

# **A STUDY OF EFFECTS OF GOODS AND SERVICE TAX (GST) ON CONSUMER PERCEPTION**

submitted in partial fulfillment of the requirements for the award of

**BACHELOR OF BUSINESS ADMINISTRATION**

**BY**

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**SATHYABAMA**

**INSTITUTE OF SCIENCE AND TECHNOLOGY**

**(DEEMED TO BE UNIVERSITY)**

**ACCREDITED WITH GRADE "A" BY NAAC | 12B STATUS BY UGC APPROVED BY AICTE**

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**May 2022**



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## **SCHOOL OF MANAGEMENT STUDIES**

### **BONAFIDE CERTIFICATE**

This is to certify that this Project Report is the Bonafide work of **SHAHITHA S(39280026)** who has done the Project work entitled **A STUDY OF EFFECTS OF GOODS AND SERVICES TAX (GST) ON CONSUMER PERCEPTION** under my supervision from December 2021 to February 2022.

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**DECLARATION**

**I SHAHITHA S (Registration Number: 39280026)** hereby declare that the project Report entitled **“A STUDY OF EFFECTS OF GOODS AND SERVICE TAX (GST) ON CONSUMER PERCEPTION”** done by me under the guidance of **“MS M JAYASEELY”** is submitted in partial fulfillment of the requirements for the award of **BACHELOR OF BUSINESS ADMINISTRATION.**

**DATE:**

**PLACE: CHENNAI**

**SHAHITHA S**

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**SHAHITHA S**

## **ABSTRACT**

Goods and Service Tax (GST) is a single tax on the supply of goods and services. The statutory tax rates under GST came into effect from 1st July, 2017 which replaced all other applicable indirect taxes. The present study aims to analyze the relationship between income and spending behavior and to measure the impact of GST on spending behavior. The researcher has used Factor Analysis and ANOVA to test the hypothesis. The result showed that there is strong relationship between income and Electronic and Sport Equipment's and no relationship between income and Wheat, rice, clothing, hair oil, soap, tooth paste, cosmetics, dry fruits, tobacco, fast food, internet connection, newspapers and magazines, fruits and vegetables, entertainment, vehicle maintenance and foot wares. The study also found that impact of GST is more on essential items than comfort and superfluous items.

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## **CHAPTER – 1**

### **INTRODUCTION**

#### **1.1 INTRODUCTION**

The tax structure prior to Goods and Service Tax (GST) was tedious and complex with so many types of indirect taxes that were levied by the Central and State Governments of India on for availing the services such as Entertainment Tax (for watching movies), Value Added Tax (on purchasing goods and services), excise duties, luxury tax etcetera.

The levying of tax is done on both direct taxes and indirect taxes by both State and Central Government. Thus, to forgo the tediousness and to have a unified law by subsuming duties levied on services such as 'custom duty, excise duty, service tax, sales tax, VAT' the central government came up with Goods and Service Tax.

The introduction of Goods & Service Tax (GST) with effect from 1st July 2017 is characterized by a marked shift from present origin-based taxation to that of consumption-based taxation. GST subsumed majority of indirect taxes levied by Central Government and State Governments such as Value Added Tax (VAT) / Central Sales Tax (CST)) / Entry Tax/ Purchase Tax// Octroi / Local Body Tax (LBT) / Excise Duty / Service Tax. It is a tax levied

across all goods and services on PAN India basis except Alcohol and few Petroleum products, which are excluded. On these goods erstwhile excise and VAT levy continues. Levy of Custom Duty on Import of Goods Continues.

Goods and Service Tax (GST) is a single tax on the supply of goods and services. The statutory tax rates under GST came into effect from 1st July, 2017 which replaced all other applicable indirect taxes. Some products and goods are taxed more while some others are cheaper. At present, the financial transaction and services which attracted service tax previously also replaced by GST. GST is a single tax on the supply of goods and services. A two-rate structure is being adopted. It means lower rate for necessary items and goods of basic importance and a standard rate for goods in general. There will also be a special rate for precious metals and a list of exempted items. It is a destination-based tax which is levied only on value addition at each stage because credits of input taxes paid at procurement of inputs will be available. Thus, the final consumer will bear only the GST charged by the last dealer in the supply chain, with set-off benefits at all the previous stages.

## INDUSTRIAL PROFILE

Finance is the backbone of any economy. In order to propel the economic development of the country, finance and tax related matters are highly essential. This section provides information related finance and taxes, and covers sectors namely insurance, banking, economy, trades and business etc. Details of acts, rules, schemes, policies, budget, online services, etc. by the Union and state governments are also available in this section. A financial transaction tax (FTT) is levied on the value of specific financial transactions, such as equity trading. It is generally promoted as an instrument to raise revenue while simultaneously reducing financial transactions deemed socially undesirable, such as high-frequency trading. Over the years, the banking and financial services space has undergone a major overhaul due to evolving regulations and keeping pace with these changes, the tax and regulatory regime has become more dynamic. Keeping the above challenges in mind, we provide a wide range of services including tax and regulatory compliance, regulatory approval assistance, advisory and litigation support. BFSI Tax Team has also been leading advocacy initiatives before the India's apex tax administering authority i.e., Central Board of Direct Taxes (CBDT). This article is about a tax levied on transactions in the financial sector. For APT Tax--a small tax levied on each transaction in an economy, see Automated Payment Transaction tax. "Industrial taxes" covers all the taxes imposed on the production machinery, tools and equipment of enterprises pursuing an industrial, logistics or commercial (large-scale distribution) activity. The main two, the highest and the most current, are the withholding tax on machinery and equipment and the municipal tax on motive power. There are all kinds of other provincial and local taxes: spent water, petrol pumps, activation charges, unoccupied buildings, free distribution of printed matter without address, etc. While cadastral income falls within the federal ambit, calculation of the amount of the withholding tax on machinery and equipment has been regionalized.

## **Benefits of GST**

- Overall reduction in prices of goods for consumers
- Reduction in Multiplicity of taxes, cascading and double taxation
- Common national market and Uniform rate of tax • Broader tax base and decrease in black transactions • Noninvasive electronic tax compliance system.

## **Types of GST in India**

- CGST – leviable on the supply made by a registered person within a country
- SGST/UTGST- leviable on the supply made by a registered person within a State/Union Territory
- IGST- leviable on import or inter-state supply of goods and services. IGST is equal to sum total of CGST and SGST/UTGST.

## **TAX RATE UNDER GST**

### **Exempted items under GST**

Milk, buttermilk, egg, curd, fresh vegetables and fruits, unbranded flour, unbranded wheat and rice, Puja items.

### **ITEMS UNDER 5%**

Frozen Vegetables and fruits, branded wheat and rice, branded flour, hand-made safety matches, cotton, cotton fabrics, Footwear below Rs.500

### **ITEMS UNDER 12%**

Butter, Cheese, Dry fruits, mobile phones, ayurvedic products

### **ITEMS UNDER 18%**

Biscuits, footwear exceeding Rs. 500, man-made fiber, hair oil, soap, toothpaste.

### **ITEMS UNDER 28%**

LED TV, AC, Cars, tobacco products, cement

## History of GST in India

- **2000:** In India, the idea of adopting GST was first suggested by the Atal Bihari Vajpayee Government in 2000. The state finance ministers formed an Empowered Committee (EC) to create a structure for GST, based on their experience in designing State VAT. Representatives from the Centre and states were requested to examine various aspects of the GST proposal and create reports on the thresholds, exemptions, taxation of inter-state supplies, and taxation of services. The committee was headed by Asim Dasgupta, the finance minister of West Bengal. Dasgupta chaired the committee till 2011.
- **2004:** A task force that was headed by Vijay L. Kelkar the advisor to the finance ministry, indicated that the existing tax structure had many issues that would be mitigated by the GST system.
- **February 2005:** The finance minister, P. Chidambaram, said that the medium to long term goal of the government was to implement a uniform GST structure across the country, covering the whole production-distribution chain. This was discussed in the budget session for the financial year 2005-06.
- **February 2006:** The finance minister set 1 April 2010 as the GST introduction date.
- **November 2006:** Parthasarathi Shome, the advisor to P. Chidambaram, mentioned that states will have to prepare and make reforms for the upcoming GST regime.
- **February 2007:** The 1 April 2010 deadline for GST implementation was retained in the union budget for 2007-08.
- **February 2008:** At the union budget session for 2008-09, the finance minister confirmed that considerable progress was being made in the preparation of the roadmap for GST. The targeted timeline for the implementation was confirmed to be 1 April 2010.
- **July 2009:** Pranab Mukherjee, the new finance minister of India, announced the basic skeleton of the GST system. The 1 April 2010 deadline was being followed then as well.

