

**GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE**

.....
LOK SABHA

UNSTARRED QUESTION No. 736

TO BE ANSWERED ON 14TH DECEMBER, 2018/AGRAHAYANA 23,1940 (SAKA)

TAX IRREGULARITIES

736. SHRI. SHER SINGH GHUBAYA & DR. RAVINDRA KUMAR RAY:

Will the Minister of FINANCE be pleased to state:

- (a) whether investigation has been initiated against e-bay company;**
- (b) if so, the present status of the investigation and if not, the reasons therefor;**
- (c) Whether investigation officer has not approached the complainant so far and if not, the reasons therefor;**
- (d) Whether bills of Apple phone's sold since 2016 onwards have been called from e-bay company, so that it could be proved that e-bay has not committed tax irregularities and if so, the details thereof and if not, the reasons therefor; and**
- (e) the reasons for not initiating investigation in such matters.**

ANSWER

MINISTER OF STATE IN MINISTRY OF FINANCE

(SHRI SHIV PRATAP SHUKLA)

- (a) Yes,** an investigation has been initiated against M/s E-bay India Pvt Ltd (presently known as M/s Mintkart India Pvt Ltd), which is essentially about sale of an apple phone purportedly sold to one Sh Sachin Kumar on 07.08.2016, and is underway. This investigation was initiated on the basis of a reference received in the office of Minister of State(Finance) on 08.06.2018 from Shri Ravindra Kumar Ray, Hon'ble Member of Parliament (Lok Sabha) in respect of an alleged sale of Apple i-Phone without bill by the online company e-bay.
- (b)** Data of sale of mobile phones through E-bay India Pvt Ltd in proximate to the date of sale of mobile phone to Mr. Sachin Kumar on 07.08.2016 has been obtained and investigated. It emerges from investigation that on 07-08-2016

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only one 'Sony' mobile phone has been sold to one buyer named Mr. Sachin Kumar. No apple phone has been sold to any person named as Sachin Kumar, as per the records. The referred transaction of 'Sony ' phone was made by a vendor of Tamil Nadu, and the matter has been referred to VAT Department of Tamil Nadu.

- (c) **Yes**, attempts were made by the investigation team to contact Mr. Sachin Kumar, the purchaser of 'Sony' mobile phone. However, he could neither be contacted through phone nor was he available at his known address.
- (d) As informed at part (b) of the answer, the data of sale of mobile phones through E-bay India Pvt. Ltd in proximate the date of sale of apple phone to Mr. Sachin Kumar on 07.08.2016 has been obtained and analyzed. It is observed that M/s E-bay Pvt. Ltd themselves do not sell any goods but provide their network/platform to different vendors/sellers who use the network/platform of E-bay to sell their products. Since, M/s E-bay themselves are not selling any goods they are not chargeable to any VAT. However, further investigation regarding any suspected Service Tax Liability by M/s E-bay India Pvt. Ltd is underway.
- (e) All possible steps to investigate the matter have been taken and the investigation is in progress.
