



Project Report On

**“A Study of Indirect Taxation & Issue with
GST In INDIA”**

**(A Report Submitted In Partial Fulfilment of The
Requirement For The Degree Of Master of Commerce)**

**Submitted To
Savitribai Phule Pune University, Pune**

**Submitted by
Miss:- Jawale Shweta Popat**

Roll No:-15545

PRN No:-12223215289

Under The Guidance

Dr. Janardhan. K. Pawar

Though,

The Principal,

**Anekant Education Society's
Tuljaram Chaturchand College, Baramati (Autonomous)**

Academic Year

2023-2024



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College with excellence at par

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॥ सिद्धिर्नेकान्तान् ॥

Anekant Education Society's

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Date : 18/04/2024

Certificate

This is to certify that Mr./Mrs. Jawale shweta P. Class M.com II Semester IV
----- Division A has successfully completed the project entitled "A
study of Indirect Taxation and Issue with GST
in India."

during the academic year 2023-24 as a partial fulfillment for award of the degree 'Master of Commerce' and submitted to Tuljaram Chaturchand College of Arts, Science and Commerce, Autonomous, Baramati, affiliated to Savitribai Phule Pune University, Pune.

The said project is a result of original project work completed by Mr./Mrs. Jawale shweta Papat under my supervision and guidance in the subject 'Advanced Accounting and Taxation' and to the best of my knowledge and belief the work embodied in this has not formed earlier the basis for the award of any degree or similar title or any other examining body.

**Project Guide
Name and Signature**

**Dr. Janardhan K. Pawar
Head, Department of Commerce**

**Internal Examiner
Name and Signature**

**External Examiner
Name and Signature**

Declaration

I miss Jawale Shweta Papat hereby declare that this project in report entitled "A Study of Indirect Taxation & Issue with GST In INDIA" submitted to Savitribai Phule Pune University is my original work carried out by me under the guidance and supervision of my faculty guide ,Dr. Janardhan K. Pawar

The findings and the suggestions given are based on the data collected by myself. So I confidently declare that this is not a duplication work and it has not been previously submitted for the award of any other degree, diploma, associateship, fellowship or other similar title to any candidate of any University or Institution.

Place: Baramati

Date: 18/04/2024

Jawale S.P.
Signature Of Student,

Jawale Shweta

Acknowledgement

The gratification and joy that accompanies the Successful Completion of any task would be incomplete without the humble deep-felt expression of gratitude to the people who made it possible, because success is bridge between hard work and effort and above all encouraging guidance Support Firstly, I thanks to our Principal, Dr. Avinash Jagtap sir For providing the required facility, I also thankful to HOD of Commerce department Dr. Janardhan K. Pawar sir for providing us required Facilities, Constant Support and encouragement. Special thanks to Dr. Janardhan K. Pawar sir, for her inspiring guidance, Immense motivation, Constant encouragement & a Critical approach at every stage, till project work Complete successfully. We are also thankful all Staff member of department of Commerce and also thankful to my friends For helping me to complete my project work.

Place:- Bazumuti

Date:- 18/04/2024

Jawale S.P.

Signature

Jawale Shweta Popat

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CONTENT:- 1

INTRODUCTION



1.1 Introduction:-

The implementation of the Goods and Services Tax (GST) in India marked a significant shift in the country's indirect taxation landscape. Introduced in July 2017, GST replaced a complex web of state and central taxes with a unified tax regime aimed at simplifying the tax structure, enhancing compliance, and fostering economic growth. However, the transition to GST has not been without its challenges, and issues have emerged that warrant careful examination.

This research project aims to investigate the impact of GST on indirect taxation in India and identify the key issues that have arisen since its implementation. Indirect taxation plays a crucial role in the Indian economy, affecting businesses, consumers, and government revenue. Therefore, understanding the implications of GST and addressing its associated challenges are of paramount importance for policymakers, businesses, and other stakeholders.

The introduction of GST promised several benefits, including the elimination of cascading taxes, streamlining of tax administration, and the creation of a unified national market. However, the reality of GST implementation has been marked by complexities and operational challenges. Businesses have grappled with compliance requirements, technological glitches, and transitional disruptions, leading to concerns about the effectiveness and efficiency of the new tax regime.

Moreover, the impact of GST has been uneven across different sectors of the economy. While some sectors have benefited from the simplification and rationalization of taxes, others have faced adverse consequences. The research will delve into these sectoral dynamics to uncover the nuanced effects of GST on various industries, such as manufacturing, services, and agriculture.

In addition to examining the challenges associated with GST implementation, the research will also explore potential solutions and policy recommendations to address these issues. By shedding light on the complexities of indirect taxation in India and the challenges posed by GST, this study aims to contribute valuable insights to the ongoing discourse on tax reform and economic development in the country.

Goods and Services Tax (GST) is a comprehensive indirect tax that has transformed the tax structure in India. Introduced on July 1, 2017, GST replaced a complex system of multiple indirect taxes imposed by the central and state governments, aiming to streamline the taxation process, enhance economic growth, and create a unified market across the country.

GST operates on the principle of "One Nation, One Tax, One Market," and it seeks to eliminate the cascading effect of taxes, where taxes were levied at each stage of the supply chain, leading to increased costs for consumers. This new tax regime aims to simplify and rationalize the tax structure, making it more transparent, efficient, and conducive to business.

Under GST, various goods and services are categorized into different tax slabs: 5%, 12%, 18%, and 28%. Additionally, there is a special rate for precious metals and a lower rate for essential goods. This multi-tiered structure ensures that different commodities are taxed appropriately based on their nature and importance.

The implementation of GST brought several advantages. It has led to the harmonization of tax rates across the country, eliminating disparities between states. This has reduced tax evasion and increased compliance, thereby boosting government revenue. The introduction of a unified market has facilitated the movement of goods and services across state borders, promoting ease of doing business and encouraging investment.

However, the GST implementation also faced challenges. Businesses had to adapt to the new tax structure, leading to temporary disruptions. Smaller businesses initially struggled

to cope with the compliance requirements, prompting the government to introduce simplifications and thresholds to support them.

To aid compliance and administration, the GST Network (GSTN) was established, serving as a digital platform for taxpayers to register, file returns, and make payments. This technological infrastructure has played a crucial role in ensuring the smooth functioning of GST.

GST has had a significant impact on various sectors of the economy. The manufacturing and logistics sectors have benefited from reduced tax barriers, resulting in improved supply chain efficiency. The service sector, which constitutes a major portion of India's GDP, has also experienced positive changes due to simplified taxation.

