

## Impact of Goods and Service Tax on the Business of Traders & Manufacturers

**\*Ms. Alisha**

(Research Scholar, RIMT University)

Corresponding author **\*Dr. Nitin Thapar**

(Professor in Commerce & Management, RIMT University)

### ABSTRACT

The Indian government has taken a major step in the direction of indirect tax reform. Since 1 July 2017, government has implemented Goods and Service Tax (GST) in place of other indirect taxes. The implementation of GST plays an important role in the growth of Indian Economy. GST being a more transparent tax structure helps to generate more revenue to the Government, also reducing corruption and better compliances. It also encourages the 'Make in India' program that was initiated by government, by making input tax credit available to the manufacturers and service providers. The government revenue can also be used towards developmental projects and welfare schemes. The increased revenue will contribute to better GDP of the country that will enhance the image of our country in the global platform. The implementation of a comprehensive GST paves way to efficient allocation of factors of production that leads to gain in GDP, exports and the growth of the economy. The present paper highlights the impact of GST on the business of traders and manufacturers of the state and the problems & challenges faced by them after implementation of GST.

**Keywords:** Goods and Service Tax, Manufacturers, Traders.

### Introduction

'A tax is a contribution that a government imposes on individuals or property for the use and service of the state. It can also be referred to as a toll, tribute, impost, duty, custom, excise, subsidy, aid, or supply' - Black law's dictionary. Tax is not a one-time payment; instead, it is a charge imposed regularly or periodically on the taxpayers by the taxation authority. However, the government does not provide any equal benefit to the taxpayer in exchange for tax payment; instead, it provides the indirect benefits in the form of good qualitative infrastructures and development facilities equally to all the people of the economy. The government's primary source of funding for both development and non-development expenses is taxation. Moreover, tax revenue plays a vital role in sustainable economic development and financing social programs and infrastructure investment (Ibrahim et al., 2015). However, the tax revenue collections depend on the level of taxpayer's compliance with tax obligations in the country (Olaoye et al., 2017). It is very important to design the tax system properly that it will not cause any type of market distortion and economic failures. When it comes to taxes, there are two types of taxes in India - Direct and Indirect tax. Direct taxes are imposed on corporate entities and individuals. These taxes cannot be transferred to others. For individual taxpayers, the income tax is the most important type of Direct tax. This tax is levied during each assessment year (1st April to 31st March). The direct tax includes income tax, gift tax, capital gain tax, etc. While indirect tax includes Value Added Tax, Service tax, Goods and Services Tax, Customs duty, etc. While direct taxes are levied on earnings in India, indirect taxes are levied on expenses. The responsibility to deposit the direct tax liability lies with the earning party, whether an individual, HUF, or company. Indirect taxes are collected mainly by corporations and businesses that provide services and products. Thus, these entities are responsible for depositing indirect taxes. Indirect taxes are not directly paid by the assessee to the government authorities. These are levied on goods and services and collected by intermediaries (those who sell goods or offer services). As a result, it can be transferred from one taxpayer to another. For instance, the wholesaler may transfer it to retailers, who may subsequently transfer it to consumers. Indirect taxes are therefore borne primarily by consumers. Indirect taxes are governed and administered by the Central Board of Indirect Taxes and Customs (CBIC). Here are the most common indirect taxes in India:

- Value Added Tax (VAT)
- Custom duty
- Octroi
- Excise duty
- Service tax
- Goods and Service Tax

### The Indian Taxation System-Scenario before GST

The entire framework for the collection of indirect taxes is governed by the provisions of constitution of India. Article 246, Seventh Schedule gives the right to Central and State Governments the right to collect indirect taxes on transactions of goods and services. The tax system varies from manufacturer to manufacturer on point of sale or level of imports or exports. Indirect tax based collection systems are based on origin, and are designed to impose tax and collect the same at the event of happening of any taxable activity (Nayyar & Singh, 2017).

**GST is one of the biggest indirect tax reforms in the Country:**

GST is a comprehensive indirect tax levied on manufacture, sale and consumption of goods as well as services at the national level. It has replaced all indirect taxes levied on goods and services by the Central and State Governments. GST regime was implemented from 1<sup>st</sup> July 2017, and India has adopted the dual GST model in which both the Centre and States levy taxes. GST will be implemented through Central GST (CGST), Integrated GST (IGST) and State GST (SGST).

