



GOODS AND SERVICES TAX NETWORK

CMA SANDEEP KUMAR

Chairman, CMA Club India

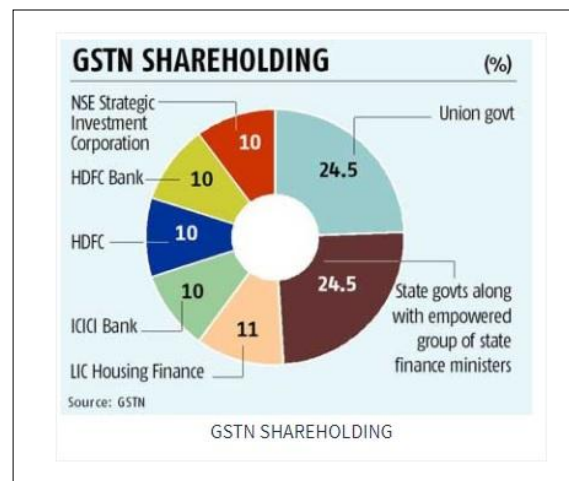
Goods and Services Tax Network (GSTN) is a non profit non-government company, which will provide shared IT infrastructure and service to both central and state governments including tax payers and other stakeholders. To become a trusted National Information Utility (NIU) which provides reliable, efficient and robust IT Backbone for the smooth functioning of the Goods & Services Tax regimen enabling economic agents to leverage the entire nation as One Market with minimum Indirect Tax compliance cost. It is a Section 8 of companies Act, non-Government private limited company. It was incorporated on March 28, 2013. The GST System Project is a unique and complex IT initiative. It is unique as it seeks, for the first time to establish a uniform interface for the tax payer and a common and shared IT infrastructure between the Centre and States. GST being a destination based tax, inter- state trade of goods and services (IGST) would need a robust settlement mechanism amongst the States and the Centre. This is possible only when there is a strong IT Infrastructure and Service back bone which enables capture, processing and exchange of information amongst the stakeholders including tax payers, States and Central Governments, Accounting Offices, Banks and RBI.

Who Owns the GSTN?

The GSTN is owned by the Government and Sector. The authorised capital of GSTN is Rs. 10 crore, in which the Government of India holds 24.5% equity in GSTN and all States of the Indian Union, including NCT of Delhi and Puducherry, and the Empowered Committee of State Finance Ministers (EC), together hold another 24.5%. Balance 51% equity is with non-Government financial institutions. The Company has been set up primarily to provide IT infrastructure and services to the Central and State Governments, tax payers and other stakeholders for implementation of the Goods and Services Tax (GST). Rests of the shares

of the GSTN are with private banking companies in the following pattern:

- Central Government – 24.5%
- State Governments – 24.5%
- HDFC – 10%
- HDFC Bank – 10%
- ICICI Bank – 10%
- NSE Strategic Investment Co. – 10%
- LIC Housing Finance Ltd. – 11%



Mission of GSTN

- Provide common and shared IT infrastructure and services to the Central and State Governments, Tax Payers and other stakeholders for implementation of the Goods & Services Tax (GST).
- Provide efficient Backend Services to the Tax Departments of the Central and State Governments on request.
- Provide common Registration, Return and Payment services to the Tax payers.

- d. Develop Tax Payer Profiling Utility (TPU) for Central and State Tax Administration.
- e. Partner with other agencies for creating an efficient and user-friendly GST Eco-system.
- f. Assist Tax authorities in improving Tax compliance and transparency of Tax Administration system.
- g. Encourage and collaborate with GST Suvidha Providers (GSPs) to roll out GST Applications for providing simplified services to the stakeholders.
- h. Carry out research, study best practices and provide Training and Consultancy to the Tax authorities and other stakeholders.

