

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE

LOK SABHA UNSTARRED QUESTION NO- 1164

To be answered on Monday, November 25, 2019/ /Agrahayana 4, 1941 (Saka)

Shareholding of GSTN

1164. Shri Devusinh Jesingbhai Chauhan:

Will the Minister of FINANCE be pleased to state:

(a) whether it is true that 51 per cent shareholding of the Goods and Services Tax Network (GSTN) will be with 5 private companies and if so, the details thereof;

(b) the details of the logic of this shareholding pattern when 4 of these 5 companies are predominantly owned by foreigners and have huge foreign holdings;

(c) the reasons for not thinking of total 100 per cent investment by the Government with Central and State Governments when the entire investment is done by them;

(d) the details of amount that can be dependable to safeguard and implement GSTN when the bankers have failed to fix their business problems like NPAs; and

(e) whether the Government will review the shareholding pattern of GSTN and if so, the details thereof?

ANSWER

**MINISTER OF STATE IN MINISTRY OF FINANCE
(SH. ANURAG SINGH THAKUR)**

(a) to (e): The GST Council in its 27th meeting held on 4th May, 2018 resolved that GSTN will be converted into a 100% Government-owned entity by transferring 51% equity shares held by the Non-Government Institutions to the Centre and States equally. The Union Cabinet in its meeting held on 26th September, 2018 decided to convert GSTN into a fully-owned Government company with 50% equity of the company to be held by the Central Government and the balance 50% to be held by various States and Union Territories.

In pursuance to the above decisions, GSTN has already initiated the process of transfer of 51% equity of the company held by the Non-Government Institutions to the Centre and States equally. The necessary amendments in the company's Memorandum of Association (MOA) and Articles of Association (AOA) have been carried out and the modified MOA and AOA have also been approved by the GST Council. The Ministry of Corporate Affairs has also accorded its approval to the modified MOA and AOA on 22nd March, 2019 under the provisions of the Companies Act, 2013. The shareholders of GSTN in its Extra-Ordinary General Meeting (EGM) held on 21st June, 2019 has also accorded its approval to the modifications in MOA and AOA and transfer of shares by the Non-Government Institutions to the Centre and States.
