

THE HON'BLE SRI JUSTICE C.V.NAGARJUNA REDDY

AND

THE HON'BLE SRI JUSTICE P.KESHA RAO

W.P.No.40940 of 2017

Date: 29.12.2017

Between:

M/s.Neo Diamonds63, Kanchawala Building,
1st floor, Office No.3, Dhanji Street,
Zaveri Bazar, Mumbai-400 003, rep. by its
Managing Partner, Dhawal Chimanlal Shah,
S/o.Chimanlal Mohanlal Shah, aged about
28 years, R/o.Mumbai, Maharashtra ... Petitioner

And

The Chief Commissioner of Income Tax,
IS-VII, Aayakar Bhavan, Maharshi Karvi
Road, Mumbai-20, Maharashtra State
and six others ... Respondents

Counsel for the Petitioner : Mr.M.Srikanth

Counsel for the Respondents : Mr. J.V.Prasad
Senior Standing Counsel
for Income Tax

The Court made the following:

Order : (Per the Hon'ble Sri Justice C.V.Nagarjuna Reddy)

This writ petition is filed for the following substantial relief:

“to issue a writ, order or direction, particularly one in the nature of writ of mandamus, declaring that the action of the 3rd respondent in seizing the Diamond Ornaments which form part of the Stock in Trade on 14.11.2017 from the petitioner as illegal, arbitrary and contrary to the proviso to Section 132 of the Income Tax Act, 1961 and consequently directing the 3rd respondent to accept the unconditional and irrevocable Bank guarantee from the petitioner and release the diamond ornaments seized immediately and pass such other order or orders as this Hon'ble Court deems fit and proper in the circumstances of the case”.

2. At the hearing, Mr.J.V.Prasad, learned Senior Standing Counsel for Income Tax Department, submitted that the seized jewellery was handed over to respondents No.6 and 7 and that the same is in their custody. Mr.M.Srikanth, learned counsel for the petitioner, submitted that after filing of this writ petition, his client has filed an application for release of the seized jewellery before respondent No.7.

3. In view of this subsequent event, the writ petition is disposed of, without adjudicating on the merits of the case regarding the validity or otherwise of seizure of jewellery, with a direction to respondent No.7, to consider and pass appropriate orders on the petitioner's application for release of seized jewellery, in accordance with law, within four weeks from the date of receipt of this order.

4. As a sequel, W.P.M.P.No.50837 of 2017 filed by the petitioner, seeking interim relief, is disposed of as infructuous.

(C.V.Nagarjuna Reddy, J)

(P.Keshava Rao, J)

Date: 29th December, 2017

msb

