(2011) 09 KL CK 0044

In the High Court Of Kerala

Case No : Writ Petition (C) No. 24842 of 2011 (E)

Vyttila Steel Private Ltd. APPELLANT

Vs

The Intelligence Inspector RESPONDENT

Date of Decision : 16-09-2011

Acts Referred:

Citation : (2011) 188 ECR 389

Hon'ble Judges : K. Surendra Mohan, J

Bench : Single Bench

Advocate : N. Muraleedharan Nair, for the Appellant;

Judgement

K. Surendra Mohan, J.—The Petitioner is a registered dealer under the Kerala Value Added Tax Act, 2003. He has filed this writ petition challenging the detention of a consignment of steel tubes transported by him from Vyttila to Kollam. The vehicle and the goods are detained by the Respondent for suspected evasion of tax. It is contended by the Petitioner that the continued detention of the goods causes needless loss and hardship to him. Therefore, he prays for the issue of appropriate orders directing release of the goods to him.

2. The learned Govt. Pleader submits that the vehicle has been detained for the reason that the goods were not accompanied by proper documents that are required to accompany the transport of such goods. Consequently, it is submitted that the Respondent was justified in presuming that there was attempt at evasion of tax. It is therefore contended that Ext.P3 is, in the circumstances, perfectly justified and in order. Even if the goods are to be released to the Petitioner such release could only be on the strength of sufficient security to be furnished by the Petitioner.

3. The correctness of the assertions made by counsel on either side can be ascertained only on adjudication of the matter. However, it is not necessary for the goods and the vehicle to be detained until such adjudication is over. The interests of the Revenue can sufficiently be protected by directing the Petitioner

to furnish security for the goods that are detained. Therefore, I am of the view that the detained goods can be directed to be released to the Petitioner on his furnishing sufficient security for the same, in accordance with law.

4. This writ petition is accordingly disposed of directing the Respondent to release the goods detained as per Ext.P3 proceedings to the Petitioner on his executing a bond without sureties to the satisfaction of the Respondent for the amount of tax that is suspected to have been evaded. There shall also be a further direction to the Respondent to complete the adjudication proceedings as expeditiously as possible and at any rate, within a period of three months from the date of receipt of a copy of this judgment.