# 310-CIMAGE PROFESSIONAL COLLEGE, PATNA

# Department of Management





# **Bachelor Of Commerce Professional**

Session: 2022-2025

### INTERNSHIP PROJECT REPORT ON

"AN ANALYTICAL STUDY ON GST RETURN FILLING"

Submitted to:

### ARYABHATTA KNOWLEDGE UNIVERSITY, PATNA

For the fulfilment of Bachelor Of Commerce Professional

#### **SUBMITTED BY:**

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COURSE: - B.COM(P) 6<sup>TH</sup> SEM.

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**ROLL NO. - 07** 

Under the Guidance Of:

**HOD Nitish Kumar Rohatgi**,

[Department of Management]

#### "AN ANALYTICAL STUDY ON GST RETURN FILLING"

#### A

# **Internship Project Report**

Submitted in partial fulfilment of the requirement for the award of degree

**Bachelor Of Commerce Professional** 

**Submitted to** 

310- CIMAGE Professional College, Patna



# Submitted\_By:

Name: - Rohit Kumar

**Registration No.: - 22313310005** 

Course: - B.COM(P) 6th Sem.

Session - 2022-2025

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#### TO WHOMSOEVER IT MAY CONCERN

This is to certify that Mr. ROHIT KUMAR S/o Mr. Pintu Kumar, Address Vishwakarma Hata Nehru Nagar, Arrah Bhojpur, Bihar- 802301, A student of Bachelor of Commerce professional, CIMAGE Professional College, PATNA worked under the guidance of Cfa Vijay Prakash Sinha at D.K. Jamuar & Co. from 25<sup>th</sup> June 2025 to 10<sup>th</sup> July 2025. During this period, He demonstrated a high level of dedication, enthusiasm, and professionalism in his assigned tasks.

He actively participated in Income tax return filing ITR-1 & ITR-4, GST Return filing GSTR-1, & GSTR-3B filling, Computation of ITR, and other corporate and legal compliances works. He displayed excellent team work skills and effectively collaborated with colleagues.

This internship provided his with valuable hands-on experience and insight into the finance field. He consistently exhibited a willingness to learn and adopt, demonstrating growth and improvement throughout the internship.

We extend our best wishes to Mr. ROHIT KUMAR for his future endeavours and great success.

D.K. CO.

Cfa Vijay Prakash Sinha

**Associates** 

## **CIMAGE, PATNA**



DATE -

# **CERTIFICATE**

This is to certify that that the work embodies in this project entitled, "AN ANALYTICAL STUDY ON GST RETURN FILLING" being submitted by Rohit Kumar (22313310005) in partial fulfilment of the requirement for the award of "Bachelor Of Commerce (Professional)" to ARYABHATTA KNOWLEDGE UNIVERSITY, PATNA during the academic year 2022-2025 is a record of Bonafide piece of work carried out by his under our/my supervision & guidance in the "Department of Management".

Prof. Neeraj Agarwal Director

# **CIMAGE, PATNA**



# **APPROVAL CERTIFICATE**

The project report entitled "AN ANALYTICAL STUDY ON GST RETURN FILLING" being submitted by Rohit Kumar (22313310005) has been examined by us is hereby approved for the award of Degree "Bachelor of Commerce (Professional)", for which it has been submitted. It is understood that by this approval the undersigned do not necessarily endorse or approve any statement made, the opinion expressed on conclusion drawn therein, but approve the project only for the purpose for which it has been submitted.

(Internal Examiner)	(External Examiner)	
Date:	Date:	

# **DECLARATION**

I, Rohit Kumar, Reg no: -22313310005, full time Bonafide student of Bachelor Of Commerce Professional [B.COM(P)] Program of CIMAGE Patna. I, hereby declare that this project report entitled "AN ANALYTICAL STUDY ON GST RETURN FILLING" and the report Submitted in partial fulfilment of the requirements of the programme is an original work of mine under the guidance of HOD Of Management Department, Nitish Kumar Rohatgi, and is not based or reproduced from any existing work of any other person or any earlier work undertaken at any other time for any other purpose and is not submitted anywhere else at any time.

Place: Patna Name: - Rohit Kumar

**Registration No.: - 22313310005** Date:

Course: - B.COM(P) 6th Sem.

Session - 2022-2025

# **ACKNOWLEDGEMENT**

"A journey is easier when you travel together. Interdependence is certainly more valuable than independence."

I would like to thank **D.K. Jamuar & Co. (CA Firm)** for providing regular guidance and insights into my project work. I also thank them for all the advice they have given me in the past days and for always having time for me whenever I needed.

I give special thanks to HOD of Management department, **Nitish Kumar Rohatgi Sir**, for always being willing to help find solutions to any problems I had with my work.

"The completion of any project depends upon the cooperation, coordination, and combined efforts of several resources of knowledge, inspiration, and energy."

I also extend my deepest gratitude to **Director**, CIMAGE GROUP OF INSTITUTIONS, PATNA, **Prof.** (**Dr**). **Neeraj Agrawal Sir**, **Dean: Dr. Neeraj Poddar**, and **Centre Head Mrs. Megha Agrawal Mam** for providing all the necessary facilities and a truly encouraging environment to bring out the best in my endeavours.

I express my gratitude and thanks to all the staff members of the Management department for their sincere cooperation in furnishing relevant information to complete this project successfully and on time.

I extend a special word to my friends, who have been a constant source of inspiration throughout my project work.

Lastly, but not last, I must express my cordial thanks to my parents and family members who gave me the moral support without which it would have been impossible to complete my project work. With this note, I thank everyone for their support.

Rohit Kumar Registration No.: - 22313310005 B.COM(P) 6<sup>th</sup> Sem.

Session - 2022-2025

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# **Executive Summary**

This internship project titled "An Analytical Study on GST Return Filing" is a comprehensive exploration of the practical and theoretical aspects of Goods and Services Tax (GST) return filing in India. Conducted during my internship at D.K.

Jamuar & Co., a reputed Chartered Accountant firm, the project reflects the current status, procedural framework, and prevailing issues related to GST compliance faced by businesses.

The objective of the study is to analyze the GST return filing process, understand the practical challenges encountered by taxpayers and tax professionals, and propose viable solutions to streamline the system. During the internship, I was actively involved in assisting with GST return preparation, data reconciliation, error identification, and online filing on the GST portal. This hands-on experience gave me valuable insights into the real-time challenges such as portal glitches, input tax credit mismatches, frequent changes in GST laws, and compliance burdens on small businesses.

The report is structured to provide a holistic view of GST return filing in India. It includes an overview of GST and its return types, an analysis of the practical filing process, key challenges observed during the internship, and suggested improvements. The study also presents data-based observations, case examples, and recommendations for improving the efficiency and user- friendliness of the GST return system.

This project has significantly enhanced my understanding of GST, sharpened my analytical and technical skills, and provided me with practical exposure to the working of a CS firm. The findings and suggestions in this report aim to contribute toward easing GST compliance and promoting a more efficient indirect taxation framework in India.

# <u>CHAPTER - 1</u> INTRODUCTION



#### 1.1 Introduction to Indirect Tax in India

Indirect tax is a type of tax that is collected by an intermediary (like a seller or service provider) from the person who ultimately bears the burden of the tax (the consumer). In India, indirect taxes have played a crucial role in the country's tax structure and revenue generation.

Before the introduction of the Goods and Services Tax (GST) in 2017, the Indian indirect tax system was complex, consisting of multiple taxes such as excise duty, service tax, VAT, customs duty, entertainment tax, etc., imposed by both central and state governments. This system led to a cascading effect of taxes (tax on tax), making goods and services more expensive and the system difficult to manage.

To overcome these issues, the Government of India implemented **GST on July 1, 2017**. GST is a comprehensive, multi-stage, destination-based tax that has replaced most of the previous indirect taxes. It has unified the indirect tax system, reduced tax evasion, increased transparency, and improved ease of doing business.

The major features of indirect taxes in India include:

- Collected indirectly from consumers.
- Imposed on goods and services.
- Collected at various stages of production and distribution.
- Contributes significantly to the government's revenue.

#### 1.2 Emergence of GST

- 1. <u>Pre-GST Tax System in India</u>: Before GST, India had a complex and multilayered indirect tax system. There were various central and state taxes like:
- Central Excise Duty
- Service Tax

- Entry Tax, Octroi, Purchase Tax
- Luxury Tax, Entertainment Tax, etc.

This caused overlapping of taxes (tax on tax), increased cost of goods, and created confusion for businesses.

- 2. <u>Need for a Unified Tax</u>: The fragmented system led to:
- Cascading effect of taxes
- Complex compliance and multiple registrations
- Lack of transparency
- > Difficulty in inter-state trade

So, a unified tax system was needed to bring uniformity, improve ease of doing business, and boost the economy.

3. <u>Concept of GST Introduced</u>: Goods and Services Tax (GST) was proposed as "One Nation, One Tax". It aimed to replace multiple indirect taxes with a single, comprehensive tax applicable across the country.

#### 4. Key Milestones in GST Emergence:

- 2000: Vajpayee government formed a committee to draft GST model.
- > 2006: GST announced in Budget by Finance Minister P. Chidambaram.
- > 2011: Constitution Amendment Bill introduced in Lok Sabha.
- ➤ 2014-15: Modi government actively pursued GST reforms.
- August 2016: Constitution (101st Amendment) Bill passed in Parliament.
- GST was officially applicable in India except J&K on 1st July 2017. But W.e.f. 8th July 2017 GST applicable to Whole India including J&K. "ONE NATION ONE TAX"

**5. Outcome**: GST created a single market, eliminated tax barriers between states, and simplified the tax system. It is a major reform in India's indirect tax structure.

#### 1.3 Objectives of the Study

- > To understand the concept of GST and its importance in the Indian taxation system.
- To study the process of GST return filing and its legal framework.
- > To identify the challenges faced by businesses and professionals in GST return filing.
- > To analyze the common errors and delays occurring during the return filing process.
- > To evaluate the impact of GST return filing on compliance and business operations.
- > To suggest practical solutions to simplify and improve the GST return filing system.
- > To understand the role of technology and automation in easing the return filing process.
- > To explore the awareness level of taxpayers regarding GST return compliance.

#### 1.4 Scope of study

This study primarily focuses on understanding the procedures, challenges, and practical aspects of GST return filing in India. The research has been limited to businesses registered under GST and the data collected during the internship at D. Prasad and Associates, a chartered accountancy firm. The project explores various types of GST returns such as GSTR-1, GSTR-3B, and GSTR-9, along with their filing procedures, deadlines, and compliance requirements.

#### The scope includes:

Analysis of GST Return Types: Understanding different forms applicable to various taxpayers.

- Process of Return Filing: Step-by-step procedure followed for filing returns through the GST portal.
- Common Challenges: Identifying issues faced by businesses and tax professionals, including technical glitches, mismatch in data, and penalties.
- Solutions and Recommendations: Practical suggestions to simplify compliance and enhance ease of filing.
- Impact of Technology: Evaluating how digital tools and automation have affected GST return filing.

The study is restricted to the Indian taxation system under GST and does not cover international tax practices. The insights derived are based on both primary data (through observation and interaction during internship) and secondary data (official GST documents, reports, and articles).

#### 1.5 Research Methodology

#### 1. Research Design

- <u>Type of Research</u>: This research is descriptive and analytical in nature. It aims to analyze the existing problems and solutions related to GST return filing.
- <u>Approach</u>: A qualitative approach will be adopted to understand the challenges and solutions in- depth. Additionally, a quantitative approach will be used for statistical analysis, where relevant.

#### 2. Data Collection Methods

#### Primary Data:

<u>Interviews:</u> Conduct interviews with professionals and experts in the field of taxation, such as CA professionals, GST consultants, and business owners who regularly file GST returns.

<u>Surveys/Questionnaires</u>: A structured survey will be distributed to GST filers to gather data on their experiences, challenges, and solutions regarding GST returns. This survey can be sent to various businesses that are required to file GST returns regularly.

#### **❖** Secondary Data:

<u>Books, Journals, and Articles</u>: Literature on GST laws, return filing procedures, challenges faced by taxpayers, and previous studies on GST.

<u>Government Reports and GST Websites</u>: The Ministry of Finance and GST Council reports, official circulars, and notifications will be referred to for gathering secondary data.

#### 3. Sampling Method

- <u>Sampling Technique</u>: The study will use non-probability sampling, specifically judgmental sampling. The sample will consist of individuals who have expertise in GST or are regularly involved in filing GST returns, including chartered accountants, tax professionals, and business owners.
- *Sample Size*: A sample size of 50-100 individuals will be considered for surveys and interviews. The exact size will depend on the availability of respondents.

#### 4. Data Analysis

- *Qualitative Analysis:* The interview responses will be analyzed thematically to identify common challenges and solutions. Content analysis will be used to identify key patterns and trends in the data.
- *Quantitative Analysis*: For the survey data, statistical tools like SPSS or Excel will be used to analyze trends, frequency distributions, and correlations to find significant challenges and solutions in GST return filing.

