

Traders' Expectations towards GST Implementation: A Study of Selected Districts of Punjab

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1. INDIAN INDIRECT TAXATION SYSTEM

For a long time since independence, Indian indirect taxation system comprised of Central excise duty (a tax on production/ manufacture), and customs duty (a tax on import/export) at the Central level and sales tax at State level with certain exceptions. However, tax on inter-state sale of goods was levied by the Central Government. Indirect taxes during those years (i.e. from the year 1947 to 1985) were not based on the principle of value addition and were levied in a non-coordinated manner which lead to a major problem of cascading of tax i.e. tax on tax problem. For instance, under Central excise, tax paid on purchases (i.e. excise duty levied and included in purchase of raw material) was treated as part of the cost of goods purchased and the finished products manufactured by using that raw material were liable to excise duty on a value including the excise duty on inputs which ultimately used to increase the price of goods. The cascading of tax was also prevalent in different levies as excise duty paid on finished goods used to be part of the value of goods for the purposes of levying sales tax on such goods. Apart from this, the then prevalent indirect taxes were plagued with many problems like complicated provisions, high rates of tax, different rates, classification disputes, ambiguity of interpretation, ever increasing list of case based exemptions, frequent changes in laws, rampant tax evasion and very poor tax administration. (Rustagi, T. R.,1998)

2. REFORMS IN INDIRECT TAXATION AND IMPLEMENTATION OF GST IN INDIA

In the three decades preceding 1985, many expert committees and study/working groups were formed by the Government of India to suggest measures to reform the indirect tax system in general and excise and customs duty structure in particular. A significant reform in this direction was made in 1986 when the Government of India introduced the system of MODVAT i.e. Modified Value Added Tax (renamed in 1999 as CENVAT), involving the

application of the principle of value addition for levying excise duty on certain selected commodities by allowing input tax credit in respect of excise duty paid on specified inputs and components so as to reduce the problem of tax cascading to a certain extent (Aggarwai, P. K. 1996). In the meanwhile, in 1994, India witnessed the levy of service tax by the Central Government on service providers and this new tax was also very well incorporated under CENVAT in few years.

The above reforms in central excise were a sort of partial reforms as the other major form of indirect tax i.e. Sales tax, being levied by various State Governments and certain taxes levied by local bodies were still suffering from the problems like tax cascading, non-coordinated growth and large scale tax evasion. In this context, another landmark reform was the implementation of State level Value Added Tax (VAT) in 2005, on intra-state sales in place of the then existing State level sales tax. However, Central sales tax leviable on inter-State sales and paid by the purchaser was not allowed to be deducted from the State level VAT payable by the purchasing dealer at the time of making local sale. Also, there were around 12-15 other indirect taxes being levied by State Governments and local bodies such as entry tax, octroi and entertainment tax etc. to name a few.

As a panacea to these problems, in the year 2000, the then prime minister of India sh. Atal Bihari Vajapayee stressed upon the need to have national level GST. In 2003, the Kelkar Task Force on indirect tax also suggested a comprehensive GST based on VAT principle. These recommendations resulted in a partial tax reform in the form of State level VAT that was introduced in 2005, replacing various State level sales tax laws.

The Goods and Service Tax (GST), a comprehensive indirect tax on the supply of goods and services, is a global phenomenon and is a major source of revenue of various Governments world over. It is based on the principle of value addition in the supply chain management of goods and services, in which, the seller or service provider is allowed to claim the input tax credit of taxes paid while purchasing the goods or availing the input services. Thus, the final consumer will ultimately bear the impact of GST charged by the last dealer supplying the goods or services.

3. REVIEW OF LITERATURE

There are various studies undertaken globally/domestically in respect of indirect taxation system involving Value Added Tax (VAT)/Goods and Service Tax (GST) in general and with reference to India in particular involving meaning, features, rates, and models of VAT/GST.

Among various forms of indirect taxes, the value addition based VAT/GST emerged as the only global preference with France, Uruguay and Brazil taking the lead in its implementation in 1950s (**Jenkins, G. P. 1989**).

