

A Study on the Impact of GST on Textile Entrepreneurs in Trivandrum

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Abstract: The Goods and Services Tax (GST), which was adopted in India in 2017, represented a substantial shift in the country's taxation system, to streamline and unify the indirect tax structure. This study investigates the effects of GST on textile entrepreneurs in Trivandrum, assessing the multidimensional influence on several areas of their operations. The study aims to uncover major areas in which GST has impacted the textile business, such as pricing tactics, supply chain dynamics, and market competitiveness. It also looks into entrepreneurs' perceptions of the ease of compliance, the efficacy of government assistance channels, and the overall business environment following GST introduction.

Preliminary findings indicate a mixed impact on textile enterprises, with some benefiting from simpler tax structures and enhanced input tax credit systems, while others experience obstacles due to compliance complications and transitory changes. The study's goal is to provide policymakers, entrepreneurs, and researchers with valuable insights that will drive future policy decisions and develop a better understanding of the GST's impact on the textile sector in Trivandrum.

Keywords: Goods And Service Tax, Textile Entrepreneurs, Indirect Tax, Pricing Strategies, Taxation Reforms, Input Tax Credit, Operational Challenges, Business Environment.

Introduction

The implementation of the Goods and Services Tax (GST) in India in 2017 was a watershed moment in the country's taxation history. GST was designed as a comprehensive tax reform to streamline the complicated indirect tax structure, create a single market, and improve the ease of doing business. As this enormous upheaval spread throughout the economy, the influence on certain industries became a hot topic. The purpose of this research is to better understand the implications of GST for textile entrepreneurs in Trivandrum. Trivandrum, Kerala's capital city, is well-known for its diverse cultural history and economy. The textile industry, which is an important part of the city's economy, saw significant changes as a result of the GST adoption. The transition from a multi-tiered tax system to a single, comprehensive tax framework presented both obstacles and possibilities for textile industry entrepreneurs.

This study takes a comprehensive approach, integrating quantitative data analysis with qualitative insights gleaned from interviews with textile businesses. The quantitative part is meticulously reviewing financial records and tax filings to evaluate changes in tax liabilities, compliance costs, and overall financial performance. Similarly, qualitative interviews seek to capture entrepreneurs' lived experiences, offering a greater understanding of the operational intricacies and strategic modifications made in response to the GST system. The textile sector is fundamentally complicated, with several segments such as manufacturing, trading, and retailing. As a result, a thorough assessment of the influence of GST on pricing strategies, supply chain dynamics, and market competitiveness is required. Furthermore, the study investigates entrepreneurs' perceptions of the ease of compliance, the efficacy of government assistance channels, and the general business environment following GST implementation.

This study intends to give useful insights into both academic debate and practical policymaking by GST's multifarious ramifications for textile firms in Trivandrum. The findings aim to shed light on the industry-specific problems and triumphs brought about by GST, providing stakeholders with a platform for informed decision-making and promoting greater awareness of the dynamic business landscape in the post-GST period.

Statement Of The Problem

The implementation of the Goods and Services Tax (GST) in India marked a watershed point in the country's economic history, to simplify the tax structure and foster a unified market. However, the impact of this far-reaching tax reform on individual businesses, such as Trivandrum's textile sector, has raised serious concerns. The textile industry, which is a crucial contributor to Trivandrum's economic activity, has witnessed considerable changes since the GST was implemented. Trivandrum's textile businesses now operate under a new taxation paradigm that has replaced the complex multi-tiered tax structure with a single tax rate. This transition presents a plethora of difficulties and opportunities that touch many aspects of their businesses. Understanding these entrepreneurs' distinct difficulties is critical for both academic research and practical policymaking.

One of the key issues is in the financial sphere, where the shift to GST has required a reassessment of tax responsibilities and compliance expenses. Entrepreneurs must battle with understanding and implementing the new tax regime, which may influence their overall financial success. Furthermore, the tax structure change may have an impact on the textile industry's pricing tactics, supply chain dynamics, and market competitiveness. Furthermore, given the inherent complexity of the textile industry, businesses are concerned about the simplicity with which GST regulations may be met. The efficiency of government assistance systems designed to assist firms throughout this transition is also worth investigating. Identifying and addressing these concerns is critical for building a positive business environment and ensuring the textile industry's continued growth in Trivandrum. Given these factors, the purpose of this study is to look into the multifaceted issues that textile entrepreneurs in Trivandrum confront following the GST introduction. The research intends to give significant insights to policymakers and industry stakeholders by identifying and understanding the specific difficulties faced by these entrepreneurs, promoting a climate conducive to entrepreneurial success in the changing tax landscape.

