

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE
LOK SABHA

UNSTARRED QUESTION No. 3634

TO BE ANSWERED ON MONDAY, AUGUST 08, 2022/ SRAVANA 17, 1944(SAKA)

PAYMENT OF GST BY REGISTERED DEALERS

3634. SHRI KOTHA PRABHAKAR REDDY:

Will the Minister of FINANCE be pleased to state:-

(a) the details of the number of registered dealers coming under the Centre who did not pay a single rupee or paid very less as tax under the Goods and Services Tax (GST) since its implementation, State-wise;

(b) whether the authorities were plugging the loopholes in the tax collection mechanism and if so, the details thereof; and

(c) if not, the reasons therefor along with the violations noticed/action taken on each trader till date?

ANSWER

THE MINISTER OF STATE FOR FINANCE
(SHRI PANKAJ CHAUDHARY)

(a) In GST, the tax can be paid by the registered person either by debiting the electronic cash ledger or by debiting the electronic credit ledger. The details of active normal registered persons under Centre jurisdiction, who have paid NIL tax in cash under GST (that is, by not debiting any amount from electronic cash ledger) since its implementation, state-wise, are detailed in Table below.

Further, it is to mention that a large number out of such registered persons have discharged their entire GST liability through debit in their electronic credit ledger.

State/UT	No. of active tax payers
Jammu and Kashmir	9,522
Himachal Pradesh	8,971
Punjab	25,633
Chandigarh	1,520
Uttarakhand	20,922
Haryana	43,189
Delhi	55,810
Rajasthan	75,167
Uttar Pradesh	222,448

Bihar	110,354
Sikkim	874
Arunachal Pradesh	1,321
Nagaland	771
Manipur	1,090
Mizoram	855
Tripura	2,285
Meghalaya	2,617
Assam	24,321
West Bengal	54,229
Jharkhand	19,174
Odisha	34,662
Chattisgarh	14,391
Madhya Pradesh	37,965
Gujarat	82,441
Dadra and Nagar Haveli & Daman and Diu (UT)	737
Maharashtra	105,740
Karnataka	72,226
Goa	2,318
Lakshadweep	17
Kerala	23,994
Tamil Nadu	90,405
Puducherry	1,345
Andaman and Nicobar Islands	287
Telangana	42,686
Andhra Pradesh	31,793
Ladakh	686

(b) and (c) Government has taken a number of policy measures to curb GST evasion by fraudulent and unscrupulous persons. Government is using robust data analytics and artificial intelligence to identify and track tax evaders and timely appropriate action is taken against them to safeguard the interest of revenue. Some of the recent policy measures taken by the Government to plug the loopholes in tax collection mechanism are as under:

1. Provisions have been made for cleaning up the taxpayer base by strengthening verification of business entities through Aadhaar authentication for new registrations and physical verification of business premises, where Aadhaar is not authenticated. Further, additional grounds for cancellation of registration have been provided in the rules.
2. Centralized suspension of registrations pertaining to registered persons who default in timely filing of returns is being carried out.
3. Provisions have been made to restrict the generation of e-way bills by non-compliant taxpayers.
4. With effect from 01.01.2022, Input tax credit can only be availed by a registered person in respect of such invoices or debit notes which have been furnished by the supplier in

- the statement of outward supplies in **FORM GSTR-1** and details of which have been communicated to the registered person in **FORM GSTR-2B**.
5. With effect from 01.01.2022, a registered person is not allowed to furnish the details of outward supplies under section 37 in **FORM GSTR-1**, if he has not furnished the return in **FORM GSTR-3B** for the preceding tax period.
 6. Electronic invoicing system (e-invoice) has been made mandatory for all B2B transactions for businesses with turnover exceeding Rs. 20 crore w.e.f. 01.04.2022. Further, this limit is being reduced to Rs. 10 crore w.e.f. 01.10.2022.
 7. Beneficiary, who retains benefit or at whose instance 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, has been made liable for penalty similar to that of actual supplier/recipient.
 8. E-way bill has been integrated and tracking with RFID has been introduced. This would provide access to real time data of vehicle movements in order to keep a tab on GST evasion. Artificial intelligence tools such as NETRA (Networking Exploration Tools for Revenue Argumentation), BIFA (Business Intelligent and Fraud Analytics) & ADVAIT (Advanced Analytics in Indirect Taxation) based on network analysis have been implemented to identify risky taxpayers.
 9. Nationwide special drive is being carried out against unscrupulous entities for availing and passing on Input Tax Credit (ITC) fraudulently on the strength of fake/bogus invoices.
 10. In order to ensure comprehensive deterrent measure against GST evaders, the information of cases booked by CBIC is also shared with other agencies like CBDT for tracking suspicious transaction records and initiating action related to bogus expenditures, etc.
