

## Trader's Perception towards Goods and Services Tax in Uttarakhand

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### ABSTRACT

*The Indian taxation system was very complex before GST was implemented. After GST implementation, various barriers between the state and the centre have been removed. The Government of India hopes to increase tax revenue and reduce tax evasion. But the question arises whether entities like manufacturers, wholesalers, retailers, etc. are able to understand the structure of GST, what the assumptions about the services provided are, and what the consequences of GST are that they expect. In this study, an attempt has been made to know the level of awareness of GST among traders and to understand their opinion on this system. A questionnaire was used to gather information from 450 dealers, and then analyzed in this context. In this research, it is found that the level of traders awareness towards the GST system and the level of traders perception regarding GST Knowledge, GST outcomes, and GST Services were significantly moderate in Uttarakhand.*

**Keywords:** *GST; Indian tax structure; Tax reforming; Taxation.*

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### 1.0 Introduction

The government of India has taken a major step after two decades in the indirect taxation system. On July 1, 2017, the Goods and Services Tax was put into effect by the government over all of India. In this new taxation system, all indirect taxes like VAT, CST, Octroi, Excise Duty, etc. merge into a single tax system at the centre and state levels, except the Customs Act. The Indian finance ministry has named this tax system "One Nation, One Tax". This integrated system creates a common market to remove all barriers between states and centres and enable the smooth flow of goods and services from one state to another.

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All taxes covered in the previous indirect tax structure are subsumed in this new tax system. A lot of the shortcomings were the previous states and the center's taxes. Like a major problem, there has been a cascading effect that does not vary the same VAT rates from one state to another.

Every government's main motive is to increase revenue by preventing tax evasion, unfair trade practises, prevailing in the modern market, etc. for the smooth flow of the economy. Any changes in policy in the tax system have direct and indirect effects on various types of machinery, like tax consultants, manufacturers, whole-sellers, retailers, and consumers. Manufacturers are the key to generating revenue for the government, followed by distributors, wholesalers, retailers, and finally consumers.

Before and after the implementation of GST, most traders did not want to implement this system. For this reason, demonstrations were also organised by the traders against the government at various places across the country. Today, this system is implemented in the whole of India and is working successfully, the government believes. But on the other hand, have the institutions and businessmen related to this system, to whom this system is applicable, been able to understand it till now?

## **2.0 Review of Literature**

A limited number of studies have been shown in this study to cover every aspect, to be helpful, and to clear the roadmap of these studies of some researcher views, like Pandey & Jesmon (2022), who addressed in their study the problems MSME in India had with GST compliance. This study has identified numerous teething issues with MSMEs' GST compliance that are impeding their growth. For the total expansion of the MSME sector in India, urgent policy interventions are required to enhance onerous compliance processes.

Jain (2022), many products sold through e-commerce (like software) are instantly downloaded and may not always have a physical presence. With the implementation of the TCS requirements, tax authorities have been given the authority to monitor online transactions and make sure that vendors who sell their products on online marketplaces do not get away with underreporting their revenue.

Sury (2021), It has been noted that there was a great deal of ambiguity and misunderstanding during the pre-GST period as a result of states' inconsistent regulation of e-commerce operators. However, under GST, there are clear-cut laws that apply to the e-commerce sector on an all-India basis, and there are no complications with regard to the flow of goods between states.

Manoj & Muraleedharan (2021), in their research, indicated that after the switch to the GST, there was an increase in tax compliance and that the majority of traders were not adequately prepared for the change. The firm's performance did not improve, and there was a delay in receiving the input credit tax. In the post-GST era, prices and delivery times did, however, decrease. Pandey (2020), with the implementation of GST, the disparate Central and State taxes were consolidated into a single, cohesive entity, and a productive taxation system was created that is reducing tax evasion practises both in the indirect tax and direct tax domains.

According to Uppal *et al.*, (2019), an effort has been made in this article to observe how SBPs view and are aware of the GST. Gupta (2018), revealed that his study was based on previous reviews of various studies. He discovered that taxes were placed on a variety of goods and services to enhance resource use, have an impact on the environment, and help develop eco-friendly products. According to Barhate (2017), there are issues and concerns with how people perceive the current tax system, how well-informed different kinds of traders are about the GST, and how much money they turn over.

