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Evaluating the regional disparities in goods and services tax (GST) implementation: a review of economic, sectoral, and revenue impacts in India.

Rahimeen Fatima[1] & Dr. Anupam Shakya[2]

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Abstract: The Goods and Services Tax (GST), implemented in India in 2017, represents a landmark reform aimed at simplifying the nation's indirect tax structure. This study takes a critical look at the regional and sectoral differences in the implementation of the Goods and Services Tax (GST), focusing on the economic, budgetary, and administrative consequences of these differences. This research, which is based only on secondary data, demonstrates how industrialized states such as Maharashtra and Gujarat have reaped disproportionate benefits as a result of their solid infrastructure and huge manufacturing bases. On the other hand, states that place a significant emphasis on agriculture, such as Uttar Pradesh and Bihar, have encountered difficulties as a result of a limited diversification of their revenue bases and an inadequate digital infrastructure. Analysis of the sector finds that while the manufacturing and logistics industries have benefited from the Goods and Services Tax (GST) to simplify their operations, small and medium companies (SMEs) and the informal sector have suffered with the expenses of compliance and the complexity of regulatory requirements.

The article also investigates the role that technology plays in enhancing tax compliance, highlighting both the achievements that technology has had in decreasing tax evasion as well as the ongoing difficulties that small enterprises in rural regions continue to face. Additionally, it investigates the consequences of revenue, which includes the early deficits and ultimate stabilization in the collections of GST, while simultaneously finding gaps in the equitable distribution of money between the central government and the provincial governments. The findings highlight the necessity of targeted changes, such as upgrades to infrastructure, streamlined compliance processes, and improved assistance for areas and sectors that are not functioning as well as they could. The objective of this study is to shed light on the development of the Goods and Services Tax (GST) as a fiscal instrument and to investigate the potential of the GST to generate inclusive economic growth in India.

Keywords: Goods and Services Tax, regional disparities, sectoral analysis, compliance challenges, economic growth.

Introduction: The Goods and Services Tax (GST) which was implemented in July 2017 with the intention of simplifying India's complicated tax structure, is considered to be one of the most revolutionary tax changes in the country's history. GST represents a comprehensive tax framework that replaced multiple indirect taxes such as excise duty, service tax, and value-added tax (VAT), consolidating them under a single unified system. This reform aimed to simplify taxation processes, improve transparency, and reduce compliance burdens for businesses across the nation (Andrews & Kumar, 2020; Bose & Mehta, 2019). It was the goal of the Goods and

[1] Rahimeen Fatima, Research Scholar, Department of Commerce, Major SD Singh University, Farrukhabad, Uttar Pradesh(India).
[2]Dr. Anupam Shakya, Profesor, Department of Commerce, Major SD Singh University, Farrukhabad, Uttar Pradesh(India).

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Services Tax (GST) to establish a seamless national market by guaranteeing that all states had the same tax rate and structure. This would promote economic efficiency and competitiveness (Fernandez & Patel, 2021).

At its core, GST's objectives include eliminating the cascading effect of taxes, which occurred when taxes were levied on already taxed goods and services at each production stage (Choudhury & Shah, 2020). GST also aimed to broaden the tax base by bringing more businesses and transactions under the tax net, reducing evasion, and increasing government revenue (Kapoor & Sen, 2021). Through the implementation of mechanisms such as the input tax credit, the reform made it possible for firms to claim credits for taxes that they had already paid on inputs. This made it possible for them to reduce their overall tax obligation and increase compliance (Dutta & Iyer, 2021). The success of the reform, on the other hand, is inextricably connected to the diversified economic and industrial environment of India, where differences across areas bring their own set of obstacles and possibilities. Understanding the broader economic consequences of the Goods and Services Tax (GST) and ensuring equal growth across the country requires doing an analysis of the GST's geographical effect (Gupta & Singh, 2022).

Since its implementation, GST has undergone significant evolution, marked by policy adjustments and administrative reforms to address emerging challenges. The tax reform's initial years were characterized by teething issues, including technical glitches in the GST Network (GSTN) portal and a lack of preparedness among businesses (Rao & Das, 2022). Despite these challenges, GST has progressively stabilized, contributing to higher revenue collections and improved tax compliance over time (Verma & Sinha, 2021). In the financial year 2021–22, GST collections reached a record high, with monthly revenues consistently exceeding ₹1 lakh crore, reflecting increased economic activity and improved compliance rates (Mishra & Roy, 2023).

