

IW1/3365394/2022

Office of the Principal Secretary/Commissioner
Of Commercial Taxes, Chennai-600 005.

Dated: 10.01.2023

Present: Thiru Dheeraj Kumar, I.A.S.,
Principal Secretary/Commissioner of Commercial Taxes.

Sub:	Intelligence Wing – Power Roles and Responsibilities – Offences booked by Roving Squad officers – Certain circular instructions issued - amendment made – regarding.
Ref:	<ol style="list-style-type: none">1. Circular No.10/2019 dated 31.05.2019 issued in Q1/17253/2019.2. Circular No.10/2019 amendment dated 17.12.2019 issued in Q1/17253/2019.3. Circular 10/2019 amendment dated 15.11.2021 issued in Q1/17253/2019.4. Circular No.38(2018)/2019 – TNGST dated 05.04.2019 issued in R.C.151/2018/A1/Taxation)5. Circular No.64/38/2018-GST dated 14.09.2018 issued by the Central Board of Indirect Taxes and Customs, GST Policy Wing. In CBEC/20/16/03/2017-GST.6. Press Information Bureau, Press release issued regarding 'Bill To Ship To' for e-way bill by Ministry of Finance, Government of India dated 23.04.2018.7. Letter from the Joint Commissioner (ST), Intelligence-II, Chennai in R.C.6095/2022/A3, dated 26.09.2022.

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In the circulars in the references 1 to 3 cited, detailed instructions have been issued on the protocol for Roving Squad. The Joint Commissioners (ST), Intelligence have raised certain queries regarding booking of offences by the Roving Squad officers under the provisions of the TNGST Act, 2017 and requested that suitable guidelines may be given for uniformity in levy of penalty relating to various types of offences noticed by the Roving Squad officers and to perform in an efficacious manner.

2) The said queries raised were examined in detail with reference to earlier circular instructions issued in the references cited and as per the provisions of the TNGST Act & Rules 2017 and following amendment is hereby issued to the Circular No.10/2019 dated 31.05.2019 as amended on 17.12.2019 and 15.11.2021.

In para 11 of the said circular, instructions have been issued for "CIRCUMSTANCES WHERE PENALTY OF Rs.25000/- SHALL BE LEVIED". The Existing para 11 (i) and (ii), are as below.

"i) In the circumstances described in Sl.No.10 if any person repeatedly indulges in the same violation, a penalty of Rs.25,000/- per act shall be levied to deter the recurrence of such offence. For this purpose the term 'any person repeatedly' shall denote consignor or consignee who commits a violation more than once in a calendar month or twice in a calendar quarter or thrice in a financial year.

(ii) In all other circumstances, other than the ones falling under Sl. No. 9, 10 and 12 a penalty of Rs.25000/- per act shall be levied."

4) The above para 11 (i) and (ii) are substituted as follows:

"11. CIRCUMSTANCES WHERE PENALTY OTHER THAN THE ONES FALLING UNDER Sl.No.9, 10 and 12 SHALL BE LEVIED.

(i) Issue based clarifications:

Sl.No.	Issue	Clarifications
1(a)	Bill To - Ship To: The 'Ship To' address in E way bill differed from where the goods are being actually delivered which is an unregistered place of the consignee, who is a registered tax payer, but the place of delivery is in same locality i.e. having the same PIN Code as mentioned in the E - way bill	Since the consignment in question is duly covered with invoice/Bill of Supply/delivery challan and valid e- way bill and the irregularities relates to unloading the goods at an unregistered place of registered person, as narrated in the issue, the following procedure needs to be adopted. As per Rule 19 (1) of the TNGST Rules, the registered person shall within a period of 15 days' from