### Problems in existing indirect tax structure

1. Incidents of double taxation and cascading effect.
2. Difficult web legal conditions for exporters.
3. The difficulty of market entry due to varying rules and regulations.
4. Very high after-tax prices for goods and services.

### Benefits of GST

- Unified tax regime for both goods and services.
- Compliance cost reduced due to the unification of indirect taxes.
- Minimal physical interface.
- Check over tax evasion through a robust IT-based administration.
- No cascading of taxes.

Source: [www.investindia.gov.in/taxation](http://www.investindia.gov.in/taxation)

The introduction of GST removed the complexity and hurdles to participate in nationwide markets for businesses. GST made goods and services cheaper for individuals and end consumers while making taxation transparent and easy for sellers.

### Goods and service Tax (GST)

The Goods and Service Tax (GST) is a tax which has replaced many Indirect taxes in India. It has been passed on 29<sup>th</sup> March 2017 in the Parliament through the implementation of 101<sup>st</sup> Amendment of the Constitution of India by the Indian Government but became effective on 1<sup>st</sup> July 2017. Goods and Services Tax (GST) is an indirect tax (or consumption tax) used in India on the supply of goods and services. It is a comprehensive, multistage, destination-based tax. It is comprehensive because it has subsumed almost all the indirect taxes except a few state taxes, Multi-staged as it is, the 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. The idea of GST was conceived by the taskforce on the implementation of the Fiscal Responsibility and Budget Management Act, 2003 (Kelkar Committee) to deal with the complex system of tax rates that prevailed under the Indirect tax regime. GST is meant to be a dual levy system of taxation where both Central as well as State Governments impose and collect taxes. The Centre collects Central GST (CGST) and Integrated GST (IGST), while the State takes charge of State GST (SGST). This will help in bringing about economic unity, stability and transparency in the country (Agarwal, 2019). The common tax base would also help in preventing the system of double taxation system. There are various tax slabs for collection of tax – 0%, 5%, 12%, 18% and 28%. However, some products like petroleum products, alcoholic drinks and electricity are exempted from Goods and Service Tax. Special rate is charged for rough precious and semi-precious stones @0.25% and 3% on gold. In addition a cess of 22% or other rates on top of 28% GST applies on few items like aerated drinks, luxury cars and tobacco products. Various indirect taxes come under one umbrella called GST. Moreover, the involvement of Information Technology through Goods and Service Tax Network (GSTN) helps in making things clear and convenient.

**Table: 1 Taxes subsumed and not subsumed in GST**

Subsumed in GST	Not Subsumed in GST
Service Tax	Electricity Duty
VAT/Sales Tax	Basic Custom Duty
Central Tax	Toll Tax
Entertainment Tax	Alcohol for human consumption
Tax on Lottery	Property Tax
Luxury Tax	

### GST Rates for Services:

Government has also imposed GST on Services with the same 4-tier tax structure as of commodities. GST rates on services comprising of 5%, 12%, 18% and 28% comes with various pros and cons for the consumers. However, government has

exempted healthcare and educational (academic) services from the purview of the GST. The Goods and Services Tax council has passed the rate slabs at NIL, 5%, 12%, 18%, 28%.

**Source:** Ph.D. Research Bureau, (Ph.D. Chamber of Commerce and Industry)

#### **Four stages of GST implementation**

According to the Kelkar task force the GST can be implemented as per the following four stages:

**Stage 1:** Establishing information technology systems.

**Stage 2:** Building Central GST.

**Stage 3:** Political effort of agreeing on “Grand Bargain”.

**Stage 4:** Interaction with States.

Under the old system, Article 246 distributed the power to levy taxes between Centre and State governments. As the Governments at Centre and state levels had distinct powers to levy and collect taxes to meet their revenue requirements, hence a system was needed where concurrent powers were given to Centre and State Governments to levy taxes. Due to this reason constitution was amended and following four legislations were enacted:-

- The Central Goods and Services Act, 2017.
- The Integrated Goods and Services Act, 2017.
- The Union Territory Goods and Services Act, 2017.
- The GST (Compensation to States) Act, 2017.