- **November 2009:** The EC that was headed by Asim Dasgupta put forth the First Discussion Paper (FDP), describing the proposed GST regime. The paper was expected to start a debate that would generate further inputs from stakeholders.
- **February 2010:** The government introduced the mission-mode project that laid the foundation for GST. This project, with a budgetary outlay of Rs.1,133 crore, computerized commercial taxes in states. Following this, the implementation of GST was pushed by one year.
- **March 2011:** The government led by the Congress party puts forth the Constitution (115th Amendment) Bill for the introduction of GST. Following protest by the opposition party, the Bill was sent to a standing committee for a detailed examination.
- **June 2012:** The standing committee starts discussion on the Bill. Opposition parties raise concerns over the 279B clause that offers additional powers to the Centre over the GST dispute authority.
- **November 2012:** P. Chidambaram and the finance ministers of states hold meetings and set the deadline for resolution of issues as 31 December 2012.
- **February 2013:** The finance minister, during the budget session, announces that the government will provide Rs.9,000 crore as compensation to states. He also appeals to the state finance ministers to work in association with the government for the implementation of the indirect tax reform.
- **August 2013:** The report created by the standing committee is submitted to the parliament. The panel approves the regulation with few amendments to the provisions for the tax structure and the mechanism of resolution.
- **October 2013:** The state of Gujarat opposes the Bill, as it would have to bear a loss of Rs.14,000 crore per annum, owing to the destination-based taxation rule.
- **May 2014:** The Constitution Amendment Bill lapses. This is the same year that Narendra Modi was voted into power at the Centre.
- **December 2014:** India's new finance minister, Arun Jaitley, submits the Constitution (122nd Amendment) Bill, 2014 in the parliament. The opposition demanded that the Bill be sent for discussion to the standing committee.

- **February 2015:** Jaitley, in his budget speech, indicated that the government is looking to implement the GST system by 1 April 2016.
- **May 2015:** The Lok Sabha passes the Constitution Amendment Bill. Jaitley also announced that petroleum would be kept out of the ambit of GST for the time being.
- **August 2015:** The Bill is not passed in the Rajya Sabha. Jaitley mentions that the disruption had no specific cause.
- **March 2016:** Jaitley says that he is in agreement with the Congress's demand for the GST rate not to be set above 18%. But he is not inclined to fix the rate at 18%. In the future if the Government, in an unforeseen emergency, is required to raise the tax rate, it would have to take the permission of the parliament. So, a fixed rate of tax is ruled out.
- **June 2016:** The Ministry of Finance releases the draft model law on GST to the public, expecting suggestions and views.
- **August 2016:** The Congress-led opposition finally agrees to the Government's proposal on the four broad amendments to the Bill. The Bill was passed in the Rajya Sabha.
- **September 2016:** The Honorable President of India gives his consent for the Constitution Amendment Bill to become an Act.
- **2017:** Four Bills related to GST become Act, following approval in the parliament and the President's assent:

1. Central GST Bill
2. Integrated GST Bill
3. Union Territory GST Bill
4. GST (Compensation to States) Bill

## **TYPES OF GST**

1. Integrated Goods and Services Tax (IGST)
2. State Goods and Services Tax (SGST)
3. Central Goods and Services Tax (CGST)
4. Union Territory Goods and Services Tax (UTGST)

### **1. Integrated Goods and Services Tax or IGST**

The Integrated Goods and Services Tax or IGST is a tax under the GST regime that is applied on the interstate (between 2 states) supply of goods and/or services as well as on imports and exports. The IGST is governed by the IGST Act. Under IGST, the body responsible for collecting the taxes is the Central Government. After the collection of taxes, it is further divided among the respective states by the Central Government. For instance, if a trader from West Bengal has sold goods to a customer in Karnataka worth Rs.5,000, then IGST will be applicable as the transaction is an interstate transaction. If the rate of GST charged on the goods is 18%, the trader will charge Rs.5,900 for the goods. The IGST collected is Rs.900, which will be going to the Central Government.

### **2. State Goods and Services Tax or SGST**

The State Goods and Services Tax or SGST is a tax under the GST regime that is applicable on intrastate (within the same state) transactions. In the case of an intrastate supply of goods and/or services, both State GST and Central GST are levied. However, the State GST or SGST is levied by the state on the goods and/or services that are purchased or sold within the state. It is governed by the SGST Act. The revenue earned through SGST is solely claimed by the respective state government. For instance, if a trader from West Bengal has sold goods to a customer in West Bengal worth Rs.5,000, then the GST applicable on the transaction will be partly CGST and partly SGST. If the rate of GST charged is 18%, it will be divided equally in the form of 9% CGST and 9% SGST. The total amount to be charged by the trader, in this case, will be Rs.5,900. Out of the revenue earned from GST under the head of SGST, i.e., Rs.450, will go to the West Bengal state government in the form of SGST.

### **3. Central Goods and Services Tax or CGST**

Just like State GST, the Central Goods and Services Tax or CGST is a tax under the GST regime that is applicable on intrastate (within the same state) transactions. The CGST is governed by the CGST Act. The revenue earned from CGST is collected by the Central Government. As mentioned in the above instance, if a trader from West Bengal has sold goods to a customer in West Bengal worth Rs.5,000, then the GST applicable on the transaction will be partly CGST and partly SGST. If the rate of GST charged is 18%, it will be divided equally in the form of 9% CGST and 9% SGST. The total amount to be charged by the trader, in this case, will be Rs.5,900. Out of the revenue earned from GST under the head of CGST, i.e., Rs.450, will go to the Central Government in the form of CGST.

### **4. Union Territory Goods and Services Tax or UTGST**

The Union Territory Goods and Services Tax or UTGST is the counterpart of State Goods and Services Tax (SGST) which is levied on the supply of goods and/or services in the Union Territories (UTs) of India. The UTGST is applicable on the supply of goods and/or services in Andaman and Nicobar Islands, Chandigarh, Daman Diu, Dadra, and Nagar Haveli, and Lakshadweep. The UTGST is governed by the UTGST Act. The revenue earned from UTGST is collected by the Union Territory government. The UTGST is a replacement for the SGST in Union Territories. Thus, the UTGST will be levied in addition to the CGST in Union Territories.

## GST Calculation Formula

The below mentioned formula is for calculating GST by taxpayer

### ***Formula for GST calculation:***

- **Add GST:**
  - $\text{GST Amount} = (\text{Original Cost} \times \text{GST\%})/100$
  - $\text{Net Price} = \text{Original Cost} + \text{GST Amount}$
- **Remove GST:**
  - $\text{GST Amount} = \text{Original Cost} - [\text{Original Cost} \times \{100/(100+\text{GST\%})\}]$
  - $\text{Net Price} = \text{Original Cost} - \text{GST Amount}$

## Example of GST Calculation

In case a product is sold for Rs.2,000 and the GST rate applicable to it is 12%, then net price of the product will be  $\text{Rs.2,000} + 12\% \text{ of Rs.2,000} = \text{Rs.2,000} + \text{Rs.240} = \text{Rs.2,240}$ .

