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Compare the GST with the previous tax regime in the Kota region of Rajasthan

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Abstract
This research is basically a descriptive type. In research the research gap is identified by reading the literature and through personal observations. Then the objectives are set and hypothesis are set and then tested through the data which is to be collected using the primary method through questionnaire. Various relationship between various factors has been identified & analysed and described thereon. This empirical study is being conducted to understand the about GST and its implementation and the various issues related to it. No research work has been done in the Kota region to study the issues which are faced by the organizations in the implementation of GST. Thus the research problem is that the organization faced many problems while the implementation of GST. Therefore, this research is being conducted to study such basic issues which are being faced by the business organization and to discuss the views of such organizations on GST in Kota district of Rajasthan.

Introduction
The history of the Goods and Services Tax (GST) in India dates back to the year 2000 and culminates in 2017 with four bills relating to it becoming an Act. The GST Act aims to streamline taxes for goods and services across India. GST the biggest tax reform in India founded on the notion of "one nation, one market, one tax" is finally here.

The GST was launched at midnight on 1 July 2017 by the President of India, and the Government of India. The launch was marked by a historic midnight (30 June – 1 July) session of both the houses of parliament convened at the Central Hall of the Parliament. Though the session was attended by high-profile guests from the business and the entertainment industry including Ratan Tata, it was boycotted by the opposition due to the predicted problems that it was bound to lead for the middle- and lower-class Indians. The tax was strongly opposed by the opposing Indian National Congress.[16][17] It is one of the few midnight sessions that have been held by the parliament - the others being the declaration of India's independence on 15 August 1947, and the silver and golden jubilees of that occasion [17]. After its launch, the GST rates have been modified multiple times, the latest being on 22 December 2018, where a panel of federal and state finance ministers decided to revise GST rates on 28 goods and 53 services.

The moment that the Indian government was waiting for a decade has finally arrived. The single biggest indirect tax regime has kicked into force, dismantling all the inter-state barriers with respect to trade. The GST rollout, with a single stroke, has converted India into a unified market of 1.3 billion citizens. The revenue from the taxes for the government is very likely to increase with an extended tax net, and the fiscal deficit is expected to remain under the checks. Moreover, exports would grow, while FDI (Foreign Direct Investment) would also increase. The industry leaders believe that the country would climb several ladders in the ease of doing business with the implementation of the most important tax reform ever in the history of the country. The gross GST revenue collected in the month of October 2021 is ₹ 1,30,127 crore of which CGST is ₹ 23,861 crore, SGST is ₹ 30,421 crore, IGST is ₹ 67,361 crore (including ₹ 32,998 crore collected on import of goods) and Cess is ₹ 8,484 crore (including ₹ 699 crore collected on import of goods).

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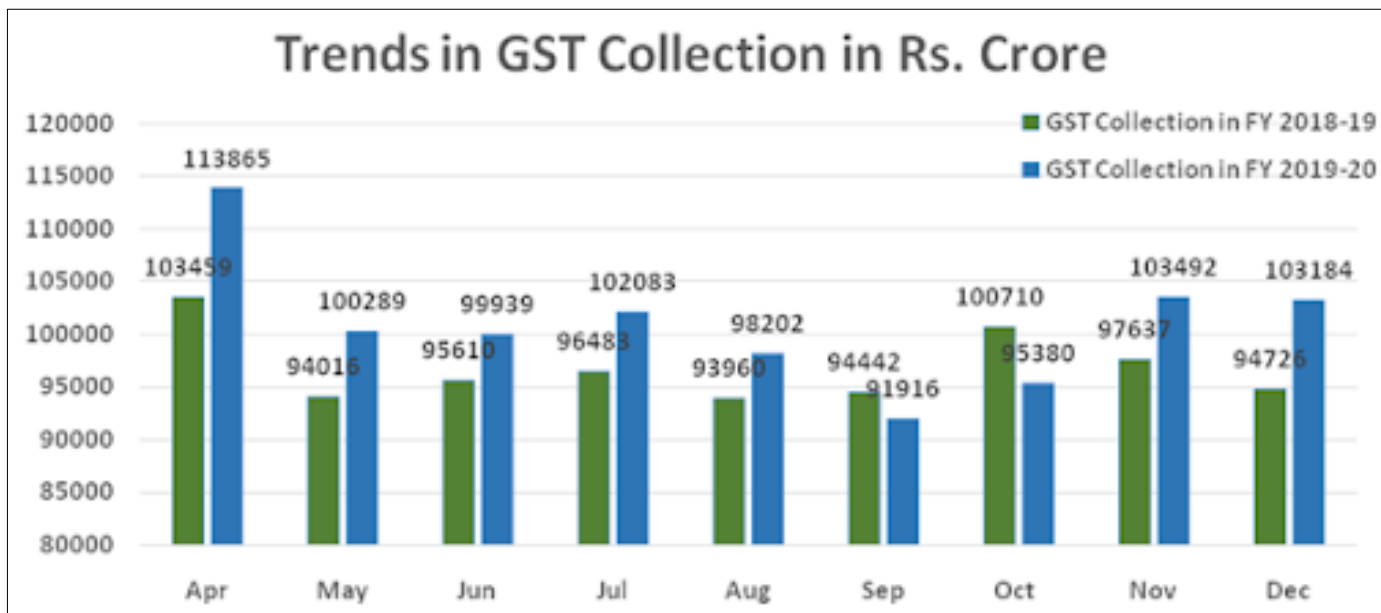
Trends in GST Collection in Rs. Crore