#### **Literature review**

1. **Manisha Shinde (2019)** article titled ‘**A study of impact & challenges of GST on various constituents of Indian Economy**’ discussed the impact of GST on various sectors of India. The author has also discussed the challenges & problems of GST on various constituents of Indian Economy. The study is based on secondary sources. The study provided suggestions regarding different measures to deal with negative impact on various stakeholders.
2. **Singh & Benjamin (2019)** in their study ‘**A Comparison of pre GST & Post GST prices & the overall price level changes of goods in India**’ revealed the positive impacts as their analysis showed the price levels of manufacturers, wholesalers and retailers were declining. Quantitative method has been used in the study which indicated the general decrease in the price level after the implementation of GST.
3. **V.Chitra (2019)** in her study ‘**Impact of GST on spending behavior of the consumers**’ analysed the relationship between income & spending behavior of customers. The author has used factor analysis & ANOVA in her study which suggested that Indian Government 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.
4. **Yadav & Kumar (2019)** in their article ‘**Impact of GST on various sector of Indian economy**’ studied the concept of GST and analyzed the impact of GST in different sectors of India. Study is based on secondary data. According to study, Goods and service tax will not increase tax burden extremely, and in most of the cases total burden of tax will decline due to replenishment with one tax system. So the overall effect of goods and service tax (GST) will be positive on economy which helps in increasing the overall economic growth.
5. **Maruthi M V (2020)** in article ‘**A Comprehensive Analysis of GST in India**’ had the objective of gaining in depth knowledge of GST, working and differentiating the existing taxation system v/s GST and challenges surrounding GST. The study is based on secondary data. According to study, GST will give India a clear and transparent taxation system, but it is also surrounded by various challenges. There is need for more analytical based research for successful implementation.
6. **Charmi Karia (2020)** in her study ‘**A study on impact of GST on Automobile sector in India**’ analysed the issues & probable financial impact of GST on automobile sector, analyzed the tax imposed on different category of vehicles and also examined the impact of GST on approved future investments of Automobile sector. The study is based on primary & secondary data. It has been analysed from the study that there has been a decrease in the tax rates of luxury cars which would probably increase the sale of luxury cars. While in the case of small vehicles it has an opposite effect. GST may have a positive impact on automobile industry in a long run, since government has already received the tax rate in the current financial budget. There are chances of same to happen in future which will bring a growth in Automobile sector.
7. **Rajasekaran & Pavithran (2020)** in their article titled ‘**An analysis of GST Collection of India (State wise) with special reference to Calendar year (2019-20)**’ discussed the in-depth understanding of GST system evaluation in

India. The authors also differentiated the working of pre GST vs. GST. The article also provided the information regarding state wise collection of GST. The study is based on secondary sources.

8. **Ojha et.al (2022)** in their study '**Impact of Indirect Tax Reforms in India**' highlighted the framework of GST by comparing it with before GST regime of indirect taxes, analysed the impact of indirect tax reforms on various sectors in India. The study is based on secondary sources. It has been concluded from the study that after the enforcement of GST in 2017, it has contributed the highest revenue to the country. The new tax structure affected all the sectors in India. The prices of various goods and services were decreased after GST implementation, tax compliance and average monthly sales has increased so far.

#### **Objectives of the study**

1. To study the regulatory framework concerning GST in India.
2. To examine the impact of GST on the business of traders and manufacturers of the state.
3. To Study on Prospects in Implementation of Goods and services Tax (GST) in India.
4. To study the problems & challenges faced by traders & manufacturers after implementation of GST.

#### **Scope of the study**

The study focuses on the impact of post GST on manufacturers and traders and the issues and problems faced by them by knowing their perception. For fulfilling the objective, the study was made through primary data. For this, a questionnaire was prepared and then analysed to know the opinions of traders covering the Patiala district, Ludhiana district & S.A.S. Mohali. The study also revealed various issues which the traders had to bear in post GST system.

#### **Research methodology and data collection**

The study intended to identify the impact of GST on Indian Economy. It is based on two sets of data- Primary and Secondary sources which include the Statistical Abstracts of Punjab, Government Reports, Excise and Taxation Department of Punjab, other publications and reports. The second set of data was collected from the traders of Patiala district, Ludhiana district & S.A.S. Mohali with the help of Questionnaire based interviews. The above mentioned districts have been selected to keep in mind the different aspects. Patiala district is selected because it is a traditional city and main administration of GST lies in Patiala. Ludhiana has been selected for data collection purposes because Ludhiana is treated as business hub and researcher can get most of the responses through this district as GST is meant for businesses. And the researcher has selected S.A.S Mohali for taking samples because it is modern and planned city and it represents the capital of Punjab.

