

IN THE HIGH COURT OF BOMBAY AT GOA

WRIT PETITION NO. 371 OF 2015

Vedanta Limited (Formerly known as Sesa
Sterlite Limited earlier Sesa Goa Limited,
Sesa Ghor, 20 EDC Complex, Patto, Panjim,
Goa, 403 001,
Through its Power of Attorney
Shri Bonecio Menezes

... Petitioner

V e r s u s

1. The Assistant/Deputy Commissioner
of Income-tax, Circle 1(1) having his
office at Aaykar Bhavan,
Margao, Goa.

2. The Commissioner of Income tax
having his office at
Aaykar Bhavan, Panaji, Goa, 403 001.

3. The Union of India,
North Block New Delhi,
110 001

... Respondents

Mr. R. G. Ramani, Advocate for the Petitioner.

Ms. Asha Desai, Advocate for the Respondent.

Coram : **F. M. REIS,**
M. S. SANKLECHA, JJ.

Date : **7th May, 2015**

ORAL JUDGMENT (Per M. S. Sanklecha, J.)

Rule. Returnable forthwith. Ms. Desai, learned Counsel for the
Revenue waives service.

At the request of the Counsel, the Petition is taken up for final

disposal.

2. This Petition challenges the Order dated 19.12.2014 issued under Section 281-B of the Income Tax Act, 1961, (the Act). By the impugned Order, a refund of Rs.28,79,81,050 Crores granted to the Petitioner for the assessment year 2009-10 by Order dated 17.10.2014 is provisionally attached under Section 281-B of the Act.

3. After hearing the petition for sometime, Mr. Ramani, learned Counsel appearing for the Petitioner, on instructions, states they are undergoing grave liquidity problem and they could secure a revenue by furnishing a Bank Guarantee to the extent of Rs.28,79,81,050 of a Nationalised Bank. It is submitted that on such security being furnished, the Revenue be directed to vacate the attachment of the refund of Rs.28,79,81,050 due to the Petitioners and hand it over to the Petitioners.

4. Ms. Asha Desai, learned Counsel appearing for the Revenue, on instructions, states that she has no objection to the above arrangements.

5. In view of the above, on the Petitioners furnishing a Bank Guarantee of a Nationalised Bank for an amount of Rs.28,79,81,050 to the satisfaction of the Commissioner of Income Tax, the Respondent would vacate the attachment of the refund of Rs.28,79,81,050 done under Section 281-B of the Act. It is made clear that the Petitioners will keep the Bank Guarantee alive till the final disposal of the re-assessment notice dated 16.07.2014 issued for the assessment year 2009-10

and eight weeks thereafter as it is the amounts likely to become due on the reassessment that the Revenue is seeking to secure by attachment of the refund. Once the Bank Guarantee in the above terms is furnished to the satisfaction of the Commissioner of Income Tax, Panaji, the Respondent-Revenue will hand over to refund of Rs.28,79,81,050/- to the Petitioners within one week thereafter.

6. Petition stands disposed of. Rule made absolute in the above terms.

M. S. SANKLECHA, J.

F. M. REIS, J.

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