



## “GST - AWARENESS, PERCEPTION AND PRACTICAL PROBLEMS OF RETAIL TRADERS- EVIDENCES FROM NORTH GUJARAT REGION”

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**ABSTRACT** "One Nation One Tax" - The Goods and Service Tax has become the prominent topic discussed since its implementation in India on 1st July 2017. It is a comprehensive, multi-stage, vacation spot primarily based totally tax that is levied on each price addition. The new tax coverage has brought substantial modifications to the prevailing tax gadget and enterprise transactions. Even though the effect of GST on retail region is fine from each taxation and operations factor of view, the implementation dangers stay because of the complexities of adopting the brand-new gadget. The examiner seeks to assess the recognition, perception, realistic problems and quantity of effect of recognition on realistic issue of retail buyers after implementation of latest tax gadget. For the reason of the examine the samples had been accrued from the retail buyers of North Gujarat Region and the collected data were analyzed using statistical techniques such as ANOVA, Factor analysis and Regression

**KEYWORDS :** Goods and Service Tax (GST), Awareness, Perception and Practical Problems

### 1. INTRODUCTION

Tax isn't a brief contribution; it's miles an obligatory economic burden this is imposed through the authorities at the profits and commercial enterprise earnings of the people. Every country impose tax on goods and services to generate revenue to meet their expenditure. Indisputably, the Indian authorities also imposes taxes to satisfy up its public expenditure that make a contribution to the welfare of the society. The strength to levy the tax is going collectively with valuable and nation that's derived from the charter of India. The machine of taxation may be traced in India from historical instances and 12 months after it has undergone positive adjustments and new reforms to make it greater standardized. Among them one of the milestone reforms which have taken location within side the Indian tax machine is the creation of VAT and its transformation into GST. In order to lessen the present complexity in tax, a brand new tax reform became made in 1st July 2017 to make sure uniformity in tax rates which is called items and provider tax .GST is a modified shape of VAT in which tax is levied on cost brought at every ranges of deliver chain. It is a proposed device of tax that subsumes all the present oblique taxes. This look at is applicable as no such research had been performed, that degree the sensible problems and its courting with degree of focus. Many shops aren't conscious or does now no longer have a clean concept approximately GST and diverse provisions of GST are nonetheless ambiguous. In our look at we searching for to discover the notice, belief and sensible problems that shops face after GST implementation. This look at may be useful because it enables the authorities to apprehend the problems confronted via way of means of shops after GST implementation and take vital decisions. Also, it enables the retail investors to apprehend the extent of focus that they preserve closer to GST and measures may be taken for enhancing their information and it additionally enables to lessen their degree of sensible problems.

### 2. REVIEW OF LITERATURE

**Laveena Mehta and Baljinder Kaur (2018)**, Tax Payers Perception Towards Goods and Service Tax in India is tested that Adequate essential practice needs to accept to the residents for possible utilization of GST. Guidelines and policies have to be apparent to everybody. Government needs to streamline the GST framework with the aim that anybody can recognize the framework rapidly.

**Dr. G. H. Barhate (2017)**, observed that people aren't any uncertainty in any respect with appreciate to the proposed blessings of GST no matter their enterprise type, valid reputation of enterprise for the reason being they experience afflicted via way of means of the cutting-edge framework which has all of the earmarks of being unwieldy. Most respondents be given that GST will deliver cash associated additions to their enterprise and don't foresee any noteworthy carry in rate consistence costs. Curiously, respondents expect that the spending on rate consistence ought to move down after GST is performed. The absence of information blended with the indifference toward modifications may also deaden the quick utilization of this framework

especially in modest groups in which nevertheless now no longer a solitary direction packages are being organized and performed until date via way of means of geared up specialists.

**Vineet Chauhan (2017)**, Conduct an exam on "Measuring Awareness approximately execution of GST." A research review of impartial task unit of Rajasthan State in India. The exam attempts to evaluate the focus of the marketers approximately GST problems they face to encase of the cutting-edge mindfulness approximately it. 148 marketers have been examinations in order to understand the mindfulness approximately GST from Rajasthan country and the type and diploma of remedy gave and the utilization of the association beneath Neath GST Law.

