



A Study on Impact of GST on FMCG Companies

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Abstracts

The Goods and Services Tax (GST) is one of the major indirect tax reforms introduced in India to simplify the tax system, improve tax compliance, reduce the cascading effect of taxation, and create a unified national market. The implementation of GST has influenced various sectors of the Indian economy, particularly the Fast-Moving Consumer Goods (FMCG) sector. FMCG products include food and beverages, personal care products, household goods, and other frequently purchased consumer products. The present study examines the impact of GST on FMCG companies, consumer purchasing behaviour, retail businesses, and awareness of the GST system, with particular relevance to Telangana State.

The main objectives of the study are to understand the Indian tax structure, examine the impact of GST on the FMCG sector, analyse its influence on consumer purchasing power, and identify the challenges faced by retailers following GST implementation. The study adopts a descriptive research design and uses primary and secondary data. Primary data were collected through a questionnaire survey, with 137 valid responses reported in the statistical analysis. Descriptive statistics, correlation analysis, regression analysis, and the chi-square test were used to analyse the collected data.

The findings indicate that respondents generally acknowledged the implementation of GST and demonstrated awareness of its application to FMCG products. However, the results also indicate concerns regarding changes in product prices, consumer purchasing power, the tax burden on businesses, and the difficulties experienced by retailers. Lack of awareness, compliance-related concerns, and technological challenges were identified as important issues requiring attention. The study suggests that FMCG companies should adopt appropriate pricing strategies, improve consumer awareness of applicable tax rates, and strengthen their distribution and supply-chain management systems. Retailers should also receive adequate guidance and support to improve GST compliance.

The study concludes that GST has the potential to improve tax transparency, simplify indirect taxation, and enhance business efficiency in the FMCG sector. However, its actual benefits depend on effective implementation, awareness among stakeholders, and the ability of businesses to adapt to changing tax requirements. For Telangana State, the study highlights the importance of strengthening GST awareness

among consumers, retailers, and FMCG businesses. Since the article does not separately identify the geographical location of its respondents, Telangana-specific conclusions require further empirical verification.

Keywords: Goods and Services Tax (GST), Fast-Moving Consumer Goods (FMCG), Telangana State, consumer purchasing behaviour, retail industry, consumer awareness, indirect taxation, business compliance.

1.1 GST

GST is a solitary assessment on the inventory of labor and products, directly from the producer to the customer. Credits of input charges paid at each stage will be accessible in the resulting phase of significant worth expansion, which makes GST basically a duty just on esteem expansion at each stage. The last customer will in this manner bear just the GST charged by the last vendor in the production network, with set-off benefits at all the past stages.

The first thought of moving towards GST was first mooted by the then Union Finance Minister in his Budget discourse for 2006-07. The Empowered Committee of State Finance Ministers (EC) which had figured the plan of State VAT was mentioned to think of a guide and design for GST. Joint Working Groups of authorities having delegates of the States just as the Center were set up to look at different parts of GST and draw up reports explicitly on exclusions and limits, tax collection from administrations and tax collection from between State supplies. In light of conversations inside and among it and the Central Government, the EC delivered its First Discussion Paper (FDP) on the GST in November, 2009. This spelt out highlights of the proposed GST and has shaped the reason for conversation between the Center and the States up until now.

The presentation of the Goods and Services Tax (GST) is a critical advance in the field of aberrant assessment changes in India. By amalgamating an enormous number of Central and State charges into a solitary duty, GST will alleviate sick impacts of falling or twofold tax assessment in a significant manner and prepare for a typical public market. From the purchaser's perspective, the greatest benefit would be as far as decrease in the general taxation rate on merchandise, which is presently assessed to be around 25%-30%. It would likewise infer that the genuine weight of roundabout assessments on labor and products would be substantially more straightforward to the customer. Presentation of GST would likewise make Indian items serious in the homegrown and global business sectors inferable from the full balance of information charges across the worth chain of creation and dissemination. Studies show that this would affect monetary development. Last yet not the least, this assessment, due to its straightforward and self-policing character, would be simpler to direct. It would likewise energize a shift from the casual to formal economy. The public authority proposes to present GST with impact from first July 2017. France was the primary nation to carry out GST to decrease tax-avoidance. From that point forward, in excess of 140 nations have executed GST for certain nations having Dual-GST (for example Brazil, Canada and so on) model.

