

Rule 133 : Order of the Authority

- (1) The Authority shall, within a period of ¹[six] months from the date of the receipt of the report from the ²[Director General of Anti-profiteering] determine whether a registered person has passed on the benefit of reduction in rate of tax on the supply of goods or services or the benefit of input tax credit to the recipient by way of commensurate reduction in prices.
- (2) An opportunity of hearing shall be granted to the interested parties by the Authority where any request is received in writing from such interested parties.
- ³[(2A) The Authority may seek the clarification, if any, from the Director General of Anti Profiteering on the report submitted under sub-rule (6) of Rule 129 during the process of determination under sub-rule (1).]
- ⁴[(3) Where the Authority determines that a registered person has not passed on the benefit of the reduction in the rate of tax on the supply of goods or services or the benefit of input tax credit to the recipient by way of commensurate reduction in prices, the Authority may order-
- (a) reduction in prices;
 - (b) return to the recipient, an amount equivalent to the amount not passed on by way of commensurate reduction in prices along with interest at the rate of eighteen per cent. from the date of collection of the higher amount till the date of the return of such amount or

¹ Subs. for "three" by N. N. 31/2019-Central Tax, dt. 28-06-2019 w.e.f. 28-06-2019.

² Substituted for "Director General of Safeguards" Noti. No. 29/2018-Central Tax, dt. 06-07-2018 w.e.f. 12-06-2018.

³ Sub-rule (2A) inserted by Noti. No. 31/2019-Central Tax, dt. 28-06-2019 w.e.f. 28-06-2019.

⁴ Sub-rule (3) substituted by Noti. No. 26/2018-Central Tax, dt. 13-06-2018 w.e.f. 13-06-2018. Earlier to substitution it read as under:

"(3) Where the Authority determines that a registered person has not passed on the benefit of the reduction in the rate of tax on the supply of goods or services or the benefit of input tax credit to the recipient by way of commensurate reduction in prices, the Authority may order-

- (a) reduction in prices;
- (b) return to the recipient, an amount equivalent to the amount not passed on by way of commensurate reduction in prices along with interest at the rate of eighteen per cent. from the date of collection of the higher amount till the date of the return of such amount or recovery of the amount including interest not returned, as the case may be, in case the eligible person does not claim return of the amount or is not identifiable, and depositing the same in the Fund referred to in section 57;
- (c) imposition of penalty as specified under the Act; and
- (d) cancellation of registration under the Act."

Central Goods & Services Tax Rules, 2017

recovery of the amount including interest not returned, as the case may be;

- (c) the deposit of an amount equivalent to fifty per cent. of the amount determined under the above clause ⁵[along with interest at the rate of eighteen per cent. from the date of collection of the higher amount till the date of deposit of such amount] in the Fund constituted under section 57 and the remaining fifty per cent. of the amount in the Fund constituted under section 57 of the Goods and Services Tax Act, 2017 of the concerned State, where the eligible person does not claim return of the amount or is not identifiable;
- (d) imposition of penalty as specified under the Act; and
- (e) cancellation of registration under the Act.

Explanation—For the purpose of this sub-rule, the expression, “concerned State” means the State ⁶[or Union Territory] in respect of which the Authority passes an order.]

- ⁷[(4) If the report of the ⁸[Director General of Anti-profiteering] referred to in sub-rule (6) of rule 129 recommends that there is contravention or even non-contravention of the provisions of section 171 or these rules, but the Authority is of the opinion that further investigation or inquiry is called for in the matter, it may, for reasons to be recorded in writing, refer the matter to the ⁹[Director General of Anti-profiteering] to cause further investigation or inquiry in accordance with the provisions of the Act and these rules.]
- ¹⁰[(5) (a) Notwithstanding anything contained in sub-rule (4), where upon receipt of the report of the Director General of Anti-profiteering referred to in sub-rule (6) of rule 129, the Authority has reasons to believe that there has been contravention of the provisions of section 171 in respect of goods or services or both other than those covered in the said report, it may, for reasons to be recorded in writing, within the time limit specified in sub-rule (1), direct the

⁵ Inserted by Noti. No. 31/2019–Central Tax, dt. 28-06-2019 w.e.f. 28-06-2019.

⁶ Inserted by Noti. No. 31/2019–Central Tax, dt. 28-06-2019 w.e.f. 28-06-2019.

⁷ Sub-rule (4) inserted by Noti. No. 14/2018–Central Tax, dt. 23-03-2018 w.e.f. 23-03-2018.

⁸ Substituted for "Director General of Safeguards" Noti. No. 29/2018–Central Tax, dt. 06-07-2018 w.e.f. 12-06-2018.

⁹ Substituted for "Director General of Safeguards" Noti. No. 29/2018–Central Tax, dt. 06-07-2018 w.e.f. 12-06-2018.

¹⁰ Sub-rule (5) inserted by Noti. No. 31/2019–Central Tax, dt. 28-06-2019 w.e.f. 28-06-2019.

Central Goods & Services Tax Rules, 2017

Director General of Anti-profiteering to cause investigation or inquiry with regard to such other goods or services or both, in accordance with the provisions of the Act and these rules.

- (b) The investigation or enquiry under clause (a) shall be deemed to be a new investigation or enquiry and all the provisions of Rule 129 shall *mutatis mutandis* apply to such investigation or enquiry.]
-