

# A Perspective of GST Framework in India and its Effect on Various Industries

**Arvind Kumar Sinha**

Under the Guidance of

Dr. Geeta Shrivastava

## **Abstract**

Goods and Services Tax was presented with 101<sup>st</sup> “Constitutional Amendment Act, 2016” in the Constitution of India. Several sectors in India faced some positive impacts while some faced negative effects since the enactment of the GST Act. The GST was enforced to provide long-term benefits to the taxpayers. Only a few sectors received benefits immediately after implementation of the new GST framework. India is a country with various demographics and varying strata of businesses and taxpayers. In view of the large size of the integrated tax base of GST and its being a tax framework still evolving through experiences of the GST law in action, the new GST taxation system as a whole may take some more years to make its long-term benefits visible.

In the initial years of its implementation, GST brought a positive impact to some sectors, while the other sectors happened to face its harsh effects. While the benefits contemplated with GST in action got realized in the form of reduced cost and increased growth in some industries, there are some other industries which are hard hit after the advent of GST. Identification and analysis of the varying effects of GST on diverse businesses in India will prove to be a guiding lamp for improving upon the law or procedure under the GST system, wherever warranted. Hence, the objective of this article is to discuss the impact of the GST framework on various industries.

In a densely and diversely populated country like India, implementing a new tax regime with an all-encompassing tax base was a big challenge for the government. The original purpose of GST was to replace the traditional system of indirect taxation in India which was plagued with the maladies like tax cascading i.e. “Paying tax on tax”, double taxation of the same value element, multiplicity of tax laws and procedures, multiplicity of tax-rates, fragmentation of tax bases and many more. The GST was designed both in law and compliance procedure in a way so as to win over the said shortcomings of the old taxation system and to have an overall system which is conducive to socio-economic growth of India in the 21<sup>st</sup> Century. This paper sheds light on GST and its effect on various industries in India, which are crucial to the economy.

**Keywords** – Goods and Services Tax, GST Act, GST framework, GST, industries in India, destination-based tax, tax base, cascading.

## **Introduction**

Goods and Services Tax is a consumption-based indirect tax in India levied on supply of services and goods. It is a destination-based, comprehensive, and multistage tax. It has subsumed most of the indirect taxes to be comprehensive. It is a multi-staged tax because it is imposed at each stage of production and distribution up to the retail level, but it has provision for allowing set off i.e. credit of the tax paid on the previous stage to every next stage, except the end consumer. It is termed as destination-based tax because the incidence of tax essentially falls on the ultimate consumer who bears the burden of the entire tax levy. Thus, among the three stages i.e. ‘production’ that takes place at the origin of the value chain, ‘distribution’ that contains intermediate stages of sales by one to another, and ‘consumption’ that eventually takes place at the destination of the supply chain. The supply chain ends with the ultimate consumption; the value chain terminates there and it is that point where the tax which was just traveling with the supply, gets converted into real revenue and accrues to the state in which the final consumption takes place. This way, the tax does not stick to any of the intermediate stages of production or distribution; rather it sticks entirely on the consumption within the taxing jurisdiction. Thus, the tax in effect is collected from consumers, not the producer or distributor as it used to happen with the tax like CST (Central Sales Tax) in the earlier tax regime (Agrawal, 2019). Broadly, there are five different tax slabs for collection of GST, i.e., 0% (NIL), 5%, 12%, 18% and 28%. However, state governments tax alcoholic beverages, electricity, and petroleum products as per earlier tax systems, as these commodities are not covered under GST taxation system. There is a special tax rate of 3% on gold and 0.25% on raw semi-precious and precious stones.

With the introduction of 101<sup>st</sup> “Amendment of the Constitution of India”, GST system was made effective on July 1, 2017 by the Government of India to replace several taxes by state and central governments. The GST Council which is a constitutional federal body, decides and gives recommendations on every aspect of GST like its rules, regulations and tax rates etc. The GST is designed to replace several indirect taxes of the old regime by unifying them into one single tax to be levied on an all-inclusive comprehensive tax base, and, hence, the new GST system of indirect taxation is expected to redefine the \$2.4 trillion economy of the country. Amidst high expectations from the GST regime which was heralded as a game changer, there have been several positive and negative effects of implementation of GST which will be covered in this article.

