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Transformative Influence Of Gst On Retailers: Redefining Compliance, Cost And Consumer Value

Dr. Sasmita Panda[1], Murugesha B N[2], Radha T[3], Sreelakshmi A R[4]

[1]*Associate Professor, PG Department of Management, St. Claret College, Autonomous, Bengaluru. ORCID: 0009-0002-2044-7996*
[2]*Assistant Professor, Department BBA and BCom, Dayananda Sagar college of Arts Science and Commerce, Bengaluru.ORCID: 0009-0004-8171-0238*
[3]*Assistant Professor, Department of Commerce, St. Claret College Autonomous, Bengaluru. ORCID: 0000-0002-5719-3830*
[4]*Assistant Professor, Gopalan College of Commerce, Bengaluru.*

Abstract
GST is an indirect tax levied on goods and services sold in India. It replaced many indirect taxes such as excise duty, VAT (value added tax), services tax, etc. The Goods and Service Tax Act was passed in the Parliament on 29th March 2017 and came into effect on 1st July 2017." The introduction of GST in India would be the country's biggest tax reform to date. As a result, the definition of the goods and services tax (GST) as a consumption-based tax derived from the manufacture, sale, and consumption of products and services further contributes to the process of turning the nation into a single, integrated common market. Primary data has been gathered for the study from questionnaire from retailers through convenient sampling. This study examines the complex terrain of the Goods and Services Tax (GST) to evaluate its dramatic effects on the business and economic ecologies while also examining the level of awareness and impact on various factors of GST among various retailers. GST was enacted as a revolutionary tax reform in many nations and has been the focus of intense scrutiny and debate. This study focuses and analyses the effects of the GST and the corresponding levels of awareness among different types of retailers.

Keywords: GST, VAT, retailers.

Introduction
The Goods and Services Tax (GST) went into force on July 1st, 2017. The GST is an indirect tax that has combined practically all the indirect taxes levied by the national and state governments of India. The way the GST is implemented is dual, combining the CGST (Central GST) and SGST (State GST). Three taxes—CGST, SGST, and IGST—are now applicable under the GST system because of significant changes.

The government of India imposed direct tax and indirect tax, two different sorts of taxes. Taxes paid directly to the government by the taxpayer include income taxes, wealth taxes, and corporation taxes. Instead of taxing income or profits, indirect taxes are imposed on products and services. The phrase "indirect tax" refers to taxes that are not paid directly to the government but are instead obtained from end users of products and services by middlemen like retailers. Indirect tax is therefore ultimately paid for by consumers.

The central and state governments of India imposed taxes at different points throughout the supply chain, including octroi, excise duty, central sales tax, and value added tax, creating a multi-layered indirect taxation structure. The national excise tax was replaced by the central

VAT (CENVAT), and the sales tax system was replaced by state government VAT as part of the Indian government's extensive efforts to reform the indirect taxation system. By allowing setoff for tax paid on inputs and prior purchases, it was an attempt to eliminate the cascading effect of the indirect taxation system. But both CENVAT and state VAT have some incompleteness because several taxes have not been subsumed in the CENVAT. Despite various initiatives and changes made by the Government the then taxation system was complicated and cumbersome. So, to make it scientific, modern but simplified Dr Vijay Kelkar chairman of 13th finance commission has suggested the implementation of GST in India.

Review Literature

Banik and Das (2017) - The study revealed the challenges to be faced by India Economy after the implication of GST, it throws light on the comparison of GST with previews Tax system, there were 31 taxes including sales tax, state tax etc., which are now turned into CGST, IGST, SGST making tax structure more complicated. Impact of GST on Indian Economy: A Comprehensive Analysis" by Dr. Ranjit Singh and Dr. Satish Kumar (2018)- This research paper analyzes the economic impact of GST on various sectors, revenue collection, and its effect on economic growth. Impact of GST on Retail Sector in India: An Analysis" by Dr. Manish Sharma and Dr. Meenal Sharma (2019)- This research paper examines the impact of GST on the retail sector in India, including changes in pricing, supply chain, and retailer behavior. The Impact of GST on Retailers: A Case Study Approach" by Dr. Manisha Harisinghani and Dr. H. N. Mishra (2019)- This study adopts a case study approach to analyze how specific retailers in India have adapted to the GST regime and the changes they have implemented. Goods and Services Tax (GST) and Its Impact on Retail Sector: An Analytical Study" by Dr. Jitendra Kumar and Dr. Ramesh Kumar (2018)- This research paper analyzes the impact of GST on the retail sector in India, emphasizing changes in taxation, pricing, and business strategies.