### **GST Tax Slab Rates List for Goods**

| 5% GST            | 12% GST                       | 18% GST         | 28% GST           |
|-------------------|-------------------------------|-----------------|-------------------|
| Spices            | Cakes                         | Washing Machine | Personal Aircraft |
| Frozen vegetables | Drip Irrigation System        | Vacuum Cleaner  | Sunscreen         |
| Rusk              | Photographs                   | Pasta           | Tobacco           |
| Fish fillet       | Pack water bottle of 20 liter | Tyres           | Hair clippers     |
| Pizza bread       | Butter                        | Biscuits        | Bidis             |
| Sabu dana         | Mechanical sprayers           | Vanity case     | Weighing machine  |

|                         |                               |                        |                                                     |
|-------------------------|-------------------------------|------------------------|-----------------------------------------------------|
| Tea                     | Ghee                          | Pastries               | Waffles plus wafers which are coated with chocolate |
| Baby milk food          | Almonds                       | Soups                  | Wallpaper                                           |
| Plain Chapati & Khakhra | Pouches, purses and Handbags  | Preserved Vegetables   | ATM Vending Machine                                 |
| Floor covering          | Fruits                        | Camera                 | Yachts                                              |
| Fertilizers             | Art ware of iron              | Curry paste            | Motorcycles                                         |
| Footwear under ₹ 1,000  | Boiled sugar confectionery    | Instant food mixes     | Ceramic tiles                                       |
| Apparels under ₹ 1,000  | Packaged coconut water        | Shampoo                | Dishwasher                                          |
| Real Zari               | Pickle                        | Printers               | Aerated Water                                       |
| Agar Batti              | Mirrors framed with Ornaments | Mixed condiments       | Pan Masala                                          |
| Pizza bread             | Nuts                          | Computers              |                                                     |
| Edible Oils             | Bamboo wood building          | Mixed Seasonings       |                                                     |
| Skimmed milk            | Chutney                       | CCTV                   |                                                     |
| Medicines               | Apparel above ₹ 1,000         | Hair Dryers            |                                                     |
| Paper waste             | Jam                           | Electric transformer   |                                                     |
| Revenue stamps          | Bhuji                         | Tissues                |                                                     |
| Stent                   | Notebooks                     | Steel products         |                                                     |
| Ethanol                 | Frozen meat                   | Electrical transformer |                                                     |
| Mehndi Paste            | Animal fat sausage            | Stationery items       |                                                     |
| Insulin                 | Packaged dry fruits           | Paint                  |                                                     |

|                |                   |                     |  |
|----------------|-------------------|---------------------|--|
| Scrap of Glass | Cake servers      | Sheets              |  |
| Velvet Fabric  | Packed Dry Fruits | Kajal pencil sticks |  |
| Plastic waste  | Ladles            | Pumps               |  |
| Post stamps    | Forks             | Sanitaryware        |  |

|                        |                                    |                           |  |
|------------------------|------------------------------------|---------------------------|--|
| Stamp Postmarks        | Mobile                             | Binoculars                |  |
| Tamarind Kernel Powder | Toothpowder                        | Varnishes                 |  |
| Plastic waste          | Non-AC Restaurants                 | Speakers                  |  |
| Coir mats              | State-run Lotteries                | Water Heaters             |  |
| Matting                | Work Contracts                     | Fans                      |  |
| First Day Covers       | Tongs                              | Goggles                   |  |
| Braille Watches        | Fish knives                        | Safety Glass              |  |
| Sliced mango           | Jelly                              | Circuits                  |  |
| Domestic LPG           | Brass Kerosene Pressure Stove      | Optical fiber             |  |
|                        | Fertilizer – grade Phosphoric Acid | Hair Shavers              |  |
|                        | Playing Cards                      | Windows                   |  |
|                        | Carom board                        | Fridge                    |  |
|                        | Chessboard                         | Foliage                   |  |
|                        | Skimmers                           | Door                      |  |
|                        | Spoons                             | Compressors               |  |
|                        | Manmade Yarn                       | Multi-functional Printers |  |

|  |                                        |                              |  |
|--|----------------------------------------|------------------------------|--|
|  | Sewing Thread of Manmade Staple Fibers | Telescope                    |  |
|  | Mur abba                               | Modelling Paste for Children |  |
|  | Biodiesel and select biopesticides     | Branded Garments             |  |

|  |                           |                                     |  |
|--|---------------------------|-------------------------------------|--|
|  | Ludo                      | Musical instruments and their parts |  |
|  |                           | Razor and razor blades              |  |
|  | Exercise Books            | Light fitting                       |  |
|  | Preparation of vegetables | Some parts of pumps                 |  |
|  |                           | Glassware                           |  |
|  |                           | TV                                  |  |
|  |                           | Aluminum Foil Furniture             |  |
|  |                           | Paddling Pools                      |  |
|  |                           | Cigarette Filter Rods               |  |
|  |                           | Headgear                            |  |
|  |                           | Mayonnaise                          |  |
|  |                           | Steel Products                      |  |
|  |                           | Electrical boards, panels and wires |  |
|  |                           | Juicer Mixer                        |  |

|  |  |                                                                                                                    |  |
|--|--|--------------------------------------------------------------------------------------------------------------------|--|
|  |  | Power Banks with Lithium-ion batteries, video games, carriage accessories for disabled, small sport related items. |  |
|  |  | Salad dressings                                                                                                    |  |
|  |  | Footwear priced above ₹ 500                                                                                        |  |
|  |  | Washing Powder                                                                                                     |  |
|  |  | Toiletries                                                                                                         |  |
|  |  | Poster Colors                                                                                                      |  |
|  |  | Large and medium cars (Second hand). SUVs                                                                          |  |
|  |  | Swimming pools and padding pools                                                                                   |  |
|  |  | Woven and Nonwoven bags                                                                                            |  |

## **NEED OF THE STUDY**

- Most of the consumers are unaware of GST applicability on various goods and services.
- They don't know the tax rates before GST and after GST.
- Not only that, some retailers are engaged in cut practices and they are fooling the consumers by charging GST on MRP based products.
- MRP includes GST but retailers are taking advantage of consumer's confusion over GST.
- Hence, there is a need to provide the awareness to the consumers on GST rates.

## **SCOPE OF STUDY**

- The respondents selected are of mixed group which will give wider difference in understanding.
- To find out the relationship between Goods and Service Tax (GST) of consumer and the satisfaction level of consumers.
- The scope of the study is conducted to find out the views of consumers perceptions about Goods and Service Tax (GST).

### **Objectives of study Primary Objective:**

To study the consumers perception towards GST rates in India

### **Secondary objective:**

- To furnish the information regarding GST rates to the consumers.
- To study the concept of GST in India
- To find about consumers are aware of the goods and service tax or unaware to the goods and service tax.
- To find GST is effect to the consumer
- To find the relationship between GST is effect for consumer and GST law.

## CHAPTER-2

### REVIEW OF LITERATURE:

**Vasanth Gopal (2011)** in his topic “GST in India: A Big Leap in the Indirect Taxation System” concluded that switchover to a ‘flawless’ GST would be a big leap in the indirect taxation system and also give a new impetus to India’s economic change. It is also noted that, more than 140 countries have introduced GST in some form to other and is fast becoming the preferred form of indirect tax in the Asia Pacific region.

**Nitin Kumar (2014)** in his title “Goods and Service Tax- A Way Forward” 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 structure.

**G. Garg, (2014)** analyzed the impact of GST on Indian tax scenario. He tried to highlight the objectives of the proposed GST plan along with the possible challenges and opportunity that GST brings. He concluded that GST is the most logical steps towards the comprehensive indirect tax reform in our country since independence. GST is leviable on all supply of goods and provision of services as well combination thereof. All sectors of economy i.e., the industry, business including Govt. departments and service sector shall have to bear impact of GST. All sections of economy viz., big, medium, small-scale units, intermediaries, importers, exporters, traders, professionals and consumers shall be directly affected by GST. One of the biggest taxation reforms in India – the Goods and

Service Tax (GST) is all set to integrate State economies and boost overall growth. GST will create a single, unified Indian market to make the economy stronger. Experts say that GST is likely to improve tax collections and Boost India's economic development by breaking tax barriers between States and integrating India through a uniform tax rate. Under GST, the taxation burden will be divided equitably between manufacturing and services, through a lower tax rate by increasing the tax base and minimizing exemptions.

**Pinki et al., (2014)** the authors in the paper have explored the concept of GST, the need to introduce it in India, the hurdles in introducing it in India and suggestions to overcome the same. The paper also discusses the benefits of introducing GST at the earliest. The authors have discussed the options to introduce the dual GST in India which could be Concurrent Dual GST, National GST or State GST. Under the concurrent dual GST, the better option was the one where GST is applied on both goods and services. The other option explored was whether the Central GST would be on goods and services but state GST would be only on goods since state to collect GST in services is difficult to determine. This option also recommended one single return with both CGST and SGST details and PAN based registration. The authors have also discussed the constitutional amendments required if GST is ever to be introduced since without the amendment taxing both goods and services using one tax is not possible. The paper also highlights the issues in the credit mechanism in the CGST/SGST model since it is difficult to practically implement in terms of determination of place where service is taxable. The other challenges to introduction of GST in India highlighted are the availability of strong IT network, infrastructure and programmer, agreement on other provisions like basic threshold, exemption to goods/services, rates to be applied, etc.