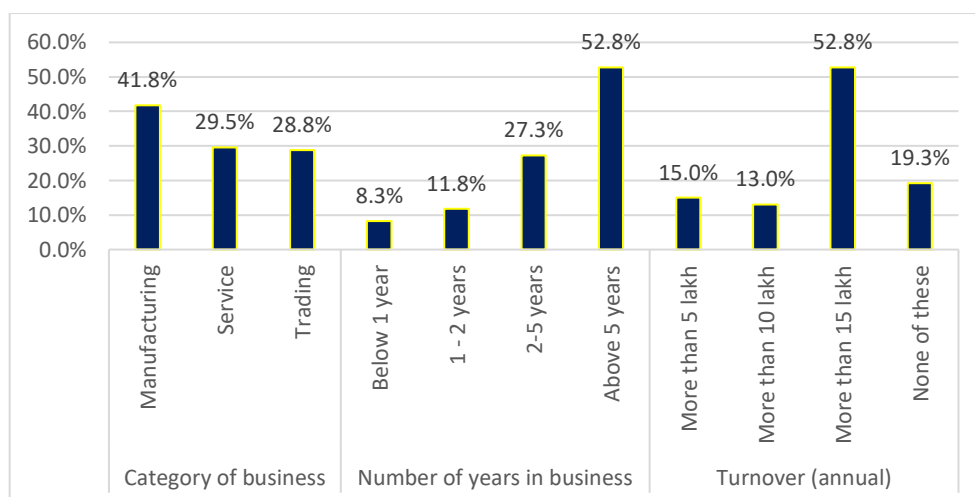
To develop the Questionnaire, existing sets of GST was reviewed. The questionnaire contains various questions relating to the implementation of GST in the country, whether the current system is favorable for traders or not, opinions of traders regarding GST, problems and challenges faced by them i.e. Technical compliance, accounting while Registration, Transition, Returns, Payments, Refunds etc. after the implementation of GST. So fulfilling the main objective of the study, a sample of 400 traders including wholesalers was taken covering the Patiala district, Ludhiana district & S.A.S. Mohali. This number has been calculated by Yamane equation.

#### **Impact of GST on traders and manufacturers of the state**

In order to have a realistic and practical view about GST, the perceptions of traders, the most affected strata, were recorded on a pre-structured questionnaire. So, they can be helpful in understanding the various aspects of the Goods and Service Tax. The personal profile in terms of socio-economic and demographic characteristics of the respondents was observed. The basic attributes of the respondents studied are category of business, work experience and monthly turnover. It is relevant here to have an overview of the personal profile of the traders as it may have a direct or indirect bearing on their perceptions about GST. The personal profile of the traders has been shown with the help of a chart in figure 1:

#### **Category wise distribution:**

On the basis of nature of business, the respondents have been divided into three types i.e. manufacturers, service providers and traders. Figure 1 depicts the category wise distribution of respondents.



This chart presents data on three business characteristics: Manufacturing has the highest representation, while Service and Trading categories are nearly equal. Most businesses have been operational for more than five years (52.8%), indicating an established presence. Only a small percentage is newer (less than 1 or 1–2 years). A majority (52.8%) report a turnover of more than 15 lakh, suggesting strong financial performance among a significant portion of the businesses. When respondents were divided across three categories of business: Manufacturing, Service, and Trading and asked about their opinion on better from two tax system i.e. Goods and Service Tax vs. Sales tax and Service tax. The data collected has been analysed by chi square tests, t-test and ANOVA.

**Table 2.1 Category wise preference for tax system**

	Value	Df	Asymptotic Significance (2-sided)
Pearson Chi-Square	66.508 <sup>a</sup>	2	.000
Likelihood Ratio	60.864	2	.000
Linear-by-Linear Association	.602	1	.438
N of Valid Cases	400		

The results are that manufacturing and trading businesses are highly in favor of Goods and Service Tax (GST), with over 90% of respondents in these categories preferring GST. Service businesses show a more balanced preference, with about 59.3% preferring GST and 40.7% preferring Sales tax & Service tax. The Chi-Square test confirms a **significant association** between the type of business and the tax preference, as indicated by the very low p-value (0.000). So, the data indicates that different business categories have distinct preferences for tax systems, with a clear dominance of GST in Manufacturing and Trading sectors, and a more divided preference in the Service sector.