The Goods and Services Tax is imposed completely on the addition of value at every stage of the supply chain and all the parties involved at different stages of the supply chain are eligible for input tax credits of the tax paid on the previous stage. Accordingly, all such stages happen to be a mere pass-through which just collects the tax and pays it to the government from where the credit of it is availed by the next purchaser in the value chain. This way the tax does not stick to any of such intermediate stages, rather it sticks only and only to the end consumer at the last stage where the last retailer in the chain makes the supply to the end consumer who, in turn, finally consumes the goods or services. Since the end consumer does not further supply (sales) the goods concerned, he is not actually doing any business and therefore he does not get any credit of the tax paid by the retailer. It is this very point where the tax that came to the government (on being paid by the retailer) stays with the exchequer as no credit of it is further availed by the next player who is the end-consumer. To say it in other words, this is the point where the tax traveling so far through the pass-through stages, gets actually converted into real revenue to the government. As regards the burden of such tax, the same in entirety, is borne by the end consumer. As regards the owner of this revenue, the revenue accrues to the state in which the final consumption takes place or is deemed by the law to have taken place.

GST provides a uniform tax structure for goods and services all around India. Some products or commodities like precious stones, semi-precious stones, and gold have different rates of taxes. Cigarettes, fizzy drinks, luxury vehicles, and other items have additional cess. GST has unified all other indirect taxes, such as service tax, central excise duty, entertainment tax and VAT.

## 1.1 Background

When it comes to positive effects of GST, the best thing is that it has replaced the previous VAT systems at the state level as well as at the union level. GST comprehensively extends to all goods and services and across all the states in India. It is levied on all the services and products, sold and consumed in India with very few exceptions. It has consolidated or replaced all indirect taxes on services and products levied by the state and federal governments. The long-term gains are prioritized by the GST and it has benefited a lot of industries (Sandhu & Atwal, 2019). GST with its comprehensive tax base and electronic compliance features has, first of all, helped in avoiding tax evasion and curbing the circulation of black money. It has also saved overall costs by reducing the burden of taxes. All indirect taxes have been merged into GST, which made the tax system easier for all businesses and service providers. All the indirect taxes have been consolidated into one tax for every business and service, which made the tax structure easier (Kumar, 2019). On the other hand, there have been witnessed in the initial years of its implementation, some negative effects of the GST framework because the GST system as a whole has been eyeing on providing benefits in the long term (Ajeev & Somasekharan, 2019). To cite a few ones, the transaction fees have been raised among financial institutions from 15 to 18 percent, thereby increasing insurance premiums. It has also adversely affected the real estate industry, by finally taking away the credit facility from the housing construction sector, which has resulted in a price rise in the sector. The price of petrol and diesel is also rising uncontrollably because petroleum products are not covered under GST. Only a few retail products were taxed at around 4% before GST was levied. After implementation of GST, the cost of garments and clothing has also been increased. The aviation industry has also been adversely affected by the Goods and Services Tax. The service tax was around 6 to 9 percent on flight tickets before GST. Since GST has been implemented, the rates hiked to almost double. These are just the glimpses of some of the positive and negative effects of GST which needs to be explored further on various sectors in India.

## 1.1 Literature Reviews

Tekwani et al (2021) studied the impact of GST on handicraft exporters. They focused on the effect of each variable, i.e., returns, rates, registration, refund, input tax credit, e-way bill, etc. on handicraft exporters based in Jaipur. Each variable has a significant positive impact on those exporters.

Sharma et al (2022) investigated the impact of GST on hotels and restaurants in Hyderabad, with a special emphasis on overall food industry. They investigated the impact on several aspects of food establishments. They found a positive impact on profits and sales of restaurants. They also investigated the proprietors and invoices and observed that operators can save much on raw materials due to GST. It has long been taken as a win-win situation for both business owners and consumers.

The new GST regime was supposed to be the complete solution for all issues in the earlier tax structure. However, it has received mixed responses from academia, industries, and the common public since its introduction. It has also affected MSMEs drastically. Harishekar & Manoj (2021) analyzed the effect of GST on MSMEs in "Peenya Industrial Area" in Bangalore, Karnataka. They identified the needs to reform penalties for failing to pay GST, separation of labor work and job work definition, issues related to earlier tax regime, and dual administration. The study found implications for industries, policymakers, and academia and explored the new tax system in detail.

