

SUMMER INTERNSHIP PROJECT

**“Examining the factors and Issues Leading to Non-filing of Return under
GST At Nilesh Tiwari & Co.”**

Submitted to:
DMSR
G.S. College of Commerce & Economics, Nagpur
(An Autonomous Institution)

Affiliated To:
Rashtrasant Tukadoji Maharaj Nagpur University, Nagpur

Submitted by:
Mr. ATISH D. VAIDYA

Company Guide:
CA. NILESH TIWARI

Faculty Guide:
Dr. ARCHANA DADHE

Department of Management Sciences and Research,
G.S. College of Commerce & Economics, Nagpur
NAAC Accredited “A” Grade Institution



Academic Year 2022-23



CERTIFICATE

This is to certify that the investigation described in this report titled “**Examining the Factor and Issues Leading to Non-filing of Return Under GST At Nilesh Tiwari & Co.**” has been carried out by **Mr. ATISH D. VAIDYA** during the summer internship project. The study was done in the organization, **Nilesh Tiwari & Co.**, in partial fulfilment of the requirement for the degree of Master of Business Administration of **R. T. M. Nagpur University, Nagpur**. This work is the own work of the candidate, complete in all respects and is of sufficiently high standard to warrant its submission to the said degree. The assistance and resources used for this work are duly acknowledged.

Dr. Archana Dadhe
(Faculty Guide)

Dr. Sonali Gadekar
(MBA Co-Ordinator)

CERTIFICATE



NILESH TIWARI & CO.
CHARTERED ACCOUNTANTS
FRN 130312 W

C.A. Nilesh Tiwari (B.Sc., FCA)
Cell : +91 9970854770, Off. : 9766970060
Off. : 25, Rajat Palza II, Wing I,
Opp. Union Bank, Ghat Road, Nagpur-18
E-mail : nileshtiwari82@yahoo.com
nileshtiwari@icai.org

TO WHOM IT MAY CONCERN

This is to Certify that Mr. Atish Diliprao Vaidya , as Student of MBA (Master Of Business Administration), (Majoring Finance-Summer Semester), G.S College of Commerce & Economics, has taken a training in our firm from 19th September 2022 to 1st November 2022. He has worked full time under our firm for a period of 45 Days.

During his tenure, he has worked sincerely and honestly. His Works and behavior in our organization is good.

We wish for his great future.

Place: Nagpur
Dt 1/11/2022



FOR NILESH TIWARI & CO.
Chartered Accountants

(CA. Nilesh M. Tiwari)

M.NO. 130513

ACKNOWLEDGEMENT

It is a matter of pride and privilege for me to have done a summer internship project in “NILESH TIWARI & Co.” and I am sincerely thankful to them for providing this opportunity to me.

I am thankful to “**Mr. Nilesh Tiwari Sir**” for guiding me through this project and continuously encouraging me. It would not have been possible to complete this project without his support.

I am also thankful to all the faculty members of **Department of Management Sciences and Research, G S College of Commerce and Economics, Nagpur** and particularly my mentor “**Dr. Archana Dadhe**” for helping me during the project.

I am thankful to the Principle of G.S college of commerce and economics Nagpur “**Dr. S.W Kathaley**” and to the dean of DMSR “**Mr. Anand Kale.**”

Finally, I am grateful to my family and friends for their unending support.

Atish D. Vaidya

TABLE OF CONTENT

Sr. No	Particular	Page no.
1	Introduction	1 – 6
2	Company Profile	7-9
3	Terminologies	10
4	Objective of Study	11
5	Scope of Study	12
6	Need of The Study	13
7	Contribution During SIP	14
8	Limitations	15
9	Brief overview on GST	16 – 18
10	Goods and service tax in india	19 - 21
11	Research Methodology	22 – 24
12	Field level analysis	25 – 49
13	Data analysis and interpretation	50 – 56
14	Findings and Suggestion	57 – 58
15	Conclusion	59 – 60
16	Bibliography	61

INTRODUCTION



**The Institute of Chartered
Accountants of India**
(Setup by an Act of Parliament)

About the Industry:

It is an Indian chartered accountant firm based in Yavatmal, under the rules and regulations designed by ICAI (The Institute of Chartered Accountant of India). The title of the study is “Direct and Indirect Taxation and accounting analysis of business entities”.

The Institute of Chartered Accountant of India was established as statutory body on July 1, 1961 under chartered accountants’ ordinance, 1961 to regulate the profession of accountancy in the country. ICAI is the professional accounting and finance body in terms of membership. ICAI is the only licensing cum regulating body of the financial audit and accountancy profession in India.

It recommends the accountancy standards to be followed by companies in India to The National Financial Reporting Authority (NFRA) and sets the accounting standards to be followed by other types of organization.

ICAI is solely responsible for setting the auditing and assurance standards to be followed in the audit of financial statements in India.

MISSION & VISSION OF ICAI



Mission of ICAI

- **Global Professionals:** ICAI will develop skilled professionals with competencies to service clients not only within India but across the globe that requires technical skills as also cross-cultural appreciation and understanding of global needs. As one of the largest producers of CAs in the world, we will make sure our members can take the rightful place in the global talent pool.
- **Independent and Transparent Regulatory Mechanism:** ICAI will further strengthen and visibly demonstrate its regulatory role through proactive, visible, timely and unbiased action. We will create public awareness and sensitize all stakeholders to the effectiveness of the quasi-judicial role of ICAI and ensure inclusion of wider section of users of member services in carrying out our role as regulator.
- **Highest ethical standards:** ICAI will continue to inculcate highest ethical standards amongst its members to assist them in upholding the values that the accounting profession stands for. We will continue to include and emphasize ethical values as part of the education and training of students and members.

Vision of ICAI:

- **To be World's leading Accounting Body:** ICAI envisions becoming the world's leading accounting body by playing a predominant role in setting world class standards in identified service areas developing thought leadership and research that addresses concerns of countries, developed, developing and under-developed.
- **A regulator and developer of Trusted and Independent Professionals:** ICAI will lay further thrust on its regulatory and developmental role that sets the highest standards of professional and ethical conduct of its members as a core value. Each and every member of ICAI will not only have the obligation to maintain exacting standards of clarity, transparency and disclosure and present an independent, informed and balanced opinion but ICAI will make examples of delinquent members to ensure this core value is embedded in the DNA of its members.
- **In accounting, assurance, taxation, finance and business advisory services:** ICAI will strengthen facilities available for providing education, training and continuous updation of knowledge as also research and development relevant in current times to establish thought leadership in these areas where members of ICAI have been providing services.

Top CA Firms in India

Deloitte:

In terms of revenue, Deloitte is the world's largest professional services network. It is also the world's largest professional services network, based on a significant number of professionals.

Deloitte serves over 200,000 professionals in over 150 countries with audit, tax, consulting, enterprise risk, and financial advisory services. They serve as advisors to a number of world's most well-known brands.

Industry consulting services operate on the principle of 'providing realistic insights and answers to problems.'

'Good to make it great!' says Deloitte. They are dedicated to assisting clients in becoming leaders.

The image shows the Deloitte logo, which consists of the word "Deloitte" in a bold, black, sans-serif font. A small green circle is positioned at the end of the word, to the right of the letter 'e'. The logo is centered on the page.

Grant Thornton International:

Grant Thornton is a UK-based accounting firm with offices in nearly 125 countries. This company is well-known for its large revenue, which exceeds 4.5 billion dollars.

It is a firm that provides assurance, tax, and consultancy services. Grant Thornton is well recognized for offering assurance and taxation services, as well as other financial consulting services.

It has been in operation for almost a century. Grant Thornton has been a valuable partner to firms with the ability to expand and operate globally. It forces professionals to adapt to changing market conditions and deal with difficult situations or transactions.

Grant Thornton's member office in New Delhi is located in Connaught Place.



RSM International:

RSM is the seventh-largest audit, tax, and advisory business in the professional services network. It takes pride in being the world's sixth-largest provider of tax services.

In September 2014, it polled its independent member firms and journalists in 111 countries. RSM International's member firms employ a total of 35,396 people, including 3,221 partners across 718 offices.

Robson Rhodes (UK), Salustro Reydel (France), and RSM McGladrey/McGladrey & Pullen are three of the organization's founding members (USA).



COMPANY PROFILE

Nilesh Tiwari & co. is one of the top trending and leading businesses in the field of accounting category in Nagpur. It is also known as Accountants, Accounting Facilities, Accounting services, outsourcing services etc.

These firm provides all sort of chartered accountant services related to accounting, auditing, income tax, financial services, company law matters, foreign collaborations, import-export consultancy, GST Registration, GST Returns etc.

It is a professionally managed firm. The team consist of distinguished chartered accountants and tax consultants. The firm represents a combinationof specialized skills, which are geared to offers sound financial advice and personalized proactive services.

This company has people who are dedicated to their respective roles and work hard to achieve the shared vision and broader goals of the company. In the near future, this business aims to expand its range of products andservices and serve a larger customer base. In Yavatmal, this company has a high status in Yavatmal. You can reach this destination easily as P.D. Chopda& Co. can be found in various navigation tools like: Google map.

It is known to offer superior services in the following categories: accountant, accounting services, accounting services outsourcing services.

CORPORATE SERVICES

- Incorporation of company
- Consultancy on company law matter
- Filing of Annual Returns and various forms, document
- GST registration and GST return
- Auditing

SERVICES OFFERING

Company Registration:

The most famous business composition is to register a Pvt. Ltd. Company. Company registration will enable to limit the personal liability of promoters to the extent of paid-up capital.

One Person Company:

GST Registration of business to sell goods beyond turnover limit. Limit may differ from state to state. Necessary to get GST credit.

LLP Registration:

Limited liability partnership firm has benefit of company registration and easiness of partnership. It is apt for small businesses. Experienced CA firms can ease out the process within reasonable fees.

GST Registration:

Register one person company for quick start of business within reasonable fees by experienced CA firms.

ROC Filing:

Periodic returns / firms need to be submitted to registrar of companies (ROC) for companies act compliance. Experienced CA firms can file timely & correct ROC filing in reasonable overall cost.

GST Return:

GST returns need to be filed on periodic basis by business to provide information about value of turnover & total GST liability & mode of payment. Frequency may differ from state to state. Delays will attract penalty. Experienced CA firms can ensure compliance within reasonable fees.

TERMINOLOGIES

- GST – The Goods and Services Tax, or GST is an indirect tax Law applicable across India. It has replaced multiple indirect taxes such as excise duty, service tax, value- added tax, octroi, entry tax and luxury tax
- Auditing is a part of the accounting world
- Examination of accounting and financial records that is undertaken independently
- CGST, SGST, IGST, UGST
- Comparison of GSTR-3B Vs GSTR-2A
- Use of tally ERP 9, Busy software for accounting

OBJECTIVES OF STUDY

- To study the level of GST awareness among Taxpayers
- To study the level of return filing knowledge of Traders \Taxpayers registered under GST
- To study in- depth understanding of the new GST law
- To know the awareness of the process of filing of return under GST
- To identify the issues, problem, grievances faced by Traders\Taxpayers registered under GST
- To identify the reason for not filling return
- To know the reason for not filling return on time by GST registrants

SCOPE OF SIP

- This project helps in knowing the reasons for non -filing of returns by the traders
- This project helps in assessing the trader's perception towards GST
- This project helps the department to know where the gap is growing and the reason for such gap in filling return under GST
- Evaluating results with help of graphs
- Understanding various types of audit report
- Acquiring knowledge of GST return

NEED OF SIP

- To gain inside knowledge of GST and Tax
- To know working environment of office
- To tackle invoice and solve queries of clients
- To handle roles and responsibility in the company
- To have a potential and practical skills about accountancy
- To provide services to the clients for income tax return, audit and GST
- To return provide consultancy to the clients
- To studies various aspects of taxation
- To get the effective client base

CONTRIBUTION DURING SIP:

- The contribution from my side to company was assigned as a financial trading and software which are Tally ERP-9. Then like to make suspended account in which there is a confusion of payment.
- After that I handle responsibility was in correct order and documents are placed in each file as per the sequence with respect current client loan document.
- My coordinator assigns me the job of posting loan related loan enquiry.
- Send mail to client for requiring data.
- Collecting different invoice related to sales & purchase report.
- Learning Audit reports, GST report, Sales Tax, Purchase Tax etc.

LIMITATION:

- Time is the main constraint for the project to do a complete study - the project was assigned to be completed in two months.
- The project survey is restricted to GSTO-40 Region only (i.e., Koramangala).
- Since the targeted respondent were technically and educationally poor in majority of the cases, there may be a deviation in project result and actual scenario by up to 10 to 20%.
- As many of the respondents were depending upon the consultants, auditors and third parties, the responses given by them may not be accurate in some of the cases.

BRIEF OVERVIEW ON GST

Overview on GST in India:

The Constitution (122nd Amendment) Bill, 2014, seeks to amend the Constitution of India to facilitate the introduction of Goods and Service Act. It is the Indirect Tax charged on local consumption and is borne by end consumers. It is collected at each stage of the production and distribution chain by registered vendors, who have to account for the tax on the value that they have added to goods and services. France is the first country to introduce GST. Almost 160 countries have introduced GST in some form. While countries such as Singapore and New Zealand tax virtually everything at a single rate, Indonesia has five positive rates, a zero rate and over 30 categories of exemptions. The authority to levy tax is derived from the Constitution of India which allocates the power to levy various taxes between Centre and State.