**Table 2.2 Work experience based preference for tax system**

	Value	Df	Asymptotic Significance (2-sided)
Pearson Chi-Square	2.824 <sup>a</sup>	3	.420
Likelihood Ratio	2.879	3	.411
Linear-by-Linear Association	2.879	1	.246
N of Valid Cases	400		

This table indicates the results of years in business of respondents with their preference for either the Goods and Service Tax (GST) or Sales tax & Service tax. Preference for Goods and Service Tax (GST) is consistently higher across all categories of business experience, with over 80% of respondents in each group favoring GST. There is no statistically significant association between the number of years in business and the preference for GST vs. Sales tax & Service tax, as indicated by the Chi-Square test results (p-value = 0.420). The data suggests that the preference for GST is consistent across all groups, regardless of how long the business has been operating.

**Table 2.3 Turnover based preference for tax system**

	Value	Df	Asymptotic Significance (2-sided)
Pearson Chi-Square	20.610 <sup>a</sup>	3	.000
Likelihood Ratio	18.471	3	.000
Linear-by-Linear Association	3.529	1	.060
N of Valid Cases	400		

This table gives the results of annual turnover of businesses with their preference for either the Goods and Service Tax (GST) or Sales tax & Service tax systems. The data is segmented by four categories of annual turnover: The value is 20.610 with 3 degrees of freedom and a p-value of 0.000. GST is the preferred system across all turnover categories, with 81% to 88% of respondents in each category favoring it over Sales tax & Service tax. There is a **statistically significant association** between annual turnover and the preference for either GST or Sales tax & Service tax (p-value = 0.000).

**Table-3.1 Opinion on implementation of GST causes higher prices of goods and services based on category**

	Value	Df	Asymptotic Significance (2-sided)
Pearson Chi-Square	8.497 <sup>a</sup>	2	.014
Likelihood Ratio	8.748	2	.013
Linear-by-Linear Association	5.924	1	.015
N of Valid Cases	400		

The above table shows the relationship between the category of business (Manufacturing, Service, Trading) and the perception of whether implementing GST will cause higher prices of goods and services in Yes or No. Trading businesses have a significantly higher proportion (72.2%) of respondents who think GST will cause higher prices compared to Manufacturing (56.9%) and Service (55.9%). The Chi-Square test results indicate that the perception of GST leading to higher prices is associated with the type of business, and the difference between categories is **statistically significant** (p-value = 0.014). The data suggests that businesses in the Trading category are more likely to believe that implementing GST will cause higher prices compared to those in Manufacturing and Service.

**Table 3.2 Opinion on implementation of GST cause higher prices of goods and services based on work experience**

	Value	Df	Asymptotic Significance (2-sided)
Pearson Chi-Square	.583 <sup>a</sup>	3	.900
Likelihood Ratio	.591	3	.898
Linear-by-Linear Association	.089	1	.766
N of Valid Cases	400		

The above table gives the results of the number of years in business with the perception of whether implementing GST will cause higher prices of goods and services in Yes or No. The data is broken down into four categories based on the years in business. Perception of GST causing higher prices is generally consistent across all groups, with around 60% of respondents in each category believing that GST will cause higher prices. The Chi-Square test results show **no significant relationship** between the number of years in business and the belief about GST leading to higher prices (p-value = 0.900). The data suggests that the perception of GST causing higher prices is fairly consistent across businesses of different experience levels.

**Table 3.3 Opinion on implementation of GST cause higher prices of goods and services based on turnover**

	Value	Df	Asymptotic Significance (2-sided)
Pearson Chi-Square	4.650 <sup>a</sup>	3	.199
Likelihood Ratio	4.587	3	.205
Linear-by-Linear Association	2.741	1	.098
N of Valid Cases	400		

This table gives the results of annual turnover of businesses with their opinion on whether implementing GST will cause higher prices of goods and services. The data is broken down into four turnover categories. The value is 4.650 with 3 degrees of freedom and a p-value of 0.199. Since the p-value is greater than 0.05, the result is **not statistically significant**, indicating that there is no significant relationship between annual turnover and the belief that GST will cause higher prices. GST causing higher prices is a concern for about 61% of respondents across all turnover categories, with a relatively consistent distribution of responses in each group.

