

Attitude of Retailers towards GST in Kanyakumari District, with special reference to Kalkulam Thaluk

H.A. Dhanuja¹, Dr. G. Jeslin Viola Pet²

¹ Research Scholar, Reg.No.19111291012002, Department of Commerce, Scott Christian College (Autonomous), Nagercoil, Tamil Nadu, India. Affiliated to Manonmaniam Sundaranar University, Abishekapatti, Tirunelveli, Tamil Nadu, India.

² Assistant Professor, Department of Commerce, Scott Christian College (Autonomous), Nagercoil, Tamil Nadu, India. Affiliated to Manonmaniam Sundaranar University, Abishekapatti, Tirunelveli, Tamil Nadu, India.

ABSTRACT:

GST is a new tax system which is moving towards an effective indirect tax system. More than 150 countries have introduced virtually everything at the single rate. The Goods and service tax or GST bill officially known as The constitution (One Hundred and Twenty Second Amendment) Bill 2014, proposed a National Value Added Tax and implemented in India on 1st July 2017. GST simplifies the complex indirect taxation system in India and creates a common national market. GST is a comprehensive indirect tax levy on manufactures, sales and consumption of goods and services at the national level. Our society has different opinion, reaction and different arguments against this new tax regime. India has more or less impacted every major and minor business sector in the country while some industries are seeing growth as a result of decreased taxes some others are facing a decrease in sale because of increased taxes. The Retail sector plays a major role in the economic development of the nation. Retailers like any other entity with the supply of goods and services are subject to GST when their turnover exceeds 20 Lakhs. It is mandatory by law for such retailers to be registered under the GST. This study was conducted to know about the Attitude of Retailers towards GST, values of GST, willingness of implementation of GST in Kanyakumari District. The data for the study was collected by means of structured questionnaires with the sample of 50 respondents. The outcome of the study could not be generalized to all the retailers in India since the study was conducted in Kanyakumari district, Tamilnadu.

Keywords: GST, VAT, Retailers, Indirect Tax, Economic development

INTRODUCTION

The term tax is generally referred to as a mandatory contribution realized by the ruling government from its citizen. In other words taxes are enforced proportional contributions from persons to property levied by the law making body of the state under its sovereignty for the support of the government for all public needs

STATEMENT OF THE PROBLEM

GST is indirect tax levied on commodities and allied services. GST is a single tax alternative devised to replace the complex taxation system on the supply of goods and services. This single window taxation system which improves overall economic growth of the nation. But after the implementation of GST, the nation faced a sudden changes in all business sector. The retailers are the large community who experienced the merits and demerits of GST. So an attempt has made to know about the awareness level, attitude of retailers towards GST in Kanyakumari district with special reference to Kalkulum thaluk.

SCOPE OF THE STUDY

The study entitled “Attitude of retailers towards GST in Kanyakumari district” is a descriptive study and it mainly focus on retailer in Kalkulum thaluk only and the retailers are categorized into 5 types they are super market, textiles, pharmacy, jewelry, mobiles. This study was conducted using both the primary and secondary data with sample size of 50. This study reveals the awareness and attitude of retailers towards GST. The opinion of GST among retailers

OBJECTIVES OF THE STUDY;

- To study about the awareness level of GST among the retailers
- To know about the attitude/perception of retailers towards GST
- To know the opinion of retailers

LITERATURE REVIEW:

Rathi K.N, Srereraj M.K (2018), in their research paper the authors have studies the customers perception towards GST and found that even though there is a positive attitude towards GST among the general public there is also some perception on price hike for certain products due to GST their perception is prevalent among the customers without irrespective of gender, age education qualification and income level.

Shefali Dani 2016,in his research paper on “impact of goods and service tax on Indian economy” he mentioned that even though 150 countries implemented GST ,the government should make an attempt to rectify the problems faced by the people and this system removes the old taxation system only if there is a clear opinion over issues of the threshold limit, revenue rate and inclusion of petroleum products, electricity ,liquor and real estate until the consensus is reached the government should resist from implementing such regime.

V. Vasudha Singh, K. Sangeetha, Reshma Khanam in their journal “GST and its impact on common man” have mentioned that GST has made certain commodities expensive when compared to old taxation system the exclusion of essential commodities like petroleum, electricity etc are greater disadvantages to the common man.

R. Sridevi (2018) in her article, “A study on impact of GST system to retailers with special reference to Coimbatore district” concludes that GST has created a impact on retailers and it simplify the paper work and plays a dynamic role in the growth of the nation.

RESEARCH METHODOLOGY

This study is descriptive in nature. The data required for the study have been collected from both primary and secondary sources. Primary data for this study is collected by means of structured Questionnaire among the retailer in Kalkulam thaluk. Secondary data has been collected from books, journal's, online sources. The sample size for the study is 50 and the method used is convenient sampling method and the tools used is simple percentage method and weighted average method.

