

THE HON'BLE THE ACTING CHIEF JUSTICE RAMESH RANGANATHAN
AND
THE HON'BLE SRI JUSTICE U.DURGA PRASAD RAO

WRIT PETITION No.42955 OF 2016

ORDER: (Per the Hon'ble The Acting Chief Justice Ramesh Ranganathan)

Heard Sri A.V.A. Siva Kartikeya, learned counsel for the petitioner, and Sri S. Suribabu, learned Special Standing Counsel for Commercial Taxes and, with their consent, the writ petition is disposed of at the stage of admission. The action of the respondents, in seizing the goods of the petitioner along with the vehicles though the consignment was covered by all relevant documents, is questioned in this writ petition as being arbitrary and illegal.

The notice of detention of goods in the check post in Form 610 records variation in the quantity of the detained stocks and the quantity as reflected in the invoice. Consequently, a notification for seizure of goods was issued in Form 603. As confiscation proceedings have already been initiated, the question whether or not the goods should be confiscated would be determined by the competent authority after giving the petitioner an opportunity of being heard.

Sri A.V.A. Siva Kartikeya, learned counsel for the petitioner, submits that the petitioner is ready and willing to furnish bank guarantees, for the value of the goods mentioned in Form 603 for both the vehicles, to be kept alive during the pendency of confiscation proceedings. Sri S. Suribabu, learned Special Standing Counsel for Commercial Taxes, would agree for such an order to be passed.

We consider it appropriate, in such circumstances, to dispose of the writ petition directing the respondents to release the goods on the petitioner furnishing unconditional bank guarantees from a nationalized bank valid for a period of six months, for the value of the goods referred to in the confiscation show cause notice in Form 603. Both the vehicles and the goods shall be released forthwith, on the petitioner handing over

the unconditional bank guarantees, as aforementioned to the authorities concerned. These bank guarantees shall be kept alive during the pendency of confiscation proceedings, and shall be subject to its outcome.

Sri A.V.A. Siva Kartikeya, learned counsel for the petitioner, states that the petitioner has already submitted their reply to the confiscation show cause notice and the respondents be directed to pass orders within a specified time frame. We consider it appropriate, in such circumstances, to direct the competent authority to pass final orders, pursuant to the confiscation show cause notice, at the earliest and, in any event, not later than one month from the date of receipt of a copy of this order.

The writ petition stands disposed of accordingly. The miscellaneous petitions pending, if any, shall also stand disposed of. There shall be no order as to costs.



(RAMESH RANGANATHAN, ACJ)

(U.DURGA PRASAD RAO, J)

16th December, 2016

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Date:16.12.2016

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