

**Government of India  
Ministry of Finance  
Department of Revenue**

**LOK SABHA  
UNSTARRED QUESTION NO. 3761  
TO BE ANSWERED ON FRIDAY, MARCH 24, 2017  
CHAITRA 3, 1939 (SAKA)**

**ONLINE PURCHASE**

3761: SHRI BHANU PRATAP SINGH VERMA:

Will the Minister of Finance be pleased to State:

- (a) whether the Government is aware of the increase in online purchases;
- (b) if so, the details thereof;
- (c) whether the Government has set up a monitoring mechanism/propose to issue some guidelines to check case of tax evasion and illegal transactions through online purchase; and
- (d) if so, the details thereof and steps taken thereon?

**ANSWER  
MINISTER OF STATE IN THE MINISTRY OF FINANCE  
(SHRI SANTOSH KUMAR GANGWAR)**

(a) & (b): No such study has been conducted by the Government.

(c) & (d): Appropriate action against tax evasion is an on-going process. Such action under direct tax laws includes searches, surveys, enquiries, assessment of income, levy of taxes, penalties, etc. and filing of prosecution complaints in criminal courts, wherever applicable.

No Indirect Tax, namely, Customs Duty, Central Excise Duty and Service Tax is levied on online purchases. Trading of goods does not attract levy of Service tax, as it is included in the Negative List of Services under Section 66D of the Finance Act, 1994. Further, the goods, which are being traded, if imported/ manufactured, are cleared on payment of duty of Customs/ Central Excise, as the case may be, at the time of import/ clearance from the factory, respectively.

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