GOODS AND SERVICES TAX APPELLATE TRIBUNAL

ERNAKULAM BENCH

Division Bench :: Court No. I

APPEAL NO: APL/50/ERN/2026

[Arising out of OIA GSTA 93/2020 dated 18/12/2021 passed by the Joint Commissioner (Appeals), SGST Department, Palakkad]

OXINO PEB PVT LTD, PALAKKAD .....**Appellant**

Versus

COMMISSIONER OF SGST, KERALAM .....**Respondent**

for Appellant
Shri P.S.Soman Pulladan, Advocate

for Respondent
Shri Anil Gopinath, AR

CORAM:
Hon'ble Shri Subramanya Rayaprol, Vice President
Hon'ble Shri Ramamoorthi Sriram, Member (Technical)

.....

FINAL ORDER NO: 23/EKM/KERALAM/2026

Date of Hearing: 06-10-2026
Date of Order 30-10-2026

Order per: Shri Ramamoorthi Sriram, Member (Technical)

1.0 The present Appeal (APL/50/ERN/2026) has been preferred by M/s Oxino PEB Pvt Ltd (GSTIN 32AAFCV2273E2ZL) (Appellant) against Order-in-Appeal No. GSTA 93/2020 dated 18/12/2021 passed by the Joint Commissioner (Appeals), SGST Department, Palakkad (Appellate Authority).

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Questions of law:

1.1 Whether any penalty under section 129(1) of CGST Act can be proposed without specifying the provisions of the Act or Rules that have been contravened?

1.2 Whether penalty section 129(1) of CGST Act is leviable on goods that have been sent for job work?

2.0 Brief Facts of the Case:

2.1. Intelligence Squad No, V, State GST Dept. Palakkad intercepted vehicle No.TN 30 Q 7788 at Kanjikkode at 4.l5 p,m on 17.07.2020. The goods under transport, HR sheets, were being transported from M/s.Kummenchery Steels, Trippunithura for supply to M/s Oxino PEB Pvt Ltd. It is alleged that at the time of interception, the goods were being unloaded in the premises of a dealer viz. M/s Vera Display and Storage Products Pvt. Limited, Kanjikkode. It is also alleged that no documents supporting the supply to M/s Vera Display and Storage Products were available at the time of interception and no Eway Bill was seen generated to this effect. The Asst State Tax officer initiated action under section 129(3) of the SGST and CGST Act 2017 / section 20 of the IGST Act and issued notice affording an opportunity to show cause if any, against the action and for personal hearing. The consignment was released on provisional basis on 21.07.2020 by furnishing Bank guarantee for Rs. 309,292.00 and Bond as provided under the Law.

2.2 OIO no VC/V88/2020-21 dated18/8/2020 was passed by AC, Squad no 5 confirming the demand of SGST Tax Rs 77,323.00, SGST penalty Rs.77,323.00, CGST Tax Rs.77,323.00 and CGST penalty Rs.77,323.00 on M/s Oxino M/s PEB. Security furnished by way of Bank Guarantee was ordered to be encashed and adjusted against the above said demand of tax and penalty.

2.3 Appeal filed by the appellant against the said OIO was dismissed vide the impugned OIA. Aggrieved by the above OIA, the appellant has filed this appeal before the Tribunal.

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3.0 Grounds of Appeal / Submissions of the Appellant:

3.1 The order passed in a hurry-burry and with unwarranted haste. The hearing as part of the adjudication was completed in the evening of 17-08-2020. Order was passed on the very next day 18-08-2020.

3.2 The Appellant has produced so many valuable documents to prove that the transaction is genuine. None of the said documents were considered and discussed in the order. From the order itself it is discernible that everything is pre-determined.

3.3 The goods were unloaded and kept at the premises of M/s. Vera Display and Storage Products Pvt. Ltd., Kanjikode at the time of detention. As such the invoking of Section 129 in this case is without authority of law. Section 129 does not confer such a power to the State Tax Officer Intelligence. Even if any tax evasion is suspected, the proper course of action to be initiated is under Section73/74 of the CGST/SGST Act. The State Tax Officer has passed the adjudication order against the Appellant for technical reasons. It is trite in law that before imposing penalty mensrea to evade tax should have been established with positive evidence. In this case no such finding is arrived at before imposing the penalty and demanding tax.

