

## Article info

## Research Article

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# Updates of Taxation Laws and Its Impact on the External Trading and Suppliers

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## ABSTRACT

The implementation of the Goods and Services Tax (GST) in India marked a significant shift. This is witnessed in the country's tax regime, aiming to streamline taxation and enhance economic efficiency. In order to discuss the goals of the study, This study investigates the impact of GST on Orbital Electromech Engineering Private Limited. It has considered analysing the company's financial performance, operational dynamics, and overall business environment. The study is conducted in two phases: before and after GST implementation. Through comprehensive data analysis and qualitative assessments.

**Keywords:** GST, Impact Analysis, Taxation, Business Environment, Financial Performance, Compliance, Operational Dynamics.

## INTRODUCTION

The taxation system has witnessed in several evolving nations to determine the performance of eco-system. The implementation of the Goods and Services Tax (GST) in India brought about significant changes in the country's tax regime [1]. It is aiming to simplify taxation and enhance economic efficiency [2]. This study examines the impact of GST on Orbital Electromech Engineering Private Limited [3]. It has been analysing its financial performance, operational dynamics, and overall business environment before and after GST implementation [4]. The structure of the study relies on the content of the taxation laws and determining the performance of the usability (Table 1, Figure 1). Through a blend of quantitative analysis and qualitative assessments, this research aims to uncover the challenges, opportunities, and adaptations experienced by the company amidst the transition to the GST framework [5]. The work is including the following objectives for refining the results and determining the hypothesis correlation. The first objectives is how Orbital Electromech Engineering PVT financial performance changed post GST. Secondly, the impact of GST on the management of the company [6].

**Table 1: Commutative Annual growth Rate of GST in OEEPL**

Month	2021-22	2020-21	2019-20	2018-19	2017-18	CAGR
	Collections	Collections	Collections	Collections	Collections	--
April	139708	32294	113856	103459	NA	0.00
May	97821	62009	100289	94016	NA	0.00
June	92800	90917	99938	95610	NA	0.00
July	116393	87422	102083	96483	21572	439.56
August	112020	86499	98203	93960	95633	17.14
September	117010	95480	91917	94442	94064	24.39
October	130727	105155	95380	100710	93333	39.42
November	131526	104963	103491	97637	83780	56.99
December	129780	115174	103184	94726	84314	53.92

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January	140986	119875	110818	102503	89825	56.96
February	133026	113143	105366	97247	85962	54.75
March	142095	123902	97597	106577	92167	54.17
Grand Total	1483292	1136783	1222131	1177370	740650	100.27
Annual Average	123608	94731.91	101844	98114	82294	50.20

## GST Grand Collection and Annual Average from 2017-2022

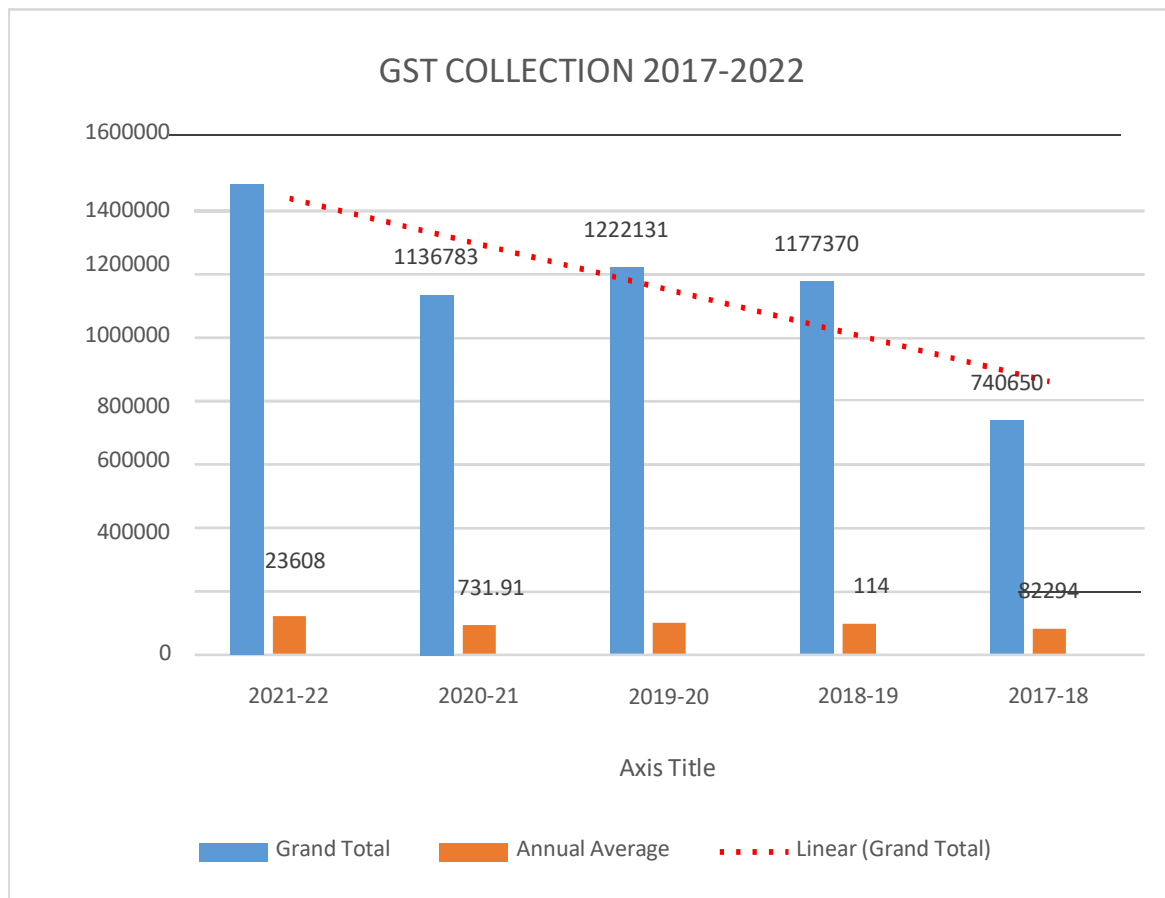


Figure 1: GST collection values over the time.