Value Added Tax (VAT) with a single rate, in 17 OECD countries, is the ideal form of indirect tax leading to increased tax compliance, lower compliance cost and elimination of unwarranted tax rate alteration war among member countries (**Agha, A., & Haughton, J. (1996)**).

As a part of significant tax reforms, the Singapore government introduced a single rate-consumption level GST (based on the principle of value addition) in 1994, covering supplies of goods and services after taking due inputs from business community and trade associations (**Jenkins, G., & Khadka, R. 1998**).

Value Added Tax (VAT) on consumption of goods and services must have wide coverage of entire supply chain with one or two rates, minimum exemptions and easy compliance mechanism (**Le, T. M. 2003**).

Cunha, F (2004) in his study, criticized the prevalent Brazilian multiple indirect taxes with multiple rates leviable on goods and service by various federal governments and recommended a single national level Goods and Services Tax (GST) in the country involving fewer rates, uniform rates for interstate and intrastate supply of goods and services so as to develop a system as desired by the business community that would ultimately promote uninterrupted growth of manufacturing, trade and commerce.

Indian industry expects proposed Goods and services tax in India to be a central levy applicable throughout India. (**KPMG Report, 2010**).

Goods and services tax in Poland has caused substantial hardship to many small and medium enterprises on account of different tax rates, too many exemptions, necessity to maintain elaborate records and other associated compliances (**Matejun M., 2011**).

There is a low level of awareness among educators towards GST implementation in Malaysia due to insufficient and unclear information provided by the Government. (**Shamsuddin, A. et al, 2014**).

The presence of multiple number of indirect taxes in the Indian economy has lead to a complicated and uncoordinated indirect taxation system with various other ill. Such a situation really demands a significant overhauling of the prevalent taxation regime by introducing a single consumption based taxation involving goods and services i.e. Goods and Services Tax (**Sharma R.,2017**).

Barhate, G.H., 2017 studied the awareness and perception towards proposed GST amongst traders in rural areas and revealed low level of awareness along with the perception that it would definitely reduce their cost of compliance.

4. RESEARCH METHDOLOGY

4.1 Objectives of the Study

To study the expectations of respondents towards GST implementations with respect to incidence and procedural requirements.

4.2 Sample

As per the requirement of the study, the respondents consist of three types of enterprises viz.: small, medium and large scale enterprises.

Small Scale Enterprises: Enterprises having annual turnover of above *Rs. 20 lakh but upto Rs.1.5 crore* during the period starting from 1st of April, 2016 to 31st March, 2017.

Medium Scale Enterprises: Enterprises having annual turnover of above *Rs. 1.5 crore but upto Rs.5 crore* during the period starting from 1st of April, 2016 to 31st March, 2017.

Large Scale Enterprises: Enterprises having annual turnover of above *Rs. 5 crore* during the period starting from 1st of April, 2016 to 31st March, 2017.

4.3 Data Collection

Primary data has been collected and for the purpose, survey method has been adopted. The population for the study is entire universe of enterprises dealing in electronic, rubber and sports goods but the study has been conducted in five major cities of Punjab, namely Jalandhar, Ludhiana, Kapurthala, Phagwara and Amritsar.

Entire process of data collection has been conducted during the period starting from 1st April 2017 to 31st July 2017. Feasible time has been taken from the respondents to get the

questionnaire filled. One reminder call has been given again to them before visiting them. Original sample list includes 350 respondents with proportionate representation from each city under study. 50 questionnaires are found to be incomplete in some or the other respect. So out of 350 respondents, responses of 300 enterprises are valid and taken into consideration which consists of 80 small scale enterprises, 120 medium scale enterprises and 100 large scale enterprises.

4.4 Hypothesis of the Study

The study has been conducted under the structure of the following mentioned Hypotheses:

H_{0_1}: The mean score of rating given to the factors (as a combination of all variables) related to construct 'Incidence' is less than or equal to mean score 3.

H_{a_1}: The mean score of rating given to the factors (as a combination of all variables) related to construct 'Incidence' is more than mean score 3.

