

GST and JOHNNY- UPDATE No.42

JOHNNY
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Yes, Papa!



Have you generated e-
way bill keeping in view all
legal formalities?



No Papa ?



Why So?



This papa: -In Our previous Update we have discussed about the Seizure of Goods made by the department even in cases there are small errors in E-way Bill. In continuation with that we are discussing another such judgements.

In one case A consignment of marbles, granite slabs and tiles were being transported . However, in the EWB vehicle details were not updated as mandated under Rule 138(2). The petitioner pleaded that, defect is only a technical one However, held by the *Hon'ble Kerala High Court* that, as the EWB has been made a mandatory document with effect from 1.4.2018, the petitioner cannot be heard to contend that a minor defect in a mandatory document cannot be a ground for detention. HC directed to release the goods and the vehicle to the petitioner on the petitioner furnishing a bank guarantee for the security amount demanded in detention notice. *Kairali Granites [2018] 94 taxmann.com 198 (Kerala) 15-05-2018.* That means Non updation of Vehicle Number in E way bill is not a mere technical defect therefore it can be a ground for detention.

However, In another Case, it has been held that non filing of Part-B of e way bill is covered by section 126 and is minor breach. In case of *Sabhita Riyaz v. Union of India [2018] 100 taxmann.com 23 (Ker.)*, HC held that mention of distance of 2800 Kms as 280 is a minor breach covered by Circular 64/2018 dated 14-9-18. It can be observed from the above decision that Non filing of Part B of E way bill is a minor irregularity.

Although Contradictory judgements pronounced by the same HC the taxpayer verves in a dilemma whether or not to follow these. We have seen in many of the cases that Department seize the goods in Transit due to some minor errors in E-way bill. We shall discuss more such Case laws in our Series.

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