Overview of the Impact of GST on Textile Entrepreneurs

In 2017, India implemented the Goods and Services Tax (GST), a significant move aiming at streamlining the country's taxation system and creating a unified market. Following this comprehensive reform, numerous sectors saw considerable changes in their operational landscapes. This study looks at the textile business in Trivandrum, a city known for its economic diversity and cultural richness, to see how GST affects local entrepreneurs in this area. Trivandrum's textile industry, like that of the rest of India, is critical to the economy. With the introduction of GST, enterprises in this industry had to navigate a new tax framework, which replaced the previous multi-tiered tax structure. This transition has presented both obstacles and opportunities that require thorough investigation. This study takes a comprehensive approach, combining quantitative and qualitative data to better understand the impact of GST on textile entrepreneurs in Trivandrum. The quantitative part is meticulously reviewing financial records and tax filings to evaluate changes in tax liabilities, compliance costs, and overall financial performance. Concurrently, qualitative interviews with entrepreneurs provide a comprehensive insight into their lived experiences, problems, and strategic responses to the GST framework. The financial ramifications of GST on textile entrepreneurs will be examined in depth, with an emphasis on how the tax change has affected pricing tactics, supply chain dynamics, and market competitiveness. Furthermore, the study investigates entrepreneurs' perceptions of the ease of compliance, the efficacy of government assistance channels, and the general business environment following GST introduction.

This study intends to give useful insights to academic research and practical policymakers by providing a detailed picture of how GST affects textile entrepreneurs in Trivandrum. The findings aim to shed light on the complex dynamics of the textile business under the new tax regime, providing stakeholders with a platform for informed decision-making. Finally, this study aims to promote a better awareness of the changing business scene and to contribute to the long-term growth and resilience of textile entrepreneurs in Trivandrum.

Evolution Of Gst In India

The Vajpayee Government started the GST debate in 2000 by naming Asim Dasgupta, West Bengal's Finance Minister, to oversee an Empowered Committee entrusted with developing the GST concept. Subsequently, the Task Force on Implementation of the Fiscal Responsibility and Budget Management Act, 2003 (Chairman: Vijay Kelkar) proposed a comprehensive GST based on the VAT principle, as well as the elimination of all inefficient and distorting taxes to allow India to benefit from the efficiencies of one national tax. In his 2005 budget statement, then-Union Finance Minister P. Chidambaram stated that a goods and services tax that encompassed both the Centre and the States should apply throughout the production-distribution system. This remark marked the origin of the notion of implementing a GST. In his 2006-07 budget speech, he reiterated his idea and proposed April 1, 2010, as the date for the GST's implementation. An Empowered Committee (EC) of State Finance Ministers was tasked with aiding the Central Government in accomplishing this goal by developing a road map for the implementation of the Goods and Services Tax. On April 30, 2008, the completed EC report was presented as "A Model and Roadmap for Goods and Services Tax in India." The EC issued the First Discussion Paper on Goods and Services Tax in India on November 10, 2009, in response to comments on the report from the Government of India and concerned State Government authorities. On March 22, 2011, the Constitution (115th Amendment) Bill was introduced in the Lok Sabha to make the Goods and Services Tax (GST) operational and to empower the Centre and States to implement GST-related legislation. Nonetheless, the Bill lapsed with the dissolution of the 15th Lok Sabha.

The Constitution (122nd Amendment) Bill, 2014, was then introduced in the Lok Sabha on December 19, 2014, to address many GST-related issues. It is worth noting that the Constitution does not allow the Central or State Governments the authority to levy taxes on the "supply of goods and services," hence the GST's implementation requires a constitutional amendment. The States could levy taxes on the sale of goods, but the Centre could only tax goods and services up to the point of production. A constitutional amendment was required since the GST regime requires both the federal and state governments to tax goods and services at the same time.

