

<b>From</b>	<b>Karvy Data Management Services Ltd.</b>
<b>Date</b>	<b>April 05, 2018</b>
<b>Subject</b>	<b>Setting up of an IT Grievance Redressal Mechanism</b>
<b>Category</b>	<b>Circular</b>
<b>Reference</b>	<b>Circular No. 39/13/2018-GST dated 3rd April 2018</b>
<b>Series</b>	<b>Karvy/GST/63</b>

In order to address the difficulties faced by the taxpayers owing to the technical glitches on the GST portal it has been decided by CBEC to put in place an IT-Grievance Redressal Mechanism to provide relieve to the aggrieved taxpayers. The relief could be in the nature of allowing filing of any Form or Return prescribed in law or amending any Form or Return already filed.

**Summary of the grievance redressal mechanism published by CBEC vide Circular no. 39/13/2018 are provided below:**

<b>Sl. No.</b>	<b>Particulars</b>	<b>Description on the IT grievance redressal mechanism</b>
<b>1</b>	<b>Scenarios to be addressed in the IT Grievance Redressal Mechanism</b>	<p>→ Where an IT related glitch has been identified as the reason for failure of a class of taxpayer in filing of a return or a form within the time limit prescribed in the law <b>AND</b></p> <p>→ There are collateral evidences available to establish that the taxpayer has made bonafide attempt to comply with the process of filing of form or return</p>
<b>2</b>	<b>Scope of the IT Grievance Redressal Mechanism</b>	→ Problems which relates to Common Portal (GST Portal) and affect a large section of taxpayers.
<b>3</b>	<b>Scenarios outside the scope of IT Grievance Redressal Mechanism</b>	→ Where the problem relates to individual taxpayer, due to localised issues such as non-availability of internet connectivity or failure of power supply, this mechanism shall not be available.
<b>4</b>	<b>Manner of redressal to the grievance by the IT Grievance Redressal Committee</b>	→ GST Council has delegated powers to the IT Grievance Redressal Committee to approve and recommend to the GSTN the steps to be taken to redress the grievance and the procedure to be followed for implementation of the decision
		→ Any issue which needs to be addressed through this mechanism shall be identified by GSTN and the method of resolution approved by the GST Implementation Committee (GIC) which shall act as the IT Grievance Redressal Committee
		→ In GIC meetings convened to address IT issues or IT glitches, the CEO, GSTN and the DG (Systems), CBEC shall participate in these meetings as special invitees.
<b>5</b>	<b>Appointment of Nodal Officers to address the problem arising due to tech glitches faced by the taxpayers</b>	→ GSTN, Central and State government would appoint nodal officers in requisite number to address the problem a taxpayer faces due to glitches, if any, in the Common Portal. This would be publicized adequately.
<b>6</b>	<b>Manner of application on the grievance to the Nodal Officer</b>	→ Taxpayers shall make an application to the field officers or the nodal officers where there was a demonstrable glitch on the Common Portal in relation to an identified issue, due to which the due process as envisaged in law could not be completed on the Common Portal
		→ Such an application shall enclose evidences as may be needed for an identified issue to establish bonafide attempt on the part of the taxpayer to comply with the due process of law

