



2025:AHC:164090

**Reserved on 12.9.2025**

**Delivered on 17.9.2025**

**HIGH COURT OF JUDICATURE AT ALLAHABAD**

**WRIT Tax No. 6 of 2021**

Nippon Tubes Limited

.....Petitioners(s)

Versus

State of UP and others

.....Respondents(s)

Counsel for Petitioners(s) : Nishant Mishra, Tanmay Sadh

Counsel for Respondent(s) : CSC

**Court No. - 7**

**HON'BLE PIYUSH AGRAWAL, J.**

1. Heard learned counsel for the petitioner and learned ACSC for the State respondents.
2. By means of present petition, the petitioner is assailing the order dated 25.8.2020 passed by respondent no. 2 by which the appeal of the petitioner filed against the order dated 18.1.2019 has been rejected.
3. Learned counsel for the petitioner submits that the petitioner is a registered company having GSTIN 09AACCC3888K1Z5 and engaged in manufacturing of M.S. Pipes. He submits that in the normal course of business, the petitioner placed purchase order on 4.1.2019 to Steel Authority of India Limited ( herein after referred to as 'SAIL') through its branch office situated at Navyug Market, Ghaziabad for purchase of four HR Coils, which were dispatched from Raurkela Steel Plant of SAIL through Railways vide tax invoice no. OS0032006078 dated

16.1.2019 on which SGST and CGST were charged and on receiving the information from branch office of SAIL regarding receipt of four HR Coils at Ghaziabad Railway Sliding, the petitioner took delivery of the same. He submits that since out of four HR Coils, two were meant for job worker i.e. M/s Jagdamba Cutter, Loha Mandi, Ghaziabad, therefore, the petitioner prepared challan no. 487 dated 16.1.2019 for two HR Coils to be delivered to the job worker and for remaining two HR Coils, generated e-way bill no. 431046081533 dated 16.1.2019 for movement of the goods from SAIL, Ghaziabad to the manufacturing unit of the petitioner.

4. He submits that the goods were loaded on Truck No. UP81 BT 7443 and the driver was instructed to first deliver two HR Coils to the place of job worker at Loha Mandi, Ghaziabad and thereafter to deliver the remaining two HR Coils to the manufacturing unit of the petitioner. He submits that on 17.1.2019, after delivering two HR Coils to the place of job worker, when the vehicle started movement in the way to the petitioner's manufacturing unit, the same was intercepted and on verification of the goods as well as accompanying documents, the vehicle was detained and goods were seized and order dated 18.1.2019 was passed under Section 129 (3) of UPGST/CGST Act on the ground that the petitioner has failed to produce any document in respect of movement of two HR Coils from the branch office of SAIL to the business premises of job worker. The petitioner challenged the said order in appeal, which has also been dismissed vide order dated 25.8.2020 without considering the material on record.

5. Learned counsel for the petitioner further submits that tax invoice was prepared in which all four HR coils were specifically mentioned however, since two HR Coils were to be delivered to the place of job worker and remaining two HR coils were to be delivered at the manufacturing unit, therefore, e-way bill was generated for two HR coils, which was available at the time of interception but on the e-way bill merely two HR coils were mentioned, therefore, adverse inference has been drawn against the petitioner. He submits that instead of taking the goods in question up to the manufacturing unit and then again send to

the place of job worker, the transporter was directed to unload the two HR coils directly at the place of job worker, therefore, no adverse inference can be drawn for such action of the petitioner.

6. *Per contra*, learned ACSC supports the impugned order and submits that goods in question were not accompanying with proper/genuine documents at the time of interception, therefore, the proceedings are justified. He submits that the petitioner has neither generated any e-way bill for HR Coils to be delivered up to the place of job worker nor issued any challan for the same. He prays for dismissal of the writ petition.

7. In support of his submission, learned ACSC has relied upon the judgment of this Court in the case of **M/s Famus India Vs. State of UP and others (Neutral Citation No. 2025:AHC:34283)**.

8. After hearing learned counsel for the parties, the Court has perused the records.

9. It is not in dispute that four HR coils were purchased by the petitioner from SAIL and out of four HR coils, two were to be delivered at the place of job worker and remaining two were meant for manufacturing unit of the petitioner. The said fact has not been disbelieved by any of the authority at any stage.

10. The record shows that in respect of the goods sent for job worker, no relevant document i.e. delivery challan was prepared as required under Rule 45 and 55 of GST Rules and further no e-way bill was produced at any stage. Therefore, in the absence of said document, the goods in question cannot be said to be accompanying with specified documents.

11. This Court in the case of **M/s Famus India (supra)** has held as under:

*“9. Admittedly, the goods in question were transported from Ghaziabad to Meerut on 28.6.2019 and at the time of interception, the goods in question were found at different destination from the destination mentioned in the*

accompanying documents. After physical verification as well as detention of goods, a stand has been taken by the petitioner that the goods were sent for job work, a challan has been issued as such there is no contravention of the provisions of the Act. However, learned ACSC has submitted that there are contravention of the provisions prescribed under Rule 45 and 55 of the GST Rules as goods sent for job work a challan is required to be issued and in the absence thereof, the proceedings are justified.