Significance of The Study

This study on the impact of Goods and Services Tax (GST) on textile entrepreneurs in Trivandrum is significant because it can inform targeted interventions and policy changes. Because GST represents a fundamental transformation in India's taxation structure, officials seeking to promote a favorable business environment must grasp its unique consequences for the textile sector in Trivandrum. By analyzing problems faced by entrepreneurs and identifying effective modifications, the study provides policymakers with nuanced insights into developing industry-specific regulations. These insights can help to improve GST-related legislation, potentially reducing compliance burdens and creating a more favorable environment for textile entrepreneurship. Furthermore, because Trivandrum is economically significant, the lessons learned from this study may have larger ramifications, affecting policy decisions that resonate with textile businesses throughout the region and possibly serving as a model for other industries dealing with the effects of GST.

Furthermore, the study has significant implications for textile entrepreneurs, providing them with actionable insights into managing the intricacies of the post-GST world. Understanding how GST affects financial performance, pricing strategies, and market competitiveness allows entrepreneurs to make informed decisions to optimize their operations. The study not only provides scholarly knowledge, but it also directly empowers Trivandrum enterprises by assisting them in proactively adapting to the shifting tax scene. Finally, the value of this research resides in its ability to bridge the gap between academia and actual business demands, by providing answers and recommendations that are consistent with the lived experiences of textile entrepreneurs in the region.

Scope of The Study

The scope of this study on the impact of Goods and Services Tax (GST) on textile entrepreneurs in Trivandrum is broad, covering a variety of parameters to provide a thorough knowledge of GST's implications on the region's textile business. First, the study will look at the financial issues, namely changes in tax liabilities, compliance costs, and overall financial performance for textile enterprises after the GST introduction. This will include a rigorous mathematical examination of financial records and tax filings to evaluate the economic

consequences of the new tax regime. Furthermore, the study will investigate how GST has altered pricing strategies, supply chain dynamics, and market competitiveness in the textile industry, giving light to the operational changes made by entrepreneurs to remain competitive.

Second, the scope includes qualitative insights gained from in-depth interviews with textile entrepreneurs, industry experts, and tax professionals. These interviews will document entrepreneurs' lived experiences, exposing the complexities of navigating the GST system, the problems encountered, and the strategic solutions undertaken. Understanding the qualitative components is critical for revealing the human perspective behind the statistics, which provides a more nuanced picture of entrepreneurs' perceptions, challenges, and possibilities. The use of quantitative and qualitative methodologies strengthens the study, providing a thorough analysis that goes beyond the numerical impact to illustrate the larger ramifications of GST on the entrepreneurial ecosystem in Trivandrum's textile industry.

Objectives Of The Study

1. To determine the impact of the GST system on textile entrepreneurs.
2. To assess textile entrepreneurs' satisfaction with the GST system.
3. To ascertain the challenges of textile entrepreneurs after implementing the GST system.

Research Methodology

- **source of data**
 - ❖ Primary data
 - ❖ Secondary data
- **Selection of the Sample**

A sample of 100 participants will be selected for this investigation. The participants will be chosen using a combination of convenience sampling and purposeful sampling methods. This sample size is believed to be adequate to achieve statistical significance because the population size of Trivandrum (TVM) is unknown.

- **Study Area**

This study will focus on the entire Trivandrum region. The study aims to obtain perspectives from locals in various Trivandrum areas, as the exact population remains unknown.

- **Survey Instrument**

A structured survey questionnaire will be developed to collect quantitative data. The survey will contain sections on consumer behaviour changes, demographics, financial adjustments, and perspectives on how the GST has affected textile entrepreneurs. To allow participants to provide detailed opinions, the survey instrument will blend closed-ended questions with predefined response options with open-ended ones.

- **Percentage Analysis**

Percentage analysis will be used to examine the quantitative data that was collected from the survey. To have a comprehensive picture of the prevalent trends and patterns in the impact of GST on textile entrepreneurs in Trivandrum, it is necessary to calculate the percentage of respondents who provide precise responses to various questions.

- **ANOVA Test**

An Analysis of Variance (ANOVA) test will be performed to determine whether there are any statistically significant variations in the perceived impacts of GST across various demographic categories (such as age and income levels). To shed light on potential differences in the effects of GST, this statistical test will assist in determining whether there are statistically significant differences in the mean scores of replies across various categories.

