GSTAT

State Bench Agra

Court No. Court I

APL/258/AGR/2026

GHANSHYAM NULL SINGH **.....Appellant**

Versus

HIMANSHU VERMA, JC (IT), JC (IT), IT SECTION, STATE TAX HEADQUARTERS, UTTAR PRADESH, LUCKNOW & ORS. **.....Respondent**

Quorum

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

Counsel for Appellant
CA.(ADV) SAURABH AGARWAL

Counsel for Respondent
MUKESH KUMAR, D.C./ SR

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. : ZA230401026000086H **Date of order :** 13/10/2026

1.	GSTIN/Temporary ID/UIN - 092500047070TMP	
2.	Appeal Case Reference no. - APL/258/AGR/2026	Date - 11/09/2026
3.	Name of the appellant - GHANSHYAM null SINGH , saket5400@gmail.com , 8989005454	
4.	Name of the respondant - 1. HIMANSHU VERMA, JC (IT) , himanshu.2381979@gov.in , 7235001296 2. A.C. Mobile Unit-3	
5.	Order appealed against - AD0909251896664	
	(5.1) Order Type - Enforcement Order	
	(5.2) Ref Number - ZD091025120578E	Date - 17/10/2025
6.	Personal Hearing - 13/10/2026 09/10/2026 08/10/2026	

7.	Status of Order under Appeal - Confirmed – Order under Appeal is confirmed
8.	Order in brief - The present second appeal is dismissed. The order-in-appeal dated 17.10.2025 passed by the First Appellate Authority, affirming the penalty order passed by the Mobile Squad Officer, Agra, is hereby affirmed.
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
Levy of Penalty	1255846	AGRA BENCH

Place :AGRA

Date : 13.10.2026

Signature

AGRA Sandeep Yadav

Designation : Stenographer/Law researcher

Jurisdiction :Agra

ORDER

GOODS AND SERVICES TAX APPELLATE TRIBUNAL

APL/258/AGR/2026
GHANSHYAMSINGH

VS

HIMANSHU VERMA, JC (IT), IT Section, State Tax Headquarters, Uttar Pradesh, Lucknow & Ors.

Per- Vivek Kumar (Technical Member)

Brief Facts of the Case

1. The present second appeal has been filed by Sh. Ghanshyam Singh, (Driver/Person in charge of the Vehicle), through the transporter M/S Annpoorna Transport Company, against the order dated 17.10.2025 passed by the First Appellate Authority in appeal No. 09250004 7070TMP, year 2025-26, whereby the appeal filed against the penalty order dated 14.09.2025 passed by the Assistant Commissioner Mobile Squad unit 3, Agra, was dismissed and the penalty imposed by the said officer was affirmed.
2. The brief facts of the case are that on 31.08.2025, the Mobile Squad Officer, Agra, intercepted vehicle No. RJ11GB4888 for verification. The driver of the vehicle produced 38 bilties issued by M/S Annpoorna Transport Company, the corresponding invoices and four e-way bills in respect of the goods being transported in the vehicle.
3. Upon physical verification, the Mobile Squad Officer found a substantial quantity of makeup accessories and other goods for which no invoice, bilty, or e-way bill had been produced. The goods in question were, therefore, treated as undeclared goods being transported without the prescribed documents.
4. Consequently, a notice in Form MOV-07 was issued on 07.09.2025. Approximately one week after the issuance of the notice, Advocate Sh. Mukesh Khandelwal appeared on behalf of the transporter M/S Annpoorna Transport Company and produced 9 additional bilties and invoices in respect of the undeclared goods. On the basis of these documents, it was claimed that the goods were being transported from Delhi to Gwalior.
5. The Mobile Squad Officer declined to accept the documents so produced, primarily on the ground that neither the alleged buyers nor the sellers appeared before the authority, nor was any authorisation produced on their behalf. Further, no registration particulars, PAN cards, Aadhaar cards or other satisfactory evidence establishing their identity, business credentials or genuineness of the transactions were furnished. No person came forward to claim ownership of the goods.
6. Accordingly, a penalty of Rs. 1255846 was imposed in respect of the goods valued at Rs.1103656. The said order was challenged before the First Appellate Authority, which, vide impugned order dated 17.10.2025, dismissed the appeal and upheld the penalty order. Aggrieved thereby, the appellant has

preferred the present second appeal before this Tribunal.