**Table 4.1 Category based opinion on effectiveness of GST checks on tax evasion**

	Value	Df	Asymptotic Significance (2-sided)
Pearson Chi-Square	13.443 <sup>a</sup>	4	.009
Likelihood Ratio	13.132	4	.011
Linear-by-Linear Association	.079	1	.778
N of Valid Cases	400		

The data investigates the perceived effectiveness of GST checks on tax evasion at different stages of purchasing goods and services, across three sectors: Manufacturing, Service, and Trading. The response options were Yes, No, and Up to some extent, representing different levels of agreement with the statement that GST helps in checking tax evasion. In the Manufacturing sector, a majority (53.9%) feel that GST definitely helps check tax evasion. The **Service** sector has a relatively balanced response; with 42.4% agreeing that GST helps check tax evasion, 27.1% disagreeing, and 30.5% feeling it helps to some extent. In the Trading sector, 47.8% agree it helps to check tax evasion. There is a statistically significant difference in how businesses in different sectors view the role of GST in preventing tax evasion, as evidenced by the p-value of 0.009. The Manufacturing sector tends to be more optimistic about GST's role in checking tax evasion, while the Trading sector is more likely to feel that it does not help, and the Service sector has a relatively balanced response with a notable proportion feeling it helps to some extent.

**Table 4.2 Work experience based opinion on effectiveness of GST checks on tax evasion**

	Value	Df	Asymptotic Significance (2-sided)
Pearson Chi-Square	12.434 <sup>a</sup>	6	.053
Likelihood Ratio	12.699	6	.048
Linear-by-Linear Association	.018	1	.892
N of Valid Cases	400		

GST checks the tax evasion periodically at different stages of purchase of goods & service and Number of years in business with responses "Yes," "No," or "Up to some extent." The chi-square tests show a borderline association between the number of years in business and the frequency of GST checks, but the relationship is **not statistically significant** at the 0.05 level. The p-value for the Pearson Chi-Square test (0.053) is just above 0.05, indicating that while there may be some small differences in how businesses with different lengths of operation perceive GST checks; the association is weak and inconclusive.

**Table 4.3 Turnover based opinion on effectiveness of GST checks on tax evasion**

	Value	Df	Asymptotic Significance (2-sided)
Pearson Chi-Square	20.153 <sup>a</sup>	6	.003
Likelihood Ratio	20.244	6	.003
Linear-by-Linear Association	10.570	1	.001
N of Valid Cases	400		

This table explores the relationship between annual turnover and the perception of GST's role in checking tax evasion during different stages of the purchase of goods and services. The chi-square value of 20.153 with 6 degrees of freedom and a p-value of 0.003 indicate a **significant association** between annual turnover and the perception of GST's role in checking tax evasion (p-value < 0.05). This suggests that businesses with different turnover levels perceive the role of GST in checking tax evasion differently.

**Table 5.1 Overall satisfaction**

	Frequency	Percent	Valid Percent	Cumulative Percent
Highly dissatisfied	1	.3	.3	.3
Dissatisfied	42	10.5	10.5	10.8
Can't say	98	24.5	24.5	35.3
Satisfied	197	49.3	49.3	84.5
Highly satisfied	62	15.5	15.5	100.0
Total	400	100.0	100.0	

**Table 5.2**

Mean	3.693
Median	4.000
Std. Deviation	.8659
Range	4.0
Minimum	1.0
Maximum	5.0

The respondents were asked about overall satisfaction with the GST system and the result is generally positive, with a significant proportion of respondents being satisfied or highly satisfied. However, there remain a noticeable proportion of respondents who are either dissatisfied or uncertain about the system. This suggests that while the GST system has been well-received by many, there are still areas of concern or confusion that may require further attention. The data surveyed represents the results of a survey on overall satisfaction with the Goods and Services Tax (GST) system, segmented by different business categories, business age, and turnover. It has been analysed that the mean score suggests that, on average, respondents are generally satisfied with the GST system, with most responses leaning toward "satisfied."

**Analysis by Business Category (ANOVA):**

The results from the data are: Manufacturing: Mean = 3.772, Standard Deviation = 0.7736, Service: Mean = 3.610, Standard Deviation = 0.9248, Trading: Mean = 3.661, Standard Deviation = 0.9261, Overall: Mean = 3.693, Standard Deviation = 0.8659