- **Data collection**

To guarantee accessibility for a wide range of respondents, the survey will be conducted both in-person and electronically. Before any data is collected, participants will be informed of the study's goals and their informed consent will be sought.

- **Data Analysis**

Statistical software (SPSS) will be used to handle and analyse quantitative data. To summarise the data's primary tendencies, descriptive statistics such as mean, median, and mode will be used. The purpose of the ANOVA test is to compare means among many groups.

Review Of Literature

- **Tanushree Gupta (2016)** analysed the impact of GST on the Indian textile industry. The author divided the textile industry into two categories: organised mills (spinning or composite mills) and unorganised decentralised sectors (power loom, handloom, hosiery, and khadi and carpet manufacturing). The study used an exploratory research approach, and the required sample data was gathered from secondary sources such as newspapers, journals, and government websites. This study concluded that the overall impact of GST on the textile industry and consumers was determined by how the various policy options were used to implement GST in the textile sector. The policy options studied for textiles included zero rating, exemption, lower rate of tax, and standard rate of tax with suitable subsidies. The report recommends modifications to the government's subsidy and support policies when the GST replaces the current indirect tax framework.
- **Sreelakshmi et al. (2020)** examined how GST affects textile shops in Ernakulam District, Kerala, India. The goals were to look at the impact of GST on sales volume in textile shops, the change in the cost of textile products after GST, and whether there was any change in the profitability of textile shops after GST. The research was based on both primary and secondary data. The questionnaire was created and disseminated across several textile businesses for primary data collection, with a sample size of 50 respondents. The hypothesis was formulated to investigate a substantial change in the sales volume about the introduction, and the statistical analysis of this research was carried out with the use of inferential analysis such as the Chi-square test and frequency analysis. This study found that the introduction of GST resulted in a significant shift in the price of textile products. Additionally, the majority of respondents believed that even with the introduction of GST, the textile stores' profitability remained unchanged.
- **R. Srinivasa (2016)**, Given that the Indian constitution grants the federal and state governments the power to impose their taxes, the author of "Issues and Challenges of GST in India" predicted that the current indirect taxation system will undergo a thorough overhaul. GST will be a compressive indirect tax system on the production, sales, and consumption of goods and services throughout India, replacing the many indirect taxes imposed by the two governments.
 - **Garg Girish (2014)**, The most logical step our country has taken towards comprehensive indirect tax reform since independence is the Goods and Services Tax (GST) (Basic Concepts and Features of Good and Service Tax in India) study. To enhance the Indian economy, GST will integrate and consolidate the market. The GST will equally split the tax burden between manufacturing and services through a lower tax rate, a wider tax base, and fewer exemptions. It is anticipated that lowering tax barriers between States and uniting India under a single tax rate will raise revenue collections and advance India's economic growth.

ANALYSIS AND INTERPRETATION OF DATA

THE PROFILE OF THE ENTREPRENEUR IN THE TEXTILE INDUSTRY

1.	Gender	Male	77	77
		Female	23	23
		Total	100	100
2.	Age	Below 25 years	16	16
		25 to 35 years	22	22
		35 to 45 years	34	34
		Above 45 years	28	28
		Total	100	100
3.	EducationalQualification	Upto SSLC	15	15
		Diploma	23	23
		Graduate	31	31
		Professional	16	16
		Others	15	15
		Total	100	100
4	MaritalStatus	Unmarried	9	9
		Married	91	91
		Total	100	100
5	Type of Enterprise	Manufacturing	24	24
		Wholesaling	30	30
		Retailing	30	30
		Trading	16	16
		Total	100	100
6	Location of the enterprise	Urban	52	52
		Semi-Urban	33	33
		Rural	15	15
		Total	100	100
7	Monthly SalesTurnover	Upto Rs.10 Lakhs	35	35
		Rs.10 to 25 Lakhs	41	41
		Rs.25 to 50 Lakhs	19	19
		Above Rs.50 Lakhs	5	5
		Total	100	100
8	Type ofTextile Business	Wholesale only	34	34
		Retail only	51	51
		Both	15	15
		Total	100	100

9	Age of the Company	Upto 5 Years	28	28
		6 – 10 Years	33	33
		11 – 15 Years	20	20
		Above 15 Years	19	19
		Total	100	100
10	Source of Awareness	Government Publication	22	22
		Tax officials	23	23
		Auditors / CA	20	20
		Advertisement	15	15
		Friends / Relatives	11	11
		Others	8	8
		Total	100	100