Need for GST:

India's recent progress towards economic growth stems from reforms undertaken after the 1991 fiscal crisis, which lifted India from decades of slow growth under Socialist rule and offered an opportunity to improve living conditions in the immense, poor country. At the sametime, much had changed in India after the balance of payments crisis of 1991. Indian policies became more positive towards promoting export and allowing foreign capital to participate in the process of India's growth. Globalisation and liberalization have become the order of the day. The interdependence of economies in their move for development compelled the Governments of all thecountries to follow the globalisation policies adopted by the major economies of the world. To survive and grow in this economic order, rational and competitive tax policies are being adopted by every country. India has also fallen in line with the requirement and has been initiating modifications in indirect taxes. The recent proposals of Goods and Services Tax (GST) are considered as path-breaking in the economic restructuring in general and in the taxation area in particular.

Various Studies on GST:

Chief Economic Advisor Committee: -

In December, 2015, Chief Economic Advisor (CEA) Arvind Subramanian, released a comparative study of GST implementations in the federal systems around the world. 'Report on the Revenue Neutral Rate and Structure of Rates for the Goods and Services Tax (GST)'. His report focused on the experiences of European Union, Canada, Brazil, Indonesia, China (a unitary nation) and Australia. Subramanian found that most of these countries were facing 'serious challenges' in working with the GST

Reserve Bank of India: -

The Reserve Bank of India too studied the GST implementations in various countries and incorporated its findings in the report titled: 'State Finances: A Study of Budgets of 2016-17' and released in May 2017. The RBI took notes from the GST experiences of Argentina, Australia, Brazil, Canada, Malaysia, New Zealand and Russia. It found flaws in all the GST models. On the basis of the global experience, the RBI listed some of the risks that GST may bring to India in the new taxation regime.

GST to be major test of Digital India success:-

On July 1, 2015, the Prime Minister launched the Digital India programme with the objective of creating a participative, transparent and responsive government. And on January 16, 2016, the much-talked-about Start-Up India, stand up India initiative, aimed at encouraging new ventures and creating jobs, was kicked off amidst much fanfare.

Without doubt, these are some of the most-important initiatives of the government expected to transform the corporate sector. Along with these initiatives, there is yet another game changer, the Goods and Services Tax (GST). All three are linked. While Digital India and Start-Up India complement each other, GST is crucial for the success of both these initiatives.

Impact of GST on Business:

GST is widely seen as the most important and far-reaching indirect tax reform that will, potentially, have an impact on almost all industries and businesses since it will create a common Indian marketplace and reduce the cascading effect of taxes. It will subsume all indirect taxes and create just one rate for the entire nation.

GST will have a profound effect on the way business is conducted in India and the way prices are determined. The legislation will affect the pricing of goods and services, supply chain optimization, accounting and tax compliance systems, as also the tax structure, tax incidence, tax computation, tax payment, compliance, credit utilization and reporting. In short, the present indirect tax system, with all its inefficiencies, will be completely overhauled.

GST will create a wider tax base, which will lower tax rates. Not only will the multiplicity of taxes be eliminated and the tax structure rationalized, compliance procedures will also become easier. Additionally, the automation of compliance procedures (which comes under the domain of the Digital India initiative) will reduce errors and increase efficiency.

GST will enable the digital industry business initiative to take root by providing a uniform tax rate and standard regulations across the nation. This will enhance ease of doing business, and will allow start-ups, online market places and the retail sector to flourish. These sectors are also seen as major job creators. With GST roll-out, industries in these domains can expect huge gains, which will, in due course of time, lead to more jobs and a higher GDP.

The roll-out of GST has already been delayed, largely due to lack of political consensus. The smooth passage of the Bill is deemed crucial for the success of mega economic and social projects, such as Digital India and Start-Up India. The government is now hoping to kick-start the initiative on April 1, 2017. That leaves very little time for companies to upgrade their accounting systems and ERP software to comply with the new tax regime.

Some companies have already come out with GST-ready software offerings and suites that will help companies migrate smoothly to the new tax regime, and enable them to integrate the older financial structure with the new one seamlessly. All stakeholders are now waiting with bated breath.

Goods and Service Tax in India:

Meaning of GST:

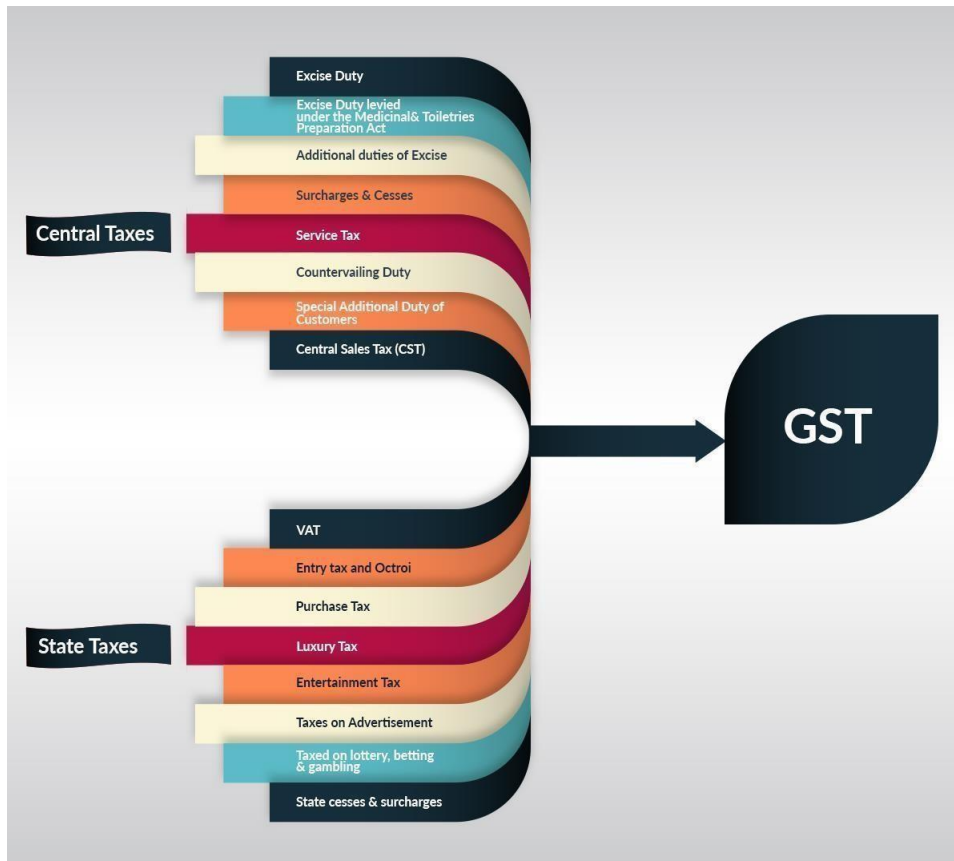
GST is defined as any tax on supply of goods and services, other than on alcohol for human consumption. In brief, before GST came into existence tax was levied at two-tax system, one is on sale value or about invoice amount, and second one is on the value-added amount under value added taxation. Now Goods & Services Taxes is destination-based and input tax credit system (ITC) paid at previous stage of purchases and it can be set off right from the manufacturer to the end users. In the supply chain of goods and services, value added will be taxed and ultimate burden tax to be paid by the final consumer.

FEATURES OF GST MODEL:

The following are the some of the important features of GST: -

1. The GST shall have two components: one levied by the Centre (here in after referred to as Central GST), and the other levied by the States (here in after referred to as State GST).
2. The Central GST and the State GST are to be paid to the accounts of the Centre and the States separately
3. The Central GST and the State GST would be applicable to all transactions of goods and services made for a consideration except exempted goods and services, goods which are outside the purview of GST.
4. Since the Central GST and the State GST are to be treated separately; taxes paid against the Central GST shall be allowed to be taken as input tax credit (ITC) for the Central GST and could be utilized only against the payment of Central GST. The same principle will be applicable for the State GST.
5. The administration of Central GST to the Centre and for State GST to the States would be given.
6. To the extent feasible, uniform procedure for collection of both central GST and the State GST would be prescribed in the respective legislation.
7. The taxpayer would need to submit periodical returns, in common format 42, introducing GST and its impact on Indian economy, as far as possible, to both the Central GST and to the concerned State GST authorities.
8. Each taxpayer would be allotted a PAN-Linked taxpayer Identification Number with a total of 13/15 digits. This would bring the GST PAN-Linked system in line with the prevailing PAN-based system for Income Tax, facilitating exchange and taxpayer compliance.

GST Mechanism:



GST will eliminate the around 16 different types of taxes from regime which were levied by central and state government before the GST Act has been implemented in which central taxes (excise, surcharges, service tax, central sale tax etc..) and state levied tax (VAT, Octroi, luxury tax, entertainment tax, advertisement tax, cess and surcharge etc..).

Taxing Mechanism:

Indirect Taxes	GST	Goods/Services Produced & Consumed in same State	Goods/Services Produced & Consumed in different States (Inter-State)	Goods & Services Exported	Goods & Services Imported
Excise Duty	CGST	CGST rate + SGST rate Levied	Integrated GST	GST not Applicable	CGST rate + SGST rate Levied
Service Tax					
Custom Duties					
Central Sales Tax					
State Sales Tax	SGST	CGST rate + SGST rate Levied	Integrated GST	GST not Applicable	CGST rate + SGST rate Levied
Entertainment Tax					
State VAT					
Professional Tax					

www.relakhs.com

The GST in India is divided into three types CGST, SGST, IGST. If the transaction of goods or services belongs to intra-state, then CGST and SGST are levied and equal promotional rate and, if the transaction belongs to inter-state, then IGST is attracted. The consolidated rate of CGST And SGST will be equal to the rate of IGST.

RESEARCH METHODOLOGY:

In this chapter the methodology adopted for this study is outlined. The research design, tool of the study, statistical techniques and limitation of the study are discussed.

Research Design:

The following research techniques are used in this study: -

Exploratory Research:

Exploratory research has a goal of formulating problems more precisely, clarifying concepts, gathering explanations, gaining insights, eliminating impractical ideas, and forming hypothesis. It provides insights and comprehensions of the issue or situation. The initial phase of the project demanded exploratory research to capture, understand, interpret and apply the concepts and skills relating to basics of GST and return filing process of GST and technical implications. This exploratory study helped in conducting survey in a smooth and healthy way and guided in framing the finding and suggestions besides drafting the conclusions.

Descriptive Research:

Descriptive research defines questions and finds answers to these questions using statistical techniques on data gathered. The following null hypothesis has been tested using collected data:

1. Traders registered under GST have no issues and problems while filing returns to the department
2. There are no difficulties to the Traders to not file returns in time

Variables used in Study:

The following are the variables used in study:

1. Experiences of the officers working near to the fields who are responsible for collecting taxes.
2. Group of target audience (Traders who are registered under GST in the selected region).

Tools of the Study:

Interviews were conducted to collect data from tax officers dealing with the responsibility of tax collection in tax department. Survey and observative interviews were conducted to collect data from registered Traders under GST. A questionnaire was framed to extract the grievances affecting the Traders to not filing of returns in time.

Interview:

Interviews was designed after studying secondary information and in consultation with experts. The following information is gathered:

1. Response to GST and the acceptance of it by the Traders
2. Opinions on GST compared to the earlier VAT
3. Technical issues with the process that are implemented
4. Problems with some of the systems
5. Officers' perceptive observation for not filing of returns by Traders
6. Opinions and suggestions from officers of the department

Questionnaire:

The questionnaire was designed for the targeted audience to extract the reasons, issues, problems which were reflecting in late filing or non-filing of returns. To begin with, the exhaustive list of questions were prepared according to expert advices and some statistical data. The segmentation of questions were made according to the targeted issues and grievances, and their similarity. These questions were divided into five groups according to their symmetrical issues starting with general and GST awareness and ends with segregating the issues into technical, administrative and monetary issues for non-filing of returns in time.

The questionnaire consists of both open-ended and close-ended questions. The open-ended questions were asked to gather the particular issues and problems faced by each trader and close-ended questions were included to gather data to find out the most commonly-faced problems and issues by Traders and finding ways to resolve them. According to experiences faced in the primary phase of the survey, there are some questions which are added and some which are modified according to the primary responses. The questionnaire also had an opinionnaire section that was used to capture the degree of agreement on the following aspects:

1. Awareness on goods and service tax
2. Filing process awareness in GST (GST-returns filing knowledge)

Sample of the Study:

The sample techniques used for this study is stratified sampling. Stratified sampling is used where population embraces a number of distinct categories and the frame can be organised by these categories into separate “strata”. Each stratum is then opened as an independent sub- population, out of which, individual elements can be randomly selected. The targeted audience or respondents, selected for this study, are the GST-registered Traders or services providers eligible to file returns but not doing so. The study is conducted on 100 registered Traders belonging to the GSTO-40 jurisdiction (Koramangala).

Collection of Research Data:

Interview questionnaire was administrated by approaching the Traders at their work place and by asking them to fill up after explaining them the objectives, purpose and scope of the survey.

In some cases, responses through digital platforms, such as e-mail, messenger,WhatsApp, etc., were also used to collect the data pertaining and binding to the situations.

Statistical Techniques:

The questionnaire is designed in such a way that total questionnaire is divided and concentrated on 5 categories and most of the questions were objective type (YES/NO) and awareness on GST and awareness on GST filing is estimated for which a 3-parameter scale of options was used (3-aware; 2- partly aware; 1-not aware

FIELD-LEVEL ANALYSIS

The questionnaire was divided into three sections. The Sections represented dimensions for the current research. The research examines the associations and inter-relations between the moderating variables defining the dimensions. The following are the different phases of questionnaire: -

4.1 Section-1: -

- Turnover information and tax liability
- Mode of Transactions

4.2 Section-2: -

- General GST awareness
- GST awareness on filing of returns

4.3 Section-3: -

- Technical issues related to GST>Returns filings
- Administrative issues related to GST>Returns filings
- Monetary issues related to GST>Returns filings

Questionnaire used for eliciting responses was divided into three sections, where the first section involved analyzing the tax eligibility and liability of respondents, mode of transaction. The second section is the key and most crucial to analyses the GST awareness among Traders and GST-filing awareness and their comparison. The third section is more productive and highlight the areas of problems and grievances faced by the respondents and also gives the necessary information about the pulse and perception towards the GST-filing system.