Objectives Of The Study

1. To identify the awareness of GST among retailers
2. To understand the impact of implementation of GST among retailers.

Research Methodology

The research conducted in this study falls under the category of empirical research and was carried out among retailers in the city of Bengaluru. The primary source of data for this research was collected through Google Forms questionnaires. To select the participants, a convenient sampling method was employed, which may have implications for the generalizability of the findings. The study spanned a period of one month, during which data collection and analysis took place. The primary statistical tool used for the analysis of the collected data was the chi-square test, which enabled the examination of associations and relationships among variables of interest within the study.

Hypothesis

a. **H0:** There is no significant relationship between the educational status and the awareness level about GST of retailers.
b. **H1:** There is a significant relationship between the educational status and the awareness level about GST of retailers.
c. **H0:** The implementation of GST has no significant impact on retailers. H1: The

implementation of GST has a significant impact on retailers.

Data Interpretation

Table.1 Awareness level of Tax rate among retailers

Aware			Highly Aware	Highly Unaware	Neutral	Unaware	Total
Education Qualification	10	2	5	0	3	1	11
	12	1	8	0	0	2	11
	Below 10	2	5	1	1	1	10
	Graduate	4	10	0	1	0	15
	Post Graduate	5	4	1	2	1	13
Total		14	32	2	7	5	60

Chi-Square Tests

Value		Df	Asymptotic Significance (2- sided)
Pearson Chi-Square	15.105[a]	16	.517
Likelihood Ratio	17.490	16	.355
N of Valid Cases	60		

Interpretation:

- **Pearson Chi-Square:** The Pearson Chi-Square value is 15.105 with 16 degrees of freedom (df). The asymptotic significance (2-sided) is 0.517.
- **Likelihood Ratio:** The Likelihood Ratio Chi-Square value is 17.490 with 16 degrees of freedom (df). The asymptotic significance (2-sided) is 0.355.

In both cases, since the p-values are greater than the commonly used significance level of 0.05 ($\alpha = 0.05$), you would fail to reject the null hypothesis and alternative hypothesis is accepted. So here is a significant relationship between the educational status and the awareness on tax rate among retailers.

Table.2 Awareness level of Payment mechanism among retailers

Aware			Highly Aware	Highly Unaware	Neutral	Unaware	Total
Education Qualification	10	6	0	0	4	1	11
	12	7	1	0	3	0	11
	Below 10	6	2	0	2	0	10
	Graduate	9	4	0	1	1	15
	Post Graduate	5	2	1	5	0	13
Total		33	9	1	15	2	60

Chi-Square Tests

Value		df	Asymptotic Significance (2- sided)
Pearson Chi-Square	14.337[a]	16	.574
Likelihood Ratio	16.572	16	.414
N of Valid Cases	60		

Interpretation:

- **Pearson Chi-Square:** The Pearson Chi-Square value is 14.337 with 16 degrees of freedom (df). The asymptotic significance (2-sided) is 0.574.
- **Likelihood Ratio:** The Likelihood Ratio Chi-Square value is 16.572 with 16 degrees of freedom (df). The asymptotic significance (2-sided) is 0.414.

In both cases, since the p-values are greater than the commonly used significance level of 0.05 (α = 0.05), you would fail to reject the null hypothesis and alternative hypothesis is accepted. So here is a significant relationship between the educational status and the awareness on payment mechanism among retailers.

