

## No penalty on account of human error – High Court, Kerala

The High Court of Kerala<sup>1</sup>, has recently held that human error which can be detected by naked eyes, such errors cannot be capitalised for penalisation.

### Facts of the case

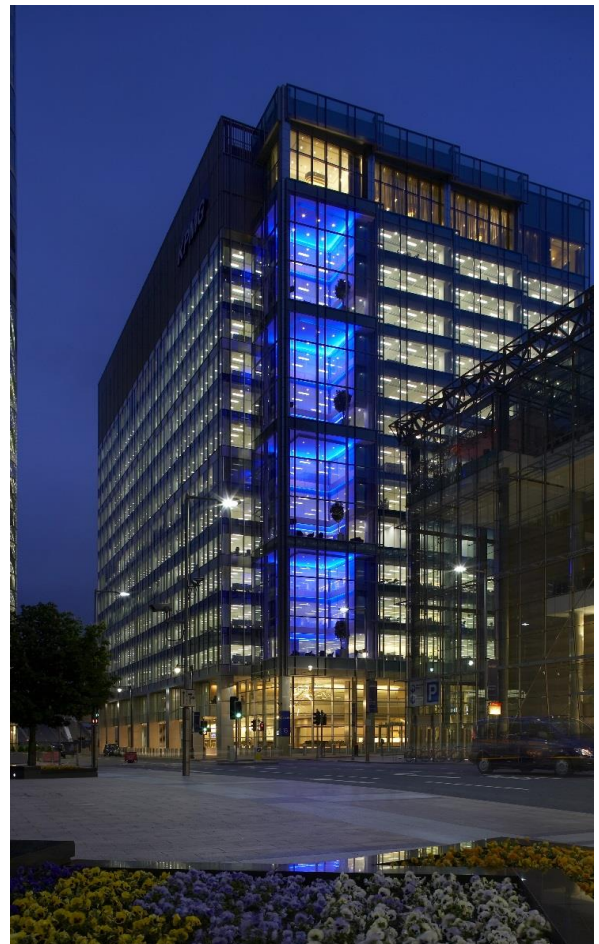
The petitioner (M/s Rai Prexim India Pvt. Ltd.) had on realising a mistake in the e-way bill with respect to the place of delivery, cancelled the original e-way bill and had generated a new bill. In the new e-way bill it had erroneously mentioned the value of goods as INR388220/- instead of INR3882200/-. Taking exception to this the competent authority had detained the goods.

### High Court's order

The fact that determining the value is a matter for decision by the competent authority, the court took an exception for the reason that if the petitioner had paid Integrated Goods and Services Tax (IGST) in accordance with the value as shown in the original bills, goods cannot be detained and shall be released on executing a simple bond. However, if the tax has not been paid in accordance with the correct value, the goods and vehicle need to be released only on furnishing a bank guarantee.

### Our comments

It is an important judgement as the court has agreed that on account of human error, the penalty cannot be levied. Though the bond has to be executed.



<sup>1</sup> 2018-VIL-553-KER

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