In conclusion, Goods and Services Tax (GST) stands as a transformative step in India's tax history, ushering in a simplified and unified indirect tax regime. Its introduction aimed to create a single market, enhance tax compliance, and promote economic growth. While challenges were encountered during its implementation, GST has contributed to streamlining the taxation structure and fostering a more business-friendly environment, benefiting both consumers and enterprises alike.

EXCERPTS FROM THE ARTS AND CRAFTS

The Company is a firm of Chartered Accountants and Members of the Institute of Chartered Accountants of India. The Company is a member of the Institute of Chartered Accountants of India. The Company is a member of the Institute of Chartered Accountants of India.

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VISION

To offer exceptional services with total customer satisfaction in all aspects and strive to become a leader in the field of accounting and taxation services.

MISSION

- Provide the best quality of services
- Provide the best quality of services
- Provide the best quality of services
- Provide the best quality of services
- Provide the best quality of services
- Provide the best quality of services

CONTENT: - 2

COMPANY PROFILE

STATUTORY ACTS

The Company is a firm of Chartered Accountants and Members of the Institute of Chartered Accountants of India. The Company is a member of the Institute of Chartered Accountants of India. The Company is a member of the Institute of Chartered Accountants of India.

BANK ACCOUNTS

The Company has regularly obtained Statutory Audits of accounts from the Institute of Chartered Accountants of India, as well as from Registrar of Companies. We are also a member of the Institute of Chartered Accountants of India.

2.1 COMPANY PROFILE

S. S. Dhamne & Co. is a firm of Chartered Accountants and Member of the Institute of Chartered Accountants of India, Statutory Body established under the Chartered Accountants Act, 1949. The firm is practicing .

Since last 35 years in the field of Audit, Assurance and Advisory services to diverse Indian as well as Multinational Industries. The firm is backed by a dedicated, well experienced and committed team.

VISION

"To offer consistent, customized and workable solutions to clients and strive to support our services with the highest level of professionalism, efficiency and technology"

MISSION:

- Place the Interest of Clients before ours.
- Uphold High Standards of Honesty and Integrity
- Endeavour to Improve the Quality of Services.
- Excellence in Professional Services.
- Continuous Education and Training of Staff and Clients.

STATUTORY AUDITS

We are in the field of auditing since more than 35 years. We have a rich experience in Statutory Audit of Public Limited, Closely held Companies and Private Limited Companies as well as of Trusts, Partnership and Proprietorship firms.

BANK AUDITS

We have been regularly allotted Statutory Audits of various Banks by the Reserve Bank of India as well as from Registrar of Co-op Societies. We are duly with empanelled Reserve Bank of India

ADVISORY AND CONSULTANCY SERVICES

TAXATION SERVICES

We offer our rich experience and expertise of more than 35 years in matters of Direct Taxes - including Tax Planning, Assessment and Representation at various levels in the Income Tax Department. We have a well experienced and a dedicated team to look after taxation matter and a Senior Partner of the firm is heading the Taxation area of services and he enjoys a very good reputation amongst our clients and department.

ACCOUNTING AND INTERNAL CONTROL SYSTEMS SET-UP

Firm has fair experience of accounting activities which were initially carried out for some of the corporate entities/business houses and rendered excellent services in the field. Currently we have diversified into setting up of the Internal Controls systems for our Clients.

COMPANY RELATED MATTERS

The Company offers services in the field of Company Law matters pertaining to incorporation of the companies, filing various documents and records under the MCA21, maintenance of statutory records etc.

ONE STOP SERVICES

In today's competitive world it is inevitable for a company to make a detailed study for their future and plan properly for it. We provide specialized consultancy services with regard to financial management and infrastructural set up before starting up of a Unit.

PROJECT FINANCE

Prepare a business plan, cash-flow projections, budgets, and trading forecasts. Assess your finance requirements, advise on the best sources of finance, and draw up the necessary proposals. Establish a good working relationship with your bank. Decide on the most suitable sources of finance - personal capital, bank overdraft, long-term commercial loans and mortgages, venture capital, or equity capital.

VALUATION

We also offer services of Valuation of Equity shares, Goodwill and Business.

2.2 ABOUT THE COMPANY

S.S.DHAMNE & COMPANY CHARTERED ACCOUNTANTS

Shashikant Dhamne

B.Com.(Hons),LLB(Gen),FCA.

Managing Partner

General Biography :

He is Fellow of the Institute of Chartered Accountants of India, the Apex Accounting body in India. Having a practice set up at Chalisgaon (Dist. Jalgaon) , he offers professional services in Auditing, Taxes and Financial Management. His bright academic career fetched him an offer from the Reserve Bank of India for the post of Senior Officer.

However, he preferred to pursue a private practice. Simple living style with high service attitude to the less privileged is his motto. He is a mentor and motivator to many commerce graduates who are now holding different portfolios in the corporate world. He conducted number of workshops for business community regarding budget and taxes.

Rotary Service Activities (Include position held in rotary) :

He has been an active Rotarian for last 25 years and is Active PP and Paul Harris Fellow of RC Chalisgaon. He been awarded PRID Edul C. Eduljee trophy for OUTSTANDING CLUB PRESIDENT FOR EXCELLENCE of the year. He chaired many District committees e.g. Functional Literacy, World Community service (for 2 years in a row), Matching Grant and District Simplified Grant (for 4 years in a row). He successfully implemented District simplified Grant first time in the district.

The Rotary Foundation (TRF) has designated him as a "Member of The Rotary Foundation Humanitarian Grants of Technical Advisors". He served as the auditor and reviewer for three 3-H projects. He was also appointed as a Technical Reviewer for

Designated Revolving Loan Fund project submitted by the clubs of Pakistan, Philippines and Nepal.

He was prime project contact for seven matching grant projects. He took very 10 active part in Polio Eradication and community service project undertaken by the club. He was speaker at district conference and assemblies on important issues on many occasions.

Other Charitable Service Activities :

He is founder trustee of a renowned Charitable Organization and NGO K.S. Wani Memorial Trust which serves the less privileged people of Dhule and Nandurbar districts of Maharashtra.

He coordinated many projects of the trust projects which include Vocational Training in Printing Technology, Eye Hospital for Cataract and Glaucoma Treatment to the economically weaker section of the society, Residential school for hearing impaired children and day care rehabilitation center for Schizophrenia patients.

He supervised two movies co-produced by the Trust - Devrai (Sacred Grove) to create awareness about Schizophrenia and Ek Cup Chya (A Cup of Tea) on Right to Information. Both the films were screened at many international film festivals. Devrai won 15 awards at national and international level, including the silver medal from the President of India. Ek Cup Chya is released this year and has received more than 5 awards so far and it is expected to win many more before the end of the year.

CA Abhishek Dhamne

B.Com., ACA.