Table.3 Awareness level of online procedure among retailers

Aware			Highly Aware	Highly Unaware	Neutral	Unaware	
Education Qualification	10	4	3	0	1	3	11
	12	2	1	0	4	4	11
	Below 10	6	1	0	2	1	10
	Graduate	6	4	0	3	2	15
	Post Graduate	3	1	1	6	2	13
Total		21	10	1	16	12	60

Chi-Square Tests

Value		df	Asymptotic Significance (2- sided)
Pearson Chi-Square	16.513[a]	16	.418
Likelihood Ratio	15.872	16	.462
N of Valid Cases	60		

Interpretation

- **Pearson Chi-Square:** The Pearson Chi-Square value is 16.513 with 16 degrees of freedom (df).The asymptotic significance (2-sided) is 0.418.The p-value (0.418) is greater than the commonly used significance level of 0.05 (α = 0.05)
- **Likelihood Ratio:** The Likelihood Ratio Chi-Square value is 15.872 with 16 degrees of freedom (df). The asymptotic significance (2-sided) is 0.462. the p-value of 0.462 indicates that there is no statistically significant association or difference between the variables being analysed.

In both cases, since the p-values are greater than the commonly used significance level of 0.05 (α = 0.05), you would fail to reject the null hypothesis.

So here is a significant relationship between the educational status and the awareness on online procedure among retailers.

Table .4 Awareness level of Composition scheme among retailers

Aware			Highly Aware	Highly Unaware	Neutral	Unaware	Total
Education Qualification	10	5	2	0	3	1	11
	12	2	2	1	4	2	11
	Below 10	3	2	0	4	1	10
	Graduate	5	2	0	8	0	15
	Post Graduate	7	2	3	1	0	13

Total	22	10	4	20	4	60

Chi-Square Tests

Value	df	Asymptotic Significance (2- sided)
Pearson Chi-Square	19.395[a]	16
Likelihood Ratio	21.831	16
N of Valid Cases	60	

a. 23 cells (92.0%) have expected count less than 5. The minimum expected count is .67.

Interpretation

- **Pearson Chi-Square:** The Pearson Chi-Square value is 19.395 with 16 degrees of freedom (df).The asymptotic significance (2-sided) is 0.249
- **Likelihood Ratio:** The Likelihood Ratio Chi-Square value is 21.831 with 16 degrees of freedom (df).The asymptotic significance (2-sided) is 0.414.

In both cases, since the p-values are greater than the commonly used significance level of 0.05 (α = 0.05), you would fail to reject the null hypothesis. So here is a significant relationship between the educational status and the awareness on composition scheme among retailers.

Table.5 Awareness level of tax refunds among retailers

Aware			Highly Aware	Highly Unaware	Neutral	Unaware	Total
Education Qualification	10	7	1	1	1	1	11
	12	1	1	2	5	2	11
	Below 10	2	5	0	2	1	10
	Graduate	4	6	0	4	1	15
	Post Graduate	6	2	2	3	0	13
Total		20	15	5	15	5	60

Chi-Square Tests

Value		Df	Asymptotic Significance (2- Sided)
Pearson Chi-Square	22.594[a]	16	.125
Likelihood Ratio	25.173	16	.067
N of Valid Cases	60		

Interpretation

- **Pearson Chi-Square:** The Pearson Chi-Square value is 22.594 (marked with 'a') with 16 degrees of freedom (df).The asymptotic significance (2-sided) is 0.125
- **Likelihood Ratio:** The Likelihood Ratio Chi-Square value is 25.173 with 16 degrees of freedom (df).The asymptotic significance (2-sided) is 0.067

In both cases, since the p-values are greater than the commonly used significance level of 0.05 (α = 0.05), you would fail to reject the null hypothesis. So here is a significant relationship between the educational status and the awareness on tax refund among retailers.

Table.6 Effect on GST on increase turnover among various type of retailers

					Total
Effective	Highly Effective	Highly Ineffective	Ineffective	Neutral	

Area Of Retail	Garments	3	7	0	1	4	15
	Grocery	9	6	2	2	8	27
	Restaurants	3	9	0	3	3	18
Total		15	22	2	6	15	60

Chi-Square Tests

Value		Df	Asymptotic Significance (2- Sided)
Pearson Chi-Square	8.559[a]	8	.381
Likelihood Ratio	9.406	8	.309
N of Valid Cases	60		

Interpretation

- **Pearson Chi-Square:** The Pearson Chi-Square value is 8.559 (marked with 'a') with 8 degrees of freedom (df). The asymptotic significance (2-sided) is 0.381.
- **Likelihood Ratio:** The Likelihood Ratio Chi-Square value is 9.406 with 8 degrees of freedom (df).The asymptotic significance (2-sided) is 0.309.

