GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE
RAJYA SABHA
UN-STARRED QUESTION NO. 1050
ANSWERED ON – 28.07.2026

“EVASION OF GST INPUT TAX CREDIT”

#1050. Shri Neeraj Dangi:

Will the Minister of FINANCE be pleased to state:

(a) the details of the perpetrators involved in Input Tax Credit fraud cases during the last three years, State-wise and sector-wise;

(b) the stringent measures being taken by Government to deal with cases of Input Tax Credit fraud during the said period;

(c) the number of fake GST registrations obtained through the misuse of forged PAN cards and Aadhaar cards; and

(d) the number of individuals arrested in such cases over the past three years and the number of masterminds still absconding?

ANSWER
MINISTER OF STATE IN MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)

(a): The details of the ITC fraud cases year wise and State/UT wise, for the last three years detected by Central Tax formations is given as Annexure-I to III. These cases of Input Tax Credit (ITC) fraud have been detected across diverse sectors dealing in both goods and services, including iron & steel, textiles, plastics, paper products, plywood, cement, copper and various service sectors such as Works Contract Service, Manpower supply services, Real Estate Services etc.

(b): The measures taken by the Government to deal with cases of ITC fraud are:

(i) In order to further streamline auto-population of ITC data in returns, the Invoice Management System (IMS) facility has been introduced on the GST portal in late 2024, to help recipient taxpayers manage incoming invoices more effectively. It allows recipients to accept, reject, or mark invoices as pending when these are saved or filed by their supplier taxpayers. With the implementation of IMS, registered recipients can now cross-verify and reconcile invoices reported by suppliers in their GSTR-1, thereby streamlining and strengthening the ITC claim process;

(ii) Two special drives, respectively for the period l6.05.2023 to 14.08.2023 and 16.08.2024 to 30.10.2024 were launched on all India basis both by Central as well as State tax administrations, for a concerted and coordinated action against fake registrations and fraudulent passing of ITC;

(iii) Biometric-based Aadhar authentication of GST registration applications has been extended on pan-india basis. Besides, it has been provided through amendment in rule 8(4A) of CGST Rules that an applicant who has not opted for Aadhaar authentication, will be required to visit GST Suvidha Kendra for taking of photograph and for document verification;

(iv) Filing of GSTR-1 has been made mandatory before filing of GSTR-3B for a tax period with effect from 01.10.2022. Also, sequential filing of GSTR-1 has been mandated w.e.f. 01.10.2022. Thus, GSTR-l as well as GSTR-3B has been made totally sequential tax period wise. This ensures that invoice details declared in GSTR-1 by the seller are used to auto-populate available ITC in GSTR-2B.

(c) and (d): The details of the fake GST registrations obtained through misuse of forged PAN cards and Aadhaar cards, no. of persons arrested and the no. of masterminds absconding are as under:

Period	No. of fake registrations obtained using forged PAN and Aadhaar cards	Detection (Rs. in Cr.)	No. of persons arrested	No. of masterminds absconding
2023-24	5699	15085	67	14
2024-25	3977	13109	50	2
2025-26	1517	9940	60	7

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ANNEXURE-I

ANNEXURE as referred in reply to part (a) of Rajya Sabha Unstarred Question No. 1050 (to be answered on 28.07.2026)

2023-24			
State/UT	No. of cases	Detection (Rs. In Crore)	No. of persons arrested
Andaman & Nicobar Islands	0	0.00	0
Andhra Pradesh	62	117.53	2
Arunachal Pradesh	50	63.99	0
Assam	247	187.81	0
Bihar	59	85.60	0
Chandigarh	20	83.52	0
Chhattisgarh	198	246.79	3
Daman & Diu and Dadra Nagar Haveli	55	111.39	1
Delhi	480	6522.60	31
Goa	24	37.54	0
Gujarat	1796	2549.52	28
Haryana	975	7216.92	22
Himachal Pradesh	56	88.36	0
Jammu & Kashmir	19	88.51	1
Jharkhand	124	278.29	1
Karnataka	266	1180.81	2
Kerala	105	228.52	0
Ladakh	0	0.00	0
Lakshadweep	0	0.00	0
Madhya Pradesh	309	578.40	6
Maharashtra	1784	6415.65	24
Manipur	19	23.30	0
Meghalaya	33	43.49	0
Mizoram	2	0.12	0
Nagaland	5	2.98	0
Odisha	73	499.19	3
Puducherry	1	1.37	0
Punjab	138	278.61	4
Rajasthan	394	1067.36	6
Sikkim	10	4.08	0
Tamil Nadu	222	1761.53	16
Telangana	525	1663.92	9
Tripura	69	43.14	0
Uttar Pradesh	271	2113.74	11
Uttarakhand	28	118.68	4
West Bengal	771	2670.10	8
TOTAL	**9190**	**36373.36**	**182**