Major Function of GSTN

The following are major functions of the GSTN:

- a. Facilitating **registration** of vendors
- b. E-filing and forwarding the **returns** to Central and State tax authorities;
- c. Computation and settlement of IGST;
- d. Matching of tax **payment** details with banking network;
- e. Providing various MIS reports to Governments.
- f. Analysis of taxpayers' profile; and
- g. Running the matching engine for input tax credit

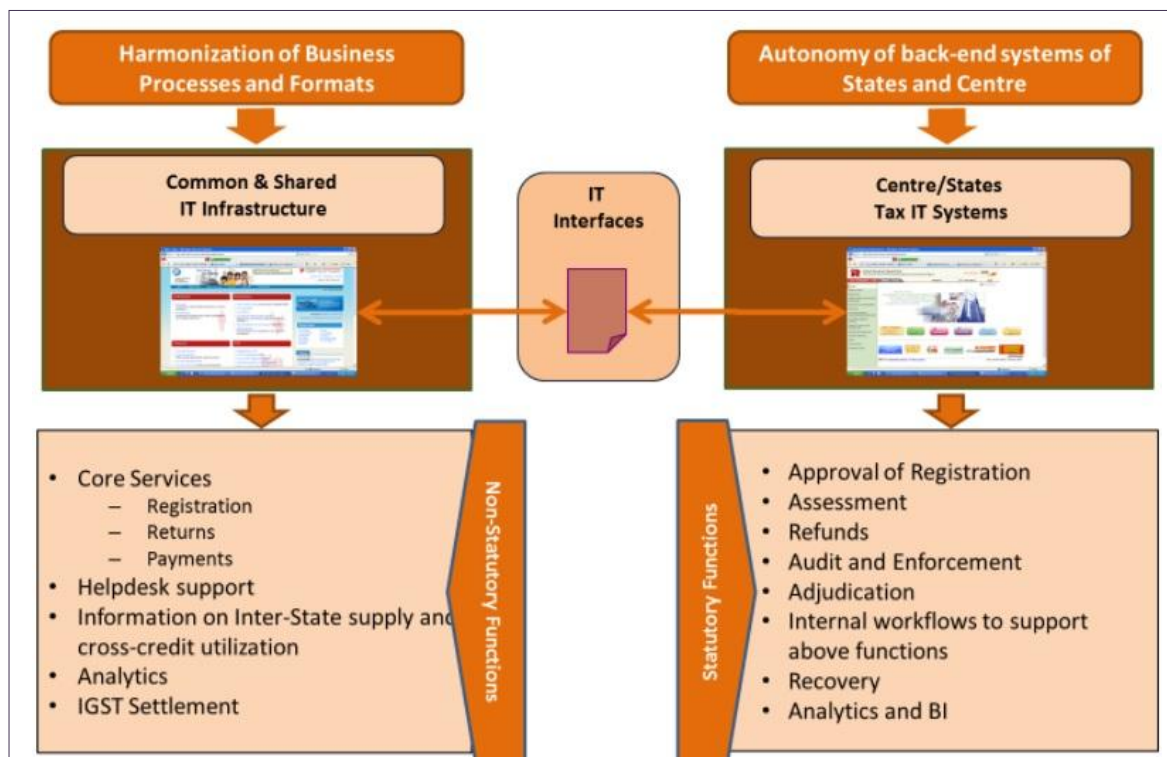
Board of Directors of GSTN

1. Dr. Ajay Bhushan Pandey, Chairman, GSTN
2. Shri Prakash Kumar, CEO, GSTN

3. Shri B. N. Sharma, Additional Secretary Revenue, Ministry of Finance
4. Smt. Meera Swarup, JS & FA, Dept of Revenue, Ministry of Finance
5. Shri Nitin K Jage, GM (Taxation), LIC Housing Finance Ltd.
6. Shri Bhavesh C Zehari, HDFC Bank Ltd.
7. Shri R Chandrashekhar, President, NASSCOM
8. Shri Anand Sinha, Retired Deputy Governor, RBI
9. Dr. C Chandramouli, Additional Chief Secretary, Govt. Of Tamil Nadu,
10. Shri Arun Goyal, Additional Secretary, GST Council
11. Shri S K Panda, Special Secretary and Member (IT), Dept of Revenue, Ministry of Finance
12. Shri Ajay Kumar Gupta, Senior GM, ICICI Bank Ltd.