Managing Partner

He is a Commerce Graduate from Pune University and ASSOCIATE Member of Institute of Chartered Accountants of India. He has fair experience of Manufacturing, Infrastructure and Constructions Audits. His area of expertise is Audit and Assurance, Project Finance and Management Consultancy Services. He has completed his article ship from G. D. Apte & Co., Chartered Accountants, Pune. During his that tenure he was involved in various assignments of Mergers and Acquisitions, Due Diligence and Business Valuations.

He has presented an award winning paper in 9th National convention of CA students held at Rajkot on the subject of New Custom Valuation Rules, 2007. Presently, He is also representing few companies in Real Estate and Banking Sector in the role of Director.

A Chartered Accountancy (CA) Practicing Firm with qualified staff offers a wide range of services to its clients in the field of accounting, finance, and taxation.

The areas of expertise for a firm include:

1) Business Advisory:

Providing strategic and financial advice to clients, such as budgeting, forecasting, financial modelling, and performance analysis

2) Financial Reporting:

Assisting clients in preparing accurate and timely financial statements in accordance with accounting standards and applicable laws

3) Audit and Assurance:

Conducting financial audits, internal audits, and assurance engagements to provide independent verification of financial statements and internal controls.

4) Taxation Services:

Advising clients on tax planning, preparation, and filing of income tax returns, compliance with tax regulations, and handling tax-related issues.

5) Corporate and Secretarial Services:

Assisting clients in company incorporation, compliance with statutory requirements, and maintenance of corporate record.

6) Management Consulting:

Offering specialized consulting services to improve operational efficiency, streamline processes, and enhance overall business performance.

7) International Taxation:

Dealing with cross-border tax issues, transfer pricing, and advising on tax implications of international transactions.

8) GST (Goods and Services Tax):

Assisting clients with GST registration, compliance, and resolving GST-related matters.

9) Start-up and Entrepreneurial Services:

Assisting start-ups and entrepreneurs with accounting, tax planning, and financial management to support their growth and success.

10) Personal Financial Planning:

Offering personalized financial planning services to individuals, including retirement planning, investment advisory, and wealth management.

11) Mergers and Acquisitions:

Providing financial due diligence and advisory services during mergers, acquisitions, and business restructuring.

12) Non-profit and NGO Services:

Assisting non-profit organizations and NGOs with financial reporting, compliance, and grant management.

2.3 Top 5 CA Firms in India

1) Deloitte:-

Deloitte, in terms of Revenue, is the largest professional services network in the world. Also on the basis of a number of professionals, it is the largest professional services network in the world. Deloitte is known for providing audit, tax, consulting, enterprise risk and financial advisory services to more than 200,000 professionals in over 150 countries. They are the advisors to many of the world's most admired brands. The consulting services of industries work on the theory of 'providing practical perspectives and solutions to queries.'

Deloitte believes in "god to make it great!" they believe in 'helping clients to become Leaders'.

2) PWC:-

13 Price Waterhouse Coopers has been the world's second largest professional network in terms of revenue as surveyed in 2014 and one of the Big Four Auditors and stands neck to neck with Deloitte, EY and KPMG. The firm believes in helping resolve complex issues and identifies opportunities. People from all background such as arts, business, economics, engineering, finance, health, information technology and more are entertained.

3) KPMG:-

Having its global headquarters in amstelveen, Netherlands, KPMG has been considered as one of the largest professional services companies in the world. It is amongst the Big Four auditors, standing along with PWC, Deloitte and EY. The professionals employed with this firm. KPMG is 162,200 people and performs three services, viz. audit, tax, and advisory. The tax and advisory services provided by the firm are further divided into various services groups.

4) Ernst & Young:-

Ernst & Young abbreviated as EY is a multinational professional services firm having its headquarters in London, United Kingdom. In terms of revenue, it has been ranked as the world's third largest professional services firm surveyed in 2012 and is one of the four biggest audit firms

5) BDO International:-

BDO International stands at the fifth rank for providing the largest accountancy network in the world. It is a worldwide professional services network and one of the best public accountancy firms. It has its competency is in servicing national and international clients. 14 Following a survey conducted in 2014, September, BDO has its member firms in 151 countries and takes pride in employing around 60,000 partners and staff in 1,328 offices throughout the world.

2.4 Organization Hierarchy:-

Managing partner	CA Shashikant Dhamne CA Abhishek Dhamne
Managers	Three Managers
Employees	Eight
Article Assistance	Sixteen

CONTENTS-I

OUTLINE OF THE PROBLEMS

CONTENT:- 3

OUTLINE OF THE PROBLEMS

- Review the completed paper from the university.
- Confirm that all necessary data are clear and complete.
- Submit the GST credit form electronically through the GST portal.
- Payment of application.
- Try the net GST facility in the government if the paper is a digital form.
- Alternatively, check a record of the input tax is higher than the output tax.

3.1 Outline Of The Problems

1. Data Collection and Preparation:

Gather all relevant sales and purchase invoices. Organize and categorize transactions into appropriate GST tax rates. Verify the accuracy of the data.

2. Calculation of Tax Liability:

Calculate the output GST (tax collected on sales) for each tax rate. Calculate the input GST (tax paid on purchases) for each tax rate. Determine the net GST liability or refund amount. Filling out GST Return Form:

3. Access the GST portal or software:

Enter the data from sales and purchase invoices into the appropriate sections of the GST return form.

4. Verification and Reconciliation:

Cross-check the data entered with the original invoices and supporting documents. Reconcile any discrepancies and correct errors.

5. Submission:

- Review the completed return form for accuracy.
- Confirm that all necessary fields are filled out correctly.
- Submit the GST return form electronically through the GST portal.
- Payment (if applicable):
- Pay the net GST liability to the government if the output tax is higher than the input tax.
- Alternatively, claim a refund if the input tax is higher than the output tax.

6. Record Keeping:

Maintain copies of the filed GST returns and supporting documents for future reference and audits.

3.2 Compliance and Deadlines:

Ensure that the GST return is filed within the specified due date to avoid penalties.
Keep track of changes in GST regulations and update the filing process accordingly.

CONTENTS-I

RESEARCH IN METALLURGY

CONTENT:- 4

RESEARCH METHADODOLOGY

4.1 Introduction:

The Goods and Services Tax (GST) is a comprehensive indirect tax levied on the supply of goods and services in India. Since its implementation in July 2017, GST has brought about significant changes to the taxation system, aiming to streamline processes and create a unified tax structure. However, the system has encountered several challenges, particularly related to GST returns. This research proposal aims to investigate the issues surrounding GST return filing and suggest potential solutions.