Chouhan *et al.*, (2017) evaluated the challenges experienced by business owners with regard to GST. The knowledge of GST among 148 small business owners in the state of Rajasthan was examined. The study revealed that there is a dearth of knowledge regarding GST and its rules among small business owners. According to Karthick & Esther (2017), the system of GST is extremely complex, and daily-use products are subject to high rates of taxation. Nursyafiqah & Hissam (2016) sought to understand how the construction business felt about the implementation of the Goods and Services Tax (GST). The investigation of the pricing impact from the viewpoint of the construction industry is another goal of this study.

The goal of this study by Savitri & Musfialdy (2016) is to investigate how service quality mediates the relationship between tax payer knowledge, tax socialisation, tax penalties, compliance costs, and tax compliance. According to the findings, there is a direct correlation between taxpayer knowledge, tax fines, compliance costs, and tax compliance that is fully mediated by service quality. To investigate the level of understanding and attitude and identify potential areas of difficulty among managers of manufacturing enterprises in Malaysia regarding the proposed GST, Bidin & Marimuthu (2016) conducted research. The findings showed that Malaysian manufacturing company managers are highly aware, have an optimistic outlook, and are aware of potential challenges associated with the government's plan to enact GST.

### 3.0 Objectives of the Study

The following are the study's objectives:

- To assess the level of traders' awareness towards GST in Uttarakhand.
- To understand the factors influencing how traders perceive the GST in Uttarakhand.
- To measure the level of Traders perception towards GST in Uttarakhand.

The aforementioned goals serve as the foundation for testing the following hypotheses:

H<sub>01</sub> - There is no significant association between traders' perceptions of GST and the nature of business.

### 4.0 Research Techniques

The study's main goal is to measure how traders in Uttarakhand feel about the new tax system. Both types of data come from secondary and primary sources. The secondary data was gathered from a variety of published and unofficial sources, including the Uttarakhand and Indian Commercial Tax Departments, the Ministry of Finance, Indian Public Finance Statistics, the Economic Survey, the Union Budget, Books, Circulars of CBEC reports, Journals, various reports, published and unpublished theses and projects, News Papers, Internet web pages, etc. Along with these resources, the websites of the Ministry of Finance, GSTIN, GST Council, etc. have also been used. Data that is acquired for the first time is considered primary data (Kothari, 2010). It is brand new and unutilized data. It is gathered through surveys.

On the basis of the literature review, some constructs had been designed to measure the perception of Traders towards GST, like GST Knowledge, GST outcomes, and GST Services. These constructs and scales were taken from previous studies. These constructs and scales are slightly modified for the present study to be more appropriate for the requirements of the study. These constructs shown below:

**Table 1: Scale Measured**

S. No.		Construct	Scale by
1	Perception towards GST	Knowledge	John (2010), Shaari et al (2015)
2		Outcomes	Pragati (2010), Prabakaran (2010)
4		Services	Khanna (2012), Savitri & Musfialdy (2016)

Sources: Self prepared

In this study, the researcher used a questionnaire for traders, which includes businessmen, manufacturers, whole-sellers, and retailers. The questionnaire was divided into three sections. The questionnaire deals with traders and comprises Section A consists of the demographic profile and trader's profile of the respondents. A series of questions in Section B ask respondents about their knowledge of the GST. There were several questions about the respondents' opinions of the GST in section C. All points on the Likert scale, such as 5 for strongly disagreeing, 4 for disagreeing, 3 for neither agreeing nor disagreeing, 2 for agreeing, and 1 for strongly agreeing, have been given scores in order to assess the respondents' responses.

Sampling is the process of selecting a sample. A sampling frame is a "list of sampling units from which the sample may be drawn (Hair *et al.*, 1998). A sample is a portion of the population that is examined to estimate the characteristics of the population. A total of 450 consumers at a 5% level of significance are considered for this study, as per Morgan's Table.