		<p>the date of change in any particulars of registration, submit an application for amendment regarding additional place of business in the common portal.</p> <p>(i) In this regard, if valid rental / lease agreement etc. is produced as proof of unregistered place of business, and if the date of such rental/lease agreement is within 15 days prior to the date of checking of vehicle, minor penalty of Rs.5,000/- shall be levied as per Section-125 of the of the Act TNGST Act, 2017.</p> <p>(ii) If Application Reference Number (ARN) has already been generated regarding declaration of additional place of business and produced for verification and if the date and time of generation of ARN is prior to the check of movement of the vehicle by the Official, no penalty is to be levied.</p> <p>(iii) If no ARN and no valid rental / lease agreement is produced as above, penalty of Rs.25,000/- under Section 125 is to be levied.</p> <p>(iv)If the registered person repeats the same offence, (more</p>
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		than once in a calendar month or twice in a calendar quarter or thrice in a financial year) maximum penalty under Section-129 is to be levied.
1(b)	Bill To - Ship To: The 'Ship To' address in E-way bill differed from where the goods are being actually delivered which is an unregistered place of the consignee, who is a registered tax payer, but the place of delivery is in another locality i.e. PIN Code mentioned in the E way bill is different.	Maximum penalty under Section 129 of the TNGST Act, is to be levied.
1(c)	Bill To - Ship To The 'Ship To' address in E-way bill differed from where the goods are being actually delivered which is a registered place of the consignee.	(i) Since the consignment in question is duly covered with invoice/Bill of supply/Delivery challan and valid E - Way bill for Vehicle number and time period then, minor penalty of Rs.5,000/- is to be levied under Section-125 of the TNGST Act. (ii) If the registered person repeats the same offence, (more than once in a calendar month or twice in a calendar quarter or thrice in a financial year) maximum penalty of Rs.25000/-

		under Section 125 of the TNGST Act, 2017 is to be levied.
2	<p>Bill To - Ship To:</p> <p>The given 'Ship To' address of delivery is place of Construction of a building but not a registered place of the consignee builder and materials were delivered based on construction agreement and consignee is a registered tax payer. The address of delivery is per document and place of actual delivery is same.</p>	<p>Since the consignment in question is duly covered with Invoice/Bill of Supply/Delivery Challan and valid E - Way Bill and irregularity relates to unloading the goods at an unregistered place of the registered person, the following procedure needs to be adopted.</p> <p>As per Rule 19 (1) of the TNGST Rules, the registered person shall within a period of 15 days' from the date of change in any particulars of registration, submit an application for amendment regarding additional place of business in the common portal.</p> <p>(i) In this regard, if valid rental / lease agreement is produced as proof of unregistered place of business, and if the date of such rental/lease agreement is within 15 days prior to the date of checking of vehicle, minor penalty of Rs.5,000/- is to be levied as per Section-125 of the TNGST Act, 2017.</p>

		<p>(ii) If ARN has already been generated regarding declaration of additional place of business and produced for verification and if the date and time of generation of ARN is prior to the check of movement of the vehicle by the Official, no penalty is to be levied.</p> <p>(iii) If no ARN and no valid rental / lease agreement as above is produced, penalty of Rs.25,000/- under Section 125 is to be levied.</p> <p>(iv) If the- registered person repeats the same offence (more than once in a calendar month or twice in a calendar quarter or thrice in a financial year) maximum penalty under Section 129 is to be levied.</p>
3	<p>Bill To - Ship To :</p> <p>Whether one invoice is enough for movement of goods in 'Bill To - Ship To' transactions.</p>	<p>If supplier A places purchase order on supplier B to ship the goods to the recipient C then,</p> <p>i) If e-way bill is generated by B, corresponding invoice of B raised on A and the same details filled in e-way bill is required during the transportation of goods.</p> <p>ii) If e-way bill is generated by A, corresponding invoice of A raised on the recipient C and the same details filled in e-way bill is</p>

		<p>required during the transportation of goods.</p> <p>iii) If, Recipient C is a registered tax payer, but his GSTIN is not given in the 'Bill to Ship to' invoice, minor penalty of Rs.5,000/- under Section 125 of the TNGST Act, 2017 is to be levied.</p>
4	<p>The address given in E - way bill is a ware house / place of transporter which is a registered place of the taxpayer and used for further transaction of those goods by the recipient taxpayer.</p>	<p>(i) In Commissioner of State Tax Circular No. 38(2018) / 2019 dated 05/04/2019, it has been clarified that, the goods in movement including when they are stored in transporter's godown (even if the godown is located in the recipient taxpayer's city / town) prior to delivery shall always be accompanied by a valid e-way bill.</p> <p>Further, in case the consignee / recipient tax payer stores his goods in the godown of the transporter, then the transporter's godown has to be declared as an additional place of business by the recipient tax payer.</p> <p>ii) If ARN has already been generated regarding declaration of ware house / transporter's</p>