PHASE-I:

Ownership Style: Response to the nature of ownership

Table 1-Ownership style

OWNERSHIP STYLE	RESPONSES
OWNER'S	63
LESSESE'S	2
FRANCHISEES	5
TOTAL	70

It is evident from the above table that 90% of the non-filers of GST returns are owners of business while 7% are Franchisees and remaining 3% are lessees. This categorisation was primarily considered to examine if the antecedents influencing the non-filing of GST returns is same or different across groups.

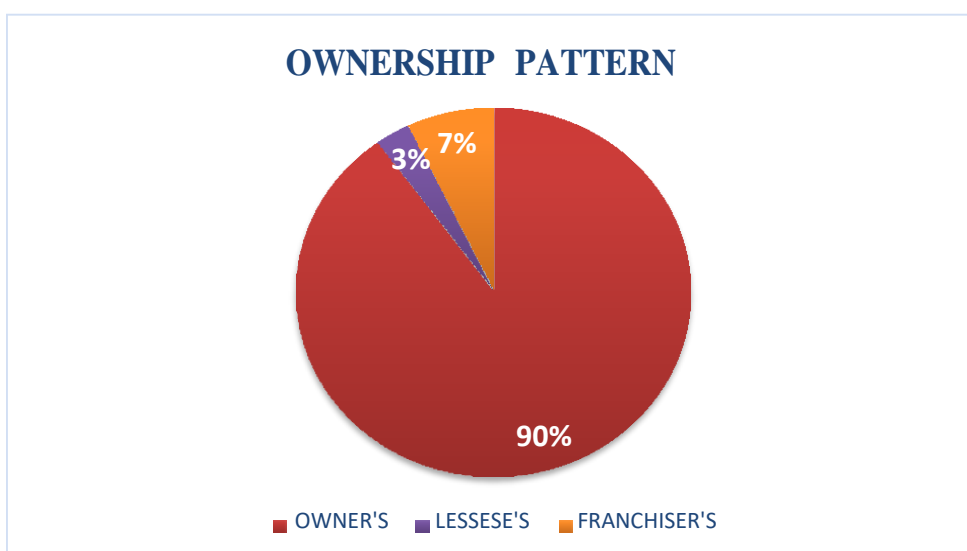


Fig.1 Ownership style

From the above data, it may be observed that majority of the respondents are owners of business while the remaining few are either franchisees or lessees. This implies that most of the businesses filing GST returns in India may be owners who are bound by unlimited liability as evident from the response rate of 90%.

Duration of the Business:

The below table shows the responses for the duration of the business (ie, the age of the business which they are running).

Table 2-Duration of the business

DURATION OF BUSINESS	RESPONSES
LESS THAN 3 YEARS	2
3 TO 5 YEARS	4
5 TO 10 YEARS	21
MORE THAN 10 YEARS	43
TOTAL	70

The below graph shows the percentage representation of respondents' duration of business, were 61% of respondents have been running their business from more than 10 years, 30% of respondents were running their business for 5 to 10 years, 6% of them between 3 to 5 years and 3% have started business less than 3 years, after which GST came into existence.

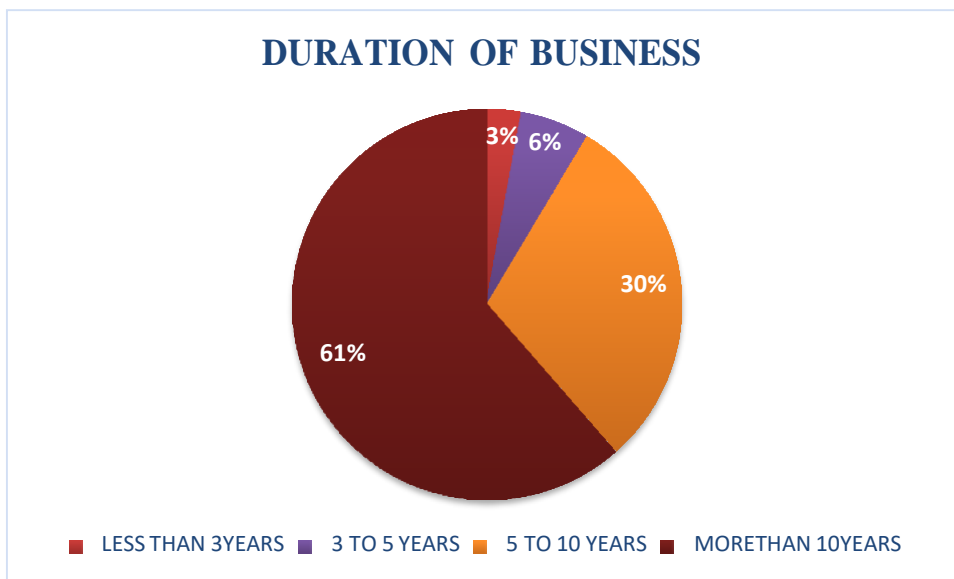


Fig. 2 Duration of the Business

The above graph shows that 61% of respondents were running their business for more than 10 years, 30% of respondent business tenure is 5-10 years, 6% of respondents business is between 3-5 years and remaining 3% business were started recently after which GST regime came into being. In majority of the cases, the Traders were running their business even before GST regime, which shows that the majority registrations for GSTN is from various earlier tax regime such as service tax, VAT, entertainment tax, etc.

Liabe for paying Tax:

The following table shows the number of people liable for paying tax under GST which can be known by their turnover, the table shows the total number of respondents and their turnover per annum.

Table 3-Liabe for paying tax

ANNUAL TURNOVER	RESPONSES
LESS THAN 20 LAKH	2
20 LAKHS TO 1.5 CRORE	50
1.5 TO 5 CRORE	7
MORE THAN 5 CRORE	11
TOTAL	70

The below graph explains the respondent's eligibility to pay tax under GST on the basis of their annual turnover. As we can see, only 3% of the respondents were not eligible to pay taxes as their turnover is less than Rs 20 lakh, which is the exemption limit provided, 71% of respondents were falling under turnover of Rs 20 lakh to Rs 1.5 crore, which is generally consisting of Traders who opted for the composite scheme of filing returns paying taxes, 10% of the respondents' turnover is between Rs 1.5 crores to Rs 5 crores and 16% of the respondents have their turnat over Rs 5 crores

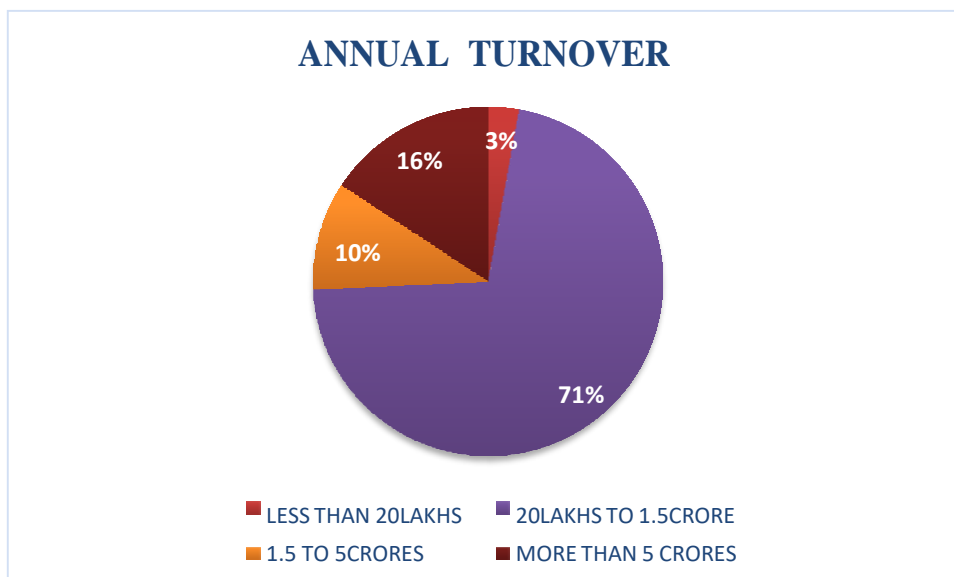


Fig. 3 Liabe for paying tax

The above graph shows that 71% of respondents' actual turnover were between Rs 20 lakh to Rs 1.5 crore, 10% of the respondents' annual turnover is Rs 1.5 crore to Rs 5 crore, and 16% of respondents' annual turnover is more than Rs 5 crore, and 3% of respondents' turnover is less than Rs 20 lakh.

By the above graph it is understood that majority of the respondents' annual turnover was between Rs 20 lakhs to 1.5 crore which represents that they may be in composition scheme of filing returns quarterly.

Registrations under VAT/Service Tax:

The following table shows the earlier registrations of Traders under VAT/Service Tax who were now registered under GST. It merely shows from where GST registrations were flown from.

PAST REGISTRATIONS	RESPONDENTS
Value-added tax	45
Service tax	16
Both	4
Not registered	5
TOTAL	70

Table 4-Registrations under VAT/SERVICE TAX

The following is the graphical representation of the above-mentioned details of earlier registration where 45 members were registered under VAT, 16 members under ST, 4 members under both and 5 members were not registered under any of them (i.e., they are newly-added to the tax regime under GST).

Figure 5-Mode of transactions

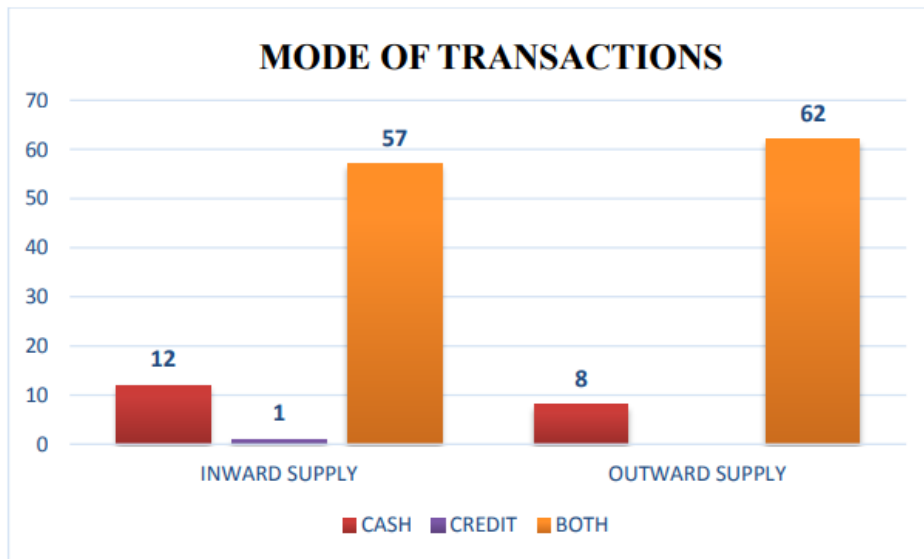


Fig. 4 Registrations under VAT/SERVICE T

The above graph shows that out of 70 respondents, who have registered for GSTN, their earlier registration under indirect tax is as follows: 16 respondents migrated from Service Tax, 45 respondents migrated from VAT, 4 respondents were registered under both VAT and Service Tax and 5 respondents were newly-registered for GSTN. By this it was understood that 90% of respondents were paying indirect taxes earlier whereas very few were recently added to GST regime (among 5 respondents all are having textile business such as garment store, readymade cloth stores etc.,).

Mode of Transactions:

The following table shows the mode of transactions made by the Traders while conducting inward and outward supplies in their businesses.

Table 5-Mode of transactions

MODE OF TRANSACTIONS	INWARD SUPPLY	OUTWARD SUPPLY
CASH	12	8
CREDIT	1	
BOTH	57	62
TOTAL	70	70

The following is the graphical representation of above shown table. It shows that a majority of Traders was doing business both ways (i.e., cash and credit)

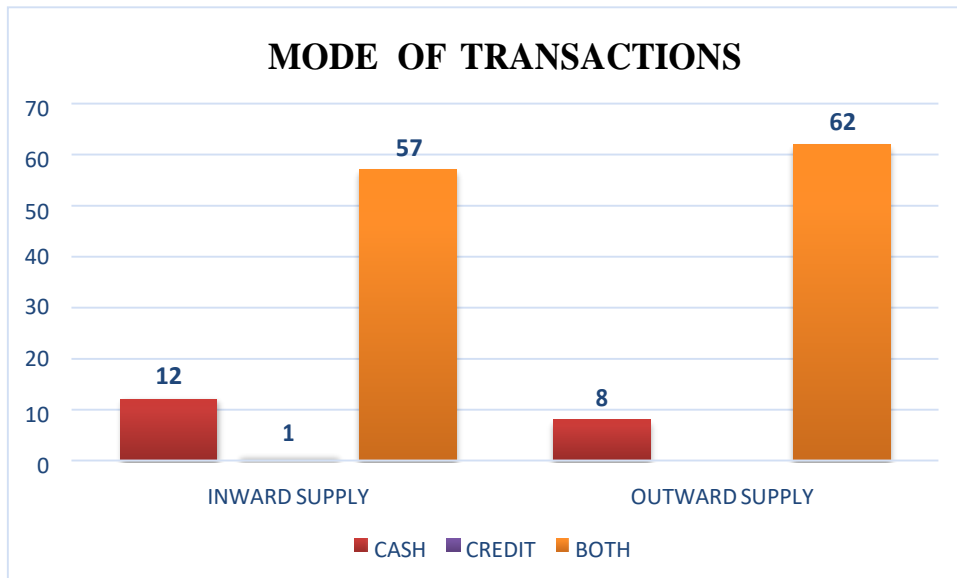


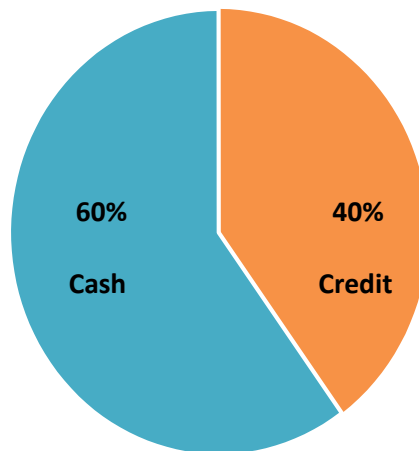
Fig. 5 Mode of Transactions

Such respondents, who were doing the transactions both ways, were further divided into cash and credit proportionately which is shown in below pie diagram that concludes that respondents were majorly depending upon credit basis of transactions

Cash-credit ratio:

The important issues which are resulting in non-filing of returns under GST is credit transactions. The taxpayers are highly depending upon credit mode of transaction which is adversely affecting their cash reserve. The commonly observed response for non-filing of return is lack of funds. This is because the taxpayers were depending highly on credit transactions in which they will not receive payment up to a certain period whereas they have already paid the amount for such transactions while making purchases. This results in out of funds which is common reply given when asked reasons for non-filing of GST returns. From executing the survey it is orally asked and observed that the taxpayers, who opted for both in mode of transactions 60% of which is again made under credit only 40% of them were in cash.