GST IT Strategy: Role assigned to GSTN

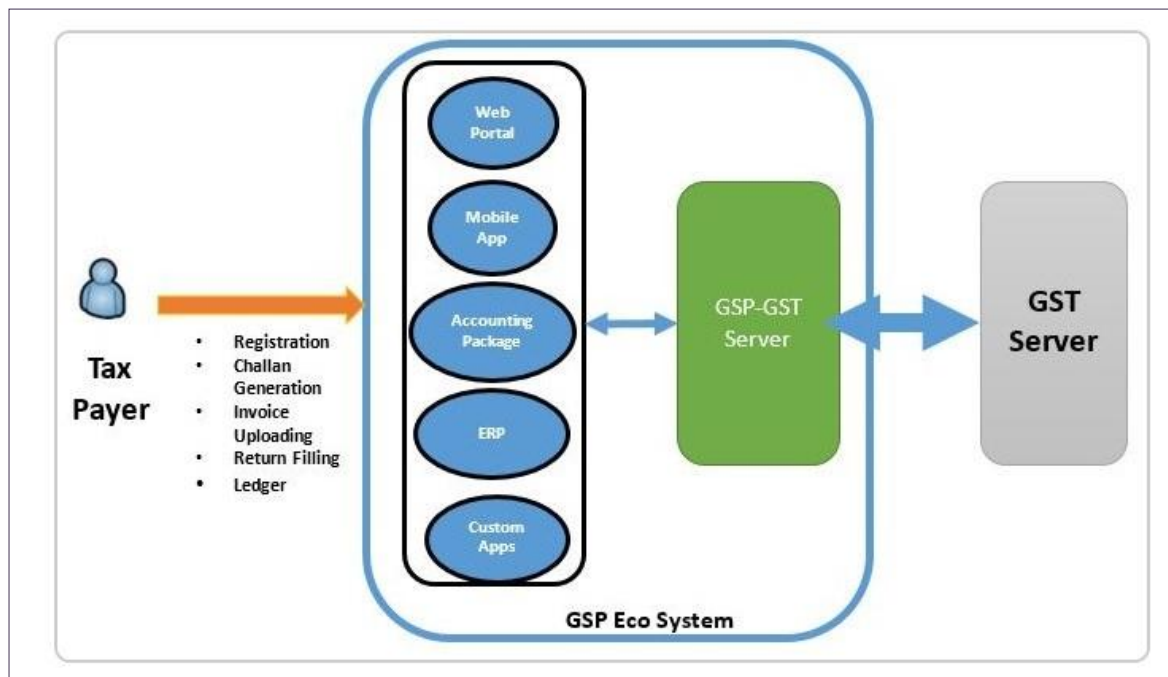
Creation of common and shared IT infrastructure for functions facing taxpayers has been assigned to GSTN and these are filing of registration application, filing of return, creation of challan for tax payment, settlement of IGST payment (like a clearing house), generation of business intelligence and analytics. All statutory functions to be performed by tax officials under GST like approval of registration, assessment, audit, appeal, enforcement etc. will remain with the respective tax departments. The diagram below shows the work distribution.



GST Suvidha Provider (GSP)

A GSP is a service provider who helps the taxpayer to comply with the provisions of the GST law through its web platform. Goods and Service Tax Network (GSTN) will receive the returns filed by companies through GST Suvidha

Provider. Indian Government has appointed 34 GST Suvidha Providers (GSPs) who will be allowed to develop simple applications to be used by taxpayers for interacting with GSTN.