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**Rashid et al., (2014)** in this paper the authors study impact of GST in Malaysia since it is proposed to introduce GST in Malaysia in 2015. The GST is being introduced mainly so as to increase the revenue collections of the government and reduce the deficit. The authors have studied the impact of the introduction of this GST and its relation to certain indicators like the consumer price index and the structural balance. For this the relation between these factors and the GST are studied for Singapore, Thailand and Indonesia so that whilst implementing GST in Malaysia the administration can adopt the best practice. The paper recommends transparency in implementing GST and review of the rates/base of GST after 5 years and rectification based on the 5-year experience.

**N. Kumar, (2014)** concluded that GST will help in eradicating economic distortion by current Indian tax system and is expected to encourage unbiased tax structures which will be indifferent to geo locations.

**Jaiprakash (2014)** in his research study mentioned that the GST at the Central and the State level are expected to give more relief to industry, trade, agriculture and consumers through a more comprehensive and wider coverage of input tax set-off and service tax setoff, subsuming of several taxes in the GST and phasing out of CST.

**Saravanan Venkatachalam, (2014)** has analyzed the post effect of the goods and service tax (GST) on the national growth on ASEAN States using Least Squares Dummy Variable Model (LSDVM) in his research paper. He stated that seven of the ten ASEAN nations are already implementing the GST. He also suggested that the household final consumption expenditure and general government consumption expenditure are

positively significantly related to the gross domestic product as required and support the economic theories. But the effect of the post GST differs in countries.

**Shaik et al ,11(2015)** studied the concept and impact of GST on Indian economy. The study also focused on some aspects of GST models. This study also covered the advantages and working of GST. The study concluded that GST in Indian framework will lead to commercial benefits which were untouched by VAT system and would essentially leads to economic development.

**Sherawat & Dhanda,12 (2015)** conducted a study focused on advantages and challenges of GST faced by India in execution. They concluded that a simplified and transparent tax system was the need of Indian economy. Pointing out the various advantages they said that GST will provide India a world class tax structure and a seamless tax system but it will depend upon effectiveness of its implementation.

**Scharwath M. And Dhanda (2015)** According to their study GST is a simple and transparent tax system which will help to create the employment opportunities and increase the GDP of the Indian economy by 1%-1.5%

**Shefali Dani S (2016)** made an attempt to understand why the proposed GST regime may hamper the growth and development of the country. He pointed out that the proposed GST regime is a halfhearted attempt to rationalize indirect tax structure. Further, the government should study the GST regime set up by various countries and also their fallouts before implementing in our country.

**Kaur J (2016)** A Study on impact of goods and service tax in India. According to her study there will be a positive and negative impact of GST in India. She said that prices of some commodity will decrease and prices of some commodity will increase.

**Shafie Mohamed Zabri (2016)**, investigated the level of understanding of GST and also examined the relationship between the understanding of GST and spending behavior among consumers in Batu Pahat, Johor, Malaysia. The result shows that the level of understanding towards GST among consumers in Batu Pahat is at moderate level. Besides, significant findings showed that changes in spending behavior among consumers in this study after the implementation of GST. It was also found that there was

no significant relationship between the level of understanding of GST and spending behavior among consumers

**Khurana & Sharma, (2016)** conducted a study with a view to explore various benefits and opportunities of GST by throwing a light on its' background, objectives of proposed GST plan and its impact on Indian tax scenario. They concluded that GST implementation will definitely benefit producers and consumers although its' implementation requires concentrated efforts of all stake holders especially central and state government.

**Munde & Chavan, (2016)** conducted a study to discuss the pros and cons of GST and accordingly make suggestions to minimize loopholes and make it more effective. They concluded that if the probable loopholes are dealt effectively, tax payers will accept the change brought upon and if procedures in GST proves to be simple and assures the involvement of interest of all stakeholders then definitely it will lead to economic development and rationalization of prices.

**Kumar, R., (2016)**, in his paper 'Comparison between Goods and Services Tax and Current Taxation System – A Brief Study' differentiate the GST framework and previous taxation system and highlighted the impact of GST on Indian economy.

**Khurana, A. And Sharma, A.,16 (2016)**, in their paper 'Goods and Services Tax in India a Positive Reform for Indirect Tax' highlighted the objectives of GST and reforms in indirect taxation system in India. And conclude after implementation of GST, manufacturer, wholesaler and retailer can be easily recovered input taxes in form of tax credit.

**Shefali Dani, (2016)** stated impact of GST on Indian economy in the study in which some benefits of GST such as one nation one tax, free from cascading effect, increase consumption due to cascading effect, transparency and GDP growth are studied. Petroleum products, real estate, and liquor are free from GST.

**Dani, S.,18 (2016)** in her research study revealed that GST being a system replacing all indirect taxes might hamper the progress of the country as the attempt to implement it is not being made whole heartedly.

**Lourd Nathan F and Xavier P., (2016)** studied inexplicit opinion of manufacturers, traders and society. It also included challenges and prospectus of GST in future in India. Centre and state level taxes also discussed in this paper. Various states are shown in which GST is followed for growth of economy. Some issues such demonetization issue, inappropriate time, political issues, rate for manufacturers and traders, impact on working and cash flow and implementation in unorganized sectors became some main issues in path of GST.

**Lourd Nathan & Xavier, (2017)** conducted a study based on exploratory research technique on the basis of past literature to study the opinions of manufacturers, traders, society etc. about the GST and the challenges and prospects of introducing GST in India. They concluded that no doubt GST stands with one tax one nation slogan and will provide relief to producers as well as consumers. Its efficient implementation will lead to resource and revenue gains. They also said that seamless credit and return processing without human intervention requires educating, training, and conducting workshops on GST on the part of government.

**Mjelde, S. and Vani, A., (2017)**, in their research paper on 'Goods and Services Tax (GST) and its outcomes in India...

**Kapoor Kapil, (2017)** critically examined GST implementation, models, mechanism, issues and challenges. Development stages GST in India studied in this paper. Exclusions from GST which is petrol alcohol, tobacco, Diesel and some benefits such as simplicity, transparency, cascading effect, reduction in burden of tax revenue collection, economic growth and no tax for exporters are included in this paper. Challenges also studied in the paper. So, the paper concluded that proper implementation of GST will lead to economic growth. Subhamoy **Banik and Arundhuti Das (2017)** opined that the economy is slowing down due to unplanned implementation of GST. Thus, the disruptions may have accelerated the decline. The only possible remedy for this disruption is to make the transition to GST simpler.

**Prof. Pooja's. Kawle and Prof. Yogesh. L. Aher (2017)** concluded that a single tax will help to maintain simplicity and transparency by treating all goods and services equal without giving a special treatment to some types of goods and services. It will reduce the

litigation on classification of issues. It is also said that implementation of GST in Indian framework will lead to commercial benefits which VAT has not given and hence it would essentially lead to economic development. GST may assure the possibility of overall gain for industry, trade, agriculture and also to central and state government. Now Indian consumer need to have professionalism to acknowledge the GST

**Gupta (2017)** stated that once GST is implemented, most of the challenges of the current indirect tax regime will be a story of the past. India will become a single market where goods can move freely across state borders, compliance will be easier, and costs of daily goods will reduce.

**Dr. Yogesh Kailashchandra Agrawal (2017)** aims to explain the mechanism of GST and its effects on Indian Economy. He highlighted the positive and negative impact of GST in Indian Economy and explained the working mechanism of GST in India. He concluded that GST is at the infant stage in India which will take some time to experience its effects on Indian Economy.

**Dash (2017)** studied the positive and negative impact of GST on Indian Economy. He stated that implementation of GST impacts a nation both positively and negatively. Ignoring negative aspects, positive aspects can be taken into consideration. In order to measure the impact of GST, we need to communicate more and more about the system. It can be a good way of reducing the black money and good effort by the government of India after the demonetization of money in 2016.

**Rajesh (2017)** found that implementation of GST will help to increase the revenue of Central and state govt.

**Modi (2017)** had the opinion that GST implementation would have a negative impact of common man because GST may lead the service expensive.

**Shakeen, Banwari, and Singh (2017)** express that GST will leads to reducing the price of product and increasing the revenue of the government.

**Yadav, S. S. and Shankar, R., (2018)** in their research paper analyzed the history and evolution of GST in the country and how it has replaced various indirect taxes.

## **CHAPTER – 3 RESEARCH**

### **METHODOLOGY**

#### **3.1 Research Design:**

##### **3.1.1 Descriptive Research**

Descriptive survey research **uses surveys to gather data about varying subjects**. This data aims to know the extent to which different conditions can be obtained among these subjects.

