

**CHAPTER VIII**  
**MEASURES TO REGULATE TRANSPORT OF GOODS.**

**Restriction on movement of goods.**

- 75.** (1) To ensure that there is no evasion of tax, no person shall transport from any railway station, steamer station airport, port, post office or any checkpost set up under section 76 or from any other place any consignment of goods except in accordance with such restrictions and conditions as may be prescribed.
- (2) Subject to the restrictions and conditions prescribed under sub-section (1) or sub-section (2), any consignment of goods may be transported by any person after he furnishes in the prescribed manner such particulars in such form obtainable from such authority or in such other form as may be prescribed.
- (3) Subject to such restrictions and conditions as may be prescribed, nothing in sub-section (1) shall apply to -
- (a) duly accredited diplomatic personnel attached to foreign consulates or other diplomatic offices,
  - (b) organisations and specialised agencies of the United Nations,
  - (c) Such other persons, organisations or institutions as may be prescribed.

**Erection of check posts.**

- 76.** (1) The Government may, with a view to prevent or check avoidance or evasion of tax, by notification in the official gazette, direct the establishment of the check post or barrier at such places as may be specified in the notification and every officer who exercises powers and discharges his duties at such check post by way of inspection of documents produced and goods being moved, shall be in charge.
- (2) The driver or person in charge of vehicle or carrier of goods in movement shall -
- (a) carry with him the records of the goods including "Challan", bills of sale or dispatch memos and prescribed declaration form or way bill duly filled in and signed by the consignor of goods carried,
  - (b) stop the vehicle or carrier at every check post set up under sub section (1) or at any other place by an officer authorised by the Commissioner in this behalf;
  - (c) produce all the documents including the prescribed way bill relating to the goods before the officer in charge of the check post or the authorised officer;
  - (d) give all the information in his possession relating to the goods; and
  - (e) allow the inspection of the goods for search of the vehicle by the officer in charge of the check post or any authorised officer
- (3) Where any goods are in movement within the territory of the State of Meghalaya, an officer empowered by the state government in this behalf may stop the vehicle or the carrier or the person carrying such goods, for inspection, at any place within his jurisdiction and provisions of sub section (2) shall mutatis mutandis apply.

- (4) Where any goods in movement are without documents, or are not supported by documents as referred to in sub section (2), or documents produced appear to be false or forged, the officer in charge of the check post or the officer empowered under sub section (3) may –
  - (a) direct the driver or the person in-charge of the vehicle or carrier or of the goods not to part with the goods in any manner including by transporting or re-booking, till a verification is done or an enquiry is made, which shall not take more than seven days; and
  - (b) seize the goods for reasons to be recorded in writing and shall give receipt of the goods to the person from whose possession of control they are seized.
- (5) The officer in charge of the check post or the officer empowered under sub section (3), after having given the person in charge of the goods a reasonable opportunity of being heard and after having held such enquiry as he may deem fit, shall impose for possession or movement of goods, whether seized or not, in violation of the provisions of clause (a) of sub- section (2) or for submission of false or forged documents or way bill, a penalty equal to the amount of five times of the tax leviable on such goods, or twenty percent of the value of goods, whichever is higher.
- (6) During the pendency of the proceeding under sub section (5) if any one prays for being impleaded as a party to the case on the ground of involvement of his interest therein, the said officer in charge or the empowered officer on being satisfied may permit him to be included as a party to the case; and thereafter, all provisions of this section shall mutatis mutandis apply to him.
- (7) The officer in charge of the check post or the officer empowered under sub section (3) may release the goods to the owner of the goods or to any person duly authorised by such owner on payment of the penalty imposed under sub section (5).
- (8) Where the driver or person in charge of the vehicle or the carrier is found guilty for violation of the provisions of sub section (2), subject to the provisions of sub section (4), the officer in charge of the check post or the officer empowered under sub section (3) may detain such vehicle or carrier and affording an opportunity of being heard to such driver or person in charge of the vehicle or the carrier, may impose a penalty on him as provided under sub section (5).
- (9) Where a transporter, while transporting goods, is found to be in collusion with a dealer to avoid or evade tax, the officer in charge of the check post or the officer empowered under sub section (3) shall detain the vehicle or carrier of such transporter and after affording him an opportunity of being heard with prior approval in writing of the Commissioner may confiscate such vehicle or carrier.

