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AWARENESS AND SATISFACTION LEVEL OF GST AMONG RETAILERS

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ABSTRACT

The Goods and Service Tax (GST), the biggest reform in India's indirect tax structure since the economy began to be opened up 25 years ago at last looks set to become a reality. The Constitution Amendment Bill finally got the nod of Rajya Sabha. The government successfully stitched together a political consensus on the GST Bill to pave the way for the much-awaited rollout of the landmark tax reform that will create a common market of 1.25 billion people. GST will be a game-changing reform for the Indian economy by developing a common Indian market and reducing the cascading effect of tax on the cost of goods and services. It will impact the Tax structure, Tax incidence, and Tax computation. Tax payment, Compliance, Credit utilization, and reporting led to a complete overhaul of the current indirect tax system. Law provides for a period that may extend to five years, based on the recommendations of the GST Council. Here, every taxpayer will be issued a 15-digit common Identification Number which will be called a "Goods and Service Identification Number" (GSTIN) a pan-based number. GST is a consumption-based tax levied on the sale, manufacturing, and consumption of goods and services at the national level. Many taxes have been subsumed under the GST Act.

KEYWORDS: GST, composition scheme, GST slab rate, cascading effect

INTRODUCTION

Goods and Service Tax Law in India is a comprehensive, multi-stage, destination-based tax that is levied on every value addition. In simple words, Goods and Service Tax is an indirect tax levied on the supply of goods and services. GST Law has replaced many indirect tax laws that previously existed in India. GST is one indirect tax for the entire country. Under the GST regime, the tax will be levied at every point of sale. In case of interstate sales, Central GST and State GST will be charged. Intrastate sales will be charged to Integrated GST. The GST journey in India began in the year 2000 when a committee was set up to draft GST Law. It took 17 years from then for the law to evolve. In 2017 the GST Bill was passed in the Lok Sabha and Rajya Sabha. On 1st July 2017 the GST Law came into force. The main advantages of GST remove the cascading effect on the sale of goods and services.

Removal of cascading effect will directly impact the cost of goods. The cost of goods should decrease since tax on tax is eliminated in the GST regime. GST is also mainly technologically driven. All activities like registration, return filing, application for refund and response to notice needs to be done online on the GST portal. This will be speed up the processes.

REVIEW OF LITERATURE

Pinki, Supriya Kamma and Richa Verma (July 2014) Studied, “Goods and Service Tax – Panacea for Indirect Tax System in India” and concluded that the new NDA government in India is positive towards implementation of GST and it is beneficial for central government, state government and as well as for consumers in long run if its implementation is backed by strong IT infrastructure.

Agogo Mawuli (May 2014) Studied, “Goods and Service Tax- An Appraisal” and found that GST is not good for low- income countries and does not provide broad based growth to poor countries. If still the countries want to implement GST, then the rate of GST should be less than 10% for growth.

Nitin Kumar (2014) Studied, “Goods and Service Tax – A Way Forward” and concluded that implementation of GST in India helps in removing economic distortion by current indirect tax system and expected to encourage unbiased tax structure which is indifferent to geographical locations.

STATEMENT OF PROBLEM

The Introduction of Goods and Service Tax (GST) would be a very significant step in the field of indirect tax reform in India, by amalgamating a large number of central and state taxes into a single one. It would be mitigating cascading or double taxation in major way and pave the way for a common natural market. From the consumer point of view the biggest advantage is the reduction of the overall tax burden on goods and the retailers also benefitted from GST through the sub summation of many taxes into one Retailers refers to the activity of reselling and this study is focused in the areas of FMCG, Hotel, Textiles, Medical shops, Jewellery etc. and also focused on knowledge of retailers about GST, awareness and satisfaction level of GST.

OBJECTIVES OF THE STUDY

- To identify the knowledge of retailers about GST.
- To know the awareness and satisfaction level of GST.

RESEARCH METHODOLOGY

Research is an argument of conditions for collection and analysis of data in a manner that aims to combine relevance to the research purpose with the economy in the procedure. In other words, research design is the blue print for the collection, measurement and analysis of data. This section describes

the research methodology adopted to achieve the objectives of the study. The present study incorporates the collection of both the primary and the secondary data. The primary data were collected through questionnaire specially designed for the survey. And the secondary data are collected from journals, books, records of previous study, articles, websites etc.