#### **3.2 sampling Technique**

##### **3.2.1 Convenience Sampling**

Convenience Sampling is one of the major types of non-probability sampling methods used by the researchers.

#### **3.3 SOURCE OF DATA:**

Data collection is the term used to describe a process of preparing and collecting data.

**3.3.1. Primary Data** – Questionnaire given to 143 respondents

**3.3.2. Secondary Data-** Websites, online, Published reports and review of literature from published articles

### **3.4 structure of Questionnaire**

Questionnaire was divided into two sections; first part was designed to know the general information about consumer, second part was designed respondent/consumer opinion about Goods and Service Tax (GST).

### **3.5 Sampling Size:**

The size of the sample was collected 143 from the respondent with the help of Questionnaire. The collected sample is in the method of convenience.

### **3.6 Sampling Area:**

Data Collected Area: **Tamil Nadu**

### **3.7 Period of the Study:**

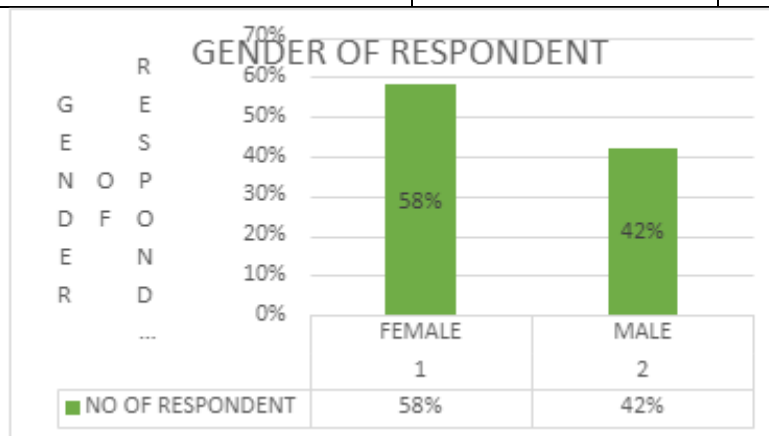
The duration of my study is from January 2022 to March 2022 which is three months of the study.

## CHAPTER – 4

### DATA ANALYSIS AND INNTRETATION

Table 4.1 Gender of the respondent

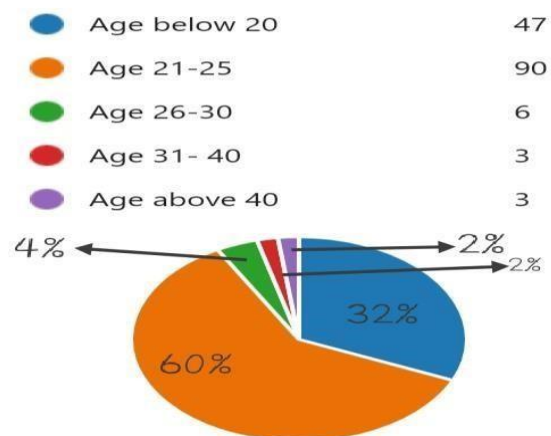
| S.NO | PARTICULARS       | NO.OF. RESPONDENT | PERCENTAGE  |
|------|-------------------|-------------------|-------------|
| 1    | Female            | 86                | 58%         |
| 2    | Male              | 62                | 42%         |
| 3    | Prefer not to say | 1                 | 1%          |
|      | <b>TOTAL</b>      | <b>149</b>        | <b>101%</b> |



The table and bar graph reflect about gender of the respondent, 86 of 58% Female respondent ,62 of 42% of male respondent, 1 of 1% of respondent prefer not say

**Table 4.2 Age of Respondent**

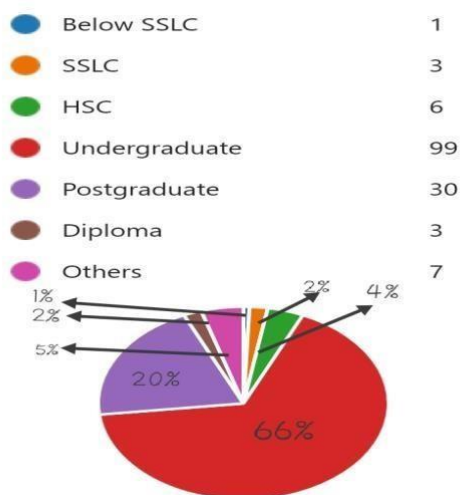
| S.NO | PARTICULARS  | NO. OF RESPONDENT | PERCENTAGE |
|------|--------------|-------------------|------------|
| 1    | Age below 20 | 47                | 32%        |
| 2    | Age 21-25    | 90                | 60%        |
| 3    | Age 26-30    | 6                 | 4%         |
| 4    | Age 31-40    | 3                 | 2%         |
| 5    | Age below 40 | 3                 | 2%         |
|      | TOTAL        | 149               | 100%       |



The table and pie chart explained age of the respondent 47 of 32% of respondent age is 20, 90 of 60% of respondent age is 21-25, 6 of 4% of respondent age is 26-30, 3 of 2% of age is 31-40, 3 of 2% of respondent age is above 40

**Table 4.3 Education details of the respondent**

| <b>S.<br/>No</b> | <b>PARTICULARS</b>   | <b>NO. OF<br/>RESPONDENT</b> | <b>PERCENTAGE</b> |
|------------------|----------------------|------------------------------|-------------------|
| <b>1</b>         | <b>Below SSLC</b>    | <b>1</b>                     | <b>1%</b>         |
| <b>2</b>         | <b>SSLC</b>          | <b>3</b>                     | <b>2%</b>         |
| <b>3</b>         | <b>HSC</b>           | <b>6</b>                     | <b>4%</b>         |
| <b>4</b>         | <b>Undergraduate</b> | <b>99</b>                    | <b>66%</b>        |
| <b>5</b>         | <b>Postgraduate</b>  | <b>30</b>                    | <b>20%</b>        |
| <b>6</b>         | <b>Diploma</b>       | <b>3</b>                     | <b>2%</b>         |
| <b>7</b>         | <b>Others</b>        | <b>7</b>                     | <b>5%</b>         |
|                  | <b>TOTAL</b>         | <b>149</b>                   | <b>100%</b>       |

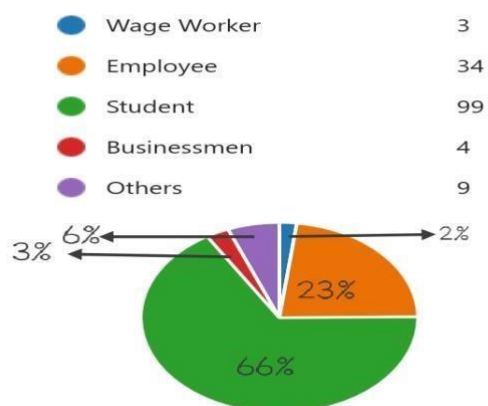


The table of undergraduate of 99 of 66%, postgraduate of 30 of 20% respondent, others 7 of 5% respondent, HSC 6 of 4% respondent, SSLC of 3 of 2%, below SSLC 1 of 1%.

**Table 4.4 Profession of the respondent**

| S.NO | PARTICULARS | NO.OF. RESPONDENT | PERCENTAGE |
|------|-------------|-------------------|------------|
| 1    | Wage Worker | 3                 | 2%         |
| 2    | Employee    | 34                | 23%        |
| 3    | Student     | 99                | 66%        |

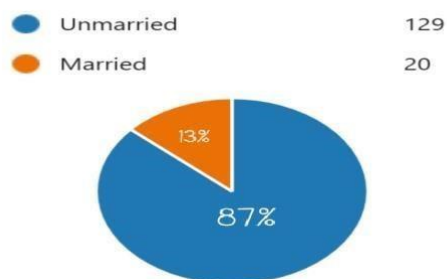
|   |             |     |      |
|---|-------------|-----|------|
| 4 | Businessmen | 4   | 3%   |
| 5 | Others      | 9   | 6%   |
|   | TOTAL       | 144 | 100% |



The table and pie chart explain the profession of the respondent. 99 of 66% of respondents are student, 34 of 23% respondents is employee, 9 of 6% respondents are others, 4 of 3% respondents are businessmen and 3 of 2% respondent are wage worker.