4.2 Objectives:

To understand the GSTR 1 return and its filling procedure. To understand the GSTR 3 and its return forms, payment process. To understand how GST issues associated with GSTR 1 and GSTR 3. Methodology:

a) Data Collection:

Secondary data: Analysis of existing literature, reports, and official government publications i.e. Articles, Taxman publication, ICAI Books, GST website, etc.

4.3 Expected Outcomes:

- A comprehensive understanding of the challenges faced by businesses in GST return filing. Identification of common bottlenecks and issues in the GST return process.
- Insights into the impact of return-related challenges on business operations and government revenue.
- Recommendations for process improvements, policy changes, and technological enhancements to address GST return issues.
- Insights into international best practices that could be adapted to the Indian context.

4.4 Significance and Contribution:

This research will contribute to the existing literature by providing an in-depth analysis of GST return-related challenges and their implications. The proposed recommendations can potentially help policymakers, tax authorities, and businesses streamline the return filing process, enhance compliance, and optimize revenue collection.

4.5 Scope:-

This research project will focus primarily on analysing the implementation of the Goods and Services Tax (GST) in India and its impact on indirect taxation. The scope of the study includes:

1. Examination of the transition from the pre-GST indirect tax regime to the GST regime, including the rationale behind the introduction of GST and the legislative and administrative changes involved.
2. Assessment of the key features of the GST system, including its structure, tax rates, compliance requirements, and technological infrastructure.
3. Identification and analysis of the challenges and issues faced by businesses, taxpayers, and tax administrators in complying with GST regulations. This may include difficulties related to registration, filing returns, inv...

4.6 hypothesis

you could explore:

1. Comparative analysis of pre-GST and post-GST indirect tax structures.
2. Examination of the challenges faced by businesses in complying with GST regulations.
3. Assessment of the impact of GST on different sectors of the economy (e.g., manufacturing, services, agriculture).
4. Investigation into technological infrastructure readiness for GST implementation.

5. Analysis of GST revenue collection trends and their implications for fiscal policy.

4.7 OBJECTIVES :-

Sure, here are some potential objectives for your research project on the study of indirect taxation and the issues with GST in India:

1. To analyse the historical evolution of indirect taxation in India leading up to the implementation of GST.
2. To examine the theoretical framework of GST and its intended benefits compared to the previous indirect tax system.
3. To assess the effectiveness of GST in achieving its objectives of simplifying taxation, reducing tax cascading, and promoting economic growth.
4. To identify and analyse the key challenges and issues faced in the implementation and administration of GST in India.
5. To explore the impact of GST on various sectors of the Indian economy, including manufacturing, services, and agriculture.
6. To investigate the compliance burden and administrative challenges experienced by businesses under the GST regime.
7. To evaluate the revenue implications of GST implementation for the Indian government and its fiscal sustainability.
8. To examine the role of technology and digital infrastructure in facilitating GST compliance and administration.
9. To propose policy recommendations and reforms to address the shortcomings and improve the effectiveness of GST in India.
10. To contribute to the existing literature on indirect taxation and GST by providing empirical evidence and insights from the Indian context.

4.8 LIMITATIONS:-

Certainly, here are some potential limitations for your research project on the study of indirect taxation and the issues with GST in India:

1. *Data Availability:*

Limited availability of comprehensive and up-to-date data on GST implementation, compliance, and its impact across different sectors of the Indian economy may constrain the depth of the analysis.

2. *Time Constraints:*

The study may be limited by time constraints, especially if there is a need to conduct extensive primary research, such as surveys or interviews with stakeholders.

3. *Scope:*

Given the broad scope of the topic, there may be limitations in thoroughly covering all aspects of indirect taxation and GST issues within the confines of a single research project.

4. *Access to Experts:*

Access to experts in the field of indirect taxation and GST implementation may be limited, which could impact the depth of analysis and interpretation of findings.

5. *Complexity of GST:*

The complexity of the GST framework, including its multi-tiered structure and frequent policy changes, may pose challenges in understanding and analyzing its implications comprehensively.

6. *Policy Changes:*

Ongoing policy changes and amendments to the GST framework by the Indian government may render some aspects of the study outdated or less relevant over time.

7. ***Generalizability:***

Findings and conclusions drawn from the study may have limited generalizability beyond the Indian context due to the unique characteristics of the country's tax system and economic environment.

8. ***Language Barriers:***

Language barriers in accessing relevant literature and data sources, particularly those published in regional languages, may limit the inclusivity of the study.

9. ***Bias:***

Potential bias in data sources, such as government reports or industry-sponsored studies, could impact the objectivity and reliability of the findings.

10. ***External Factors:***

External factors such as geopolitical events, economic fluctuations, or changes in global trade dynamics may influence the outcomes of the study and its ability to draw definitive conclusions.

CONTENT:- 5

REVIEW OF LITERATURE

5.1 GST Website:

Goods and Services Tax (GST) is a comprehensive indirect tax reform that was introduced in many countries, including India, with the aim of streamlining the tax structure and eliminating cascading effects. While GST has brought about significant benefits, such as simplification of the tax regime and increased tax compliance, it has also been accompanied by certain challenges, particularly related to the filing and processing of GST returns. The GST return filing process involves taxpayers submitting details of their sales, purchases, and tax liability to the tax authorities. This information is then used to calculate the taxes owed or refunds due. One of the main issues with the GST return process is its complexity.

Businesses must file multiple returns, including GSTR-1 (outward supplies), GSTR-2 (inward supplies), and GSTR-3 (final tax liability). This complexity can lead to errors and confusion, especially for small and medium-sized enterprises (SMEs) with limited resources. Another challenge is the technical glitches and online portal-related issues faced by taxpayers during the filing process. The digital infrastructure required for efficient GST filing has faced teething problems, causing delays and frustration for taxpayers. Technical glitches and portal downtime can lead to missed deadlines and non-compliance, resulting in penalties and legal repercussions. Furthermore, the stringent timelines for filing GST returns can create a burden for businesses, especially those with complex supply chains. The need to reconcile and match data from various suppliers and vendors can be time-consuming and prone to errors.

This issue is compounded by the lack of a seamless integration between different enterprise resource planning (ERP) systems used by businesses, making data reconciliation a challenging task. The mismatch between invoices uploaded by suppliers and recipients is another recurring problem. Discrepancies in invoice details can lead to input tax credit (ITC) being denied, impacting the working capital of businesses. The reconciliation process becomes labour-intensive as taxpayers need to communicate with their suppliers to rectify these mismatches, further adding to compliance costs. To address these challenges, tax authorities have taken steps to simplify and streamline the GST return filing process.