The introduction of the Goods and Services Tax (GST) continues to be accompanied by considerable regional differences. For example, industrialised states such as Maharashtra and Gujarat have had bigger revenue increases in comparison to agricultural states such as Bihar and Uttar Pradesh. This discrepancy can be attributable to disparities in the distribution of tax bases, as well as differences in economic structures and digital infrastructure (Desai & Kapoor, 2020). The heterogeneous impact of the reform is further shown by sectoral patterns, which show that businesses like as manufacturing and logistics benefited from the reform's efforts to streamline supply chains, while small and medium-sized enterprises (SMEs) and the informal sector experienced greater compliance costs (Chatterjee & Bose, 2022). In spite of the fact that difficulties continue to exist in rural and semi-urban regions, the growing use of technology, which includes electronic invoicing and automated tax filing systems, has been a significant contributor to the improvement of compliance and the reduction of tax evasion (Sarkar & Menon, 2023).

The primary goal of this study is to examine the regional and sectoral variations in the Goods and Services Tax (GST) implementation and its broader economic, sectoral, and fiscal effects throughout India. By combining secondary data sources, this study hopes to reveal sector-and area-specific trends and problems. Learn more about the effects of India's Goods and Services Tax (GST) on the country's economy from this study's results. The need of understanding these differences in order to offer legislative input is emphasised by this research. This will make sure that the GST's benefits are distributed evenly and that its issues are effectively addressed. Furthermore, the research aims to add to the current literature by providing a comprehensive assessment of the effects of the

Goods and Services Tax (GST) on various areas and industries, utilising up-to-date information, figures, and trends.

For this particular study, a review-based methodology was utilised, and secondary data sources were the only ones utilised. Through the use of statistical databases, peer-reviewed journal publications, policy briefs, and government reports, the study was able to collect and synthesise information. This technique allowed the research to critically assess the current body of knowledge and identify gaps, so laying the groundwork for more extensive debates on the consequences of the Goods and Services Tax (GST) on various sectors and regions (Das & Reddy, 2021).

The data for the study came from a variety of sources, including published papers, income reports broken down by state, and reliable databases such as those maintained by the Ministry of Finance, the GST Council, and the World Bank. Additionally, the research includes sectoral and regional case studies from earlier academic publications, with a particular emphasis on growing trends, revenue patterns, and compliance difficulties (Nair & Ghosh, 2022; Kapoor & Sharma, 2023). Statistical data on GST collections and sectoral contributions were reviewed to provide a comprehensive understanding of the reform's effects.

The scope of this research was restricted to the examination of secondary data, as there was no acquisition of source data or use of statistical methods. An emphasis was placed on qualitative synthesis in order to derive meaningful conclusions from the data and literature that was already available. One of the limitations was that it relied on data that was readily available, which might not have adequately captured the nuanced realities of the impact that the GST has had in some areas or industries. In addition, because there were no source data available, the research did not directly evaluate the experiences of individuals or organisations in relation to GST compliance (Roy & Gupta, 2021).

ECONOMIC DISPARITIES IN GST "IMPACT"

The implementation of the Goods and Services Tax (GST) in India has led to a variety of effects on the economic growth of individual states, which are heavily impacted by the structural variations that exist between industrial states and agricultural states throughout the country. States that are industrialised, such as Maharashtra, Tamil Nadu, and Gujarat, have reaped significant benefits as a result of their solid manufacturing bases and large supply networks, which enabled them to successfully use the input tax credit system. These states have reported regular increases in the amount of GST income collected, which can be attributed to increased compliance rates and a more extensive tax base (Rao & Menon, 2022; Sharma & Ghosh, 2021). On the other hand, states that are mostly agricultural, such as Uttar Pradesh and Bihar, saw difficulties in adjusting to the Goods and Services Tax (GST) due to the minimal industrial activity and their reliance on informal markets. This hindered their capacity to fully benefit from the tax reform (Verma & Kapoor, 2022).

There is a significant difference in revenue growth between industrial and agricultural states, which highlights the importance of economic structures and infrastructure in determining the efficacy of the Goods and Services Tax (GST). Following the implementation of the unified tax system, industrial states experienced consistent gains in tax revenues as a result of the boom in manufacturing production and the increased efficiency of supply networks (Das & Krishnan, 2022). On the other side, states that focus primarily on agriculture had a more difficult time complying with the Goods and Services Tax (GST) due to lower compliance rates and limited digital

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infrastructure, which made tax administration more difficult. Due to the fact that many agricultural products continue to be exempt from the Goods and Services Tax (GST), these difficulties were made much more difficult by the small number of taxable transactions that occurred within the agriculture sector (Bose & Chatterjee, 2023).

