



Inspection of Goods In Movement, Detention, Release And Confiscation

Overview

- ▶ 1. Who can be Proper officer for interception of conveyances for inspection
 - ▶ Procedure for interception, detention , release and confiscation
 - ▶ 2. Verification of Conveyance by Proper officer interception of conveyances for inspection
 - ▶ 2.1 Where no Discrepancies found
 - ▶ 2.2 Where discrepancies found
 - ▶ 3. Possible Discrepancies
 - ▶ 4. Violation Provisions
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 - ▶ 6. Confiscation of goods or conveyance
 - ▶ 7. Auction of goods/Conveyance
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Relevant Sections	Relevant Rules	Relevant Circulars
Sec 68 -Inspection of goods in movement	Rule 138 Generation of e-waybills	Circular No. 41/15/2018-GST Dated.13-04-2018
SECTION 129 : Detention, seizure & release of goods & conveyance	Rule 138 Documents and devices to be carried by a person-in-charge of a conveyance	Circular No. 49/23/2018-GST Dated.21-06-2018
SECTION 130: Confiscation of goods & conveyance; levy of penalty	Rule 138B Verification of documents and conveyances	Circular No. 61/35/2018-GST Dated.04-09-2018
SECTION 122 : Penalty for certain offences	RULE 138C : Inspection and verification of goods	Circular No. 64/38/2018-GST Dated.14-09-2018
	RULE 138D : uploading info reg detention of vehicle	

Proper Officer for Inspection of Goods in Movement

- ▶ Any Officer not below the rank of Deputy State Tax Officer of the circle
- ▶ As authorized by :
 - the Assistant Commissioner of State Tax of the circle
 - the Joint Commissioner of State Tax of the Division
 - the JC/Addl. Commissioner/Spl. Commissioner/
Addl. Commissioner (GR-I) of Enforcement Wing



Procedure for interception, detention, release and confiscation

- ▶ Authorization of officers to conduct interception & inspection of conveyances & goods
- ▶ Interception of conveyance, verification of documents & inspection of goods
- ▶ Production of documents related to goods & conveyance for verification
- ▶ If no discrepancies noticed, the conveyance shall be allowed to move
- ▶ If fails to produce required documents or officer intends to undertake inspection - detention



Verification of Conveyance by Proper officer

- ▶ Proper office so authorised, can intercept and inspect any conveyance **in his jurisdiction.**
- ▶ Documents to be carried along with the conveyance:
- ▶ (a) Invoice/Bill of Supply/ Bill of Entry in case of import of goods/Delivery Challan.

(b) E-Way bill in Physical/Electronic Form /mapped to the RFID(Ex :

Fast Tag) embedded on the conveyance

E-waybill only when consignment value > Rs. 50,000

In certain cases Govt. may specify where E-waybill is not required.



Verification of Conveyance by Proper officer

- ▶ By Scanning QR Code / Send SMS to 7738299899 /or typing the number in Mobile App / Logging on to : <http://mis.ewaybillgst.gov.in>
- ▶ Details of E-waybill can be verified electronically.
- ▶ Where no Discrepancies found , vehicle to be allowed to move further.
- ▶ In case Discrepancies are found :
 - Possible Discrepancies
 - Violation Provisions
 - Procedure for Detention and Confiscation



Possible Discrepancies :

- E-waybill not there
- Not covered by Invoice/D.C. /Bill of Supply
- Invalid GSTINS
- Invoice not matching with E-waybill
- Undervaluation Incorrect tax values & rates
- E-waybill rejected by other party
- E-waybill validity expired
- Invalid vehicle type E-waybill part-b not entered
- Ewaybill Part-B not matching
- Different commodity
- Reason for extension not acceptable

Provisions relating to Violations

Section 129(1)(a) : Detention ,Seizure

- (i) Applicable tax and penalty equal to 100%
(if owner comes forward)
- (ii) applicable tax and penalty equal to 50% of the value of goods reduced by the tax amount paid, (if owner does not come forward);
- (iii) upon furnishing a security equivalent to the amount payable as above

