

## Defer GST roll-out as IT network not ready: Assocham to FM

PRESS TRUST OF INDIA  
New Delhi, 17 June

Industry chamber Assocham on Saturday demanded postponing GST implementation, saying that taxpayers will find it difficult to comply with the provisions of the new indirect tax regime as the IT network is not yet ready.

In a letter to Finance Minister Arun Jaitley, Assocham said existing assesseees have not yet migrated to the GSTN portal due to reasons like non-familiarity with IT tools as well as registration process.

It said that during the current phase of GST migration for existing assesseees, the server was constantly under maintenance.

"This raises huge question as to whether the IT infrastructure has been appropriately tested. It also raises questions as to whether this system can survive in the GST era

when it had undergone maintenance during the second phase of migration when the traffic was restricted only to migration," Assocham Secretary General D S Rawat said.

There are at present about 80 lakh excise, service tax and VAT assesseees, of which 64.35 lakh have already migrated to the portal of GST Network — the company readying the IT backbone for GST regime.

Migration window, which closed on June 15, will again open on June 25.

There were reports of glitches in the GSTN software for migration.

The industry chamber said that since the online return forms prepared by the Goods and Services Tax Network

(GSTN) will be ready only by end-June, there would be no tie left for the dry run with the revised IT software.

"This being the status of preparedness of the GSTN, the taxpayers would find it very difficult to comply with GST requirements from July 1, 2017... We believe that industry

deserves some more time and assistance to get prepared for GST implementation," Assocham said.

The GST is scheduled to be rolled out from July 1 and tax rates have already

been fixed for almost all goods and services.

The GST Council, chaired by Jaitley and comprising state finance ministers, will meet tomorrow to finalise rules on e-way bill and anti-profiteering provisions as well as review rates on certain items.

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## 17TH GST MEET

## Grievances, controversial bills on the agenda today

FE BUREAU  
New Delhi, June 17

**THE GOODS AND Services Tax (GST) Council** will take up controversial rules like anti-profiteering and e-way bills, among others, in its 17th meeting on Sunday. Additionally, the council is also likely to consider some of the representations made by various industry bodies with regards to rates.

The council will also likely approve draft rules related to advance ruling, appeals and revision, and assessment and audit along with GST rate for lottery, the only item without a rate till now.

The e-way bill rule has attracted criticism from various quarters, which have been mainly directed at the apparent cumbersome compliance involved. Many experts have also questioned the ability of the state to get the technological infrastructure in place for implementation of e-way bill rule.

"There are some major concerns relating to the e-way bill: The first is the issue of e-way bills to all kinds of goods, without a distinction between evasion-prone goods and others. The second is the technological require-

## DEFER GST AS TECH NETWORK NOT READY: ASSOCHAM TO FM

PRESS TRUST OF INDIA  
New Delhi, June 17

**INDUSTRY CHAMBER** Assocham on Saturday demanded postponing GST implementation, saying that taxpayers will find it difficult to comply with the provisions of the new indirect tax regime, as the IT network is not yet ready. In a letter to finance minister Arun Jaitley, Assocham said existing assesseees have not yet migrated to the GSTN portal due to reasons like non-familiarity with IT tools, as well as registration process.

It said during the current phase of GST migration for

existing assesseees, the server was constantly under maintenance. "This raises huge question as to whether the IT infrastructure has been appropriately tested. It also raises questions as to whether this system can survive in the GST era when it had undergone maintenance during the second phase of migration when the traffic was restricted only to migration," Assocham secretary general DS Rawat said. The body said since online return forms prepared by the GSTN will be ready only by June-end, there would be no time left for the dry run with the revised IT software.

ments for e-way bills to become a reality. We need the government to establish a technological roadmap for the implementation of e-way bills and help the logistics industry understand how to transition to this new medium of operation," Archit Gupta, founder and CEO of ClearTax, said.

Moreover, the council will likely discuss the contours of the anti-profiteering rule under the GST regime. Although the broad structure of the rule was discussed in a previous meeting, very little has been made public.

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## Grievances, controversial bills on the agenda today

As FE had reported earlier, the anti-profiteering rule could provide for businesses found guilty of profiteering to deposit a certain amount in the consumer welfare fund envisaged under GST.