TYPE OF TRANSACTION IN BOTH



PHASE-II: -

GST Awareness:

The following is the table which shows about the awareness of the respondents towards GST which is calculated on a scale of three variables 1. Aware 2. Partly aware 3. Not aware. This table is a group of five questions which shows one's knowledge about GST-namely:-

1. Awareness
2. Concept
3. Compliances
4. Product Categorization
5. Input Tax Credit (ITC).

Table 6-GST awareness

GST AWARENESS	AWARE	PARTLY AWARE	NOT AWARE	TOTAL
AWARENESS	41	24	5	70
CONCEPT	40	16	14	70
COMPLIANCES	41	21	8	70
PRODUCT CATEGORISATION	40	21	9	70
COMPLAINCES ON ITC	40	18	12	70

The above shown table is represented graphically in the below bar chart where we can see that the majority of the responses if they were aware of GST.

GST AWARENESS

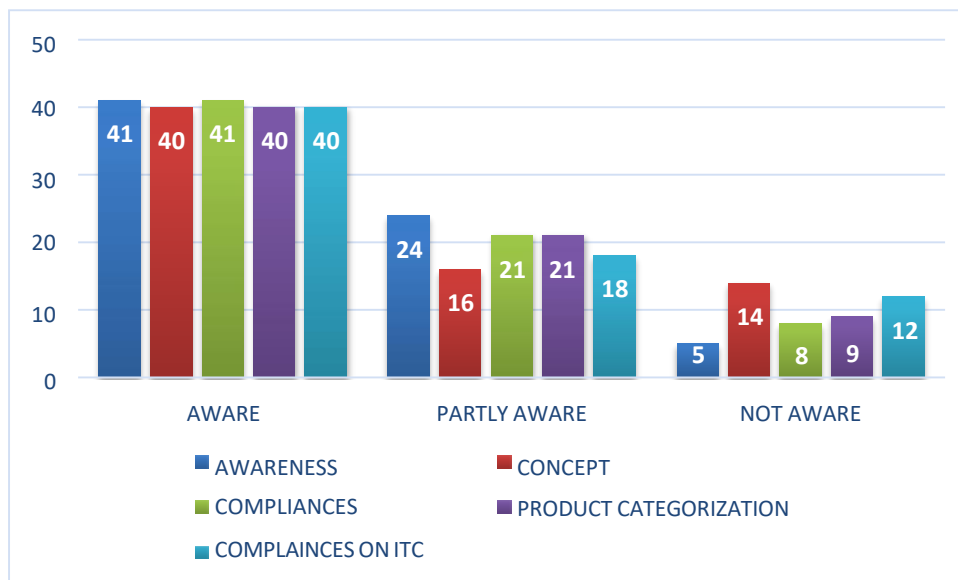


Fig. 6 GST Awareness

The above graph shows the awareness level of basic GST among the respondents. We can see that around 40 of the respondents has answered that they were aware of the basics of GST, whereas around 21 respondents answered that they are partly aware and around 10 members answered that they are not at all aware of the basics of GST. We can conclude that the overall awareness on basics of GST is moderately high in the market.

GST “E-filing-returns” Awareness:

The following is the table which shows about the **GST “E-filing-returns”** awareness of the respondents towards GST which is calculated on a scale of three variables 1. Aware 2. Partly aware 3. Not aware. In the below graph we can see that majority (49 respondents) were not aware of GST E-filing of returns, 17 respondents were partly aware and 4 respondents were not aware. The below table shows the returns filing knowledge of the respondents :-

Table 7-GST“E-returns filing “knowledge

SCALE	GST RETURNS FILING KNOWLEDGE
AWARE	4
PARTLY AWARE	7
NOT AWARE	49
TOTAL	70

The above table was plotted graphically to observe the various levels of knowledge in returns filing by the respondents and it is shown below:-

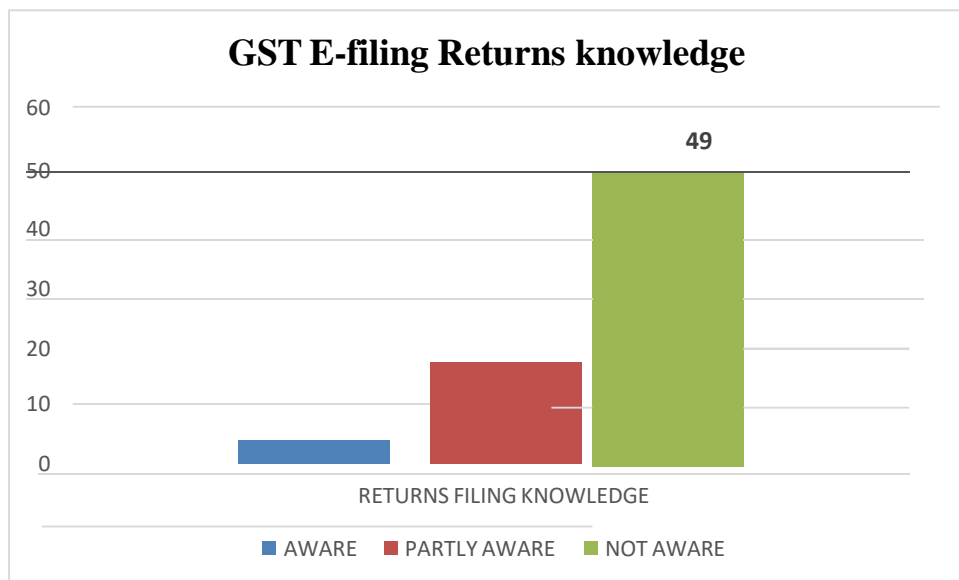


Fig. 7 GST 'E>Returns filling' knowledge

This is the most important aspect and this is the reason why the Non-filers were not filing the returns in time. This is about the knowledge level of filing of returns under GST. The above graph shows that 49 respondents were not aware of GST returns filing system whereas the same equivalent number of respondents answered that there are aware of GST basics in the earlier graph which evaluates that they should be different point of view in seeing the “GST awareness” and “GST returns Awareness” which has a huge variance.

PHASE-III: -

Technical Issues related with GST>Returns Filings:

The following tables shows the various technical issues based on the questionnaire which were the suggested/top-rated issues or problem referred from Commercial Tax Officer’s and Field officers in the GST department.

Table 8-Technical issues related with GST-returns filings

TECHNICAL ISSUES	YES	NO	TOTAL
LACK OF TECHNICAL SKILLS	60	10	70
ONLINE_PORTAL	59	11	70
OFFLINE MODE USAGE	56	14	70
UNABLE TO UPLOAD FILES	33	37	70
JSON FORMAT	22	48	70
EXCEL ERRORS	20	50	70
NOT RECEIVING CONFIRMATION	39	31	70
UPLOADING IN WRONG PORTAL	10	50	70
WAITING FOR GSTR-3B TO BE GENERATED			
UNABLE TO AUTOMATE	43	27	70
RETURNS FILLED REMAINED AS ERRORS	44	26	70
PARTIAL RETURNS	49	21	70
SERVER SYNCRONISATION	59	11	70
UNABLE TO MODIFY ENTRIES	57	13	70
ABSENCE OF COMPLAINT PORTAL	57	13	70
LACK OF SKILLED LABOUR	49	21	70
CONFUSION IN OPTIONS IN SERVER	13	57	70
TAX PROFILE DIFFICULTIES	14	56	70

The above mention table consist of responses of 70 respondents when they were asked about the various technical issues faced by them while filing the return under GST and the issues were recognised by the field-level observation and suggestion given by the commercial tax department were taken into consideration. Out of 18 issues, which were taken into notice by respondents, it has been observed that a majority of the respondent raised their concern in the following issues: 1. Lack of technical skills 2. Server synchronisation 3. No option to revise entries, and other issues.

The above-mentioned responses for various questions, which were related to technical issues, were shown graphically in the following bar diagram.

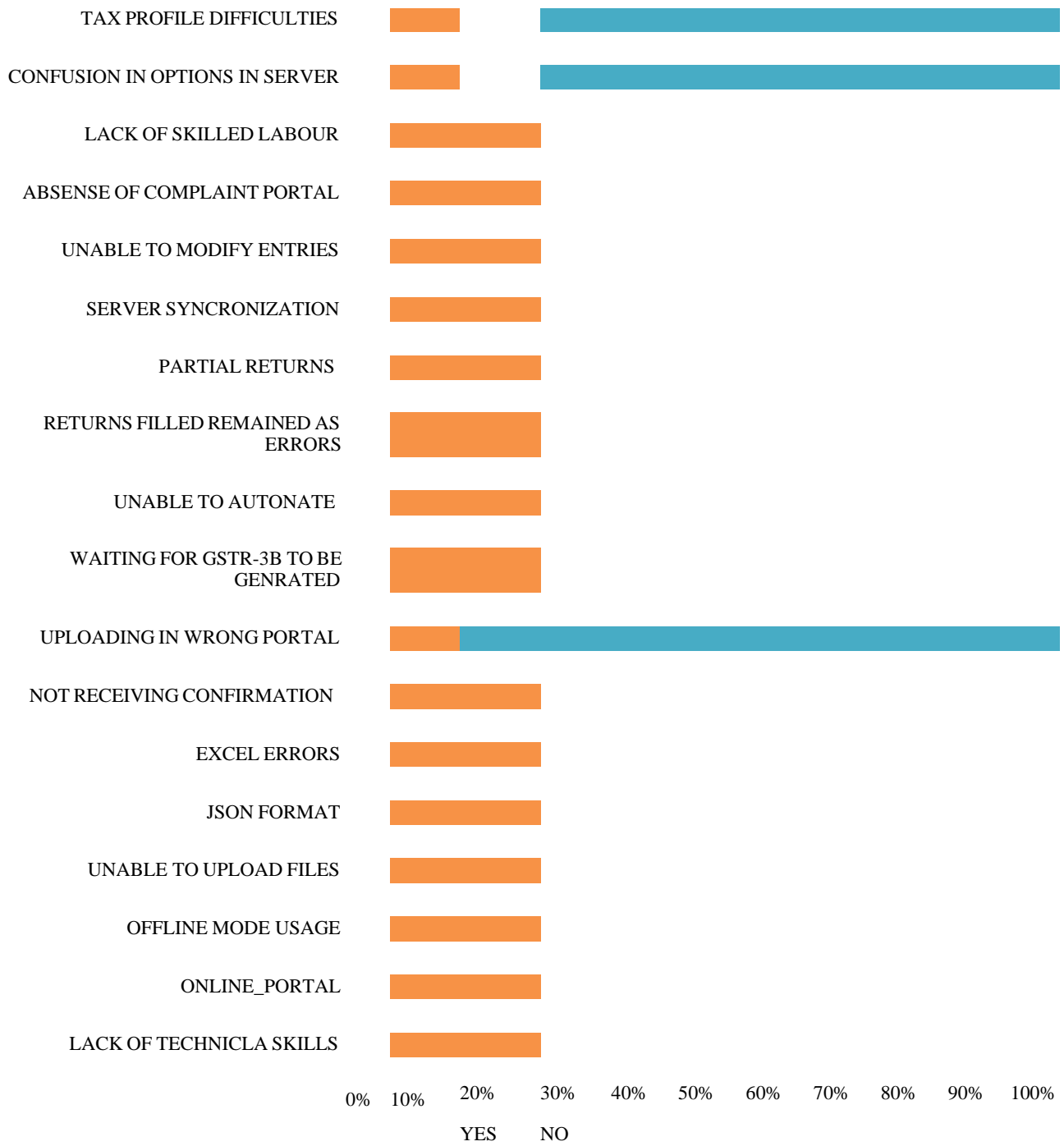


Fig. 8-Technical issues related with GST-returns filings

TECHNICAL ISSUES RELATED WITH GST NON-FILER'S

In the above graph we can see that the majority of respondents were having problems in the cases of 1. Sever synchronisation 2. Modification of entries 3. Complaint portal, which shows that the maintenance and capacity of portals/servers were very poor, and this is the one of the major reasons for delay in filing returns in time.

Administrative Issues related with GST>Returns Filings:

The following tables shows the various Administrative issues based on the questionnaire which were the suggested/top-rated issues/problem referred from Commercial Tax Officer's and Field officers in GST the department.