Large-scale businesses were chosen as examples to represent the state's whole population (Palil *et al.*, 2013). The current study is limited to the state of Uttarakhand, which is separated into the Kumaun Region and the Garhwal Region, each of which has seven districts. These areas are further split into the Hilly Area and Plain Area tracks. A few of the state's 13 districts, including Haridwar, Udham Singh Nagar, and portions of Dehradun and Nainital, lie in the plains, whereas the rest of the state is hilly. The primary data were collected through a judgmental and convenient sampling technique. The Garhwal region has been selected in two plain districts and one hilly district (Dehradun, Haridwar, and PauriGarhwal) and in the same manner in the Kumaun region (Nainital, Udham Singh Nagar, and Almora). The sample structure of the study is discussed below:

**Table 2: Sample Structure of the Study**

Category	Garhwal Region			Kumaun Region			Total Sample
	Plain District		Hilly District	Plain District		Hilly District	
	Dehradun	Haridwar	PauriGarhwal	Nainital	Udham Singh Nagar	Almora	
Consumer	75	75	75	75	75	75	450
Total Sample							450
<b>Total Valid Questionnaire</b>							<b>360</b>

Sources: Self prepared

In the present study, a total of 450 questionnaires were distributed to the Traders respondents. Out of which 409 responses were collected, only 360 questionnaires are valid for data analysis. The total response rate was 88.01 percent in this research. According to Babbie (1990), it is considered a good response rate.

#### **4.1 Data analysis of traders awareness and perception towards Goods and Services Tax (GST)**

In order to ascertain the opinion of the business, a survey of 360 respondents belonging to different types of businesses has been carried out. The demographic and trader profiles of the respondents were understood by several variables such as gender, age, education, location of business, form of business, type of product, nature of business, nature of registration, duration, and annual turnover of business in Uttarakhand. The demographic and trader profile details of traders were analysed, and the results are presented below.

#### **4.2 Traders demographic profile**

The respondents in this study were 85.3% male and 14.7% female. In terms of age groups, 17.5% of respondents were under the age of 30, 35% were between the ages of 30 and 40, 39.2% were between the ages of 40 and 50, and 8.3% were over 50. On the basis of educational qualification of the respondents, 12.5% were high school graduates, 11.7% were intermediate, 40% were graduates, 23.3% were postgraduates, and the rest, 12.5%, were professionally qualified. Which belongs to 65.8% of respondents from urban areas, 24.2% of respondents from semi-urban areas, and the rest (10%) belong to rural areas. They are engaged in 51.7% of respondents in sole-proprietorship, 31.7% in partnership, 2.5% in cooperative societies, and the rest in companies. Out of which, 70.3% of respondents belonged to Consumer Goods and 29.7% to industrial Goods. The respondents came from various fields, such as manufacturer (16.7%), whole-sale trade (39.7%), and retail trade (43.6%). In terms of registration, 72.8% of respondents registered in normal registration, and the rest, 27.2%, registered under the composition scheme.

Furthermore, this table shows that in terms of working experience, 10.8% of respondents have less than 10 years of experience, 51.7% have 10-20 years of experience, 28.3% have 20-30 years of experience, and the remaining 9.2% have more than 30 years of experience. Whereas 8.9% of respondents had an annual turnover of less than 10 lakh, 54.4% had a turnover of 10-50 lakh, 23.3% had a turnover of 50-1 crore, and the remaining 13.3% had a turnover of more than 1 crore.

### 4.3 Traders awareness towards Goods and Services Tax (GST)

Uttarakhand has moderate level of educated community and hence there is a general awareness among the Traders regarding GST. The success of GST law depends on its awareness of Traders. It is to be noted that the Traders are the persons who collect the tax of the goods they sales and hence the need for creating awareness about GST among the business is very important. They have some notion of tax levied on goods. But the common people have no detailed knowledge on how GST works, who collects tax, at what rate, etc. They are more concerned about the immediate events like total price, quality of goods, easy availability, etc. The government has not made any serious efforts to take the traders into confidence while implementing the GST Law. The lack of awareness among the traders about the details of GST Law is a disadvantage as far as GST is concerned.

**Table 3: Traders Awareness towards GST**

Particulars	Frequency	Percentage
<b>Aware from GST effected on 1.7.2017 in India</b>		
YES	312	86.7
NO	48	13.3
Total	360	100.0

Sources: primary data generated by Spss.25

Table 3 makes clear that the majority of traders (86.7%) are aware of the GST, while the remaining 13.3% are unaware of its tax as of July 1, 2017, in India.