H_{0_2}: The relative importance of different factors related to construct 'Incidence' is not significantly different across different categories of respondents.

H_{a_2}: The relative importance of different factors related to construct 'Incidence' is significantly different across different categories of respondents.

H_{0_3}: The mean score of rating given to the factors related to construct 'Procedural Requirements' is less than or equal to mean score 3.

H_{a_3}: The mean score of rating given to the factors related to construct 'Procedural Requirements' is more than mean score 3.

H_{0_4}: The relative importance of different factors related to construct 'Procedural Requirements' is not significantly different across different categories of respondents.

H_{a_4}: The relative importance of different factors related to construct 'Procedural Requirements' is significantly different across different categories of respondents.

5. ANALYSIS

5.1 Respondents' Expectations towards GST Implementation

Respondents have been asked to give their responses to a list of thirty statements. These statements reflected expectations of respondents towards GST implementations on

various aspects of incidence and procedural requirements and their level of agreement/disagreement with respect to various statements on a five-point Likert scale.

5.1.1 Respondents' Expectations towards Incidence (Overall)

Overall mean scores in Table 1 indicate that greater emphasis has been attached to statement X_1 (GST would be levied at a single rate for all goods and services). This expectation of industry is in line with one of the important recommendation given by Report of the task force on Goods and Services Tax, 2009 which stated that all goods and services should be chargeable to tax at a single rate which would favourably impact compliance and administration by shedding away the requirement to differentiate the various products taxed at varied rates. It is followed by X_4 (One particular class of goods/ services would attract same rate of GST) and X_2 (GST rates would be reasonable and competitive to imported products). Statement X_5 (GST rates will lead to provide level playing field to both off-line and on-line supply of goods and services) has emerged as a least important statement as indicated by overall mean score.

Table 1

Mean Scores for Expectations of Respondents towards GST Implementation (Overall, Small, Medium and Large Scale Industries)

S.No.	Statements	Overall	Small	Medium	Large
INCIDENCE					
X_1	GST would be levied at a single rate for all goods and services	4.24	4.28	4.13	4.31
X_2	GST rates would be reasonable and competitive to imported products	4.20	4.18	4.20	4.22
X_3	GST rates would be as per global standards	4.16	4.02	4.10	4.36
X_4	One particular class of goods/ services would attract same rate of GST	4.22	4.10	4.25	4.31
X_5	GST rates will lead to provide level playing field to both off-line and on-line supply of goods and services	3.84	3.92	3.79	3.84
PROCUDRES					
X_1	GST system will not be applicable very strictly from the very beginning of its implementation.	3.71	4.01	3.60	3.60
X_2	GST amount shall be required to be shown specifically in the invoice	3.54	3.84	3.43	3.44
X_3	GST will have time bound systems for various functions of taxation authorities	3.55	3.91	3.36	3.49
X_4	GST will lead to quicker clarifications on controversial issues	4.28	4.33	4.26	4.24

X ₅	GST would substantially reduce the level of harassment of dealers	4.15	4.36	4.08	4.07
X ₆	GST department would be having duly trained and well aware tax officials	3.86	3.93	3.80	3.88
X ₇	GST would not be able to reduce the level of corruption in taxation department	4.20	4.21	4.10	4.31
X ₈	Under new GST, Technology based procedures will lead to more transparency	4.34	4.12	4.30	4.60
X ₉	Under GST, all dealers would be required to get themselves registered compulsorily	3.99	4.11	3.97	3.91
X ₁₀	The GST system would have both offline as well as online modes of payment of tax	4.23	4.35	4.29	4.44
X ₁₁	GST amount shall not involve any additional cess/surcharge/duty	2.97	2.94	2.95	3.03
X ₁₂	GST will provide the facility of only one kind of registration to all dealers	3.01	2.91	2.95	3.17
X ₁₃	GST registration would be required before starting commercial transactions	2.76	2.69	2.70	2.88
X ₁₄	GST registration would be a simple process	4.34	4.34	4.44	4.45
X ₁₅	GST registration fees would be reasonable	4.35	4.44	4.23	4.22
X ₁₆	GST registration process will cause unnecessary delay	2.95	2.94	2.94	2.97
X ₁₇	GST would not be able to curb evasion of indirect taxes by the dealers	4.16	4.36	4.08	4.08
X ₁₈	The behavior of taxation authorities will become reasonable and fair	3.84	3.93	3.79	3.83
X ₁₉	Govt. must inform the dealers about the rationale of levying GST	3.98	4.11	3.97	3.89
X ₂₀	Electronic payment of tax would not be compulsory for all dealers	4.27	4.35	4.26	4.23
X ₂₁	GST will involve easier and hassle free tax payment mechanism	4.36	4.43	4.29	4.47
X ₂₂	GST system will be a more transparent system in terms of disclosure of business transactions of sale or purchase	4.23	4.10	4.25	4.32
X ₂₃	GST will contain in built provisions for allowing smooth transition from old taxation system	4.22	4.28	4.13	4.30
X ₂₄	GST should contain reasonable penalties for various lapses/defaults of traders	4.20	4.21	4.09	4.31
X ₂₅	Under GST, classification of goods and services for determining the rate of tax shall be free from confusions	4.23	4.23	4.23	4.23

