

Shri Sushil Modi  
Deputy Chief Minister of Bihar  
And  
Chairman  
Empowered Group of State Ministers on G.S.T.

**Subject: Regarding implementation of GST.**

Sir,

Indian Industries Association (IIA) is an apex body of MSME having more than 5000 members. IIA is an active partner of the Government at State as well as Central levels for policy formulations related to industrial development. IIA is a member of various working groups of Planning Commission, Member of National Board of MSME, RBI Committees and Regional Committees of CBEC etc.

IIA has been advocating for implementation of Goods and Services Tax (GST) since long. We hope under your dynamic leadership this far reaching indirect tax reforms will be implemented at the earliest possible. For this we submit following suggestions recommendations for your kind consideration:-

1. The G.S.T. may be implemented in April 2012 as per schedule. It has already missed the deadlines of April 2010 and 2011.
2. The rate of tax should be uniform across the country and State Governments should not be allowed to fix different rates of Tax as is the case with VAT. The basic concept of VAT was also to maintain the rate of tax uniform in all states but this principle has been grossly flouted resulting in un-even completion.
3. As soon as G.S.T is implemented all other taxes e.g. Entry Tax, Additional Tax and CST etc. should be abolished completely. While implanting VAT, the Hon'ble Finance Minister had announced that CST will be phased out in two years. However, this commitment is still not fulfilled.
4. Registration/return formats - These formats should be without any complication and repetition of details but should be direct, simple and short.
5. Longer frequency for return filing – The business is always under the direct monitoring and surveillance of the officer of the jurisdiction and he knows the ups and downs of every dealer's business. Therefore, return filing is not very important at shorter intervals. More over it consumes the precious time of the dealer filing return every months, which would have otherwise utilized for the

growth of the business. Therefore, IIA proposes six monthly returns. Selected/identified few may be provided for quarterly returns if required.

6. Electronic return filing- Certified Service Centres and CA's have been proposed to be utilized for Electronic filing of the return. This is un-fortunate that if in any Act a particular professional or job doer is proposed for the service who like a public servant are not answerable to any one. Therefore, IIA proposes that the dealers may be allowed to file electronic return by themselves's if they can do so. If otherwise these facilities may be provided free of cost as arranged by the department itself.
7. Threshold limit- Threshold limit of the CGST and SGST should be Rs. 1.5 crore and Rs. 50 Lakhs respectively considering the economic down turn and up turn oft and on.
8. Compounding limit- Compounding limit between 25 Lakhs to 60 Lakhs is proposed by IIA.

Thanking you,

Yours faithfully

Manish Goel  
General Secretary