The introduction of the GST Return Simplification Scheme, under which a single monthly return (Form GST RET-1) is filed instead of multiple returns, aims to reduce the compliance burden on taxpayers. The scheme also includes the auto-population of certain fields based on the details uploaded by suppliers, reducing the likelihood of errors.

5.2 GST News In Times of India:

"GSTN issues advisory on time limit for reporting invoices on the IRP Portal"-

14 Sep 2023 The GSTN has issued an advisory to inform you that it has been decided by the Government to impose a time limit on reporting old invoices on the e-invoice IRP portals for taxpayers with AATO greater than 100 crores and taxpayers in this category will not be allowed to report invoices older than 30 days on the date of reporting."

"E-Invoice bulk download functionality is now live on the GST eInvoice Portal-

04 Oct 2023 The GSTN has issued an advisory to inform that e-Invoice JSON download functionality is now live on the GST e-Invoice Portal. Additionally, this functionality allows to download all e-invoices reported across all six IRPs (Invoice Registration Portals), i.e. complete data.

"Functionality to issue intimation under Form DRC-01C has been implemented

on the GSTN portal - 06 Oct 2023 The Government inserted Rule 88D in CGST Rule, 2017 dealing with difference in input tax credit available in GSTR-2B and ITC availed in GSTR3B by issuing of intimation in Form DRC-01C. The GSTN issued advisory to announce that the functionality has now started operating on the GST portal.

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Taxmann Publications Blogs:

- Returns Under GST

Every statute requires the registered person to file the return in such format and within such time as may be prescribed in the specific statute. In the same line, the GST Act makes the provisions for furnishing of information by taxable person through filing of returns.

In GST, returns are self-assessed by the registered persons. A taxable person can take help of GST Practitioner in filing returns etc. He can file return through GST Suvidha Providers (GSP)

Types of GST Returns:

(a) GSTR-1: GSTR-1 requires the taxpayer to furnish details of outward supplies or sales.

(b) GSTR-2: "GSTN issues new advisory for timely filing of GST Returns

GSTN has observed that some taxpayers faced difficulty in filing GSTR-3B of March 23' period on 20th April 2023. Taxpayers are therefore advised to file their Form GSTR- 3B well in advance to avoid last day rush. Taxpayers are advised to inculcate a month-wise return filing discipline for all the B2B invoices for the month and avoid reporting invoices of the past period in one go, as such behaviour can adversely impact the queue (waiting time) on the GST system.

CONTENT:- 6

DATA ANALYSIS & INTERPRITATION

Goods and Services Tax (GST) is a consumption-based tax that was introduced in many countries, including India, as a comprehensive indirect tax on the supply of goods and services. It aims to replace multiple taxes levied by the central and state governments and streamline the tax structure. GST has a significant impact on data analysis, particularly when it comes to GST returns.

6.1 Introduction to GST:

GST is a value-added tax levied on the final consumer. It is designed to be a destination-based tax, where the tax is collected at the point of consumption rather than the point of origin. GST subsumes various taxes like excise duty, service tax, central sales tax, and VAT.

6.2 GST Return:

A GST return is a document that contains details of income, expenses, and other necessary tax-related information that taxpayers need to file with the tax authorities. The return provides a summary of transactions undertaken by the taxpayer during a specific period. The frequency of filing returns depends on the type of taxpayer and their turnover.

6.3 Types of GST Returns:

There are several types of GST returns based on the type of taxpayer and their activities. Some common types include:

- GSTR-1: Outward supplies made by the taxpayer.
- GSTR-3B: Summary of outward and inward supplies along with the payment of taxes
- GSTR-2A: Details of inward supplies auto-populated from the GSTR-1 of the supplier.
- GSTR-9: Annual return providing a comprehensive view of the taxpayer's financial year.

Data Analysis in GST and Return:

Data analysis plays a crucial role in GST and its return process. Here's how:

Fraud Detection:

Analysing the data from GST returns, tax authorities can identify anomalies, inconsistencies, and potential cases of fraud. Patterns that indicate under-reporting of sales or over-claiming of input tax credits can be detected through data analysis.

Matching of Invoices:

GST returns involve reconciling the data provided by the supplier with the data of the recipient to ensure accuracy. Automated data analysis techniques can be employed to match invoices, identify discrepancies, and prevent tax evasion.

Input Tax Credit Verification:

Businesses can claim input tax credit on taxes paid for inputs used in the supply chain. Data analysis helps verify whether the claimed credits match the actual transactions and adhere to the rules.

Compliance Monitoring:

Regular analysis of GST returns helps in monitoring the compliance of businesses with tax regulations. Non-compliant entities can be identified and appropriate actions can be taken.

Trend Analysis:

By analysing historical data from GST returns, authorities can identify trends in revenue collection, sector-wise contributions, and economic growth, aiding in policy decision-making.

System Improvements:

Insights from data analysis can lead to system improvements. If certain types of errors or discrepancies are consistently identified, the GST filing system can be updated to prevent those issues.

Introduction

The purpose of this study is to investigate the effects of the proposed system on the performance of the participants. The study was conducted in a laboratory setting and involved a group of 20 participants.

Methodology

Participants

The participants were recruited from a local university and were assigned to two groups: the experimental group and the control group. The experimental group consisted of 10 participants, and the control group consisted of 10 participants.

Procedure

The procedure involved a pre-test phase to familiarize the participants with the system. The main experiment was conducted over a period of four weeks, with participants performing the task daily. The data was collected and analyzed at the end of the study.

Results

The results showed that the experimental group performed significantly better than the control group. The improvement was statistically significant, indicating that the proposed system had a positive effect on performance.

Conclusion

In conclusion, the study demonstrated that the proposed system is effective in improving performance. The results suggest that the system can be used as a tool to enhance the skills of participants in this domain.

It is recommended that further research be conducted to explore the long-term effects of the system and to investigate its use in other contexts.

The authors would like to thank the participants and the staff of the laboratory for their assistance during the study.

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Risk Assessment:

Data analysis can help tax authorities assess the risk level associated with various taxpayers. High-risk entities can be subjected to more thorough scrutiny.

6.4 Challenges in Data Analysis of GST Returns:

Data Volume:

The sheer volume of GST returns filed can be enormous, making efficient data storage and analysis a challenge.

Data Quality:

Ensuring the accuracy and quality of data submitted by taxpayers is crucial for meaningful analysis.

Data Security:

Given the sensitive nature of financial data, ensuring data security and privacy is of utmost importance.

Automation:

Automating the analysis process is essential for identification of issues and anomalies.