Infrastructure and tax base diversity have been significant contributors to these economic disparities. States with better-developed transport, logistics, and digital infrastructure were able to integrate GST processes more seamlessly, improving compliance and reducing tax evasion (Fernandez & Dutta, 2023). Conversely, states with weaker infrastructure faced higher operational challenges, highlighting the need for targeted interventions to bridge the economic gap and ensure equitable benefits from GST (Gupta & Nair, 2022).

SECTORAL ANALYSIS OF GST IMPACT

In addition to having varying impacts across different industries in India, the Goods and Services Tax (GST) has also been shaped by the unique characteristics and needs of each of these sectors. The Goods and Services Tax (GST) system has brought about significant changes in the three main sectors of the Indian economy: manufacturing, agriculture, and services. The elimination of cascading taxes, which resulted in the streamlining of supply chains and the reduction of costs, was beneficial to the manufacturing sector. On the other hand, the agriculture sector had mixed results as a result of its partial exemption from the Goods and Services Tax (GST). Increased compliance difficulties were experienced by the services industry, which includes information technology, healthcare, and tourism. However, the sector benefited from standardised tax rates, which encouraged the rise of organised service delivery (Patel & Nair, 2023; Desai & Reddy, 2022).

Small and Medium Enterprises (SMEs) and the informal sector faced significant challenges in adapting to GST's compliance requirements. SMEs, often lacking robust digital infrastructure and trained personnel, struggled with the complexities of filing regular GST returns and navigating the GST Network (GSTN) portal. This increased their compliance costs, making it difficult for many to transition smoothly into the formal economy (Sharma & Bose, 2023). Similarly, the informal sector, characterized by cash-based transactions and minimal documentation, found it challenging to meet GST's stringent documentation requirements. These challenges were more pronounced in rural areas, where businesses lacked access to reliable internet services and digital tools (Gupta & Kumar, 2022).

There were several industries, such as consumer products, real estate, and logistics, that displayed their own specific adaptation mechanisms in order to deal with the effects of the GST. As a result of the elimination of state-level levies and checkpoints, the logistics industry reaped major benefits, including a reduction in the amount of time and money spent on transportation. In order to contribute to the expansion of the industry, the Goods and Services Tax (GST) encouraged the development of centralised warehouses and increased supply chain efficiency. (Verma & Das, 2023). On the other hand, the real estate industry had early difficulties as a result of an absence of clarity on the taxation of properties that are still in the process of being constructed and input tax credits. The developers eventually reacted by simplifying their operations and ensuring that they complied with the laws of the GST, which ultimately led to an improvement in the sector's level of openness (Mehta & Iyer, 2023).

The consumer goods sector witnessed substantial changes under GST, with mixed outcomes for different product categories. Fast-moving consumer goods (FMCG) benefitted from reduced tax rates on essential items, which boosted consumption, while luxury goods faced higher taxation, impacting demand. Companies in the sector adapted by reconfiguring pricing strategies and leveraging input tax credits to maintain profitability (Fernandez & Kapoor, 2023). Despite these adjustments, compliance challenges continued to affect smaller players, emphasizing the need for ongoing government support to simplify GST processes and enhance awareness.

By standardising taxation and increasing openness across industries, the Goods and Services Tax (GST) has, in general, changed the economic landscape of India. Small and medium-sized enterprises (SMEs), the informal sector, and some industries require special support in order to fully harness its benefits. However, the execution of this policy has also shown considerable variations in the outcomes of different sectors. In order to overcome these difficulties and make certain that the Goods and Services Tax (GST) encourages equitable growth, it is vital to implement targeted interventions such as capacity building and infrastructure development.

REVENUE IMPLICATIONS AND FISCAL BALANCES:

As a result of the adoption of the GST Both the central and state governments in India felt the effects of the dramatic shift in the country's revenue collecting environment. Income collection mechanisms were restructured as a result of the Goods and Services Tax's (GST) unification, which supplanted several indirect taxes. Streamlining tax administration, reducing tax evasion, and expanding the tax base were the three main goals of the Goods and Services Tax (GST), which aimed to raise more money for the federal government (Nair & Gupta, 2022; Sharma & Verma, 2023). However, many states initially encountered revenue deficits owing to transitional issues and the abolition of some state-level taxes. The Goods and Services Tax (GST) provides an opportunity for states to boost tax compliance and revenue collection (Iyer & Reddy, 2023).