1.2 Earlier Indirect Tax Structure:

Taxes that are earlier charged by the central & state governments:

Central government taxes on the following:

1. Income tax
2. Customs tax
3. Service tax
4. Central tax

State government taxes on the following:

1. Value Added Tax (VAT):

Sales of products include the specific expense. The deals of the products in intra-state are covered by the VAT Law of that state, while those among the between state is collected by the Central Sales Tax Act. Indeed, even the income accumulated according to the Central Sales Tax Act is finished by the State Governments and the Central Government has no job in it.

2. Stamp obligations and Land Revenue:

Since land is a matter on which just State Governments can administer, subsequently the Stamp obligations on move of unfaltering properties are required by State Governments.

3. State Excise on Liquor and certain agrarian products.

In India, aberrant charges are in immense numbers as there were a few of duties to be caused on production, import, and deal and even buy in specific cases. Further the law was represented less by the Acts and more by everyday warnings, handouts and orders by the Governing bodies. Further there are some neighborhood aberrant assessments exacted like Local Body Taxes (LBT)

1.3 Limitations of earlier indirect tax structure

1. Cascading

Current arrangement of numerous duties circulated between Center and States results into falling (for example charge on charge) impact. For example, no credit of State VAT is permitted against Central Tax. CST credit paid in the beginning State is additionally not permitted in the getting State. These outcomes in the increment in the general weight of assessment in the possession of end client and makes bending on the lookout.

2. Exemptions & Concessions

Under the current framework, organizations appreciate numerous sorts of exclusions and concessions under various tolls what break the chain of VAT and in this manner make twisting. Additionally, these sorts of advantages don't make a level battleground particularly when a similar product is charged at various rates in various purviews.

3. Lack of transparency

To cross verify the claim of CENVAT credit made by the manufacturer/service provider there is no mechanism currently

4. Lack of uniformity

Present VAT structure across the States needs consistency which isn't confined uniquely to the paces of assessment yet additionally the acknowledge arrangements just as systems.

5. Different & Multiple points of transactions

Under the current framework there are different places of tax assessment. Extract is collected when products fabricated are cleared from the processing plant premises independent of the way that the freedom is by virtue of offer or something else. State VAT is required on special of merchandise. Section charge is collected on passage of products in a specific State.

6. Nature of transactions of Goods & Services

The differentiation among labor and products found in the Indian Constitution has gotten more perplexing. Today, great and administration are being bundled as composite packages and made available for purchase to clients under an assortment of inventory network plans. Under the momentum division of tax collection powers in the Constitution, neither the Center nor the States can apply the duty to such packages in a consistent way. Every Government can burden just pieces of the pack, making covers in tax assessment.

7. Narrow base

Because of various limits under various laws just as various exceptions and concessions, the current expense base under roundabout duty is restricted when contrasted with different nations.

8. Multiple organizations

Under the current framework, finance managers are needed to visit diverse duty workplaces as per the relevant laws to his business. These builds the consistence cost of organizations and breeds pointless intricacy.

1.4 Advantages of GST

1. Business & Industry

➤ Easy compliance

A hearty and exhaustive IT framework would be the establishment of the GST system in India. In this manner, all citizen administrations like enlistments, returns, installments, and so forth would be accessible to the citizens on the web, which would make consistence simple and straight forward.

➤ Uniformity of Tax rate & Structure

GST will guarantee that aberrant duty rates and constructions are regular the nation over, consequently expanding sureness and simplicity of working together. At the end of the day, GST would make working together in the nation charge nonpartisan, regardless of the decision of spot of working together.

➤ Removal of Cascading

An arrangement of consistent tax reductions all through the worth chain, and across limits of States, would guarantee that there is insignificant falling of charges. This would decrease covered up expenses of working together

➤ **Improved competitiveness**

Decrease in exchange expenses of working together would in the long run lead to an improved intensity for the exchange and industry.

