

**GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE
RAJYA SABHA**

UNSTARRED QUESTION NO. 3392

TO BE ANSWERED ON TUESDAY, AUGUST 9, 2021/SRAVANA 18, 1943 (SAKA)

“Streamlining of GST Mechanism”

3392. SHRI G. S. BASAVARAJ:

Will the Minister of FINANCE be pleased to state:

- a. whether it is true that even after a long span of time since the Goods and Services Tax (GST) regime was ushered in with much hype, the Government is still battling with streamlining the GST mechanism made vulnerable by claimants of drawback on fraudulent documents;
- b. if so, the details thereof;
- c. whether it is also true that after its launch and two weeks after the Government reviewed its functioning, technical glitches continue to mar the functioning of the new IT portal as certain key utilities like proceedings and digital signature certificate are not yet functional;
- d. if so, the details thereof; and
- e. whether the Government has asked the software developer and vendor of the system to set things right and if so, the time by which it will be done?

ANSWER

**MINISTER OF STATE FOR FINANCE
(SHRI PANKAJ CHOUDHARY)**

(a) & (b) Sir, The Goods and Services Tax [GST] mechanism does not pertain to claims of drawback. However, GST mechanism for claim of refund by Exporters is a streamlined process. Cases have been booked where Exporters have claimed refund of GST on the basis of fraudulent documents. The details are as under:

Year	No. of cases booked for fraudulent refunds	Quantum of ITC refund fraud detected (In Rs. Cr.)
2017-18 [w.e.f. July-2017]	56	72.99
2018-19	18	37.93
2019-20	171	799.78
2020-21	111	434.93
2021-22 [Upto June-2021]	13	313.55

Though, the interface for the taxpayers is on digital and software. However, tax evaders are known to commit fraud even on electronic platforms by way of mis-representation of facts like furnishing of fake credentials at the time of registration; by indulging in raising fake invoice to avail undue Input Tax Credit, etc. To prevent tax-evasion, various validations have been built in GSTIN/ CBIC system to weed out tax evaders.

(c) & (d) Most of the issues reported by tax payers pertain to non-availability or technical issues of certain functionalities or forms. Certain key functionalities like user profile, dashboard, filing of ITR 1,2 & 4, e-proceedings including Video conferencing requests, Digital Signing Certificate, viewing of old Income Tax returns, e-verification, e-PAN service, Aadhaar-PAN Linking, Adding Authorised Representative, etc. are available to the users

(e) The Income Tax Department is continuously engaged with Infosys to expedite the resolution of any pending issues. The Department has taken corrective measures through Infosys based on feedback from taxpayers, tax professionals and representatives of ICAI. Infosys has informed that technical issues noticed in the functioning of the portal are continuously being resolved.