5.1.2 Respondents' Expectations towards Procedural Requirements (Overall)

Results of Table 1 indicate that greater emphasis has been attached to statement X₂₁ (GST will involve easier and hassle free tax payment mechanism) followed by X₁₅ (GST registration fees would be reasonable) and X₁₄ (GST registration would be a simple process). Statement X₁₃ (GST registration would be required before starting commercial transactions) has emerged as a least important statement as indicated by overall mean score.

5.2 Respondents' Expectations towards GST Implementation Classified on the Basis of Turnover

Mean scores of small, medium and large scale enterprises have been analyzed separately to get insight into the differences in the expectations. Mean Scores for various statements are presented in Table 1.

5.2.1 Respondent's Expectations towards Incidence Classified on the Basis of Turnover**5.2.1.1 Respondent's Expectations towards Incidence (Small Enterprises)**

Table 1 exhibited highest mean score on the statement 1 (GST would be levied at a single rate for all goods and services) followed by X2 (GST rates would be reasonable and competitive to imported products) and X4 (One particular class of goods/ services would attract same rate of GST). Statement X5 (GST rates will lead to provide level playing field to both off-line and on-line supply of goods and services) has emerged as a least important documentation requirement as indicated by small enterprises mean score.

5.2.1.2 Respondent's Expectations towards Incidence (Medium Enterprises)

It is clearly indicated in Table 1 that respondents expected statement X4 (One particular class of goods/ services would attract same rate of GST) as important variable, followed by X2 (GST rates would be reasonable and competitive to imported products) and X1 (GST would be levied at a single rate for all goods and services). Statement X5 (GST rates will lead to provide level playing field to both off-line and on-line supply of goods and services) has emerged as a least important expectation as indicated by medium enterprises mean score.

5.2.1.3 Respondent's Expectations towards Incidence (Large Enterprises)

Important variable as emerged from Table 1 results is statement X3 (GST rates would be reasonable and competitive to imported products) followed by X4 (One particular class of goods/ services would attract same rate of GST) and X1 (GST would be levied at a single rate for all goods and services). Statement X5 (GST rates will lead to provide level playing field to both off-line and on-line supply of goods and services) has emerged as a least important expectation as indicated by large enterprises mean score.

5.2.2 Respondent's Expectations towards Procedural Requirements Classified on the Basis of Turnover**5.2.2.1 Respondent's Expectations towards Procedural Requirements (Small Enterprises)**

Table 1 results indicate that respondents expected statement X₁₅ (GST registration fees would be reasonable) of highest importance followed by X₂₁ (GST will involve easier and hassle free tax payment mechanism), X₅ (GST would substantially reduce the level of harassment of dealers), X₂₀ (Electronic payment of tax would not be compulsory for all dealers) and X₁₄ (GST registration would be a simple process). Statement X₁₃ (GST registration would be required before starting commercial transactions) has emerged as a least important procedural requirement as indicated by small enterprises mean score.