This means that you do not have enough statistical evidence to reject the null hypothesis.so we accept alternate hypothesis say that there GST has impacted the retailers on the increasing their sales turnover.

Table.7 Effect on GST on factors increase in price of goods

Effective			Highly Effective	Highly Ineffective	Ineffective	Neutral	Total
Area Of Retail	Garments	5	6	1	1	2	15
	Grocery	11	6	1	8	1	27
	Restaurants	7	6	0	2	3	18
Total		23	18	2	11	6	60

Value		Df	Asymptotic Significance (2- Sided)
Pearson Chi-Square	7.904[a]	8	.443
Likelihood Ratio	8.740	8	.365

Interpretation

- **Pearson Chi-Square:** The Pearson Chi-Square value is 7.904 (marked with 'a') with 8 degrees of freedom (df). The asymptotic significance (2-sided) is 0.443.
- **Likelihood Ratio:** The Likelihood Ratio Chi-Square value is 8.740 with 8 degrees of freedom (df). The asymptotic significance (2-sided) is 0.365.

Both cases, the p-values (asymptotic significance) are provided for the Pearson Chi-Square (0.443) and Likelihood Ratio (0.365) tests. The p-values are compared to the commonly used significance level of 0.05 ($\alpha = 0.05$). When the p-value is less than or equal to 0.05, it suggests evidence to reject the null hypothesis means that you do not have enough statistical evidence to reject the null hypothesis.so we accept alternate hypothesis say that the GST has impacted the retailers on the increasing their price of products.

Table.8 Effect on GST on factors Increased production cost

					Total
Effective	Highly	Highly	Ineffecti	Neutral	

			Effective	Ineffective	ve		
Area Of Retail	Garments	9	4	1	0	1	15
	Grocery	13	5	1	2	6	27
	Restaurants	11	3	0	1	3	18
	Total	33	12	2	3	10	60

Chi-Square Tests			
Value		Df	Asymptotic Significance (2- Sided)
Pearson Chi-Square	4.469[a]	8	.813
Likelihood Ratio	5.862	8	.663

Interpretation

- **Pearson Chi-Square:** The Pearson Chi-Square value is 4.469 (marked with 'a') with 8 degrees of freedom (df).The asymptotic significance (2-sided) is 0.813.
- **Likelihood Ratio:** The Likelihood Ratio Chi-Square value is 5.862 with 8 degrees of freedom (df).The asymptotic significance (2-sided) is 0.663. In both cases, the p-values (asymptotic significance) are provided for the Pearson Chi-Square (0.813) and Likelihood Ratio (0.663) tests.

The p-values are compared to the commonly used significance level of 0.05 ($\alpha = 0.05$). When the p-value is less than or equal to 0.05, it suggests evidence to reject the null hypothesis.so here value is more than 0.05 so we accept alternate hypothesis and say that the GST has impacted the retailers on the increasing cost in producing a product.

Conclusion

The impact and awareness of Goods and Services Tax (GST) among retailers reveal a nuanced landscape. Firstly, it's evident that awareness levels vary significantly among retailers. While some retailers demonstrate a solid understanding of GST regulations and compliance, others exhibit limited awareness, potentially due to the complexity and evolving nature of tax laws. This diversity in awareness has tangible consequences, influencing how retailers manage their tax responsibilities. Retailers with a strong grasp of GST are better equipped to navigate the tax landscape, while those with limited awareness may encounter compliance challenges, including errors, delays in return filings, and exposure to penalties.

Based on the study we can conclude that retailers have good awareness towards various aspects like tax rate, price mechanism, composition scheme, online procedure, tax refunds.
And also, GST implementation has made an impact on retailers on different factors like increase in turn over, increased production cost and increased profit.

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