(Source: Primary Data)

Interpretation:

Out of 100 textile entrepreneurs, 77% are male and 23% are female. The majority (34.0%) of textile entrepreneurs are between the ages of 35 and 45 years. It has been discovered that a large number (31%) of textile entrepreneurs are graduates. It is worth noting that the vast majority (91%) of textile entrepreneurs are married. The investigation revealed that the majority (30%) of respondents are in the retail and wholesale textile industries. As a result, 52 percent of textile entrepreneurs started enterprises in metropolitan areas. According to the findings, the majority (41%) of respondents ran their textile businesses for Rs.10 to 25 lakhs in monthly sales. The analysis revealed that the majority (51%) of textile entrepreneurs only operate in the retail sector. According to the findings, the majority of entrepreneurs (33%) began their textile businesses between 6 and 8 years ago. According to the analysis, 23 percent of entrepreneurs are aware of GST through tax officials.

The Respondent's View On The Impact Of Gst

NO.	Factors	SA	A	N	DA	SDA
1	The GST increases transparency.	30%	27%	18%	12%	13%
2	Tax evasion is decreased under the current GST system.	22%	34%	26%	12%	6%
3	The GST's input tax credit caused a fall in product pricing.	25%	19%	29%	17%	10%
4	Compared to the previous sales tax system, it is more complex.	11%	14%	28%	29%	16%
5	For the textile industry, the GST system is more advantageous.	23%	24%	19%	20%	14%

(Note: SA- Strongly Agree; A – Agree; N– Neutral; DA – Disagree; SDA – Strongly disagree) (Source: Primary Data)

It is examined from the above table that the entrepreneurs strongly agreed that the impact of GST on textiles the 'GST increases transparency (30%)', Also, the entrepreneurs agreed that 'Tax evasion is decreased under the current GST system (34%)', the respondents neutrally agreed on the 'GST's input tax credit caused a fall in product pricing (29%)'. On the other hand, 29 percent of the respondents disagreed 'Compared to the previous sales tax system, it is more complex'. It is found from the analysis that the majority (24%) of the entrepreneurs agreed with the impact of GST on textiles 'For the textile industry, the GST system is more

advantageous.

Level of satisfaction with the GST system

NO.	Factors	SA	A	N	DA	SDA
1	Workload for the GST submission	11%	18%	18%	36%	17%
2	Time needed to file GST return	20%	27%	19%	17%	13%
3	Enough staff to ensure regular GST submissions.	28%	31%	19%	18%	4%
4	Government-organized seminars and workshops.	23%	28%	18%	19%	12%
5	Advantages of the GST over the old tax structure	25%	34%	16%	14%	11%

The following table shows that entrepreneurs significantly disagreed with the statements "Workload for the GST submission (36%)" and "Time needed to file GST return (27%)" as well as agreeing that there should be "enough staff to ensure regular GST submissions (31%)." However, 28% of those surveyed concurred that "the government organized seminars and workshops." The analysis shows that 34% of the businesses agreed with the statement, "Advantages of the GST over the old tax structure," regarding how the GST affected the textile industry.

Satisfaction Level With The Gst System (Chi-Square Analysis)

Sl.No.	Factor	Calculated χ^2 Value	Table value	D.F	Remarks
1	Gender	3.073	5.782	2	Not significant
2	Age	15.568	12.552	6	Significant at 5% level
3	Educational Qualification	25.369	20.190	8	Significant at 1% level
4	Marital status	29.473	9.220	2	Significant at 1% level
5	Type of enterprise	72.248	16.711	6	Significant at 1% level
6	Type of business	14.286	18.207	10	Not significant
7	Location of the enterprise	39.703	13.376	4	Significant at 1% level
8	Nature of the business	10.278	21.126	12	Not significant
9	Monthly sales turnover	25.431	16.843	6	Significant at 1% level
10	Number of employees working	13.604	12.582	6	Significant at 1% level
11	Type of textile business	22.276	13.376	4	Significant at 1% level