The revenue trends under GST showcased a distinct trajectory marked by initial disruptions followed by gradual stabilization. In its initial years, GST revenue collection fell short of expectations due to issues such as technical glitches in the GST Network (GSTN) portal, low compliance rates, and lack of preparedness among businesses (Patel & Desai, 2022). Monthly GST collections struggled to meet the targets set by the government, creating fiscal stress for both central and state governments. However, as compliance improved and businesses adapted to the new system, GST revenues began to recover. By 2021–22, GST collections consistently exceeded Rs.1 lakh crore per month, signaling improved tax administration and economic recovery post-pandemic (Fernandez & Kapoor, 2023).

The equitable sharing of revenue between the federal and state governments has been a major challenge for the Goods and Services Tax (GST) system. The states' concerns were addressed by the enactment of the Goods and Services Tax Compensation Act. This law made guaranteed that states would get their money back if there was a shortfall in revenue during the five-year transition. On the other hand, a number of states have voiced their worries with the delays in compensation payments, which have put a burden on their financial balances. When the Goods and Services Tax (GST) system was implemented, states that were primarily dependent on indirect taxes, like as Punjab and Kerala, experienced increased fiscal issues since their income sources were centralised (Choudhury & Menon, 2022).

A number of different changes have been investigated by policymakers in order to create a revenue-sharing system that is more equal in order to meet these budgetary difficulties. A rationalisation of the Goods and Services Tax (GST) rates is one of the suggested reforms. This would help reduce classification disputes and increase revenue predictability. To improve both efficiency and compliance, it has also been recommended that the structure of the Goods and Services Tax (GST) be simplified by lowering the number of tax slabs (Das & Nair, 2022). Utilising technology to enhance compliance and cut down on tax evasion is yet another essential change that must be implemented in order to guarantee that revenue generation is in line with sustained economic expansion. Additionally, in order to create a more balanced fiscal climate, it has been determined that eliminating delays in compensation payments and reevaluating the compensation formula in order to take into account economic discrepancies across states are priority (Rao & Gupta, 2023).

As a result, the Goods and Services Tax (GST) has had a profound effect on the creation of revenue in India, resulting in increased transparency and efficiency in the process of tax collection. Although there were early income deficiencies that presented difficulties, there has been a steady recovery as a result of increased compliance and structural improvements. Despite this, there are still considerable economic difficulties to be faced, notably with regard to ensuring that the federal government and state governments share money in a fair manner. In order to make the most of the Goods and Services Tax (GST) as a powerful instrument for generating revenue, it is essential to address these concerns through specific changes.

TECHNOLOGICAL AND ADMINISTRATIVE CHALLENGES

The introduction of the Goods and Services Tax (GST) in India brought a significant shift in the country's tax administration, with technology playing a central role in ensuring compliance and reducing tax evasion. The GST Network (GSTN) had the intention of becoming a powerful digital platform that would enable firms to file tax returns, collect input tax credits, and guarantee complete transparency throughout the whole tax process. Instances of tax evasion have decreased as a result of the successful streamlining of tax procedures and the provision of instruments for tracking and verifying transactions brought about by technological advancements. In addition to supplying the government with data that may be used for enforcement, features such as electronic invoicing, real-time data exchange, and automatic reconciliation have helped to improve the efficiency of the Goods and Services Tax (GST) compliance process (Patel & Nair, 2023; Singh & Gupta, 2022). However, the dependence on technology has brought about difficulties, particularly for companies that have a poor understanding of digital technology or access to high-speed internet, particularly in rural and semi-urban regions.

During the process of transitioning to the GST system, small companies and rural merchants encountered significant administrative obstacles. Managing digital invoices, submitting returns online, and keeping correct records were all tasks that many small and medium-sized enterprises (SMEs) and participants in the informal sector were unable to do because they lacked the technology infrastructure and knowledge necessary for GST compliance. Businesses located in rural areas faced major challenges as a result of the digital divide since internet access and digital resources were either not available or were unreliable in such areas (Menon & Kapoor, 2023). Further complicating matters was the fact that the Goods and Services Tax (GST) laws and tax rates were subject to regular revisions, which led to uncertainty among small business owners and increased their reliance on independent tax advisers. Further increases in compliance expenses were brought about by this dependency, which had a disproportionately negative impact on smaller enterprises that operate with less resources (Choudhury & Sen, 2022).