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7	Actions to be taken by the Nodal Officer upon receipt of the application from the taxpayer	→ Such applications shall be collated by the nodal officer and forwarded to GSTN who would on receipt of application examine the same
8	Actions to be taken by the GSTN upon receipt of the application from the Nodal Officer	→ GSTN shall after verifying its electronic records and the applications received, identify the issue involved where a large section of tax payers are affected.
		→ GSTN shall forward the same to the IT Grievance Redressal Committee with suggested solutions for resolution of the problem.
9	Actions to be taken by the GST Council upon receipt of the suggestion from the GSTN	→ GST Council Secretariat shall obtain inputs of the Law Committee, where necessary, on the proposal of the GSTN and call meeting of GIC to examine the proposal and take decision thereon.
		→ The committee shall examine and approve the suggested solution with such modifications as may be necessary.
		→ IT-Grievance Redressal Committee may give directions as necessary to GSTN and field formations of the tax administrations for implementation of the decision.
10	Waiver of fine & penalty where a taxpayer fails to file a return or form prescribed in the GST law due the IT related glitches	→ Where an IT related glitch has been identified as the reason for failure of a taxpayer in filing of a return or form prescribed in the law, the consequential fine and penalty would also be required to be waived
		→ GST Council has delegated the power to the IT Grievance Redressal Committee to recommend waiver of fine or penalty, in case of an emergency, to the Government in terms of section 128 of the CGST Act, 2017 under such mitigating circumstances as are identified by the committee.
		→ All such notifications waiving fine or penalty shall be placed before GST Council.
		→ Where adequate time is available, the issue of waiver of fee and penalty shall be placed before the GST Council with recommendation of the IT-Grievance Redressal Committee.

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11	Resolution of stuck TRAN-1s and filing of GSTR-3B	→ A large number of taxpayers could not complete the process of TRAN-1 filing either at the stage of original or revised filing as they could not digitally authenticate the TRAN-1s due to IT related glitches. As a result, a large number of such TRAN-1s are stuck in the system
		→ GSTN shall identify such taxpayers who could not file TRAN-1 on the basis of electronic audit trail. It has been decided that all such taxpayers, who tried but were not able to complete TRAN-1 procedure (original or revised) of filing them on or before 27.12.2017 due to IT-glitch, shall be provided the facility to complete TRAN-1 filing
		→ It is clarified that the last date for filing of TRAN 1 is not being extended in general and only these identified taxpayers shall be allowed to complete the process of filing TRAN-1
		→ The taxpayer shall not be allowed to amend the amount of credit in TRAN-1 during this process vis-à-vis the amount of credit which was recorded by the taxpayer in the TRAN-1, which could not be filed.
		→ If needed, GSTN may request field formations of Centre and State to collect additional document/ data etc. or verify the same to identify taxpayers who should be allowed this procedure.
		→ GSTN shall communicate directly with the taxpayers in this regard and submit a final report to GIC about the number of TRAN-1s filed and submitted through this process.
		→ The taxpayers shall complete the process of filing of TRAN 1 stuck due to IT glitches, as discussed above, by 30th April 2018 and the process of completing filing of GSTR 3B which could not be filed for such TRAN 1 shall be completed by 31st May 2018.
12	Alignment of this circular issued by CBEC with the decisions of the Hon'ble High Courts of Allahabad, Bombay etc.	→ The decisions of the Honorable High Courts of Allahabad, Bombay etc., where no case specific decision has been taken, may be implemented in-line with the procedure prescribed above, subject to fulfilment of the conditions prescribed therein.
		→ Where these conditions are not satisfied, Honorable Courts may be suitably informed and if needed review or appeal may be filed.

Circular No. 39/13/2018-GST dated 3<sup>rd</sup> April 2018 may be viewed by clicking on this link:

<http://www.cbec.gov.in/resources//htdocs-cbec/gst/circularno-39-cgst.pdf>

For viewing the latest GST knowledge sharing documents by KARVY, click on this link: <https://www.karvygst.com/gst-knowledge>

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Karvy Data Management Services Limited (KDMSL), a GST Suvidha Provider which has developed ASP Solution for easing GST compliance for tax payers. Easy to use interfaces are made available at the disposal of the tax payers to simplify their compliances in terms of dashboards, MIS, returns, payments, refunds and other compliance process. So, 'HELP US HELP YOU' we offer following services for GST - GSP & ASP Services (on cloud or on premises) with ERP Integration and Vendor Management Solution. We also offer managed services for Outsourced GST Compliance which will take care of end to end compliances.

In India, GST Team of KDMSL are located in following cities: Hyderabad, Mumbai, Bangalore, New Delhi, Chennai, Pune and Kolkata. For more information about KDMSL service offerings, visit [www.karvygst.com](http://www.karvygst.com)

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