The findings show that there is no significant association between respondents' gender and their degree of satisfaction with the GST system. The respondents' age is unrelated to their degree of satisfaction with the GST system is not valid. The results show a substantial correlation between respondents' age and their degree of satisfaction with the GST system. The data confirms a substantial association between respondents' educational qualifications and their satisfaction with the GST system. The investigation shows a substantial correlation between respondents' marital status and their satisfaction with the GST system. The data indicates a substantial correlation between respondents' type of firm and their degree of satisfaction with the GST system. The investigation found no significant association between firm ownership type and satisfaction with the GST system. The data shows a substantial correlation between the business location and satisfaction with the GST system. The investigation showed no significant correlation between the nature of the firm and satisfaction with the GST system. The data shows a substantial correlation between monthly sales turnover and satisfaction with the GST

system. The data shows a substantial correlation between the number of workers working and their satisfaction with the GST system. The data shows a strong correlation between the kind of textile business and satisfaction with the GST system.

Problems with the GST System (Henry Garrette Ranking).

Sl.No.	Problems	Total Score	Mean Score	Rank
1	More formalities	43828	57.8	II
2	Difficult to file routinely.	41811	52.4	VI
3	Unable to clearly understand the filing procedure.	34447	42.8	IX
4	More costs levied by the auditors / CA	46171	59.0	I
5	High Penalties	41854	53.7	V
6	Lack of clarity and openness in the system.	32785	45.8	VIII
7	Increased amount of records to be kept	36113	46.1	VII
8	The system lacks uniformity	32771	43.0	X
9	Numerous Modifications	43021	56.3	IV
10	Inaccurate Information Regarding the GST System	44328	56.7	III

The preceding table reveals that the primary difficulties encountered in the GST system are 'more cost levied by auditors / CA', which is rated #1 with a Garrett score of 46171 points. It is followed by the second and third rankings for 'more formalities' and 'lack of proper information about the GST system', with Garrett ratings of 43828 and 44328 points, respectively. The fourth and fifth places are allocated to 'many amendments' and 'heavy penalties', with Garrett scores of 43021 and 41854 points, respectively. The sixth and seventh places are awarded to 'difficult to file consistently' and 'a greater number of records to be preserved', with Garrett scores of 41811 and 36113 points, respectively. Garrett scores of 32785 and 34447 points, respectively, are given to the eighth and ninth rankings for 'lack of clarity and transparency in the system' and 'unable to grasp the filing method'. The last rank is attributed to 'lack of consistency in the system', with Garrett scores of 32771 points. According to the study, the majority of respondents believe that the main issues with the GST system are 'more costs levied by the auditors / CA' and 'more formalities'.

Findings

IMPACT OF GST ON TEXTILE ENTREPRENEURS

- **Transparency Increase:** A significant portion (57%) of the respondents either strongly agreed or agreed that GST increases transparency. This indicates a positive perception among entrepreneurs regarding the transparency brought about by the GST system.
- **Decrease in Tax Evasion:** A majority (56%) of the respondents either strongly agreed or agreed that tax evasion is decreased under the current GST system. This suggests that entrepreneurs perceive GST as an effective mechanism in curbing tax evasion.
- **Impact on Product Pricing:** There is a mixed perception regarding the impact of GST's input tax credit on product pricing. While 44% of the respondents either strongly agreed or agreed that it caused a fall in product pricing, 27% were neutral, indicating a lack of strong consensus on this aspect.
- **Complexity Compared to Previous System:** A significant portion (45%) of respondents disagreed that GST is more complex compared to the previous sales tax system. This suggests that there is a division in opinion regarding the complexity of GST among entrepreneurs.

- **Advantage for Textile Industry:** A majority (47%) of the respondents either strongly agreed or agreed that the GST system is more advantageous for the textile industry. This indicates a positive perception among entrepreneurs regarding the impact of GST on the textile sector.