**Table 4: Sources of Awareness**

Particulars	Frequency	Percentage
News Paper	135	37.5
Audio Visual Media	98	27.2
Dealers	25	6.9
Workshops	28	7.8
Friends/Relatives	16	4.4
Others	10	2.8
Total	312	86.7

Sources: Primary data generated by Spss.25

In the Table 4, most of the traders revealed that their sources of awareness to understand and learn about GST were the newspaper (37.5%), audio-visual media (27.5%), workshops (7.8%), etc.

#### 4.4 Traders' level of awareness Goods and Services Tax (GST)

Based on the average scores of the statements, traders' awareness of the GST was ascertained. There are three categories for the respondent's level of awareness:

- High (with mean scores between 1.6 and 2)
- Moderate (mean scores ranging from 1.3 to 1.6)
- Low (with mean scores of 1–1.3)

**Table 5: Descriptive Statistics for Traders' Awareness towards GST**

Item	Statement	N	Mean	Std. Deviation
AWN2	Are you known All registered traders under GST have to issue bills in the prescribed forms?	360	1.2167	0.41255
AWN3	Do you know that not collecting your bill you are inadvertently letting dealers evade tax legitimately due to the Government?	360	1.2167	0.41255
AWN4	Do you know all registered traders have to show the tax element in the bills?	360	1.1333	0.34041
AWN5	Are you aware different tax rates under GST (5%, 12%, 18%, & 28%)?	360	1.2083	0.40668
AWN6	Do you know dual GST imposed on Supply of Goods not sale of goods?	360	1.1667	0.40056
AWN7	IGST is charged on Interstate sales of Goods?	360	1.1558	0.49058
AWN8	Are you aware that most of the taxes is subsumed in GST structure like, CST, Octroi, VAT, Entertainment etc.?	360	1.1450	0.45516
AWN9	Do know that filing in every month three GST return?	360	1.1342	0.48257
AWN10	Are you aware in overall year Filling 37 GSTR?	360	1.1233	0.48480
	Valid N (listwise)	360		

Sources: Primary data generated by spss.25

Table 5 shows the descriptive statistics for trader's awareness. The results revealed that the level of overall mean (1.1667) of trader's awareness towards GST is moderate.



#### 4.5 Trader's perception towards Goods and Services Tax (GST)

GST perception from business based on the mean scores of the statements, three categories are used to categorise the respondent's level of perception:

- High (with mean scores between 4 -5)
- Moderate (with mean scores between 3 -4)
- Low (with mean scores below 3)

**Table 6: Descriptive Statistics for Traders Perception towards GST**

Item	Statement	N	Mini.	Maxi.	Mean	Std. Deviation
KNOW1	GST system is a simple method for computation tax liability	360	1.00	5.00	3.7083	0.97942
KNOW2	The GST rates are reasonable as compare to existing system	360	2.00	5.00	3.7333	0.89318
KNOW3	GST laws, rules, forms, Procedure are very simple and Unambiguous	360	1.00	5.00	3.7750	0.88121
KNOW4	In GST, Classification of Goods and services is appropriate	360	2.00	5.00	3.6861	0.95224
KNOW5	The GST system is more transparent	360	2.00	5.00	3.7500	0.94338
KNOW6	More number of records books of accounts to be maintained	360	2.00	5.00	3.9333	0.81490
KNOW7	It is easy to maintain records in the form of soft copy	360	2.00	5.00	3.6444	0.97673
OUTC1	Government revenue increased due to adoption of GST	360	1.00	5.00	3.8167	1.08150
OUTC2	Under GST system product prices decreased due to input tax credit	360	1.00	5.00	3.9583	0.92681
OUTC3	Administrative costs have decreased in this system	360	1.00	5.00	3.8500	1.07115
OUTC4	GST structure reduce tax evasion	360	1.00	5.00	3.5833	1.08612
OUTC5	Corruption has come down	360	1.00	5.00	3.5333	1.11909
OUTC6	GST reduced paper work and save the environment	360	2.00	5.00	3.6917	0.92139
SERV1	Delay in getting the refunds	360	1.00	5.00	4.0500	0.97475
SERV2	Delay in getting the input tax credit	360	2.00	5.00	4.0583	0.77886
SERV3	Period of Days for filing GSTR 1,2,3 is sufficient	360	1.00	5.00	3.8167	0.94102
SERV4	Awareness programme run by Govt. is sufficient to clear the doubts	360	2.00	5.00	3.9917	0.77022
SERV5	Officers and Staff are friendly with the assessee	360	1.00	5.00	3.9833	0.87665
SERV6	In GST, Penalties are heavy	360	2.00	5.00	3.9667	0.83716
SERV7	It is more complicated	360	2.00	5.00	4.0750	0.81929
	Valid N (listwise)	360				
	<b>Overall mean</b>				<b>3.8303</b>	

