"Indian Consumers' Perspective/Awarness Level of GST: The Game Changer"

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Abstract

This research studies the consumers' outlook on GST from the date of its implementation till present day time period. This research provides an overall opinion about GST from the consumers' point of view. The researcher focused mainly on the awareness level of the consumers, GST collection and utilization and comfort level of the consumers towards GST. This is the area where all researchers use this topic as their base to carry out their research work.

Keywords; *GST awareness, collection, utilization from consumers' perspective*

Taxation plays a significant role in the Indian economy for rising revenues for public purposes. India is the first country where IT Act was introduced in the year 1860. All the taxes which are collected in the country are monitored by the Ministry of Finance Department of Revenue.

GST refers to Good and Service Tax, which is newly introduced in India. GST is an indirect tax which we collect directly from the consumers. Before implementation of GST, taxes and rules were different in each and every state in India. After its implementation, same rates of tax were applied on different states in India. GST has replaced all types of indirect taxes such as VAT, Excise, Service Tax, CST etc. Therefore, GST was implemented to have a common tax for all type of sales but we Indians are still in a pessimistic condition hoping for one GST to come.

Objectives

- To find the consumers' awareness level on GST
- To analysis consumers' perspective on GST
- To find out the suggestions to improvise based on the research

Research Approach

It is a scientific way of solving a problem systematically. It goes through a step by step process in order to find a solution for the research problem. This research is of descriptive type which contains primary data. The period of study starts from December end till January mid week. Under this period the researcher has collected all the details for his study. Tools are done in SPSS which shows percentage analysis, chi-square test and Spearman correlation test.

Review of Literature

(**Rupa, 2017**)in her article '*GST in India: An Overview'* focuses on the insight into the Goods and Service Tax concept, advantages, disadvantages and international scenario. India relied heavily on indirect taxes which were the major source of tax revenue till tax reforms were undertaken during 90's. The main reason to rely heavily on the indirect taxes was that the majority of the Indian population was in categorized to be poor and thus widening base of direct taxes had its own limitations. But the Indian system of indirect taxation is characterized by cascading, distorting tax onproduction of goods and services. To remove multiplicity of taxes, GST was introduced to reduce the tax burden for the tax payers.

(**Banik & Das, 2017**) in his article *'GST in India: Impact and Challenges'* gives an overview of GST concept, advantages and explains its features along with focused in challenges faced by India in execution. Goods and Services Tax is the greatest tax reform in India since independence which has been long pending. GST is meant to simplify the indirect tax regime of India by replacing a host of taxes by a single unified tax. GST is the only indirect tax that directly connects all the sector of Indian economy thus enhancing the economic growth of the country by creating a single unified market. More than 160 countries of the world have implemented GST so far followed by France.

Reliability Test
Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.674	.789	18

TABLE 1: Shows gender respondents' percentage

SL. NO	PARTICULARS	NO. OF RESPONDENTS	PERCENTAGE
1	MALE	54	54%
2	FEMALE	46	46%
3	TRANSGENDER	0	0%
	TOTAL	100	100

INFERENCE:

It is interpreted that out of 100 respondents male is of 54% and female is of 46%

TABLE 2: Shows GST awareness level of consumers

SL. NO	PARTICULARS	NO. OF RESPONDENTS		PERCENTAGE	
		YES	NO	YES	NO
1	CGST	72	27	31.44%	16.17%
2	SGST	63	36	27.51%	21.56%
3	IGST	52	47	22.71%	28.14%
4	UTGST	42	57	18.34%	34.13%
	TOTAL	**229**	**167**	**100%**	**100%**

INFERENCE:

It is interpreted that out of 229 respondents YES CATEGORY CGST is of 31%,SGST is of 28%,IGST is of 23%,UTGST is of 18% and for NO CATEGORY CGST is of 16%,SGST is of 22%,IGST is of 28%,UTGST is of 34% . From this we can conclude that majority of peoples became aware of these type of GST categories.

