



# GST Council forms a Selection Committee under the Chairmanship of Cabinet Secretary to identify and recommend eligible persons for appointment as the Chairman and Members of the National Anti-profiteering Authority under GST

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The GST Council has formed a Selection Committee under the Chairmanship of Cabinet Secretary to identify and recommend eligible persons for appointment as the Chairman and Members of the National Anti-profiteering Authority under GST. The National Anti-profiteering Authority is tasked with ensuring the full benefits of a reduction in tax on supply of goods or services flow to the consumers.

When constituted by the GST Council, the National Anti-profiteering Authority shall be responsible for applying anti-profiteering measures in the event of a reduction in rate of GST on supply of goods or services or, if the benefit of input tax credit is not passed on to the recipients by way of commensurate reduction in prices. The National Anti-profiteering Authority shall be headed by a senior officer of the level of a Secretary to the Government of India and shall have four technical members from the Centre and/or the States.

The already notified Rules on Anti-profiteering measures provide that applications seeking to invoke anti-profiteering measures shall be examined by a Standing Committee. However, if the application relates to a local matter which the business is located in only one state, it shall be first examined by a State level Screening Committee. The Standing Committee is empowered to refer cases requiring detailed enquiry to Director General of Safeguards, CBEC who shall give his recommendation for consideration of the National Anti-profiteering Authority.

In the event the National Anti-profiteering Authority confirms the necessity of applying anti-profiteering measures, it has the power to order the business concerned to reduce its prices or return the undue benefit availed alongwith interest to the recipient of the goods or services. If the undue benefit cannot be passed on to the recipient, it can be ordered to be deposited in the Consumer Welfare Fund. In extreme cases the National Anti-profiteering Authority can impose a penalty on the defaulting business entity and even order the cancellation of its registration under GST.

The constitution of the National Anti-profiteering Authority is expected to bolster consumer confidence and ensure all stakeholders reap the intended benefits of GST.

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