CGST, SGST and IGST

India is a federal democracy that is one which has clear demarcation of powers, responsibility and revenue collection between the states and the centre in its constitution. For example, law and order falls under the state's jurisdiction while the nation's defence is the centre's responsibility. The GST too needs to have clear provisions on what areas the centre and the state are allowed to collect revenue from taxation to prevent an overlapping.

The Central GST or CGST is the areas where the centre has the powers and State GST where the State has taxation capabilities. The IGST or Integrated GST is for movement of goods within the states of the Indian union. This will be collected by the union however will be transferred over to the states. Thus it is essential that if and when the GST comes out it is rolled over in the entire nation simultaneously.

Materials and Methods

Research Type: This research is basically a descriptive type. In research the research gap is identified by reading the literature and through personal observations. Then the objectives are set and hypothesis are set and then tested through the data which is to be collected using the primary method through questionnaire. Various relationship between various factors has been identified & analysed and described thereon. This empirical study is being conducted to understand the about GST and its implementation and the various issues related to it.

Research Process: In a research the literature is being reviewed first in order to understand the problem that exist in any system and then the research problem is defined. After the definition of the research problem the objective and the hypothesis is set up. The sampling is applied in case the universe is large and not possible to cover each and every unit for the purpose of the research. The data has been collected using both primary as well as secondary method. Then data has been presented and analyzed. Then conclusion has been drawn and finally the suggestion is made by the researcher. The research process is described with the following research design.

Research Area

Hadoti region of Rajasthan gets its name from the Hada Rajputs, a clan of Chauhan dynasty. They ruled the region/kingdom after conquering it from Meena rulers. Today, the Hadoti region includes districts Bundi, Baran, Jhalawar, Kota and also a small subdivision of Keshorai Patan situated around twenty-one kilometers from Kota and forty kilometers from Bundi city.

As per the DIC records there are more than 25,000 industrial units registered in DIC in southeast Rajasthan (12000 in Kota, 6000 in Bundi, 1000 in Barah and 11000 in Jhalawar). Manufacturing Sector includes : Sand stone and Kota stone Cluster, Welding Electrode, Kota Doriya, Engg Fabrication and General Engg., Chemical Industry, Edible oil, Agriculture implements, Snacks (Namkeen and Kachori), According to Micro, Small & Medium Enterprises Development (MSMED) Act, 2006, the Micro, Small and Medium Enterprises (MSME) are classified in two Classes namely; manufacturing and service enterprises as under.

Sampling Method: Since the large number of manufacturing organizations are located in south east region of Rajasthan. The sampling method has been used. Simple random sampling has been used for data collection.

Sampling: The nature of the research requires the need of thorough examination of the enterprises on their level of growth hence the use of questionnaire for target questions financial reports of any slated financial years of as to allow the testing of ratios. This study based on purposive.

Random Sampling: A closed questionnaire is designed using Likert scale. Questionnaire consist of more than 40 questions. A Likert Scale is a type of rating scale used to measure attitudes or opinions. With this scale, respondents are asked to rate items on a level of agreement. For example: Strongly agree, Agree, Neutral, Disagree, strongly disagree.

Sample Size: Response has been collected from 400 manufacturing organizations and from 115 CA and Tax Consultants & Financial Advisors.