Submissions on Behalf of the Appellant

7. Shri Saurabh Agarwal, learned counsel appearing on behalf of the appellant, reiterated the grounds taken in the memorandum of appeal. It was submitted that the invoices and bilties relating to the entire consignment were contained in two separate bundles. The driver, by mistake, produced only one bundle at the time of interception and inadvertently failed to produce the second bundle, which was subsequently furnished in response to the notice.
8. Learned counsel further submitted that the goods were being transported from Delhi to Gwalior and that the mere passage of the vehicle through the State of Uttar Pradesh did not confer jurisdiction upon the Mobile Squad Officer to detain or seize the goods in the circumstances of the present case.
9. In support of this contention, reliance was placed upon the legal principles laid down by the Hon'ble Allahabad High Court in the case of M/s Maruti Enterprises v. State of U.P. & Another, Writ Tax No. 1423 of 2026 and connected matters, decided on 14 May 2026, reported at [2026] 186 taxmann.com 980. It was argued that, where the goods were destined for a place outside the State of Uttar Pradesh, the action of the Mobile Squad Officer was not legally sustainable. Learned counsel accordingly prayed that the impugned orders be set aside and the penalty imposed upon the appellant be quashed.

Submissions on Behalf of the Revenue

10. Shri Mukesh Kumar, authorised representative appearing on behalf of the Revenue, supported the order passed by the First Appellate Authority and opposed the appeal.
11. It was submitted that the goods in question were being transported without the requisite documents and that the circumstances clearly indicated an attempt to evade tax. According to the Revenue, the additional invoices and bilties were procured after interception of the vehicle with a view to explaining the undeclared goods and avoiding the consequences of the proceedings initiated by the Mobile Squad Officer. It was further stated by him that the goods in question were not covered by any document and the documents produced later were created as a calculated afterthought. The inordinate delay in producing the bills clearly indicate that the transporter was waiting for issuance of show cause notice and after that bills were prepared as per the description of goods mentioned in the show cause notice.
12. The authorised representative emphasised that none of the alleged buyers or sellers had come forward to acknowledge the transactions or claim ownership of the goods. No authorisation was produced by the transporter or the advocate to establish that they were duly representing the concerned parties. Further, no satisfactory evidence was furnished to establish that the alleged buyers situated outside the State were genuine dealers carrying on business at the addresses mentioned in the documents.

13. It was, therefore, contended that the appellant had failed to establish the genuineness of the alleged buyers and sellers or to prove that the goods were genuinely being transported from one State to another. The destination of the goods remained uncertain, and the transactions were being shown between the persons whose bona fides had not been established. The Revenue accordingly prayed that the appeal be dismissed.

Points for Determination

14. Upon consideration of the rival submissions and the material available on record, the following questions arise for determination:

(i) Whether the additional invoices and bilties produced, long after interception were sufficient to establish the genuiness of transportation of the goods in question?

(ii) Whether the appellant established that the goods belonged to genuine buyers or sellers and were moved from Delhi to Gwalior via Uttar Pradesh?

(iii) Whether the legal principles laid down by the Hon'ble Allahabad High Court in Maruti Enterprises (Supra) are applicable to the facts of the present case?

Discussion and Findings

15. We have heard the learned counsel appearing on behalf of the appellant and the authorised representative for Revenue. We have also carefully examined the impugned order and the material available on GSTAT Portal.

16. The primary question for consideration is as to whether the goods found during physical verification were covered by the documents produced at the time of interception or by the additional documents subsequently furnished by the transporter.

17. It is an admitted position that, at the time of interception on 31.08.2025, the driver produced 38 bilties, the corresponding invoices and four e-way bills. Upon physical verification, however, a substantial quantity of makeup accessories and other goods were found for which no corresponding documents were produced at that time.

18. The appellant has sought to explain this discrepancy by contending that the driver inadvertently failed to produce the second bundle containing the remaining invoices and bilties. However, the mere assertion that the documents were available in a separate bundle does not, by itself, establish that the goods found during physical verification were genuinely covered by those documents. Apart from that, there is a situation which also goes against the appellant that in a statement of driver of the vehicle recorded at the time of verification, he has stated that whatever documents he has, have been produced by him and he does not possess any other document.

19. In the present case, the additional documents were produced much after initiation of the proceedings. More importantly, the persons shown as buyers and sellers did not appear before the authorities to acknowledge the transactions or claim ownership of the goods. No satisfactory evidence was furnished

to establish their identity, business activities or connection with the consignment nor was any reliable material produced to establish that the alleged buyers were carrying on business at the addresses mentioned in the documents.