5.2.2.2 Respondent's Expectations towards Procedural Requirements (Medium Enterprises)

It is clearly shown that respondents indicated statement X₁₄ (GST registration would be a simple process) as of highest importance followed by X₈ (Under new GST, Technology based procedures will lead to more transparency), X₁₀ (The GST system would have both offline as well as online modes of payment of tax), X₄ (GST will lead to quicker clarifications on controversial issues) and X₁₅ (GST registration fees would be reasonable). Statement X₁₃ (GST registration would be required before starting commercial transactions) has emerged as a least important procedural requirement.

5.2.2.3 Respondent's Expectations towards Procedural Requirements (Large Enterprises)

Table 1 results indicate that greater emphasis has been attached to statement X_{21} (GST will involve easier and hassle free tax payment mechanism) followed by X_{14} (GST registration would be a simple process), X_{10} (The GST system would have both offline as well as online modes of payment of tax), X_7 (GST would not be able to reduce the level of corruption in taxation department) and X_{23} (GST will contain in built provisions for allowing smooth transition from old taxation system). Statement X_{13} (GST registration would be required before starting commercial transactions) has emerged as a least important procedural requirement as indicated by large enterprises mean score.

5.3 Comparative Analysis of Extracted Factors of Respondents' Expectations classified on the Basis of Turnover.

Mean importance has been analysed in earlier section, but to draw inferences and to arrive at more conclusive decision, Dimension reduction technique has been applied to find out important factors out of list of 30 statements.

5.3.1 Incidence of GST Implementation

Following section depicts dimension reduction analysis results when applied on respondents' expectation towards various variables under the construct 'Incidence' along with labels as shown in table 2.

Table 2: Factors' summary of construct 'Incidence'

Label	Statement	Loading	Factor Name	Eigen Values	Variance
X_5	GST rates will lead to provide level playing field to both off-line and on-line supply of goods and services	.797	GST Rates	2.23	44.66
X_3	GST rates would be as per global standards	.758			
X_2	GST rates would be reasonable and competitive to imported products	.724			
X_4	One particular class of goods/ services would attract same rate of GST	.927	Classification of GST Rates	1.27	25.48
X_1	GST would be levied at a single rate for all goods and services	.916			

The study further attempts to test the following hypothesis:

H_{0-1} : The mean score of rating given to the factors (as a combination of all variables) related to construct 'Incidence' is less than or equal to mean score 3.

H_{a-1} : The mean score of rating given to the factors (as a combination of all variables) related to construct 'Incidence' is more than mean score 3.

H_{0-2} : The relative importance of different factors related to construct 'Incidence' is not significantly different across different categories of respondents.

H_{a-2} : The relative importance of different factors related to construct 'Incidence' is significantly different across different categories of respondents.

Table 3: Summated Scale Analysis for Extracted Factors of Construct 'Incidence' (Comparison of Small, Medium and Large Scale Enterprises)

Factors		Mean Scores			Regression Scores			p value	Remarks
		Small	Medium	Large	Small	Medium	Large		
GST Rates	Mean Value	4.19*	4.12*	4.23*	0.13	-0.05	-0.05	0.422	No Significant Difference
	Standard Deviation	0.63	0.61	0.58	1.03	1.01	0.97		
Classification of GST Rates	Mean Value	4.10*	3.96*	4.08*	-0.04	0.09	-0.07	0.431	No Significant Difference
	Standard Deviation	0.78	0.75	0.74	0.89	1.03	1.05		

*Significant at 5% level of significance (significantly different from mean level of importance at 3.0)

Table 3 depicts that three category of respondents assigned importance to the all extracted factors (all factors are found to be significantly different from mean value of 3.0 at 5% level of significance). Hence H_{0-1} is rejected and it can be inferred that all the components of the construct Incidence were important for respondents.

