized Bank valid for minimum period of one year to be renewed for like period till final order. Aggrieved by said condition, writ petition was filed.*



5. *It was submitted, Section 43(A) of Act though provided mandatory condition for furnishing bank guarantee equal to value of vehicle while allowing application for release of seized vehicle, fixation of value at Rs.4,10,000/- was illegal especially as there was no provision/rule providing for manner of determination of value and secondly, this Court while considering similar condition imposed in cases under Forest Act, had ordered for release on furnishing of indemnity bond. On said grounds, sought for interference.*

6. *On other hand, Sri Bhojgowda T Koller, learned AGA opposed petition. It was submitted, imposition of condition for furnishing bank guarantee was in strict compliance with proviso to Section 43(A) (2) of Act and decision relied upon were passed under provisions of Forest Act inapplicable to cases under Excise Act and sought dismissal of writ petition.*

7. *Heard learned counsel and perused writ petition.*

8. *From above, it is seen this writ petition is filed challenging condition no.1 in order at Annexure-A, firstly on ground that it was arbitrary, when neither Section 43A of Act nor any other provision, rule or notification provided for manner of assessment of value of seized vehicle.*

9. *Merely on ground that statutory provision did not provide for complete mechanism for assessment of value of vehicle seized, while mandatorily requiring furnishing of Bank*



Guarantee equal to value of seized vehicle as condition for its release, would not render said provision nugatory.

10. Hon'ble Supreme Court in case of **Section Forester and Anr. v. Mansoor Ali Khan** reported in **AIR 2004 SCW 5** has held, release of vehicle in case of offences under Special Enactments should be for good reasons and in exceptional cases that also upon a minimum condition of furnishing bank guarantee as contemplated under Act. Same is reiterated by this Court in case of **K. Ekambaram Reddy v. Deputy Conservator of Forest and Anr.** reported in **2007 (5) KLJ 112.**

11. Thereafter, in case of **Shashavali v. State of Karnataka** reported in **2014 SCC OnLine Kar 6586**, learned Single Judge of this Court has held:

"10. The meaning of the word 'estimate' as per the Websters's dictionary is "the act appraising or valuing an opinion or quality of a person or a thing". According to my opinion, the Judge or the authorized officer who has to estimate the value should estimate the same on the basis of some standards to ascertain as to the value of the vehicle as on the date of seizure depending on its model, nature and performance. If the Judge or the Officer is unable to estimate the value, he has to take the assistance seeking the evaluation report from the competent authority i.e.

Regional Transport Officer concerned or any other competent authority and thereafter fix the amount of Bank guarantee amount.

11. Therefore, the imposition of the condition directing the petitioners to produce the Bank guarantee for Rs. 10,00,000/-, without properly estimating the value in accordance with any of the recognized standards or any basis, in my opinion, is



not proper. However, it cannot be said that, such a condition cannot be imposed directing the Party to produce the Bank Guarantee at all. However, after estimating the value as contemplated under Section 63 of the Karnataka Forest Act, the Competent Authority has to impose such a condition in accordance with the estimation.

12. The learned Counsel has produced before this Court, the copy of the Valuation Report of each vehicle seized in this Particular case issued by the Inspector of Motor Vehicles, R.T.O. Office, Hospet.

13. As could be seen, none of the vehicle was valued more than Rs. 8,50,000/-. Though this is a guideline to the learned Magistrate to estimate the value of the vehicle, the learned Magistrate is at liberty to secure any other information from any other competent authority in order to estimate the value of the vehicle, as on the date of the seizure if he feels it necessary. Therefore, in view of the above observation, the matter has to be remitted to the trial Court, with a direction that the Magistrate to estimate the value of the vehicle as noted above and then impose suitable and appropriate condition directing the owners of the vehicles to furnish such a Bank guarantee as required in each of the cases."

11. In view of above, requirement of furnishing of bank guarantee for Rs.4,10,000/- corresponding to value of vehicle seized as estimated by officials of RTO cannot be said to be illegal or contrary to law. However, taking note of fact that maximum amount of fine that can be imposed on conviction for offences alleged against petitioner under Sections 32(1), 38(A) and 43(A) of Act would approximate to around Rs.1,25,000/-, requirement of furnishing bank guarantee for Rs.4,10,000/- would not be justified and could be moderated to bank guarantee for Rs.1,00,000/- and



indemnity bond for remaining amount of value for petitioner's vehicle.

*For aforesaid reasons, writ petition is **allowed in part**; condition no.1 imposed by respondent no.2 for release of petitioner's vehicle namely issuing of bank guarantee for Rs.4,10,000/- in Annexure-A is modified and reduced to Rs.1,00,000/- with condition to furnish indemnity bond for remaining Rs.3,10,000/-. On furnishing of same and after verifying compliance with all other conditions imposed in his order dated 25.10.2024, respondent no.2 to release petitioner's vehicle forthwith."*

6. The aforesaid decision is applicable to the facts and circumstances of the instant case and consequently, the present petition also deserves to be disposed of in terms of the decision of a co-ordinate Bench of this Court, referred to supra.

7. In the result, I pass the following:

ORDER

- (i) The petition is disposed of in terms of the decision of a Co-ordinate Bench of this Court in the case of **Sudeep S. Vs. State of Karnataka and others – W.P.No.7357/2025 dated 22.08.2025.**



- (ii) The condition No.1 imposed by respondent No.2 for release of petitioner's vehicle by issuing of bank guarantee for Rs.10,20,000/- in Annexure-A is modified and reduced to Rs.1,20,000/- with condition to furnish indemnity bond for remaining Rs.9,00,000/-. On furnishing of same and after verifying compliance with all other conditions imposed in his order dated 23.02.2026, respondent no.2 to release petitioner's vehicle forthwith.

Sd/-
(S.R.KRISHNA KUMAR)
JUDGE