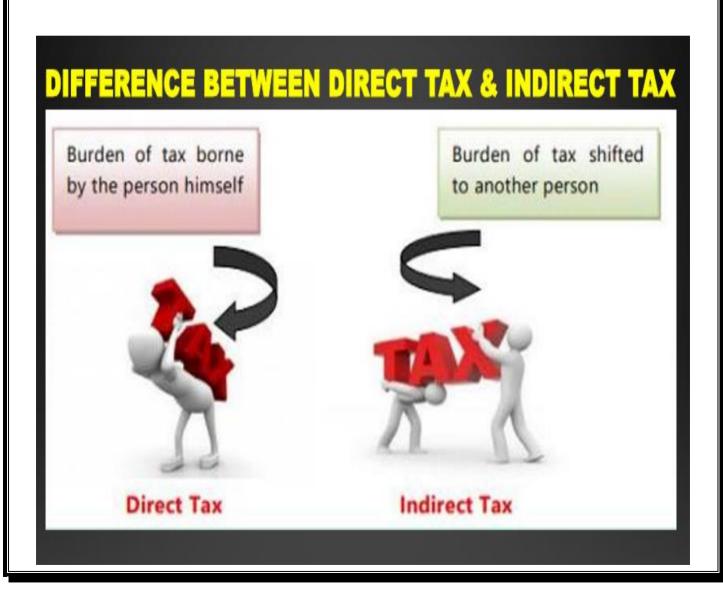
#### 5. Limitations

- <u>Sample Representation</u>: The research will be limited by the availability of willing respondents who have sufficient knowledge about GST return filing.
- <u>Time Constraints</u>: The time available for primary data collection (interviews and surveys) and secondary data gathering may limit the scope of the study.

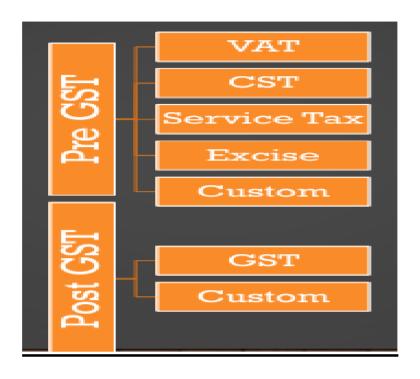
• <u>Geographical Constraints</u>: The research might be limited to specific regions or industries, which could affect the generalizability of the findings.

#### 6. Ethical Considerations

- <u>Informed Consent</u>: All participants involved in interviews and surveys will be informed of the purpose of the study and will provide their consent to participate voluntarily.
- <u>Confidentiality</u>: Participants' identities and responses will be kept confidential, and the data will be used solely for research purposes.
- <u>Data Accuracy</u>: The researcher will ensure that all data collected is accurate, and any errors in data interpretation will be addressed.



# **History Of Indirect Tax**



# **Taxes Subsumed Under GST**

CENTRAL TAX	STATE TAX
(1.) Central Excise Duty	(1.) State VAT
(2.) Service Tax	(2.) Entertainment Tax
(3.) Central Surcharges	(3.) Central Sales Tax
(4.) Central Cesses	(4.) Entry Tax
(5.) CVD on Import	(5.) Luxury Tax
(6.) Special CVD on Impo (6.) State Surcharges	
	(7.) State Cesses
	(8.) Purchase Tax
	(9.) Taxes on Lotteries, Betting and Gambling

# <u>CHAPTER - 2</u> Overview Of GST



#### 2.1 What is GST?

GST (Goods and Services Tax) is a value-added tax that is levied on the supply of goods and services in many countries, including India. It is designed to streamline the tax system by replacing multiple indirect taxes with a single tax structure. Under GST, businesses collect tax on behalf of the government at every stage of production and distribution, and the tax paid on inputs can be claimed as a credit against the tax payable on outputs. This ensures that there is no tax cascading (tax on tax), and the final consumer bears the tax burden.

- GST is divided into different tax slabs based on the nature of the goods and services:
- CGST (Central GST): Collected by the central government.
- SGST (State GST): Collected by the state government.
- IGST (Integrated GST): Collected when goods or services are traded between states.

The goal of GST is to make the tax system transparent, improve tax compliance, and promote ease of doing business.

### 2.2 Features of GST (Goods and Services Tax):

<u>Single Tax Structure</u>: GST is a single tax levied on the supply of goods and services. It replaces multiple indirect taxes like VAT, Service Tax, Excise Duty, etc.

<u>Destination-based Tax</u>: GST is a destination-based tax, meaning it is collected at the point of consumption rather than the point of origin.

- Dual Structure: GST in India follows a dual structure, comprising:
- > CGST (Central GST): Collected by the Central Government.
- > SGST (State GST): Collected by the State Government.

- In case of interstate transactions, IGST (Integrated GST) is levied, which is collected by the Central Government.
- ➤ Broad Tax Base: GST covers a wide range of goods and services, including the unorganized sector, and aims to bring more businesses into the formal economy.
- Input Tax Credit (ITC): Businesses can claim credit for the tax paid on input goods or services, which can be used to offset the tax payable on output goods or services.
- Simplified Compliance: GST has streamlined the process of tax registration, filing returns, and payments, making it more efficient and user-friendly.
- > Technology-driven: The GST system is largely technology-driven, with online registration, filing of returns, and payments through the GSTN (Goods and Services Tax Network).
- Tax on Value Addition: GST is levied on the value addition at each stage of production or distribution, ensuring that tax is only paid on the value added to the product or service.
- Uniformity Across States: GST aims to create a uniform tax structure across the country, reducing the complexities and barriers caused by state-level taxes.
- Exemptions and Special Provisions: Certain goods and services are exempt from GST or may be subject to a lower rate, with special provisions for small businesses, exporters, and other categories.

### 2.3 Types of GST in detail

GST (Goods and Services Tax) is a comprehensive indirect tax levied on the supply of goods and services in India. It aims to eliminate the cascading effect of taxes by taxing goods and services uniformly. There are mainly four types of GST:

#### 1. CGST (Central Goods and Services Tax):

• <u>Definition</u>: CGST is the tax collected by the Central Government on the intra-state supply of goods and services.

- <u>Application</u>: It is applicable when the transaction is within the same state. For example, if a sale happens within Maharashtra, CGST will be charged.
- *Rate:* The rate varies depending on the goods and services, which are classified into different tax slabs.
- <u>Revenue Usage</u>: The revenue from CGST is used by the central government to finance its expenditure.

#### 2. SGST (State Goods and Services Tax):

- <u>Definition:</u> SGST is the tax collected by the State Government on the intra-state supply of goods and services.
- *Application:* It applies to transactions within the state. For instance, a transaction in Delhi will attract SGST.
- <u>Rate:</u> Similar to CGST, SGST is based on the classification of goods and services into tax slabs.
- <u>Revenue Usage</u>: The revenue from SGST goes to the respective state government for their expenditure.

#### 3. IGST (Integrated Goods and Services Tax):

- <u>Definition:</u> IGST is levied on the inter-state supply of goods and services, i.e., when goods or services are supplied from one state to another.
- <u>Application</u>: It is applicable when the transaction happens between two different states, like from Maharashtra to Gujarat.
- <u>Rate</u>: IGST is typically the sum of both CGST and SGST. For example, if the total tax rate is 18%, IGST will be 18%.
- <u>Revenue Usage</u>: IGST revenue is collected by the Central Government but is later distributed between the central and state governments based on the place of consumption.

#### 4. UTGST (Union Territory Goods and Services Tax):

- <u>Definition:</u> UTGST is the tax collected by the Union Territory government on the intraunion territory supply of goods and services.
- <u>Application</u>: This tax is applicable in Union Territories (like Delhi, Chandigarh, Jammu & Kashmir) where SGST does not apply.
- <u>Rate</u>: Similar to CGST, UTGST has various slabs depending on the goods or services.
- Revenue Usage: The revenue goes to the Union Territory government

The GST Council is a constitutional body established under Article 279A of the Constitution of India. It is responsible for making recommendations on issues related to Goods and Services Tax (GST), such as the rates, exemptions, and administration of the tax system. The council is chaired by the Union Finance Minister, and its members include the finance ministers of all states and union territories.

Here's how the GST Council relates to your project:

<u>Policy Decisions</u>: The Council plays a pivotal role in shaping the policies and regulations for GST, which directly affects GST return filing procedures and related challenges.

<u>Rate Structure</u>: It determines the GST rate structure, which impacts how businesses classify their goods and services in GST returns.

<u>Amendments</u>: The Council frequently makes amendments to GST law, including those that affect the return filing process, which can be a critical part of your study on challenges and solutions.

<u>Simplification of Procedures</u>: One of the major roles of the Council is to simplify GST procedures, including the return filing process. This can be a key area of analysis in your project.

#### 2.4 GST Council: Structure, Role, and Relevance

The Goods and Services Tax (GST) Council is the apex decision-making body responsible for all key aspects related to GST in India. It was established under Article 279A of the Indian Constitution.

#### **Composition of GST Council:**

Chairperson: Union Finance Minister (acts as the Chairperson of the Council)

#### Members:

Union Minister of State (Finance or Revenue)

State Finance Ministers or Ministers in charge of Finance/Taxation from each state and Union Territory

#### **Voting Power:**

Central Government: 1/3rd of total votes

State Governments (combined): 2/3rd of total votes

A decision requires a 75% majority.

#### **Key Functions of the GST Council:**

- > Recommend GST rates and tax slabs.
- Decide exemptions and special provisions.
- Resolve disputes between states and the Centre.
- Frame rules and procedures for GST return filing, audits, and assessments.
- Suggest changes to improve tax compliance and ease of doing business.

#### **Relevance to My Internship Project:**

During my internship at N Srivastava & Associates, I observed that frequent notifications and circulars issued based on GST Council meetings had a direct impact on the return filing process.

#### For example:

- Rate changes affected client invoices and return entries.
- Updates in ITC rules changed the way we reconciled credits.
- Timeline extensions helped businesses avoid penalties.
- Thus, the GST Council plays a critical role in shaping GST policy and compliance, which directly impacts the return filing workflow for professionals and businesses alike

#### 2.5 GST Network (GSTN)

The GST Network (GSTN) is a private, non-profit company that provides the technology backbone for the implementation of the Goods and Services Tax (GST) in India. It operates the entire IT infrastructure for the GST system. The government of India holds a minority stake in the company, while the remaining shares are held by private players, including financial institutions and banks.

#### **Key Functions of GSTN:**

- ➤ <u>GST Registration</u>: GSTN facilitates online GST registration for taxpayers and provides a platform for taxpayers to obtain GSTIN (GST Identification Number).
- GST Return Filing: GSTN hosts the e-filing platform for taxpayers to file their GST returns, such as GSTR-1, GSTR-3B, etc. It ensures the accurate submission of data for compliance.
- Data Matching and Reconciliation: The GSTN system performs reconciliation of tax data submitted by the seller and buyer, helping to ensure there are no discrepancies in the claimed tax credits.
- GST Payment Processing: GSTN manages the processing of payments and settlements for taxpayers under the GST system. It allows taxpayers to make online payments for taxes due.

- Invoice Matching: GSTN enables the matching of invoices between the buyer and seller, and helps to detect fraudulent or mismatched claims, thereby reducing tax evasion.
- Taxpayer Services: GSTN provides a portal for taxpayers to track the status of their returns, payments, and refunds.

#### **Technological Infrastructure**

The GSTN infrastructure is designed to handle a large volume of data with a high level of security.

It integrates with other government departments, including the Income Tax Department, Directorate General of Foreign Trade (DGFT), and other regulatory bodies.

#### **Challenges with GSTN:**

While GSTN is essential for the smooth functioning of GST, it has faced certain challenges such as:

- > System Outages: Occasional server downtimes and technical glitches have caused delays in filing returns.
- Complexity: The GSTN interface is often seen as complex for small businesses, who may struggle with filing returns without technical help.
- Data Security: With the large volume of sensitive financial data stored in the system, there is a constant concern over the security and privacy of taxpayer data.

#### 2.6 Registration Process under GST

The Goods and Services Tax (GST) registration process is mandatory for businesses whose turnover exceeds the threshold limit specified by the government or for those who fall under specific categories, such as e-commerce operators, casual taxable persons, and non-resident taxable persons. Here's a detailed breakdown of the registration process:

#### 1. Eligibility for GST Registration

Mandatory Registration: If the turnover exceeds the prescribed limit (e.g., ₹40 lakhs for goods and ₹20 lakhs for services, in most states).

Voluntary Registration: Businesses can opt for GST registration even if their turnover is below the threshold limit.

Other Cases: E-commerce sellers, casual taxable persons, non-resident taxable persons, agents, and providers of certain services.

#### 2. Documents Required for GST Registration

PAN (Permanent Account Number) of business.

Aadhaar Card (for individuals).

Proof of Business Address: Rent agreement or property documents, and a utility bill.

Bank Account Details: Cancelled cheque or bank statement.

Photograph: Passport-size photo of the business owner/partners.

Partnership Deed/Certificate of Incorporation: In case of partnerships or companies.

#### 3. Steps for GST Registration

Step 1: Visit the official GST portal at www.gst.gov.in.

Step 2: Click on the "Services" tab and select "Registration" from the dropdown menu.

