GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE
LOK SABHA
UNSTARRED QUESTION No. 340
TO BE ANSWERED ON MONDAY, FEBRUARY 5, 2024/MAGHA 16, 1945 (SAKA)

AADHAAR-BASED AUTHENTICATION FOR GST REGISTRATION

340. Shri Maddila Gurumoorthy:

Will the Minister of FINANCE be pleased to state:-

(a) whether the Government has any plan to implement the pilot project of Aadhaar-based authentication for GST registration in Andhra Pradesh beyond the current testing phase;

(b) if so, the details thereof?

(c) whether the specific data analytics and risk parameters are being used to detect fake ITC in Andhra Pradesh;

(d) if so, whether these mechanisms are likely to be tailored further to address regional challenges and patterns and if so, the details thereof; and

(e) the manner in which the Government is ensuring adequate resources and training for GST officials in Andhra Pradesh to effectively combat sophisticated fraud schemes?

ANSWER

THE MINISTER OF STATE FOR FINANCE

(SHRI PANKAJ CHAUDHARY)

(a) and (b) Based on the recommendations of GST Council, sub-rule 4A has been inserted in Rule 8 of CGST Rules, 2017 to provide for risk based biometric-based Aadhaar authentication of registration applicants. The provisions of the said sub-rule has been made effective in the State of Gujarat vide Notification no. 27/2022-Central Tax dated 26.12.2022, in the State of Puducherry vide Notification number 31/2023-Central Tax dated 31.07.2023 and in the State of Andhra Pradesh vide Notification number 54/2023-Central Tax dated 17.11.2023.

(c) and (d) Various data analytic and artificial intelligence tools such as NETRA (Networking Exploration Tools for Revenue Augmentation), BIFA (Business Intelligence and Fraud Analytics) & ADVAIT (Advanced Analytics in Indirect Taxation) are being used to identify risky taxpayers, suspected of passing or availing fake input tax credit, including in the State of Andhra Pradesh.

Further, based on the feedback received from the field formations, these tools are updated/modified from time to time.

(e) Various training programmes are being conducted by National Academy of Customs, Indirect Taxes and Narcotics from time to time for GST officials, including that from the State of Andhra Pradesh, inter alia, on techniques for detection of frauds and prevention of tax evasion.

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