➤ **Gain to Manufactures & exporters**

The subsuming of significant Central and State burdens in GST, complete and far-reaching set-off of input labor and products and eliminating of Central Sales Tax (CST) would lessen the expense of privately made labor and products. This will build the seriousness of Indian labor and products in the worldwide market and offer lift to Indian fares. The consistency in charge rates and systems the nation over will likewise go far in diminishing the consistence cost.

2. Central & State Governments

➤ **Simple & easy to administer**

Numerous aberrant charges at the Central and State levels are being supplanted by GST. Supported with a powerful start to finish IT framework, GST would be less complex and simpler to control than any remaining roundabout charges of the Center and State demanded up until this point.

➤ **Better controls**

GST will bring about better duty consistence because of a powerful IT framework. Because of the consistent exchange of input tax break starting with one phase then onto the next in the chain of significant worth expansion, there is an in-assembled component in the plan of GST that would boost charge consistence by dealers.

➤ **Higher revenue efficiency**

GST is relied upon to diminish the expense of assortment of duty incomes of the Government, and will thusly, lead to higher income productivity.

➤ **Consumer**

Because of numerous aberrant charges being imposed by the Center and State, with inadequate or no input tax breaks accessible at reformist phases of significant worth expansion, the expense of most labor and products in the nation today are loaded down with many covered up charges. Under GST, there would be just one expense from the producer to the buyer, prompting straightforwardness of duties paid to the last shopper.

Alleviation in by and large taxation rate: Because of proficiency gains and counteraction of spillages, the general taxation rate on most wares will descend, which will profit purchasers.

1.5 GST Structure

GST being an objective based duty got partitioned into three classes - State Goods and Services Tax (SGST), Central Goods and Services Tax (CGST) and Integrated Goods and Services Tax (IGST).

1. State Goods and Services Tax (SGST)

The State Goods and Services Tax (SGST) is a duty charged on intra-state supplies of the two labor and products by the state government and is represented by the SGST Act. A significant highlight note is that any assessment risk got under SGST can be set off against SGST or IGST input tax break as it were

2. Central Goods & Service Tax (CGST)

Central Goods and Services Tax (CGST) is required on intrastate supplies of the two labor products by the Central Government and is administered by the CGST Act. SGST, represented by the State Government, will likewise be exacted on a similar intrastate inventory.

3. The Integrated Goods and Services Tax (IGST)

The Integrated Goods and Services Tax (IGST) is appropriate on all between state supplies of products or potentially benefits and will be administered by the IGST Act. The expense is exacted on any stock of merchandise or potentially benefits in the two instances of import into India and fare from India. Under IGST, fares would be zero-evaluated and the assessment will be divided among the Central and State Government.

Why the split into SGST, CGST, and IGST?

India is a government country where both the Center and the States have been appointed the forces to require and gather charges. Both the Governments have particular duties to perform, according to the Constitution, for which they need to raise charge income.

The three sorts charge structure is executed to help citizens assume the praise against one another, hence guaranteeing "One Nation, One Tax".

1.6 Things not covered under GST

GST chamber has declared the rates for merchandise and administrations which likewise contains the rundown of absolved labor and products.

There are sure exercises which are things not covered under GST. They are past the extent of GST, i.e., GST won't make a difference on them. These are grouped under Schedule III of the GST Act as "Neither merchandise nor administrations".

1. Administrations by a worker to the business according to his work

Related gatherings incorporate business worker which raised numerous worries whether work currently pulled in GST. This explanation has been acquired to explain whether GST isn't pertinent on work. A representative will in any case pay annual duty on compensation acquired.

2. Obligations performed by

The Members of Parliament, State Legislature, Panchayats, Municipalities and other neighborhood specialists
Any individual who holds a post under the arrangements of the Constitution

Chairperson/Member/Director in a body set up by the public authority or a neighborhood body and who isn't a representative of the equivalent

3. Administrations of a memorial service, internment, crematorium or morgue including transportation of the expired

There are no duties on memorial service administrations for any religion.

4. Offer of land and offer of building

Development of another structure is dependent upon GST (being works contract).

