

AWARENESS AND PERCEPTION LEVEL ON GST AMONG RETAILERS – A STUDY

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ABSTRACT

GST unifies previous policies and taxation under a single umbrella. GST facilitates frictionless business activity that can be readily expanded across the country. However, there are a few taxpayer complaints that the GST Council and the Central Government must resolve right away. Only if the following conditions are strictly adhered to will GST be the success that it was promised to be on July 1, 2017. Retailers also play an important part in economic development, as practically everything we use in our everyday lives is purchased from one of these businesses. This study concentrated on the awareness and perception level of retailers on GST and its provisions. It is based on primary data gathered from 150 retailers of Alappuzha district in Kerala.

INTRODUCTION

In certain countries, GST is known as Value Added Tax. France pioneered GST in 1954, and 160 countries followed suit. GST, India's largest tax reform, was implemented in 2017. The fundamental goal was to eliminate taxation on taxation, which cascades from manufacture to

consumption. GST is expected to have wide range of ramifications for complicated taxation system and improves country's tax to GDP ratio and inhibits inflation. Implementation of the Goods and Services Tax (GST) in India was a historical move, as it marked a significant indirect tax reform in the country. There would be only one law called GST, with one CGST rate and one SGST rate across states, ensuring fiscal sovereignty, harmonization and transparency at all levels. The government implemented a new tax system in order to remove complexity, lower tax burden, and ensure tax payment compliance. GST has had a significant influence on numerous industries, including retailers, wholesalers, logistics, and FMCG. Its implementation has caused significant challenges in the business activities of merchants, particularly retail dealers. Of all industries, GST will have the greatest impact on traders, resulting in lower pricing for the commodities supplied by such dealers. The retail industry contributes roughly one-tenth of India's economic development.

REVIEW OF LITERATURE

Kapoor Kapil, (2017) evaluated GST implementation, models, mechanisms, concerns, and challenges critically. GST development stages in India are examined in this article. This document includes GST exclusions such as petrol, alcohol, and diesel, as well as benefits such as simplicity, transparency, cascade impact, reduction in burden of tax revenue collection, economic growth, and no tax for exporters. The report also looks at challenges. As a result, the report argued that appropriate GST implementation will result in economic growth.

Kaur, H (2018), had studied the public awareness, knowledge, and understanding of GST in India, and they discovered that consumers received fewer information and advertising about GST, indicating that majority of them lack information about GST, which leads to a poor perception of GST. The author also urged that the government take steps to expand public education programmes in order to successfully adopt GST.

STATEMENT OF PROBLEM

The concept of GST is nothing but simplifying the indirect tax system into a single tax in the country. Retailers faced all pros and cons of GST to a great extent. In this study the researcher studies about the awareness and perception level of retailers towards GST mechanism.

OBJECTIVES OF THE STUDY

1. To analyse the awareness level of GST among the retailers.
2. To study the perception level of retailers towards GST mechanism.
3. To provide feasible solution based on my findings.

RESEARCH METHODOLOGY

Data was collected through primary and secondary sources. Primary data is collected by issuing questionnaire. Secondary data is collected from journals, website etc. Percentage analysis, mean score and Likert's five point scale were done to analyze data. The sample size for this study is comprised of 150 retailers in Alappuzha district.

ANALYSIS AND INTERPRETATION

Table 1

Demographic Profile of Respondents

Category	Subgroups	Count	%
Gender	Male	85	56.6
	Female	65	43.4
Age	Upto 30	27	18
	31-40	44	29.33
	Above 40	79	52.67
Location of business	Rural Area	75	50
	Urban Area	75	50
Type of Business	Pharmaceuticals	35	23.33

Period of running business	Textile Shops	75	50
	Stationery	25	16.66
	Others	15	10
	Upto 5 years	25	16.66
	6- 10 years	60	40
	Above 10 years	65	43.33
Awareness about GST	High	5	3.33
	Neutral	26	17.33
	Low	119	79.33
Sources of awareness about GST	TV	15	10
	Newspaper	45	30
	Friends and Relatives	20	13.33
	Internet	65	43.33
	Books	5	3.33

Table 1 represents demographic profile of respondents selected from the study region. Majority of the respondents are male (56.6) compared to female retailers. 52.67 percent of respondents are having age above 40 years. 50percent of respondents are having textile shops. 43.33 percent of retailers running their business above 10 years. 50 percent of respondents each are having their business in rural and urban area. It is found from the table that majority of the retailers have low level of awareness related to GST and its execution. 43.33 percent of respondents are having awareness in relation with GST and its provision through internet.

