

**The Analytical study Goods and Services Tax (GST) Implementation in India****Renu Hindolia**

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**ABSTRACT**

In a federal structure, India's determination to much-needed fiscal reforms has been widely applauded at its face value when she relinquished her previous complex and inefficient tax regime to embrace the long-awaited Goods and Services Tax (GST). It has been a significant economic move post-independence and requires validation of facts. The present study aims to present a general macroeconomic analysis of the extent to which the adoption of GST. Its has improved existing tax administration and resultant general economic well-being of a democratic political economy like India in light of innovation implementation theoretical perspective. The study tried to determine how the stakeholders perceived such big-bang reform even after the three years of its adoption. The study attempted to assess to what extent the adoption of GST has indeed influenced the economy in general and citizens and/or consumers in particular while using a case-based qualitative inquiry. The present research applied the simulation-actor-process; learning-action-performance. The analysis is framework for the case analysis. The facts reveal that India has observed a tremendous increase in tax base vis-à-vis revenue collection. Yet, some efforts are desired to improve the low tax to GDP ratio, skewed GST payers base, negative stakeholders' perception of GST (revealed through Twitter sentiment analysis), and the evil of tax evasion. The other merits realized by the economy are presented as benefits to the consumers, MSMEs, improved ease of doing business ranking, and foster make-in-India and Atmanirbhar Bharat move by the government

Key Points:- Adoption, Implementation, Determine, Innovation, Administration



GST stands for Goods and Services tax. Before the implementation of GST, there were many indirect taxes which the businesses had to pay. Then came GST which is one of the biggest and significant economic reform. Basically, the aim is to provide a simplified and a tax framework which is imposed on the economic activities and will help in increasing the efficiency of the businesses.

It is a comprehensive nature tax which is levied on manufacturing, selling and consuming goods and services. GST has replaced almost all the indirect taxes except few on which states and central levy taxes. Almost, 160 countries across the globe has implemented GST in place of indirect taxes. GST is collected by the state, where the goods and services are consumed. This implies that it is a destination-based tax. India has implanted a dual GST model i.e., both the states and central will levy taxes on goods and services. GST was finally implemented with effect from 1st July 2017. The state GST which is collected by the state is called SGST.

The central GST which is collected by the Centre is called CGST. The tax applicable on interstate and import transactions is called IGST, collected by Centre and the tax applicable on transactions within the union territories without legislature like Daman & Diu, Chandigarh, Lakshadweep islands is called UTGST, collected by the Union territory.

The introduction of GST is one of the major steps of economic reform in the country. GST is basically summation of various state and central taxes into a one single tax. GST helps in reduction of double taxation, cascading effect, issue of classifying taxes, multiplicity of taxes etc.

GST created a wider tax base, rationalization of tax structure and harmonization of state and Centre administration. Before GST there were different VAT rates across the country which differ from state to state but with the introduction of GST, there is a uniform tax system across the country and the taxes are divided between the state and the central government.

GST will help in reduction of tax theft and corruption in our economy (Nayyar et al., 2018). Goods and Services tax affects every person and business. There is some up and down in business sectors in the beginning, because it will not show effect instantly. Authors have studied the importance of VAT in the Indian Economy and its effect on the public, business, industry in India using the data which is made by the government. Author also mentioned that according to experts GST is likely to enhance the system of tax collection and will boost the economic development of India.



Secondary data collection has been done for the research study. Adequate corpus of secondary data and research articles were collected. These were critically reviewed and extracted. This helped in generating qualitative and quantitative theory for the study. After this, the bibliometric visualization was done to analyze the year wise research studies done on the domain. Finally, the sentiment analysis based on Twitter data was done on GST.

The secondary data provided extensive literature for the research study. Now the bibliometric visualization was done with the help of the VosViewer tool. Firstly, the IEEEExplore website was opened to extract research articles done on the area of GST.

Then the file was inputted on the software to create overlay network visualization to get the year wise panoramic view of research studies done on the area. Figure 1 depicts the overlay visualization. After the visualization, the sentiment analysis was done on recent tweets posted on Twitter regarding the goods and service tax bill. It was done with the help of the Tweet Sentiment Visualization App. The figure 2 provides the result of the sentiment analysis based on the keyword "goods and service tax GST". Here it can be observed that each tweet posted on Twitter is depicted by a circle.

The tweets which are unpleasant are shown as blue circles whereas the pleasant tweets are marked as green circles. Sedate tweets are darker but active tweets are marked brighter. This provides the result of sentiments generated by various tweets posted on GST on twitter. By critically observing the figure it is found that people had mixed responses regarding GST.

The GST bill gave rise to many benefits which are mentioned in this section. Goods and Services can become cheaper for the people on the longer run. Prices of cinema tickets, T.V., Bikes, Cars, washing machines, restaurant services may come down. GST Registration and fill the forms is a simple and very easy online procedure. Replacing multiples taxes also reduces documentations and saves time.

One of the most important benefits of GST is elimination of cascading effect of tax i.e., "Tax on Tax". Moreover, as manufacturing will get more competitive, GST will boost 'Make in India' initiative of the Indian Government. All imported goods will be charged and it will bring quality with taxation on local products. GST will be monitored by both state and central government officers so there are very little chances of escaping from paying the taxes.



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The implementation of GST has given a positive notion in 150 countries across the world and it will give a positive impact on the Indian service sector. It will increase the GDP undoubtedly but it will take some years to show the effect because economic growth may not jump immediately, but it's beneficial for the economy of the country. So, we can conclude by stating that the execution of GST will give relief to the producers and consumers by giving them input tax credit setoff.

Good and services tax likely bring balance to government empowerment. The malicious activity of not paying the tax will go away under this regime so that both Government, as well as consumers, can take profit. This helps the Indian economy to become stronger and more stable.

With the reduction in tax rates on various goods and services, the cost of various goods and services has been reduced. Thus, making the products affordable, and this has led to an increase in demand, which in turn would increase in production and hence will make the economy grow faster. Also, by placing the demerit goods in the highest tax slab, 28% GST council has focused on discouraging the consumption of such sin goods so as to make India a better place to live.

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