5. Noteworthy cases (other than lottery, wagering and betting)

Significant Claims' methods claim which can be implemented simply by a lawful activity suit, model a book obligation, bill of trade, promissory note. A book obligation (indebted person) isn't products since it can be moved according to Transfer of Property Act yet can't be sold. Bill of trade, promissory note can be moved under Negotiable Instruments Act by conveyance or underwriting yet can't be sold.

Noteworthy cases are neither items nor administrations. They can be considered as something in lieu of cash. So, GST won't matter on these.

Lottery, wagering and betting draw in 28% GST.

Aside from Schedule III, GST is likewise not appropriate on the accompanying, i.e., they are past the extent of GST:

6. Liquor for human utilization:

Alcohol for human utilization has been kept external the domain of GST in India as of now. Notwithstanding, the duties forced to liquor for human utilization will proceed according to the construction before GST execution.

7. Oil based commodities

Petroleum Products like petrol unrefined, engine soul (petroleum), high velocity diesel, flammable gas and avionics turbine fuel and so on are additionally kept external the domain of GST in India. Nonetheless, the expenses for these items will be charged according to the design before presentation of GST.

8. Power

The power has been kept external the domain of GST as of now. Nonetheless, the charges relevant at present for power will proceed as in the past.

1.7 GST Council

The system of GST Council would guarantee harmonization on various parts of GST between the Center and the States just as among States. It has been explicitly given that the GST Council, in its release of different capacities, will be guided by the requirement for a blended design of GST and for the advancement of an orchestrated public market for labor and products. The GST Council will set up an instrument to mediate debates emerging out of its proposal or execution thereof.

The GST Council which will be a joint discussion of the Center and the States, will comprise of the accompanying individuals: -

- Union Finance Minister – Chairperson
- The Union Minister of State, accountable for Revenue of money – Member
- The Minister accountable for money or tax assessment or some other Minister selected by each State Government – Members

Casting a vote Rights

- Center 33% of complete votes cast
- States - 66% of the all-out vote cast
- Each state, huge or little, will have equivalent vote

2. GST Council Meeting

2.1 Rules for direct of business in GST Council.

- Timetable for execution of GST.
- As far as possible for exclusion from duty of GST would be Rs. 20 lakhs for the States aside Category States, as counted in Article 279A of the Constitution, for which it will be Rs 10 L
- The limit for benefiting the Composition plan would be Rs. 75 lakhs in States other than the North East States, Sikkim and Himachal Pradesh where the limit for profiting the Composition plan would be ₹ 50 lakhs. The GST Council has additionally suggested that producers of the accompanying merchandise will not be qualified for the Composition Levy; Ice cream and other eatable ice, regardless of whether containing cocoa, Pan masala, Tobacco and made tobacco substitutes. Specialist organizations would be kept out of the Composition Scheme, with the exception of café administrations.
- To repay States for a very long time for loss of income because of execution of GST, the base year for the income of the State would be 2015-16 and a fixed development pace of 14% will be applied to it.
- All entities exempted from payment of indirect tax under any existing tax incentive scheme would pay tax in the scheme shall be with the concerned State or Central government.
- There are four slabs tax rates 5%, 12%, 18% and 28 %over and above therate of 28% for payment of compensation to the states.

2.1.1 Fast Moving Consumer Goods (FMCG)

Quick buyer merchandise (FMCG) or shopper bundled products (CPG) are items that are sold rapidly and for moderately minimal price. Models incorporate non-tough products like bundled food sources, refreshments, toiletries, over-the-counter medications and numerous other consumables. Interestingly, strong merchandise or significant apparatuses, for example, kitchen machines are for the most part supplanted over a time of quite a while.

Many quick buyers merchandise have a short timeframe of realistic usability, either because of high shopper interest or in light of the fact that the item falls apart quickly. Some FMCGs, like meat, leafy foods, dairy items, and heated merchandise, are profoundly transient. Different merchandise, like pre-bundled food varieties,

sodas, chocolate, confections, toiletries, and cleaning items, has high turnover rates. The deals are in some cases affected by occasions and seasons.