DATA ANALYSIS

The data collected from the various respondents have to analysis for the purpose of drawing the conclusion for that an effort have been taken to analysis and interpret collected data with the statistical tool simple percentage.

Table No.1: Demographic Variables

Sl. No.	Variables		
1	Age	No. of respondents	Percentage
	Below 25	6	12
	25-35	9	18
	35-45	20	40
	45-55	13	26
	Above 55	2	4
	Total	50	100
2	Gender	No. of respondents	Percentage
	Male	38	76
	Female	12	24
	Total	50	100
3	Qualifications	No. of respondents	Percentage
	Below SSLC	5	10
	SSLC	12	24
	Plus two	15	30
	UG	10	20
	PG	8	16
	Others	-	-
	Total	50	100
4	Working area	No. of respondents	Percentage
	Supermarket	10	20
	Textile	10	20
	Medicals	10	20

	Jewellery	10	20
	Mobiles	10	20
	Total	50	100

DISTRIBUTION ON THE BASIS OF AWARENESS LEVEL OF GST

Table No.2: Awareness Level of GST

Terms	Highly aware	Aware	Neutral	Unaware	Highly unaware	Total
Tax rates	17	25	8	0	0	50
payment mechanism	7	12	17	10	4	50
GST credits	0	19	28	3	0	50
composition scheme	10	20	5	8	7	50
GST online procedure	9	15	17	4	5	50
Total	43	91	75	25	16	250

Table No.3: Analysis on the basis of awareness level about GST

Terms	5	4	3	2	1	Score	Weight	Percentage
Tax rates	85	100	24	0	0	209	4.18	83.6
Payment mechanism	35	48	51	20	4	158	3.16	63.2
GST credits	0	76	84	6	0	166	3.32	66.4
Composition scheme	50	80	15	16	7	168	3.36	67.2
GST online procedure	45	60	51	8	5	169	3.38	67.6

Source: Primary Data

Interpretation: The above table shows that analysis on the basis of awareness level about GST of sample respondents. It says that 83.6% of the respondents are aware about GST, and 67.6% of the respondents are aware about online procedure. And 63.2% of the respondents are aware about payment mechanism, and 63.2% of the respondents are aware about GST composition scheme. And the remaining 66.4% of the respondent are aware about GST credit. Majority of the respondents are aware about the various tax rates of the GST system

Table No.4: Knowledge of GST

Terms	No. of Respondents	Percentage
Through trade union	2	4
Professionals	20	40
Friends	6	12
Media	13	26
Online source	9	18
Total	50	100

Source: Primary Data

Interpretation: The above table shows the analysis of the knowledge of GST of sample respondents. It shows that 40% of respondent came to know about GST by the help of professionals and 26% of respondents says that media is one of the platform for knowing more about GST, 18% of respondent said that online is source of awareness and 12% said that friends gave advice about GST.

Table No.5: Attitude of Retailers

Sl. No.	Statement	Strongly agree	Agree	Neutral	Disagree	Slightly disagree	Total
1	GST has increased the cost of product	12	15	12	7	4	50
2	GST has increased the price of goods	15	13	11	6	5	50
3	GST has increased the turn over	20	11	9	6	4	50
	Total	47	39	32	19	13	150

Table No.6: Analysis on the Basis of Attitude of Retailers

Statement	5	4	3	2	1	Score	Weighted average	Percentage
GST has increased the cost of production	60	60	36	14	4	174	3.48	69.6
GST has increased the price of goods	75	52	33	12	5	177	3.54	70.8
GST has increased the turn over	100	44	27	12	4	187	3.74	93.5

Source: Primary Data

Interpretation: The above table shows that 93.5% of sample respondent said that GST has removed the turnover and 70.8% sample respondent said that GST has increased the price of goods and 69.6% of sample respondent said that GST has increased the cost of production.

Table No.7: More Beneficial System

Source	No. of Respondents	Percentage
VAT	38	76
GST	12	24
Total	50	100

Source: Primary Data

Interpretation: The above table shows that 76% of sample respondent said that VAT is more beneficial and only 24% said that GST is more beneficial

Table No.8: Opinion about GST

Source	No. of Respondents	Percentage
Excellent	15	30
Good	16	32
Moderate	11	22
Bad	7	14
Very bad	1	2
Total	50	100

Source: Primary Data

Interpretation: The above table shows that 32% of sample respondent said that it is good and 30 % of respondent said that it is excellent and 22% of respondent said that it is moderate and 14% of respondent said that it is bad and 2% said that is very bad

Table No.9: GST Favour for Retailers

Source	No. of Respondents	Percentage
Yes	48	96
No	2	4
Total	50	100

Source: Primary Data

Interpretation: The above table shows that 96% of sample respondent said that GST is favour for retailers and 4% of respondent said that it is not favour for them.