Section 130 :Confiscation of goods :

- Liable for confiscation & penalty 100 %
- Fine in lieu of confiscation (not exceeding market value of goods minus tax charged) fine and penalty leviable shall not be less than the amount of penalty leviable under sub-

▶ section (1) of section 129(1)(b)

Procedure for Detention

- ▶ Record statement of person in charge of conveyance(FORM GST MOV-01)
- ▶ Issue an order for physical verification/inspection of the conveyance, goods (FORM GST MOV-02)
- ▶ With in 24hrs of issuing MOV-02, upload a report in Part-A of EWB-03 e-waybill portal
- ▶ Complete inspection proceedings within 3 days from the date of issue of order of physical verification in MOV-02
- ▶ Beyond 3 days, obtain written permission from concerned authorities in MOV-03 & serve the same on person in charge of conveyance



Procedure for Detention

- ▶ After physical verification, prepare a report MOV04 & serve a copy of report on person in charge
- ▶ Upload final report of inspection in Part-B of EWB-03(within 3 days of physical verification)
- ▶ If no discrepancies are found, issue release order in MOV-05
- ▶ If discrepancies found, detain vehicle under Section 129 by issuing order of detention in MOV-06
- ▶ After detention, issue notice in MOV-07 specifying tax & penalty payable.



Procedure for Confiscation

- ▶ Where person in charge/owner comes forward to pay tax & penalty, release the goods & conveyance by an order in MOV-05.
- ▶ Upload final orders in MOV-09 on common portal
- ▶ Tax & penalty accrued from above proceedings shall be added in electronic liability register
- ▶ If tax & penalty not paid within 14 days from the date of detention , action under Section 130 initiated by serving a notice in MOV-10, proposing confiscation of the goods and conveyance and imposition of penalty.
- ▶ Order of confiscation shall be passed in MOV-11, after considering objections.



Procedure for Confiscation

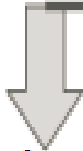
- ▶ Provide an opportunity of being heard before passing confiscation order.
 - ▶ Once confiscation order passed, the title of such goods shall stand transferred to the State Government
 - ▶ In the said order, a suitable time not exceeding 3 months shall be offered to make the payment of tax, penalty and fine imposed in lieu of confiscation and get the goods released
 - ▶ Upload confiscation order on common portal and demand shall be added in the electronic liability register.
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Confiscation and Auction

- ▶ If payment is not made within time as specified in MOV-11, auction the goods and/or conveyance by a public auction and remit the sale proceeds to the account of the State Government.
- ▶ Suitable modifications in time allowed for the service of notice or order for auction or disposal shall be done in case of perishable and/or hazardous goods.



Actions available to the owner



Accept the tax and penalty

- He can either pay the tax and penalty
- He can furnish a bank guarantee equal to the said amount
- The tax amount along with the penalty shall be paid within 7 days
- Thereafter, an order releasing the goods is passed in Form GST MOV-05



Dispute the tax and penalty

- In this case, the officer shall consider the objections and pass a speaking order in the said amount
Form GST MOV-09



INTERCEPTION , DETENTION, CONFISCATION - FORMS

Form Name	Purpose
GST MOV-01	Statement of owner, driver or person in charge of the vehicle
GST MOV-02	Order for physical verification and inspection of goods, conveyance or documents
GST MOV-03	Order for extension of time beyond 3 days for inspection
GST MOV-04	Physical verification report
GST MOV-05	Release order
GST MOV-06	Order of detention
GST MOV-07	Notice specifying tax and penalty amount
GST MOV-08	Bond for provisional release of goods/ conveyance
GST MOV-09	Order of demand of tax and penalty
GST MOV-10	Notice for the confiscation of goods
GST MOV-11	Order of confiscation of goods and conveyance and demand of tax, fine and penalty



Thank You

