

**THE HON'BLE SRI JUSTICE RAMESH RANGANATHAN
AND
THE HON'BLE SRI JUSTICE M.SATYANARAYANA MURTHY**

WRIT PETITION NO.18370 OF 2016

ORDER: *(Per Hon'ble Sri Justice Ramesh Ranganathan)*

The proceedings under challenge in this writ petition is the notice of detention in FORM VAT 610 dated 02.06.2016, detaining the goods on the ground that the petitioner had not obtained a transit pass at Kodikonda check post, wherein the goods entered the State of Andhra Pradesh from outside the State.

While Sri V.R. Reddy Kovvuri, learned counsel for the petitioner initially contended that the Kodikonda check post was not functioning, Sri Shaik Jeelani Basha, learned Special Standing Counsel for Commercial Taxes (Andhra Pradesh) has placed before this Court details of several transactions which took place at Kodikonda checkpoint on 01.06.2016 and 02.06.2016. Sri V.R. Reddy Kovvuri, learned counsel for the petitioner would thereafter submit that it would suffice if, in terms of Section 45(3)(b) of the Andhra Pradesh Value Added Tax Act, 2005, the respondents are directed to release the goods on the petitioner paying tax on the value of the goods as referred to in the notice of detention, and furnishing security for two times the amount of tax, making it clear that the amount so paid shall be subject to the petitioner being assessed to tax, and penalty proceedings being instituted against them in accordance with law.

Ends of justice would be met if the third respondent is directed to release the subject goods on the petitioner furnishing proof of payment of tax on the value of the goods as reflected in the detention notice, and on their furnishing an unconditional bank guarantee from a Nationalised bank for twice the tax amount as

security. It is made clear that the tax so paid, and the security so furnished, shall be subject to the assessment/penalty proceedings which the third respondent shall initiate and complete within four months from the date of receipt of a copy of this order.

Subject to the above directions, the writ petition is disposed of. No order as to costs. Consequently, miscellaneous petitions, if any, pending in this Writ Petition shall stand closed.

JUSTICE RAMESH RANGANATHAN

JUSTICE M.SATYANARAYANA MURTHY

14.04.2016.

SP

Note: cc tomorrow

b/o

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