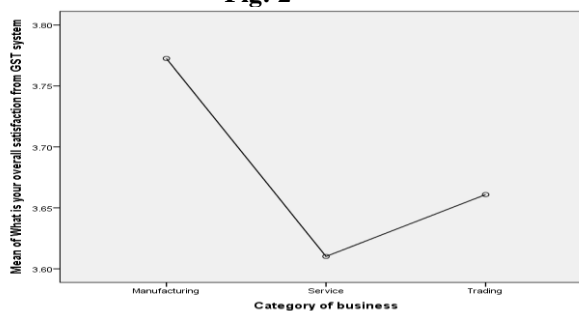
**Table 5.3**

Levene Statistic	Df 1	Df 2	Sig.
7.065	2	397	.001

**Table 5.4**

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	1.982	2	.991	1.324	.267
Within Groups	297.195	397	.749		
Total	299.178	399			

**Fig: 2**





Levene's Test for Equality of Variances: It shows significant association ( $p = 0.001$ ), meaning variances across groups are not equal. Between Groups ANOVA:  $F = 1.324$ ,  $p = 0.267$  (not significant). The ANOVA suggests that there is **no statistically significant** difference in satisfaction levels between different business categories (Manufacturing, Service, and Trading).

### Analysis by Business Age

#### Test of Homogeneity of Variances

Table 5.5

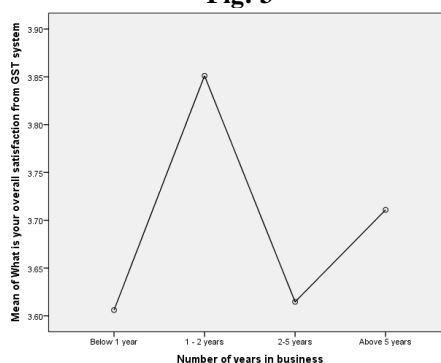
Levene Statistic	Df1	Df2	Sig.
.277	3	396	.842

#### ANOVA-2

Table 5.6

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	2.160	3	.720	.960	.412
Within Groups	297.018	396	.750		
Total	299.178	399			

Fig: 3



It has been analysed that below 1 year: Mean = 3.606, 1 - 2 years: Mean = 3.851, 2 - 5 years: Mean = 3.615, above 5 years: Mean = 3.711.

Levene's Test:  $p = 0.842$  (not significant), suggesting equal variances. Between Groups ANOVA:  $F = 0.960$ ,  $p = 0.412$  (not significant). The ANOVA indicates that business age does **not significantly** affect overall satisfaction with the GST system.

### Analysis by Turnover (ANOVA) 3

Table 5.7

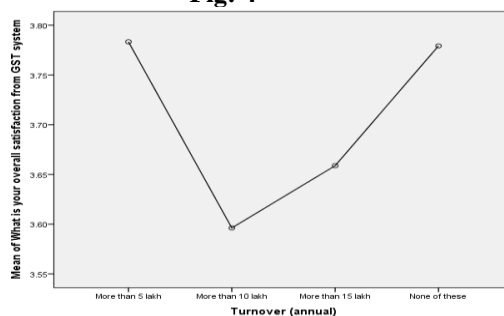
Levene Statistic	df1	df2	Sig.
1.178	3	396	.318

#### ANOVA-3

Table 5.8

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	1.797	3	.599	.798	.496
Within Groups	297.381	396	.751		
Total	299.178	399			

**Fig: 4**



It has been analysed that more than 5 lakh: Mean = 3.783, More than 10 lakh: Mean = 3.596, More than 15 lakh: Mean = 3.659, none of these: Mean = 3.779

Levene's Test:  $p = 0.318$  (not significant), suggesting equal variances. Between Groups ANOVA:  $F = 0.798$ ,  $p = 0.496$  (not significant).

The analysis by turnover also reveals no significant difference in satisfaction levels among businesses with varying turnover ranges. Overall satisfaction with the GST system is moderately high (mean = 3.693), with a significant portion of respondents (49.3%) expressing being satisfied. When analyzing satisfaction across business categories, business age, and turnover, the results show no significant differences, indicating that factors like business type, age, and turnover do not seem to impact overall satisfaction with the GST system. The findings suggest a general consensus on the moderate satisfaction with the GST system across various business groups.

### Findings of the study

It has been analysed that the traders and manufacturers has welcomed the new tax system i.e. GST as it has brought some positive challenges for them. And the businessmen with high turnover are in favor of GST. It has also been seen that GST does not cause higher prices of goods and services as there is significant association by category based and turnover based. But according to results, the results are not satisfactory on the basis of work experience of traders, manufacturers and service providers. They also have the perception that GST helps to check tax evasion only up to some extent. But service sector is not that much satisfied with the new taxation system due to high tax rates as compared to existing indirect tax. So the results show a mixed approach regarding overall satisfaction as most of them also not satisfying with the system. The reason can be change in technology, change in tax rates, lack of proper knowledge etc. No doubt that GST is giving India a world class tax system by grabbing different treatment to manufacturing and service sector. But there are various challenges in way of GST implementation.