From the above table and graph it can be found that there is a significant growth in GST collection over the period of time due to digitalization and other macroeconomic indicators.

## Paired Samples Statistics

The paired sample t-test, also known as the dependent sample t-test, is a statistical method utilized to assess whether the mean difference between two sets of observations is statistically significant. This test involves measuring each subject or entity twice, resulting in paired observations [7]. Commonly, the paired sample t-test is applied in case-control studies or repeated measures designs. In this context, our aim is to evaluate the impact of GST on the indirect tax revenue of the Indian government [8]. To achieve this, we have gathered data from five years before and after the implementation of GST to analyse the performance of GST collection in indirect tax revenue through a paired sample test [9].

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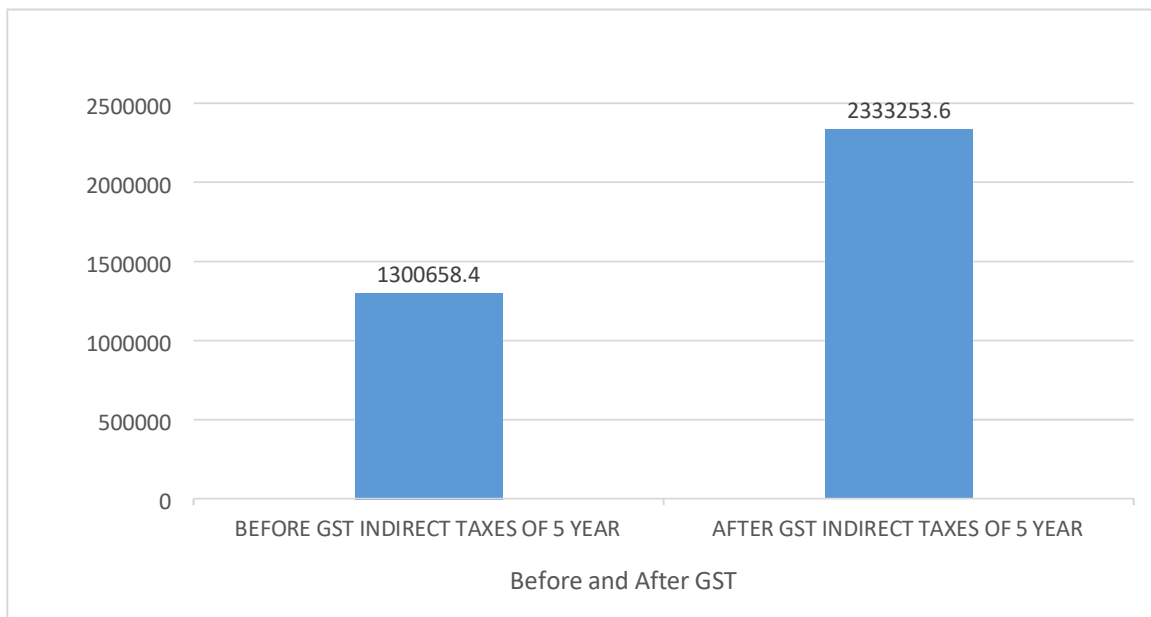
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**Table 1: Paired Samples Statistics**

		Mean	N	Std. Deviation	Std. Error Mean
Pair1	BEFORE GST INDIRECT TAXES OF 5 YEAR	1300658.40	5	258811.26	115743.91
	AFTER GST INDIRECT TAXES OF 5 YEAR	2333253.60	5	515957.15	230743.05

**Figure 2: Paired Samples Statistics Mean**

## Findings

Noticeable growth in GST collections due to digitalization and positive economic conditions. After GST, Orbital Electromech saw better financials and operations.

1. GST change led to improved compliance and operational efficiency (Table 2, Figure 2).
2. Despite challenges, GST also offered chances for smoother operations and competitiveness.
3. The paired sample t-test shows a significant difference in pre and post-GST indirect tax revenue, proving GST's impact on revenue collection in India.

## Conclusion

GST implementation brought significant positive changes for Orbital Electromech Engineering Private Limited, Pune. It led to increased GST collections, improved financial performance, and operational efficiency. Despite challenges, GST provided opportunities for streamlining operations and enhancing competitiveness. The paired sample t-test confirms GST's substantial impact on revenue collection in India. Overall, GST has transformed Orbital Electromech and contributed to a better business environment in Pune. Based on the findings, Orbital Electromech Engineering Private Limited can capitalize on the positive impacts of GST implementation by further optimizing its operational processes and leveraging the enhanced compliance and efficiency brought about by the transition. Additionally, the company should continue to monitor and adapt to any ongoing changes in the GST framework to maintain its competitive edge and ensure sustained growth. Furthermore, investing in ongoing training and development programs for employees to stay updated with GST compliance requirements can further strengthen the company's position in the evolving business environment.

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