**Transit of goods by road through the State and issue of transit pass.**

77. When a motor vehicle coming from any place outside the State and bound for any other place outside the State, and carrying any taxable goods passes through the State, the driver or other person in charge of such vehicle shall obtain in the prescribed manner a transit pass from the officer in charge of the first check-post or barrier after his entry into the State and deliver it to the officer in Charge of the last checkpost of barrier before his exit from the State failing which it shall be presumed that the goods carried thereby have been sold within the State by the owner or person in charge of the vehicle:

Provided that where the goods carried by such vehicle are, after their entry into the State, transported outside the State by any other vehicles or conveyance, the onus of proving that the goods have actually moved out of the State shall be on the owner or person in charge of the vehicle.

Explanation - In a case where a vehicle owned by a person is hired for transportation of goods by some other person, the hirer of the vehicle shall, for the purposes of this section, be also deemed to be the owner of the vehicle.

- Automation.** 78. (1) The Government shall endeavor to introduce and establish an automated data processing system for complementing the purposes of the Act and for incidental and allied matters.
- (2) In order to make effective the said system, the State Government may from time to time make Resolutions for regulating the interactions between the dealers, authorities appointed or constituted under the Act and the Government Treasury.
- (3) The Regulations shall be published in the Official Gazette and may be made retrospective to any date not earlier than 1<sup>st</sup> April 2003.

**Power to collect statistics.**

79. (1) If the Commissioner considers that for the purposes of better administration of this Act it is necessary so to do, he may by notification in the Official Gazette, direct that statistics be collected relating to any matter dealt with, by or in connection to this Act.
- (2) Upon such direction being made, the Commissioner or any person or persons authorised by him in this behalf may by notification in the Official Gazette; and if found necessary by notice in any newspaper or in such other manner as in the opinion of the Commissioner or the said person, is best calculated to bring the notice to the attention of dealers and other person or persons, call upon all dealers or any class of dealers or persons to furnish such information or returns as may be stated therein relating to any matter in respect of which statistics are to be collected. The form in which, the persons to whom or, the authorities to which, such information or returns should be furnished, the particulars which they should contain, and the intervals in which such information or returns should be furnished, shall be such as may be prescribed.

- (3) Without prejudice to the generality of the foregoing provisions, the Government may by rules provide that every registered dealer or, as the case may be, any class of registered dealer shall furnish, in addition to any other returns provided for elsewhere, an annual return in such form, by such date and to such authority as may be prescribed and different provisions may be made for different classes of registered dealers.
- Registration of transporters** 80. For carrying out the purpose of section 75 and 76 every transporter, carrier or transporting agent, operating its transport business relating to taxable goods in Meghalaya, shall be required to obtain a Certificate of Registration in the prescribed manner from the Commissioner or any officer appointed under section 25 to assist him, on payment of such fees as may be prescribed.
- Maintenance of accounts by transporter, carrier or transporting agent.** 81. Notwithstanding anything contained in any other law for the time being in force, any transporter, carrier or transporting agent shall maintain, in the prescribed form, proper accounts of taxable goods transported by him into, or outside, or within, Meghalaya on account of any person or dealer, being a consignee or consignor, as the case may be, and shall, on demand by the Commissioner furnish such information as may be required by him in relation to transport of such goods by such transporter, carrier or transporting agent.
- Inspection, search and seizure of records or documents.** 82. (1) The accounts referred to in section 81, and goods referred to in that section and stored in a godown or warehouse in Meghalaya, shall be open to inspection by the Commissioner at all reasonable times.
- (2) Where any transporter, carrier or transporting agent fails to maintain proper account in the prescribed form or fails to furnish information to the Commissioner as required by subsection (1), the Commissioner may enter and search any place of transporting business or any other place where such transporter, carrier or transporting agent for the time being keeps any records or documents in relation to transport of goods, and the Commissioner may, for reasons to be recorded in writing seize such records or documents.
- (3) Where any transporter, carrier or transporting agent has –
- (a) received any consignment of taxable goods from any person or dealer in Meghalaya for transport of such consignment to any place outside, or within Meghalaya, or
  - (b) transported into Meghalaya any consignment of taxable goods on account of any person or dealer, and the Commissioner has information that such person or dealer is not in existence at the address given in the way bill, tax invoice, consignment note or any document of like nature in respect of any consignment of goods referred to in clause (a), or clause (b), the Commissioner may direct the transporter, carrier or transporting agent, by order in writing, that –
    - (i) the consignment of goods referred to in clause (a) shall