3.4 The first appellate authority confirmed the adjudication order and dismissed the first appeal for the technical violation of non-accompanying the E Way bill for job work. The question of evading the tax was not at all considered and discussed in the first appellate order. The law declared by the Apex Court as well as the various High Courts in this respect were not at all considered and discussed in the appellate order. Non application of mind is writ large in the appellate order. For that reason alone, interference from the Honorable Tribunal is warranted in this case.

3.5 In the MoV-07 the only reason for initiating action under Section 129 is mentioned as "the vehicle with the goods intercepted at Vera Display and Storage Products Private Limited, Kanjikode while unloading the goods. On verification of the accompanying documents, it is seen that an invoice No. KSB/72L/HR/447 dtd.17/07/2020 of Kummencherry steets, Kochi and e-way bill No.53118793 dtd 17/7/2020 / 11.07 am to Oxino PEB Private Limited were available. The driver/person in charge of the vehicle failed to produce documents for unloading the goods at Vera Display and Storage Products Private Limited, Kanjikode. Hence it is in contravention to the provisions of the Act & Rules...". In the impugned adjudication order the decision arrived at by the adjudicating officer is that "the above transport was in contravention of the provisions of the Act and the rules made there under. Transport in contravention of the provisions of the Act require actions as provided in Section 129 of the CGST/SGST or section 20 of the Integrated Goods and Service Tax Act. In the circumstances the following orders are passed." Neither in the MOV-07 nor in the adjudication order there is any allegation of attempt to evade tax committed by the

Appellant. The only allegation is that the Appellant violated the provisions of the Act. Unless and until there is specific allegation of attempt to evade tax and the said allegation is substantiated with positive evidence, no action under Section 129 can be invoked against the Appellant. In other words, any infraction of the provisions of the Act is not actionable under Section 129 unless such infraction is coupled 'with an intent to evade tax. Mensrea to evade tax must be established. The law in this respect is crystallised by the decisions of the Supreme Court as well as various High Courts.

3.6 The vehicle was detained at 04-15 P.M and Mov-07 was issued on the same date directing the Appellant to appear before the detaining authority on 21-07-2020 at 11.00 AM. The Appellant generated E-Way bill No.5911 89898714 on 17-07-2020 for the transport from Oxino Peb Private Limited to Vera Display and Storage Products Private Limited ato7-20 pm (Within 3 hours)

3.7 In Falguni Steels V. State of UP [2024] 124GSTR10(All) the Allahabad High Court, in an exactly similar case, has held that the generation of E Way bill post detention and production of the same before passing the penalty order is sufficient compliance and no penalty is sustainable if the goods are transported with all other sufficient documents. In the present case, Appellant has transported the goods with all the sufficient documents and the E Way bill was generated and produced before the Assistant State Tax officer before passing the penalty order. As such the impugned order is illegal and unsustainable.

3.8 In a similar case the High Court of Allahabad had directed the release of the goods and vehicle in Singh Tyres vs State of UP [2018]56 GSTR 38(All) . Based on the above decision and also based on the fact that the Appellant had complied with the statutory formality within the time allowed by the Assistant Enforcement officer, the Enforcement officer ought not to have imposed the penalty and released the Bank Guarantee.

3.9 The goods were transported with e-way bill generated from the department site. It is a valid document for transportation of the goods as per Rule 138A of the CGST /SGST Rules. Since the transaction is already declared in the department site, there is no scope for any tax evasion. As such the maximum penalty that can be levied for technical breach, if any, is Rs. 10,000/- only in terms of Section 122(3(e) of the CGST/ SGST Act.

3.10 Shri P.S.Soman Pulladan Advocate , learned advocate arguing for the appellant, pressed the above points.

4.0 Submissions of the Respondent /AR

Shri Anil Gopinath , learned AR submitted as follows:

4.1 a. Section 129(1) of the CGST/KSGST Act, 2017 mandates that notwithstanding anything contained in the Act, where any person transports any goods or stores any goods while they are in transit in contravention of the provisions of this Act or the rules made thereunder, all such goods and conveying vehicles shall be liable to detention or seizure.

b. In the present case, the Tax Invoice and E-Way Bill produced at the time of interception exclusively authorized movement from M/s. Kummenchery Steels, Irumpanam to M/s. Oxino PEB Pvt. Ltd., Kanjikode.

