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WP-6736-2022

IN THE HIGH COURT OF MADHYA PRADESH  
AT JABALPUR

BEFORE

HON'BLE SHRI JUSTICE VIVEK RUSIA

&amp;

HON'BLE SHRI JUSTICE PRADEEP MITTAL

ON THE 10<sup>th</sup> OF DECEMBER, 2025WRIT PETITION No. 6736 of 2022*AMARA RAJA BATTERIES LIMITED**Versus**THE STATE OF MADHYA PRADESH AND OTHERS*

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Appearance:

*Shri Sahil Sharma - Advocate for the petitioner.*

*Shri Rajvardhan Datt Padhraha - Government Advocate for the  
respondent/State.*

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ORDER

*Per. Justice Vivek Rusia*

The petitioner has filed present petition under Article 226 of the Constitution of India, challenging the notice dated 01.03.2019 issued by the respondent No.4/State Tax Officer and order dated 18.12.2019 passed in Appeal No.183/2019 by the respondent No.3/Joint Commissioner, State Tax cum Appellate Officer, State GST, whereby the appeal of the petitioner has been dismissed and it is seeking refund of amount of Rs.2.17.305/-.

Facts of the case, in short, are as under:-

1. The petitioner-company is a manufacturer of lead-acid batteries registered under the Goods and Services Tax (GST), having a registered office at Karakambadi, Tirupati, Andhra Pradesh and distribution centres all



over the States.

2. The petitioner has two registered addresses in the State of Madhya Pradesh; i.e. one in Indore and the other in Jabalpur, with a common GST number i.e. 23AABCA9264E2ZW. The petitioner also has a warehouse for the storage of batteries in Ahmedabad.

3. On 26.02.2019, in order to transfer the batteries from warehouse-Ahmedabad to warehouse-Jabalpur, the petitioner engaged a clearing and forwarding agent/transporter. A total of 56 batteries were booked vide Consignment Note No. 3434 dated 26.02.2019 under three invoices bearing Nos. 1821400097, 1821400098 & 1821400099, and were transported in a truck bearing registration No. MP-09-GG-9410. The petitioner duly paid IGST and SGST amounting to Rs. 2,17,305/- on the aforesaid goods. According to the petitioner, the destination address for delivery of goods was rightly mentioned in the Consignment Note as well as invoices, but inadvertently, in the E-way bill No.611082001597 generated on 26.02.2019, the destination address of Indore has been wrongly mentioned. It was merely a clerical error in the E-way bill, which was caused by one of the employees posted in Warehouse-Ahmedabad.

4. On 01.03.2019, the aforesaid truck was apprehended by the officers of the Tax Department/respondents, and after checking the documents, found a mismatch in the address of the consigner in the Consignment note, invoices and the E-way bill. The petitioner made efforts to convince the Authority that it was only a clerical error due to inadvertence, but the concerned Authority of GST found that there was a



violation of Section 129 of the M.P. Goods and Services Tax Act, 2017. The truck was retained, and the goods were seized and thereafter, released by imposing a penalty of Rs. 2,17,305/- equivalent to the tax paid by the petitioner. The petitioner deposited the said penalty amount under protest and got the vehicles and goods released on 02.03.2019. Thereafter, the petitioner preferred an appeal under Section 107 of the GST Act, 2017, before Respondent No.3/Joint Commissioner, which came to be dismissed vide order dated 18.12.2019. Hence, this writ petition is before this Court.

**Submissions of learned counsel for the petitioner and the respondent/State.**

5. Learned counsel for the petitioner submits that the petitioner admitted the mistake of mentioning the wrong address in the E-way bill. The petitioner had no intention to evade the tax liability because the tax amount had already been paid. Had there been an intention to avoid the tax, no E-way bill could have been generated after payment of tax; therefore, a 100% penalty has been wrongly imposed upon the petitioner.

6. Learned Government Advocate appearing for the respondent/State submits that there is no scope for reduction of the penalty as per the language given in Section 129 of the M.P. Goods and Services Tax Act, 2017, under which the fixed penalty at the rate of 100% is provided. It makes no difference whether the mistake was bona fide or malafide, and the penalty is liable to be imposed. By placing reliance on Rule 138 (3) of the Central Goods and Services Tax (CGST) Rules, 2017, the learned Government Advocate contends that since the consignment was booked for Indore but the



goods were transported towards Jabalpur, beyond the area of which the E-way bill was generated, therefore, the penalty aforesaid has rightly been imposed.

7. Learned counsel for petitioner has placed reliance on a judgement passed by the Co-ordinate Bench in the case of *"Robbins Tunneling and Trenchless Technology (India) Pvt. Ltd. Vs. The State of M.P. and Others"* in W.P. No.12913/2020 wherein there were similar facts and circumstances like the present case, in which, the order of imposing penalty and dismissal of appeal have been set aside. He has also placed reliance on another judgment passed by this Court in the case of *"M/s Create Consults Vs. The State of M.P. and Others"* in W.P. No.344/2022, therefore, the impugned order dated 18.12.2019 is liable to be set aside, and the amount of penalty be refunded to the petitioner.

8. Learned counsel appearing for the respondent/State submits that the provisions of circular dated 14<sup>th</sup> September, 2018 issued by the Central Board of Indirect Taxes and Customs (CBIC) will not apply in the case of petitioner as this case is not falling under Clause 5(c) of CBIC i.e. *"Error in the address of the consignee to the extent that the locality and other details of the consignee are correct;"* on which the learned counsel for the petitioner has placed heavy reliance. The facts of the present case are distinguishable from the facts of the case in *Robbins Tunnelling and Trenchless Technology (India) Pvt. Ltd (supra)*.

