

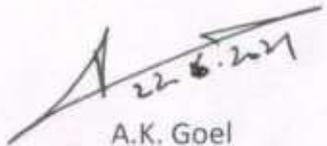
Office Memorandum

Sub: Reduction in the rates of tax – Anti-Profiteering provisions.

I have been directed to invite your kind attention to the recent amendments effected by the Government of India vide Notification dated 14/06/2021 vide which the rates of tax have been reduced and/or benefit of input tax credit has been permitted in respect of supplies of goods and services and to state that Section 171 of the CGST Act 2017 envisages that the benefit of tax-rate reduction and/or Input Tax Credit should be mandatorily passed on by the suppliers to recipients of the Goods and/or Services. The suppliers are, therefore, required to commensurately reduce the prices of each of the supplies of Goods and Services made by them so that the benefit of the reduction in tax rates and/ or of input tax credits is passed on to the recipients/ consumers.

In this context, I have been further directed to request you to take all possible steps envisaged under the GST Laws to ensure that the legislative intent of Section 171 of the CGST Act is complied with and to issue appropriate directions to your officers to take action as mandated under Section 171 of the CGST Act and wherever required, to utilise the powers conferred vide provisions of Section 67 (12) of the CGST Act for collection of evidence which may be required to take action against errant suppliers of various goods and services.

I have also been directed to request you to take up the complaints filed by common consumers on priority and to forward the same to the Anti-Profiteering apparatus as provide in Rule 123 of the CGST Rules, 2017, i.e. the State-level Screening Committees and the Standing Committee on Anti-Profiteering.


A.K. Goel
(Secretary, NAA)

To:-

1. All Principal Commissioners/ Commissioners of CGST through Chief Commissioners, CGST.
2. All CCTs of States/ Union Territories.
3. All Members of the Standing Committee on Anti-Profiteering.
4. All Members of the State-level Screening Committees of all States/ Union Territories
5. DGAP
6. Website of the National Anti-Profiteering Authority

Copy for information to

- a. PPS to Revenue Secretary
- b. PPS to Chairman, CBIC
- c. PPS to Secretary, GST Council