#### 4.5 Marital status of the respondent

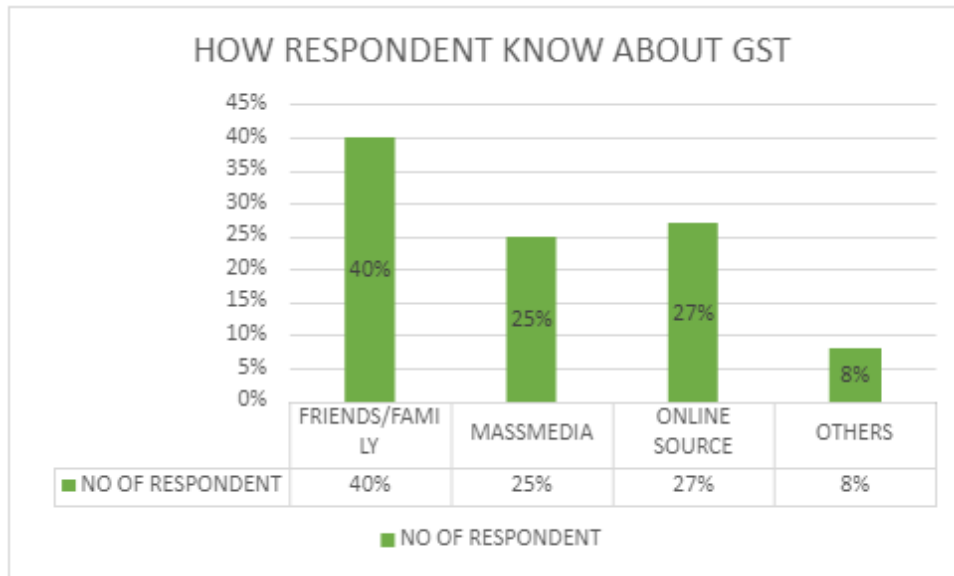
| S.NO | PARTICULARS | NO.OF. RESPONDENT | PERCENTAGE |
|------|-------------|-------------------|------------|
| 1    | Unmarried   | 129               | 87%        |
| 2    | Married     | 20                | 13%        |
|      | TOTAL       | 149               | 100%       |



The table and pie chart reflects the marital status of the respondent. 129 of 87% of respondents are unmarried and 20 of 13% of respondent are married.

#### 4.6 How do respondent know about GST? From

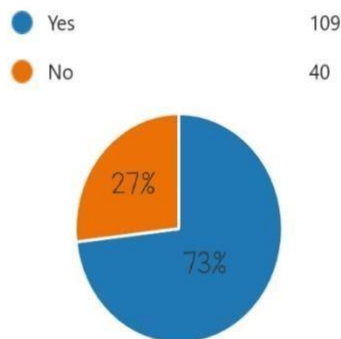
| S.NO | PARTICULARS    | NO.OF. RESPONDENT | PERCENTAGE  |
|------|----------------|-------------------|-------------|
| 1    | Friends/Family | 59                | 40%         |
| 2    | Mass Media     | 37                | 25%         |
| 3    | Online Source  | 40                | 27%         |
| 4    | Others         | 13                | 9%          |
|      | <b>TOTAL</b>   | <b>149</b>        | <b>100%</b> |



The above table and chart reflect how respondent know about GST. 57 of 40% of friends /family, 38 of 27% online source, 37 of 25% mass media and 12 of 8% others.

#### 4.7 Respondent have knowledge about the proposed rates of GST?

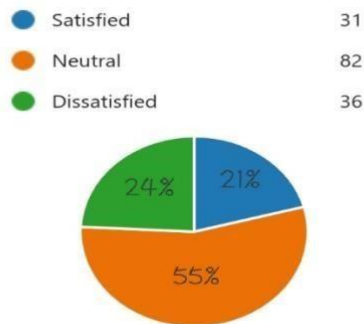
| S.NO | PARTICULARS | NO OF RESPONDENT | PERCENTAGE |
|------|-------------|------------------|------------|
| 1    | Yes         | 109              | 73%        |
| 2    | No          | 40               | 27%        |
|      | TOTAL       | 149              | 100%       |



The above table and pie chart reflects respondent have knowledge about the proposed rates of GST. 105 of 73% yes respondent and 39 of 27% respondent answered no.

#### 4.8 Whether the proposed rate GST is satisfactory?

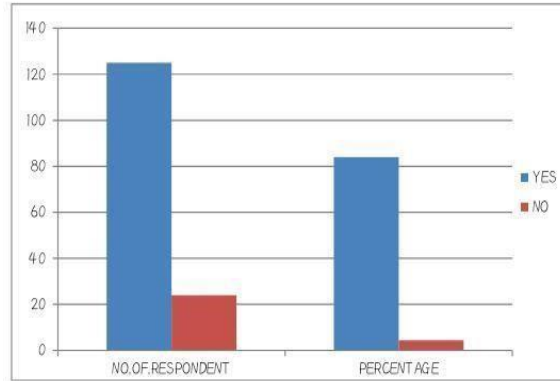
| S.NO | PARTICULARS  | NO OF RESPONDENT | PERCENTAGE |
|------|--------------|------------------|------------|
| 1    | Satisfied    | 31               | 21%        |
| 2    | Neutral      | 82               | 55%        |
| 3    | Dissatisfied | 36               | 24%        |
|      | TOTAL        | 149              | 100%       |



The above table and pie chart reflects whether the proposed rate GST is satisfactory to the respondent. 29 of 20% of respondent are satisfied 79 of 55% of respondent neutral and 36 of 25% of respondent dissatisfied.

#### 4.9 Do you think implementation GST will cause higher price of goods and service?

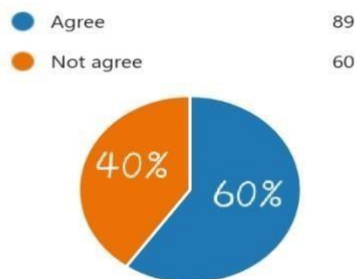
| S.NO | PARTICULARS | NO.OF. RESPONDENT | PERCENTAGE |
|------|-------------|-------------------|------------|
| 1    | Yes         | 125               | 84%        |
| 2    | No          | 24                | 16%        |
|      | TOTAL       | 149               | 100%       |



The table and chart reflects do respondent think implementation GST will cause higher price of goods and service. 125 of 4% of respondents select yes and 24 of 16% of respondent selected no.

#### 4.10 Do you agree all business need to be registered under GST?

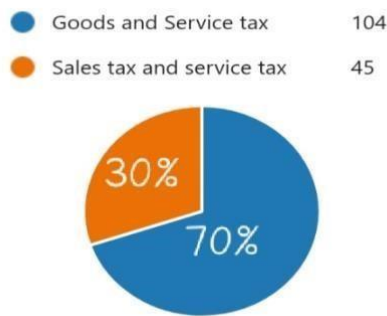
| S.NO | PARTICULARS | NO. OF RESPONDENT | PERCENTAGE |
|------|-------------|-------------------|------------|
| 1    | Agree       | 85                | 59%        |
| 2    | Disagree    | 59                | 41%        |
|      | TOTAL       | 144               | 100%       |



The above table and pie chart reflects do respondent agree all business need to be registered under GST. 85 of 59% of respondent agree and 59 of 41 % disagree

#### 4.11 Which system do you think is more beneficial to both government and people?

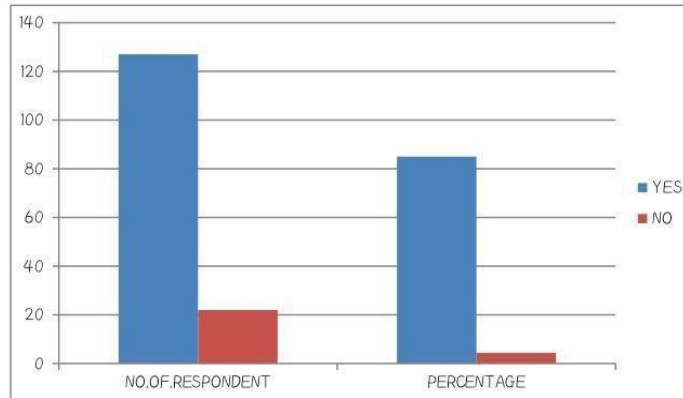
| S No | PARTICULARS           | NO. OF RESPONDENT | PERCENTAGE |
|------|-----------------------|-------------------|------------|
| 1    | Goods and Service Tax | 104               | 70%%       |
| 2    | Sales and Service Tax | 45                | 30%        |
|      | TOTAL                 | 144               | 100%       |



The above table and pie chart reflects which system do respondent think is more beneficial to both government and people. 104 of 70% of respondent select goods and service tax and 45 of 30% of respondent selected sales and service tax.