Table 9-Administrative issues related with GST-returns filings

ADMINISTRATIVE ISSUES	YES	NO	TOTAL
LACK OF FUNDS	66	4	70
NO TIME FOR FILING	39	31	70
BACKING UP INVOICES	57	13	70
GENERATING OUTWARD INVOICES	17	53	70
GENERATING INWARD INVOICES	30	40	70
MUTIPLE RATES OF TAXES	32	38	70
CATEGORISATION OF GOODS	19	51	70

From the above table it may be observed that 70 respondents questioned about the **Administrative** issues affecting them while filing the returns under GST. The issues were recognised based on the field-level observations and suggestions given by the commercial tax department. Out of 7 issues, which were taken notice by respondents, it has been observed that a majority of the them expressed concern regarding the issues shown graphically in the following bar diagram.

The above shown table is plotted in the following manner:-

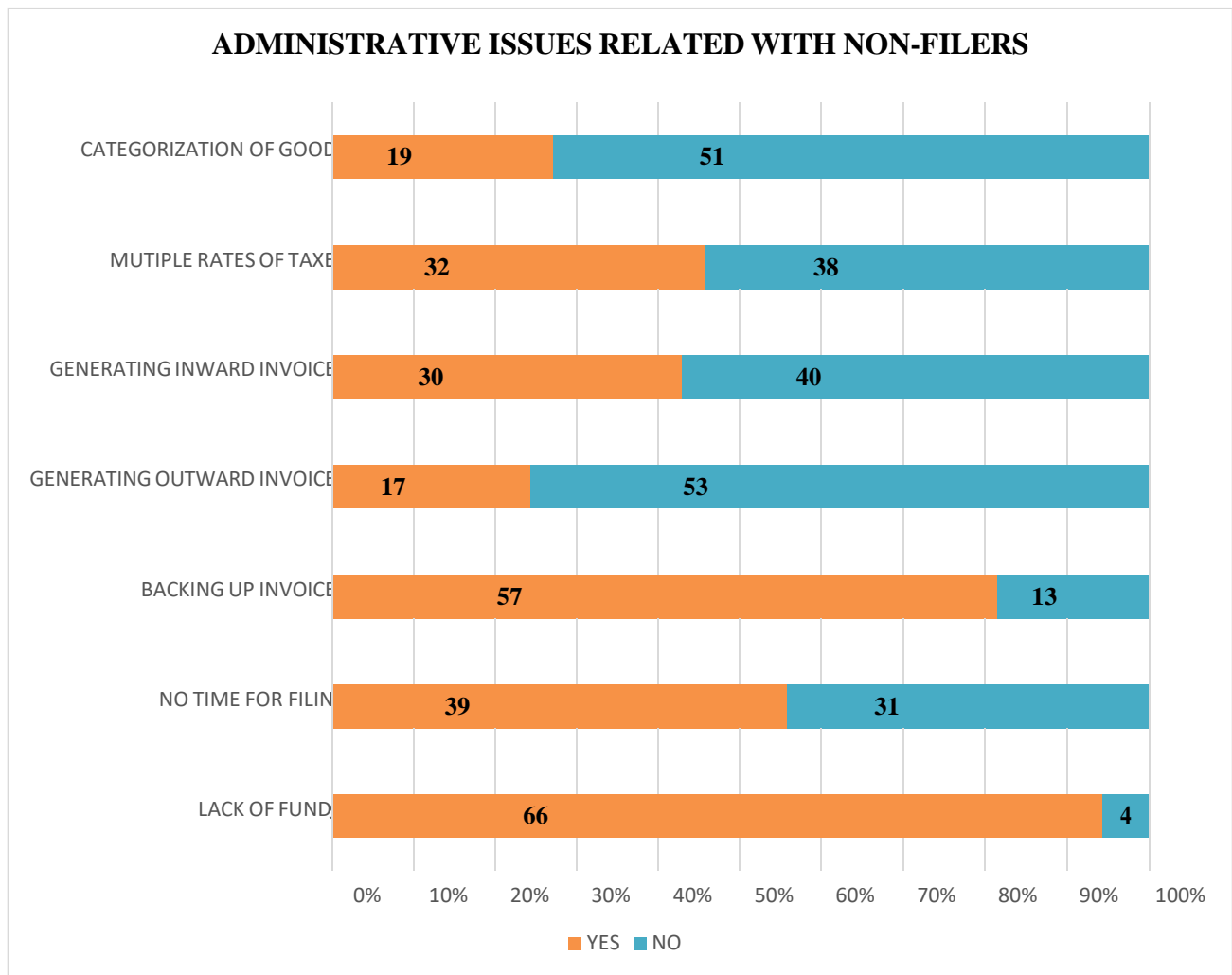


Figure 9-Administrative issues related with GST-returns filings

In the above graph we can see that the response rate for the issues in perspective is as follows: Lack of funds (95%), Backing up of invoices (82%) followed by lack of time for filing (55%), Multiple rate of taxes (45%), Generating inward invoices (42%), Outward invoices (24%), Categorisation of goods (27%) with lack of funds being the majorly reported issue.

Monetary Issues related with GST>Returns Filings:

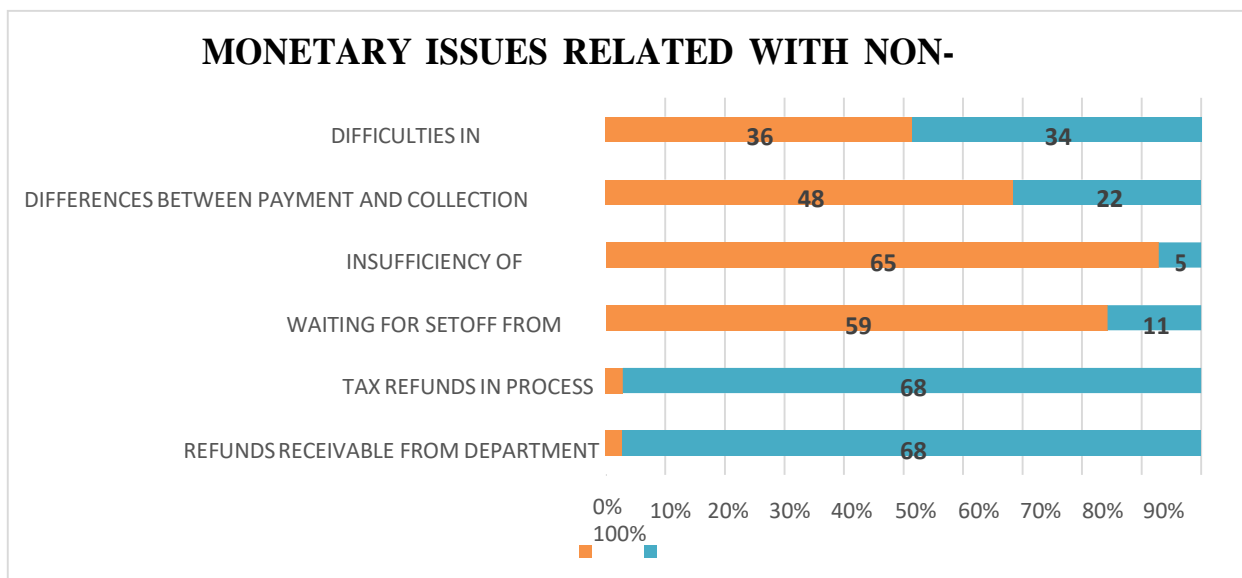
The following table shows the various monetary issues affecting non-filers of GST returns. The tabulated issues were the suggested/top-rated issues/problems referred by the Commercial Tax Officers and Field officers in GST department.

Table 10-Monetary issues related with GST-returns filings

MONETARY ISSUES	YES	NO	TOTAL
REFUNDS RECEIVABLE FROM DEPARTMENT	2	68	70
WAITING FOR SETOFF FROM ITC	59	11	70
INSUFFICIENCY OF FUNDS	65	5	70
DIFFERENCES BETWEEN PAYMENT AND COLLECTION PERIOD (purchases through cash and sales through credit)	48	22	70
DIFFICULTIES IN PAYMENTS	36	34	70

The above table consist of responses from 70 respondents regarding the monetary issues faced by them while filing returns under GST and the issues were recognised by the field-level observation and suggestion given by the commercial tax department. Out of 7 issues, which were taken into notice of respondents, it has been observed that a majority of the respondents indicated their concern regarding the issues demonstrated graphically below on a bar diagram.

Graphical Illustration of Monetary Issues Affecting GST Returns Of Non-Filers

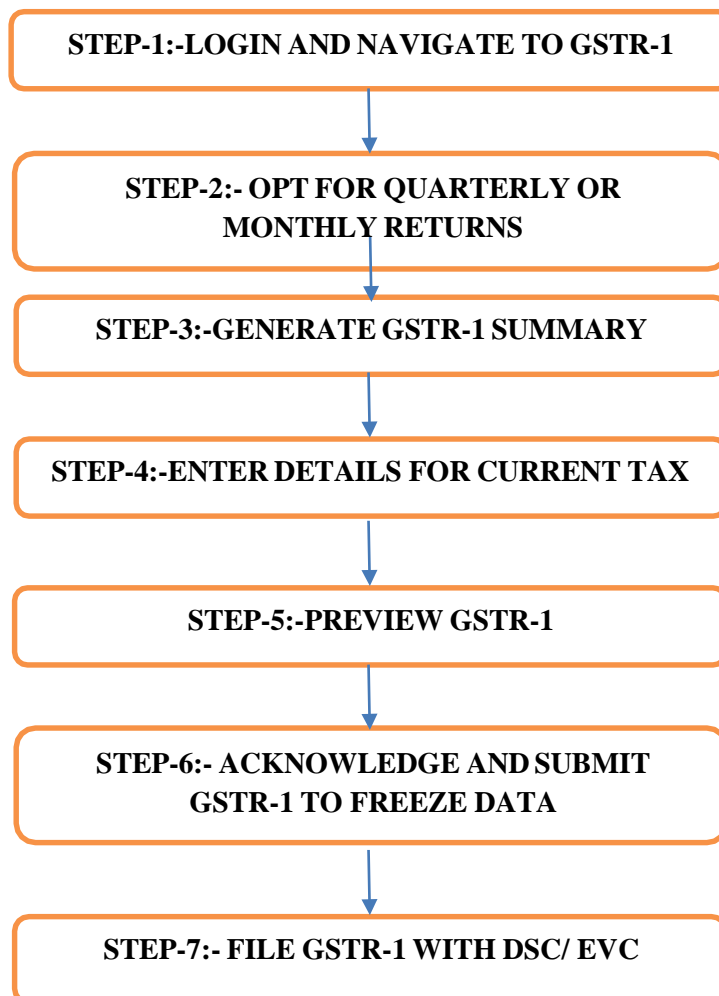


In the above graph we can see that a majority of respondents are facing major problem in the case of Insufficiency of funds (93%). The response rate for other issues are as follows: Waiting for Input Tax Credit (84%), Time gap between GST paid and ITC received (69%), difficulties of payments (51%), tax refunds in process (2 to 3%), and refunds receivable from department (2 to 3%).

BACKGROUND ON GST RETURNS FILING

GST E-Filing system in India:

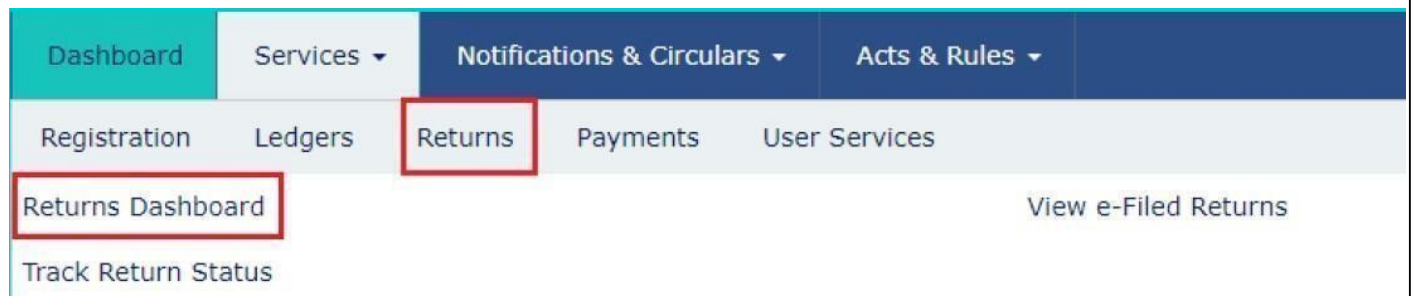
GST has been introduced in India completely in digital form registering for GST and filing of returns, paying tax liability etc., everything has been completely introduced in online digital platform which has become the big task for Traders to automate themselves to use the digital form of filing returns and paying tax. As it is compulsory that GST returns filing has to be done online, many of the Traders depend upon consultants, auditors and third parties for such filing services. This is again badly affecting on Traders' perception as it results in high expenses. The government of India has designed the GST portal in such a way that even a layman, with minimum computer knowledge, can file the returns on his own. These are the following steps which makes the filing of returns simple. The below shown steps were explained in detail along with the screen prints of respective GST portal pages for better understanding of GST e-filing of returns system:-



STEP-1:-LOGIN AND NAVIGATE TO GSTR-1 PAGE;