Large scale enterprises assigned higher importance to 'GST Rates' ($M = 4.23$, $SD = 0.58$) as compared to Small ($M = 4.19$, $SD = 0.63$) and Medium Scale Enterprises ($M = 4.12$, $SD = 0.61$), but the difference is not found to be significant, $p > 0.05$ leads to acceptance of null hypothesis. In respect to factor 'Classification of GST Rates' Small scale enterprises assigned higher importance ($M = 4.10$, $SD = 0.78$) as compared to Large ($M = 4.08$, $SD = 0.74$) and Medium Scale Enterprises ($M = 3.96$, $SD = 0.75$) and also the difference is not found to be significant, $p > 0.05$. Hence H_{0-2} is accepted.

5.3.2 Procedural Requirements in GST Implementation

Following section depicts dimension reduction analysis results when applied on respondents' expectation towards various variables under the construct 'Procedural Requirements' along with labels as shown in table 4.

Table 4: Factors' summary of construct 'Procedural Requirements'

Label	Statement	Loading	Factor Name	Eigen Values	Values
X ₁₆	GST registration process will cause unnecessary delay	0.939	GST Registration Process	6.863	27.451
X ₁₂	GST will provide the facility of only one kind of registration to all dealers	0.936			
X ₉	Under GST , all dealers would be required to get themselves registered compulsorily	0.929			
X ₁₅	GST registration fees would be reasonable	0.731			
X ₁₄	GST registration would be a simple process	0.77			
X ₁₃	GST registration would be required before starting commercial transactions	0.696			
X ₂₂	GST system will be a more transparent system in terms of disclosure of business transactions of sale or purchase	0.939	Clarity and Transparency	4.318	17.273
X ₈	Under new GST, Technology based procedures will lead to more transparency	0.933			
X ₂₅	Under GST , classification of goods and services for determining the rate of tax shall be free from confusions	0.924			
X ₂₃	GST will contain in built provisions for allowing smooth transition from old taxation system	0.899	Associated Charges	2.61	10.439
X ₁₁	GST amount shall not involve any additional cess/surcharge/duty	0.886			
X ₂₄	GST should contain reasonable penalties for various lapses/defaults of traders	0.859			
X ₅	GST would substantially reduce the level of harassment of dealers	0.871	Impact of GST	2.27	9.081
X ₁₇	GST would not be able to curb evasion of indirect taxes by the dealers	0.864			

X ₇	GST would not be able to reduce the level of corruption in taxation department	0.68			
X ₁₉	Govt. must inform the dealers about the rationale of levying GST	0.677			
X ₃	GST will have time bound systems for various functions of taxation authorities	0.898	Timings and Positioning of GST Number	1.683	6.731
X ₁	GST system will not be applicable very strictly from the very beginning of its implementation.	0.889			
X ₂	GST amount shall be required to be shown specifically in the invoice	0.869			
X ₂₀	Electronic payment of tax would not be compulsory for all dealers	0.878	Online Payment	1.34	5.361
X ₁₀	The GST system would have both offline as well as online modes of payment of tax	0.879			
X ₆	GST department would be having duly trained and well aware tax officials	0.935	Taxation authorities Training	1.255	5.021
X ₁₈	The behavior of taxation authorities will become reasonable and fair	0.932			
X ₄	GST will lead to quicker clarifications on controversial issues	0.889	Tax Payment Mechanism	1.141	4.564
X ₂₁	GST will involve easier and hassle free tax payment mechanism	0.884			

The study further attempts to test the following null hypothesis:

Ho₃: The mean score of rating given to the factors related to construct 'Procedural Requirements' is less than or equal to mean score 3.

Ha₃: The mean score of rating given to the factors related to construct 'Procedural Requirements' is more than mean score 3.

H_{0_4}: The relative importance of different factors related to construct 'Procedural Requirements' is not significantly different across different categories of respondents.

H_{a_4}: The relative importance of different factors related to construct 'Procedural Requirements' is significantly different across different categories of respondents.

Table 5 depicts that three category of respondents assigned importance to GST Registration Process, clarity and Transparency, Associated charges and Tax payment mechanism (all factors are found to be significantly different from mean value of 3.0 at 5% level of significance). Also medium and large scale enterprises also attach more importance to

extracted factor Online Payment. Hence H_{0-3} is rejected for these extracted factors and it can be inferred that these components of the construct Procedural Requirements are important for respondents.