Data Collection: This study is based on primary and secondary data-
(a) Secondary research: It is done by studying research, journals, business, magazines, microfinance reports, newspaper, reports, websites and surveys conducted in the area of microfinance.
(b) Primary Research: It is done by capturing views of 400 manufacturing organizations from different type of business, age group and with different level of experience through a detailed questionnaire and 115 CA and Tax Consultants & Financial Advisors.

Data Analysis and Interpretation: The data collected was analysed using the following statistical tools and techniques: Descriptive statistics in the form of percentages were used in this study. The MS Excel and Statistical Package for the Social Sciences was used to analyse the data. Data was converted into percentages and ratios for easier interpretation. Calculation of ratios for each questionnaire item was done to identify items that were positively or negatively rated in terms of their influence to career choices. Ratios were calculated by adding the positive responses (Strongly agreed and Agreed) and divide them by the sum of negative responses (Strongly disagreed and Disagreed).

- **Graphical Analysis:** Data in percentage is presented using Pi-Charts & Bar Charts and data in numbers is presented using bar charts.
- **Measures of Central Tendency & Dispersion:** The Mean and Variance values were calculated for analysis.
- **Statistical Test:** The t-test, ANOVA and chi-square test are used for testing the hypothesis.

Statistical Software Used: MS-Excel and Statistical Package for Social Science (SPSS).

Results and Discussion
1. Category of Business Organizations of the respondents

Table 1: Category of Business Organizations of the respondents

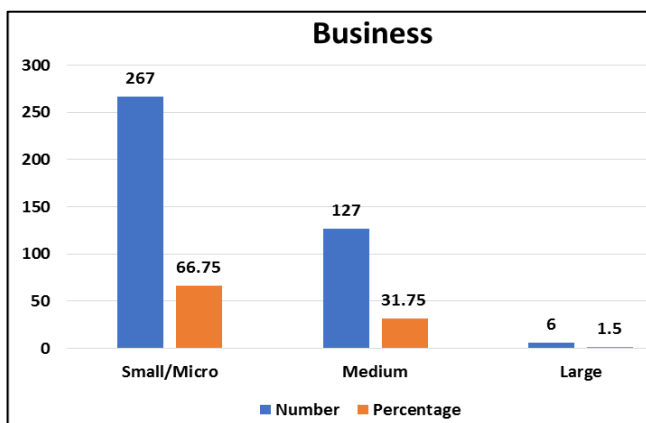| Business	Number	Percentage
Small/Micro	267	66.75
Medium	127	31.75
Large	6	1.5
Total	400	100

Fig 1: Category of Business Organizations of the respondents

Interpretation: As shown in figure above out of the total respondents 66.75% are from Small/Micro, 31.75% are from Medium and 1.5% are from large.

2. Selected area for the study

Table 2: Selected area for the study

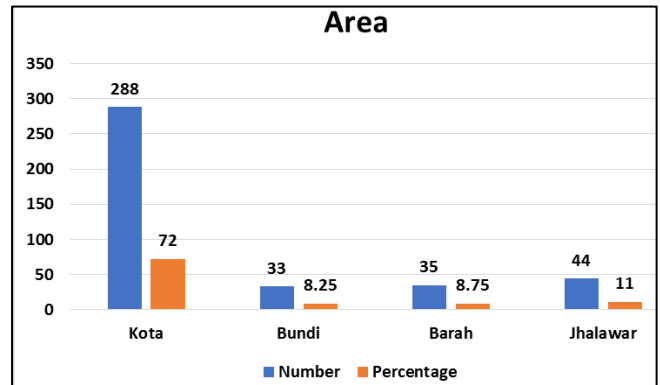| Area	Number	Percentage
Kota	288	72
Bundi	33	8.25
Barah	35	8.75
Jhalawar	44	11
Total	400	100

Fig 2: Selected area for the study

Interpretation: As shown in figure above out of the total respondents 72% are from kota, 8.25% from Bundi, 8.75% from Barah and 11% from Jhalawar. This shows that the most of the manufacturing organization are located in Kota district.