### Conclusion

The introduction of GST is truly a game changer for Indian economy as it has replaced multi-layered, complex indirect tax structure with a simple, transparent and technology-driven tax regime. It integrated India into a single, common market by breaking barriers to inter-State trade and commerce. By eliminating cascading effect of taxes and reducing transaction costs. It enhances ease of doing business in the country and provided an impetus to "Make in India" campaign. GST has resulted in "One Nation, One Tax, and One Market". At the end we can say no doubt GST is the biggest ever change in tax structure of India. There are fall in prices of some commodities but on the other hand price of some other goods and services have rise. Since GST subsumes all the other taxes levied, the exemption available for manufacturers in case of excise duty is removed which will also additionally contribute to increase in Government revenue and thereby country's GDP. But overall it is a great change for the economy.

### References

- Akansha Khurana, A. S. (2016). GST in India- A positive reform for indirect tax system. *International Journal of Advanced Research* , 4 (3), 500-505.
- Alka Singh, R. B. (2019). A comparison of pre GST & post GST prices and the overall price level changes of goods in India. *IMPACT: IJRHAL* , 567-571.
- Anand Nayyar, I. S. (2017). A Comprehensive Analysis of GST in India. *Indian journal of Finance* , 12 (2), 58-73.

- B.Anbhuthambi, N. (2017). GST & Training for its implementation in India : A Perspective. *ICTACT Journal of Management Studies* , 511-514.
- Babu, G. S. (2019). Consumers' Perception towards GST rates in India. *Research Review International Journal of Multidisciplinary* , 04 (01), 680-686.
- Bhushan, S. (2020). A study of Literature review on GST Laws in India. *International Journal of Creative Research Thoughts* , 8 (7), 4686-4693.
- Chakradhar Pingale, V. N. (2017). GST: Paradigm shift in indirect taxes. *Indira Management Review* , XI (1), 77-81.
- Chitra, V. (2019). Impact of GST on spending behaviour of the Consumers. *International Journal of Management* , 10 (4), 97-103.
- Dani, S. (2016). A Research Paper on an impact of GST on Indian Economy. *Business & Economic Journal* , 1-2.
- Deepak Kumar Adhana, R. R. (2019). Goods & Service Tax : A game changer for Indian Economy. *Proceedings of national conference on " contemporary issues in business excellence in the era of digitalization* , 1-13.
- Deswal, S. (2019). GST : A Revolutionary step towards tax reforms in India. *International Journal of Research & Analytical Reviews* , 6 (1), 356-360.
- Ganesh Dash, V. K. (2017). GST : A vision for 2020 & beyond. *Advances in Economics & Business Management* , 4 (7), 408-411.
- Geetanjali Sharma, M. G. (2017). GST: A game changer in Indian tax structure. *IOSR Journal of Business & Management* , 19 (4), 55-62.
- Heena Atwal. (n.d.).
- Hemlata Tiwari, s. N. (2018). Goods & Service Tax : Economic Revival of India. *Sage Publications* , 17-29.
- Herpreet kaur, J. S. (2017). Study of financial behavior of Indian investors during announcement of GST & VAT. *Global Journal of Commerce & Management Perspective* , 26-29.
- Kadam, P. V. (2018). GST- Can it be a game changer? *International Journal of Recent Scientific Research* , 9 (8), 28671-28677.
- kaur, A. (2018). A research paper on impact of GST on Indian Economy. *International Journal of Advance Research in Science & Engineering* , 07 (04), 534-539.
- Kumar, N. (2020). Customers Perception towards GST in Distt.Jind, Haryana (India). *International Journal of Science & Research* , 9 (1), 1000-1008.
- Lala, J. B. Impact of GST on Indian Economy. *International Journal of Recent Scientific Research* , 8 (6), 17505-17508.
- Neelam Tandon, D. T. (2017). Analytics of Goods & Service Taxation in India- Prospects, implications & Rollout. *Journal of Madhya Pradesh Economic Association* .
- P, L. F. (2017). A study on Implementation of GST in India : Prospectus & Challenges. *International Journal of Applied Research* , 626-629.