10. Before proceeding further, it is pertinent to quote here the relevant Rules of GST Rules:-

***Rule 45: Conditions and restrictions in respect of inputs and capital goods sent to the job worker***

*(1) The inputs, semi-finished goods or capital goods shall be sent to the job worker under the cover of a challan issued by the principal, including where such goods are sent directly to a job-worker 1[, and where the goods are sent from one job worker to another job worker, the challan may be issued either by the principal or the job worker sending the goods to another job worker:*

*Provided that the challan issued by the principal may be endorsed by the job worker, indicating therein the quantity and description of goods where the goods are sent by one job worker to another or are returned to the principal:*

*Provided further that the challan endorsed by the job worker may be further endorsed by another job worker, indicating therein the quantity and description of goods where the goods are sent by one job worker to another or are returned to the principal.]*

*(2) The challan issued by the principal to the job worker shall contain the details specified in rule 55.*

*(3) The details of challans in respect of goods dispatched to a job worker or received from a job worker 2[\*\*\*\*\*] 3[during a specified period] shall be included in FORM GST ITC-04 furnished for that period on or before the twenty-fifth day of the month succeeding 4[the said period] 5[or within such further period as may be extended by the Commissioner by a notification in this behalf:*

*Provided that any extension of the time limit notified by the Commissioner of State tax or the Commissioner of Union territory tax shall be deemed to be notified by the Commissioner.]*

*(4) Where the inputs or capital goods are not returned to the principal within the time stipulated in section 143, it shall be deemed that such inputs or capital goods had been*

*supplied by the principal to the job worker on the day when the said inputs or capital goods were sent out and the said supply shall be declared in FORM GSTR-1 and the principal shall be liable to pay the tax along with applicable interest.*

**Rule 55. Transportation of goods without issue of invoice.-**

(1) For the purposes of-

(a) supply of liquid gas where the quantity at the time of removal from the place of business of the supplier is not known,

(b) transportation of goods for job work,

(c) transportation of goods for reasons other than by way of supply, or

(d) such other supplies as may be notified by the Board, the consigner may issue a delivery challan, serially numbered not exceeding sixteen characters, in one or multiple series, in lieu of invoice at the time of removal of goods for transportation, containing the following details, namely: (i) date and number of the delivery challan;

(ii) name, address and Goods and Services Tax Identification Number of the consigner, if registered;

(iii) name, address and Goods and Services Tax Identification Number or Unique Identity Number of the consignee, if registered;

(iv) Harmonised System of Nomenclature code and description of goods;

(v) quantity (provisional, where the exact quantity being supplied is not known);

(vi) taxable value;

(vii) tax rate and tax amount - central tax, State tax, integrated tax, Union territory tax or cess, where the transportation is for supply to the consignee;

(viii) place of supply, in case of inter-State movement; and (ix) signature.

(2) The delivery challan shall be prepared in triplicate, in case of supply of goods, in the following manner, namely:-

(a) the original copy being marked as ORIGINAL FOR CONSIGNEE;

*(b) the duplicate copy being marked as DUPLICATE FORTRANSPORTER; and*

*(c) the triplicate copy being marked as TRIPLICATE FORCONSIGNER.*

*(3) Where goods are being transported on a deliverychallan in lieu of invoice, the same shall be declared as specified in rule 138.*

*(4) Where the goods being transported are for the purposeof supply to the recipient but the tax invoice could not be issued at the time of removal of goods for the purpose of supply, the supplier shall issue a tax invoice after delivery of goods.*

*(5) Where the goods are being transported in a semiknocked down or completely knocked down condition 1[or in batches or lots] -*

*(a) the supplier shall issue the complete invoice beforedispatch of the first consignment;*

*(b) the supplier shall issue a delivery challan for each ofthe subsequent consignments, giving reference of the invoice;*

*(c) each consignment shall be accompanied by copies ofthe corresponding delivery challan along with a duly certified copy of the invoice; and*

*(d) the original copy of the invoice shall be sent along withthe last consignment.*

11. *On bare reading of the aforesaid rules, it appears thatthere is requirement for issuing a challan for the goods send to job work. Rule 55 provides that challan should be issued or in duplicate and duly filled in prescribed format."*

12. Once there was neither any delivery challan as required under Rule 45 read with Rule 55 of the GST Rules nor any e-way bill was accompanying with in respect of the goods sent for job worker, the proceedings initiated against the petitioner by the respondent authorities , cannot be said to be illegal or arbitrary in manner.

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13. In view of above, no interference is called for by this Court in the impugned order.
14. The writ petition lacks merit and is **dismissed** accordingly.

(Piyush Agrawal, J.)

**September 17, 2025**

Rahul Dwivedi/-