



## **FinMin clears air on binding nature of Council's recommendation post SC Mohit Mineral verdict**

In a unstarred question posed in Upper House of Parliament as to whether Supreme Court judgment in Mohit Minerals alters the constitutional mechanism of GST Council, FinMin clarifies that “recommendations of the GST Council...pertaining to rules, notifications and rates are binding on States and Centre” and “The judgment of Apex Court only augments this process”; Responding to the question by Dr. Amar Patnaik, Minister of State for Finance Shri Pankaj Chaudhary answers that “recommendations pertaining to GST laws are implemented through normal legislative process and to that extent the recommendations have a persuasive value. However, the State and Central Acts provide that rates, exemptions and rules etc. would be prescribed only on the recommendations of the GST council...”; Explaining the lucid structure of GST Council in the context of thousands of decisions made based on consensus and highlighting the objective of Council to maintain a harmonized structure of GST for a unified national market, Minister remarks “All the decisions in the GST Council are taken after detailed deliberations and, therefore, the recommendations of GST Council have been implemented by Centre and States without any change”: Minister of Finance