c. Unloading goods at M/s. Vera Display & Storage Products Pvt. Ltd. without a Delivery Challan under Rule 55(1) or an EWay Bill under Rule 138 for job work movement violates Section 31 read with Rule 45. Rule 45 explicitly mandates that inputs or capital goods shall be sent to a job worker under the cover of a Delivery Challan issued by the principal.

d. At 04:15 PM on 17.07.2020, zero documentation existed to justify the presence of 21,800 kg HR Sheets at M/s. Vera Display. Hence, contravention under Section 129 was complete upon physical inspection. The reason for interception of the vehicle while unloading is that the officer while checking the vehicle number and e-way bill on the GS TN portal it was seen that place of delivery shown in the e-way bill is different from the place of unloading. The person in charge of the vehicle could not provide any document to prove that the goods were unloaded there for Job work.

4.2 a. The Appellant argues that penalty under Section 129 cannot be sustained without establishing 'mens rea' or deliberate intent to evade tax, citing various High Court rulings. The Revenue submits that Section 129 is a self-contained, strict liability administrative procedure for enforcement of physical transport compliance.

b. Unlike Section 74, which specifically requires 'reason of fraud, or any willful-misstatement or suppression of facts', Section 129 operates on objective, verifiable physical contravention ('transports any goods... in contravention of the provisions'). Once the physical contravention (unauthorized unloading at an unlisted location without job work documents) is established, civil liability under Section 129 attaches automatically. Furthermore, M/s. Vera Display is registered as both a job worker and a trader under GST. Unloading goods at a trader's premises without documents

creates an unrecorded supply channel, directly threatening tax revenue . The risk of leakage and suppression of taxable turnover is imminent and real.

4.3 a. The Appellant's contention that the Revenue ought to have proceeded under Section 73 or 74 instead of Section 129 is legally flawed. Section 129 begins with a non-obstante clause ('Notwithstanding anything contained in this Act'). It specifically governs **goods in transit or stored in transit**. Here the goods are intercepted while unloading and storing the goods at a traders premises (unauthorized unloading and storage while in transit at an unlisted location without job work documents) . Section 73/74 governs determination of tax not paid or short paid in regular audit/assessment proceedings. When goods are physically caught in contravention during transport, Section 129 is the exclusive statutory mechanism.

b. The judicial precedents relied upon by the Appellant (e.g., Satyam Sivam Papers, Falguni Steels, Varun Beverages, T P Metals) pertain to minor clerical errors, typographical mistakes in vehicle numbers, or expired validity by a few hours where goods matched the invoice and destination. In sharp contrast, the present case involves unloading 21.8 tonnes of steel at an entirely different entity's premises without any delivery challan or job work documentation. It is a substantive breach, not a minor technical error.

c. The adjudication order passed on 18.08.2020 was issued after due personal hearing on 17.08.2020 and thorough evaluation of all submissions. The statute does not prescribe a mandatory waiting period before issuing an order post-hearing; prompt adjudication reflects administrative efficiency, not pre-determination.

5 Discussions and Findings:

5.1a. On perusal of the SCN we find that the only allegation against the appellant is that :

The driver / person in charge of the vehicle failed to produce documents for unloading the goods at Vera Display and Storage Products Pvt Ltd Kanjikode. Hence it is in contravention of the provisions of the Act & Rules and tax and penalty demanded thereon.

In view of the above, the goods and the conveyance used for the movement of goods were detained under sub section 3 of section 68 of the CGST Act 2017 and subsection 1 of section 129 of the CGST Act 2017 read with sub-section (3) of Section 68 of the State / Union Territory Goods and Services Tax Act, 2017 or under Section 20 of the Integrated Goods and Services

Tax Act, 2017 read with sub-section (3) of Section 68 of the Central Goods and Services Tax Act, 2017

b. Section 129 (1) reads as follows:

Notwithstanding anything contained in this Act, where any person transports any goods or stores any goods while they are in transit in contravention of the provisions of this Act or the rules made thereunder, all such goods and conveyance used as a means of transport for carrying the said goods and documents relating to such goods and conveyance shall be liable to detention or seizure and after detention or seizure, shall be released…..

c. Thus it is clearly established that section 129(1) of the CGST / SGST can be invoked only when there is a contravention of the Act / Rules. On perusal of the SCN we find that there is no mention whatsoever of the specific provisions of the Act / Rules which have been contravened in the instant case. We categorically hold that when there is there is no mention of the specific section of the Act / Rules that have been contravened, section 129 cannot be invoked.