Table No.10: Opinion about GST Structure

Sl. No.	Statement	Strongly agree	Agree	Neutral	Disagreed	Strongly disagreed	Total
1	GST is easy to understand	20	11	9	6	4	50
2	GST is simple to calculate	28	15	5	2	0	50
3	GST is a transparent system	12	15	12	7	4	50
4	GST removes the cascading effects	30	10	7	3	0	50
	Total	90	51	33	18	8	200

Source: Primary Data

Table No.11: Analysis of Opinion about GST Structure

Statement	5	4	3	2	1	Score	Weighted average	Percentage
GST is easy to understand	100	44	27	12	4	187	3.74	74.8
GST is simple to calculate	140	60	15	4	0	219	4.38	87.6
GST is a transparent system	60	60	36	14	4	174	3.48	69.6
GST removes the cascading effects	150	40	21	6	0	217	4.34	86.8

Source: Primary Data

Interpretation: The above table shows that 87.6% of respondent said that GST is simple to calculate and 86.8% said that it removes cascading effect 74.8% said that it is easy to understand and 69.6% said that it is transparent

Table No.12: Changes in Profit Level after GST

Source	No. of Respondents	percentage
Yes	50	100
No	-	-

Source: Primary Data

Interpretation: The above table shows that there is a 100% changes in the profit level after the implementation of GST

Findings

- This study reveals that only 83.6% of sample respondents are highly aware about GST tax rates and 67.2 % of the respondents are aware about composition scheme.
- Under this study it is found that one of the most important source of getting knowledge about GST is through professional and secondly by media.
- 93.5% of respondents have strongly agreed that GST has increased their turnover and 70.8% respondents have set that GST have increased the price of the goods.
- 56% of respondents said that GST is benefited for Central Government and only 6% responded set that it is benefited to retailers.
- 76% of correspondence said that VAT is more beneficial system and only 24% of respondents said that GST is beneficial system.
- 32 % respondents said that GST system is good and only 2% of respondents said that GST is very bad.
- 96% of respondent said that GST is favour for retailers and only 4% of respondents said that GST is not favourable for retailers.

- 87.6 % of respondents said that GST is simple to calculate and 69.6% of responding said that GST is transparent and 74.8% of respondent said that GST is easy to understand.
- 100% of respondents said that there is a change in profit level after GST.
- The study reveals that majority of the sample respondents are in the retail sector and in between the age group of [35 to 45]40% .
- Among the sample respondent 76% of retailers are male and 24% of respondents are female.
- 30% of the respondent are found that they are educated up to plus two and 24 % of the respondents are found that they are SSLC.
- This study mainly focuses on the supermarket, textiles, medicals, jewellery, mobiles which are equally considered.
- 76% of respondent are male and 24% of respondent re female
- It is understand that most of the retailers i.e. 38% have monthly sales 90000-120000

Suggestions:

- More awareness about GST should be given through government agencies
- Digital literacy should be given to the people relating to GST
- Schools and colleges should provide awareness programme , seminars, and classes about GST
- The GST slab rate should be clearly aware among public
- Composition scheme should also be provided to small scale service provider
- Government should take more steps to help the retailers in understanding the slab rate and the importance of registering under GST

Conclusion

GST had simplified the tax system. The consumer is fully aware of the tax ratio on the product purchased. But when it comes to the retail traders the computation of tax on the product sold, to maintain accounts on their turnover and filling periodicals returns have become a strenuous task. Absence of adequate knowledge on the functional method of GST and inexperience with the handling of GST portal of their own are seen as the major drawback with retail traders. To overcome this difficulties the government has to arrange more education programme and helplines through which the intending retail traders can educate themselves on the modus operandi of GST. Further the tax return have to be simplified to the extended that anyone can undertake a business easily and file their returns and carryout corrections at every stage.

References

- [1] Sridevi, R (2018), "A Study on Impact of GST system to retailers with special reference to Coimbatore district", International journal for research in engineering applications and management, vol -04 issue-02.

- [2] Rathi K.N and Sreeraj M.K (2018), “Consumers perception on goods and service tax”, IOSR journal of business and management .vol-20 Issue -2.
- [3] Vasundhara Jain and Reema Aggarwal (2017), “Impact of GST on Indian economy- opportunities and challenges”, Abhinav national monthly refereed journal of research in commerce and management, vol-6, issue 10.
- [4] <https://clear tax in>
- [5] <https:// en.m Wikipedia.org>
- [6] <https://www.google.co.in>
- [7] tallysolution .com
- [8] The Hindu.