Procedures of GSTR1:

- 1) Log in and navigate to the GSTR-1 return.
- 2) Select quarterly or monthly GSTR- 1 filing.
- 3) Download and edit e-invoice data (if applicable)
- 4) Enter details for the current tax period in the various tiles
- 5) Generate the GSTR-1 summary
- 6) Preview the GSTR-1
- 7) Acknowledge and submit the GSTR-1 return

6.5 OUTWARD SUPPLY:-

CNC SEPT 2023								
OUTWARD SUPPLY								
SR NO	GSTN	INVOICE NO	DATE	TOTAL VALUE	TAXABLE VALUE	IGST	CGST	SGST
1	09ABEFS2045Q1ZO	CNC/23-24/52	20.09.2023	32214				
2	05AACCH1914R1ZF	CNC/23-24/53	26.09.2023	31034	27300	4914		
3	07AADFA7284R1ZS	CNC/23-24/49	13.09.2023	24780	26300	4734		
4	06AADCB4527D1Z4	CNC/23-24/54	30.09.2023	29736	21000	3780		
5	06AASFG2485M1ZQ	CNC/23-24/50	14.09.2023	7316	25200	4536		
6	06AHGPB3364H1ZN	CNC/23-24/47	12.09.2023	15930	6200	1116		
7	08BGQP89266A1ZB	CNC/23-24/43	07.09.2023	14160	13500	2430		
8	09AALCP7826M1ZL	CNC/23-24/51	20.09.2023	12036	12000	2160		
9	27AAACE5491L1ZA	CNC/23-24/46	07.09.2023	11073.12	10200	1836		
10	06AADCB4527D1Z4	CNC/23-24/48	13.09.2023	32096	9384		844.56	844.56
11	07AATPS8223N1ZS	CNC/23-24/44	07.09.2023	23010	27200	4896		
12	07AADFA7284R1ZS	CNC/23-24/45	07.09.2023	5605	19500	3510		
TOTAL				2,38,990.12	2,02,534.00	34,767.00	844.6	844.6

6.6 INWARD SUPPLY:-

GSTRN	PARTY NAME	INVOICE NO	DATE	INVOICE VALUE	TAXABLE VALUE	IGST	CGST	SGST	CESS
07AADCI5564C2ZO	Hakuna Matata Retail Private Limited	HMR/24299	07-09-2023	1050.92	890.61	160.31	0	0	0
27AAACU2414K1ZF	AXIS BANK LIMITED	FIN2509234236680	24-09-2023	118	100	0	9	9	0
07AFIPN2442N1ZS	Surveer Singh Negi	124/ACS/23-24	06-09-2023	6844	5800	1044	0	0	0
27DHLPS6711P1ZG	UJWALA SACHIN SASANE	232400040	22-07-2023	1100	932.2	0	83.9	83.9	0
07AAACP1595Q1ZU	PARMA & PARMA INDIA PRIVATE LIMITED	PP/OK/23-24/4530	15-09-2023	697	590	106.2	0	0	0
09AAGPA4594D2ZT	AJIT AGRAWAL	FY23-24/0492	12-09-2023	61818	52387.75	9429.8	0	0	0
09AAGPA4594D2ZT	AJIT AGRAWAL	FY23-24/0512	16-09-2023	11406	9666.25	1739.93	0	0	0
09AAGPA4594D2ZT	AJIT AGRAWAL	FY23-24/0519	20-09-2023	15346	13005.5	2340.99	0	0	0
09AAGPA4594D2ZT	AJIT AGRAWAL	FY23-24/0538	26-09-2023	31562	26747.25	4814.51	0	0	0
27ADWFS715181ZQ	Suryatantra Enterprises LLP	STE/306/23-24	18-09-2023	10856	9200	0	828	828	0
TOTAL				140797.92	119319.56	19635.7	920.9	920.9	0

6.7 Process of GSTR-3B:

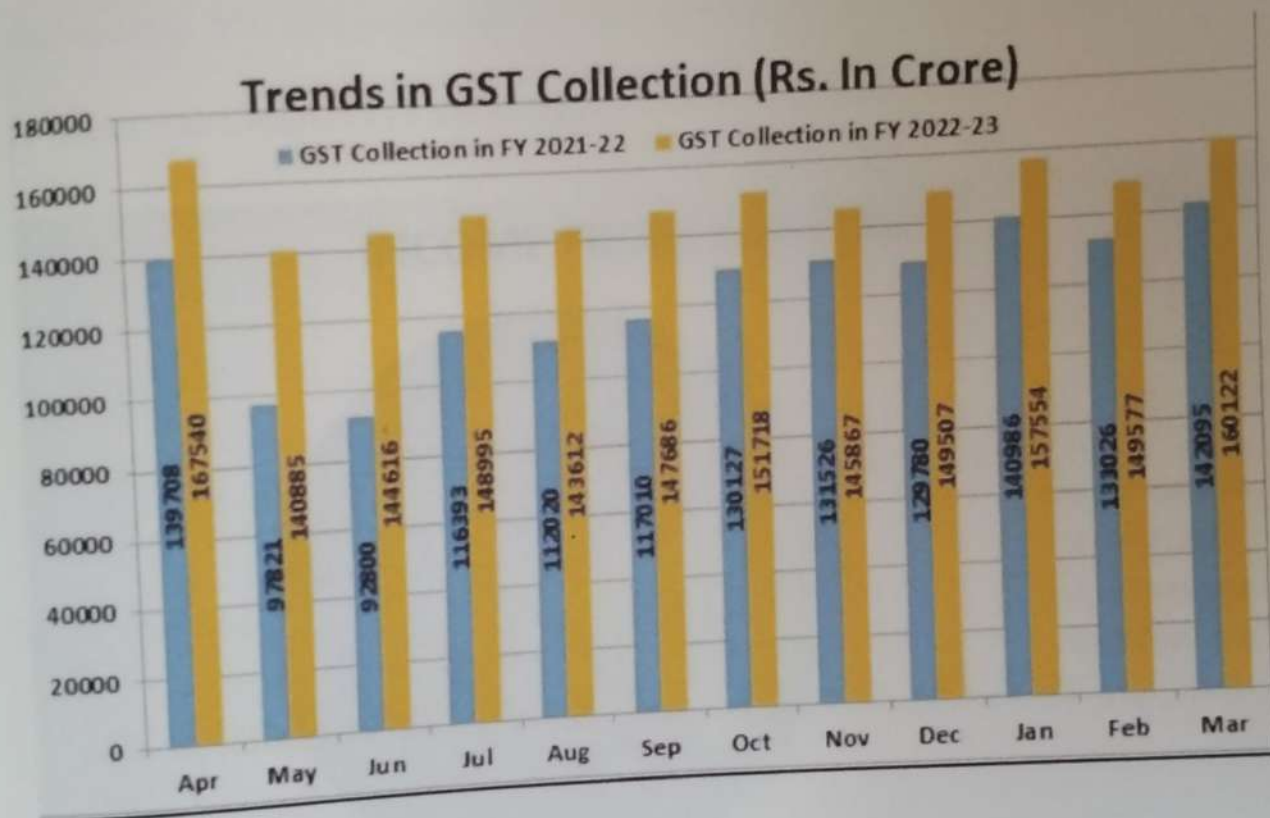
- 1) Access the WWW.GST.GOV.IN URL
- 2) Click the Services > Returns > Returns Dashboard option
- 3) The File Return page is displayed
- 4) To file Nil return
- 5) To file Non- Nil return: The System Generated Summary for GSTR3B is displayed.

