

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE
LOK SABHA
STARRED QUESTION No. 213

TO BE ANSWERED ON MONDAY, JULY 8, 2019/ASHADHA 17, 1941 (SAKA)

GST AMENDMENT

***213. SHRI M.K. RAGHAVAN:**

Will the Minister of FINANCE be pleased to state:

- (a) whether amending some of the provisions in the Goods and Services Tax (GST) including the input tax credit system paves way to weaken the National Anti-profiteering Authority;
- (b) if so, whether this amendment has been made exclusively to help the real estate developers and if so, the details thereof; and
- (c) whether the decision for such amendment is to ignore established institutions and to cause more problems than solutions and if so, the details thereof?

ANSWER
MINISTER OF FINANCE
(Ms. NIRMALA SITHARAMAN)

(a) to (c) A Statement is laid on the table of the House.

**STATEMENT AS REFERRED TO IN REPLY TO PARA A TO C OF LOK SABHA
STARRED QUESTION NO 213 FOR ANSWER ON 8th JULY 2019/ ASHADHA 17,
1941 (SAKA) REGARDING GST AMENDMENT.**

- (a) No Sir. None of the amendments carried out in the GST laws and rules aim to weaken the National Anti-profiteering Authority (NAA). To the contrary, Goods and Services Tax Council, in its 35th meeting held on 21.06.2019, made recommendations that would make NAA more effective in fulfilling its mandate to curb profiteering by businesses. It was recommended that a penalty equivalent to 10% of the profited amount shall be imposed on those businesses which do not pass on the benefit of reduction in rate of tax on any supply of goods or services or the benefit of input tax credit to the recipient by way of commensurate reduction in prices. GST Council has also recommended that the tenure of NAA be extended by two more years. Further, vide notification No. 31/2019 dated 28.06.2019, the Central Goods and Services Tax Rules, 2017 have been amended so as to provide:
- (i) NAA may summon any person whose attendance it considers necessary either to give evidence or to produce a document and it shall have power in any inquiry in the same manner, as provided in the case of a civil court under the provisions of the Code of Civil Procedure, 1908;
 - (ii) NAA may now pass order within six months (earlier three months) from the date of receipt of the report from Director General of Anti- Profiteering;
 - (iii) NAA may order levy of interest at the rate of 18% from the date of collection of higher amount till the date of deposit of such amount;
 - (iv) NAA may direct the Director General of Anti- Profiteering to cause investigation or inquiry with regard to other goods or services or both which are not part of the report of Director General of Anti- Profiteering.
- (b) No Sir, in view of the reply to part (a) above.
- (c) No Sir, in view of the reply to part (a) above.