- Primary data

primary data is collected from the 100 retailers in Chungathara Grama panchayath in malappuram district by using questionnaire and interview.

- Secondary data

The secondary data are those data, which have already been collected and published or compiled for another purpose of the study. It includes not only published records and reports but also unpublished records. Secondary data require for the study have been gathered from internet, newspaper, articles, magazines etc...

Composition scheme: A composition levy is an alternative method of levy of tax designed for small tax payers whose turnover is up to Rs75 lakh (Rs50 lakh in case of few states) It brings simplicity and to reduce the compliance costs for the small tax payers.

GST slab rate: The GST slab rate list comprises four slabs namely 0%, 5%, 12%, 18%, & 28%.

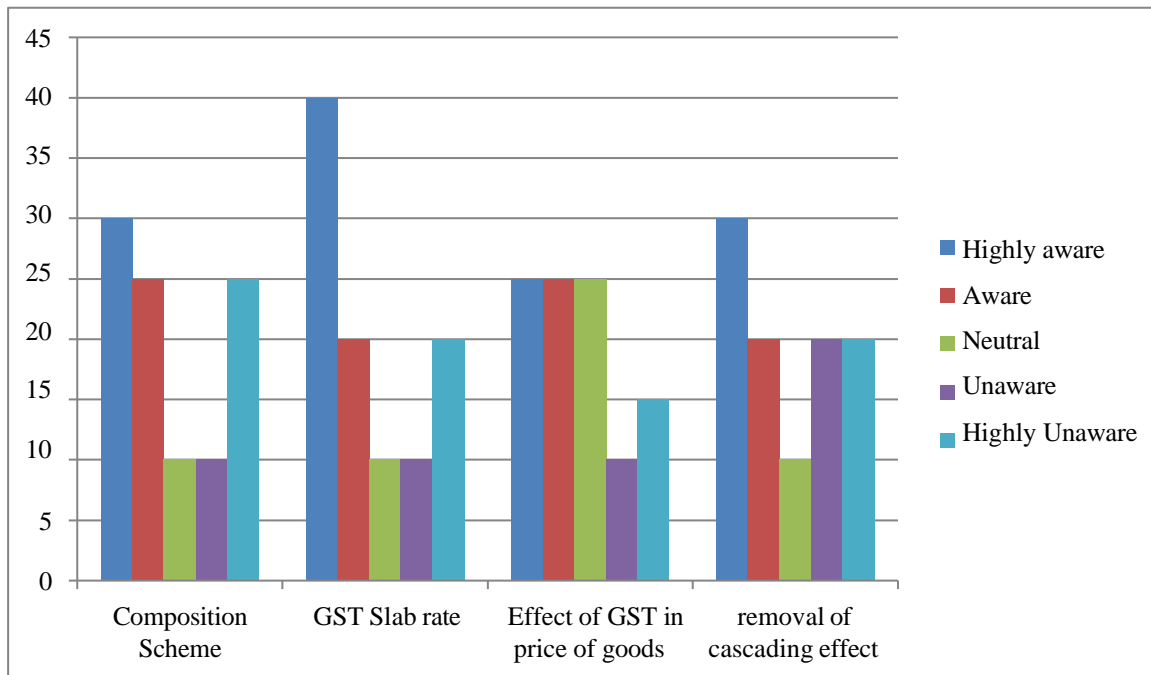
Cascading effect: It is when there is a tax levied on a product or service at every stage of production. The tax that is levied on the value includes the tax that was paid by the previous buyers. This means that the consumer ends up paying tax on tax that was already paid.

RESULT AND DISCUSSION

Awareness level of GST among retailers.