d. We find support for our contention in the judgement of the honorable Supreme Court of India in the case of M/s Armour Security (India) Ltd v Commissioner, CGST, Delhi East Commissionerate, [2025] 177 taxmann.com 478 (SC), wherein the honorable clearly upheld the following principles as laid out in other decisions of the Supreme Court:

It is well settled that unless the foundation of the case is made out in the show- cause notice, Revenue cannot in Court argue a case not made out in its show-cause notice…… [(C.C.E., Bhubaneswar-1 vs M/S. Champdany Industries Ltd – para 50)]

if there is no invocation of the concerned rules in the show-cause notice, it would not be open to the Commissioner to invoke the said Rule." [Commissioner of Central Excise, Nagpur v.Ballarpur Industries Ltd. MANU/SC/3595/2007 :]

e. The Court went on to state that :

From the above exposition of law, we can safely conclude that a show cause notice delineates the scope of the proceedings in the expression of subject matter with which the authority would be dealing. It would be impermissible for an authority to invoke such rules, claims or grounds at a later stage which do not figure in the show cause notice. That is to say, any ground, reasoning or claim which does not figure out in the show cause notice cannot be permitted to adversely affect the noticee.

f. We find that contravention of the provisions of the Act / Rules is a a sine qua non for invocation of section 129(1) of the CGST Act /SGST Act. We find that the SCN does not specify the contraventions of the Act / Rules and in the absence of any such recital, section 129(1) is not invokable in the instant case and the proceedings are void ab initio for this reason alone.

5.2 a. On perusal of the OIO it is seen that there is a finding to the effect that:

M/s Oxino PEB .....had sent the goods said to be for job work to M/s. Vera Display and Storage Products Pvt Ltd', Kanjikkode but did not generate any documents required while sending the goods for job work- or taxable supply as provided under section 143 (1) or 31, Rule 45(1), 46 and/or Rule 55 . Hence transport of goods in contravention of the Act is established and proved here.

As the dealer had wilfully violated the Section 129 of CGST & SGST Act 2017 read with Rule Rule 138, and thereby invited themselves the mandatory penal process under section 129(3) of the CGST Act 2017 read with Section of the IGST Act 2017

b. However, on careful reading of the SCN issued under section 129(3) of the CGST Act, we find that none of these sections [143 (1) / 31/ 138] or Rules [45(1)/ 46/ 55] / breach thereof has been cited in the SCN with the result that the appellant was left in the dubious position of defending himself against charges which were not intimated to him in the notice. We therefore find that the entire OIO is vitiated by a glaring breach of the principles of natural justice and for this reason also the proceedings are liable to be declared null and void.

6.Having analysed orders on the touch stone of natural justice, we now proceed to analyse the the OIO on merits.

6.1a. We find that para 4 in page 4 of the OIO reads as follows:

Evidences for transfer of 21,800 Kg steel to M/s.Vera Display and Storage Solutions Kanjikkode for job work was furnished by the appellant on 17.08.2020 and E way Bill No.5911 89 8714 dated l7/7/2020 M/s, Vera Display and Storage Products Pvt Ltd , for Job work was seen generated at 07.20 pm , whereas the time of interception of vehicle with goods was 4.15 pm which means the E way Bill for the transport to job work was generated after the interception of the vehicle and goods.

b. In view of the finding above, it is seen that even the adjudicating authority has conceded that the transaction was a job work transaction between M/s Oxino PEB (the principal) and M/s Vera Display (the job worker).

c. It is also noteworthy that the authenticity / veracity / bonafides of the above documents /evidences have not been doubted / questioned by adjudicating authority.

d. The only reason for imposition of penalty seems to be that these documents were not available at the time of detention.

e. We also find the order in original while conceding the fact that the above was a case of job work wherein the documents were produced belatedly, goes on to state that :

M/s.Vera Display and Storage Products Pvt ltd Kanjikkode is not only a job worker but a trader also. For that reason, the transaction from M/s Oxino PEB private Ltd to M/s, Vera Display and Storage products must not be confirmed mere for a job work. The possibility of a taxable supply also cannot be ruled out in this case, wherein the tax element might also be involve. In such situations Tax invoice as provided under section 31 of the Act and Rule 46 shall be the document for transport. The act of M/s Oxino PEB Private Ltd however could not be counted as a simple negligence in the instance of a case like this where the possibility of tax suppression exist. (page 5 of OIO)

f. On a plain reading of the above it is clear that these statements run contrary to the earlier finding that evidences in respect of job work (in the form of E way bill) had been produced, though belatedly. We therefore find considerable force in the submission of the appellant that:

