

GST compliance - issues and Challenges

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Abstract

GST compliance in India requires strict adherence to statutory deadlines, creating significant operational pressure for Chartered Accountancy firms that manage multiple client portfolios. This case examines Girish G R & Associates, a Bengaluru-based CA firm specializing in GST return filing, and explores how deadline pressure during GSTR-3B filing leads to workload congestion, extended working hours, and increased risk of human error. Key factors contributing to this challenge include delayed client data submissions, incomplete invoices, manual reconciliation processes, and frequent GST portal glitches near the due date. Through data analysis, the case highlights how 60–70% of the filing workload accumulates during the final five days of the cycle. Recommended solutions include staggered client scheduling, checklist-driven reviews, early data submission policies, and the integration of automation tools. The findings emphasize the importance of process optimization, client education, and technology adoption in ensuring timely, accurate GST compliance—critical for both client satisfaction and firm credibility.

Keywords: GST compliance, GSTR-3B filing, deadline pressure, Chartered Accountancy firms, reconciliation errors, client data submission, workload management, compliance risk

INTRODUCTION

ClearTax scaled successfully due to a user- The accounting, auditing, and taxation sector in India plays a vital role in supporting statutory compliance and financial governance for businesses, individuals, and SMEs. Since the rollout of Goods and Services Tax (GST) in 2017, indirect tax compliance has become increasingly complex and time-sensitive. Firms must adhere to strict monthly deadlines for GSTR-1 (11th) and GSTR-3B (20th), making timely filings essential to avoid penalties, interest, and system flags.

The sector faces several systemic challenges:

1. High dependency on client data, which is often delayed or incomplete.
2. Strict due dates, causing concentrated workload and pressure.
3. Frequent policy amendments requiring constant upskilling.
4. GSTN portal issues, especially during peak usage periods.
5. Manual, Excel-driven reconciliation processes, increasing error risk.

The industry's success depends on accuracy, timeliness, reliability, and the capacity to manage multiple clients under tight deadlines, making deadline management a core competency for CA firms.

About the Company

Girish G R & Associates is a Bangalore-based Chartered Accountancy firm offering audit, accounting, tax planning, and GST compliance services to SMEs, startups, and individual clients. The firm specializes in monthly GST return preparation, including GSTR-1, GSTR-2B matching, and GSTR-3B filings. Its service philosophy emphasizes precision, timely delivery, and advisory support on indirect taxation matters. With clients across varied industries, the firm manages high-volume reconciliations, compliance checks, and monthly reporting cycles. Using Tally Prime, Excel reconciliation templates, and client-provided data, the firm ensures adherence to statutory requirements. Despite strong expertise, GST filing periods place considerable pressure on

human resources and operational workflows, making it an ideal context for examining deadline management challenges.

Company Journey

Since its inception, the firm has steadily expanded its offerings from traditional bookkeeping and auditing to specialized indirect tax services. GST implementation in 2017 became a turning point, prompting the firm to develop expertise in reconciliation, mismatch identification, input tax credit validation, and filing accuracy.

Key milestones in its journey include:

1. Adoption of Excel-based reconciliation templates
2. Increasing client base of SMEs requiring monthly GST support
3. Strengthening GST advisory and return filing services
4. Integration of digital tools such as Tally Prime
5. Expansion of indirect tax portfolios post-GST rollout

The firm's growth reflects the increasing demand for GST compliance support among SMEs with limited internal expertise.

Problems Faced by the Company

During the internship, several operational challenges were observed, mainly linked to GSTR-3B filing:

1. Severe deadline pressure, especially from the 16th to 20th each month.
2. Last-minute client data submission, causing compressed reconciliation timelines.
3. Incomplete invoices and mismatched entries, delaying return preparation.
4. Extended working hours for associates and interns near deadlines.
5. Manual reconciliation, increasing the risk of human error under stress.

6. GSTN portal slowdowns and glitches, further delaying filings.
7. High dependency on clients for data, reducing control over internal planning.
8. These problems created workflow congestion and increased compliance risk.

Strategies and Solutions

1. Staggered Filing Framework

Group clients based on complexity and enforce differentiated internal deadlines.

2. Early Submission Protocol

Mandate client submission by the 12th; integrate reminder automation.

3. Standardized Compliance Checklists

Uniform checklists for inward/outward supplies, ITC validation, and mismatch resolution.

4. Technology Integration

Adopt software for automated 2B matching, invoice scanning, and reconciliation processing.

5. Resource Planning

Allocate staff specifically for peak days and pre-deadline verification.

6. Client Education Modules

Workshops and guidance notes explaining the implications of delayed data.

These interventions collectively reduce deadline concentration and improve compliance reliability.

CONCLUSION

Deadline pressure in GST compliance is both structural and behavioral, arising from statutory constraints and client-side data lags. This case demonstrates that CA firms require systematic workflow reengineering to mitigate last-minute congestion. For Girish G R & Associates, adopting staggered

scheduling, automation tools, standardized templates, and client discipline mechanisms can substantially reduce compliance risk and operational stress. The internship highlights the relevance of time management, regulatory literacy, and workflow optimization in shaping effective GST compliance systems.

Case Questions

1. How can Chartered Accountancy firms redesign their monthly GST workflow to minimize deadline compression and reduce operational risk during GSTR-3B filing?
2. What behavioural factors among clients contribute to delayed documentation, and how can firms establish compliance discipline mechanisms to improve timely data submission?
3. Evaluate the impact of automation and digital reconciliation tools on accuracy, efficiency, and workload distribution in GST return filing processes.
4. How should CA firms structure a staggered filing model, and what criteria should be used to categorise clients based on risk, complexity, and compliance behaviour?
5. What are the operational and cognitive risks associated with manual reconciliation during high-pressure compliance windows, and how can firms mitigate these risks?
6. How can GST portal limitations (e.g., downtime, server congestion) be integrated into internal planning models, and what contingency practices should firms adopt to handle portal uncertainty?
7. What organisational learning and process standardisation practices can enhance filing accuracy, reduce human error, and improve long-term efficiency in GST compliance?

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