	Highly aware		Aware		Neutral		Unaware		Highly unaware	
	Number of retailers	%	Number of retailers	%	Number of retailers	%	Number of retailers	%	Number of retailers	%
Composition Scheme	30	30%	25	25%	10	10%	10	10%	25	25%
GST Slab rate	40	40%	20	20%	10	10%	10	10%	20	20%
Effect of GST in price of goods	25	25%	25	25%	25	25%	10	10%	15	15%
Removal of cascading effect	30	30%	20	20%	10	10%	20	20%	20	20%

Sources: Primary data



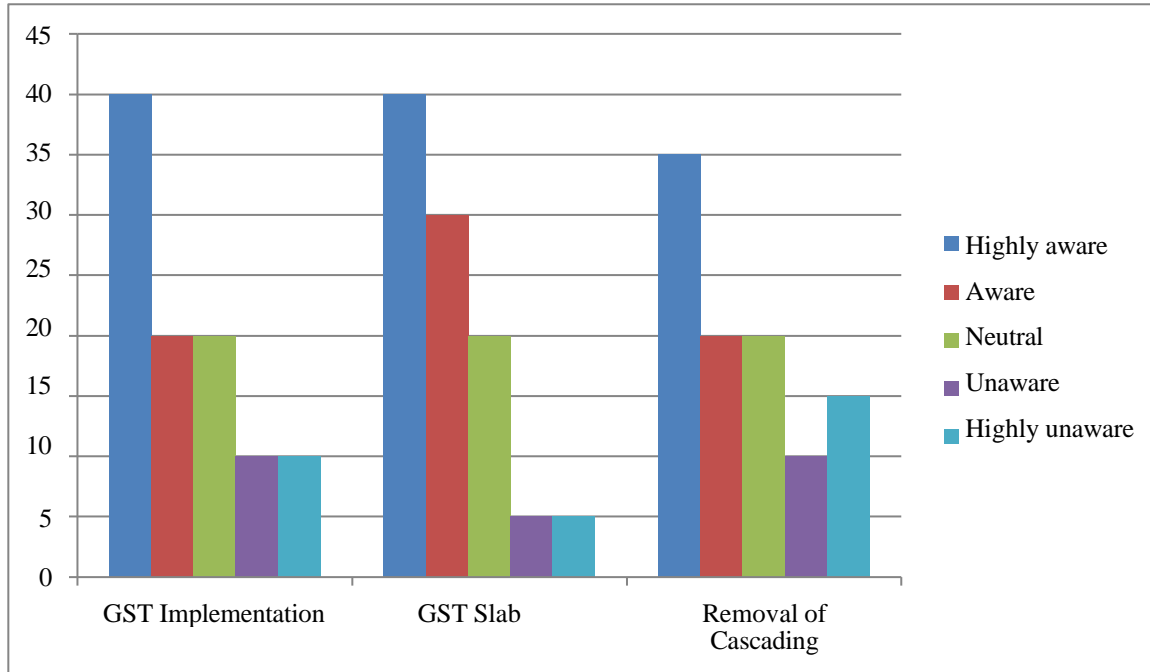
Interpretation

It is revealed that many of the retailer's area highly aware about the composition scheme of GST (50%) and 25% are highly unaware towards composition scheme of GST. 40% retailers are highly aware in GST slab rate. 20% are highly unaware towards GST slab rate. many of the retailers (30%) highly aware in removal of cascading effect of GST. (20%) are highly unaware towards the removal of cascading effect.

Satisfaction level of GST Among Retailers

	Highly aware		Aware/%		Neutral/%		Unaware/%		Highly unaware/%	
	Number of retailers	%	Number of retailers	%	Number of retailers	%	Number of retailers	%	Number of retailers	%
GST Implementation	40	40%	20	20%	20	20%	10	10%	10	10%
GST Slab rate	40	40%	30	30%	20	20%	5	5%	5	5%
Removal of cascading effect	35	35%	20	20%	20	20%	10	10%	15	15%

Sources: Primary data



Interpretation

It is revealed that many of the retailers (40%) are highly satisfied in the GST implementation. 10% are highly dissatisfied. most of the retailers satisfied in GST slab rate (40%) and removed of cascading effect. The dissatisfaction of slab rate is low compared to other terms.

CONCLUSIONS

The study is to analyze the awareness and satisfaction level of GST among 100 retailers from chungathara panchayath in malappuram district. The most of the retailers highly aware and satisfied in the composition scheme and slab rate of GST. The awareness level in removal of cascading effect highly impact among retailers.

The effect of GST in the prices of goods are highly aware among the retailers it results in the significant impact on various sectors like FMCG, Textiles, Hotel, Medical shop, etc.....

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