TABLE 2

AWARENESS LEVEL OF GST AMONG RETAILERS

Awareness	Mean Score
GST registration	3.7
Input Tax Credit	2.56
Refund mechanism	2.35
Return filing procedure	4.53
Composition scheme	2.33
Penalty and prosecution provisions	3.85

Table 2 shows retailers awareness regarding GST and its various provisions in terms of “GST registration, Input Tax Credit, Refund mechanism, Return filing procedure, Composition scheme, Penalty and prosecution provisions. From the table it can be found “return filing procedure and GST registration” has the highest mean score of 4.53 and 3.7 whereas “Composition scheme and Refund mechanism” has the lowest mean score of 2.33 and 2.35 respectively.

TABLE 3

PERCEPTION OF RETAILERS ON GST

Perceptions	Strongly Agree	Agree	Neutral	Disagree	Strongly disagree
GST provide comprehensive and wider coverage on input credit	46	72	13	8	8
GST is difficult to understand	56	82	12		
GST eliminates cascading effect of taxes	102	32	16		
GST ensure uniformity of tax	55	31	28	23	13
GST ensure better compliance	52	16	59	9	14
GST reduces price of products		5	58	75	12

GST resulted reduction in transaction cost	2	15	29	89	15
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Table 3 shows perception level of retailers regarding GST and its provisions. It is found that majority of the retailers agree the statement “GST provide comprehensive and wider coverage on input credit” 82 respondents agree that GST is very difficult to understand. Majority of the retailers agree to the statement “GST eliminates cascading effect of taxes”. It is found that GST ensure uniformity of taxes from the opinion respondents. They have neutral opinion regarding the compliance facility of GST mechanism. Retailers disagree that GST reduces the price of products as well it results in reduction of transaction cost.

FINDINGS

- Majority of the respondents are male (56.6) compared to female retailers. 52.67 percent of respondents are having age above 40 years. 50percent of respondents are having textile shops. 43.33 percent of retailers running their business above 10 years. 50 percent of respondents each are having their business in rural and urban area. It is found from the table that majority of the retailers have low level of awareness related to GST and its execution. 43.33 percent of respondents are having awareness in relation with GST and its provision through internet.
- Regarding the awareness level it is found that “return filing procedure and GST registration” has the highest mean score of 4.53 and 3.7 whereas “Composition scheme and Refund mechanism” has the lowest mean score of 2.33 and 2.35 respectively. it means they have low level of awareness regarding composition scheme and refund mechanism.
- It is found that majority of the retailers agree the statement “GST provide comprehensive and wider coverage on input credit” 82 respondents agree that GST is very difficult to understand. Majority of the retailers agree to the statement “GST eliminates cascading effect of taxes”. It is found that GST ensure uniformity of taxes from the opinion respondents. They have neutral opinion regarding the compliance facility of GST

mechanism. Retailers disagree that GST reduces the price of products as well it results in reduction of transaction cost.

SUGGESTIONS

- Sufficient preparations should be taken by government regarding GST like forming professional bodies.
- Make clear cut awareness for tax payers regarding GST
- Digital literacy should give to retailers.
- School and colleges should give awareness programmes.

CONCLUSION

The study was carried out to assess retailers' knowledge, perceptions, and practical challenges with GST implementation. According to the data, the level of awareness has not reached a suitable level, which has resulted in negative impressions of GST among merchants. A crucial aspect that has generated practical challenges has also been identified as a lack of awareness. To raise awareness and understanding, and to help retailers comprehend the general principles of GST, suitable and relevant information must be provided through seminars, public education programmes, and training.

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