



GOVERNMENT OF KARNATAKA
(Department of Commercial Taxes)



KGST.CR-35/2018-19

Office of the
Commissioner of Commercial Taxes
Vanijya Therige Karyalaya
Gandhinagar, Bengaluru-560009
Dated:25-09-2018.

COMMISSIONER OF COMMERCIAL TAXES CIRCULARS NO- 6 /2018-19

Sub:- KGST Act, 2017 Anti-profiteering cases inspection/examination and due courses of action thereon.

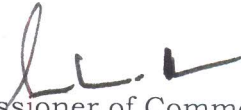
Ref:- D.O.letter No-NAA/2018/DO-22/432/dated: 13-08-2018 of Chairman National Anti-Profiteering Authority (GST), New Delhi

The Chairman of the National Anti-Profiteering Authority (GST), vide D.O. letter No-NAA/2018/DO-22/432/ dated:13-08-2018 has requested the of Commissioner Commercial Taxes to instruct the concerned jurisdictional officers to examine and oversee all the cases of GST rate reduction on ITC availability in their jurisdiction.

In light of the position of profiteering related complaints in the state of Karnataka and also the fact that the Commissioner is also mandated to raise issues related to alleged profiteering under section 128 of the CGST Rules, the Chairman had instructed that whenever there is reduction in the GST rates or extra ITC is made available, the jurisdictional commissioner should remain vigilant in respective area to ensure the passing on of all the benefit to the recipients. He has also instructed that to begin with the officers can start tracking major commodities or services in the respective area and in case of prima facie violation, the same can be raised at the level of state screening committee or standing committee.

In the view of the above, all the Joint Commissioners of Commercial Taxes (Enforcement) and the Addl. CCT, Enforcement, South Zone Bengaluru are here by instructed to inspect cases of dealing in the major commodity or services wherever there is reduction in GST rate applicable or extra ITC is made available in respect to the supply of such goods and services. The officers are instructed to verify whether the benefit received either in the form in the GST Rate reduction or by way of extra ITC on supply of such goods or services is passed on to the consumer by way of reduction in the price payable by such consumer and any case of profiteering is detected the same shall be reported to the State Screening Committee of Anti Profiteering Authority under Rule 128 of CGST Rules 2017.

The above instruction should be followed scrupulously.


Commissioner of Commercial Taxes,
(Karnataka), Bengaluru.
Commissioner of Commercial Taxes
Karnataka, Bangalore.