Step 3: Select "New Registration" and choose your type of taxpayer (e.g., Individual, Company, Partnership).

Step 4: Fill out the application form (GST REG-01) with all required details, including PAN, business name, business address, and bank details.

Step 5: Upload the necessary documents.

Step 6: Once the application is submitted, you will receive an Application Reference Number

(ARN).

Step 7: The GST authorities will verify the details, and you may be asked to submit additional

information if required.

Step 8: After successful verification, you will receive the GST Registration Certificate (GSTIN)

along with the QR code.

4. Post-Registration Compliance

Once registered, businesses are required to file regular GST returns (monthly/quarterly and

annually).

A GSTIN (Goods and Services Tax Identification Number) will be issued, which is used for all

tax-related activities.

2.7 GST Rates and Categories

In India, Goods and Services Tax (GST) is categorized into different tax rates based on the type

of goods or services. The GST system is designed to simplify tax structure by grouping goods

and services into different slabs. The main GST rates in India are:

0% GST (Exempted Goods):

These are essential goods and services that are not taxed under GST.

**Example**: Fresh vegetables, fruits, milk, and other basic food items.

5% GST (Lower Rate):

This rate applies to goods and services considered to be essential but still subject to taxation at a

lower rate.

**Example**: Household items, packaged food, footwear, and transportation services.

#### 12% GST (Standard Rate):

Goods and services that fall under the mid-range tax bracket.

**Example**: Processed food, certain healthcare services, and mobile phones.

#### 18% GST (Standard Rate):

This is the most common rate applied to a wide range of goods and services.

**Example:** Electronics, clothing, and professional services.

#### 28% GST (Higher Rate):

This is applied to luxury and non-essential goods.

**Example**: Cars, motorcycles, and high-end products like perfumes, and luxury watches.

Special Rate (For Certain Goods/Services):

This includes services like lottery, and specific goods and services related to luxury or sin taxes, such as tobacco and aerated drinks.

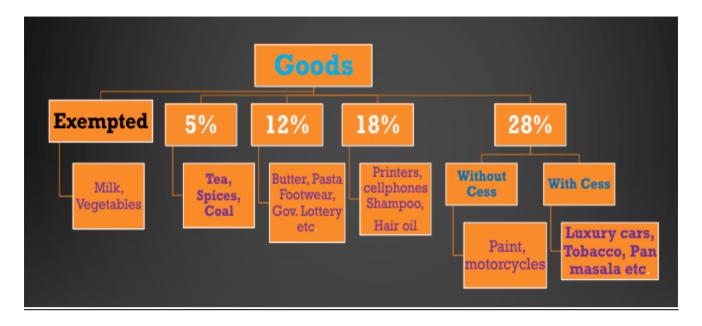
#### Additional Notes:

Some goods may have higher or lower GST rates based on their classification.

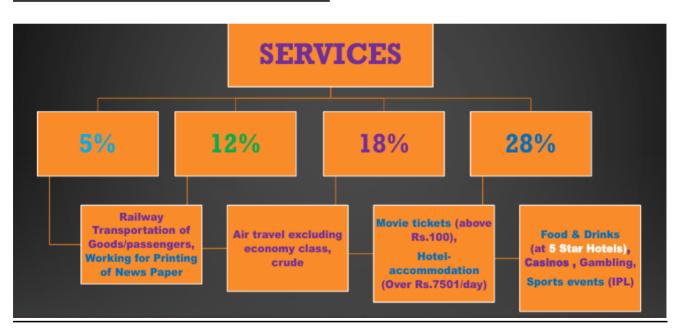
GST rates can vary for different sectors and sub-sectors.

There are also specific provisions for industries like exports, which may have zero-rated GST or exemptions.

### **GST Rates On GOODS**



# **GST Rates On SERVICES**



### 2.8 Input Tax Credit (ITC)

Input Tax Credit (ITC) is a mechanism under the Goods and Services Tax (GST) system that allows businesses to offset the taxes paid on purchases (inputs) against the tax payable on their sales (outputs). This helps avoid the cascading effect of tax, which would occur if the tax paid on

inputs could not be recovered. The goal is to ensure that tax is levied only on the value added at each stage of the supply chain, leading to a more efficient and streamlined tax system.

#### **Key Features of ITC:**

- Eligibility for Claiming ITC:
- > The taxpayer must be registered under GST.
- The goods or services must be used for business purposes.
- > The supplier must have properly paid the tax and issued a valid tax invoice.
- Conditions for Claiming ITC:
- The tax invoice must be in the name of the person claiming ITC.
- The recipient must receive the goods or services.
- > The supplier must file GST returns properly.
- > The recipient must have filed their own GST returns.

#### **Types of Inputs Eligible for ITC:**

- Goods or services used for further business or manufacturing purposes.
- > Capital goods, which are assets used in the business (e.g., machinery, equipment).

#### **Ineligible Items for ITC:**

- Personal expenses.
- > Certain exempt goods and services.
- Goods and services used for non-business purposes.

#### **How ITC Works:**

When a business buys goods/services, it pays GST to the supplier.

- > The business can claim back this GST (ITC) when filing its returns.
- > ITC reduces the tax burden, making it easier to conduct business.

#### Filing ITC:

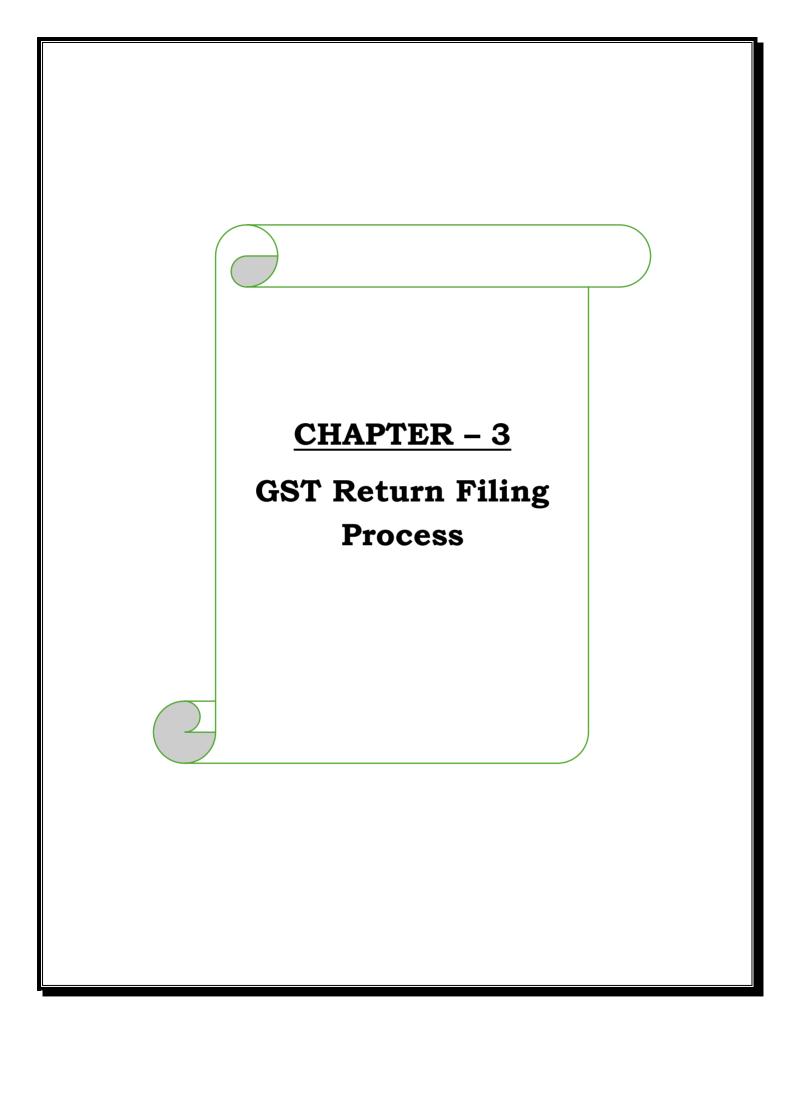
- > ITC is claimed through the GST returns (GSTR-3B), where businesses report their input tax credit.
- The credit is then adjusted against the GST payable on sales.

#### **Benefits of ITC:**

- > Reduces the overall tax burden for businesses.
- > Prevents tax cascading (tax on tax).
- Improves cash flow for businesses.
- > Encourages compliance among suppliers.

## **Chargeability Of GST (Dual GST)**





#### 3.1 What is a GST Return in details?

A GST return is a document that taxpayers must file with the government to report their income, sales, purchases, and other GST-related details. It helps the government track the tax liability of a business and ensures that the proper amount of Goods and Services Tax (GST) is being paid.

#### In detail, the GST return contains:

Sales/Purchases Details: Businesses must report all sales (outward supply) and purchases (inward supply) of goods or services. This includes details of the nature of the transactions, such as taxable or exempted sales.

**Taxable Value:** The value on which GST is applicable is mentioned. This is the price of the goods or services before tax.

**GST Payable:** The amount of tax to be paid to the government based on the applicable GST rate.

Input Tax Credit (ITC): Businesses can claim a credit for the tax they've already paid on purchases (input tax), which can be used to offset the GST payable on their sales. This helps avoid tax cascading (tax on tax).

**Tax Collected:** The amount of GST that a business has collected from its customers on sales (output tax).

**GST Paid on Purchases:** The GST that has been paid by the business on its purchases (input tax).

**Summary of Liability:** This section includes details on how much tax a business owes (GST payable), how much it has already paid or adjusted, and any remaining balance.

#### **Types of GST Returns**

GSTR-1: For details of outward supplies (sales).

- GSTR-2: For details of inward supplies (purchases) (currently suspended).
- GSTR-3: Monthly return with summary of sales, purchases, and GST paid.
- ➤ GSTR-3B: A simplified version of GSTR-3 for businesses to declare monthly summary of outward and inward supplies, along with the tax liability.
- > GSTR-4: For taxpayers who are under the Composition Scheme (a simplified tax scheme).
- GSTR-9: Annual return for businesses that have filed regular returns.

#### 3.2 Due dates for GST return

The due dates for filing GST returns depend on the type of taxpayer (Regular, Composition, etc.) and the specific return form. Here are the general due dates:

GSTR-1 (Outward Supply):

Due date: 11th of the following month.

For quarterly filers (small businesses), it is due on the 13th of the month following the end of the quarter.

GSTR-2 (Input Tax Credit - ITC):

GSTR-2 was suspended and is no longer required.

GSTR-3B (Summary Return):

Due date: 20th of the following month.

GSTR-4 (For Composition Scheme Taxpayers):

Due date: 18th of the month following the end of the quarter or year (depending on the filing frequency).

GSTR-9 (Annual Return):

Due date: 31st December of the following financial year.

GSTR-9C (Reconciliation Statement):

Due date: 31st December of the following financial year.

GSTR-7 (For Tax Deducted at Source - TDS):

Due date: 10th of the following month.

GSTR-8 (For E-commerce Operators):

Due date: 10th of the following month.

# 3.3 Late fees and penalties for GST return

Under the Goods and Services Tax (GST) system, late fees and penalties are imposed for failing to file returns within the prescribed due dates. Here's a breakdown:

Late Fees for GST Return Filing:

For GSTR-3B (Monthly/Quarterly Return):

Late Fee: ₹50 per day for each return (₹25 CGST + ₹25 SGST) if there is no tax due.

If tax is due, the late fee is ₹100 per day (₹50 CGST + ₹50 SGST).

The maximum late fee can be capped at ₹5,000 (for each type of tax - CGST and SGST).

For GSTR-1 (Sales Return):

Late fees for GSTR-1 are the same as for GSTR-3B, i.e., ₹50 per day (if no tax is due) and ₹100 per day (if tax is due), with a maximum cap of ₹5,000.

For GSTR-9 (Annual Return):

Late fees of ₹200 per day (₹100 CGST + ₹100 SGST) are levied for delayed filing, up to a maximum of ₹5,000.

# **Penalties for Non-Compliance**:

Penalty for Late Payment of Tax:

If the taxpayer fails to pay the tax within the prescribed due date, interest is charged at the rate of 18% per annum, calculated on the outstanding amount.

Penalty for Failure to File GST Returns:

A penalty of ₹10,000 or 10% of the tax due, whichever is higher, can be imposed for non-filing of returns.

# **Penalty for Evasion of Tax**:

In cases of deliberate evasion of taxes, penalties can be much higher, ranging from 100% to 200% of the tax amount due.

# **Important Notes:**

The late fee can be waived or reduced if the taxpayer files their return before the tax authorities initiate any proceedings.

If the taxpayer has made a genuine mistake or is facing difficulties, they can appeal for the reduction or waiver of late fees or penalties.

# 3.4 Step by step process of filling GST Return

The process of filing a GST return involves several steps. Here's a step-by-step guide to help you understand how to file GST returns:

# 1. Login to the GST Portal

Go to the GST portal (https://www.gst.gov.in/).

Enter your Username (GSTIN) and Password.

Use the OTP sent to your registered mobile number to complete the login process.

# 2. Select the Appropriate GST Return

After logging in, navigate to the Returns Dashboard.