**Table 5: Summated Scale Analysis for Extracted Factors of Construct ‘Incidence’
(Comparison of Small, Medium and Large Scale Enterprises)**

Factors		Mean Scores			Regression Scores			P value	Remarks
		Small	Medium	Large	Small	Medium	Large		
GST Registration Process	Mean Value	3.30*	3.32*	3.43*	-0.07	-0.03	0.09	0.020	Significant Difference
	Standard Deviation	0.73	0.70	0.70	1.01	1.00	0.99		
Clarity and Transparency	Mean Value	3.74*	3.81*	3.86*	-0.02	-0.11	0.15	0.010	Significant Difference
	Standard Deviation	0.64	0.96	0.61	0.92	1.07	0.96		
Associated Charges	Mean Value	3.81*	3.72*	3.88*	-0.14	-0.01	0.13	0.238	No Significant Difference
	Standard Deviation	0.63	0.67	0.64	0.84	1.12	0.96		
Impact of GST	Mean Value	3.26	3.06	4.09	-0.05	0.01	0.02	0.929	No Significant Difference
	Standard Deviation	0.65	0.69	0.65	1.02	0.98	1.02		
Timings and Positioning of GST Number	Mean Value	3.92	3.46	3.51	0.30	-0.12	-0.10	0.006	No Significant Difference
	Standard Deviation	0.83	1.08	1.03	0.79	1.08	1.01		
Online Payment	Mean Value	3.33	4.28*	4.34*	0.08	0.01	-0.08	0.015	Significant Difference
	Standard Deviation	0.58	0.64	0.56	1.06	0.97	0.98		
Taxation Authorities Training	Mean Value	3.93	3.80	3.86	0.21	-0.06	-0.09	0.098	No Significant Difference
	Standard Deviation	1.16	1.12	1.14	0.86	1.03	1.05		
Tax	Mean Value	4.33*	4.28*	4.36*	0.11	-0.01	-0.07	0.004	

Payment Mechanism								Significant Difference
	Standard Deviation	0.58	0.64	0.53	0.91	0.99	1.07	

Large scale enterprises assigned higher importance to 'GST Registration process' ($M = 3.43$, $SD = 0.73$) as compared to Medium ($M = 3.32$, $SD = 0.70$) and Small Scale Enterprises ($M = 3.30$, $SD = 0.70$), and also the difference is found to be significant, $p < 0.05$ leads to acceptance of null hypothesis. In respect to factor 'Clarity and Transparency' Large scale enterprises assigned higher importance ($M = 3.86$, $SD = 0.61$) as compared to Small ($M = 3.81$, $SD = 0.96$) and Small Scale Enterprises ($M = 3.74$, $SD = 0.64$) and also the difference is found to be significant, $p < 0.05$. With respect to online payment, there also significant difference between three categories of respondents as large scale enterprises attaches more importance to the factor Online payment as compared to medium ($M = 4.28$, $SD = 0.64$) and large scale enterprises ($M = 3.33$, $SD = 0.85$).

6. CONCLUSION

Study clearly reveals that all the three business segments (small, medium and large scale enterprises) by and large expected the proposed GST in India to be levied at a single rate. In case of large scale enterprises, this expectation was more embedded due to their awareness about prevalence of a single rate GST in countries like Singapore and European Union countries. In this respect, certain lower and middle class business segments expected that if not at single rate, the proposed GST must have one rate for various items of a particular class/category because it would bring ease in invoicing and record keeping. In terms of procedural requirements, all the three business segments (small, medium and large scale enterprises) expected GST to be a more transparent one involving easy/simple procedures for registration and tax payment mechanism with no harassment. Regarding registration for GST, small and medium business segments expected different registrations such as composition dealer registration and normal dealer registration (eligible to claim input tax credit). However, large scale enterprises expected only single registration for all the dealers with claiming of input tax credit. All the business segments expected government to be well prepared and equipped for earliest clearing of any doubt/confusion regarding its applicability, documentation and item classification mechanism.

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