Nayaka (2021a) studied the impact of GST on the Indian cement industry, which plays a vital role in the economic growth of India in terms of employment and GDP. Real estate boom, increasing economic activities, and huge population are the major contributors towards the cement industry. Despite such a huge growth rate, the cement industry bears various policy and economic implications due to the high GST rate, i.e. 28%. It is higher than in several developed and developing countries. The study has observed that growth in consumption, demand, production, FDI and sales is not at all good in the cement industry in India after implementation of GST.

Considering the significant impact of GST on the automobile sector, Nayaka (2021b) has examined the effect of GST on sales, production, registration, exports, imports of crude oil, and inflows of FDI on petroleum, natural gas, and automobile sectors. The

researcher found no significant impact of GST in sales, FDI inflows, and production in the automobile industry. However, exports and registrations have significantly increased after the implementation of GST.

Guleria & Sen (2020) conducted a study to know the perception of people in Delhi about the implementation of GST in India. The study was conducted to know the benefits of GST for various segments of society and its impact on their perception. GST has created a great impact on the perception of people. The researchers considered people with various demographic profiles for this study, assuming that perception varies according to gender and age. It is found that there is no relation between perception and age and gender.

## 1.2 Research Gap

Ever since the introduction of Goods and Services Tax, there is a confusion among common people about its overall implications on various businesses. There are various studies on GST and its impact. But most of these studies covered a period when the GST framework was nascent or under-developed and which coincided with the period of various extraneous and parallel factors like demonetization, global recession, spread of covid pandemic etc. Therefore, a performance appraisal of the form of GST framework as evolved so far becomes desirable and worthwhile so as to project its probable impact on different sectors of the economy in the long run.

## 1.3 Research Objectives

- To identify the effects of GST Framework on various industries in India

## 1.4 Research Questions

- How has the existing GST framework affected various sectors in India?

## 2. Methodology

Data required for this study was collected from secondary data. In order to fulfill the above research objective, the data was collected from various reliable sources like peer-reviewed articles and research papers from various journals and also from media and internet sources because we needed to study various sectors of India and effects of GST on them.

## 3. Data Analysis

GST is very beneficial to the economy of the nation in the long term. Due to its universal structure, GST has subsumed all indirect taxes in India. It adds transparency to the corporate sector and enables businesses to become and grow stronger. With the growth of the business sector, more jobs can be created to reduce unemployment and contribute to the economy. Creating a win-win scenario is the goal behind adoption of GST across the country for all the stakeholders. Clear regulations and limited tax filings are helpful for businesses and manufacturers. Consumers also have to pay less for services and products and the government can increase its revenue. Indian goods can be more competitive in both foreign and domestic markets due to GST. In addition, GST has an impact on several other industries.

### Q. How has the existing GST framework affected various sectors in India?

**Healthcare Sector** – Healthcare is one of the fastest emerging sectors in India as it has a lot of potential to generate employment and revenue. GST can improve investment in this sector, which ultimately leads to a rise in government revenue. It is a broad industry which covers everything related to medical and health, such as medical insurance, surgical equipment, medical devices, pharmacy, telemedicine, and other relevant aspects. There was around 13% of the burden on medical equipment and devices from all taxes combined. Currently, there is 12% of GST on medicines and medical supplies under the new GST reform. This 1% difference is very important for the industry in the long term. There are several other segments of the healthcare industry which are exempt from GST, such as hospitalization, medical services, and medicines.

However, there is 18% GST levied on medical insurance premiums, which is higher than earlier rate, i.e., 15%. It usually affects other elements of healthcare in various ways. In the healthcare industry, the impact of GST adds to the certainty and transparency in the taxation system of India. Experts are hopeful that GST will bring revolutionary change by reducing obstacles in the booming healthcare sector of India. The sector has been nourishing a hope that healthcare services would be placed under zero-rating rather than exemption. This is desirable so as to make the healthcare services cheaper and tax free in entirety. Presently the healthcare services are exempted but still costly. This is for the reason that because of its being exempt supply, the Input tax credit of tax paid on various medical inputs and input services is not available to the sector which consequently gets embedded into the cost of the output services of healthcare. If the government can afford to make it zero-rated like physical export supplies or supplies to SEZs, then the output service of this sector would be getting the set off of the input stage taxes too, and at the same time the output service will already be enjoying the tax-free status. This will translate into a significant lowering of the cost of the services of this sector.

