

THE HINDU BusinessLine

All mandatory testing done successfully for GST: MoS Finance

Our Bureau



President Pranab Mukherjee and Union Minister of State for Finance and Corporate Affairs Arjun Ram Meghwal at the Global Summit 2017 organised by The Institute of Cost Accountants of India. Photo: Debasish Bhaduri



Arjun Ram Meghwal, Union Minister of State for Finance (file photo). - Sandeep Saxena

Kolkata, June 29:

Trial runs of the GST Network – which provide the technology backbone for the new tax regime – have been successfully carried out and all the mandatory tests done, Arjun Ram Meghwal, Union Minister of State for Finance and Corporate Affairs, said here on Thursday.

According to him, human interface will be reduced once GST rolls out from July 1 and hence chances of corruption and inspector-raaj will come down.

“We have carried out the GSTN trial runs. The software has undergone all the mandatory tests,” he told reporters on the sidelines of the Global Summit 2017 organised by The Institute of Cost Accountants of India (ICAI).

Meghwal further added that return filing under GST will be simpler. “The return to be filed on the 10th of every month will be the main one. Subsequent ones will be generated automatically,” he said. Smaller traders and businessmen have been complaining that filing too many returns a month makes the system complicated for them.

“We are fully prepared to roll out GST,” Meghwal said.

According to the Union Minister, the Centre will consider all suggestions and feedback. Time to time review of the tax regime will also be done.

Reduced Logistics Cost

Elucidating the benefits of GST, Meghwal pointed out that logistics cost are set to go down under the new tax regime.

Typically, logistics costs here stand at 13.5 per cent; as compared to 8 per cent in developed countries. Similarly, a truck takes at least six days to reach Chennai from Jammu. Under GST, the truck will reach Chennai in one day. “Now imagine the cost savings. It will also improve ease of doing business,” he pointed out.

Earlier, Meghwal had asked ICAI members to set up help-desks and carry out awareness programs on GST.

Bengal’s Objections

Asked about West Bengal Chief Minister, Mamata Banerjee’s objections, Meghwal said the party and its MPs had supported the tax reform in the Parliament.

Banerjee and her party MPs will boycott the midnight launch programme too.

“I have nothing to say about TMC and Banerjee boycotting GST launch. The roll out happens as scheduled. But, yes, Bengal will benefit the most from the new tax regime as it is a destination-based tax,” he added.

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