"As far as expectations regarding the anti-profiteering rules are concerned, we still need clarity on how the rules will be levied and the organisations that will have the power to levy them. Also, businesses expect some flexibility in terms of profitability. The GST regime will inflate the cost of compliance which businesses may cover/set-off with excess input credit/reduction in tax rate. All of these doubts need to be clarified," Gupta added.

The industry expects that the Council would rationalise some more rates, as well as rules, for various sectors as was

done in the previous meeting. The Council had reduced rates for 66 items of the 133 representations it had received from the industry bodies.

Tax experts said the case for review of rates was strong for car leasing companies, fertiliser industry and transition stock rule for imported products.

## **Defer GST Rollout: Assocham**

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## Defer GST rollout as IT network not ready, Assocham writes to Jaitley

PRESS TRUST OF INDIA  
NEW DELHI, 17 JUNE

Industry chamber Assocham on Saturday demanded postponing of the Goods and Service Tax (GST) implementation, saying that the taxpayers will find it difficult to comply with the provisions of the new indirect tax regime as the Information Technology network is not yet ready.

In a letter to Finance Minister Arun Jaitley, Assocham said that the existing assesseees have not yet migrated to the the GSTN portal due to reasons including non-familiarity with IT tools as well as registration process.

It said that during the current phase of GST migration for existing assesseees, the server was constantly under maintenance.

"This raises huge questions as to whether the IT infrastructure has been appropriately tested. It also raises questions as to whether this system can survive in the GST era when it had undergone main-



tenance during the second phase of migration when the traffic was restricted only to migration," Assocham Secretary General D S Rawat said.

There are at present about 80 lakh excise, service tax and VAT assesseees, of which 64.35 lakh have already migrated to the portal of the Goods and Services Tax Network GST Network (GSTN)—the company readying the IT backbone for GST regime.

Migration window, which closed on 15 June, will again open on 25 June.

There were reports of traders

complaining of glitches in the GSTN software for migration.

The industry chamber said that since the online return forms prepared by the GSTN will be ready only by end-June, there would be no time left for the dry run with the revised IT software.

"This being the status of preparedness of the GSTN, the taxpayers would find it very difficult to comply with GST requirements from 1 July, 2017. We believe that industry deserves some more time and assistance to get prepared for GST implementa-

**Industry chamber has raised questions about IT infrastructure not being appropriately tested. It has also raised questions as to whether this system can survive in the GST era when it had undergone maintenance during second phase of migration when the traffic was restricted only to migration**

tion," Assocham said.

The new indirect tax regime is scheduled to be rolled out from 1 July and tax rates have already been fixed for almost all goods and services.

The GST Council, chaired by Jaitley and comprising state finance ministers, will meet on Sunday to finalise the rules on e-way bill and anti-profiteering provisions as well as review the GST rates on certain goods and items.



## Traders' body urges GST Council to revisit products under 28% slab

**PRESS TRUST OF INDIA**  
NEW DELHI, JUNE 17

A DAY before the GST Council meet, traders' body CAIT on Saturday demanded re-visiting the items put in 28 per cent slab and confine the top tax bracket to only luxury and demerit goods.

The all powerful GST Council, headed by finance minister Arun Jaitley and comprising state finance ministers, will meet tomorrow to finalise the tax rates on lottery as well as rules relating to e-way bill and anti-profiteering measures.

In a statement, the Confederation of All India Traders (CAIT) questioned the classification of goods placed under 28 per cent tax slab under the GST.

It urged the Union finance minister to re-visit this slab and confine it to only luxurious and demerit goods for which originally it was evolved.

"This slab has become a root cause of unrest among a section of the traders who are agitating for the past two days demanding reversal to a lower slab of their respective items placed under this category," said CAIT secretary general Praveen

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Khandelwal.

Such "anomalies, disparities and contradictions" in slabs and "ignorance" about basics of this indirect tax regime are distorting the spirit of a good taxation system that the GST is, he added.

The CAIT also urged the GST Council to suspend implementation of E-Way Bill for at least six months since most of the small businesses are quite unaware of these procedures which were a part of

Excise Act.

"They need breathing time to understand the system to make themselves compatible to comply," said confederation's national president B C Bhartia.

The CAIT has also urged that since cloth traders were never part of taxation system, an exemption of one year may be granted to them to understand the taxation system and make themselves compatible to comply with the law.