ANNEXURE-II

ANNEXURE as referred in reply to part (a) of Rajya Sabha Unstarred Question No. 1050 (to be answered on 28.07.2026)

2024-25			
State/UT	No. of cases	Detection (Rs. In Crore)	No. of persons arrested
Andaman & Nicobar Islands	0	0.00	0
Andhra Pradesh	212	302.73	3
Arunachal Pradesh	33	148.18	0
Assam	89	569.04	2
Bihar	101	347.12	0
Chandigarh	10	33.50	0
Chhattisgarh	282	627.67	8
Daman & Diu and Dadra Nagar Haveli	225	142.55	0
Delhi	1183	12960.68	25
Goa	8	10.10	0
Gujarat	3281	3310.09	20
Haryana	1664	5952.87	10
Himachal Pradesh	12	420.80	2
Jammu & Kashmir	30	23.79	0
Jharkhand	144	774.42	1
Karnataka	610	2008.74	2
Kerala	28	110.82	2
Ladakh	1	0.51	0
Lakshadweep	0	0.00	0
Madhya Pradesh	360	1356.68	6
Maharashtra	3511	10808.47	37
Manipur	5	39.12	0
Meghalaya	3	14.22	0
Mizoram	1	0.00	0
Nagaland	12	138.87	0
Odisha	277	574.19	5
Puducherry	7	240.09	1
Punjab	80	540.62	10
Rajasthan	858	3746.88	4
Sikkim	16	90.67	0
Tamil Nadu	401	1024.87	8
Telangana	513	2878.22	0
Tripura	34	13.27	0
Uttar Pradesh	448	5149.69	19
Uttarakhand	62	116.74	0
West Bengal	782	4296.29	13
TOTAL	**15283**	**58772.51**	**178**

ANNEXURE-III

ANNEXURE as referred in reply to part (a) of Rajya Sabha Unstarred Question No. 1050 (to be answered on 28.07.2026)

2025-26			
State/UT	No. of cases	Detection (Rs. In Crore)	No. of persons arrested
Andaman & Nicobar Islands	8	66.37	0
Andhra Pradesh	240	1232.60	6
Arunachal Pradesh	7	83.19	0
Assam	118	310.57	6
Bihar	201	1162.53	2
Chandigarh	10	44.01	1
Chhattisgarh	356	1663.36	9
Daman & Diu and Dadra Nagar Haveli	345	177.24	0
Delhi	1197	10136.96	74
Goa	39	44.77	1
Gujarat	12511	12632.88	55
Haryana	694	2845.41	17
Himachal Pradesh	17	77.14	2
Jammu & Kashmir	34	7.60	0
Jharkhand	57	154.35	4
Karnataka	677	3063.26	6
Kerala	36	90.46	0
Ladakh	2	7.69	0
Lakshadweep	0	0.00	0
Madhya Pradesh	388	1703.70	3
Maharashtra	9629	18319.62	54
Manipur	3	56.60	0
Meghalaya	2	3.59	0
Mizoram	1	0.33	0
Nagaland	9	83.85	0
Odisha	427	1091.57	8
Puducherry	15	13.08	0
Punjab	324	2460.23	35
Rajasthan	391	895.64	5
Sikkim	38	138.71	0
Tamil Nadu	466	2424.65	20
Telangana	525	3154.84	12
Tripura	11	28.53	0
Uttar Pradesh	637	4751.97	25
Uttarakhand	78	200.15	0
West Bengal	669	5654.09	13
TOTAL	**30162**	**74781.56**	**358**