GSTAT

Court No. Court I

APL/44/AGR/2026

NEERAJ SHUKLA **.....Appellant**

Versus

M/S JAY STEELS, PROPRIETOR, 6 GWALIOR ROAD SOOD COLONY JHANSI UPJHA 284003 **.....Respondent**

Counsel for Appellant
SH. MUKESH KUMAR, AUTHORIZED REPRESENTATIVE

Counsel for Respondent
VEDICA NIGAM, ADV.
AKASH NIGAM, ADVOCATE

Hon'ble Ajeet Singh, Member(Judicial)
Hon'ble Vivek Kumar, Member (Technical)

Form GST APL-04A

[See rules 113(1) & 115]

Summary of the order and demand after issue of order by the GST Appellate Tribunal

whether remand order : No

Order reference no. : ZA090400926000211H **Date of order :** 25/09/2026

1.	GSTIN/Temporary ID/UIN -	
2.	Appeal Case Reference no. - APL/44/AGR/2026	Date - 09/04/2026
3.	Name of the appellant - Neeraj Shukla , neeraj.1571978@gov.in , 7235003045	
4.	Name of the respondant - 1. M/S JAY STEELS , pawanjhs@gmail.com , 9415030137	
5.	Order appealed against -	
	(5.1) Order Type - Refund Order	
	(5.2) Ref Number - 131/19	Date - 14/01/2020
6.	Personal Hearing - 25/09/2026 15/09/2026 28/07/2026	
7.	Status of Order under Appeal - Confirmed – Order under Appeal is confirmed	

8.	Order in brief - The impugned order passed by the First Appellate Authority is found in full compliance with the legal provisions. Accordingly, the first appellate order is upheld and the Departmental appeal is dismissed.

Summary of Order

9.	If demand order then whether demand quantified: No

10.	For Other orders and Demand orders which are not quantified:	
Issues as raised by proper officer	Issues as determined by Appellate/Revisional authority	Order by GST Appellate Tribunal
Erroneous refund	AS PER PDF ATTACHED	

Place :AGRA

Date : 25.09.2026

Signature

AGRA Sandeep Yadav

Designation : Stenographer/Law researcher

Jurisdiction :Agra

ORDER

Per- Ajeet Singh (Judicial Member)

Commissioner, State Tax, through- Neeraj Shukla, Assistant Commissioner, Mobile Squad, Masoura, Lalitpur(U.P)

vs

M/S JAY STEELS, Through, PROPRIETOR, 6 GWALIOR ROAD SOOD COLONY JHANSI UP

Apl/44/Agr/2026

ORDER

(Passed on 25th day of September 2026)

1. Present second appeal u/s 112(1) of CGST/UPGST, Act, 2017 (here-in- after referred as "CGST Act/UPGST Act") has been preferred by the Revenue through Neeraj Shukla, Assistant Commissioner, Mobile Squad, Masoura, Lalitpur, against order in appeal dated- 14.01.2020 passed by First appellate authority vide which by allowing the first appeal of respondent herein set aside the penalty, fine and proceedings initiated by the proper officer.
2. Background facts of the case in brief are that consignment old used iron was dispatched from M/s Mahajan steel traders, Raipur (C.G) GSTN No. 22ASVPM6223A1ZY, to M/s Jay Shree steels, Sood colony, Gwalior Road, Jhansi (U.P) on 24.11.2017, vehicle bearing registration no. CG-07 CA-4387, was stopped and intercepted at Chandera, Jhansi Road, Lalitpur (U.P) by mobile squad formed under UPGST, Act. For verification of the goods and documents accompanied thereto vehicle was dropped to Masora office. On verification the driver produced a valid tax invoice and other transportation documents. However, no e-way bill was accompanied with the consignment. Proper officer issued a show cause notice alleging violation of section 67/68 of CGST/SGST Act, read with rule 138 of the CGST/SGST rules. Though, goods which were being carried in vehicle were inconformity with the invoice and bilty etc. having value of Rs. 5,11,000/-. Learned proper officer leading mobile squad has detained the goods and vehicle u/s 129(1) of CGST/UPGST, act and after serving the SCN order dated- 24.11.2017 was passed vide which Tax of Rs. 91,180/- and equal amount of penalty in total Rs. 1,83,960/- was imposed.
3. Taxpayer has produced a bank guaranty of the amount of tax and penalty before proper officer who released the goods detained in favor of respondent.