Sources: Data generated by spss.25

Table 6 revealed that the level of the overall mean for traders perceptions (3.83) of GST knowledge, GST outcomes, and GST Services is moderate. Moreover, the highest mean value (4.0750 to 4.005) shows that traders perceptions are high towards GST services, such as that they are more complicated, there is a delay in getting the input tax credit, and there is a delay in getting the refunds.

#### 4.6 Factors influencing business perceptions towards the Goods and Services Tax (GST)

Exploratory factor analysis is a part of multivariate analysis. It is used to sum and reduce the data by Hair *et al.*, (2010). The goal of factor analysis is to find the underlying factors that explain the correlation pattern among a group of measured variables. This method is frequently used to lower the number of variables in a data set, but it can also be used to investigate the latent structure of the research's variables.

The Traders responses on various dimensions of factors influencing traders' perception towards the GST were tested by principal component factor analysis using varimax rotation. The principal component analysis helps to extract the maximum variance of factor loadings by making one higher and one lower for each factor. So, the resultant factor solution is easy to interpret.

**Table 7: KMO and Bartlett's Test**

<b>Kaiser-Meyer-Olkin Measure of Sampling Adequacy.</b>		<b>0.847</b>
Bartlett's Test of Sphericity	Approx. Chi-Square	5576.350
	Df	190
	Sig.	0.000
<b>Cronbach's Alpha</b>		<b>0.902</b>
No. of Items		20

Source: Data generated by SPSS.25

Table 7 shows that the factor analysis is sufficient as evidenced by the KMO measure result of 0.847, which is acceptable. The data can be used for factor analysis because the value of the Chi-square of Bartlett's test of sphericity is 5576.350, which is significant (p.001).

For data reduction, twenty items representing the perception of traders towards GST were factor examined using principal component analysis and varimax rotation. There are three factors influencing the perception of traders towards GST, namely, GST services, GST outcomes, and GST knowledge. GST Services is represented by seven items

with a factor loading range of.881 to.797 and a Cronbach alpha score of.935. Factor loading for six items representing 'GST Outcomes' ranges from.911 to.763, with a Cronbach alpha of.933. Finally, seven items with factor loadings of.825 and.554 represented 'GST Knowledge' with a Cronbach alpha score of.827.

**Table 8: Rotated Component Matrix<sup>a</sup>**

Factors Name	Statement	No. of item	Alpha	Component Factors Loading		
				1	2	3
GST Services	GST is more complicated	7	0.935	0.881		
	Delay in getting the input tax credit			0.870		
	Delay in getting the refunds			0.848		
	In GST, Penalties are heavy			0.847		
	Awareness programme run by Govt. is sufficient to clear the doubts			0.814		
	Period of Days for filing GSTR 1,2,3 is sufficient			0.810		
	Officers and staff are friendly with the assessee			0.797		
GST Outcomes	Government revenue increased due to adoption of GST	6	0.933		0.911	
	Administrative costs have decreased in this system				0.899	
	Under GST system product prices decreased due to input tax credit				0.874	
	GST reduced paper work and save the environment				0.815	
	GST structure reduce tax evasion				0.801	
	Corruption has come down				0.763	
GST Knowledge	The GST system is more transparent	7	0.827			0.825
	The GST rates are reasonable as compare to existing system					0.741
	In GST, Classification of Goods and services is appropriate					0.693
	More number of records books of accounts to be maintained					0.653
	GST laws, rules, forms, Procedure are very simple and Unambiguous					0.626
	It is easy to maintain records in the form of soft copy					0.577
	GST system is a simple method for computation tax liability					0.554
Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization. a. Rotation converged in 5 iterations.						