**Entertainment** – There were many taxes levied before the implementation of GST, such as state government tax, central tax, and also tax by local bodies. Since the implementation of GST, only one tax has been levied. The tax rate is ranging from 18% to 28%, as per the kind of entertainment facilities. For example, theater, TV and DTH, circus and movie tickets fall under 18% of GST (12% GST on movie tickets priced up to Rs. 100 and 18% for tickets above Rs. 100). In addition, 28% GST is levied on casinos, racing, sports events, amusement parks, and movie events. 12% and 18% are the general rate slabs in GST. This being so, 18% rate on services by way of admission to theater etc. is seemingly a moderate one, still amidst the spate of contents on the OTT platform, the theater industry is undergoing a very tough time further intensified by the setback given by lock down during the covid period. Further, it is only the entertainment tax earlier imposed by the State government that has been subsumed in GST; the entertainment tax levied by the local body is still continued on such admission services to cinema and all. This being so, the government should suitably place such services temporarily under a lower rate slab.

**IT Sector** – Information and Communication Technologies (IT/ITeS) are one of the most profitable sectors for the government as 18% GST is levied on services in general. However, various factors like ITC can reduce operating costs and eventually expand the overall profitability of the IT sector. It also benefits with removal of double tax, opportunities for creating GST software, easier administration of tax rate, and so on. In the pre-GST regime, this sector has been characterized as the most prone to disputes as to whether software involves sale of goods or provision of services. Ever evolving derivatives and variants of output in this sector has always been bone of contention in the regime of VAT and Service tax. The advent of GST has unified the goods and services and simplified the classification of supplies. This sector has benefited from that. However, the Concept of ‘Intermediary’ and the non-availability of export benefits to them even though they earn foreign currency, has been an area where a lot of confusion continues to persist. The clarificatory circulars issued by CBIC have attempted to clarify the position to some extent; but firstly, they do not cover all situations of transactions in this field, and secondly, the circulars do not assume the legal sanctity of any statutory provision. This area is facing lack of stability of the GST law, which potentially may cost a lot to the underlying industries in the days to come when audit and enforcement intensifies at the end of the GST formations.

**Import** – An importer has to bear Customs Duty and “Integrated Goods & Service Tax (IGST)” on the import of services or goods. On some specified items GST Compensation Cess is also levied. IGST is imposed on the inter-state supply of services and goods. IGST on import of goods has substituted other taxes which were controlling the import of goods before implementation of GST, such as “Countervailing Duty (CVD)” and “Special Additional Duty (SAD)”. The import is largely influenced by the tax rate applied to imported goods. The biggest impact of GST on import of goods came in the form of curtailment of benefits of various export promotion schemes like Advance Authorisation scheme (AA), Export Oriented Unit scheme (EOU), Export Promotion Capital Goods Scheme (EPCG) etc. In pre-GST regime the importer was getting tax exemption in respect of all taxes viz. Basic Customs Duty (BCD), Countervailing duty (CVD) which was to counter balance Central Excise duty on domestic sale, and Special Additional Duty (SAD) which was to counter balance the local VAT / Sales tax. Out of these the CVD and SAD were replaced by the IGST in the GST regime. However, the GST on its advent restricted the tax exemption only to the BCD, and mandated to pay the IGST (and Cess too wherever applicable) on import of goods into India. After a hue and cry from the importers’ fraternity, the government has restored the exemption also to IGST, but that is only as a temporary measure and can go anytime in future. The curtailment of exemption on this count had increased the capital blockages to the importers in the initial days after GST implementation, and would continue to do so when the temporary relief as above is withdrawn by the government.

GST had in store yet another setback to the importers of goods under CIF contracts (Cost, insurance, Freight- all inclusive ). While the Indian Customs taxes the entire of the single CIF value which is inclusive also of the freight charges from foreign country up to Indian port, the GST law again seeks to tax this freight element separately on some notional value. This double taxation has unjustifiably increased the tax burden on the importer, and also has triggered a spate of litigations in the courts of law. The litigation cost has further burdened the importers.

