

State Level Screening Committee On Anti-profiteering kerala Vs Ramraj Handlooms- Anti-profiteering

GST - Anti-Profiteering - Section 171 of the CGST Act, 2017 - Allegation is that the respondent had profited in the supply of 'Little Stars Dhoti (5-6)' by not passing on the benefit of reduction in the rate of tax at the time of implementation of the GST w.e.f 01.07.2017, invoices relied upon are one dated 09.05.2017 and other dated 24.10.2017.

Held: DGAP has in its report stated that in the pre-GST era, the rate of tax applicable on the product was CST @2% and there was no CEX duty in view of exemption notification 30/2004-CX; that post GST, the product attracted IGST @5%; that the unit base price of Rs.265/- had remained unchanged even after introduction of GST w.e.f 01.07.2017; that since the incidence of IGST post GST was @5% inasmuch as same being higher than the pre-GST incidence of @2%, the provisions of s.171 are not attracted - in view of the findings as reported, allegation of profiteering is not sustainable in terms of s.171 of the Act as there has been no reduction in the rate of tax - no merit in the application, hence dismissed: NAA

- Application dismissed : NAPA