9. The aforesaid facts of the case are not in dispute. The only defence of the petitioner is that it was a bona fide mistake and there was no



*mens rea* in disclosing the wrong address in E-way bill. In the present case, the consigner and consignee are the same i.e. the petitioners. It is also not in dispute that the petitioner has an office at Ahmedabad as well as at Indore and Jabalpur. The three consignments were booked for the transportation of goods from one store to another store of the petitioner i.e from Ahmedabad to Jabalpur. In consignment bills as well as invoices, the correct address of consigner and consignee was mentioned, but only in the E-way bill, the address was wrongly typed as "location at Indore" in place of "location at Jabalpur". The invoices and E-way bill were generated on 26.02.2019. The truck was detained on 01.03.2019 i.e. after three days. The truck travelled from Ahmedabad on 26.02.2019 and takes approximately 11 hours to travel from Ahmedabad to Indore and a further 11 hours to travel from Indore to Jabalpur. The total distance between Ahmedabad and Jabalpur is 888 km, while the distance from Ahmedabad to Indore is 383 km. If there had been any mistake in the E-way bill, the same could have been noticed by the petitioner within four days; however, no steps were taken to correct the said mistake.

10. Learned counsel for the petitioner has placed reliance on a circular dated 14<sup>th</sup> September, 2019, prescribing the procedure for interception of conveyances for inspection of goods in movement, and detention, release and confiscation of such goods and conveyances. As per Clause 5 of the said circular, in case a consignment of goods is accompanied by an invoice or any other specified document and also an E-way bill, the proceedings under Section 129 of the CGST Act may not be initiated in



certain situations enumerated in sub-clauses (a) to (d). Clause 5 of the said circular is reproduced below for ready reference and convenience:-

*"5. Further, in case a consignment of goods is accompanied with an invoice or any other specified document and also an e-way bill, proceedings under section 129 of the CGST Act may not be initiated, inter alia, in the following situations:*

- a) Spelling mistakes in the name of the consignor or the consignee but the GSTIN, wherever applicable, is correct;*
- b) Error in the pin-code but the address of the consignor and the consignee mentioned is correct, subject to the condition that the error in the PIN code should not have the effect of increasing the validity period of the e-way bill;*
- c) Error in the address of the consignee to the extent that the locality and other details of the consignee are correct;*
- d) Error in one or two digits of the document number mentioned in the e-way bill;*
- e) Error in 4 or 6 digit level of HSN where the first 2 digits of HSN are correct and the rate of tax mentioned is correct;*
- f) Error in one or two digits/characters of the vehicle number."*

11. Learned counsel for the petitioner submits that the case of the petitioner falls under Clause 5(c) of the circular dated 14.09.2018. Clause 5(c) states that if error in the address of the consignee to the extent that the locality and other details of the consignee are correct, then the proceedings



under Section 129 of the CGST Act ought not to have been initiated. In the present case, the destination city for delivery of goods was mentioned as "Jabalpur", and if there had been a mistake in mentioning the address of Jabalpur, then, in that case, proceedings under Section 129 are not liable to be initiated. But, in this case, the entire address was wrongly mentioned in the E-way bill. The word "locality" is related to a restrictive area like position, place, situation, vicinity in a town; and if there is a mistake in mentioning the address or location, that error can be ignored or will not attract Section 129 of the CGST but here, when the truck was apprehended, it had crossed the Indore city and truck was apprehended near Bhopal i.e. 200 Kms. away from the destination given in the E-way bill.

**Heard.**

12. According to the Officers of the GST department, namely, Smt. Preeti Prabhulata, Joint Commissioner of State Tax, Bhopal, Shri Sandeep Shrivastava, Assistant Commissioner of State Tax, Bhopal and Shri Bholamram Pandey, State Tax Officer, Bhopal, the GST department has no other way to track the shipments/ consignments except apprehending or detention and searching the papers. There is no such online tracking system of the consignee; therefore, if the consignment was found at route or an address other than the address mentioned in the E-way bill, the provisions of Section 129 are attracted.

13. The petitioner had sufficient time to apply for the correction of the address in the E-way bill. In both the cases i.e. *Robbins Tunnelling and Trenchless Technology (India) Pvt. Ltd (supra)* and *M/s Create Consults*



(*supra*), in which the petitioner is placing reliance, the consigner was different from the consignee, but, in the present case, the consigner and consignee are both the same; therefore, there can't be an inadvertent mistake in mentioning the address. The petitioner has brought to the knowledge of this Court that a similar mistake was committed on *Robbins Tunnelling and Trenchless Technology (India) Pvt. Ltd (supra)* as well as in the present case, therefore, it cannot be said that every time there can be a bona fide error in mentioning the address in the E-way bills. There could be a *modus operandi* behind this; otherwise number of consigners is not likely to commit the same error and come up with a plea that it was a bona fide error on their part.

14. This E-way bill could have been used multiple times along with several consignment bills and invoices. The petitioner has not produced any other supporting document, like a ledger, account books, or goods movement register, to show that these goods were booked and transported for the warehouse at Jabalpur. The office record could have been filed in support of the plea taken by the petitioner that these goods were actually booked for the warehouse at Jabalpur and not for Indore; therefore, in the absence of any other evidence, this cannot be treated as a bona fide mistake.

15. In view of the above, the writ petition is **dismissed**.

(VIVEK RUSIA)  
JUDGE

SAGI blog

(PRADEEP MITTAL)  
JUDGE