TABLE 3: Shows the consumers awareness level of GST rates

SL.NO	PARTICULARS	NO. OF RESPONDENTS		PERCENTAGE	
		YES	NO	YES	NO
1	NILL RATE	56	43	16.42%	17%
2	0%	56	43	16.42%	17%
3	5%	56	43	16.42%	17%
4	12%	53	46	15.54%	18.18%
5	18%	63	36	18.48%	14.22%
6	28%	57	42	16.72%	16.60%
	TOTAL	341	253	100%	100%

INFERENCE:

It is interpreted that out of 341 respondents NILL RATE is of 16%,0% is of 16%,5%is of 16%,12% is of 16%,18%is of 19% and 28% is of 17% and then NILL RATE is of 17%,0% is of 17%,5%is of 17%,12% is of 18%,18%is of 14% and 28% is of 17%.From this we conclude that majority of the society had known about the GST rates.

TABLE 4: Shows consumers' awareness level for the following items

SL. NO	PARTICULARS	NO. OF RESPONDENTS	PERCENTAGE
1	MILK	22	22.4%
2	EGG	45	45.9%
3	SALT	30	30.6%
4	SUGAR	1	1%
	TOTAL	100	100%

INFERENCE:

It is interpreted that out of 100 respondents milk is of 22%,egg is of 46%,salt is of 31%,sugar is of 1%.From this we conclude that EGG has a 0% GST.

TABLE 5: Shows consumers' perspective on GST

SL. NO	PARTICULARS	NO. OF RESPONDEN	PERCENTAGE

		TS	
1	YES	13	13%
2	NO	58	58%
3	MAY BE	29	29%
	TOTAL	100	100%

INFERENCE:

It is interpreted that out of 100 respondents YES is of 13%,NO is of 58%,salt is of 29%. From this we conclude that the present GST RATES are not bearable by the consumers.

TABLE 6: Shows consumers' opinion on common GST rates

SL. NO	PARTICULARS	NO. OF RESPONDENTS	PERCENTAGE
1	5%-10%	69	70.4%
2	11%-15%	22	22.4%
3	15%-20%	5	5.1%
4	20%-25%	1	1%
5	ABOVE 25%	`1	1%
	TOTAL	98	100%

INFERENCE:

It is interpreted that out of 98 respondents 5%-10% is of 70%,11%-15% is of 22%%,15%-20% is of 5%,20%-25% is of 1% and above 25% is of

1%.From this we conclude that 5%-10% is the suggested GST rate to be charged on goods and services.

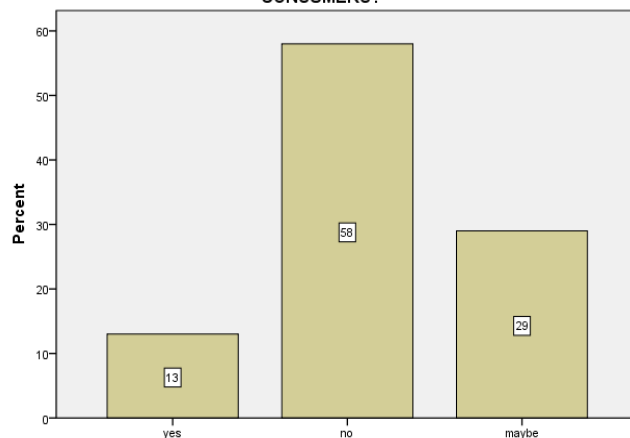**TABLE 7: Shows consumers' perspective of allocation of fund collected**

SL.NO	PARTICULARS	NO OF RESPONDENTS		PERCENTAGE	
		GST charghes collected by state	GST charghes collected by central	GST charghes collected by state	GST charghes collected by central
1	VERY SATISFIED	6	5	6.18 %	5.15%
2	SATISFIED	30	31	30.92%	31.96%
3	NEITHER SATISFIED	29	28	29.89%	28.87%
4	DIS SATISFIED	20	13	20.63%	13.40%
5	VERY DISSATISFIED	12	20	12.38%	20.62%
	TOTAL	97	97	100%	100%

INFERENCE:

It is interpreted that out of 97 respondents THE GST CHARGES COLLECTED BY THE STATE GOVERNMENT IS USED FOR THE PUBLIC RELATED GRIEVANCES gives very satisfied as 6%,satisfied as 31%,Neither satisfied as 30% ,Dissatisfied is of 21% and above Very Dissatisfied as 12%, and then THE GST CHARGES COLLECTED BY THE CENTRAL GOVERNMENT IS USED FOR THE PUBLIC RELATED GRIEVANCES gives very satisfied as 5%,satisfied as 32%,Neither satisfied as 29% ,Dissatisfied is of 13% and above Very Dissatisfied as 21%.From this we conclude that the maximum satisfactory level is by THE GST CHARGES COLLECTED BY THE CENTRAL GOVERNMENT.