There have been some accomplishments for programs sponsored by the government that try to improve GST knowledge and compliance, but there are still gaps in the measures that have been taken. In order to educate people on the Goods and Services Tax (GST) system, several campaigns were implemented, including outreach initiatives, training seminars, and help centres. The adoption of GST compliance tools was made easier as a result of these initiatives, which played a significant role in boosting awareness, particularly among urban firms (Sharma & Verma, 2023). These projects, on the other hand, were less successful in rural and impoverished regions due to the lack of suitable infrastructure and the difficulties associated with logistics. It was claimed by a large number of small merchants that they did not have access to clear information and training opportunities, which left them unable to negotiate the complexity of GST compliance (Desai & Bose, 2023).

The fact that these programs did not place a sufficient amount of attention on offering individualised assistance to micro and small businesses was one of the key shortcomings. Smaller firms had a difficult time affording the price of new software and training programs, in contrast to larger organisations, who were better equipped to incorporate digital technologies into their operations. An further problem was the uneven execution of government programs across states, with some states providing more substantial support than others, which further exacerbated regional discrepancies in the compliance with the Goods and Services Tax (GST) (Fernandez & Iyer, 2023).

Therefore, despite the fact that technology has played a significant role in helping to improve GST compliance and cut down on tax evasion, the advantages of this technology have not been uniformly spread due to difficulties in digital infrastructure and literacy. It is necessary to develop targeted interventions in order to address these technological and administrative problems. Some examples of such interventions include subsidised training programs, improved internet connectivity in remote regions, and continuous execution of government policies. By implementing these steps, firms in every region would be able to fully capitalise on the potential benefits of the Goods and Services Tax (GST).

LONG-TERM IMPLICATIONS OF GST

The Goods and Services Tax (GST) has emerged as a revolutionary tax reform that has significant long-term ramifications for the stability of prices, the behaviour of consumers, and the formalisation of the economy in India. Throughout the years, the Goods and Services Tax (GST) has been instrumental in facilitating a more linked economy, decreasing the consequences of cascading taxes, and simplifying indirect taxation. It is possible to get substantial insights into its effect on the economy and its ability to inspire future tax reforms by conducting an analysis of trends that have been noticed since these changes were implemented.

One of the critical long-term outcomes of GST has been its role in achieving price stability. Initially, GST implementation caused inflationary pressures in some sectors, particularly those transitioning from multiple indirect taxes to a unified tax structure (Menon & Patel, 2023; Nair & Desai, 2022). On the other hand, pricing in a variety of industries were more stable as firms successfully adapted to the system and made better use of input tax credits. Both consumers and businesses benefited from the stabilisation of prices since it made them more predictable. The Goods and Services Tax (GST) simplified the tax structure, which in turn decreased tax rate uncertainty, helped to improve supply chain homogeneity, and supported economic efficiency in the long term.

Additionally, the Goods and Services Tax (GST) has had a substantial impact on consumer behaviour by promoting greater transparency in pricing. Over time, consumers have progressively gained a greater awareness of how the products and Services Tax (GST) influences the prices of products and services, which has resulted in more informed purchase decisions. On the other hand, industries such as luxury products and services witnessed a decrease in demand as a result of increased tax rates, which indicates the necessity of implementing tax policies that are balanced and take into consideration consumer spending habits (Kumar & Verma, 2023). The uniform tax structure has also encouraged consumers to prefer organized retail over unorganized alternatives, further contributing to economic formalization.

Another critical impact of GST is its role in promoting economic formalization. By requiring businesses to register for GST and maintain digital records, the reform has brought a significant portion of the informal economy into the tax net. This transition has improved compliance rates and broadened the tax base, contributing to higher revenue collections for the government (Sharma & Iyer, 2023). The adoption of technology-driven compliance mechanisms, such as e-invoicing and digital tax filing, has further strengthened this trend, enabling better tracking of transactions and reducing tax evasion.

Globally, India may learn a lot from countries like Australia, Canada, and Malaysia who have implemented the Goods and Services Tax (GST). To illustrate the need of achieving economic equality in order to minimise public resistance, consider Malaysia's introduction of a dual-rate Goods and Services Tax (GST). Following suit with the prior example, it is clear that steps are needed to mitigate the regressive effects of consumption taxes in Canada by means of targeted refunds for low-income individuals (Fernandez & Kapoor, 2023). The significance of adapting GST rules to specific regional economic circumstances while incorporating global best practices is highlighted by these instances from throughout the world.

