

## Allahabad High Court

### **Detention of goods for a single e-way bill covering multiple invoices is a technical lapse, as no evasion intent was found**

#### Summary

GST: When the petitioner transported goods using a single e-way bill that encompassed multiple invoices, and all pertinent documentation was available without any allegations of e-way bill cancellation, the utilization of one e-way bill for several invoices was merely a technical oversight. This did not suggest an intent to evade taxation. Consequently, the detention order was annulled, and directives were issued for the release of the deposit.

#### Facts of the case

1. Petitioner (Kent Cables) transported goods from Delhi to Sultanpur.
2. At interception, the vehicle carried: e-way bill No. 731025820574 (dated **22-08-2018**), four tax invoices (dated **20-08-2018** and **21-08-2018**) and GR; the total value of the four invoices was shown as the value on the single e-way bill.
3. Authorities objected that one e-way bill was used for four invoices (and invoice dates differed), treated this as a contravention and passed seizure/detention under **Section 129(3)** of the CGST/UGST Act; the departmental appellate authority dismissed the appeal. Petitioner filed the present writ.

#### Petitioner's arguments

4. Petitioner is a registered dealer and had all relevant documents (e-way bill, invoices, GR) accompanying the goods.
5. Using a single e-way bill for multiple invoices was a technical lapse/human error and not an attempt to evade tax; there was no cancellation of the e-way bill.
6. Once documents are available on the GST portal and the e-way bill accompanies the goods, the genuineness of the transaction cannot be doubted; therefore, penal/detention proceedings were not justified.
7. Relied on Allahabad High Court precedent (Vishnu Singh) to support that mere generation error does not establish intent to evade.

#### Respondent's arguments

8. Department relied on Rule 138A (and Rule 138(1)) of the CGST Rules, which, it was submitted, requires an independent e-way bill for every invoice/ supply — non-compliance justified the seizure and penalty under Section 129.
9. Therefore, the impugned order of detention and consequences were correct.

### Court's considerations

10. The Court noted undisputed facts: e-way bill, invoices, and GR accompanied the goods; quantity and items matched; the only defect was one e-way bill for four invoices and minor date differences among invoices.
11. Emphasised the purpose of the e-way bill — an intimation to the department about movement so that tax escapement can be prevented — and that all GST records are on the portal.
12. Crucial point: there was no allegation or finding that the e-way bill had been cancelled or that the petitioner did anything to hide the movement; no material showed an intention to evade tax.
13. Referred to and relied on prior Allahabad High Court observations (including Vishnu Singh and other cited precedents) holding that a human/technical error in generating an e-way bill, without evidence of evasive intention or cancellation, cannot sustain penalties/seizure under Section 129.

### Decision Held

14. The High Court quashed the impugned detention/penalty order.
15. Directed that any amount deposited by the petitioner in connection with the proceedings be released in accordance with the law.
16. Writ petition allowed — decision in favour of the assessee.

**Citation:** [2025] 179 taxmann.com 133 (Allahabad)

**Case:** Kent Cables (P.) Ltd. v. State of U.P. (Allahabad HC, 15.09.2025)

**Bench:** Piyush Agrawal, J.; writ tax no.1372 of 2019; dated 15.09.2025.)



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