**Export** – Since GST is a destination-based tax, the incidence of which falls essentially on the domestic consumption within the taxing jurisdiction, GST will not be imposed on the services and goods exported, barring few exceptional items which attract export duty too. This is in line with the international rule that taxes cannot be exported. However, this does not mean that exports are exempt from GST. In fact, export is not exempted, but is zero-rated. In zero-rated supplies while the tax on outward supply is either not collected or if collected it is refunded to the exporter, the input tax credit on the inputs and input services is allowed to be retained by the exporter. This input tax credit, in case of exempt supplies, needs to be restored to the government unlike in case of a zero-rated supply. The concept and treatment of export so far as its zero-rated status is concerned, has been the same in GST. However, obtaining a refund of the IGST paid on exports has been nothing less than a nightmare in the initial years of GST due to inefficient functioning of the half built GSTN IT base which was the only platform to process such refunds. Blockage of huge amounts in export refunds and the rigidity of the IT portal of GST has caused multifarious loss to the industries particularly in the initial years of GST implementation. There has been yet another trouble to the exporters in the form of restriction that if they imported inputs under specified tax-free schemes like Advance Authorization scheme (AA), Export Oriented Unit scheme (EOU), Export Promotion Capital Goods Scheme (EPCG) etc, then in that case they are prohibited from exporting on payment of IGST and claiming refund thereof. This restriction brought in with retro effect and beset with anomalies has troubled the trade like anything and has also resulted into a spate of litigation having reached right up to the level of the Apex Court of India. On the count of the above discussed restrictions, the competitiveness of the Indian goods has been and would also be adversely affected in the days to come.

**Agricultural Sector** – Agriculture has a great contribution to the overall GDP of the country, i.e. around 16%. Various sectors have been affected with the implementation of GST. Transportation of agro produce in different states is one of the major issues in the agriculture industry. Transportation may pose a serious issue to this sector in terms of taxation. This way, GST may be helpful to form the first national agricultural market in India. GST has exemption for many of the activities from the core sector of agriculture.

The related labor jobs and transportation of Agri-products are also exempted from payment of GST. Moreover, abolition of check posts has smoothed the transportation of all goods which has benefitted this sector also.

**Real Estate** – GST has come up with some of the positive effects on real estate and property rates in India. GST has benefitted property buyers in India in the form of less tax burden due to the availability of input tax credit to this sector after the advent of GST. All of the under-construction properties are subject to 12% GST on property value, excluding registration and stamp duty. Developers and builders also enjoyed profitability because of “input tax credit” to pass all the benefits thereof to homebuyers. However, to the disadvantage of the developers of residential real estate properties, the scheme of 1% / 5% without the facility of ITC was made in operation subsequently which has taken away substantial benefit from this sector. Many other restrictions like requirement of procurement only from the registered dealers up to specified percentage and requirement of paying tax under reverse charge in case of failing from this, has dampened the growth potential of this sector. Further, as against the actual cost of land the GST allows deduction only of a presumptive value of land equivalent to 1/3<sup>rd</sup> of the total amount levied by the buyer. This presumptive value puts the developers in metropolitan cities and other cities with high land cost, in great disadvantage. In the sector of construction, most of the existing contracts are on fix-charge basis. This being so, the construction contractors are not finding themselves able to absorb the price hike having taken place due to various market factors including GST. This may potentially result into holding of the projects or delayed completion thereof. The ultimate burden of it will transmit ultimately to the ultimate beneficiaries. The contractors fraternity has represented with the government seeking relief in this area.

Earlier, the builder or developer had to pay “Central Excise Duty”, VAT, and Entry Tax levied by the state government, which were collected on the amount of building material before GST. In addition, there was a 15% tax levied on the builder or developer for services like architect fees, approval charges, labor charges, etc. Such variations have been removed after the implementation of GST on construction costs. In addition, expenses have been reduced in logistics and “Input Tax Credit” serves as an added advantage.

**Textile Industry** – GST has been very positive on textile and readymade garments and made it one of the most profitable sectors. It has various benefits, such as availability of ITC on capital goods and lower transportation cost as compared to previous tax structure.

**Banking** – There is a negative impact of GST on the banking sector as the tax rate is higher on all banking segments, i.e. 18%, while it was 15% service tax before the implementation of GST. Here are some of the effects of GST –

- No free transactions between banks
- Dependence on SGST and CGST
- Separate registration is needed in each part of the bank in every state.

**Hotel & Tourism** – It is one of the most lucrative sectors for the Indian economy as hotel and tourism plays a vital role in the economy and GDP of India. Each state government is serious on advancing their tourism sector with various schemes. In addition, the GST rate also varies for the hotels due to tariffs, –

- 12% GST on tariffs from Rs. 1000 to Rs. 7500 per night
- 18% GST on tariffs from Rs. 7500 onwards.
- 0% GST on tariffs below Rs. 1000.