Select the Return Filing Period (month/quarter) for which you are filing the return.

Choose the type of return you need to file (e.g., GSTR-1, GSTR-3B, etc.).

# 3. File GSTR-1 (Outward Supply Details)

GSTR-1 is used to report sales, outward supplies, and other details.

Go to Returns and select GSTR-1.

Enter the details of all the outward supplies for the period, such as:

Invoice details (Invoice Number, Date, etc.)

Sales details (including the tax amounts, CGST, SGST/UGST, IGST, etc.)

Verify the data and submit it.

# 4. File GSTR-3B (Summary Return)

GSTR-3B is a summary return used to report the overall tax liability for the period.

Go to Returns and select GSTR-3B.

In this form, fill in the summary details of:

**Total Sales** 

Taxable Value

CGST, SGST/UGST, IGST amounts

Input Tax Credit (ITC)

Ensure that the tax liability matches the amount due.

Enter any eligible ITC available for the period.

#### 5. Reconcile Your Data

Before filing, ensure all your sales and purchases are correctly reconciled.

Check if the data in GSTR-1 (sales return) and GSTR-3B (summary return) match with your accounting books.

# 6. Make Payment (if applicable)

After filling in the return, if there's any outstanding tax liability, you will be prompted to make the payment.

Payment can be done via NEFT/RTGS, Credit/Debit card, or Internet Banking.

#### 7. Submit the Return

After reconciling the information and ensuring everything is correct, you can submit the return.

Click on Submit on the GST portal, and the system will process the submission.

# 8. Sign the Return

E-sign the return using the Digital Signature Certificate (DSC) if required.

For taxpayers without a DSC, an EVC (Electronic Verification Code) can be used to authenticate the return.

# 9. Acknowledgment and ARN

After successful submission, an Acknowledgment Receipt Number (ARN) will be generated.

Save this ARN as proof of submission for future reference.

# 10. File Other Returns (if applicable)

If there are any other returns (like GSTR-9 for annual return), file those accordingly.

Ensure timely filing to avoid penalties.

Once filed, ensure regular reconciliation and timely filing of returns to remain compliant with GST regulations.

# 3.5 E-Invoicing and QR Code for GST Return

# **E-Invoicing Under GST**

E-invoicing is a system under GST (Goods and Services Tax) that enables businesses to generate invoices electronically through a government portal. This system helps streamline the invoicing process, making it more efficient, transparent, and error-free. The invoices are generated in a standardized format, and each e-invoice is assigned a unique invoice reference number (IRN), which is validated by the GST portal before it is allowed for use.

# **Key Features**:

- Mandatory for Large Taxpayers: E-invoicing is mandatory for businesses with a turnover above a specified threshold limit (currently ₹10 crores as of FY 2023-24).
- > Standardized Format: E-invoices are created in a specific format (JSON) that is compatible with the GST system.
- > IRN (Invoice Reference Number): Each e-invoice is assigned a unique IRN after validation by the GST portal.
- Digital Signature: The e-invoice can be digitally signed by the taxpayer or their authorized representative.
- Integration with GST Returns: The details from e-invoices automatically flow into the GST returns (GSTR-1) for easier compliance.

#### **How It Works:**

- **Step 1:** The taxpayer generates an invoice using their accounting software.
- **Step 2**: The generated invoice is uploaded to the GST portal in the specified format.

**Step 3:** The GST portal validates the invoice, and if it meets all requirements, it generates an IRN and sends a confirmation.

**Step 4:** The validated e-invoice is stored in the GST system, and the information flows directly to GST returns.

# **Benefits of E-Invoicing:**

- > Improved Accuracy: Reduces human errors, ensuring the accuracy of data entered.
- > Streamlined GST Return Filing: Since e-invoice data automatically feeds into GSTR-1, filing returns becomes faster and more accurate.
- Enhanced Compliance: Tax authorities can track the movement of goods and services in real time, reducing the chances of tax evasion.
- Reduction in Invoice Fraud: Helps in minimizing fake or duplicate invoices, thus ensuring better compliance.
- Faster Refunds: E-invoicing ensures that GST refunds are processed faster due to the automated flow of data.

#### **OR Code for GST Return**

The introduction of a QR code in GST e-invoices further enhances the transparency and ease of verification for both businesses and consumers. The QR code contains essential details about the invoice, which can be scanned for quick verification.

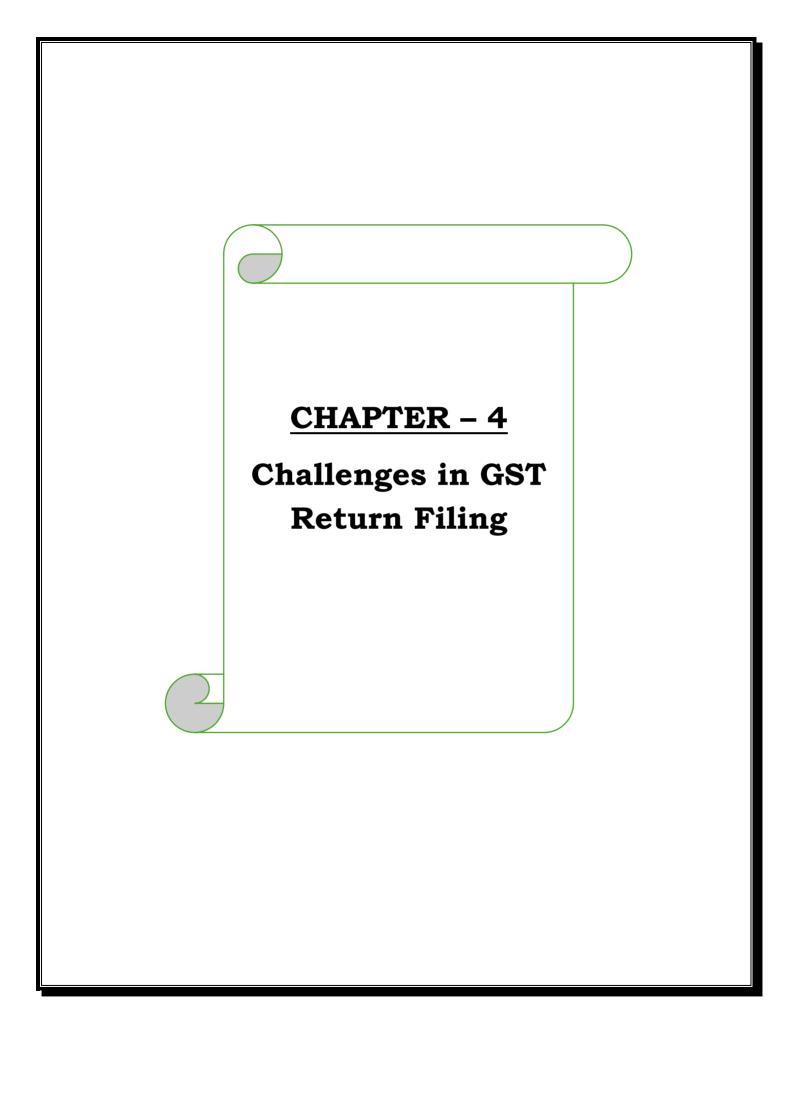
# Key Features of the QR Code:

- Contains Key Information: The QR code typically includes the GSTIN of the supplier, the IRN, the invoice date, the total invoice amount, and the recipient's GSTIN.
- Verification of E-Invoice: Customers and tax authorities can easily verify the authenticity of invoices by scanning the QR code.

Easy for Consumers: Consumers can use mobile apps to scan the QR code for invoice verification, making it easier to validate the transaction.

# Benefits of QR Code in GST:

- Instant Verification: With a simple scan, both businesses and customers can confirm that the invoice is authentic and has been duly validated by the GST portal.
- Reduces Manual Checks: The QR code eliminates the need for manual verification, saving time and effort.
- Increases Trust: Both buyers and sellers benefit from the assurance that the invoice is valid and tax-compliant.
- ➤ Enhanced Consumer Experience: Consumers, especially in B2C transactions, can verify the validity of invoices instantly, leading to greater trust in the business.



# 4.1 Technical Glitches in GST Return Filing

Technical glitches in GST return filing can occur due to various reasons and may hinder the smooth filing process. Some of the common technical issues include:

Website Downtime or Server Issues: Sometimes the GST portal faces server overloads, especially during the due dates for return filing. This may result in the website being down or pages failing to load.

Data Validation Errors: These occur when the data entered in the GST return form does not comply with the GST rules or format. For example, mismatched GSTIN, incorrect HSN codes, or incomplete fields can trigger validation errors.

Error in Filing Forms: Mistakes in uploading forms or failure to submit them correctly can cause errors. Users may face issues like incomplete submission or missing supporting documents.

Input Tax Credit (ITC) Issues: Problems with the reconciliation of ITC can arise, especially if the supplier's GSTIN is incorrect or mismatches with the buyer's records. This often leads to delayed or incorrect filing.

Payment Gateway Failures: Sometimes, issues with payment processing (like bank server errors) can stop the payment of GST dues, leading to delays in return filing.

Session Expiration: Users may get logged out automatically after a period of inactivity, leading to data loss if the session expires before submitting the return.

Browser Compatibility: Sometimes, the GST portal may not function well with certain browsers or older versions, leading to errors when attempting to fill or file returns.

Mismatch Between GSTR-1 and GSTR-3B: Discrepancies between sales and purchase information submitted in GSTR-1 and GSTR-3B can cause filing issues, especially if there are missing or incorrect entries.

Captcha or Security Issues: Security features like CAPTCHA sometimes fail to load or get incorrectly validated, resulting in an inability to proceed with the return filing.

Delayed ITC and Invoice Uploads: If invoices or ITC claims are delayed or incorrectly uploaded in the system, they may not reflect correctly in the return, leading to filing delays or discrepancies.

# 4.2 Complexity of form while filing GST return

The complexity of the form while filing a GST return primarily depends on the type of business, the number of transactions, and the specific GST return form used. Here are some key points that contribute to the complexity:

# **Different Forms for Different Taxpayers:**

- ➤ GSTR-1: Used to report outward supplies (sales). The complexity arises from matching the details of invoices, HSN codes, and other transaction specifics.
- STR-3B: A summary return for monthly or quarterly filing. It requires input and output tax details, which can be confusing for businesses with multiple transactions.
- ➤ GSTR-9: Annual return form that consolidates all the returns filed during the year.

  It involves a comprehensive review of previous months' filings, adding to its complexity.

#### Data Reconciliation:

Businesses need to ensure that the data in their GST returns (sales, purchases, tax paid, etc.) matches with the records in their books of accounts, purchase invoices, and sales invoices. Discrepancies can lead to penalties and additional work in correcting errors.

#### **HSN/SAC Code Filing:**

Accurate classification of goods and services using the HSN (Harmonized System of Nomenclature) or SAC (Service Accounting Code) is mandatory. The complexity arises when a business deals with various items that fall under different codes.

# **Input Tax Credit (ITC):**

The process of claiming ITC can be complicated, as businesses need to ensure that the credit is available for only eligible goods and services, and they must match their purchase details with the vendor's GSTR-1.

#### Reconciliation of GSTR-1 and GSTR-3B:

Discrepancies between the sales data in GSTR-1 and the summary return in GSTR-3B can be a source of confusion. Any mismatch between the two requires corrections and can lead to penalties.

# **Late Filing and Penalties:**

Filing returns after the due date leads to penalties, making timely filing essential. Businesses need to be cautious and ensure accuracy to avoid additional costs.

#### **GST Audits:**

The annual GST audit requires businesses to ensure that their returns are accurate and in compliance with the rules. It involves detailed scrutiny of financial records and GST filings.

# 4.3 Lack of awareness challenges in GST return

The lack of awareness is one of the significant challenges faced in GST return filing. Here are some key points highlighting this issue:

# 1. Complexity of GST Provisions:

GST involves various provisions, rules, and procedures which can be overwhelming for businesses, especially small and medium-sized enterprises (SMEs). The complexities of GST return filing, including the different forms (GSTR-1, GSTR-3B, GSTR-9, etc.), create confusion.

Lack of awareness about these provisions often results in errors in filing returns, leading to penalties and interest.

# 2. Limited Knowledge Among Small Businesses:

Many small business owners, especially those in rural areas, may not have the required knowledge or resources to understand GST return filing requirements. This results in non-compliance or delayed filing.

A lack of proper training and education on GST further exacerbates this issue.

# 3. Changes in GST Rules and Deadlines:

GST rules and return filing deadlines are subject to frequent amendments. Businesses that are not regularly updated on these changes may miss crucial deadlines or fail to comply with new requirements.

These continuous updates create confusion and non-compliance risks due to inadequate awareness.

# 4. Lack of Support from Tax Professionals:

Not all businesses have access to tax professionals or accountants who are well-versed in GST. As a result, many taxpayers are left to navigate the return filing process on their own without proper guidance.

Without proper consultation, mistakes can occur in GST returns, leading to discrepancies in tax payments.

# 5. Technology Barriers:

GST return filing is conducted online, but many businesses, particularly in rural or less-developed areas, lack the technological infrastructure or internet connectivity to file returns smoothly. Moreover, the digital platforms used for GST filing may not always be user-friendly, especially for those with limited digital literacy, causing further confusion.