4. Taxpayer/respondent herein has preferred first appeal u/s 107 of CGST/UPGST Act 2017 before first appellate authority which was allowed by holding that non producing of e-way bill in transit may be a bonafide or inadvertent mistake while department has not alleged any other allegation for his intention to evade tax. First appellate authority thus has quashed the proceedings-initiated u/s 129(1), 129(2) and 129(3) of CGST Act, against respondent, hence UP State department has knocked the door of this Tribunal by preferring present second appeal u/s 112 of the aforesaid law.
5. Learned Departmental representative appearing for the department has submitted that section 68 of CGST/UPGST act obligates the person in charge of a convene carrying any consignment of goods exceeding the value of Rs. 50,000/- to show e-way bill if asked by the officers or revenue as per rule 138 of CGST rules 2017. He further submitted that carrying the goods without a valid e-way bill constitutes a clear breach of law attracting detention, seizure and imposition of penalty u/s 129 read with section 122 of CGST act.
6. On the contrary learned counsel appearing for respondent has countered the version of revenue by submitting that as soon as vehicle was intercepted e-way bill was generated and submitted before proper officer of revenue. She further submitted that vehicle was intercepted on 24.11.2017 and GST regime has substituted old tax provisions just on 01.07.2017 and several procedural things were not clear in respect of carrying the goods from one state to another. Moreover e-way bill prescribed by state government vide notification no. 1014 dated 21/07/2017 was not applicable to interstate transactions as central government was only the empowered authority under CGST/IGST, Act, 2017 to prescribe documents for inter state transactions.
7. Apart from above, learned counsel for respondent has also submitted that the provisions governing e-way bill i.e. rule 138 of CGST rules 2017 were not brought into force for nationwide implementation on or before 24.11.2017. he also submitted that goods in question were accompanied by a genuine tax invoice showing payment of tax, proper GSTN details of supplier and recipient both. There was also a bilty in the vehicle at the time of interception. Thus, neither any amount of tax was evaded nor there was any intention to evade the same.
8. On hearing both the learned authorized representatives and perusal of the records submitted by both the parties to GSTAT portal. The questions for determination before this tribunal may be stated as follows- i) Whether on the relevant date 24.11.2017 generation and carrying of an e-way bill under rule 138 of CGST rules was legally mandatory for interstate movement of goods? ii) Whether detentions of goods, seizure and imposition of penalty u/s 129(3) read with section 122 of CGST/UPGST act, was sustainable in law for non-producing e-way bill on relevant date and time?

FINDINGS WITH REASONS.

9. Both the questions formulated above are dependent to each other and thus to avoid the repetition of facts and unnecessary burdening the order both are being discussed together.

10. First of all, we come to the question of mandatorily requirement of carrying e-way bill for inter-state movement of goods on 24.11.2017. Rule 138 CGST rules 2017 deals with mechanism of e-way bills however, making explicit provisions for e-way bill by notification no. 27/2017-central tax dated 30.08.2017, rule 138 was substituted but its mandatory operational date was not notified. Vide further notification no. 74/2017 central tax dated 29.12.2017, the central government appointed 01.02.2018 as the date from which rule 138 would come into force so far concerned with mandatory

requirement of e-way bill for interstate/intrastate movement of goods. Further too, following technical issues on the common portal mandatory e-way bill was compliance was finally brought into force nation vide from 01.04.2018 via notification no. 15/2018-central tax.

11. Therefore, in view of above discussion mandatory requirement of accompanying e-way bill along with interstate movement of goods. It is clear that central government has notified the date of compulsory requirement so with effect from 01.04.2018, which much later date from the date 24.11.2017, on which goods were intercepted by the proper officer of UP State tax department. Therefore, question no. i formulated above is answered in negative and against the appellant/revenue.

12. It is too, no discrepancies were found in quantity, weight or the descriptions of the goods. Both buyer and seller are bonfide dealers and the vehicle was found on its designated route. Hence, there is no possibility of tax evasion in this case.

13. In view of answered of question no. i, question no. ii, naturally would be answerable in negative. Further, by initiation of the proceedings u/s 129(1) and 129(3) of CGST/UPGST, act. Department has not raised any ground against the respondent taxpayer that non carrying or producing of e-way bill was with the intention to evade tax.

14. Consequently, on the touch stone of the foregoing discussion department appeals fails and accordingly dismissed. In the circumstances no order as to cost.

15. If there is interim application shall stands disposed off accordingly.

16. Order is pronounced in open court on this day of 25th of September, 2026.

17. Copy of order be communicated to all concerned, as per rules.

(Ajeet Singh)

(Vivek Kumar)

Dated: 25.09.2026