		<p>godown as additional place of business and produced for verification and if the date and time of generation of ARN is prior to the check of movement of the vehicle by the Official, no penalty is to be levied.</p> <p>iii) If ARN is not produced as cited above, then it is violation of Commissioner of State Tax, Circular No. 38(2018)/2019, dated 05/0/2019 and Section 129 of the TNGST Act, 2017, attracting penalty.</p> <p>iv) However, if the goods are in the course of movement from supplier's registered place of business to recipient tax payer's registered place of business and is covered by proper invoice /Bill of supply/ delivery challan and valid e-way bill for movement of goods, no penalty is to be levied.</p>
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5(a)	<p>The address given in E way bill differed from where the goods are being actually delivered which is an unregistered place of the consignee, who is a registered tax payer, but the place of delivery is in same locality i.e. having the same PIN Code as mentioned in the E way bill</p>	<p>Since the consignment in question is duly covered with invoice/Bill of Supply/delivery challan and valid e- way bill and the irregularities relates to unloading the goods at an unregistered place of registered person, as narrated in the issue, the following procedure needs to be adopted.</p> <p>As per Rule 19 (1) of the TNGST Rules, the registered person shall within a period of 15 days' from the date of change in any particulars of registration, submit an application for amendment regarding additional place of business in the common portal.</p> <p>(i) In this regard, if valid rental / lease agreement etc. is produced as proof of unregistered place of business, and if the date of such rental/lease agreement is within 15 days prior to the date of checking of vehicle, minor penalty of Rs.5,000/- shall be levied as per Section 125 of the of the Act TNGST Act, 2017.</p> <p>(ii) If ARN has already been generated regarding declaration of additional place of business and</p>
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		<p>produced for verification and if the date and time of generation of ARN is prior to the check of movement of the vehicle by the Official, no penalty is to be levied.</p> <p>(iii) If no ARN and no valid rental / lease agreement as above is produced, penalty of Rs.25,000/- under Section 125 is to be levied.</p> <p>(iv) If the registered person repeats the same offence, (more than once in a calendar month or twice in a calendar quarter or thrice in a financial year) maximum penalty under Section 129 is to be levied.</p>
5(b)	<p>The address given in E way bill differed from where the goods are being actually delivered which is an unregistered place of the consignee, who is a registered tax payer, but the place of delivery is in another locality i.e. PIN Code mentioned in the E way bill is different.</p>	<p>Maximum penalty under Section-129 of the TNGST Act, is to be levied.</p>

5(c)	<p>The address given in E way bill differed from where the goods are being actually delivered which is a registered place of the consignee.</p>	<p>(i) Since the consignment in question is duly covered with valid invoice/Bill of supply/Delivery challan and valid E - Way bill for Vehicle number and time period then, minor penalty of Rs.5,000/- is to be levied under Section 125 of the TNGST Act.</p> <p>(ii) If the registered person repeats the same offence, (more than once in a calendar month or twice in a calendar quarter or thrice in a financial year)" maximum penalty of Rs.25,000/- under Section 125 of the TNGST Act, 2017 is to be levied.</p>
6	<p>a) As per E- way Bill, the goods supplied at the work site where the supplier has an order to install, maintenance, testing, erection etc. but not a registered place of that tax payer.</p> <p>b) As per E - way bill, goods transported by a taxpayer for outdoor display but the destination address is an unregistered place of that tax payer.</p>	<p>Since the consignment in question is duly covered with Invoice/Bill of Supply/Delivery Challan and valid E - Way Bill and irregularity relates to unloading the goods at an unregistered place of the registered person, the following procedure needs to be adopted.</p> <p>As per Rule 19 (1) of the TNGST Rules, the registered person shall within a period of 15 days' from the date of change in any particulars of registration, submit an application for</p>

