THE HON'BLE SRI JUSTICE RAMESH RANGANATHAN

AND

THE HON'BLE SRI JUSTICE M.SATYANARAYANA MURTHY

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Writ Petition No.35371 of 2015

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ORDER: (per Hon'ble Sri Justice Ramesh Ranganathan)

The relief sought for in this Writ Petition is to declare the action of respondent No.3 in detaining the goods of the petitioner along with lorries, and the consequential show-cause notice dated 26.10.2015 demanding payment of tax and penalty for release of the same, as arbitrary and illegal.

This Court, by its order dated 30.10.2015, directed the respondents to release the lorries along with seized goods belonging to the petitioner subject to the condition that the petitioner pays the tax amount as demanded in the show-cause notice dated 26.10.2015.

Section 45(7)(a) of the A.P. VAT Act enables the competent authority, at the check post, to collect the tax payable on the goods so carried, and in addition levy penalty not exceeding two times the amount of tax payable on such goods, where goods are carried without paying tax, if any, payable or goods are carried without being properly accounted for in the documents. The said provision, however, requires the person to be given a reasonable opportunity against the proposed penalty before penalty is imposed.

Sri Shaik Jeelani Basha, Learned Standing Counsel for Commercial Taxes, on instructions, would submit that, on payment of the tax, the lorry and the goods have already been released. As a show-cause notice has already been issued to the petitioner for imposing penalty, we leave it open to the respondents to take necessary action in accordance with law. As the subject lorry and the goods have already been released, no further orders are necessary in this Writ Petition.

The Writ Petition is, accordingly, disposed of. The miscellaneous petitions pending, if any, shall also disposed of. No costs.

RAMESH RANGANATHAN, J

M. SATYANARAYANA MURTHY, J

Date:23.11.2015.

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