Source: Data generated by SPSS.25

#### 4.7 Relationship between traders perceptions towards Goods and Services Tax (GST)

This research study used a one-way analysis of variance test to determine whether there are any notable differences in how respondents perceive different types of traders in relation to the GST and its aspects.

**Table 9: Nature of Business -wise Comparison of Factors Influencing Trader's Perception towards GST**

Factors relating to traders perception towards GST		N	Mean	Standard deviation	F-value	P. value
GST Services	Manufacturer	60	3.7952	1.1220	3.262	0.039
	Wholesale Trade	143	4.0799	0.6849		
	Retail Trade	157	3.9864	0.8684		
	Total	360	3.9917	0.8569		
GST Outcomes	Manufacturer	60	3.8667	1.2224	3.165	0.043
	Wholesale Trade	143	3.8322	0.8333		
	Retail Trade	157	3.6051	1.1035		
	Total	360	3.7389	1.0343		
GST Knowledge	Manufacturer	60	3.7571	1.1116	0.181	0.834
	Wholesale Trade	143	3.7682	0.8568		
	Retail Trade	157	3.7243	0.8862		
	Total	360	3.7472	0.9202		

Source: Data generated by SPSS.25

Table 9 presents the results of the one-way analysis of variance test for the nature of traders related to respondents with regard to traders' perceptions of GST.

**Table 10: Post Hoc Analysis of Nature of Business vs. GST Services**

GST SERVICES			
Duncan <sup>a,b</sup>			
Nature of Business	N	Subset for alpha = 0.05	
		1	2
Manufacturer	60	3.7952	
Retail Trade	157	3.9864	3.9864
Wholesale Trade	143		4.0799
Sig.		0.063	0.363

Source: Data generated by SPSS.25

The traders perceptions towards GST Services and GST Outcomes have been found to be significant, and they vary across different types of businesses. The F-value and significant value for the nature of business of the respondents are 3.262 ( $p = 0.0390.05$ ) and 3.165 ( $p = 0.0430.05$ ). Whereas, GST Knowledge is insignificant ( $p = 0.834 > 0.05$ ) and the F-value is 0.181. It shows that the trader's perception of GST Knowledge does not vary across different types of businesses.

As the post-hoc tests and mean plots show that the majority of the target respondents have "Agreed" with respect to GST Services, the wholesale traders perceive this to be the case.

**Table 11: Post-Hoc Analysis of Nature of Business vs. GST Outcomes**

GST Outcomes			
Duncan <sup>a,b</sup>			
Nature of Business	N	Subset for alpha = 0.05	
		1	2
Retail Trade	157	3.6051	
Wholesale Trade	143	3.8322	3.8322
<b>Manufacturer</b>	<b>60</b>		<b>3.8667</b>
Sig.		0.073	0.785

Source: Data generated by SPSS.25

As the post-hoc tests and mean plots show that the majority of the target respondents have "Agreed" with respect to the GST Outcomes, the traders who belong to the Manufacturer society perceive this to be the case.

### 5.0 Findings

The level of overall mean value of trader's awareness (1.16) towards GST is less than 2. The results revealed that traders awareness of GST in Uttarakhand is overall moderate. The results revealed that the trader's perceptions regarding GST Services, GST knowledge, and GST Outcomes were found. Firstly, the F-value calculated in the case of GST Services is 3.262 and the p-value is.039, which is below the significance level of 5% significance value of 0.05. As a result, the null hypothesis is rejected, i.e., "There is no significant association between traders perceptions towards GST Services and the nature of their business". According to post hoc tests and mean plots, those who work in the

wholesale trade perceive that the majority of the respondents concur with all of the claims made about the GST Service.

Secondly, the F-value calculated in the case of GST Outcomes is 3.165 and the p-value is .043. This is below the significance level of 5% with a significance value of 0.05. Consequently, the null hypothesis is disproved. i.e., "There is no significant association between traders perceptions towards GST Outcomes and the nature of their business". According to post hoc tests and mean plots, manufacturers perceive that the majority of the study's target respondents have agreed with all of the assertions relating to the GST Outcomes. Thirdly, the F-value for GST Knowledge is calculated to be .181 and the p-value is .834, both of which are greater than the significance level of 0.05. Therefore, the null hypothesis is accepted, i.e., There is no significant association between traders perceptions of GST Knowledge and the nature of their business.