#### 6. Inadequate Awareness About Input Tax Credit (ITC):

One of the key challenges is the lack of awareness about Input Tax Credit (ITC). Many businesses fail to claim ITC correctly, either because they don't know how or because of a lack of understanding about its eligibility.

Misunderstanding of ITC can lead to businesses paying more tax than necessary.

#### 7. Regional Disparities:

Awareness levels can vary significantly between different regions. Urban areas tend to have more awareness and access to resources, while rural or less-developed regions may face significant challenges in staying informed about GST filing requirements.

# 4.4 Reconciliation issue challenges in GST Return

Reconciliation issues in GST return filing refer to discrepancies or mismatches that arise when comparing the data provided in the GST returns with the data in the books of accounts or the supplier's return filings. These issues can delay the filing process, cause penalties, and impact the overall compliance process. Some of the common challenges related to reconciliation in GST return filing are:

#### 1. Mismatch between GSTR-1 and GSTR-3B

Description: GSTR-1 is the outward supply return, whereas GSTR-3B is the monthly summary return. Discrepancies between the values declared in GSTR-1 and GSTR-3B can occur due to errors or omissions in reporting the data, leading to a mismatch.

Challenge: Identifying and rectifying the discrepancies between these two returns can be timeconsuming and may lead to compliance issues or penalties.

#### 2. Mismatch between GSTR-2A/2B and GSTR-3B

Description: GSTR-2A and GSTR-2B are auto-generated returns based on the data submitted by suppliers in their GSTR-1. These forms show the credit that can be claimed by a taxpayer.

Challenge: A mismatch occurs if the supplier does not report the sale or issues a credit note, leading to unclaimed or excess claimed input tax credit (ITC). Reconciling the mismatched data between GSTR-2A/2B and GSTR-3B requires proper tracking of all purchase invoices.

#### 3. Unreconciled ITC Claimed and Reversed

Description: Input tax credit (ITC) is a critical component in GST, and businesses often face challenges while reconciling the ITC claimed in GSTR-3B with the ITC available in GSTR-2A/2B.

Challenge: Unclaimed ITC or wrongly claimed ITC can lead to errors, penalties, or disallowance of credit.

# 4. Inconsistent Data Reporting

Description: Incorrect or inconsistent reporting of sales, purchases, and taxes in the GST returns can cause issues when performing reconciliations.

Challenge: Manual errors, data entry mistakes, and unreported transactions may lead to inconsistencies, which need thorough examination and correction.

#### 5. GST on Credit Notes and Debit Notes

Description: Credit notes and debit notes are issued for returns, adjustments, or price differences, and they impact the GST calculations.

Challenge: Incorrect treatment of credit and debit notes during reconciliation can cause discrepancies in GST filing, particularly when they are not reflected in GSTR-1 or GSTR-3B accurately.

#### 6. Incorrect or Late Filing of Returns by Suppliers

Description: Suppliers failing to file returns or filing incorrect data can lead to mismatches in the input tax credit claimed by the recipient.

Challenge: Ensuring that the supplier's filing is in line with the recipient's claims requires continuous monitoring and follow-up.

# 7. ITC Reversal on Ineligible Items

Description: Certain items are ineligible for ITC, such as motor vehicles, food and beverages, etc. Businesses often face challenges in identifying and reversing ITC on these items.

Challenge: Ensuring that the ITC on ineligible items is correctly reversed during reconciliation can be complicated, especially when items have been mistakenly included for credit.

# 8. Changes in GST Laws and Notifications

Description: GST laws and notifications are constantly updated, and businesses may face challenges in keeping track of these changes, particularly when it comes to input tax credit, exemptions, or reverse charge mechanisms.

Challenge: Non-compliance or incorrect application of the latest GST updates can lead to discrepancies during reconciliation.

## 9. Complexity in Inter-State and Intra-State Transactions

Description: Reconciliation becomes more complicated when businesses engage in inter-state and intra-state transactions, leading to differences in tax calculations (CGST, SGST, IGST).

Challenge: Accurately categorizing transactions and ensuring the correct tax rates and reverse charges are applied is challenging, especially for businesses involved in multi-location operations.

#### 10. Manual Reconciliation Efforts

Description: In many cases, businesses rely on manual processes for reconciliation, which can lead to human errors and inefficiency.

Challenge: Manual reconciliation is time-consuming and prone to errors. Automation tools can help streamline the process, but their implementation and integration with existing systems can be complex.

#### **Solutions to Overcome Reconciliation Issues:**

- Automated Software: Utilizing GST compliance software can help automate the reconciliation process and reduce human errors.
- Regular Monitoring: Frequent monitoring and reconciliation of returns (GSTR-1, GSTR-3B, GSTR-2A/2B) can help identify and resolve discrepancies early on.
- > Supplier Coordination: Regular communication with suppliers can ensure that the data reported in GSTR-1 aligns with the data in GSTR-3B and other relevant returns.
- Professional Assistance: Engaging GST consultants or professionals can help manage complex reconciliations and ensure compliance.

# 4.5 Frequent charge in rules of GST Return

The rules for GST return filing can change frequently due to policy updates, new government regulations, and amendments to the law. Some of the common types of changes that occur in the GST return rules include:

#### Filing Frequency and Due Dates:

The frequency of filing GST returns (monthly, quarterly, or annually) might change based on the turnover or business type.

Due dates for filing can be revised, and penalties for delayed filing may increase.

#### **Changes in Forms:**

The forms for GST return filing (such as GSTR-1, GSTR-3B, GSTR-9) may undergo changes, with additional information being required or changes to the format of the forms.

New forms may be introduced or discontinued.

#### **Threshold Limits for Filing:**

The government might revise the threshold limits for small businesses or taxpayers, affecting whether they need to file GST returns monthly or can opt for quarterly returns.

# **GST Portal Updates:**

Updates to the GST portal can introduce new features, making it easier or more complex for businesses to file returns.

There may be changes in how the portal accepts and processes data.

# Input Tax Credit (ITC) Rules:

Rules regarding the eligibility of Input Tax Credit, the reversal of ITC, and the manner in which businesses can claim ITC might change frequently.

Adjustments in how mismatched invoices are handled can also be updated.

#### Penalties and Interest:

Changes in the penalty structure for late filing or for non-compliance could be revised.

Interest rates on late payment of tax may also change.

# **GST Annual Return (GSTR-9):**

The filing requirements for the annual return might change, including what is included and excluded from the return.

Amendments may be made to simplify or complicate the filing process.

# 4.6 Penalties

Penalties related to GST return filing can pose significant challenges for businesses and taxpayers. Some of the main challenges include:

#### 1. Late Filing Penalties:

GST laws impose a penalty for late filing of returns. If businesses miss the due date for filing their returns, they face late fees (Rs. 50 per day for each default, Rs. 20 per day for nil returns). This penalty can accumulate quickly, leading to significant financial burdens.

#### 2. Mismatch in Returns:

Errors or mismatches in GST returns (such as discrepancies between sales and purchase data) can result in penalties. If taxpayers fail to rectify these mismatches within the stipulated time, penalties may apply.

## 3. Non-Compliance with Documentation:

Failing to submit accurate and complete documents (such as invoices, payments, or other supporting documents) when filing GST returns can lead to penalties. The documentation plays a crucial role in ensuring correct filing.

# 4. Incorrect Input Tax Credit (ITC) Claims:

Claiming incorrect ITC or not complying with the conditions for claiming ITC can attract penalties. For example, claiming ITC on goods or services that are not eligible or mismatched data can result in penal consequences.

#### 5. GST Audit and Assessment:

During GST audits or assessments, if discrepancies or violations are found, the taxpayer may be penalized. These audits can sometimes uncover mistakes in returns that were previously filed.

## 6. Failure to Pay Tax on Time:

Businesses that fail to pay the tax within the due date are liable for a penalty. Interest is also charged on the outstanding tax amount, and consistent delays can lead to more severe penalties.

# 7. Penalty for Non-Filing of GST Returns:

Continuous non-filing or failure to file GST returns, despite reminders, can result in additional penalties. Authorities may also revoke GST registration in case of repeated defaults.

#### 8. Failure to Respond to Show-Cause Notices:

If a taxpayer does not respond to a show-cause notice issued by GST authorities within the required time frame, penalties can be imposed.

# **Solutions and Mitigating Measures:**

- > Timely Filing: Ensure timely filing of returns and pay taxes on time to avoid late fees and penalties.
- Accurate Documentation: Keep proper records and submit accurate documents to avoid errors in returns.
- > Reconcile Data: Regularly reconcile sales and purchase data to avoid mismatches.
- Consult Professionals: Seek professional help if unsure about the compliance requirements, especially during audits or assessments.

# **CHAPTER - 5 SOLUTIONS & CHALLENGES**

# 5.1 Infrastructure upgrades in solutions to challenges in GST Return

Infrastructure Upgrades to Address Challenges in GST Return Filing

The Goods and Services Tax (GST) system has revolutionized the tax landscape in many countries, but filing GST returns presents a unique set of challenges, especially for businesses with limited resources or in developing regions. To overcome these challenges, significant infrastructure upgrades are essential to streamline the return filing process, improve compliance, and reduce the burden on taxpayers and tax authorities alike.

Key Infrastructure Upgrades Needed

# **Improved IT Systems and Automation**

Current Challenge: Manual errors, delays, and discrepancies in filing are common due to the complex nature of GST returns and the reliance on manual inputs.

Solution: The integration of more advanced IT systems and automated processes can help businesses file returns more accurately and on time. These systems should include intelligent features that automatically verify data, suggest corrections, and flag discrepancies.

Benefits: Increased accuracy, reduced errors, and faster processing times.

#### **Cloud-Based Solutions**

Current Challenge: Localized server issues, downtime, or lack of robust storage solutions hinder smooth GST return filings.

Solution: Cloud-based infrastructure can offer scalable, secure, and reliable solutions for storing and processing GST return data. By transitioning to cloud services, businesses can access real-time updates, backup data, and enhance collaboration.

Benefits: Enhanced accessibility, reduced risk of data loss, and cost-effective scalability.

# **Integration with Accounting Software**

Current Challenge: Many businesses still rely on manual bookkeeping or outdated software that isn't fully integrated with the GST portal.

Solution: Integration of popular accounting software with the GST portal will help in seamless filing. These systems should support automatic updates for GST rates, tax calculations, and compliance changes.

Benefits: Simplified filing process, reduced human intervention, and real-time compliance tracking.

# **Enhanced E-Filing Platforms**

Current Challenge: E-filing platforms often experience slow response times or crashes during peak times, leading to delays and errors in filing returns.

Solution: Upgrading the infrastructure of e-filing portals to handle higher traffic and improve user experience. This includes enhancing the server capacity, optimizing the user interface, and making platforms mobile-friendly.

Benefits: Reduced downtime, better user experience, and faster processing.

# **E-Authentication and Digital Signatures**

Current Challenge: Authentication processes often delay the filing due to complex and timeconsuming verification requirements.

Solution: Implementing advanced e-authentication systems like biometric or OTP-based verification, coupled with more secure and user-friendly digital signature solutions.

Benefits: Faster and more secure authentication, improved compliance rates, and reduced errors in returns.

#### **Advanced Data Analytics and Artificial Intelligence (AI)**

Current Challenge: Identifying patterns in tax filing data manually can be time-consuming and prone to error.

Solution: Using data analytics and AI, tax authorities can analyze large volumes of returns quickly, identifying inconsistencies, fraud patterns, and other potential risks. AI can also be used to predict trends and provide insights to businesses for better compliance.

Benefits: Better risk management, predictive compliance support, and reduced fraud.

# **Training and Support Systems**

Current Challenge: Many businesses, especially small and medium enterprises (SMEs), face challenges due to a lack of knowledge and understanding of the GST return filing process.

Solution: Establishing dedicated support systems, such as online portals, mobile apps, and customer service hotlines, to guide businesses through the process. Additionally, offering regular training programs, webinars, and seminars on GST return filing can help improve compliance.

Benefits: Improved knowledge, reduced errors, and better preparedness among businesses.

# **Dedicated GST Helpdesks**

Current Challenge: Businesses often face difficulty in getting timely assistance when they encounter issues with their GST filings.

Solution: Setting up dedicated, easily accessible GST helpdesks with well-trained personnel to assist businesses in resolving their issues promptly.

Benefits: Faster problem resolution, reduced delays in filing, and improved satisfaction.

# 5.2 Simplified return system for GST return

The Simplified Return System for GST was introduced by the government to ease the compliance burden for small businesses and taxpayers. The aim is to make the filing process more user-friendly, reduce paperwork, and improve efficiency. Here's a breakdown:

# Key Features of the Simplified GST Return System:

Introduction of New Return Forms:

- GST RET-1: For regular taxpayers.
- GST RET-2: For taxpayers with a turnover of less than Rs. 5 crores (optional).

➤ GST RET-3: For taxpayers who are eligible for composition schemes.

These new forms aim to be simpler and more straightforward compared to the old system.

# **Monthly Filing:**

Under the simplified system, taxpayers must file returns monthly, which helps keep records updated more frequently.