	<p>c) As per E- way bill, goods were moved to a construction site by the taxpayer, based on the construction agreement entered, but the construction site was not registered under GST Act.</p>	<p>amendment regarding additional place of business in the common portal.</p> <p>(i) In this regard, if valid rental / lease agreement etc. is produced as proof of unregistered place of business, and if the date of such rental /lease agreement is within 15 days prior to the date of checking of vehicle, minor penalty of Rs.5,000/- is to be levied as per Section 125 of the of the Act TNGST Act, 2017.</p> <p>(ii) If ARN has already been generated regarding declaration of additional place of business and produced for verification and if the date and time of generation of ARN is prior to the check of movement of the vehicle by the Official, no penalty is to be levied.</p> <p>(iii) If no ARN and no valid rental / lease agreement as above is produced, penalty of Rs.25,000/- under Section 125 is to be levied.</p> <p>(iv) If the registered person repeats the same offence (more than once in a calendar month or twice in a calendar quarter or thrice in a financial year)</p>
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		maximum penalty under Section 129 is to be levied.
7	Goods were transported by a registered taxpayer to participate in an exhibition or trade fair and for that place, no amendment of registration for inclusion of additional place of business has been done.	<p>The tax payer participating in exhibition or trade fair tends to supply goods from such place of event. Hence, transportation of the goods to participate in an exhibition or trade fair, without declaring the place of exhibition or trade fair as an additional place of business is a violation of Section 129 of the TNGST Act, 2017 and penalty is to be levied.</p> <p>However, if ARN has already been generated regarding declaration of place of exhibition or trade fair as an additional place of business and produced for verification and if the date and time of generation of ARN is prior to the check of movement of the vehicle by the Official, no penalty is to be levied.</p>
8	Finished goods moved by Principal after completion of	(i) As per proviso to section 143(1), the Principal shall not

	<p>job work from the premises of an unregistered job worker to a recipient for sale.</p>	<p>supply the goods from the place of business of an unregistered job worker unless the said principal declares the said place of business of job worker as his additional place of business.</p> <p>If the above condition is not fulfilled, which is a violation, penalty under Section 129 of the TNGST Act, 2017 is to be levied.</p> <p>(ii) However, if ARN has already been generated regarding declaration of additional place of business and produced for verification, and if the date and time of generation of ARN is prior to the check of movement of the vehicle by the Official, no penalty is to be levied.</p>
9	<p>A company undertaking project of Government Authorities /Entities executing work order relating to laying of road or pipe lines in a stretch which is covered by the work order given by Government Authority/Entity and has proper invoice/Bill of Supply/delivery challan and E- way bill, but the place of</p>	<p>As per Rule-138 of the TNGST Rules 2017, for movement of goods in motorized vehicle, invoice/Bill of supply/delivery challan and e-way bill is mandatory.</p> <p>There is difficulty in registering all stretches of the work site as additional place of business in the instance cited. If the work order</p>

	delivery is an unregistered place	issued by the Government Authority/Entity is produced as valid proof of site address for execution, no penalty is to be levied, for the transportation and delivery of goods at work site.
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In this regard the valid rental/lease agreement mentioned as proof of place of business for inclusion of additional place of business under Rule 19(1) of the TNGST Rules, 2017 shall be construed to include the following with reference to the guidelines in Form REG-01 as mentioned therein under:

Proof of Place of Business:

- (a) For Own premises – Any document in support of the ownership of the premises like latest Property Tax Receipt or Municipal Khata copy of copy of Electricity Bill.
- (b) For Rented or Leased premises – A copy of the valid Rent/Lease Agreement with any document in support of the ownership of the premises of the Lessor like latest Property Tax Receipt or Municipal Khata copy or copy of Electricity Bill.
- (c) For premises not covered in (a) & (b) above
A copy of the Consent letter with any document in support of the ownership of the premises of the Consenter like Municipal Khata copy or Electricity Bill copy. For shared properties also, the same documents may be uploaded.
- (d) For rented/leased premises where the Rent/lease agreement is not available, an affidavit to that effect along with any document in support of the possession of the premises like copy of Electricity Bill.
- (e) If the place of business is located in a Special Economic Zone or the applicant is an Special Economic Zone developer, necessary

documents/certificates issued by Government of India are required to be uploaded.

(ii) In all other circumstances, other than the ones falling under Sl.No.9, 10, 11(i) and 12, a penalty of Rs.25,000/- under Section 125 of the Act shall be levied."

Sd/- Dheeraj Kumar,
Principal Secretary/Commissioner of
Commercial Taxes, Chennai-600 005.

To
All Joint Commissioners(ST), Intelligence

All the Deputy Commissioners (Territorial and Intelligence)

Copy to

- 1.All the Additional Commissioners, O/o the CCT, Chepauk, Chennai-5.
- 2.The Joint Commissioner(Admin), O/o the CCT, Chepauk, Chennai-5.
- 3.All Joint Commissioners(ST), Territorial Division
- 4.All the Joint Commissioners(ST), O/o CCT, Chepauk, Chennai-5.
- 5.The Joint Commissioner (Computer Systems), Chennai-35
(For uploading in the intranet websites)
- 6.The Director, Commercial Taxes Staff Training Institute, Chennai-35.

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Additional Commissioner (Intelligence)

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