SATISFACTION LEVEL WITH THE GST SYSTEM

- **Workload for GST Submission:** A significant portion (36%) of entrepreneurs disagreed that the workload for GST submission is manageable. This indicates dissatisfaction among respondents regarding the administrative burden associated with GST compliance.
- **Time Needed to File GST Return:** Similarly, 27% of respondents disagreed that the time needed to file a GST return is reasonable. This suggests that a considerable number of entrepreneurs perceive the time required for GST compliance as excessive.
- **Adequacy of Staff for GST Submissions:** On a positive note, 31% of respondents agreed that there are enough staff to ensure regular GST submissions. This suggests that a substantial portion of entrepreneurs feel adequately supported in terms of human resources for GST compliance.
- **Government-Organized Seminars and Workshops:** About 28% of respondents agreed that government-organized seminars and workshops are helpful. This indicates a moderate level of satisfaction among entrepreneurs regarding the educational support provided by the government to navigate the GST system.
- **Advantages of GST Over Old Tax Structure:** A significant majority (59%) of respondents either strongly agreed or agreed that there are advantages of GST over the old tax structure. This suggests that most entrepreneurs perceive benefits in transitioning to the GST system, especially concerning its impact on the textile industry.

Problems with the GST System

- The majority of respondents identified the main issues with the GST system as higher costs imposed by auditors/CAs and more procedures.

Suggestions

- **Simplify GST Submission Processes:** Since a significant portion of entrepreneurs find the workload for GST submission unmanageable, there's a need to simplify the processes involved. This can be achieved by streamlining forms, providing clear guidelines, and leveraging technology to automate routine tasks.
- **Reduce Time for GST Return Filing:** To address the perception of excessive time needed for GST compliance, authorities can consider simplifying the return filing process, providing easier access to relevant information, and offering tools or software that facilitate quicker data entry and verification.
- **Enhance Educational Support:** While there is moderate satisfaction with government-organized seminars and workshops, there's room for improvement. Increasing the frequency of such events, covering advanced topics, and providing practical guidance tailored to different industries can enhance their effectiveness in educating entrepreneurs about GST compliance.
- **Ensure Adequate Staffing:** Since a significant percentage of respondents feel that there are enough staff for GST submissions, it's essential to maintain this level of support. Regularly assess staffing needs based on the complexity of compliance requirements and provide training to existing staff to improve their efficiency.
- **Communicate Benefits of GST:** The fact that a majority of respondents see advantages in GST over the old tax structure is a positive sign. Authorities should continue to communicate and educate entrepreneurs about the specific benefits of GST, especially highlighting its positive impact on industries like textiles.
- **Feedback Mechanism and Continuous Improvement:** Implement a feedback mechanism where entrepreneurs can provide input on their experiences with GST compliance. Use this feedback to identify areas for improvement, address common pain points, and make ongoing adjustments to the system to enhance user satisfaction.
- **Cost Rationalization and Transparency:** Work towards reducing the costs imposed by auditors and Chartered Accountants (CAs) for GST compliance services. This can be achieved by promoting transparency in pricing, encouraging competition among service providers, and providing guidelines or benchmarks for reasonable fees.

- **Simplify Procedures:** Streamline GST procedures to reduce complexity and make compliance easier for entrepreneurs. This can include simplifying forms, consolidating processes where possible, and providing clear guidelines and instructions to minimize confusion and errors.
- **Educate Entrepreneurs on Cost-saving Measures:** Organize seminars, workshops, and educational programs specifically focused on cost-saving measures related to GST compliance. Provide practical tips, tools, and resources that entrepreneurs can use to minimize costs while ensuring compliance with GST regulations.
- **Encourage Technology Adoption:** Promote the use of technology and digital solutions for GST compliance, such as GST software platforms that automate processes, provide real-time updates, and help in generating accurate reports. Encourage entrepreneurs to leverage these tools to streamline their compliance efforts and reduce costs associated with manual tasks.

Feedback Mechanism and Continuous Improvement: Establish a feedback mechanism where entrepreneurs can provide input on the challenges they face with GST compliance, including costs and procedures. Use this feedback to identify areas for improvement, implement necessary changes, and continuously enhance the GST system to better meet the needs of users.

conclusions

Overall, the impact of GST on textile entrepreneurs reflects a positive perception regarding increased transparency and reduced tax evasion, as indicated by the majority of respondents. The mixed views on the impact of GST on product pricing and complexity highlight areas where further clarity and simplification may be beneficial. Despite the identified problems with higher costs imposed by auditors/CAs and increased procedures, there is a notable level of satisfaction with GST's advantages over the old tax structure and the support provided by adequate staff. Addressing the cost and procedural issues while continuing to enhance transparency and reduce tax evasion will be crucial for improving overall satisfaction and ease of compliance among textile entrepreneurs under the GST system.

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