

THE HON'BLE SRI JUSTICE L.NARASIMHA REDDY

WRIT PETITION No.2572 of 2011

ORDER:

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The petitioner is a firm manufacturing veterinary formulations. It obtained loan facility from the respondent herein. The petitioner is a 100% export oriented unit. However, depending on the circumstances, and with the clearance of the Central Excise Department, it can undertake indigenous trade also. It appears that there are disputes among the partners. The respondent addressed a letter to the Customs and Central Excise Department on 01.09.2010 stating that the petitioner is due certain amount and that unless the amount is cleared, the permission may not be accorded to the petitioner for releasing or trading of the goods. The petitioner feels aggrieved by the same.

Heard the learned counsel for the petitioner and the learned Standing Counsel for the respondent.

Obviously to secure their interest, the respondent addressed the impugned letter to the Assistant Commissioner, Customs and Central Excise Department, Abids, Hyderabad. The petitioner does not dispute that it is due substantial amount to the respondent. If the entire stock is exhausted, the interest of the respondent would certainly be jeopardized. This Court is of the view that the respondent can be directed to revoke its letter in case the petitioner pays a sum of Rs.20,00,000/- to the respondent.

Hence, the writ petition is disposed of, directing that in case the petitioner pays a sum of Rs.20,00,000/- (Rupees twenty lakhs only), the impugned letter stands revoked. There shall be no order as to costs.

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L.NARASIMHA REDDY,J

Dt: 08.02.2011.

kdl