List of GST Suvidha Providers

- Alankit Limited;
- Bodhtree Consulting Limited;
- Botree Software International Private Limited;
- Central Depository Services (India) Limited;
- Computer Management Services Private Limited;
- Cygnet Infotech Private Limited;
- Deloitte Touch Tohmastu India LLP;
- Ernst & Young LLP;
- Excellon Software Private Limited;
- Gofrugal Technologies Private Limited;
- Hazel Mercantile Limited;
- IRIS Business Services Limited;
- Karvy Data Management Services Limited;
- Mastek Limited;
- Masters India Private Limited;
- Motherson Sumi Infotech & Designs Limited;
- NSDL e-governance Infrastructure Limited;
- Ramco Systems Limited;
- Reliance Corporate IT Park Limited;
- Seshaasai Business Forms Private Limited;
- Shalibhadra Finance Limited;
- SISL Infotech Private Limited;
- Skill Lotto Solutions Private Limited;
- Spice Digital Limited;
- Sugal & Damani Utility Services Private Limited;
- Tally Solutions Private Limited;
- TATA Consultancy Services Limited;
- TAXMANN Publications Private Limited;
- Tera Software Limited;
- Trust Systems & Software (I) Private Limited;
- Vayana Private Limited;
- Velocis Systems Private Limited;
- Vertex Customer Management India Private Limited;
- WeP Solutions Limited.

Some News updates by GSTN

Date	GSTN News
07 Nov 2017	<p>GSTN develops robust system to handle last minute rush: CEO</p> <p>The Goods and Services Tax Network (GSTN), which went live on November 8, 2016 last year, has over the year improvised the system to help lakhs of businesses to pay taxes and file returns under the new GST regime every month. After a shaky first year of existence, GSTN CEO Prakash Kumar today said the company handling the IT backbone of GST has put in place a robust tax filing system that can withstand last minute rush.</p>

	<p>Relevant Data:</p> <p>More than 72 lakh businesses which were earlier registered with excise, service tax or VAT have already migrated to the GST regime, while over 30 lakh new businesses have come into the tax net.</p> <p>More than 13 lakh taxpayers filed their GSTR-3B return for August on the last day, September 20. Similarly, for GSTR-1, load on the network was close to 7 lakh.</p> <p>Since the roll out of GST on July 1, the GSTN portal has handled over 2.26 crore returns and collected revenue to the tune of Rs 2.78 lakh crore for the exchequer.</p>
05 Nov 2017	<p><u>GSTN LAUNCHES NEW FACILITY FOR EXPORTERS TO CLAIM REFUNDS</u></p> <p>GSTN said it has introduced a utility Table 6A in Form GSTR1 for exporters to claim refunds. An exporter can claim refund of IGST tax paid at the time of export by filling the details of shipping bill and tax paid GST invoice in his Form GSTR1 in the relevant month. The refund amount would be either credited to exporter's bank account through ECS or a cheque would be issued.</p> <p>Since for the months of August, September and October a number of taxpayers have filed return GSTR- 3B but as the dates for filing of GSTR-1 for August onwards have not yet been notified and GSTR1 has not been filed, therefore to enable exporters to file for refund, this functionality has been made available, the GSTN said.</p>
03 Nov 2017	<p><u>GSTN OFFLINE TOOL FOR RETURN FILING UNDER COMPOSITION SCHEME</u></p> <p>GSTN said it has launched an offline tool for filing of quarterly returns for taxpayers who opted for the composition scheme. The offline tool for preparation of GSTR-4 is available on GST portal and can be downloaded by taxpayers and tax consultants.</p> <p>"GSTR-4 return can be prepared only using the offline tool. This has been done to facilitate small businesses who can prepare the same on their own computers as per their convenience. Since they will be working offline, they do not need to be connected to the Internet.</p> <p>(Nearly 15 lakh businesses opted for composition scheme)</p>
03 Nov 2017	<p><u>GSTN LAUNCHES OFFLINE UTILITY FOR FILING PURCHASE RETURNS GSTR-2</u></p> <p>GSTN said it has launched an offline tool for filing purchase returns GSTR-2. The tool would allow taxpayers to export data of GSTR-2 to excel. This will be helpful in comparing this data with purchase register to take actions like accept, reject and modify.</p> <p>This new version of the offline tool for GSTR-2 is better than the previous one as it allows taxpayers to compare data with the purchase data.</p> <p>Nearly 21 lakh businesses have filed GSTR-2 for July. The last date for filing is November 30. Nearly 47 lakh businesses had filed a GSTR-1 or sales return, which has to be correspondingly matched with GSTR-2 or purchase returns.</p>

#Sources

www.gstn.org

www.businessstandard.com

www.business-standard.com

www.economicstimes.indiatimes.com