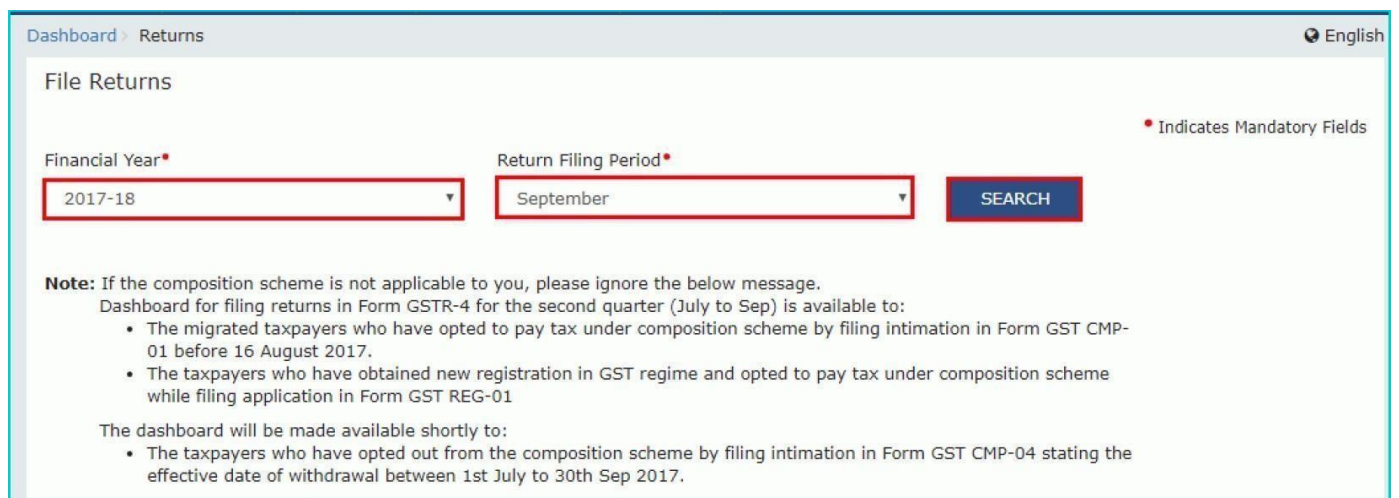
1. Access the www.gst.gov.in URL. The GST Home page is displayed.
2. Login to the GST Portal with valid credentials i.e. your USERID and PASSWORD

3. Click the Services > Returns > Returns Dashboard command.



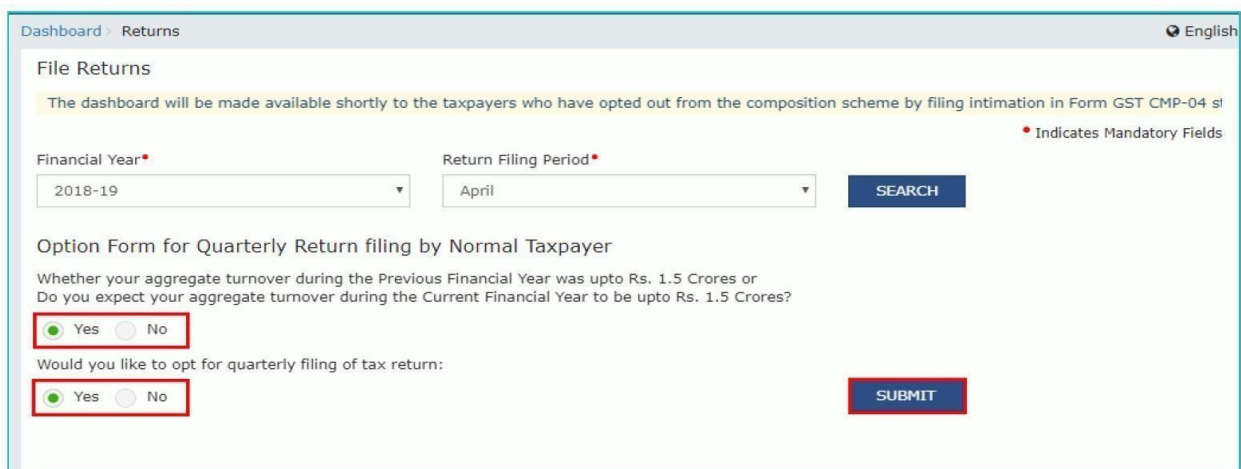
4. The File Returns page is displayed. Select the Financial Year & Return Filing Period (Month) for which you want to file the return from the drop-down list.

5. Click the SEARCH button.



STEP-2:- OPT FOR QUARTERLY OR MONTHLY RETURNS:

The "Option Form for Quarterly Return filing by Normal Taxpayer" page is displayed. (A) Select Yes or No for "Whether your aggregate turnover during the Previous Financial Year was upto Rs.1.5 Crores or Do you expect your aggregate turnover during the Current Financial Year to be



up to Rs. 1.5 Crores?”

1. Select **Yes or No** for would you like to opt for quarterly filing of tax return:

2. Click the **SUBMIT** button

The screenshot shows the 'GSTR-1 - Details of outward supplies of goods or services' page. It includes fields for GSTIN (23ALYPD6528P1ZD), Legal Name (Gyanendra Prakash Dwivedi), Trade Name, Financial Year (2017-18), Return Period (July), Status (Not Filed), and Due Date (05/09/2017). There are input boxes for 'Aggregate Turnover in the preceeding financial year' and 'Aggregate Turnover - April to June, 2017', both with 'Enter Gross Turnover' placeholder text. A green success message at the bottom states: 'Generate GSTR1 Summary process is initiated, Please recheck after one minute'. A red box highlights this message. An important notice at the bottom right says: '** Important Notice: If the invoices are more than 500 . Please check here

3. In case you want to change the preference for Return filing:

a. Click the **EDIT** button.

b. Edit the preference and click the **SUBMIT** button and a success message is displayed. Click the **CLOSE** button.

(B) In the GSTR-1 tile, click the **PREPARE ONLINE** button if you want to prepare the return by making entries on the GST Portal.

The screenshot shows the 'Dashboard > Returns' page. It features a search section with 'Financial Year' (2017-18) and 'Return Filing Period' (April) dropdowns, and a 'SEARCH' button. Below are three main tiles: 1. 'Outward supplies made by the taxpayer (GSTR1)' with a due date of 10/05/2017 and 'PREPARE ONLINE' and 'PREPARE OFFLINE' buttons. 2. 'Creation and Submission of Addendum to GSTR1 (GSTR1A)' with a due date of 17/05/2017 and 'PREPARE ONLINE' and 'PREPARE OFFLINE' buttons. 3. 'Inward supplies received by taxpayer (For taking action) (GSTR2)' with a due date of 15/05/2017 and 'PREPARE ONLINE' and 'PREPARE OFFLINE' buttons. A red box highlights the 'PREPARE ONLINE' button in the GSTR1 tile.

(C) The GSTR-1 – Details of outward supplies of goods or services page is displayed. In first month, Turnover of ‘Aggregate Turnover - April to June, 2017’ will be there for Taxpayer to fill along with ‘Aggregate Turnover in the preceding financial year’ and then click on the SAVE button. This field is mandatory. You can proceed to furnish other details only after furnishing this information. From the next month, ‘Aggregate Turnover in the preceding financial year’ will be auto-populated based on previous tax period return.

GSTR-1 - Details of outward supplies of goods or services ↻

• Indicates Mandatory Fields

GSTIN - 23ALYPD6528P1ZD	Legal Name - Gyanendra Prakash Dwivedi	Trade Name -
FY - 2017-18	Return Period - July	Status - Not Filed
Due Date - 05/09/2017		

Aggregate Turnover in the preceding financial year* Aggregate Turnover - April to June, 2017*

STEP-3:-GENERATE GSTR-1 SUMMARY

1. Scroll down to the bottom of the **GSTR-1 – Details of outward supplies of goods or services** page and click the **GENERATE GSTR1 SUMMARY** button to include the auto drafted details pending for action from recipients. The invoices that were missed to be included by you may have been added in the **Uploaded by Receiver** while filing his GSTR-2.

GENERATE GSTR1 SUMMARY

I acknowledge that I have reviewed the details of the preview and the information is correct and would like to submit the details. I am aware that no changes can be made after submit.

2. After the summary generation is initiated, you will notice the message to check after one minute.
3. After the summary is generated, you will notice a success message on top of the page

• Indicates Mandatory Fields

GSTIN - 23ALYPD6528P1ZD	Legal Name - Gyanendra Prakash Dwivedi	Trade Name -
FY - 2017-18	Return Period - July	Status - Submitted
Due Date - 05/09/2017		

Aggregate Turnover in the preceding financial year* Aggregate Turnover - April to June, 2017*

GSTIN - 23ALYPD6528P1ZD

Legal Name - Gyanendra Prakash
Dwivedi

Trade Name -

FY - 2017-18

Return Period - July

Status - Not Filed

Due Date - 05/09/2017

Aggregate Turnover in the preceeding financial year *

Aggregate Turnover - April to June, 2017 *

Enter Gross Turnover

Enter Gross Turnover

GSTR-1 - Invoice Details

** Important Notice: If the invoices are more than 500 . Please check [here](#)

The summary displayed as on 21/09/2017 12:47:12. For update click on Generate GSTR1 summary

4. The summary is generated by the GST Portal automatically at an interval of every <30 minutes>.
5. In case you want to see the summary instantly, after you have added the invoices, you can also generate the summary by clicking the GENERATE GSTR1 SUMMARY button. However, summary can be generated only at an interval of 10 minutes.
6. In case you attempt to generate summary, earlier than 10 minutes, you will notice an error message on top of the page.

STEP-4:-ENTER DETAILS FOR CURRENT TAX PERIOD, INCLUDING AMENDMENTS OF PREVIOUS

1. There are a number of tiles representing Tables to enter relevant details. Click on the tile name to know and enter related details:
2. GSTR-1 – Invoice Details
 - a. 4A, 4B, 4C, 6B, 6C - B2B Invoices:
 - i. To add an invoice for taxable outwards supplies to a registered person
 - b. 5A, 5B - B2C (Large) Invoices:
 - i. To add an invoice for taxable outwards supplies to a consumer, where place of supply is other than the State where supplier is located (Inter-state supplies) and invoice value is more than Rs. 2.5 lakhs.
 - c. 9B –Credit / Debit Notes (Registered):
 - i. To add details of credit or debit notes issued to the registered recipients
 - ii. To add details of credit, debit notes or refund voucher issued to the unregistered recipients
 - d. 6A –Exports Invoices:
 - i. To add an invoice for supplies exported
 - e. 9A – Amended Invoice:

Amended B2B Invoice: To make amendments to details of outward supplies to a registered person of earlier tax periods

- i. Amended B2C (Large) Invoice: To make amendments to taxable outward supplies to an unregistered person of earlier tax periods
 - ii. Amended Exports Invoices: To make amendments to supplies exported
- f. 9C – Amended Credit/ Debit Notes:
- i. Registered: To make amendments to details of credit or debit notes issued to the registered recipients of earlier tax periods
 - ii. Unregistered: To make amendments to details of credit or debit notes issued to the unregistered recipients of earlier tax periods

GSTR-1 - Invoice Details				To Add / View Details in a Particular Table Please Click in the Respective Table.			
4A, 4B, 4C, 6B, 6C - B2B Invoices		5A(1), 5A(2) - B2C (Large) Invoices		9B - Credit / Debit Notes (Registered)			
Total Invoice Value	Total Taxable Value	Total Invoice Value	Total Taxable Value	Taxable Value (₹)	Total Tax Liability		
₹-	₹-	₹-	₹-	₹-	₹-		
Total Tax Liability		Total Tax Liability					
₹-		₹-					
9B - Credit / Debit Notes (Unregistered)		6A - Exports Invoices		Activate Windows Go to Settings to activate Windows			
Taxable Value	Total Tax	Total Invoice	Total Taxable	Top			

2. GSTR-1 – Other Details

- a. 7- B2C Others:
 - i. To add consolidated details of taxable outwards supplies to a customer where invoice value is less than Rs. 2.5 lakh and all intra-state supplies to unregistered customers
- b. 8A, 8B, 8C, 8D - Nil Rated Supplies:
 - i. Nil Rated Supplies: To add consolidated details of nil rated, exempted and non-GST outward supplies
- c. 11A (1), 11A (2) - Tax Liability (Advances Received):
 - i. Tax Liability (Advances Received): To add details of transactions attracting tax liability arising on account of Time of Supply (like receipt of advances)
- d. 11B (1), 11B (2) - Adjustment of Advances:
 - i. To add the advance amount received in earlier tax period and adjusted against the supplies being shown in this tax period
- e. 12 - HSN-wise-summary of outward supplies:
 - i. To furnish the summarised details of all outward supplies HSN and rate-wise along with quantitative details.

f. 13 - Documents Issued:

- i. To add the details of documents issued during the tax period

g. 11A - Amended Tax Liability (Advance Received):

- i. Consolidated statement for amendments of information furnished in earlier taxperiod

h. 11B - Amended of Adjustment of Advances:

- i. Consolidated statement for amendments of information furnished in earlier taxperiod

i.10 - Amended B2C (Others):

- i. To make amendments to details of B2C of earlier tax periods

GSTR-1 - Other Details

7 - B2C (Others) Total Invoice Value ₹- Total Taxable Value ₹- Total Tax Liability ₹-	8A, 8B, 8C, 8D - Nil Rated Supplies Invoice Value ₹-	11A(1), 11A(2) - Tax Liability (Advances Received) Gross Advance Received (₹) ₹- Total Tax Liability ₹-
11B(1), 11B(2) - Adjustment of Advances Gross Advance Adjusted (₹) ₹- Total Tax Liability ₹-	12 - HSN / SAC summary of outward supplies Total Invoice Value ₹- Total Taxable Value ₹- Total Tax Liability ₹-	13 - Documents Issued Total Docs ₹- Cancelled Docs ₹- Net Issued Docs ₹-

I/We hereby solemnly affirm and declare that the information given herein above is true and correct to the best of my/our knowledge and belief and nothing has been concealed therefrom.

BACK SUBMIT FILE GSTR-1 WITH DSC

Activate Windows
Go to Settings to activate Windows

FILE GSTR-1 WITH EV [Top](#)

1. Select the respective portal, whichever is applicable, to you and you will be directed to the page where the entry of invoices has to be made as shown below.