# **Invoice Matching:**

The new system allows for a better match between invoices uploaded by sellers and buyers. This reduces the chances of discrepancies.

# **Easier Input Tax Credit (ITC) Process:**

The process to claim ITC has been streamlined, making it easier for businesses to get the credit they are entitled to.

#### **Auto-Populated Returns:**

The return forms are auto-populated based on the data from GST invoices and transactions. This reduces the need for manual entry, minimizing errors and saving time.

# **GST RET-1 and GST RET-2 Filing:**

For businesses with an annual turnover of less than Rs. 5 crores, filing can be done with fewer details in the return, especially when it comes to B2B transactions.

# **Benefits of the Simplified System:**

- Reduces Compliance Burden: The new system makes it easier for smaller businesses to comply with GST regulations.
- Decreases Errors: Automated processes like invoice matching and auto-population of returns help reduce mistakes.
- Faster Refunds: The new system improves the process for claiming refunds, ensuring quicker disbursal of funds.

Improved Transparency: The matching system ensures transparency between sellers and buyers, making it easier for tax authorities to monitor transactions.

# 5.3 Automation and GSPs

## **Automation in GST Return Filing:**

Automation plays a critical role in addressing the challenges faced during the GST return filing process. The use of technology can streamline various steps, reduce manual intervention, and ensure accuracy. Some ways in which automation helps in overcoming these challenges include:

Efficient Data Entry and Validation: Automation tools can extract data from invoices, purchase orders, and other documents, reducing the need for manual entry. This helps in minimizing human errors and ensuring that the correct data is submitted.

Real-Time Updates: Automation ensures that any changes in the GST law, updates to tax rates, or amendments to forms are reflected in the system in real-time, ensuring compliance with the latest regulations.

Simplification of Reconciliation: Automation tools can reconcile purchase and sales data automatically with the GST portal. This reduces discrepancies and the time required for reconciliation, ensuring timely and accurate filing.

Reduction of Compliance Errors: By using automation, businesses can reduce the risk of non-compliance due to errors, such as incorrect data entry or misinterpretation of tax laws.

Automation ensures that the returns are prepared according to the latest guidelines.

Faster Processing: With automation, the process of filing returns becomes faster. Automated systems can fill forms and generate returns more quickly than manual systems, reducing delays in filing and minimizing penalties for late submission.

#### Role of GSPs (GST Suvidha Providers) in Overcoming Challenges:

GSPs are third-party service providers that offer technological solutions to assist taxpayers in complying with GST regulations. They play a significant role in solving several challenges faced by businesses during GST return filing:

Easy Access to the GST Portal: GSPs provide an interface through which taxpayers can easily access the GST portal. They offer user-friendly dashboards and tools that simplify the process of filing returns, helping taxpayers to complete their filing seamlessly.

Integration with ERP Systems: Many businesses use Enterprise Resource Planning (ERP) systems to manage their operations. GSPs help integrate these ERP systems with the GST portal, ensuring that data flows smoothly between different systems and returns are filed accurately.

Error-Free Filing: GSPs offer features like auto-validation, which helps in identifying potential errors in GST returns before they are submitted to the GST portal. This significantly reduces the chances of rejection or the need for corrections after filing.

GST Compliance Monitoring: GSPs also offer compliance monitoring tools, which help businesses track their compliance status in real-time. These tools alert businesses to any discrepancies or missing information, ensuring timely and accurate filing.

Support for Multiple Taxpayers: For businesses that operate in multiple states or have numerous branches, GSPs provide a consolidated platform for filing returns across different jurisdictions. This centralizes the process, reducing complexity and the risk of errors.

Training and Support: GSPs provide continuous support and training to businesses, helping them understand the GST filing process and stay updated on any changes in the law.

# 5.4 Reconciliation tools

Reconciliation tools play a crucial role in addressing the challenges faced during GST return filing. Here are some solutions provided by reconciliation tools to handle these challenges:

#### 1. Data Matching and Validation:

Challenge: Discrepancies between sales and purchase records, mismatched data in GSTR-1, GSTR-2, and GSTR-3B.

Solution: Reconciliation tools automatically compare data from sales invoices (GSTR-1) with purchase invoices (GSTR-2) and validate them against the GST returns (GSTR-3B). This helps in identifying mismatches and errors in the data before filing.

# 2. GST Return Filing Automation:

Challenge: Manual data entry errors and time-consuming return filing.

Solution: Reconciliation tools can automate the process of generating accurate GST returns. They pull data directly from accounting systems and generate accurate GSTR-1, GSTR-2A, and GSTR-3B returns, reducing human error and saving time.

#### 3. Error Detection and Alerts:

Challenge: Missing or incorrect entries, especially in the GST tax ledger.

Solution: Reconciliation tools use AI and algorithms to detect errors such as incorrect tax rates, missing HSN/SAC codes, and wrong tax amounts. Alerts are triggered, prompting corrective actions before final submission.

# 4. Integrated Reporting:

Challenge: Generating detailed and accurate reports for reconciliation and audit purposes.

Solution: These tools provide easy-to-understand reports, which summarize the data discrepancies, pending actions, and final GST payable or refundable. This aids in better audit trails and assists businesses during GST audits.

# 5. Matching GSTR-2A and GSTR-3B:

Challenge: The mismatch between GSTR-2A (auto-generated from supplier invoices) and GSTR-3B (monthly summary filed by the taxpayer).

Solution: Reconciliation tools compare GSTR-2A with GSTR-3B to ensure that all eligible credits are claimed and reflected properly, minimizing the risk of penalties for incorrect input tax credit claims.

# 6. Seamless Integration with Accounting Systems:

Challenge: Difficulty in syncing accounting software with GST returns and ensuring proper tax calculations.

Solution: Reconciliation tools can be integrated with existing accounting software (e.g., Tally, QuickBooks) to pull transactional data directly, reducing manual intervention and ensuring accurate tax calculations.

# 7. Handling Invoices with Different Tax Rates:

Challenge: Properly managing and filing invoices with different tax slabs (5%, 12%, 18%, 28%).

Solution: Reconciliation tools automatically categorize invoices according to their respective tax rates, ensuring that the tax rates are applied correctly across the various goods and services.

# 8. GST Payment and Refund Tracking:

Challenge: Tracking GST payments and refunds and ensuring their timely filing.

Solution: These tools allow for real-time tracking of GST payments and refunds, ensuring businesses file returns on time to avoid penalties and take full advantage of any refundable amounts.

# 5.5 Government Awareness Campaign

A government awareness campaign for GST (Goods and Services Tax) return filing can be aimed at educating businesses, especially small and medium enterprises (SMEs), about the importance and process of timely and accurate GST return filing. The campaign should emphasize the benefits, the legal obligations, and how easy the process can be when done correctly. Here's a brief outline for such a campaign:

# 1. Objective of the Campaign:

Educate taxpayers about the significance of filing GST returns.

Encourage timely filing of GST returns to avoid penalties.

Clarify the process of GST return filing for businesses of all sizes.

Highlight benefits of GST compliance, like smoother business operations and avoiding legal issues.

# 2. Key Messages:

"Filing GST returns is a legal responsibility!" – Emphasize that businesses are legally required to file returns and the consequences of non-compliance, such as penalties.

"GST return filing is easier than you think!" – Demystify the process by explaining it in simple terms.

"Stay compliant, stay ahead!" – Encourage businesses to stay on top of their finances and tax filings to avoid legal issues.

"Avoid fines, get ITC (Input Tax Credit)!" – Explain how timely filing ensures businesses can claim ITC and avoid penalties.

#### 3. Campaign Strategies:

Workshops & Webinars: Organize sessions that explain the entire GST return filing process. These can be conducted both online and offline.

Digital Marketing: Use social media platforms, websites, and government portals to circulate informational content like videos, infographics, and FAQs about GST return filing.

SMS & Email Campaigns: Send regular reminders to businesses about filing dates, the benefits of compliance, and updates on any changes in GST laws.

Public Service Announcements (PSAs): Broadcast TV and radio PSAs that provide step-by-step guides and tips for GST return filing.

Interactive Tools: Provide online tools or apps that allow businesses to calculate and file their GST returns easily.

#### 4. Target Audience:

Small and Medium Enterprises (SMEs): These businesses often struggle with understanding the complexities of GST and need easy-to-follow guides.

Large Enterprises: They need awareness on new updates and best practices.

Startups: They may need more hand-holding to ensure they comply with the GST system right from the start.

Tax Professionals & Consultants: Ensure they are equipped with the latest information to help their clients.

# 5. Campaign Materials:

Infographics: Create simple and engaging visuals showing the process and benefits of GST return filing.

Video Tutorials: Short explainer videos on how to file GST returns, what documents are needed, and common mistakes to avoid.

FAQs and Brochures: Distribute printed and digital materials that address common concerns and provide solutions.

#### 6. Outcome Measurement:

Track the number of GST returns filed before and after the campaign.

Measure engagement with digital content such as views, shares, and likes on campaign posts.

Conduct surveys to assess changes in businesses' understanding of GST return filing.

# 5.6 Policy Changes and Amnesty Scheme

GST (Goods and Services Tax) is a comprehensive tax system that has significantly changed the taxation landscape in India. However, taxpayers, especially small and medium enterprises (SMEs), have faced several challenges in complying with GST return filing requirements. In response to these challenges, the government has introduced various policy changes and amnesty schemes to provide relief and ease the compliance burden. Below are the key policy changes and amnesty schemes that have been implemented as solutions to the challenges in GST return filing:

#### 1. Policy Changes in GST Return Filing

Simplification of Return Forms: The government has introduced a simplified GST return filing system. For instance, the introduction of the GST RET-1 (a single-page return) for small

taxpayers have reduced the complexity of filing for small businesses. This helps in reducing the chances of errors and making it easier for taxpayers to comply.

GST Auto-Population Feature: The auto-population feature has been introduced in GST returns to minimize manual data entry, thereby reducing errors. This is particularly useful in ensuring that taxpayers don't miss out on crucial details, like input tax credits, which can be automatically pulled from the GST system.

Extension of Due Dates: The government has periodically extended due dates for filing GST returns, especially in light of the challenges posed by the COVID-19 pandemic. This has provided taxpayers with more time to ensure they file accurate returns, thus reducing penalties for late filings.

Relaxation in Penalties for Non-Compliance: The government has provided relaxations regarding penalties and interest for late filing under certain conditions, especially for small taxpayers. This has encouraged businesses to comply without the fear of heavy financial penalties.

Quarterly Returns for Small Taxpayers: Small taxpayers with a turnover of up to INR 5 crore can now file quarterly returns instead of monthly returns, significantly reducing their compliance burden and administrative costs.

# 2. Amnesty Schemes

Amnesty schemes are designed to encourage businesses to clear past tax liabilities by offering reduced penalties and interest. These schemes help to address challenges in filing returns, especially for those who have accumulated GST-related dues.

GST Amnesty Scheme 2020 (Vivad se Vishwas Scheme): Under this scheme, taxpayers who had delayed or failed to file GST returns were provided with an opportunity to pay outstanding taxes without facing penalties or interest. The scheme aimed to reduce the number of non-compliant taxpayers and allow businesses to start fresh.

Late Fee Waivers: Several amnesty schemes have included provisions for waiving late fees for businesses that clear their dues within a given timeframe. For instance, if taxpayers filed returns for previous periods by a certain date, they were exempted from the late fees, which helped reduce the burden on businesses.

One-Time Opportunity for Old Dues: The government has also provided a one-time opportunity to pay old pending dues with reduced penalties. This amnesty scheme allowed taxpayers to clear past dues and avoid any legal action or further financial burden.

Reduction of Interest on Late Payment: Some amnesty schemes reduced the interest payable on delayed tax payments, thereby reducing the overall financial burden on businesses that were unable to comply with GST filing requirements due to various challenges.