#### 4.12 Do you think GST will burden the people/consumer?

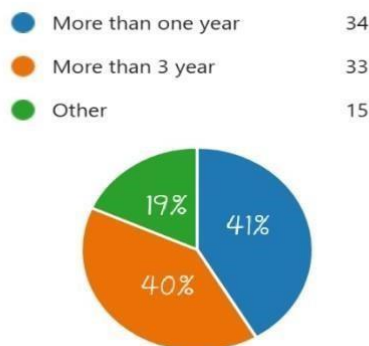
| S.NO | PARTICULARS | NO. OF RESPONDENT | PERCENTAGE |
|------|-------------|-------------------|------------|
| 1    | Yes         | 127               | 85%        |
| 2    | No          | 22                | 15%        |
|      | TOTAL       | 149               | 100%       |



The above table and chart are reflecting do respondent think GST will burden the people/consumer. 127 of 85% respondent select yes and 22 of 15% of respondent select no.

#### 4.13 If no then when would you expect GST to be applied in India?

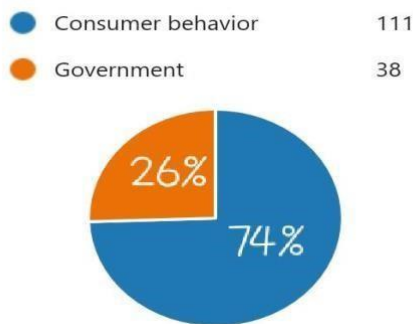
| S. NO | PARTICULARS       | NO. OF. RESPONDENT | PERCENTAGE |
|-------|-------------------|--------------------|------------|
| 1     | More than 1 year  | 34                 | 42%        |
| 2     | More than 3 years | 33                 | 41%        |
| 3     | Others            | 14                 | 17%        |
|       | TOTAL             | 81                 | 100%       |



The above table and pie chart explained If no then when would you expect GST to be applied in India. 34 of 42% of more than 1 year selected by the respondent. 33 of 40% of the respondent selected more than 3 years. 14 of 17% of respondent selected others.

#### 4.14 Does GST effects

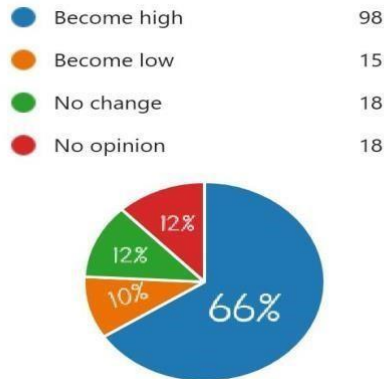
| S No | PARTICULARS       | NO. OF. RESPONDENT | PERCENTAGE |
|------|-------------------|--------------------|------------|
| 1    | Consumer Behavior | 111                | 74%        |
| 2    | Government        | 38                 | 26%        |
|      | TOTAL             | 149                | 100%       |



The above table and pie chart does GST effects 111 of 74% respondent selected the consumer behavior and 38 of 26% of respondent selected government.

#### 4.15 Opinion about the price level changes after the implementation of GST

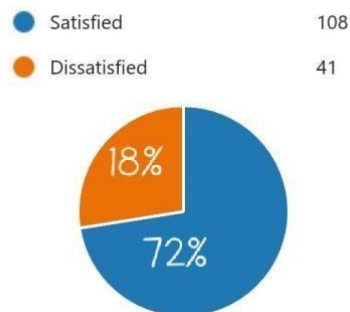
| S. NO | PARTICULARS | NO. OF RESPONDENT | PERCENTAGE |
|-------|-------------|-------------------|------------|
| 1     | Become high | 98                | 66%        |
| 2     | Become low  | 15                | 10%        |
| 3     | No change   | 18                | 12%        |
| 4     | No opinion  | 18                | 12%        |
|       | TOTAL       | 149               | 100%       |



The above-mentioned table and pie chart about opinion about the price level changes after the implementation of GST. 98 of 66% of respondent selected become high, 15 of 10% of respondent selected become low, no change selected by 18 of 12% of respondent and 18 of 12% of respondent selected no opinion.

#### 4.16 Do you satisfaction with the principle of “One nation one tax”?

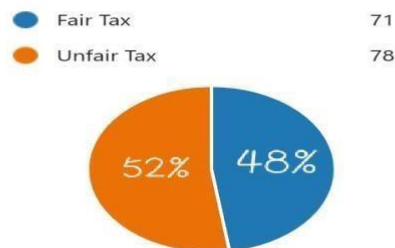
| S.NO | PARTICULARS  | NO. OF RESPONDENT | PERCENTAGE |
|------|--------------|-------------------|------------|
| 1    | Satisfied    | 108               | 72%        |
| 2    | Dissatisfied | 41                | 28%        |
| 72   | TOTAL        | 149               | 100%       |



The above-mentioned table and pie chart do respondent satisfaction with the principle of “One nation one tax”. 108 of 72% of respondent satisfied and 41 of 28% of respondent dissatisfied.

#### 4.17 Is GST a

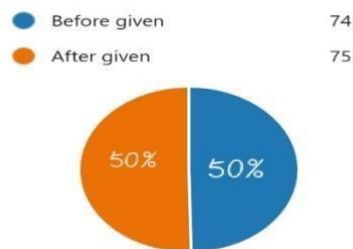
| S.NO | PARTICULARS | NO. OF. RESPONDENT | PERCENTAGE |
|------|-------------|--------------------|------------|
| 1    | Fair Tax    | 71                 | 48%        |
| 2    | Unfair Tax  | 78                 | 52%        |
|      | TOTAL       | 149                | 100%       |



The table and pie chart explained about GST is a fair or unfair tax. 70 of 48% of respondent of fair tax and 75 of 52% of respondent selected the unfair tax.

#### 4.18 When the government had given enough awareness for implementation of the GST?

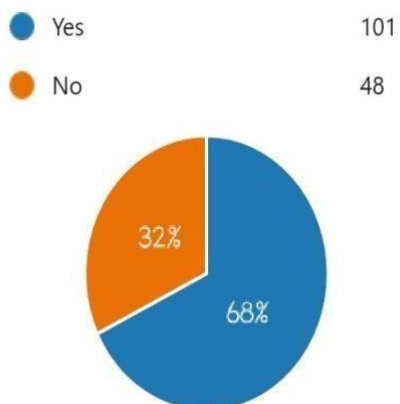
| S.NO | PARTICULARS  | NO. OF RESPONDENT | PERCENTAGE |
|------|--------------|-------------------|------------|
| 1    | Before given | 74                | 50%        |
| 2    | After given  | 75                | 50%        |
|      | TOTAL        | 149               | 100%       |



The table and pie chart reflects the government had given enough awareness for implementation of the GST 74 of 50% of respondent selected before given and 75 of 50% of respondent selected after given.

#### 4.19 Respondent who got chance to intimate the government their opinion on GST

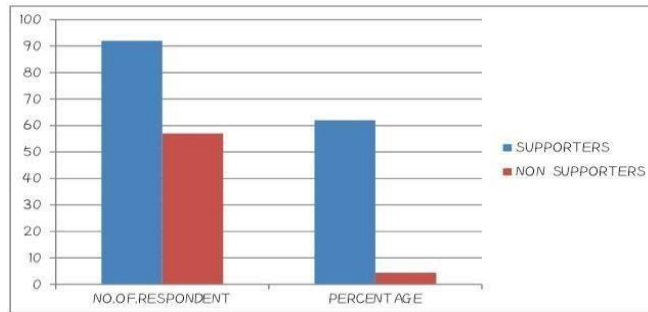
| S.NO | PARTICULARS | NO. OF RESPONDENT | PERCENTAGE |
|------|-------------|-------------------|------------|
| 1    | Yes         | 101               | 68%        |
| 2    | No          | 48                | 32%        |
|      | TOTAL       | 145               | 100%       |



The table and pie chart explained about respondent who got chance to intimate the government their opinion on GST is 101 of 68% respondent selected yes and 48 of 32% of respondent selected no.