20. The absence of the buyers and sellers, by itself, may not invariably be sufficient to reject a transaction. However, when such absence is considered together with the non-production of documents at the time of interception, the delayed submission of the additional documents, the failure to establish the identity and business credentials of the alleged parties, and the absence of any person claiming ownership of the goods, the circumstances collectively cast serious doubt upon the genuineness of the explanation offered by the appellant.

21. The material on record also indicates discrepancies concerning the issuance of multiple invoices of relatively small individual values and the relationship between certain invoices and the corresponding transport documents. These circumstances required a satisfactory explanation from the appellant for which he has not offered any convincing evidence on record to dispel the doubts arising from such discrepancies.

22. In these circumstances, the appellant has failed to establish a reliable documentary link between the additional invoices and bilties and the goods found undeclared during physical verification. The explanation that the documents were inadvertently omitted at the time of interception cannot be accepted merely on the basis of an assertion unsupported by satisfactory corroborative evidence.

23. We now proceed to examine the contention that the goods were being transported from Delhi to a destination outside Uttar Pradesh and that the Mobile Squad Officer could not lawfully initiate proceedings merely because the vehicle was passing through the State of Uttar Pradesh.

In respect thereof the appellant has relied upon the decision of the Hon'ble Allahabad High Court in Maruti Enterprises (Supra). In that ruling Hon'ble High Court has ruled that where origin state and destination state are different and goods are being moved from a third state, the officers of transit state are empowered only to intercept and verification but they are not empowered to launch any proceedings regarding tax effect and they are only obliged to make intimation either to the authorities of originating state or the destination state. After perusing the facts of the case cited Maruti enterprises (supra) in the juxtaposition with the facts of the case in hand, we are of the view that the applicability of a judicial precedent must be determined by examining the material facts of the case in which the precedent was rendered and comparing them with the facts of the case under consideration.

24. In Maruti Enterprises, as the appellant seeks to rely upon the decision, the relevant documents relating to the buyers and sellers were available at the time of transportation and were produced before the competent authority. The mere allegation of detaining and seizing of the goods was non production on e-invoices. The buyers and sellers were stated to be registered and genuine dealers in their respective States. The transactions were acknowledged by the concerned parties and were duly reflected in their books of account. Further, the destination of the goods was identifiable and situated outside the State of Uttar Pradesh while in the matter in hand goods detained and seized were totally undeclared one as stated earlier. In case of transportation of undeclared goods via a transit state might also be caused a tax effect in transit state while in case on Maruti enterprises (supra) can be assumed so.

25. Thus, the factual position in the present case is materially different from the facts and question for determination in Maruti enterprises(supra). Therefore, principle laid down in that ruling would not be

applicable here.

26. In the circumstances and at the cost or reptation we are of the considered view that in the absence of reliable evidence, the appellant has failed to establish that the goods were genuinely destined for a place outside Uttar Pradesh. The claim regarding the destination of the consignment rests primarily upon documents whose genuineness and connection with the goods have not been satisfactorily demonstrated.

27. We are, therefore, of the considered view that the factual foundation upon which the appellant seeks to invoke the decision in Maruti Enterprises is not established in the present case. The said decision, on the facts and circumstances as placed before us, is distinguishable and does not assist the appellant.

28. It is also relevant that the issue cannot be decided solely on the assertion that the goods were passing through Uttar Pradesh. The legality of the action taken by the Mobile Squad Officer must be examined in the context of the applicable statutory provisions and the circumstances established on record. Where the goods are found without the requisite accompanying documents and the subsequent explanation is not supported by reliable evidence, the appellant cannot claim the benefit of an asserted out-of-State destination without first establishing the factual basis of that claim bonafidely.

29. Consequently, and on the touch stone of the facts discussed above, we have also in agreement with the findings recorded by the First Appellate Authority which has not committed any error of law or fact in dismissing the first appeal filed by appellant herein. Therefore, questions formulated in para no. 14 are answered accordingly and against the appellant party.

30. Accordingly, the present second appeal is dismissed. The order-in-appeal dated 17.10.2025 passed by the First Appellate Authority, affirming the penalty order passed by the Mobile Squad Officer, Agra, is hereby affirmed.

31. The appeal stands disposed of accordingly.

32. No order as to cost.

33. Order pronounced on the 13th day of October, 2026, in open court.

34. Order be communicated to all concern, as per rules.

(Ajeet Singh)

(Vivek Kumar)

Dated: 13.10.2026