6.8 GST 3B WORKING:-

GSTR 3B WORKING			
	IGST	CGST	SGST
OUTWARD SUPPLY	34767	844.56	844.56
ITC AVAILABLE			
INWARD SUPPLY	19635.74	920.9	920.9
PAYABLE	15131.3	-76.34	-76.34
	14978.32		

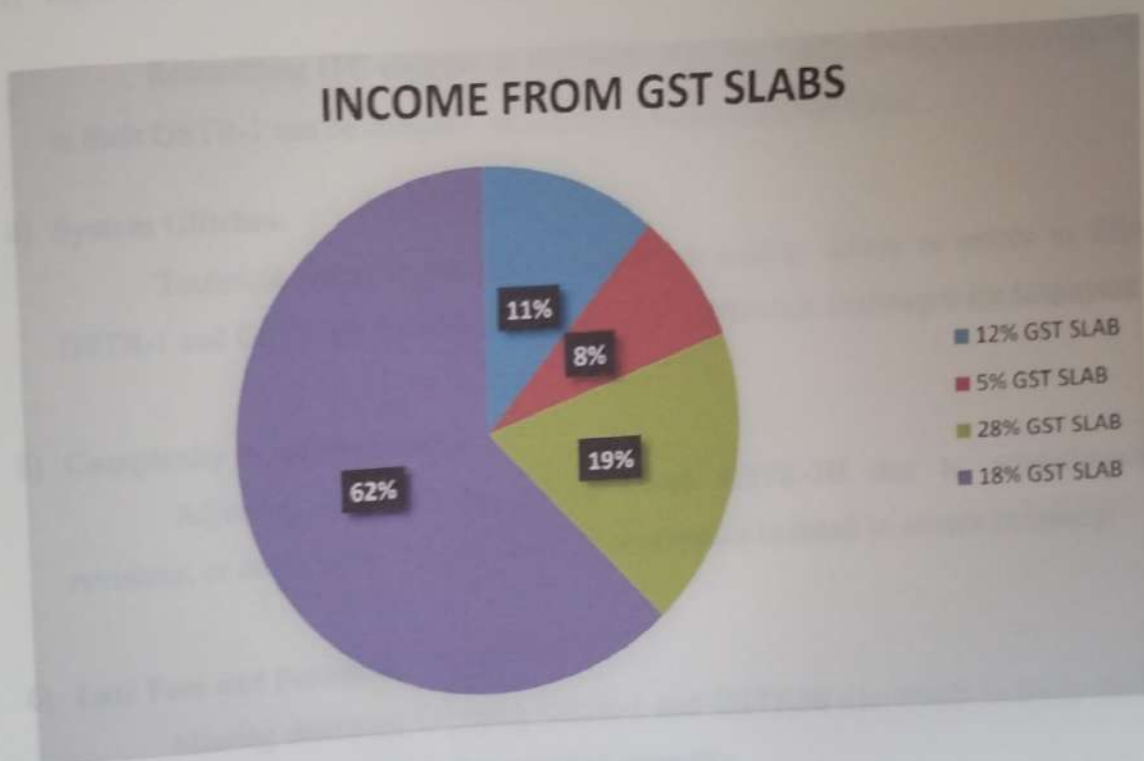
6.9 TOTAL REVENUE OF GST IN INDIA:

The gross GST Collection in FY 2021-22 post COVID-19 pandemic outbreak are showing an increasing trend. This was stated by Union Minister of State for Finance Shri Pankaj Chaudhary in written reply to a question in Lok Sabha.



6.10 GST SLABS IN INDIA:

1. Dairy products, Unpacked food grains - 0%
2. Essential goods - 5%
3. Common use items - 12%
4. Standard goods - 18%
5. Luxury goods - 28%



ISSUES RELATED WITH GSTR1 AND GSTR3B:

1) Data Discrepancies:

Often, there are discrepancies between GSTR-1 (outward supplies) and GSTR-3B (summary of sales and purchases). Reconciling these can be challenging.

2) Time Sensitivity:

GSTR-1 requires monthly or quarterly filing, while GSTR-3B needs to be filed monthly. This creates pressure to submit accurate data within strict deadlines.

3) Input Tax Credit (ITC) Matching:

Reconciling ITC claimed in GSTR3B with the details furnished by suppliers in their GSTR-1 can be complex, especially in cases of mismatches.

4) System Glitches:

Technical issues in the GSTN portal can lead to delays or errors in filing GSTR-1 and GSTR-3B, causing frustration and compliance challenges for taxpayers.

5) Complexity in Adjustments:

Adjusting data between GSTR-1 and GSTR-3B due to amendments, revisions, or credit notes requires meticulous attention to detail to ensure accuracy.

6) Late Fees and Penalties:

Missing deadlines for filing GSTR-1 and GSTR3B can result in hefty fines, especially if discrepancies are not rectified promptly.

7) Data Reconciliation Challenges:

Large volumes of transactions make it difficult to manually reconcile data between GSTR-1 and GSTR-3B, increasing the risk of errors.

8) Compliance Burden for Businesses:

Small and medium-sized enterprises (SMEs) often struggle with the compliance burden of filing both GSTR-1 and GSTR-3B accurately and on time.

9) Lack of Automation:

Limited automation tools for data reconciliation between GSTR-1 and GSTR-3B increase the manual effort required, leading to inefficiencies and potential errors.

10) Audit and Scrutiny Risks:

Inconsistencies between GSTR-1 and GSTR3B may trigger scrutiny by tax authorities during audits, potentially resulting in additional compliance requirements or penalties.

CONTEXT-7

FINDINGS, SUGGESTIONS & CONCLUSION

CONTENT:- 7

FINDINGS , SUGGESTION & CONCLUSION

Complexity in Return Filing:

One of the significant challenges faced by taxpayers is the complexity of the GST return filing process. GST involves multiple types of returns (GSTR-1, GSTR-3B, GSTR-9, etc.), each requiring different details and formats. This complexity often leads to confusion and errors during filing.