The level of the overall mean value of traders perceptions (3.83) towards GST Knowledge, GST outcomes, and GST Services is less than 5. The results revealed that the traders perceptions towards GST in Uttarakhand are overall moderate.

## **6.0 Conclusion**

The present study focused on the awareness and perceptions of traders. The result revealed that the level of traders awareness of GST in Uttarakhand is overall moderate. The results of this survey support those of earlier studies, which revealed that there was a lack of understanding on the implementation of the GST (Uppal *et al.*, 2019; Kaur 2018; Barhate 2017; Chouhan *et al.*, 2017; Ahmad *et al.*, 2016; Zabri *et al.*, 2016 and Zakaria *et al.*, 2015), but unsupported previous studies like Murugaiyan *et al.*, (2017), John (2010).

Moreover, the level of trader perception regarding GST Knowledge was found to be significantly moderate. The mean value of all the statements under GST knowledge shows that more than 3. The results of this study are corroborated by those of earlier studies that revealed that people lacked tax knowledge (Uppal *et al.*, 2019; Noormahayu *et al.*, 2015; Shaari *et al.*, 2015), but unsupported previous studies (Kaur 2018; Bidin *et al.*, (2016)). The result revealed that the traders had a lack of understanding about GST Knowledge, such as a simple method for computation of tax liability, GST laws, rules, forms, and procedures that are very simple and Unambiguous, a classification of Goods and services that is appropriate and transparent, a larger number of books of accounts to be maintained, and easy to maintain records in the form of soft copy.

The levels of trader perception regarding GST Outcomes were also moderate. The mean value of all the statements under GST Outcomes shows that more than 3. This result revealed that the traders perceive more about such things as Government revenue

increasing due to the implementation of GST, product prices decreasing due to input tax credit, Administrative costs decreasing in this system, reducing tax evasion, Corruption coming down, reduced paper work, saving the environment, reduced production costs, and an increase in GDP. The results of this study contradict those of earlier studies, which revealed that people had a negative perception of GST Output, according to Ishak *et al.*, (2015).

The level of trader's perception regarding GST Services was found moderate of all the statements other than this: delay in getting the refunds, delay in getting the input tax credit, and it is more complicated. But as the post-hoc test and mean plot value show, the wholesale trade society perceives that the majority of the respondent under the statement of GST Services is a manufacturer or retailer. This result revealed that the traders avail of GST services provided by the GST Council, like: delay in getting the refunds; delay in getting the input tax credit; period of days for filing GSTR 1, 2, and 3 is sufficient; awareness programme run by the government is sufficient to clear the doubts; officers and Staff are friendly with the assessee; Penalties are heavy; and it is more complicated.

## 7.0 Major Suggestions

- Under the GST system, businesses and dealers have been filing their tax returns through GSTN. Due to limited server capacity in the Commercial Tax Department of Uttarakhand, dealers and tax consultants have been spending more time at the time of GSTR filing.  
So, it is suggested that the Commercial Tax Department of Uttarakhand increase their server capacity for quick filing of GSTR.
- All the businesses have been maintaining their records and bank accounts and filing the tax return at the time taken with respect to direct and indirect tax separately.  
So, it is suggested that the Commercial tax department of Uttarakhand, in the future, introduce suitable new software for maintaining accounts and filing the tax return. It would reduce the difficulties in the computation of tax liability and make it easy to access the records without any complications.
- The central government has been making so many amendments related to the CGST Act, SGST Act, and IGST Act in rules and procedures within a short span of time. This will lead to more practical problems in the GST system for businessmen.  
Therefore, it is suggested that the Central Government simplify the GST Act at the Central and State levels. Whereby the business or traders can understand the rules and procedures of that Act.

- GST is believed to be a complicated tax system. The business may have a number of doubts and fears about the GST requirement, recording of transaction practises, accounting practises, etc.

So, It is suggested that the Central and State governments create a GST public entity to clear up doubts for tax payers.

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