



2025:AHC:228117

HIGH COURT OF JUDICATURE AT ALLAHABAD**WRIT TAX No. - 233 of 2020**

M/S Metropolis Logistics Pvt Ltd

.....Petitioner(s)

Versus

Additional Commissioner And 2 Others

.....Respondent(s)

Counsel for Petitioner(s)	:	Ankur Agarwal, Suyash Agarwal
Counsel for Respondent(s)	:	A.S.G.I., C.S.C.

Court No. - 7**HON'BLE PIYUSH AGRAWAL, J.**

1. By means of the present writ petition, the petitioner has assailed the order dated 26.11.2019 passed by respondent no. 1, rejecting the appeal of the appellant filed under Section 129(3) of the U.P. GST Act, confirming the penalty and seizure of the goods.

2. Learned counsel for the petitioner submits that the petitioner is a company registered under the Companies Act, engaged in the business of logistics and duly registered with GST and having GSTIN. In the normal course of business, the petitioner was required to pick up chassis from Ashok Leyland Limited, District Udham Singh Nagar, to be delivered at Ghazipur, U.P., to M/s Pawansut Automobile India Pvt. Ltd., Ghazipur, U.P. The consignment was duly covered with tax invoice and e-way bill. The chassis was duly registered having No.UK060349.

3. Rule 43 of the Central Motor Vehicle Rules, 1989 and consequently, trade certificate for the chassis in question was also issued and duly accompanied the chassis along with other documents.

4. He further submits that while generating the e-way bill, Part-B of the e-way bill is required to be filled up by the assessee. As Part-B is filled, e-way bill number, date of e-way bill generation, validity of e-way bill and approximate distance are auto-uploaded at the top of Part-A. In the said auto-populated description, no amendment can be made.

5. The petitioner, on the basis of filling Part-A, proceeded to deliver the chassis to its destination. He submits that the destination from Udham

Singh Nagar to Ghazipur is approximately 800 kilometres, but the auto-generated Part-B wrongly mentioned the distance of 170 kilometres, therefore the validity was given up to 12.08.2018 i.e. for two days. While the goods were in transit, the same were intercepted and seized on the ground that the e-way bill had expired.

6. No discrepancy whatsoever was found except the expiry of the e-way bill and on the said premise, proceedings were initiated and order was passed under Section 129(3) seizing the goods and for the release of the same, penalty was imposed of Rs.30,63,680/-, against which an appeal was filed which has been dismissed without considering the material on record.

7. Learned counsel for the petitioner submits that the proceedings initiated against the petitioner are per se illegal and there was no intent to avoid payment of tax for which proceedings under Section 129(3) have been initiated. He submits that the distance was wrongly mentioned as 170 kilometres while generating the e-way bill on 10.08.2018, for which the validity was mentioned only up to 12.08.2018, whereas the distance was more than 800 kilometres. He further submits that the authorities have not pointed out any other defect other than the one mentioned above.

8. In support of his submission, he relies upon the judgment of the Apex Court as well as this Court in (1) **Assistant Commissioner (ST) Vs. Satyam Shivam Papers Private Limited [2022 (57) GSTL 97 (SC)]**, (2) **Ashoka P.U. Foam (India) Private Limited Vs. State of U.P. [2024 (15) Centax 212 (All.)]**, (3) **Riadi Steels LLP Vs. State of U.P. [(2024) 16 Centax 138 (All.)]**, (4) **Sun Flag Iron & Steel Co. Limited Vs. State of U.P. [(2023) 12 Centax 264 (All.)]**, (5) **Falguni Steels Vs. State of U.P. [(2024) 15 Centax 67 (All.)]** and (6) **Globe Panel Industries India Private Limited Vs. State of U.P. [(2024) 15 Centax 223 (All.)]**.

9. Per contra, learned Standing Counsel supports the impugned order and submits that the goods in question were intercepted and expired e-way bill was found. It is the duty of the petitioner, before starting the journey, to check the correctness of forms, and if the e-way bill was wrongly mentioning the distance, he ought to have cancelled the same and

generated a new e-way bill.

10. After hearing the parties, the Court has perused the record.

11. It is not in dispute that the goods in question are motor vehicle chassis which were duly accompanied with tax invoice, e-way bill, sale certificate and temporary registration as per Rule 43 of the Central Motor Vehicle Rules, 1989. It is a matter of common knowledge that motor vehicles cannot be sold except after getting due registration with the Motor Vehicle Department. The goods in question are not edibles or electronic commodities which can be purchased and sold without being separately registered.

12. Further, the e-way bill was generated on 10.08.2018, where the distance has been shown as 170 kilometres, therefore the validity was available up to 12.08.2018. Further, the place of delivery has specifically been shown as Ghazipur, Uttar Pradesh, for which tax invoice and trade certificate for the chassis were issued and the chassis was temporarily registered.

13. Once these facts were within the knowledge of the seizing authority, the seizure proceedings ought not to have been initiated. Further, the argument raised by the petitioner's counsel that after filling Part-A, the above columns are auto-uploaded and duly filled accordingly has not been disputed by the learned Additional Chief Standing Counsel. The learned Additional Chief Standing Counsel also admits that the above columns cannot be amended by the assessee.

14. It is also not the case that after generation of the above e-way bill, a copy of which has been annexed as Annexure-2 at page 20 of the petition, the same could have been cancelled within 24 hours as permissible under the Act. The case in hand, at best, can be said that the e-way bill had expired due to technical glitch which was beyond the control of the petitioner.

15. It is also not in dispute that the petitioner had generated a new e-way bill before passing of the order under Section 129(3) of the GST Act. Under the GST regime, all documents are available on the GST portal.

The department is very well aware of the movement of goods from Udham Singh Nagar onwards to Ghazipur, Uttar Pradesh. Therefore, there cannot be any intention attributed to the petitioner for avoiding payment of tax.

16. This Court on various occasions has taken the view that expiry of e-way bill cannot be attributed to evasion of tax. Various references have been made in the judgments mentioned hereinabove.

17. This Court finds the case in hand squarely covered by the judgments referred to hereinabove.

18. In view of the above facts and circumstances of the case and the law laid down by this Court, the impugned order cannot be sustained and is, hereby, quashed.

19. The writ petition is accordingly **allowed**.

(Piyush Agrawal,J.)

December 16, 2025
S.A.