



Lawgics

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Section 131 of CGST Act, 2017

131. Confiscation or penalty not to interfere with other punishments.

Without prejudice to the provisions contained in the Code of Criminal Procedure, 1973, (2 of 1974) no confiscation made or penalty imposed under the provisions of this Act or the rules made thereunder shall prevent the infliction of any other punishment to which the person affected thereby is liable under the provisions of this Act or under any other law for the time being in force.

Our Interpretation

Section 131

This is an administrative provision which empowers the Government to initiate other proceedings, as relevant, in addition to confiscation of goods or imposition or penalty.

Normally, the inference is that where the goods are confiscated or where any penalty is imposed, no other proceedings which are punitive in nature should be initiated.

This section provides that in addition to confiscation of goods or penalty already imposed; all/ any other proceedings may also be initiated or continued under the GST law or any other law, as applicable. This could be prosecution, arrest, cancellation of registration etc., as applicable and provided for the relevant non-compliance. Therefore, for the same offence both penalty and punishment can be levied.

It is normally conceived that where any confiscation of goods or conveyance has been brought in effect, other provisions of punitive nature will not be initiated. However this section authorizes or entitles the Government to initiate any proceeding under GST Act or any other law, in addition to the confiscation of goods and conveyance or penalty already imposed.

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