#### 4. Results

GST had contemplated an incremental growth of around 3% in the economy. Barring the initial years that coincided with the covid pandemic and global recession, the GST has shown a tendency to give impetus to the growth. The revenue yielding in more than a trillion in many of the months in the recent past indicates that the GST system is progressively heading towards fructifying the contemplated benefits to the trade and industry and the nation as a whole, even though the beginning of the journey of GST has not been a smooth one. The GDP of India declined to 4.04 after six years in 2019-20. The GST had almost fallen short of what was expected due to the global economic crisis (Figure 1).

Figure 1 – GDP Growth of India from 2016-17 to 2020-21



Source – MOSPI, Govt. of India, New Delhi

India faced two lockdowns due to COVID-19 and the economy was badly affected later on. In 2019-20, India had seen a steep decline of 4.04% from 8.26% in GDP, and then declined to 7.26% in 2020-21. The constant prices of GDP in the third quarter of 2019-20 was Rs. 36.08 lakh crore, according to the “Ministry of Statistics and Programme Implementation (MOSPI)”. However, it was expected to rise up to 0.4% and worth Rs. 36.22 lakh crore in the third quarter of 2020-21. The rise in 0.4% of GDP after two taxing quarters was eventually observed in Q3 of 2020-21. Due to this reason, the economy of the nation is finally going out of technical fall. As regards the Financial Year of 2021-22, an estimation of 8.3% growth was made some times back, as against a 4.8% contraction in the Financial year of 2020-21.

Considering the above findings, here are some of the recommendations to make existing GST framework more effective in the country and avoid its shortcomings –

- Consolidation of tax rates should be strived at. The need is to consolidate the mid rates of 12% and 18%, and not to further break up the 5% rate into two (3% and 8%) as is reportedly under consideration by the GST council.
- Automation should be further intensified and widened to cover almost all the stages of different business processes. A level of automation is desirable which could ensure Auto population of base data form invoice to auto-draft all the major returns under GST smoothly.
- MSME should be distinctly treated in regard to GST compliance. Much of relaxation and relief to them is the need of the hour so as to enable them to rise from the shock of demonetization, inefficient infancy of GST, prolonged lock down due to covid-19 pandemic etc.
- GST is an indirect tax regime which is quite different in India. Administration must be well prepared in terms of procedure, legislation, and concept. It is also important to make radical changes in their attitudes and mindset for taxpayers.
- GSTN common portal functionalities should be further improved constantly and rapidly.
- The GST tribunal should be brought into existence without any further delay.
- The National Tribunal of Advance Ruling should be put in place as early as possible.
- Important actions are still needed for making an effective tool for managing financial policy.
- Consistent publicity and awareness are needed among the masses.
- Proper measures should be taken by the government to ease the restrictions on the smooth flow of input tax credit.
- Some really working mechanism should be devised and put in place to relieve the trade from the onerous burden of ensuring tax payment and return filing by each and every of their vendors.

## 5. Conclusion

GST is one of the most promising systems of indirect tax structure in India. It is comprehensively levied on all services and goods in all sectors across all the states in India. Even the government departments bear the effect of GST. All stakeholders of the economy like MSMEs, intermediaries, exporters, importers, professionals, traders, and consumers have a direct impact from GST. GST is one of the biggest taxation reforms in the country to integrate economies of all the states and play a vital role in overall growth. GST has played a vital role in almost all industries of India to boost the economy. It has significantly improved tax collections and economic growth of the country by breaking barriers across the states. It has integrated the country with a unified tax structure. The burden of taxation has been equally divided between services and sales by integrating the goods and services and also by widening the tax base, which otherwise was fragmented in the pre-GST regime. Even after nearly five years of its implementation, GST is still in the phase of evolving and stabilizing. With its clear vision of “One India, One Tax, One Market” GST has a great potential to prove a game changer and growth engine for the socio-economic development of India. The negative impact that is visible in some of the areas of some of the industries may be attributable to the initial disruption caused by the advent of such an extensive taxation system which has to handle a incomparable massive data of business transactions. With the passage of time when the GST system will be evolved up to the mark, even those sectors will start reaping the benefits of GST, which at present do not seem to have been benefitted as greatly as many other sectors have been.

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