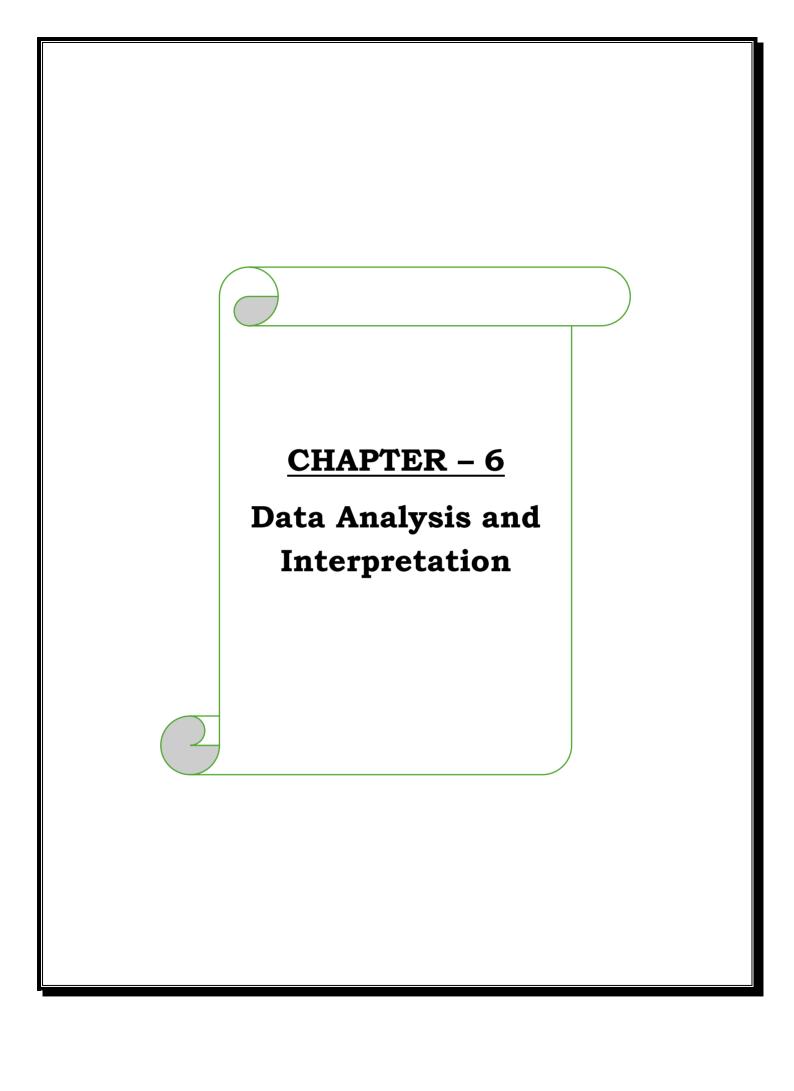
# 3. Benefits of Policy Changes and Amnesty Schemes

Reduction in Compliance Burden: The simplification of return filing forms and the introduction of quarterly returns for small taxpayers have significantly reduced the administrative burden on businesses, particularly small businesses.

Financial Relief: Amnesty schemes have provided much-needed financial relief to businesses by offering reduced penalties and interest, encouraging them to clear their dues without facing heavy fines.

Increased Compliance: These measures have helped improve GST compliance by encouraging businesses to come forward and regularize their tax filings. By offering a fresh start through amnesty, the government aims to increase the overall tax base.

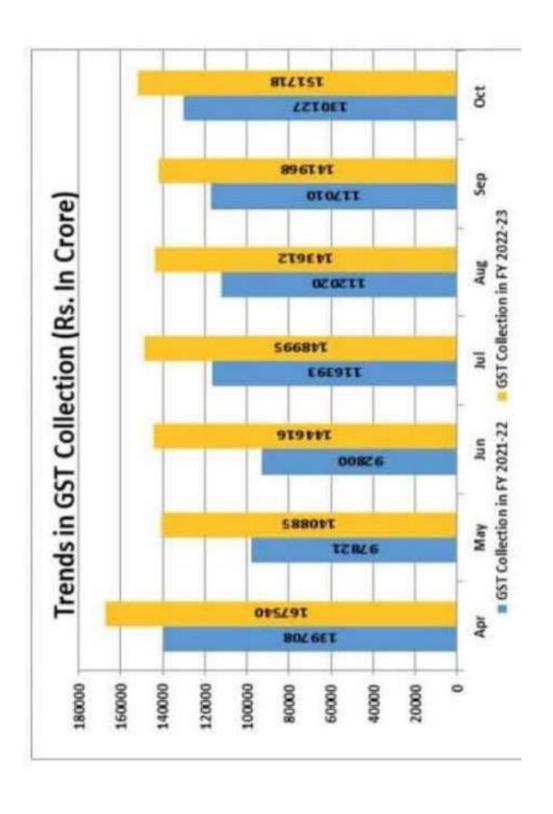
Encouragement for New Businesses: The policy changes, such as the simplified return filing process and the reduced burden of penalties, have made it easier for new businesses to enter the formal economy and comply with GST regulations.

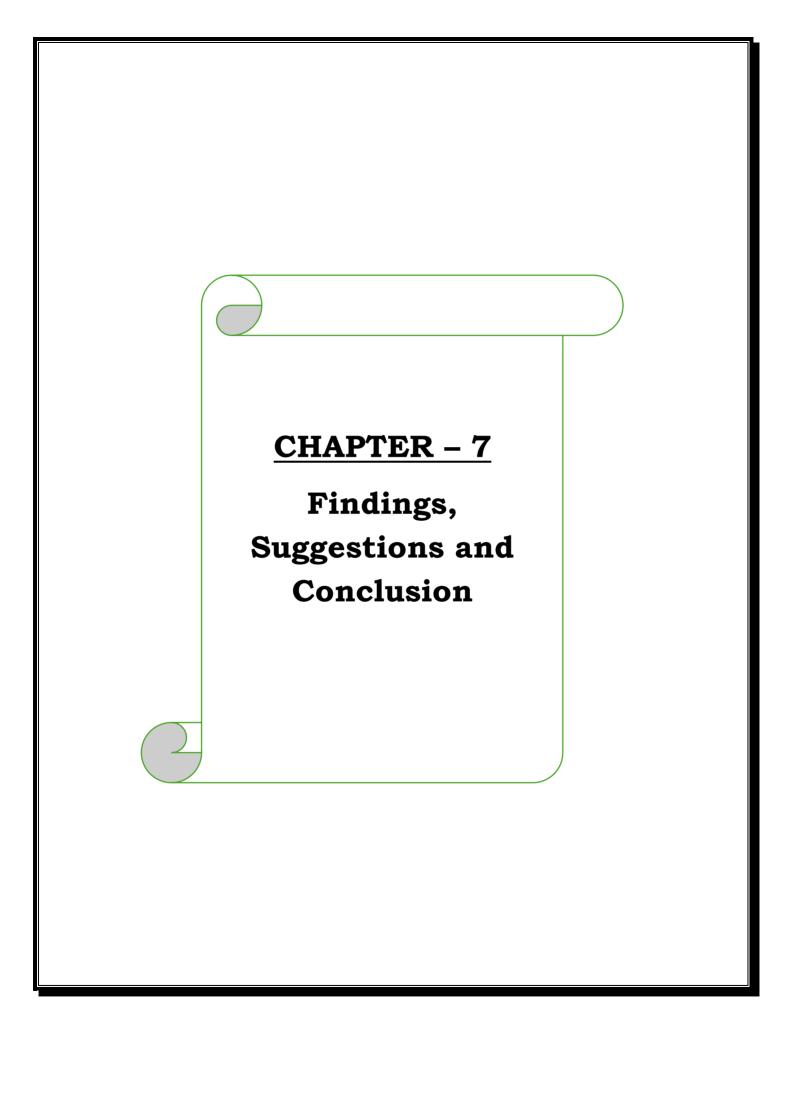


# **6.1** Response from GST filers

S.No.	Taxpayer Name	Business Type	Turnover (Approx.)	Filing Type	Challenges Faced	Suggestions for Improvement
-	Rakesh Kumar	Retail (Grocery Store)	₹30 Lakhs	Quarterly GSTR-1	Difficulty in understanding portal navigation	Simplify the GST portal interface
2	Neha Shah	Boutique	₹26 Lakhs	Monthly GSTR-3B	Frequent technical errors on the portal	Ensure timely maintenance of GSTN
33	Sameer Verma	Electronics Wholesale	₹30 Lakhs	Monthly GSTR-1 & 3B	Delay in input credit reflection	Real-time credit updates
4	Anita sinha	Consultancy Services	₹18 Lakhs	Quarterly GSTR-4	Confusion regarding applicable return types	More awareness campaigns
5	Rajat Mehta	Online Seller	₹1.2 Crores	Monthly (All forms)	Reconciliation of sales data is time-consuming	Auto-reconciliation tools
9	Priya Nair	Food & Beverages	₹35 Lakhs	Monthly GSTR-1 & 3B	Technical glitches during peak dates	Extend deadlines when site performance is poor
7	Vivek Singh	Travel Agency	₹40 Lakhs	Quarterly GSTR-1	Understanding changes in rules	Provide timely and easy-to-understand updates
~	Meena Patil	Pharmacy	₹15 Lakhs	Monthly GSTR-3B	Lack of skills/staff for filing	Training workshops for small businesses
6	Saurabh Joshi	Manufacturing (SME)	₹45 Lakhs	Quarterly GSTR-4	Time-consuming data entry process	Integrate with accounting software
10	Pooja Sharma	Digital Marketing Firm	₹20 Lakhs	Quarterly GSTR-4	Understanding composition scheme	Eligibility

# 6.2 Trends in GST Collection





### **FINDINGS**

- Awareness Gap: Many small businesses are still not fully aware of the complete GST return filing process, leading to delays and errors.
- Technical Challenges: Businesses often face issues with the GST portal such as server errors, slow speed during peak hours, and lack of mobile responsiveness.
- Complex Compliance: Multiple return forms (GSTR-1, GSTR-3B, etc.) and frequent updates in GST rules make compliance difficult for non-experts.
- Dependence on Professionals: Most businesses rely heavily on tax consultants or CA firms due to the technical nature of return filing.
- Mismatch Issues: Mismatches between GSTR-1 and GSTR-3B, or GSTR-2A and GSTR-3B, are common and cause unnecessary notices and penalties.
- Late Fees and Penalties: Businesses often incur penalties due to delayed filing, mainly because of a lack of proper reminders or staff training.
- Reconciliation Difficulties: Input tax credit (ITC) reconciliation remains one of the most tedious and error-prone areas.

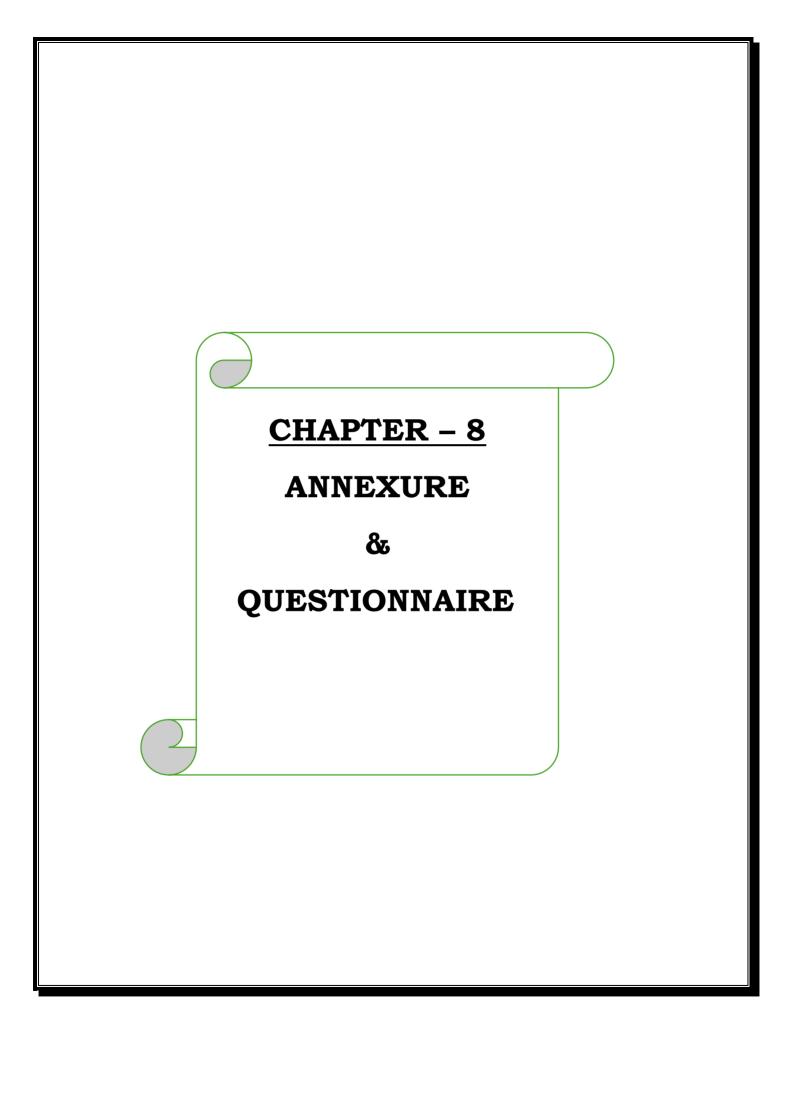
### **SUGGESTIONS**

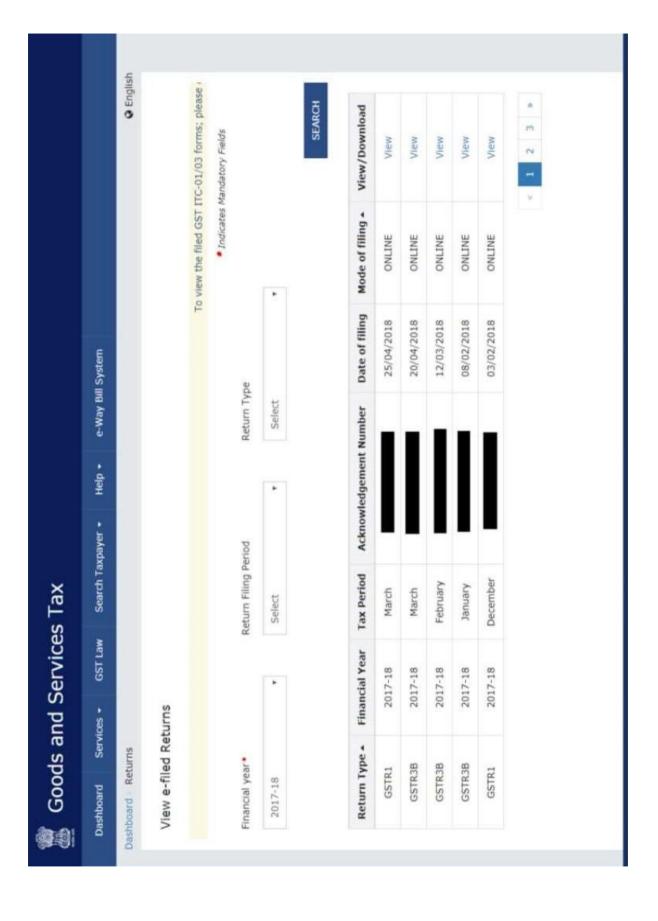
- Conduct Regular Training: Taxpayers and staff should be provided with regular training sessions and updates on GST rules and return filing procedures.
- Simplify GST Forms: Government should work on simplifying the return formats and reducing the number of returns required for small taxpayers.
- Improve Portal Performance: The GSTN portal should be optimized for speed, stability, and user-friendliness.