3. Age group of the respondent

Table 3: Age group of the respondent

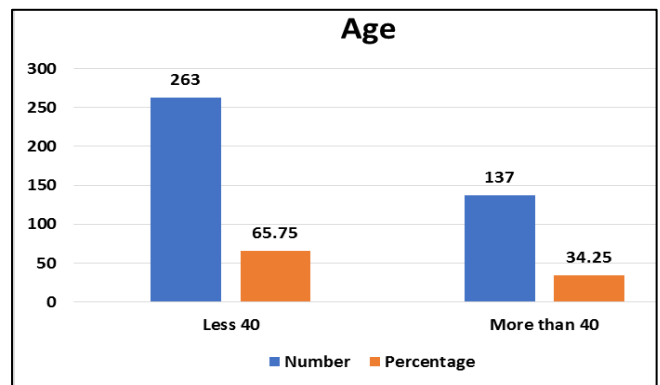| Age	Number	Percentage
Less 40	263	65.75
More than 40	137	34.25
Total	400	100

Fig 3: Age group of the respondent

Interpretation: As shown in figure above out of the total respondents 65.75% are of age less than or equal to 40 and 34.25% are of age more than 40.

4. Qualification of the respondent

Table 4: Qualification of the respondent

Qualification	Number	Percentage
Technical/Professional Degree	145	36.25
Non-Professional/Non-Technical	255	63.75
Total	400	100

Fig 4: Qualification of the respondent

Interpretation
As shown in figure above out of the total respondents 36.25% have technical and professional degree and 63.75% do not have any technical & professional degree.

5. GST is easier to understand in comparison to previous tax regime

Table 5: GST is easier to understand in comparison to previous tax regime

GST is easier	Number	Percentage
Strongly Agree	19	4.75
Agree	188	47
Neutral	17	4.25
Disagree	163	40.75
Strongly Disagree	13	3.25
Total	400	100

Interpretation: As shown in figure above out of the total respondents 4.75% strongly agree, 47% agree, 4.25% neutral, 40.75% disagree & 3.25% strongly disagree about GST is easier to understand in comparison to previous tax regime. This shows that for some GST is easier to understand and for some it is difficult.

Fig 5: GST is easier to understand in comparison to previous tax regime

6. GST taxation system is a transparent tax system

Table 6: GST taxation system is a transparent tax system

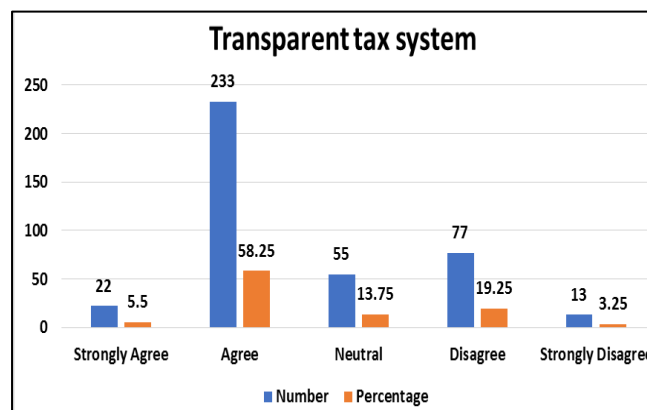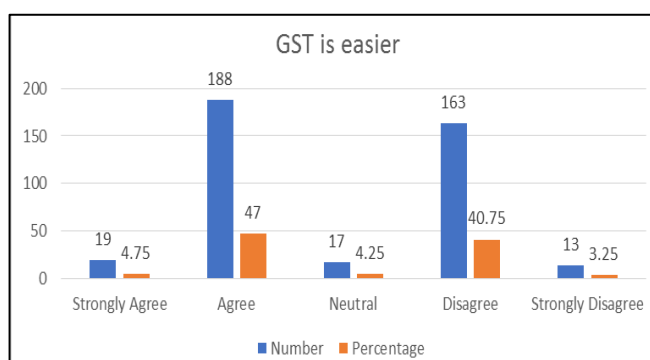| Transparent tax system	Number	Percentage
Strongly Agree	22	5.5
Agree	233	58.25
Neutral	55	13.75
Disagree	77	19.25
Strongly Disagree	13	3.25
Total	400	100

Fig 6: GST taxation system is a transparent tax system

Interpretation: As shown in figure above out of the total respondents 5.5% strongly agree, 58.25% agree, 13.75% neutral, 19.25% disagree & 3.25% strongly disagree about GST system is a transparent tax system. This shows that GST system is transparent.

It has been found that manufacturing organizations are benefited by the GST. Most of the organizations initially faces problems in adopting GST but by the time they understood it and found it very smooth and easy taxation system. The out of the two options of GST, composition scheme was adopted by some manufacturer only. Most of the manufacturing organizations are micro/small in size and most of them are located in Kota city in south east region of Rajasthan. The entire process of filing GSTR-1, GSTR-2 and GSTR-9 is smooth and the errors/mismatch is easily being rectified by the organizations.

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