CGHC010427822026 2026:CGHC:46527

RUCHI YADAV Digitally signed by RUCHI YADAV

NAFR

HIGH COURT OF CHHATTISGARH AT BILASPUR

WPC No. 5529 of 2026

1 - Arjun Darji S/o Late Atul Darji Aged About 60 Years R/o- Purana Bazar, Ward No. 2, P.V. 32 Road, Pakhanjur, Tehsil- Pakhanjur, District- Kanker, (C.G.)

... Petitioner(s)

versus

1 - State Of Chhattisgarh Through- Collector, Bastar, Jagdalpur (C.G)

2 - Assistant Commissioner Office Of Excise Officer, District- Bastar-Jagdalpur (C.G)

3 - The Station House Officer Police Station- Bhanpuri, District- Bastar (Chhattisgarh)

... Respondent(s)

(Cause title taken from CIS Periphery)

For Petitioner(s)	:	Ms. Muskaan Fatwani, Advocate
For State/Respondent	:	Mr. Sangharsh Pandey G.A.

SB: Hon'ble Mr. Justice Amitendra Kishore Prasad

Order on Board

03/11/2026

1. By way of this petition, the petitioner has prayed for following reliefs:-

“10.1) To set aside the impugned order dated 29.04.2026 passed by the Collector, District Bastar, Jagdalpur, in Confiscation Case No. 202511150100007/06, to the extent it imposes the condition of depositing ₹7,50,000/- (Rupees Seven Lakh Fifty Thousand only) by way of Demand Draft for release of the petitioner's vehicle bearing Registration No. CG04QD7778 on Supurdnama.

10.2) To issue an appropriate writ, order or direction, quashing and setting aside the subsequent impugned order dated 17.06.2026 passed by the Collector, District Bastar, Jagdalpur, rejecting the petitioner's application seeking release of the aforesaid vehicle without insisting upon deposit of the entire assessed value.

10.3) To direct the respondent authorities to release the petitioner's vehicle bearing Registration No. CG04QD7778 on Supurdnama, upon such reasonable terms and conditions as this Hon'ble Court may deem fit and proper, without insisting upon deposit of 7,50,000/- by way of Demand Draft.

10.4) Pending final disposal of the present petition, direct the respondent authorities to release the aforesaid vehicle to the petitioner on interim Supurdnama, subject to such reasonable terms and conditions as this Hon'ble Court may deem fit and proper.

10.5) Grant any other relief or direction which this Hon'ble Court may deem fit and proper in the facts and circumstances of the case, in the interest of justice.”

2. Learned counsel appearing for the petitioner submits that the petitioner is the registered owner of the Scorpio vehicle bearing Registration No. CG04QD7778. It is submitted that the petitioner had entered into an agreement dated 08.10.2025 with the accused, namely, Mayank Gandhir, whereby the aforesaid vehicle was handed over to him on rent, subject to certain terms and conditions, including a specific condition that the vehicle would not be used in violation of any law or for any illegal purpose. It is further submitted that, on the very next day, i.e., 09.10.2025, the aforesaid vehicle was allegedly found being used for transportation of liquor, pursuant to which Crime No. 0120/2025 was registered at Police Station Bhanpuri. Thereafter, the vehicle was seized and the concerned Collector initiated confiscation proceedings under Section 47-A of the Excise Act, which are stated to be pending before the Collector, District Bastar.

3. Learned counsel for the petitioner further submits that the petitioner, being the owner of the vehicle, has no involvement in the alleged offence and, therefore, his case is squarely covered by the decisions rendered by this Court in WPCR No. 397 of 2022 and WPC No. 2577 of 2023. It is further submitted that the petitioner is ready and willing to abide by all such terms and conditions as may be imposed by this Court and undertakes to produce the vehicle before the concerned authority as and when required. Learned counsel further submits that although the prayer for release of the vehicle on Supurdnama has been considered by the Collector, the release has been made subject to the condition of depositing a sum of ₹7,50,000/-, equivalent to the assessed value of the vehicle, by way of Demand Draft, which is highly onerous and beyond the financial capacity of the petitioner.

4. Learned State counsel opposes the petition and submits that the vehicle in question was seized in connection with the alleged offence and confiscation proceedings under Section 47-A of the Excise Act are pending before the competent authority. He further submits that the vehicle is liable to confiscation in accordance with law and, therefore, its release may be subject to appropriate terms and conditions to safeguard the interest of the State.

5. Heard learned counsel for the parties and perused the material available on record.

6. The issue which arises for consideration in the present petition is whether the release of the vehicle on Supurdnama can be made subject to such an onerous condition of depositing its entire assessed value by way of Demand Draft.

7. In the case of a vehicle or any other property liable to confiscation, where the concerned authority or the Court considers it appropriate to release the same in favour of the petitioner on Supurdnama, the purpose of insisting upon security or guarantee is essentially to ensure that the vehicle or property is produced before the concerned authority or Court as and when directed.

8. In other words, the conditions imposed while granting interim custody should be such as to ensure compliance with the terms and conditions of the Supurdnama. Needless to observe, such conditions should not be so harsh or onerous as to render the grant of interim custody virtually ineffective or beyond the means of the person seeking such custody.

9. In the facts and circumstances of the present case, this Court is of the considered view that insisting upon the petitioner to deposit a sum of ₹7,50,000/- by way of Demand Draft, being equivalent to the assessed value of the vehicle, is an onerous condition. The object of securing the production of the vehicle before the concerned authority can adequately be achieved by directing the petitioner to furnish a solvent surety of an equivalent amount.

10. Consequently, the present petition is allowed. The impugned orders dated 29.04.2026 and 17.06.2026, passed by the Collector, District Bastar, Jagdalpur, are modified to the extent that the condition of depositing ₹7,50,000/- by way of Demand Draft shall stand substituted by the condition of furnishing a solvent surety of an equivalent amount, i.e., ₹7,50,000/-, to the satisfaction of the concerned Collector.

11. Accordingly, the vehicle in question bearing Registration No. CG04QD7778 shall be released in favour of the petitioner on Supurdnama, subject to the following conditions:

> “(i) The petitioner shall file documents of his ownership over the vehicle to the satisfaction of the concerned authority.
>
> (ii) Before release of the vehicle, a proper Panchnama of the vehicle shall be prepared.
>
> (iii) Photographs of the vehicle from different angles shall be taken at the cost of the petitioner and shall be kept on record.
>
> (iv) The petitioner shall furnish a personal bond and solvent surety equivalent to the present market value of the vehicle, to the satisfaction of the concerned authority, before its release.

(v) The petitioner shall produce the vehicle before the concerned Court/competent authority as and when directed, at his own cost.

(vi) The petitioner shall not transfer, alienate or create any third-party interest in the vehicle during the pendency of the confiscation proceedings.

(vii) He shall not change the colour of the vehicle and shall produce the vehicle as and when required by the prosecution during the course of investigation, trial or even at the appellate stage.

(viii) He shall further undertake to produce the vehicle before any competent authority under any applicable statute as and when required."

12. The concerned Collector is directed to conclude the pending confiscation proceedings expeditiously, in accordance with law.

13. The present petition stands finally **disposed of.**

Sd/-

(Amitendra Kishore Prasad)
Judge

Ruchi