

Kerala Screening Committee On Anti-profiteering Vs Saint Gobain India Pvt Ltd- Anti-profiteering

GST - Anti-Profiteering - Information was received that the respondent had profited on supply of 'Gypsum Board' by not passing on the benefit of GST rate reduction at the time of implementation of GST w.e.f. 01.07.2017 - It was alleged that the respondent had contravened the provisions of Section 171 of the CGST Act - The matter eventually reached the DGAP for detailed investigation u/r 129(1) of the CGST Rules, whereupon it was noted that in the pre-GST period, 2% CST + 12.5% Excise duty was leviable & w.e.f. 01.07.2017, the GST rate was fixed @ 28% - Thus, the DGAP noted that the GST rate had in fact increased and that the provisions of Section 171 were applicable only if there was reduction in tax rates - Hence no contravention of the provisions u/s 171 of CGST Act were noted.

Held - It is clear from a perusal of facts that there was no reduction in the tax rates - Instead, the rate of tax only increased during the post-GST period - Hence the allegation of profiteering is not sustainable as per Section 171 of the CGST Act 2017: NAA

- Application dismissed : NAA