- (ii) not be transported outside, or within, Meghalaya, or the consignment of goods referred to in clause (b) shall not be delivered, till the matter is investigated into by the Commissioner or till a period of fifteen days (excluding Sunday or a public holiday declared under the Negotiable Instruments Act, 1881 (26 of 1881) expires from the date of communication of such direction to the transporter, carrier or transporting agent, whichever is earlier.
- (4) Where the Commissioner, after giving the person or dealer referred to in clause (a), or clause (b), as the case may be, of subsection 4, a reasonable opportunity of being heard or after causing an enquiry about the existence of such person, or dealer, is satisfied that such person or dealer -
  - (a) is in existence at the address given in the way bill, tax invoice, invoice, consignment note or any document of like nature, the Commissioner shall forthwith withdraw, by an order in writing, his direction issued under this sub-section (4) to the transporter, carrier or transporting agent, or
  - (b) (b) is not in existence at the address given in the way bill, tax invoice, invoice, consignment note or any document of like nature, the transport of the consignment of taxable goods by such person or dealer to any place outside, or within, or into, Meghalaya, shall be deemed to be in contravention of the provisions of section 76 as the case may be, and the Commissioner shall seize such consignment of goods under sub section (1) (c) of Section 84.

**Survey.**

- 83.**
- (1) With a view to identify dealers who are liable to pay tax under the Act, but have remained unregistered, the Commissioner shall from time to time cause a survey of unregistered dealers to be taken.
  - (2) For the purpose of the survey, the Commissioner may by general or special notice require any dealer or class of dealers to furnish the names, addresses and such other particulars as he may find necessary relating to the persons and dealers who have purchased any goods from or sold any goods to such dealer or class of dealers during any given period.
  - (3) For the purposes of survey, the Commissioner may call for details and particulars regarding the services provided by public utilities and financial institutions including banking companies which he is of the opinion will be relevant and useful for the purposes of the survey. He may from time to time cause the results of the survey to be published in any manner that he thinks fit so however as not to disclose or indicate the identity of any particular unregistered dealer identified during the survey.
  - (4) The Commissioner may for the purposes of the survey enter any place where a person is engaged in business but is unregistered or has not applied for grant of the certificate of registration, whether such place will be principal place of business or not of such business and require any proprietor, employee or any other person who may at that time and place be attending in any manner to, or

helping in, the business,-

- (a) to afford him the necessary facility to inspect such books of accounts or other documents as he may require and which may be available at such place,
- (b) to afford him the necessary facility to check or verify the cash, stock or other valuable article or things which may be found there in, and
- (c) to furnish such information as he may require as to any matter which may be useful for, or relevant to any proceedings under this Act.

*Explanation* - For the purposes of this sub section, a place where the person is engaged in business will also include any other place in which the person engaged in business or the said employee or other person attending or helping in business states that any of the books of accounts or other documents or any part of the cash, stock or other valuable article or things relating to the business are or is kept,

- (5) The Commissioner shall enter the place where the person is carrying on business only during the hours at which such place is open for business and in case of the said or any other place only after sunrise and before sunset. The Commissioner may make or cause to be made extracts or copies from books of accounts and other documents inspected by him, make an inventory of any cash, stock or other valuable article or thing checked or verified by him, and record the statement of any person which may be useful for, or relevant to, any proceeding under this Act.
- (6) The Commissioner, in exercise of the powers under this section shall on no account, remove or cause to be removed from the place where he has entered any books of accounts other documents or any cash, stock or other valuable article or thing.