GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE
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RAJYA SABHA UNSTARRED QUESTION NO.2579
TO BE ANSWERED ON 16th JULY, 2019/ASADHA 25, 1941 (SAKA)

"Tax fraud detected under GST claims"

2579. Dr. K.V.P. RAMACHANDRA RAO:

Will the Minister of Finance be pleased to state–

(a)   Whether recent tax fraud cases indicate that there is a lacuna in the online filing of GST claims and claiming false input tax credit by fake invoicing and inflating their turnover by fake companies, if so the details thereof;

(b)   How many tax fraud cases were detected after GST regime and worth of fraud; and

(c)   Whether Government is taking steps to curtail this type of fraud?

ANSWER
MINISTER OF STATE IN MINISTRY OF FINANCE
(SHRI ANURAG SINGH THAKUR)

(a) No, Sir. There is no lacuna per se. However, **cases of tax credit by fake invoicing** have been detected by **Central GST formation(s).** The details are as under:

(Rs. In Crore)

S. No.	Period/Financial Year	No. of Cases	Amount	No of persons arrested
1	2017-18 (01.07.2017 to 31.03.2018)	05	12.67	02
2	2018-19	1620	11251.23	154
3	2019-20 (Up to June 2019)	666	2804.98	41

(b) The details of tax fraud cases detected are as under:

(Rs. In Crore)

	2017-18 (01.07.2017 to 31.03.2018)		2018-19		2019-20 (up to June 2019)	
	No. of Cases	Amount	No. of Cases	Amount	No. of Cases	Amount
Total cases detected	424	1216.02	7368	37946.41	1593	6520.40

(c) Yes, Sir. Various measures have been taken to curtail this type of fraud. Field formation(s) of CBIC, are sensitized to keep check on these kinds of activities and take necessary action. A specialized Directorate within the Central Board of Indirect Taxes and Customs (CBIC) engaged in Data Analytics & Risk Management disseminates analytical reports and intelligence inputs to field formations of CBIC for the purpose of scrutiny, audit and enforcement, to check GST evasion in general and fraudulent credit availment in particular. The GST Council has also approved the use of e-invoicing in B2B transactions.