TABLE 8: Do you think present gst rates are bearable by the consumers?

		Frequency	Percent	Valid Percent	Cumulative Percent
Vali	Yes	13	13.0	13.0	13.0
d	No	58	58.0	58.0	71.0
	May be	29	29.0	29.0	100.0
	Total	100	100.0	100.0	

10. DO YOU THINK PRESENT GST RATES ARE BEARABLE BY THE CONSUMERS?

INFERENCE:

It is interpreted that more than half of the respondent i.e(58%) are not happy with the present GST rates charged by the government to the consumers.

STATISTICAL ANALYSIS
1. CHI-SQUARE TEST

	Value	df	Asymp. Sig. (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	26.855[a]	1	.000		
Continuity Correction[b]	24.549	1	.000		
Likelihood Ratio	28.284	1	.000		
Fisher's Exact Test				**.000**	**.000**
Linear-by-Linear Association	26.586	1	.000		
N of Valid Cases	100				

a. 0 cells (.0%) have expected count less than 5. The minimum expected count is 11.61.

b. Computed only for a 2x2 table

INFERENCE:

Since the significant value 0.05 is less than the 0.05 null hypothesis is accepted and alternate hypothesis is rejected.From the above table we can come to a conclusion that all the 100 respondents are aware of the following GST rates and percentage changed or level against them.

2. SPEARMAN CORRELATION TEST:

Correlations

			6. TYPE OF FAMILY	11. WHAT WILL BE YOUR SUGGESTED GST RATE TO BE CHARGED ON GOODS AND SERVICES?
Spearman's rho	6. TYPE OF FAMILY	Correlation Coefficient	1.000	-.261[**]
		Sig. (2-tailed)	.	**.009**
		N	100	100
	11. WHAT WILL BE YOUR SUGGESTED GST RATE TO BE CHARGED ON GOODS AND SERVICES?	Correlation Coefficient	-.261[**]	1.000
		Sig. (2-tailed)	**.009**	.
		N	100	100

**. Correlation is significant at the 0.01 level (2-tailed).

INFERENCE:

It is understood that the significant value 0.009 is less than 0.05 null hypotheses is accepted and

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alternate hypothesis is rejected. Thus majority of the respondents belong to nuclear family they expect minimum rate of 5%-10% to be charged on goods and services for the products sold.

Findings

- More than half of the respondents belong to male category.ie.(54%)
- Major respondents are not happy with the present GST rates charged by the government to the consumers
- All the 100 respondents are aware of the following GST rates and the interest charged against them
- Since majority of the respondents belong to nuclear family, they expect a minimum amount of tax i.e. 5%-10% to be charged by the government to the consumers

Suggestions

- Minimum amount of tax should be collected among the consumers
- Rate of tax must be reduced on household and food products. If not, it indirectly affects the well being of a normal individual
- One nation one tax must be implemented soon
- Government must conduct seminars and conferences in order to educate and provide awareness about GST to the consumers on a large scale basis

Conclusion

The researcher has concluded the research by saying that more than half of the respondents belong to male category that comes under the age category of 21-30 years. Majorly the respondents are unmarried and belong to nuclear family. All of the 100 respondents are aware of the following GST rates i.e. CGST, SGST, IGST, UGST and the interest rate levied against them. Major of the respondents are not happy with the present GST

rates charged by the government against the consumers. Out of this research, milk and egg are the products which are supposed to have 0% GST. Thus, we come to a conclusion that according to this research consumers are satisfied with the taxes collected against them by the central and state government. We, Indians are living in a pessimistic condition where 'One nation one tax' is yet to impose soon.

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