

From the Editor's Desk



The tax system plays a stupendous role in the economic growth of any country. Indirect taxes constitute a major source of public revenue. For creating a single unique tax structure applicable throughout the country, the GST was brought in with effect from 1st July 2017 replacing multiple indirect taxes levied by the Central and State Governments such as excise duty, service tax, VAT, sales tax etc. It brought uniformity in the indirect tax structure across India eliminating the cascading effect of taxes. This year we celebrate the sixth anniversary of this far reaching tax reform.

Post Covid-19 pandemic, for past three years, the Union Budget has been focussing on 'support' and 'recovery' of the Indian economy which has reaped fruitful outcomes for India. However, it is expected in the forthcoming days the government may expand its focus ensuring the 'growth' momentum on track and roaring to achieve the long-enuciated feat of realizing \$5 trillion economy while keeping fiscal deficit and inflation in check.

Union Budget-2023

Several amendments have been made in the GST Law by the Finance Act, 2023. The amendments have been made in the provisions regarding filing of GST returns, availing of input tax credit, GST refund, GST registration, decriminalization of offences, compounding of offences.

Further, with increased usage of information technology as a medium of provision of services, Budget 2023 has widened the scope of the existing definition of Online Information and Database Access or Retrieval ('OIDAR') services, by removing the term 'essentially automated and involving minimal human intervention' from the definition of OIDAR services. This would essentially mean that even if the services are not totally automated and involve human interactions through online/internet mediums for the rendition of services, they will get qualified as OIDAR services. In addition to the above amendment, the Finance Act 2023 has also

amended the definition of 'non-taxable online recipient', whereby the scope has been widened. This amendment would make OIDAR services taxable in the hands of the overseas supplier (or intermediary as applicable) if any unregistered person or persons registered under Section 51 of the CGST Act in India, receives OIDAR services for any purpose.

CMA's have an emerging and dynamic role to play in the GST regime. Section 48 of the CGST Act, read with Rule 24 of the Return Rules, authorize Cost Accountant as an eligible person to act as Goods and Services Tax Practitioner. Cost Accountants are recognized as Authorized Representative to appear before an officer appointed under the Act, or the Appellate Authority or the Appellate Tribunal in connection with any proceedings under the Act (Section 116). CMA's have a leading and important role to play at GST era. CMA's could explore immense possibilities and could bring good benefits.

The focus of this issue of the journal is on GST with **Goods and Services Tax (GST): A significant step towards making India Economically Competitive** as the cover story.

The article titled *GST implementation in India: Assessing the journey so far* reviews the impact of GST after six years of its inception.

The article *Impact of union budget 2023 on GST law* is a research work to understand the perception of the commerce community about the amendments in the GST Acts as per Finance Act 2023.

The article titled *GST: a better relationship capital for MSMEs and the construction sector* attempts to explore the inter linkages between economic growth, infrastructure, construction, MSMEs development, GST, business competitiveness and the workforce.

The article *Exploring the world of input tax credit (ITC)* analyses the challenges of the Government to implement ITC and to create a healthy environment for the tax payers.

The article titled *Areas of*

Litigation under GST and Related Provisions has covered practical issues and litigation matter under GST.

The article *Unique features of GST - The Game changer of the Indian Indirect Taxes* has discussed the mechanism of GST in order to understand the technicalities of GST.

The article titled *Impact Analysis of Major Financial Ratios of Indian Textile Firms after Implementation of GST* is a research work that has analysed the impact on the liquidity and profitability on the selected firm after implementation of GST.

The article *Impact of GST on Residential Welfare Associations - An outlook* has highlighted the application part of GST regarding RWA and opportunities of the professionals in this area.

The article *on real estate sector* has discussed the applicability of GST Laws to private and public developers and the tax rate applicable to the persons who purchase houses.

GST, a boon to commodity futures trading in India examines the effect of GST on commodity future trading in the country and shows that GST is applicable when a futures contract is entered into as well as, more importantly, when a contract goes for settlement with physical delivery of the underlying commodity, the impact of GST becomes further crucial.

SSIs play an important role in the Indian Economy. The article *on GST adaptation among SSI* is a research work on understanding the process of adaptation of GST by SSI.

Other than the cover story this issue presents articles on Digital Transformation, Sustainability Leaf, HR, Fintech, Indian Economy (Withdrawal of 2K Currency), Startup, Rural Empowerment, ERM and CSR. Thus a sumptuous food for thought is contained in this issue.

Hope our readers would be largely benefitted from these specialised articles written by experts in the respective fields.

We look forward to constructive feedback on the articles and overall development of the Journal. Please mail your response to editor@icmai.in. We thank all the contributors for enriching the contents of this issue of The Management Accountant.