GENERATE GSTR1 SUMMARY

I acknowledge that I have reviewed the details of the preview and the information is correct and would like to submit the details. I am aware that no changes can be made after submit.

BACK PREVIEW SUBMIT FILE RETURN

Go to Main Content

HANIFBHAI MAHMADBHA

Goods and Services Tax

Dashboard Services GST Law Search Taxpayer Help e-Way Bill System

Dashboard > Returns > GSTR-1 > B2B English

B2B- Add Invoice

* Indicates Mandatory Fields

Deemed Exports
 SEZ Supplies with payment
 SEZ Supplies without payment

Sale from Bonded Warehouse

Receiver GSTIN/UIN*
 Receiver Name*
 Invoice No.*

Invoice Date*
 POS*
 Total Invoice Value (₹)*

Supply Type
 Supply attract Reverse Charge

Is the supply eligible to be taxed at a differential percentage (%) of the existing rate of tax, as notified by the Government?

Item Details

Rate (%)	Taxable Value (₹)*	Amount of Tax	
		Integrated Tax (₹)*	CESS (₹)
0%	<input type="text"/>	<input type="text"/>	<input type="text"/>
0.1%	<input type="text"/>	<input type="text"/>	<input type="text"/>
0.25%	<input type="text"/>	<input type="text"/>	<input type="text"/>
3%	<input type="text"/>	<input type="text"/>	<input type="text"/>
5%	<input type="text"/>	<input type="text"/>	<input type="text"/>
12%	<input type="text"/>	<input type="text"/>	<input type="text"/>
18%	<input type="text"/>	<input type="text"/>	<input type="text"/>
28%	<input type="text"/>	<input type="text"/>	<input type="text"/>

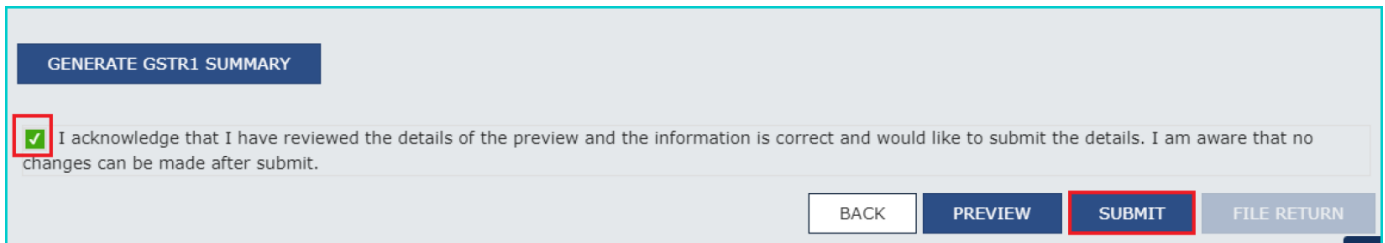
2. After entering all the invoices in respective portals according to the tax rate applicable to it as shown above CLICK the SAVE option in the bottom.

STEP-5:-PREVIEW GSTR-1

1. Once you have generated the GSTR-1 Summary to added invoices, click the **PREVIEW** button. This button will download the draft Summary page of your GSTR-1 for your review. It is recommended that you download this Summary page and review the summary of entries made in different sections with patience before submitting the GSTR-1. The PDF file generated would bear watermark of draft as the details are yet to be submitted.

STEP-6:- ACKNOWLEDGE AND SUBMIT GSTR-1 TO FREEZE DATA

1. Select the acknowledgement checkbox stating that you have reviewed the details of preview and the information furnished is correct and are aware that no changes can be made after submission. Once you click the acknowledgement, the **SUBMIT** button will be enabled.
2. Click the **SUBMIT** button in the landing page to submit GSTR-1.

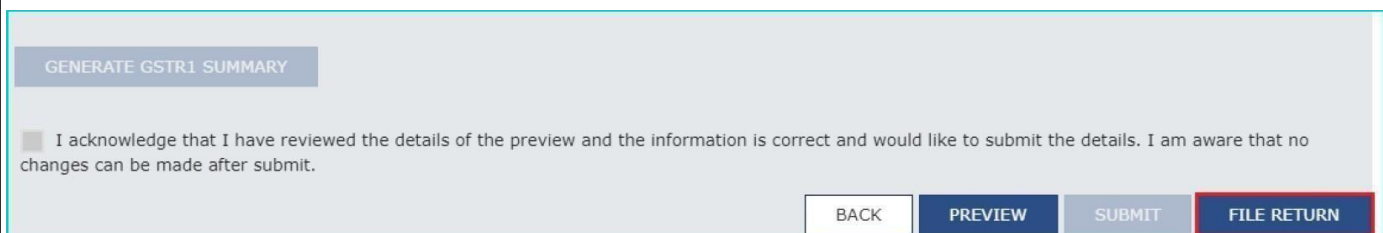


The screenshot shows a web interface for generating a GSTR-1 summary. At the top left, there is a blue button labeled "GENERATE GSTR1 SUMMARY". Below it, there is a checkbox with a green checkmark, indicating it is selected. The text next to the checkbox reads: "I acknowledge that I have reviewed the details of the preview and the information is correct and would like to submit the details. I am aware that no changes can be made after submit." At the bottom right, there are four buttons: "BACK", "PREVIEW", "SUBMIT", and "FILE RETURN". The "SUBMIT" button is highlighted with a red border, indicating it is the next step.

4. Refresh the page and the status of GSTR-1 changes to Submitted after the submission of GSTR-
5. Click the PREVIEW button again at the bottom of the page, to download the submitted GSTR-1 in PDF format. The PDF file generated would now bear watermark of final.

STEP-7:- FILE GSTR-1 WITH DSC/ EVC:

1. Click the **FILE RETURN** button.



The screenshot shows the same web interface as in Step 6. The "GENERATE GSTR1 SUMMARY" button is now greyed out. The checkbox is now unchecked. The text next to the checkbox reads: "I acknowledge that I have reviewed the details of the preview and the information is correct and would like to submit the details. I am aware that no changes can be made after submit." At the bottom right, there are four buttons: "BACK", "PREVIEW", "SUBMIT", and "FILE RETURN". The "FILE RETURN" button is highlighted with a red border, indicating it is the next step.

2. The Returns Filing for GSTR1 page is displayed. Select the Declaration checkbox.
3. In the Authorised Signatory drop-down list, select the authorised signatory. This will enable the two buttons – FILE WITH DSC or FILE WITH EVC.
4. Click the FILE WITH DSC or FILE WITH EVC button to file GSTR-1.

FILE WITH DSC:

- a. Click the PROCEED button.
- b. Select the certificate and click the SIGN button.

FILE WITH EVC:

a. Enter the OTP sent on email and mobile number of the Authorised Signatory registered at the GST Portal and click the VERIFY button.

Dashboard > Returns > File English

GSTIN - 23ALYPD6528P1ZD Legal Name - Gyanendra Prakash Dwivedi Return Type - GSTR1
FY - 2017-18 Return Period - July Status - Submitted

Returns Filing for GSTR1

I/We hereby solemnly affirm and declare that the information given herein above is true and correct to the best of my/our knowledge and belief and nothing has been concealed therefrom.

Authorised Signatory *

ANGAD ARORA

BACK FILE WITH DSC FILE WITH EVC

Activate Windows

5. The success message is shown and ARN is displayed...

6. Click the BACK button.

7. Status of the GSTR-1 return changes to "Filed".

GSTR-1 - Details of outward supplies of goods or services English

GSTIN - 07GEOPS0823BBZ8 Legal Name - Gyanendra Prakash Dwivedi Trade Name -
FY - 2017-18 Return Period - July Status - Filed Due Date - 05/09/2017

Aggregate Turnover in the preceeding financial year * Aggregate Turnover - April to June, 2017 *

Enter Gross Turnover Enter Gross Turnover

DATA ANALYSIS & INTERPRETATION

Statistics of GST Returns filing in India:

GST Registration and Scheme of Registration:

The number of registrations under GST has crossed one crore in March 2018. As on March 2, a total of 1,03,99,305 taxpayers are registered under GST, which include 64.42 lakh taxpayers who have migrated from the erstwhile tax regimes and 39.56 lakh who have taken new registration. Among them 18 lakh registrations were under composite scheme and remaining in regular scheme. According to the statistics, the registrations under GST were increasing but whereas the returns filing numbers were not increasing up to the mark.

GSTN-REGISTRATIONS GST-REGISTRATION SCHEME

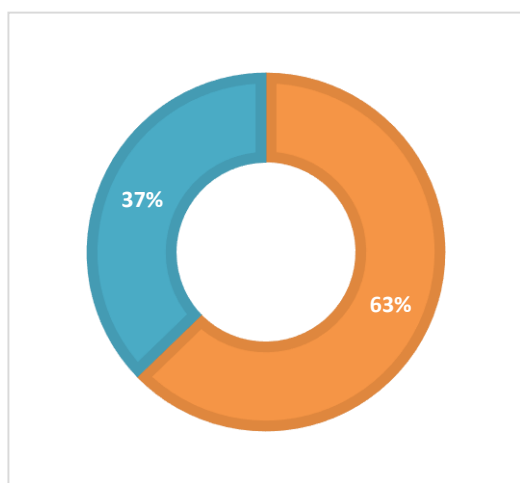


Fig. 11-Flow of GST registrations

63%-MIGRATED REGISTRATIONS 37%-NEW

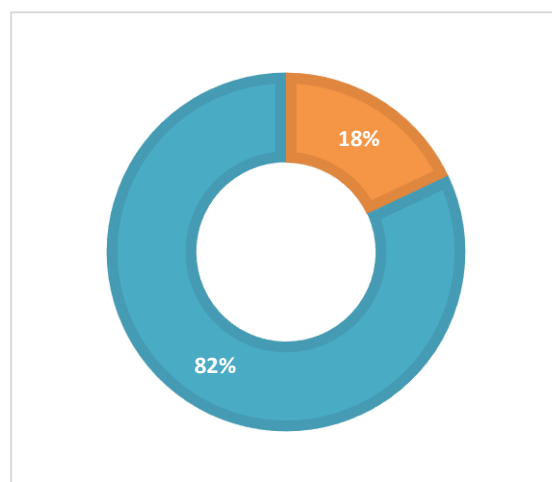


Fig. 12 -scheme of GST registrations

82%-REGULAR SCHEME 18%-COMPOSITE SCHEME

The above pie diagram shows that 63% of GSTN registrations were migrated from past indirect taxpayers and 37% were newly-registered under GST. This classification was considered to decipher the percentage of new entrants into the GSTN registration system. It also helps to check contribution of increased registrations to the public revenue. This also helps in cracking down on tax defaulters and in tracking the monetary flow in the economy.

GST Return filings of India:

For the financial year 2017-18, 63 lakhs returns were filed in July, 67 lakhs in August, 69 lakhs in September, 65 lakhs in October, 64 lakh in November, 63 lakh in December. The number of returns filing every month is declining consistently in the last three months of 2017.

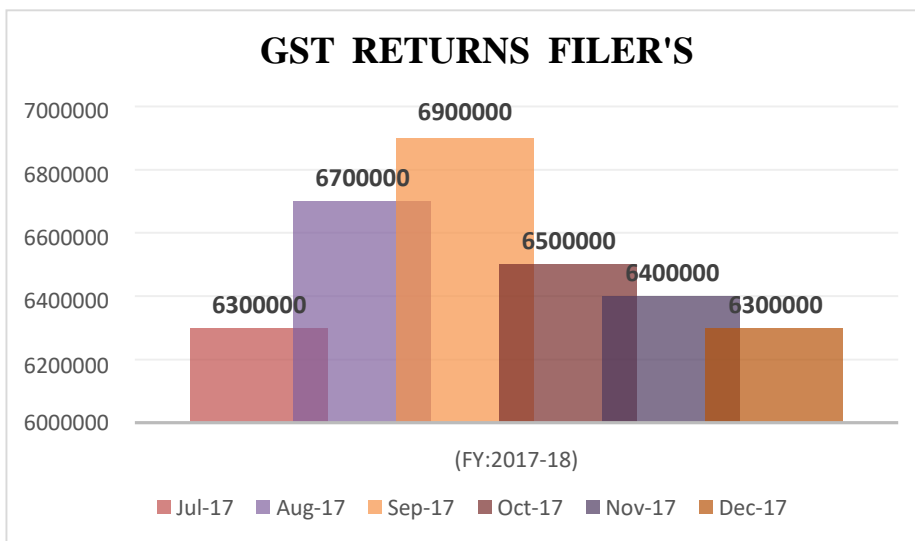


Fig. 13-GST returns filer's

The GST return filings increased in the second quarter of the FY 2017-18 as evident is the graphical representation above but for the next quarter it consistently decreased and stood at 63 lakh returns in the month of December which shows that filing returns under GST is on a declining trend.

***According to the recent information for Jan-18 the returns filed was 50 lakhs which again indicates a declining trend (Recent update).**

The returns filing for GST is consistently decreasing because of misperception of registrants that they are not liable to pay tax for such respective month and lack of awareness in the concept called Zero>Returns.

Revenue collection from GST in India:

The revenue collections from Central GST, State GST, Integrated GST and compensation cess was Rs 93,590 crores for July, Rs 93,029 crores for August, Rs 95,132 crores for September and Rs 85,931 crores for October. The mop-up for November stood at Rs 83,716 crores, December (Rs 88,929 crores) and January (Rs 88,047 crores).