### 3. RESEARCH METHODOLOGY

The observe is descriptive and analytical in nature. Survey approach is used for the gathering of information. The number one information is obligatory cloth for the doctrine of evaluation. The samples have been decided on in stages. In the primary level North Gujarat Region became divided into three zones particularly south, imperative and north sector. From every of those zones one company and one municipality have been decided on. One metropolis ward became decided on from every of the above selected company and municipality on a random basis. In the 2nd level, general two hundred samples have been accrued from every sector through 88 Samples accrued from Corporation and 112 Samples accrued from Municipality stage through the use of purposive pattern approach. Five factor Likert scale used for measuring stage of Awareness, Perception and Practical Difficulties. The accrued information has been analyzed through the use of SPSS package. ANOVA, Factor Analysis and Regression strategies have been used for information evaluation.

### 4. DISCUSSION OF RESULTS

The observe tried to evaluate the extent of Awareness, Perception and Practical Difficulties confronted through retail buyers concerning GST. Through this observe we examine elements influencing stage of consciousness and degree dependency of those elements on stage of sensible problems confronted through retail buyers on GST. The first a part of the evaluation offers with measuring stage of consciousness, belief and stage of sensible problems confronted through retail buyers on GST. 10 statements have been used form measuring stage of consciousness and stage of belief amongst retail buyers and 10 variables have been used to degree stage of sensible problems confronted through retail buyers on GST. The 2nd a part of the evaluation offers with the identity of things influencing stage of consciousness via component evaluation and its quantity on stage of sensible problems confronted retail buyers on GST. The stage of consciousness, belief and sensible problems are measured on a 5-factor scale, the most price being 5 and minimal price one.

### Exploratory Factor Analysis-Awareness Variables

Factor analysis is a multivariate statistical method that is used to

identify the major factors influencing the level of awareness. It is used in data reduction to identify a small number of factors that explain a large number of distinct variables. One of the major conditions to be satisfied in factor analysis is that the Eigen value should be greater than one and test of sphericity must be significant. For running factor analysis Kaiser-Meyer-Olkin measure of sampling adequacy was calculated and found to be 0.617 and the same was adequate to conduct factor analysis.

**Table: 4b: VARIMAX Rotated Component Factor Matrix**

Factors	Factors		
	GST provisions	Tax system	Tax Applicability
I am well I aware about the tax rates applicable to different products	.708	.337	.206
know well about the goods which are exempted and come under the provisions of GST	.777	.211	.113
GST will evade the cascading effect of earlier tax system	.182	.835	.121
GST will bring uniformity in tax rates	.125	.872	-.014
GST is a simplified taxation system when compared to the earlier tax system (VAT)	.028	.134	.772
GST rate is the lowest tax rate in the world	-.077	.243	.780
GST is not imposed on exported goods and services	.342	-.082	.591
I have enough knowledge about the various provisions relating to GST	.681	.367	.153
I know about the voluntary registration option available under GST for traders whose turnover is less than 20 lakhs	.782	-.161	-.004
Eigen values	3.273	1.454	1.402
Sum of cumulative % of Variance	24.13	43.120	61.289
Kaiser-Meyer-Olkin Measure of Sampling Adequacy	.617		
	Approx. Chi-Square		183.760
Bartlett's Test of Sphericity	Degree of freedom		45
	Significance		.000

The factor analysis reduces the 10 awareness variables into 3 groups after fulfilling the basic requirements. The first group consists of I am well aware of tax rates applicable to different products, I know well about the goods which are exempted and come under the provisions of GST, I have enough knowledge about various provisions of GST and I know about the voluntary registration option available under GST. All these 4 variables are grouped under the head GST provisions. The second group named tax system consists of variables GST will evade the cascading effect of earlier tax system and GST will bring uniformity in tax rates. The third group named tax applicability includes GST is a simplified taxation system when compared to the earlier tax system, GST rate is the lowest tax rate in the world and GST is not imposed on exported goods and services.

## CONCLUSION

The study was conducted to evaluate the knowledge, perception and practical difficulties the retailers have towards GST implementation. From the findings it is clear that the level of awareness has not reached satisfactory level and this has led to negative perceptions among retailers about GST. Also lack of awareness was found to be a significant factor that has caused practical difficulties. In order to increase awareness and knowledge and to make retailers better understand the general principles of GST adequate and relevant information must be provided by organizing talks, public education programmes and training.

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