"The Appellant has produced so many valuable documents to prove that the transaction is genuine. None of the said documents were considered and discussed in the order. From the order itself it is discernible that everything is pre-determined."

g. It appears as if the adjudicating authority has made up its mind that the above is a case of evasion (without any modicum of proof thereof). Even as recorded in the adjudication order, evidence for transfer of 21,800 Kg steel to M/s.Vera Display and Storage Products , Kanjikkode for job work was furnished by the appellant on 17/07/2020 and E way Bill No.5911 89 8714 dated l7/7/2020,was produced well before the passing of the adjudication order (as this fact is taken on record in the OIO itself). However , the adjudication order paid no heed to the explanations / evidence produced by the appellant and even after conceding that the transaction was in the nature of job work, proceeded to impose penalty under section 129(1) on the basis of unfounded fears, conjectures , apprehensions and speculations regarding sale of goods by Oxino PEB to Vera Display and Storage Solutions (without even an iota of evidence is support of the same)

6.2 From the discussions so far the following facts are clear:

a. M/s Oxino PEB bought HR sheets from M/s Kummanchery steels and the goods accompanied by valid e-way bill and tax invoice was being transported in vehicle No.TN 30 Q 7788 which were seized at the premises of M/s Vera Display and Storage Products at Kanjikkode at 4.l5 p,m on 17.07.2020 , on the ground that "the driver / person in charge of the vehicle failed to produce documents for unloading the goods at Vera Display and Storage Products Pvt Ltd Kanjikode"

b. The appellant has contended that they are engaged in the business of construction of godowns and similar type buildings by using steel. Major portion of the work is being done on the site. However, certain ready to fix parts are manufactured by out sourcing the same. M/s. Vera Display & Storage products Pvt. Ltd, is doing this type of work. They are having the machinery and technical knowhow to cater to their needs. The consignment now detained is their goods and unloaded at the premises of M/s. Vera Display & Storage Products Pvt, Ltd for doing job work. The material is transported with commercial invoice and E Way Bill. The only mistake committed by the consignor/supplier is that the place of shipment has been wrongly mentioned. This is only a technical mistake committed by the billing staff of the consignor due to inadvertent negligence.

c, The adjudicating authority has clearly recorded that evidences for transfer of 21,800 Kg steel to M/s.Vera Display and Storage Solutions Kanjikkode for job work was furnished by the appellant on 17.07.2020 and E way Bill No.5911 89 8714 dated l7/7/2020 to M/s, Vera Display and Storage Products Pvt Ltd , for Job work was seen generated at 07.20 pm , whereas the time of interception of vehicle with goods was 4.15 pm which means the E way Bill for the transport to job work was generated after the interception of the vehicle and goods.

d. From the above it is seen that even the OIO has accepted the contention of the appellant that the nature of the transaction was job work. However it has pointed out that the e-way bill was generated after the interception of the vehicle.

e. In our view, once a transaction is accepted as job work, the nature of the transaction cannot be altered / denied merely because of discrepancy in the time of generation of e-way bill .

7.1 We find that in the instant case penalty has been levied under section 129(1) of the CGST /KGST Act 2017. The relevant section is reproduced under:

129. Detention, seizure and release of goods and conveyances in transit.

(1) Notwithstanding anything contained in this Act, where any person transports any goods or stores any goods while they are in transit in contravention of the provisions of this Act or the rules made thereunder, all such goods and conveyance used as a means of transport for carrying the said goods and documents relating to such goods and conveyance shall be liable to detention or seizure and after detention or seizure, shall be released, —

1[(a) on payment of penalty equal to two hundred per cent. ***of the tax payable on such goods*** *and, in case of exempted goods, on payment of an amount equal to two per cent. of the value of goods or twenty-five thousand rupees, whichever is less, where the owner of the goods comes forward for payment of such penalty;(emphasis supplied).*

7.2 From the above, it is clear that any penalty under the said section is leviable only in terms of the tax payable on such goods. We now proceed to examine what was the tax payable on the impugned goods. We extract section 143(1) of the CGST ACt which deals with job work procedure:

A registered person (hereafter in this section referred to as the "principal") may under intimation and subject to such conditions as may be prescribed, send any inputs or capital goods, without payment of tax, to a job worker for job work and from there subsequently send to another job worker and likewise, and shall……,–

7.3 It is very clear that in the instant case, no tax is payable on the impugned goods which were being sent for job work.