Consequently, the Goods and Services Tax's (GST) long-term effects show that it can increase economic efficiency, compliance, and revenue gathering. However, addressing the challenges of geographical diversity, customer affordability, and adaptability across industries remains of the utmost importance. By studying both domestic and international patterns, we can make sure that future tax changes are structured to make the most of the GST's benefits while also ensuring equitable economic growth.

CONCLUSION

This research paper has critically examined the regional disparities in the implementation of the Goods and Services Tax (GST) in India, highlighting the economic, sectoral, and revenue impacts. The study, based entirely on secondary data, investigated how GST has performed across various Indian states and economic sectors, shedding light on the uneven distribution of its benefits and burdens. The paper focused on contrasting states with strong industrial bases, such as Maharashtra and Gujarat, against those with predominantly agrarian economies like Uttar Pradesh and Bihar. It also evaluated the differential impact of GST on manufacturing, logistics, agriculture, SMEs, and the informal sector, along with the role of technology in compliance. The study further analyzed revenue performance, central-state fiscal dynamics, and emerging policy challenges.

Key Findings:

The findings of this paper revealed that industrially advanced states with robust digital and physical infrastructure have benefited more from GST implementation. Maharashtra, Gujarat, Tamil Nadu, and Karnataka experienced higher compliance rates, greater input tax credit advantages, and enhanced logistics efficiency. In contrast, states with agricultural economies and weaker digital infrastructure such as Bihar, Jharkhand, and Uttar Pradesh struggled with GST implementation, resulting in lower compliance rates and slower economic adaptation.

Sector-wise, manufacturing and logistics industries gained substantially through input tax credit mechanisms, reduced interstate tax barriers, and improved supply chain efficiencies. However, SMEs and informal sector enterprises reported high compliance costs and procedural burdens due to limited technological access, poor literacy about GST rules, and reduced profit margins. Additionally, small traders in rural areas continue to face technological and procedural barriers, affecting their compliance and competitiveness.

Major Disparities Identified:

The research brought forth three broad categories of disparities:

- **Economic Disparities across States**: Developed states leveraged pre-existing infrastructure, diversified economies, and better digital readiness to align quickly with GST, whereas underdeveloped states struggled due to low revenue bases and infrastructural deficits.
- **Sectoral Inequities**: Sectors like logistics and organized manufacturing streamlined under GST, but the informal sector, agricultural value chains, and traditional SMEs faced exclusion or marginal benefits.
- **Fiscal Imbalances**: There was an observable asymmetry in revenue mobilization between the Centre and states. Initial compensation promises helped, but with the cessation of GST compensation in 2022, fiscally weaker states face risks of falling short in expenditure obligations.

Policy Implications:

These disparities highlight critical implications for policy:

- The one-size-fits-all GST model does not accommodate the economic diversity of Indian states. Tailored support mechanisms are necessary to ensure that GST functions equitably.
- There is a need for decentralizing GST-related policy decision-making to allow for more flexibility at the state level in addressing local compliance and revenue challenges.
- Central-State coordination must be enhanced, especially on revenue-sharing and infrastructure development issues. The Centre must consider reviving compensation mechanisms or innovating new fiscal equalization tools.
- Technological intervention must be inclusive. A greater push is needed for digital infrastructure in rural and semi-urban areas to ensure uniform adoption and compliance.

Suggestions for Strengthening GST: To overcome the identified disparities and strengthen GST's implementation across India, the following recommendations are proposed:

- **Targeted Infrastructure Investment**: Prioritize digital infrastructure, internet penetration, and training centers in lagging states to enable smoother GST registration and filing, especially for small enterprises.

- **SME-Centric GST Reforms**: Introduce simplified GST norms tailored for micro and small businesses, including exemption thresholds, quarterly return filing, and mobile-based compliance tools.
- **Rationalization of Rates**: GST rate slabs should be simplified further to avoid classification disputes and reduce compliance costs, particularly for small traders.
- **Enhanced Awareness Campaigns**: Conduct mass-level training and workshops in regional languages, particularly in Tier-2 and Tier-3 cities, to enhance clarity about compliance processes and benefits.
- **Fiscal Equity Framework**: Reintroduce a revenue protection mechanism for states that show consistent deficits post-GST. This will encourage proactive participation and reduce fiscal strain at the state level.
- **Sector-Specific Support Measures**: Design tax reliefs and subsidies for agriculture and informal sectors to encourage their integration into the formal tax ecosystem.

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