

Business Standard

Tea Board working on to make auction system GST-compliant

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With the new indirect taxation regime coming into effect from July one, 2017, the Tea Board is now working on how to make the present auction system compliant with the Goods and Services Tax (GST).

"Tea Board is facing a lot of challenges at the moment. The foremost one is how to make the present auction system compliant with the GST which will be implemented from July one this year", Tea Board Chairman P K Bezbaruah told PTI.

He said that in order to make the auctioning system GST-compliant, changes would have to be made in both the billing and despatch systems. The Tea Board was working closely with the sales tax departments of West Bengal and Assam along with with the Central Board of Excise and Customs (CBEC).

Bezbaruah said that other targets set by the Tea Board was relating to exports.

"The earlier export target of 300 million kgs seems to be unrealistic. So, the target has been revised to 270 million kgs by 2020", he said.

He also said that production of orthodox tea needed to increase. "The production target of orthodox tea has been set at 100 million kgs from north India".

With the Planning Commission no more existing, Tea Board was also working on the changes in the allocation of funds as per the medium-term framework (MTF).

Meanwhile, for the first time, the Tea Board had decided to bring out a white paper on the status of the industry and engaged Solidaridad to study the economy of tea gardens and companies, including the impact of wage increases on the cost of production.

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