Technical Glitches:

Many countries implementing GST have experienced technical glitches in their online portals for return filing. These glitches range from slow processing to system crashes, making it difficult for taxpayers to file returns accurately and on time.

Inadequate IT Infrastructure:

The success of GST implementation heavily relies on robust IT infrastructure. In several cases, countries struggled with outdated or inadequate technological systems, leading to inefficiencies in return processing and compliance enforcement.

Compliance Burden on Small Businesses:

Small businesses often face challenges in adapting to the new GST return filing system due to limited resources and technological capabilities. Compliance becomes a burden, potentially affecting their competitiveness and growth.

Mismatch and Reconciliation Issues:

Mismatch between sales and purchase data reported by different taxpayers can lead to discrepancies in return filing. Reconciliation of such data often becomes a time-consuming and complex task.

Suggestions:

Simplified Return Filing:

Governments should consider simplifying the return filing process by reducing the number of returns and introducing a single, comprehensive return. This would ease the compliance burden on taxpayers and reduce the chances of errors.

User-Friendly Online Portal:

Investing in a user-friendly, robust online portal for return filing is crucial. The portal should be able to handle high traffic, ensure quick processing, and provide clear guidance to taxpayers.

Education and Training:

Governments should conduct regular workshops, webinars, and training sessions to educate taxpayers about the GST return filing process. This would improve awareness and reduce errors caused by lack of understanding.

Threshold for Small Businesses:

Introducing a threshold for small businesses, below which they are exempt from certain complex return filing requirements, could help alleviate the compliance burden on these entities.

Data Integration and Automation:

Governments should focus on integrating data across different departments and agencies. Automated data retrieval from banks, financial institutions, and other relevant sources could simplify the return filing process and enhance accuracy.

Real-time Assistance:

Providing real-time assistance through online chatbots or dedicated helplines can help taxpayers resolve queries and issues while filing returns.

Regular System Upgrades:

Continuous upgrades to the IT infrastructure and online portal are essential to prevent technical glitches and ensure a smooth filing experience for taxpayers.

Risk-Based Compliance:

Implementing a risk-based compliance system could involve focusing enforcement efforts on high-risk taxpayers, allowing for more efficient resource allocation.

CONCLUSION

Implementation of GST is one of the best decisions taken by the Indian government. For the same reason, July 1 was celebrated as Financial Independence Day in India when all the Members of Parliament attended the function in Parliament House. The transition to the GST regime which is accepted by 159 countries would not be easy. Confusions and complexities were expected and will happen. India, at some point, had to comply with such regime. Though the structure might not be a perfect one but once in place, such a tax structure will make India a better economy favourable for foreign investments. Until now India was a union of 29 small tax economies and 7 union territories with different levies unique to each state. It is a much accepted and appreciated regime because it does away with multiple tax rates by Centre and States. And if you are doing any kind of business then you should register for GST as it is not only going to help Indian government but will help you also to track your business weekly as in GST you have to make your business activity statement each week. From the above discussion, it is clear that GST is basically an indirect tax that brings most of the taxes imposed on most goods and services, on manufacture, sale and consumption of goods and services, under a single domain at the national level. In the present system, taxes are levied separately on goods and services.

In conclusion, Goods and Services Tax (GST) returns are essential for businesses to report their tax liabilities and claim input tax credits. However, there have been various issues associated with GST returns, including:

Complex Filing Process:

The GST return filing process can be complex, with multiple forms to be submitted at different intervals.

Technical Glitches:

Technical issues on the GST portal have been a persistent problem, causing delays and frustration for taxpayers.

Frequent Changes:

Frequent changes in GST rules and forms have made compliance challenging for businesses.

Late Filing Penalties:

Late filing of GST returns can lead to penalties and interest charges.

Input Tax Credit Mismatches:

Reconciliation of input tax credits can be difficult due to discrepancies between supplier and recipient data.

E-invoicing Challenges:

Implementing e-invoicing and integrating it with GST returns has been a challenge for many businesses.

Compliance Burden:

Small businesses, in particular, may struggle with the compliance burden of GST return's.

CONTENT :- 8

LEARNING FROM SIP

GST (Goods and Services Tax) is a comprehensive indirect tax that replaced a multitude of taxes in India. Two crucial components of the GST framework are GSTR-1 and GSTR-3B.

GSTR-1, or the Goods and Services Tax Return 1, is a periodic return that businesses registered under GST need to file. It involves furnishing details of outward supplies of goods and services, along with taxes collected on them. This return provides the government with information about a business's sales, the customers to whom they've sold goods or services, the quantities, the value, and the taxes charged. GSTR-1 is usually filed monthly or quarterly, depending on the business's turnover.

On the other hand, **GSTR-3B** is a summarized return that taxpayers file monthly, outlining their summary of outward supplies, input tax credit claimed, and the net tax payable. It acts as a self-assessment mechanism for taxpayers to report their GST liabilities for a given month. GSTR-3B is a temporary return introduced to ease the transition to the new GST regime and does not capture all the details that GSTR-1 does.

In essence, GSTR-1 provides a comprehensive view of a business's sales and is more detailed, while GSTR-3B is a simplified return meant to assist businesses in meeting their monthly tax obligations promptly.

Both GSTR-1 and GSTR-3B are crucial for the GST system to function efficiently. GSTR-1 helps the government keep track of sales transactions, ensures that the correct tax is being paid, and helps in preventing tax evasion. GSTR-3B, on the other hand, enables businesses to assess their tax liabilities accurately and make timely payments. The data from both these returns is used to match the tax liabilities of businesses and recipients, ensuring transparency and minimizing discrepancies.

There can be various types of issues in GST returns, including:

1. **Incorrect Data Entry:** Errors in entering transaction details like invoice numbers, amounts, etc.
2. **Mismatches:** Mismatch between supplier's and recipient's data, leading to reconciliation issues.
3. **Late Filing:** Filing returns after the due date, resulting in penalties and interest.
4. **Non-Filing:** Failing to file returns altogether, which can lead to legal consequences.
5. **Input Tax Credit Errors:** Incorrectly claiming input tax credit or not reconciling it properly.
6. **Classification Errors:** Misclassification of goods or services, leading to incorrect tax rates.
7. **Excess Claims:** Overstating tax liability or claiming more refunds than eligible.
8. **Intra-state/Inter-state Errors:** Errors related to the type of supply (intra-state or inter-state) leading to incorrect tax calculation.
9. **Amendment Issues:** Incorrect or incomplete amendments to earlier returns.
10. **Reverse Charge Mechanism:** Errors related to the reverse charge mechanism for specified transactions.
11. It's important to maintain accurate records and review returns carefully to avoid these issues.

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