

TAX INFO

Dated 05/12/2022

Latest update on GST Law: **Department cannot refuse to release goods & conveyance if appellant complies with Section 129(1)(c)** as given in judgement by **Kerala High Court**.

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Name of Petitioner	VTS Steels
Name of Respondent	The Assistant State Tax Officer
Court	KeralaHigh Court
Date of Judgement	21.10.2022
Appeal No.	WP(C) NO. 33537 OF 2022

Brief Facts of the Case Law:

The petitioner faced with proceedings under Section 129 of the CGST/SGST Act, 2017 which deals with the detention, seizure and release of goods and conveyances in transit.

Contention of the Petitioner:

The grievance of the petitioner is that despite the willingness of the petitioner to comply with the provisions of Section 129 (1)(c), the Department is refusing to accept the bank guarantee and release the goods, pending adjudication of the notice.

Findings and Decision of the Court:

If the petitioner complies with the provision of Section 129 (1)(c), there is no reason for the Department to refuse the release of the goods and the conveyance, pending finalisation of the proceedings issued under Section 129.

Hence, Department was directed to release the goods and conveyance in question on the petitioner complying with the conditions prescribed in Section 129(1)(c) of the CGST/SGST Act without any further delay. If the proceedings under Section 129 result in an adverse order against the petitioner, the bank guarantee furnished by the petitioner will not be invoked for a period of thirty days from the date of the order to enable the petitioner to apply for appropriate relief before the appellate authority.

Suresh Aggarwal, Advocate

Compliance & Litigation under GST

Address: House No. 54, Pocket A-3, Sector-5, Rohini- 110085

Phone: 91-9810032846; 011 - 45131427

Email: sureshagg@gmail.com

Website: <http://www.sureshtaxation.com>