#### 4.20 Respondent who support GST

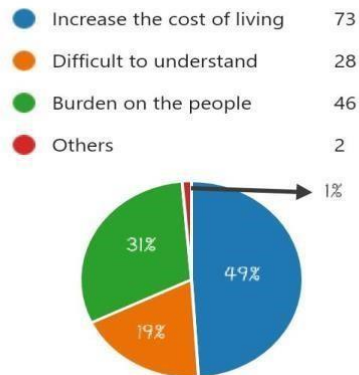
| S.NO | PARTICULARS    | NO. OF RESPONDENT | PERCENTAGE |
|------|----------------|-------------------|------------|
| 1    | Supporters     | 92                | 62%        |
| 2    | Non-Supporters | 57                | 38%        |
|      | TOTAL          | 149               | 100%       |



The table and pie chart explained about respondent who support GST is 92 of 62% supporters and non-supporters are 57 of 38%

#### 4.21 Respondent who not to support GST for the reason of

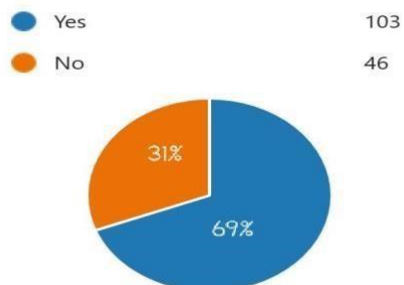
| S. No | PARTICULARS                 | NO. OF RESPONDENT | PERCENTAGE |
|-------|-----------------------------|-------------------|------------|
| 1     | Increase the cost of living | 73                | 49%        |
| 2     | Difficult to understand     | 28                | 19%        |
| 3     | Burden to the people        | 46                | 31%        |
| 4     | Others                      | 2                 | 1%         |
|       | TOTAL                       | 149               | 100%       |



The table and pie chart about respondent who not to support GST for the reason of 73 of 49% for increase the cost, 28 of 19% respondent for difficulty to understand, 46 of 31% burden of the people and 2 of 1% of respondent selected.

#### 4.23 Does GST help India progress?

| S.NO | PARTICULARS | NO. OF RESPONDENT | PERCENTAGE |
|------|-------------|-------------------|------------|
| 1    | Yes         | 103               | 69%        |
| 2    | No          | 46                | 31%        |
|      | TOTAL       | 149               | 100%       |



The table and pie chart defined does GST help Indian progress 103 of 69% of respondent yes 46 of 31% of respondent selected no.

## CHAPTER-5

### 5.1 FINDINGS

- Majority (58%) of the female respondent
- Majority (60%) of respondent the age of 21-25
- Majority (66%) of UG respondent
- Majority (66%) of student respondent
- Majority (87%) of unmarried respondent
- Majority (40%) of Friends and family respondent
- Majority (73%) of have knowledge of GST
- Majority (55%) of respondent satisfactory the proposed rate of GST
- Majority (84%) of respondent think GST will cause higher price of goods and service
- Majority (60%) of respondent agreed all business need to be registered under GST
- Majority (70%) of respondent think more beneficial to both government and people
- Majority (85%) of respondent think GST will burden the people/consumers
- Majority (41%) of respondent expect to applied in India for more than one year
- Majority (74%) of respondent GST effects consumer behavior
- Majority (66%) of respondent opinion about the price level changes after the implementation of GST is becoming high
- Majority (72%) of respondent have satisfied with the principle of “ONE NATION ONE TAX”
- Majority (52%) of respondent GST is an unfair tax

- Majority (50%) of respondent the government had before and after given enough awareness for implementation of the GST
- Majority (68%) of respondent got chance to intimate the government their opinion on GST
- Majority (62%) of respondent support GST
- Majority (49%) of respondent not to support GST to the reason of increase the cost of living
- Majority (69%) of respondent think GST help India progress

## 5.2 SUGGESTION

- Indian Government authorities can reduce the GST rates applicable to essential commodities to help the consumers to spend more on essential commodities as the impact of GST is more on essential items.
- GST is good only because of reduce the corruptions. But it too high for the middleclass people's and it's very difficult to pay. The percentage of GST will be reduced in future to increase the living standards of middle- and lower-class people.
- GST is a national development system which is one nation one tax in entire India it will become growth of our economic boost.
- Indian government can set max rates for GST. Individual state governments should decide GST rates, Certain percentage of GST amount can be shared with Indian Government (EX: 70% for state government and 30% for Indian government).
- GST is imposed at every step in the production process, but is meant to be refunded to all parties in the various stages of production other than the final consumer and as a destination-based tax, it is collected from point of consumption and not point of origin like previous taxes.
- GST has lots of advantage but it's not beneficiary for all people so the government can reconstruct the tax slab rates
- Can give class or at least detailed explanation to the consumer
- Whatever the plans which government execute should not affect lower-level society since most of them are like that.
- Union government has to think about laws and need reforms in those laws
- GST should be reduced its rate is high
- Many countries that buy less GST give away medicine for free. But our country, which buys more, has raised all prices, not just medicine so this GST is burden to the people's there is nothing wrong with buying. But it must be used properly for the consumer
- If every product having GST means it's a big issue for the consumer

### **5.3 CONCLUSION**

The overview of GST is designed in such a way to generate good amount of revenue for both central as well as state government. Moreover, collection of indirect taxes benefits both government and people of India. But GST has negative impact on spending behavior of the consumers towards the essential commodities. It is essential on the part of the govt. to reconsider the tax rates in such a way that it does not affect the consumers of essential commodities largely.

GST is a step forward for India to integrate its market and systematically develop its economy as a whole. The essence of GST is that all goods and services be taxed at moderate rate. So, in the long run it is expected that the burden of GST on common man will be reduced. GST, the biggest tax reform in the country has kicked in. Although the goods and services get cheaper on account of ITC available to most of the goods and services and certain exemptions available thereon, there has been a drastic increase in the rate of taxes on various items. Hence, it will be good if a consumer makes the analysis of the applicable rates and then make purchases or consume the services according to his income pattern.

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## 5.4 APPENDIX

**1.Name (optional)**

**2. Gender \***

- a) Female
- b) Male
- c) Prefer not to say

**3. Age\***

- (a) age below 20
- (b) age 21-25
- (c) age 26-32
- (d) age above 40

**4.Education \***

- a) Below SSLC
- b) SSLC
- c) HSC
- d) Under graduate
- e) Post graduate
- f) Diploma
- g) Others

**5. Profession \***

- a) Wage worker
- b) Employee

- c) Student
- d) Business men
- e) Others

**6.Marital Status\***

- a) Married
- b) Unmarried

**7.How do you know about GST? From; \***

- a) Friends
- b) Family
- c) Online source
- d) Others

**8. If your answer is others kindly mention it(optional)**

**9. Do you have knowledge about the proposed rate of GST? \***

- a) Yes
- b) No

**10. Whether the proposed rate of GST is satisfactory? \***

- a) Satisfied
- b) Neutral
- c) Dissatisfied

**11. Do you think implementation GST will cause higher price of goods and service?**

- a) Yes
- b) No

**12. Do you agree all business need to be registered under GST? a)**

Agree

b) Disagree

**13. Which system do you think is more beneficial to both government and people? \***

a) Goods and service Tax

b) Sales and Service Tax

**14. Do you think GST will burden the People/consumer? \***

a) Yes

b) No

**15. If your answer is 'No' then when would you expect GST to be applied in India? \***

a) More than one year

b) More than 3 years

c) Other

**16. If your answer is other kindly mention it (option)**

**17. Does GST effects \***

a) Consumer Behaviors

b) Government

**18. Opinion about the price level changes after the implementation of**

**GST \***

- a) Become high
- b) Become low
- c) No change
- d) No opinion

**19. Do you satisfaction with the principle of “One Nation One tax”? \* a)**

Satisfied

- b) Dissatisfied

**20. Is GST a \***

- a) Fair tax
- b) Unfair tax

**21. When the government had given enough awareness for implementation of the GST? \***

- a) Before given
- b) After given

**22. Respondent who got chance to intimate the government their opinion on GST\***

- a) Yes
- b) No

**23. Respondent who support GST\***

- a) Supporters
- b) Non supporters

**24. Respondent who not to support GST to the reason of \***

- a) Increase the cost of living
- b) Difficult to understand
- c) Burden on the people
- d) Others

**25. Does GST help India progress? \***

- a) Yes
- b) No

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/GSTN portal

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- [CBIC GST Law](#)
- [GST Council](#)