NC: 2026:KHC:35945
WP No. 15838 of 2026

HC-KAR

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 14TH DAY OF JULY, 2026

BEFORE

THE HON'BLE MR. JUSTICE B M SHYAM PRASAD

WRIT PETITION NO. 15838 OF 2026 (T-RES)

BETWEEN:

M/S. TPJ CARRIERS
THEPPALA HOUSE
ALLAPRA POST
PERUMBAVOOR
KERALA - 683 556
REPRESENTED BY ITS
MANAGING PARTNER,
ANEESH JACOB.

...PETITIONER

(BY SRI. ASHOK KUMAR SHETTY K., ADVOCATE)

AND:

1. STATE OF KARNATAKA
   REPRESENTED BY ITS SECRETARY
   DEPARTMENT OF COMMERCIAL TAX
   VIDHANA SOUDHA
   BENGALURU - 560001.

2. THE DEPUTY COMMISSIONER OF
COMMERCIAL TAXES
(ENFORCEMENT)
WEST ZONE,
MANGALURU - 560001.

...RESPONDENTS

(BY SRI.K. HEMA KUMAR., AGA)

THIS WP IS FILED UNDER ARTICLES 226 AND 227 OF THE CONSTITUTION OF INDIA PRAYING TO A) QUASHING THE ADJUDICATION ORDER ANNEXURE 'A' DCCT(Enf) MNG/K-01/2026-27 DATED 28.04.2026 PASSED BY THE 2ND RESPONDENT DEPUTY COMMISSIONER OF COMMERCIAL TAXES (ENFORCEMENT), WEST ZONE, MANGALURU; B) DIRECTING THE 2ND RESPONDENT TO RELEASE THE LORRY BEARING KL 40 S 7040 ALONG WITH THE GOODS IN FAVOUR OF THE PETITIONER.

THIS PETITION, COMING ON FOR PRELIMINARY HEARING, THIS DAY, ORDER WAS MADE THEREIN AS UNDER:

CORAM: HON'BLE MR. JUSTICE B M SHYAM PRASAD

ORAL ORDER

The petitioner is the owner of a 14-wheeler Tanker bearing No. KL-40/S-7040 [*a conveyance*] which is hired by M/s. SVP Petro Products for transporting *goods [the bulk bitumen].* The conveyance is intercepted by the State GST Authorities, and there are orders under Section 129(3) of the Central Goods and Services Tax Act, 2017/State Goods and Services Tax Act, 2017 [for short, *the Act'*]. The penalty imposed is Rs.23,86,590/-. The petitioner, *being a transporter,* is entitled for release of the conveyance subject to payment of Rs.1,00,000/-. This amount is *the lesser amount* contemplated under the first proviso to Section 129(6) of the Act and the petitioner has paid a sum of Rs.1,00,000/-.

2. Sri Ashok Kumar Shetty K., the learned counsel for the petitioner, submits that the penalty order is about two and a half months back, but the

authorities have taken no action for the sale of the *goods* and that this provides a cause for the petitioner. Sri K. Hema Kumar, the learned Additional Government Advocate who accepts notice for the respondents, is heard in the light of these circumstances and the provision of Section 129(6) of the Act which read as under:

> *"Where the person transporting any goods or the owner of the goods fails to pay the amount of penalty under sub-section (1) within fifteen days from the date of receipt of the copy of the order passed under sub-section (3), the goods or conveyance so detained or seized shall be liable to be sold or disposed of otherwise, in such manner and within such time as may be prescribed, to recover the penalty payable under sub-section (3).*
>
> *Provided that the conveyance shall be released on payment by the transporter of penalty under sub-section (3) or one lakh rupees, whichever is less;*
>
> *Provided further that where the detained or seized goods are perishable or hazardous in nature or are likely to depreciate in value with*

passage of time, the said period of fifteen days may be reduced by the proper officer."

3. The *goods* seized should have been brought to sale if the consignor has not paid the penalty within fifteen days from the date of receipt of such order. However, this is subject to the condition that the authorities can reduce the period of fifteen days and sell the *goods* where the seized goods are perishable or hazardous or likely to depreciate in value over a period.

4. Sri K. Hema Kumar submits that the seized *goods* are not brought to sale because the appeal time may not have expired. However, this Court must observe that if this is one aspect of the matter, the other is that the statute enjoins the authorities with the obligation to act even within fifteen days, and to bring the seized goods to sale even earlier if the seized *goods* are either perishable or hazardous or are likely to depreciate in its value.

In the present case, the seized *goods* is undoubtedly inflammable and therefore hazardous. This is in addition to the damage that could be to the conveyance.

5. On careful consideration of all the circumstances, this Court is of the view that the authorities must act under the proviso to Section 129(6) of the Act for sale of the seized *goods* after taking out due notice and if the owner of the seized *goods* [*the owner*] does not avail the appellate remedy despite publication of such notice. The authorities, while taking out notice for sale, must also ensure that a copy is served in due course to the consignor. In the light of the afore, the following:

ORDER

The petition stands disposed of calling upon the authorities to act in exercise of the powers under the proviso to Section 129(6) of the KSGST/CGST Act to bring the *goods* to sale issuing public notice of sale causing notice thereof to the owner at the earliest and in any event within five [5] weeks from today.

Sd/-
(B M SHYAM PRASAD)
JUDGE

SA
Ct:Sr