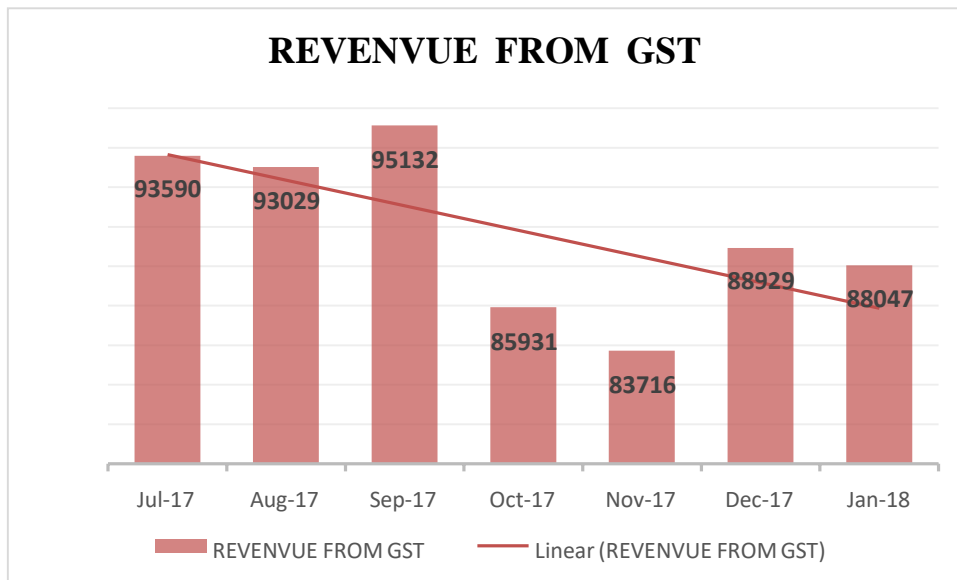


Fig. 14-revenue from GST

The above graph depicts that the revenue from GST (including CGST, SGST, and IGST) is on an increasing trend till September '17. However, from the month of October the revenue drastically decreased corresponding to the decrease in returns filed during that month.

The decrease in the revenue is noticed because the non-filing of returns in the corresponding period as shown in the previous graph.

Companies Registered and Complying in Filing of GST Returns in India:

The total number of companies registered during the period from July 2017 to February 2018 (post GST) is 68,299. In comparison, the number of such entities was 63,106 between July 2016 and February 2017. Thus, increasing trend in the number of companies' registrations has been maintained post-GST. Over 17 lakh companies had been registered in India till last year, out of which only 7,270 entities were active. There were only 7,270 active listed companies out of 17.21 lakh registered companies as on December 2017 whereas, in December 2014 there were 7,261 active listed companies out of 14.39 lakh registered companies in India.

s

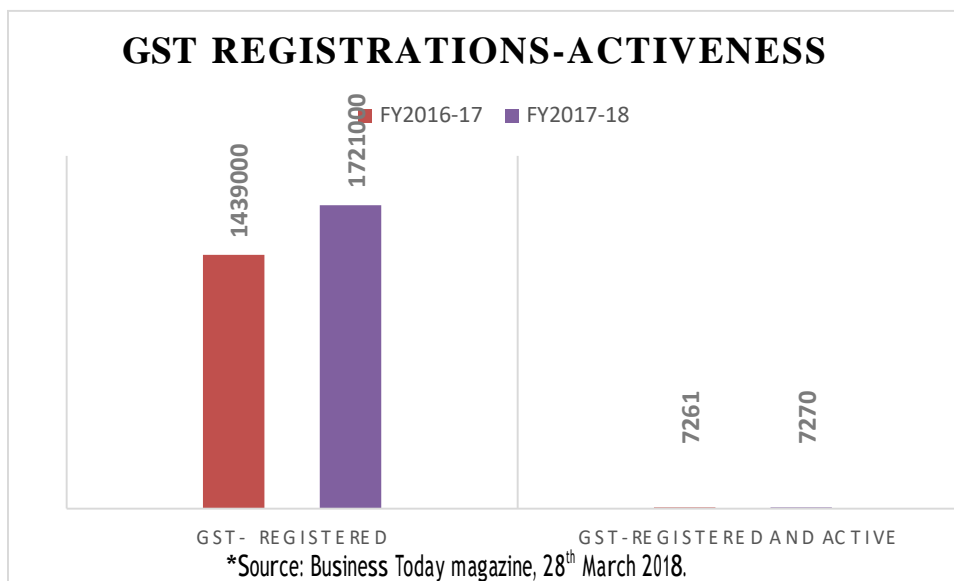


Fig. 15-GST REGISTRATIONS-ACTIVENESS

The above graph shows comparison of GST registrations and the associated responsiveness to filing compliance and regulatory norms, the comparison is done within the previous year's registrations and activeness respectively and inter-comparison between registrations and responsiveness between financial years 2016-17 & 2017-18. It reveals that when compared to FY2016-17 the GST registrations in FY2017-18 has increased by around 19.60%; whereas the actively participating companies increased only by 0.13%.

Comparison of GST Awareness and E-returns Filing Awareness in India:

The following is the comparison made between two variables, namely, GST- awareness and filing of GST returns awareness, which shows that respondents were well aware of GST but their awareness and knowledge related to returns filing is significantly poor. The graph below shows the variance.

Table 11-GST awareness v/s GST return filing knowledge

SCALE	GST AWARENESS	GST RETURNS FILING KNOWLEDGE
AWARE	42	4
PARTLY AWARE	23	7
NOT AWARE	5	49

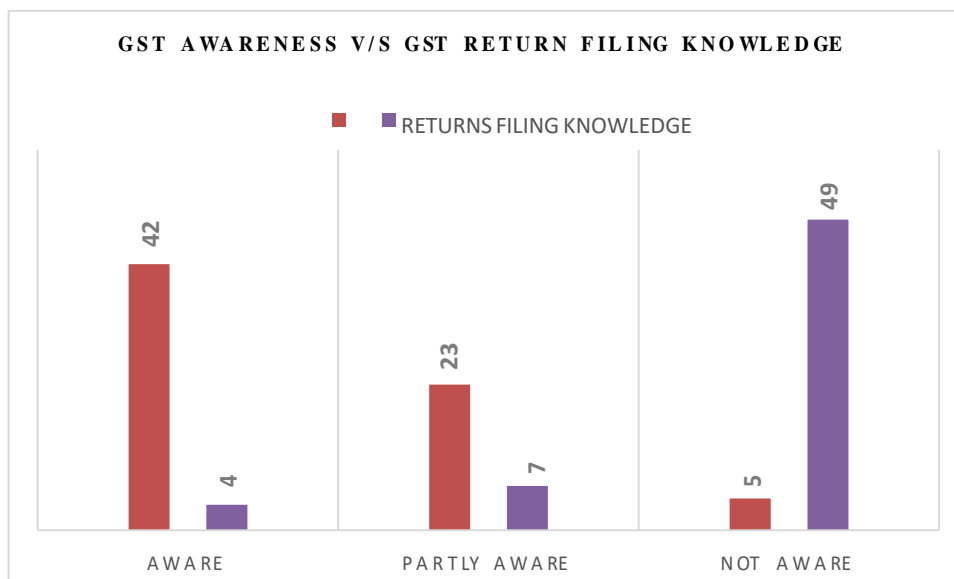


Fig. 16-GST awareness v/s GST return filing knowledge

In the above graph the GST awareness among the respondents is very high whereas the returns filing knowledge is very poor. Out of 70 respondents who replied for questionnaire 42 indicated that they were aware of GST but at the same time 49 respondents also said that they are not having any knowledge about returns filing in GST which is the key and main reason for the non-filing of GST returns in time.

As we can observe that there is a drastic fall in the GST returns filing knowledge when compared to basic GST awareness. This shows that the department should concentrate more on the filing knowledge of GST while doing promotion activities rather than spreading GST awareness.

FINDING

1. No option for changing Profiles:

The most important issue with the Traders, as well as department, is that there is no option provided in the GST portal to edit the taxpayers' profile details such as change in address of the business etc.,

2. Poor capacity of Server:

The major and common problem noticed in every non-filer of returns under GST is server hanging and poorly-maintained server. The server is not maintained as per the online traffic to the site. There are no detailed guidelines given to circumvent various technical errors faced while filing the returns, further slowing down the process.

3. Time difference between GST-paid and GST-collected:

The main problem with GST returns non-filer's is insufficiency of funds to pay tax liability which is reflecting on not filing of returns, this is because of the difference or lapse of time for GST amount collected whereas, the Traders usually will pay the amount earlier while making purchases or inward supplies.

There is huge challenge in setting off liability. If there is any mismatch in the amount of set-off or even punctuation errors, the system shows an error. This delays the process of input credit set-offs.

4. Credit transactions affecting badly on not filing of Returns:

The main problem with Traders leading to non-filing of returns in time is due to inadequacy of funds to pay tax liability which is adversely affected by the credit sales.

SUGGESTIONS AND RECOMMENDATIONS

1. Empowering Traders:

The main and foremost problem with traders is their perception of GST as a costly affair. This is because of charges collected by the service providers, such as, consultancies, auditors and third parties, who are filing returns on behalf of registered Traders. This can be solved by empowering Traders with the skills of filing returns by conducting training sessions to them or to any of his family members who is educated or having basic knowledge.

2. Boosting Digital Transactions:

Boosting digital transaction will reduce the problems of time gap between tax paid and collected, for this, eradication of charges levied on POS machines and online transfer is to be made. This will not only help the Traders but also digitalisation through increased digital transactions.

3. GST Application Software:

Introducing GST application software, where the GST registrants can file their returns through mobile, will help the Traders to self-assess and self-file their returns, which indirectly reduces their cost and increases faith on GST system.

4. Increasing the Cloud and Server Maintenance:

As the GST is applicable to almost all type of business transactions, including government and non-government, the inflow to the website will be very high and there should be an equivalent cloud capacity and server maintenance.

5. On-field assistance to problematic Traders at the time filing returns:

On the crucial dates of filing of returns under GST, physical assistance is to be given to small and medium Traders for the initial period of time.

6. Increasing the penalty charges:

As the penalty charges levied are lesser amounts, which is influencing the delay in returns filing, the law has to be made strict and the penalty and counter charges should be increased to greater extent.

7. Binding the dates and taking necessary actions:

The practice of extending dates for filing returns is to be stopped and serious actions taken for not filing returns in time.

8. Lower number of filings

Due to the issues being faced with monthly filing of GST returns, respondents have suggested that returns need to be filed on quarterly /half yearly basis. The number of returns in a year should be reduced to a consolidated lower number.

CONCLUSION

Indian businesses have to comply with multiple taxations systems at the intra-state, inter-state and central level like excise, sales tax, service tax, entertainment tax, VAT etc. These clusters of taxes have significant cascading effect and are complex to decipher for both. From a businessman's perspective he/she is not confident to commit deliveries and prices because of uncertainties. From a consumer perspective, it is difficult to fathom the impact of the same and always suspect dubious manipulations. Introduction of GST aims to alleviate, though not all, many of the problems leading to efficiency in operations for individuals leading to economic growth of the country. It also enables businesses to improve their international competitiveness.

GST Act came into existence, leading to the realisation of "One country, one tax". It is a centralised tax-paying network which simplifies payment of tax by the citizens as well as revenue collection by the government. It widens the tax base.

However, the success of the GST system mainly depends on its effective implementation by the Traders and Taxpayers who register under GST and file returns. Ground realities are different and during implementation lot of glitches are observed during the survey

This survey observed that a majority of the taxpayers was not able to migrate from their manual system of filing returns to E-filing system. Important factors attributable are their educational knowledge, lack of computer skills, and inadequate support at the grass roots levels in the government. These have been raised and discussed in this report earlier.

It was also observed, during my personal interaction with Traders/taxpayers, during the survey, that they are very much influenced by

- Past perceptions (treatment by tax officers)
- Illusions of complexity
- Wrong belief of threats

However, they are not observed in the new tax system.

By this I would like to conclude that it's time for the tax department to change their focus from 'Spreading awareness on GST' to 'Gaining trust of Traders/taxpayers' by empowering and educating them by showing "How simple GST is?". GST implementation can be made successful only by citizen's trust. The trust has to be gained by action.

The flip side of the survey revelations. (Initial costs of equipment and consultancy fee.)

In the process of conducting the survey and collecting data, it has been observed that the main reason for the lag in implementation is the cost/expenses that were incurred by them additionally, such as computer, equipment, consultancy fees, etc. On an average, the minimum amount charged by a consultant for filing GST returns to the traders is Rs 4,000, which is substantial for many. The Auditors, Consultants, Third parties were exploiting the opportunity by confusing the traders and charging them huge amount. However, it can be seen that the government has designed GST filing system in such a way that a person with minimum computer knowledge can file the returns without any problem. This fact has to be promoted and the traders educated on filing returns so that the middle men between government and taxpayers are eliminated and the tax returns filing process is transparent and easy.

BIBLIOGRAPHY:

- <https://www.businesstoday.in/current/economy-politics/why-many-registered-taxpayers-are-not-filing-gst-returns/story/271554.html>
- Department, E. (2018, July 17). *Education Department*. Retrieved from www.kareducation.com//economictimes.indiatimes.com/articleshow/63232433.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst.
- <https://economictimes.indiatimes.com/news/economy/policy/over-68000-companies-registered-in-8-months-post-gst-union-minister/articleshow/63430894.cms>
- https://tutorial.gst.gov.in/userguide/returns/index.htm#t=Creation_of_Outward_Supplies_Return_in_GSTR-1.htmEducation.
- <https://gst.caknowledge.com/list-of-all-goods-covered-under-gst-3-rate-list>
- <https://economictimes.indiatimes.com/news/economy/policy/only-16-of-initial-gst-returns-filed-for-july-dec-matched-with-final-returns/articleshow/>
- <https://gst.caknowledge.com/list-of-all-sections-of-gst> <https://www.reachaccountant.com/erp-software-pos-software-blog/gst-compliance/>

