

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

UNSTARRED QUESTION NO. 680

To be answered on Monday, July 24, 2023/Sravana 2, 1945 (Saka)

“CASES REGISTERED UNDER GST INVOICE FRAUDS”

680. SHRI ADALA PRABHAKARA REDDY:

Will the Minister of FINANCE be pleased to state:

- (a) the total number of cases registered under GST invoice frauds during the last five years, State/UT-wise;
- (b) the total number of persons arrested under the same;
- (c) the total amount of frauds detected and recovered under the same; and
- (d) the measures undertaken/being undertaken by the Government to curb such GST invoice related frauds?

ANSWER

**MINISTER OF STATE IN MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)**

(a), (b) and (c): The total number of cases registered by Central GST under GST invoice frauds during the period 2018-19 to 2022-23, State/UT wise, alongwith the amount detected, recovered and arrests made is as under:

State/UT	No. of cases	Detection (Rs. in Crore)	Realization (Rs. in Crore)	No. of persons arrested
Andaman & Nicobar Islands	0	0	0	0
Andhra Pradesh	490	667	386	9
Arunachal Pradesh	10	7	1	0
Assam	250	519	129	4
Bihar	185	698	25	0
Chandigarh	58	60	18	2
Chhattisgarh	591	1892	354	27
Daman & Diu and Dadra Nagar Haveli	53	118	18	3
Delhi	754	14901	780	139
Goa	39	13	4	0
Gujarat	4486	11949	1027	153
Haryana	3454	12488	833	94

Himachal Pradesh	98	340	21	0
Jammu & Kashmir	42	84	41	0
Jharkhand	315	1196	51	4
Karnataka	1076	4847	536	25
Kerala	202	529	34	9
Ladakh	0	0	0	0
Lakshadweep	0	0	0	0
Madhya Pradesh	458	978	202	16
Maharashtra	5021	30013	2215	272
Manipur	19	15	7	0
Meghalaya	30	53	11	0
Mizoram	3	1	1	0
Nagaland	10	16	0	0
Odisha	670	2357	108	17
Puducherry	22	28	2	0
Punjab	221	1621	140	57
Rajasthan	1151	5249	487	81
Sikkim	30	10	6	0
Tamil Nadu	2556	3894	362	90
Telangana	1113	3275	728	61
Tripura	71	98	5	0
Uttar Pradesh	758	9471	1131	91
Uttarakhand	189	2202	215	44
West Bengal	1829	5867	465	41
Grand Total	26254	115457	10346	1239

(d) Details of the measures taken by the Government to prevent GST invoice related frauds are as under:

1. Using robust data analytics and artificial intelligence to identify and track risky taxpayers and detect tax evasion;
2. Carrying out special all India drive to weed out fake/bogus registrations from 16.05.2023 to 15.07.2023;
3. Insertion of sub-rule (4A) in rule 8 of CGST Rules, 2017 to provide for risk based biometric-based Aadhaar authentication of registration applicants;
4. Amendment in rule 9 of CGST Rules, 2017 to provide for physical verification in high risk cases, even when Aadhaar has been authenticated;
5. Amendment in rule 10 A of CGST Rules, 2017 to provide for requirement of bank account to be furnished as a part of registration process to be in the name of the registered persons and obtained on PAN of the registered person and also linked with Aadhaar in case of proprietorship firm. Also, the GST Council in its 50th meeting has recommended further amendment in rule 10A to provide that the details of bank account will be required to be furnished within 30 days of grant of registration or before filing of GSTR-1, whichever is earlier;

6. Restriction on availment of ITC to invoices and debit notes furnished by the supplier in their statement of outward supplies;
7. Sharing of data with partner law enforcement agencies for more targeted interventions;
8. Reduction in threshold limit for issue of e-invoice for B2B transactions from Rs. 10 crore to Rs. 5 crore, w.e.f. 01.08.2023;
9. Restriction on generation of e-way bills by non-compliant taxpayers;
10. Making the beneficial owner liable for penal action and prosecution similar to that of actual supplier/recipient, in cases where a supply has been made without the issuance of an invoice, or invoice has been issued without supply, or excess ITC has been availed/distributed; and
11. Amendment in Section 83 of the CGST Act to provide that provisional attachment of property can be done in respect of any other person who has retained benefits of such transactions.
