

IN THE HIGH COURT OF MADHYA PRADESH

AT GWALIOR

BEFORE

HON'BLE SHRI JUSTICE ANAND PATHAK

&

HON'BLE SHRI JUSTICE PUSHPENDRA YADAV

ON THE 18th OF SEPTEMBER, 2025

WRIT PETITION No. 19990 of 2025

RAM TRADERS AND OTHERS

Versus

THE STATE OF MADHYA PRADESH AND OTHERS

APPEARANCE:

Shri Abhishek Kumar Dhyani, learned counsel for the petitioners.

Shri Sohit Mishra, learned Government Advocate for respondents/State.

ORDER

Per. Justice Pushpendra Yadav

1. The instant petition has been filed under Article 226 of the Constitution seeking following reliefs:-

7.1 The Hon'ble Court May be pleased to issue a writ in the nature of certiorari and quash the impugned order passed by the respondents No.3 GST MOV-11 dated 07.06.2025 (Annexure P-9) and notice issued GST MOV-10 dated 23.05.2025 (ANNEXURE P-5) regarding confiscation of goods or conveyances and quash the illegal imposed tax of Rs.16,72,440/- and illegal penalty of Rs.16,72,440/- under section 130(1) and illegal penalty of Rs.33,44,880/- under Section

130(2) and the Hon'ble Court may please to give direction to the respondent No.3 to initiate proceedings under Section 129 of the GST.

7.2 The Hon'ble High Court may hold that since the proceedings were initiated under section 129 of the GST act and after detention of goods and vehicle in Form GST MOV-06 dt 14/05/2025, the respondent no.3, as per provisions of section 129(3) was opened with an option of issuing notice in GST MOV-07 specifying the tax and penalty to be paid, but not exercised the option and directly initiated proceedings under section 130 which is illegal and unjustified, therefore the proceedings under section 130 to be set aside and proceedings under section 129(3) should be initiated by issuing notice in GST MOV-07.

7.3 The Hon'ble High Court may hold that since the petitioner no 1, humbly prays to initiate proceedings under section 129(3) and notice in GST MOV 07 in the name of the petitioner no.1, the proceeding initiated against the petitioner no. 2, i.e, the vehicle owner should be set aside, as the petitioner no.2, the truck owner has no connection regarding the contravention of the provisions of the GST act under section 129.

7.4 The Hon'ble High Court may pass such other or further order or issue such other direction as the Hon'ble Court may deem fit and proper in the facts and circumstances of the present case.

7.5 The Hon'ble High Court may award cost to the petitioner's.

2. The petitioner no.1 is a registered dealer under GST bearing GSTIN 07QZLPS7275F1ZC and doing business of purchase and sales of pan masala and chewing tobacco whereas petitioner no. 2 is a transporter and provide services to petitioner no.1 as regards transportation of goods.
3. The only grievance of the petitioners is that the goods and vehicle of the petitioners were detained on the ground that e-way bill was prepared

later on and there is difference of stock in comparison to the bills and physical verification with intention to evade tax and therefore, notice under Section 130 for confiscation of goods or conveyances was issued with proposed penalty of Rs.16,72,440/- under Section 130 (1) of GST Act and penalty of Rs.33,44,880/- in lieu of seized goods and vehicle under Section 130(2) of GST Act. However, according to him, before initiating the proceedings under Section 130(1) and 130 (2) of GST Act, respondents has to initiate proceeding under section 129(3) by issuing notice in GST MOV-07.

4. At this stage, learned counsel for the respondents/State raised a preliminary objection by submitting that petitioners have efficacious alternative remedy under Section 107 of GST Act to challenge the impugned proceeding.

5. Heard.

6. Considering the submission, the petition is disposed of with direction to the petitioners to avail the alternative remedy as available under Section 107 of GST Act which is efficacious in nature, therefore, petitioner is relegated to avail alternative remedy of appeal.

7. With the aforesaid direction, the petition stands **disposed of**.

(ANAND PATHAK)
JUDGE

(PUSHPENDRA YADAV)
JUDGE