7.4 Once a determination has been made that tax on the goods is non est, it stands to reason that penalty under section 129(1) of the CGST/KGST Act (which is to be determined in terms of such tax payable), is not leviable.

7.5 In view of the above, we find that levy of penalty on the impugned goods (which were indisputably transported on account of job work) is not sustainable.

8. Based on the above discussions / findings we answer the questions of law formulated in para 1.1 and 1.2 in the negative and hold that:

a. No Penalty under section 129(1) of CGST Act can be proposed without specifying the provisions of the Act or Rules that have been contravened.

b. No penalty under section 129(1) of CGST Act is leviable on goods that have been sent for job work.

9. We find that in the instant case a technical mistake committed by the billing staff of the consignor due to inadvertent negligence has resulted in the appellant being

imposed with a huge penalty , without any consideration / analysis of his defence, which was backed up with sufficient documentary evidence. In this connection we wish to quote from the judgement of the honorable Kerala High court in the case of M/s. T.P. Metals & Roofings Versus Assistant Tax Officer (INT), Malappuram, 2024 (10) TMI 1239 - KERALA HIGH COURT

Technically, there is a violation of the law by the petitioner and the reason stated for transporting goods without revalidating the e-way bill may not be supported by any material. However, the question remains as to whether this should automatically lead to the initiation and conclusion of the proceedings under Section 129 of the CGST/SGST Acts resulting in the imposition of a huge amount as tax and penalty. The learned Government Pleader may be right in contending that there is justification for the initiation of proceedings under Section 129 of the CGST/SGST Acts in the facts of this case.

However, once a plausible explanation is provided by the transporter/assessee, and it is found that there is no attempt to evade any tax, the question remains as to whether the proceedings must thereafter culminate in an order under Section 129 of the CGST/SGST Acts imposing the maximum penalty in terms of the provisions contained in Section 129 of the CGST/SGST Acts. While the initiation of the proceedings under Section 129 of the CGST/SGST Acts, in the facts of this case, cannot be found to be without jurisdiction, the fact remains that once the transporter/assessee had offered an explanation and had demonstrated that there was no attempt to evade tax and in the absence of any finding of an attempt to evade tax, the officer should have imposed a penalty as contemplated by the provisions of Section 122 (1) (xiv) of the CGST/SGST Acts only, without imposing penalty as contemplated by the provisions of Section 129 of the CGST/SGST Acts.----------
The scheme of Section 129 of the CGST/SGST Acts (both before and after the amendment w.e.f. 1.1.2022) appears to be that once the goods/conveyance are detained on a finding that the goods are being transported 'in contravention of the provisions of this Act or the rules made thereunder' they shall be released on conditions incorporated in Section 129 (1) (a), (b) or (c). Thereafter the matter has to be adjudicated by issuing a notice and after hearing the parties.

If the contention of the State is to be accepted, there is no meaning in any adjudication as contemplated as even if a minor discrepancy were to be eventually noticed, an amount equivalent to 100% of the applicable tax +equal amount as penalty would be payable prior to 1.1.2022 and an amount equivalent to 200% of the tax payable would be payable as penalty

after 1.1.2022. This obviously cannot be the intention of the legislature. If such interpretation were to be placed on the provisions of Section 129 of the CGST/SGST Acts the provision would, as already noticed, be arbitrary, whimsical and capricious and would thus be violative of Article 14 of the Constitution of India.

We find that our findings are in keeping with the spirit of the above judgement of the honourable jurisdictional High Court.

10. In view of the discussions as above, we find that:

a. the entire proceedings in the instant case are vitiated for breach of the principles of natural justice

b. even on merits the demand under section 129(1) of the CGST / SGST Act is not sustainable.

11. Based on the above findings, the following order is passed:

The appeal is allowed and the order in appeal is set aside with consequential relief.

[Order pronounced in open court on 30/10/2026]

Subramanya Rayaprol
Vice President

Ramamoorthi Sriram
Member (Technical)

Dated: 30/10/2026.

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