- Use of Automation Tools: Businesses should adopt software solutions for accounting and automated GST return preparation and filing.
- Reminder Systems: Automated reminders through email/SMS for upcoming return filing due dates can help reduce late fees.
- Help Desks and Support: Establish GST help desks or support centers especially in Tier-II and Tier-III cities for small businesses.
- Data Matching Tools: The government should provide better tools for GSTR-2B/2A
   vs. 3B reconciliation to reduce mismatch errors.

### **CONCLUSION**

The internship has provided valuable practical exposure to the real-world process of GST return filing. The study revealed that while the GST system has streamlined indirect taxation in India, businesses continue to face practical challenges in return filing due to technical, procedural, and knowledge-based issues. With the implementation of recommended solutions such as awareness campaigns, portal improvement, and simplification of compliance procedures, the GST return filing experience can be significantly improved for all stakeholders. Overall, the project has deepened my understanding of GST compliance and highlighted the critical role that tax professionals and digital solutions play in ensuring smooth tax administration.





## 3.1 Tax on outward and reverse charge inward supplies

Integrated Tax Central Tax ₹1,87,774.00 ₹5,372.50 State/UT Tax CESS (₹) ₹5,372.50 ₹0.00

## 3.1.1 Supplies notified under section 9(5) of the CGST Act, 2017

3.2 Inter-state supplies

Taxable Value Integrated Tax ₹11,45,600.00 ₹1,31,382.00

Central Tax ₹2,023.00 CESS (₹)

Integrated Tax

₹13,870.00 State/UT Tax

₹2,023.00

€0.00

### 4. Eligible ITC

# 5. Exempt, nil and Non GST inward supplies

inward 5.1 Interest and Late fee for previous tax period

previous tax period

Integrated Tax Central Tax ₹1,866.14 ₹0.00

State/UT Tax CESS (₹) ₹0.00

### Integrated Tax Central Tax ₹57,090.00 ₹0.00 State/UT Tax CESS (₹) ₹0.00

# Inter-state supplies Intra-state supplies ₹17,500.00 ₹20,000.00

### Important Message

Once you have filled the relevant tables, please follow the following steps for filing:-

- Please click on 'Save GSTR3B' on the summary page.
  - You may download and preview/save the draft GSTR-3B.
- Click on 'Proceed to payment' to offset your liabilities.
- · In case of insufficient cash balance to set off the liabilities, challan creation facility has been provided on the same screen.
  - After setting off liabilities, GSTR-3B can be filed by attaching DSC/EVC.

BACK

### **Chartered Accountant (CA)**

Firm:- D.K. Jamuar & Co.

Address: H. off: 29, 1st Floor Kidwaipuri, Patna- 800001

Phone: +91 8368848202

Email: <a href="mailto:cadkjamuar@gmail.com">cadkjamuar@gmail.com</a>
GSTIN: 10ABCDE1234F1Z5

### **TAX INVOICE**

Invoice No. DPA/INV/2025/071

Invoice Date 28-06-2025

Due Date 11-07-2025

**Billed To:** 

M/s R.K. Enterprises

Shop No. 22, Shivaji Market

Patna - 800004

GSTIN: 10AAACR1234J1Z3

### **Description of Services**

S. No.	Particulars	HSN/SAC Code	Qty	Rate (INR)	Amount (INR)
	GST Return Filing – Monthly GSTR-1 &				
1	GSTR-3B	998313	1	2,000.00	2,000.00

### Tax Summary

		Taxable Value		
Tax Type	Rate	(INR)		
CGST 9%	2,000.00	₹ 180.00		
SGST 9%	2,000.00	₹ 180.00		

### **Total Invoice Amount**

Description	Amount (INR)
Subtotal	₹ 2,000.00
Add: CGST @ 9%	₹ 180.00
Add: SGST @ 9%	₹ 180.00
Total Payable	₹ 2,360.00

### **Bank Details**

Account Name: D.K Jamuar & Co.

Bank: State Bank of India Account No.: 12345678901

IFSC Code: SBIN0001234



e, a new version(V2.0) is now availat ortal for GST to log your issues. Please note that helpdesk®gst.gov.in email address is no more available. For preparing GST ITC-04 in offline mo

## News | Updates | Events

22/02/2018

Advisory to Taxpayers on Improved GSTR-3B Return Filing Process

12/02/2018

Advisory to Exporters for filing Table 6A of GSTR-1 on GST Portal

12/02/2018

Advisory to the Exporters filing for Refund

## Popular help topics

O How do I file GSTR-1, 2 and 3?

O How do I use a DSC?

O How do I add invoices using offline tool?

O How to offset liability from ledgers?

O How can I use the Returns Offline tool?

O How do I register with GST?

GST on Youtube

### **QUESTIONNAIRE**

### Questionnaire: "Analytical Study on GST Return Filing"

### 1. What does GSTR stand for?

- A) Goods and Services Tax Refund
- B) Goods and Services Tax Return
- C) General Sales Tax Return
- D) Gross Sales Tax Report

### 2. GSTR-1 is filed for reporting:

- A) Purchase details
- B) Input tax credit
- C) Outward supplies
- D) Annual turnover

### 3. What is the due date for filing GSTR-3B for a regular taxpayer?

- A) 5th of the following month
- B) 10th of the following month
- C) 15th of the following month
- D) 20th of the following month

### 4. GSTR-9 is filed:

- A) Monthly
- B) Quarterly
- C) Annually
- D) Half-yearly

### 5. Who is required to file GSTR-9C?

- A) Taxpayers under composition scheme
- B) Casual taxable persons
- C) Taxpayers with turnover above ₹5 crores
- D) Non-resident taxpayers

### 6. GSTR-2A is a:

- A) Manually filed return
- B) Purchase-related auto-drafted return
- C) Sales-related return
- D) Return for composition scheme

### 7. Which of the following forms is used for annual return?

- A) GSTR-1
- B) GSTR-3B
- C) GSTR-9
- D) GSTR-2B

### 8. GSTR-4 is filed by:

- A) Large enterprises
- B) Regular taxpayers
- C) Composition scheme taxpayers
- D) E-commerce operators

### 9. What is the frequency of filing GSTR-1 by taxpayers with turnover below ₹5 crore (if opted quarterly)?

- A) Monthly
- B) Weekly
- C) Quarterly
- D) Yearly

### 10. What happens if a taxpayer fails to file GSTR on time?

- A) No action taken
- B) Cancellation of GST registration
- C) Late fee and interest are levied
- D) Jail imprisonment

### 11. Which form is used to make payment of tax under GST?

- A) GSTR-1
- B) GSTR-2A
- C) GSTR-3B
- D) GSTR-7

### 12. GSTR-7 is meant for:

- A) TDS Deductors
- B) Composition taxpayers
- C) ISD (Input Service Distributors)
- D) E-commerce operators

### 13. GSTR-5 is applicable to:

- A) Composition dealers
- B) Non-resident taxable persons
- C) Exporters
- D) SEZ units

### 14. The GSTR-2B form is generated:

- A) Weekly
- B) Real-time
- C) Monthly
- D) Annually

### 15. What is the penalty for late filing of GSTR-1?

- A) ₹200 per day (₹100 CGST + ₹100 SGST)
- B) ₹1000 flat
- C) ₹500 per month
- D) No penalty

### 16. What is the purpose of GSTR-6?

- A) Return for TDS
- B) Return for ISD
- C) Return for SEZ units
- D) Return for exporters

### 17. Which portal is used for GSTR filing in India?

- A) www.incometax.gov.in
- B) www.cbic.gov.in
- C) www.gst.gov.in
- D) www.nsdl.com

### 18. GSTR-10 is known as:

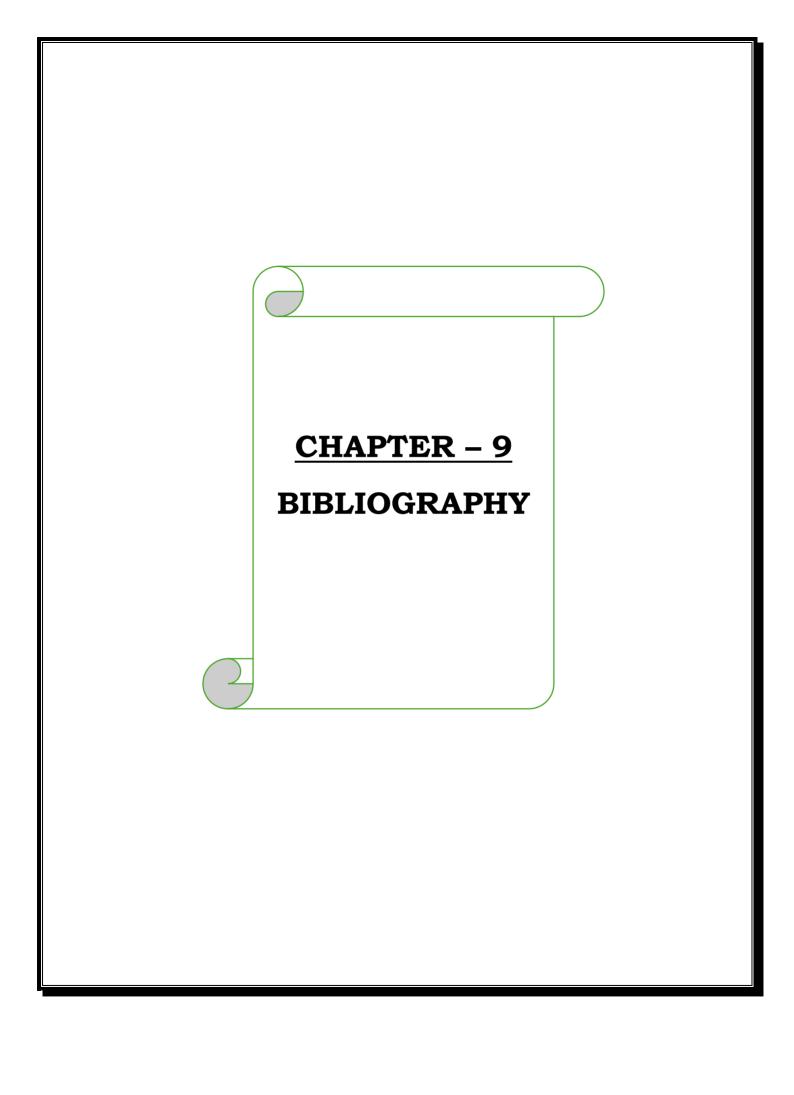
- A) Monthly return
- B) Final return
- C) Annual reconciliation statement
- D) ISD return

### 19. GSTR-8 is filed by:

- A) ISDs
- B) Composition dealers
- C) E-commerce operators
- D) SEZ developers

### 20. The matching of ITC in GSTR is done between:

- A) GSTR-1 and GSTR-9
- B) GSTR-3B and GSTR-1
- C) GSTR-2A/2B and purchase register
- D) GSTR-3B and GSTR-7



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- > Dr. Sanjeev Kumar Systematic Approach to GST, Bharat Law House Pvt. Ltd.
- ➤ Vandana Bangar & Yogendra Bangar Comprehensive Guide to GST, Aadhya Prakashan.

### **Government Documents:**

- ➤ Ministry of Finance, Government of India GST Acts and Rules (Latest Updated Version).
- ➤ Central Board of Indirect Taxes and Customs (CBIC) GST FAQs and User Manuals.

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- www.cbic.gov.in Central Board of Indirect Taxes and Customs.
- www.incometaxindia.gov.in Income Tax Department, Government of India.
- > www.taxmann.com Tax and Legal Research Platform.
- > www.cleartax.in GST Filing and Compliance Platform.

### **Research Papers & Journals:**

- ➤ A Study on the Implementation and Challenges of GST in India, International Journal of Management Studies.
- ST in India: A Critical Analysis, Indian Journal of Finance and Economic Research.