Bundling is basic for FMCGs. The coordination's and dispersion frameworks regularly require auxiliary and tertiary bundling to augment productivity. The unit pack or essential bundle is basic for item security and time span of usability and furthermore gives data and deals motivators to buyers.

Despite the fact that the overall revenue made on FMCG items is moderately little (more so for retailers than the makers/providers), they are for the most part sold in enormous amounts; hence, the aggregate benefit on such items can be generous. FMCG is an exemplary instance of low edge and high-volume business.

The Indian FMCG area is the fourth biggest area in the economy with an absolute market size of US\$ more than 13 billion. This area has developed at a pace of 11% somewhat recently and is required to proceed with the pattern upwards with a projected 14.5 percent up to 2022. India has an impressively solid MNC presence, which is supported by a grounded dispersion network set up, contest among the coordinated and sloppy sections and low operational expense.

2.1.2 FMCG sector broadly classified into:

1. Personal care

The individual consideration industry under the Consumer-Packaged merchandise area fabricates the items, which are utilized for individual cleanliness and for beautification. This industry is made out of hair care, healthy skin, and oral consideration and shower items. The area is driven by rising pay, fast urbanization, and big-name advancements. This industry represents 22% of the FMCG area in India. The diverse piece rates material for the significantly utilized results of individual consideration is ordered.

2. Foods & Beverages

The Food and Beverage industry is upheld by immense agrarian land in India. The other accommodating elements, which make this industry as the greatest of the utilization classifications, incorporate - enormous degrees of arable land, positive environment, and accessibility of less expensive work. Another main consideration moving the interest for food administrations in India is the developing youth populace, principally in the country's metropolitan areas. Food and Beverages portion is the main business in the FMCG area in India, with a commitment of 43%. The distinctive piece rates relevant for the significantly utilized items are arranged as follows:

3. Households

The home consideration items market in India has become because of the expanded mindfulness about wellbeing and cleanliness, just as significant expansion in per capita discretionary cash flow. Broad promoting efforts just as the dispatch of new item sections assume a significant part. A few FMCG majors have entered the homecare market with contributions across numerous item classes. Global players have a grounded presence and a few territorial players are building up cross country presence. The diverse piece rates relevant for the significantly utilized items under the family care industry.

The FMCG business fared well in India in the new years with customer food administrations, soda pops, family and individual consideration fragments encountering an enormous development with the expanding discretionary cash flow and the developing economy. The cocktails, tobacco had seen low development given the stricter government strategies and the expanding wellbeing mindfulness among the shoppers. Prepared to eat food section, for example, moment noodles and pasta would encounter huge development given the new FSSAI rules with plainly planned principles, alongside the prelaunch of the most favored brand of noodles in the country and with Pant anal beginning its own prepared to eat food range. The individual consideration items are expected to observe colossal progressions particularly among the hair care portion. Neighborhood Players like Pathanjali, with their forceful advertising and development procedures and truly differentiating item portfolio would rule the Market in the impending time frame. The greater part of the shopper merchandise items is moving to online stages and the vast majority of the significant general stores have their own internet requesting entries and portable applications making it advantageous for the customers to arrange online with simply a tick of a catch during their bustling timetables. Attributable to absence of mindfulness and security gives Cash on Delivery (Cod) stays the most favored strategy for installment among the Indian shoppers. An expanding request from the country and tire-2population can be seen given the expanding yearly pay and the mindfulness for the items and the expanding digitization making them one of the significant influencers of the FMCG area. Given the way that over 66% of the populace in India is provincial it augments the extension for the FMCG section carefully.

2.1.3 GST effect on the FMCG sector

The new Goods and Services Tax (GST) system will bring a few advantages for the economy, and could explicitly the quick purchaser products (FMCG) industry. The rates for different FMCG portions have generally been a long-anticipated lines. The FMCG organizations whose charge rate has been brought down under the new GST piece rates, are probably going to give the advantage to the customers as diminished costs. Lower costs might actually uphold volume development items, especially in the provincial fragment.

GST Rate on FMCG Goods:

In the GST Goods and Services charge classifications, the greater part of the items/merchandise have been ordered under the duty sections as effectively expected by the FMCG business specialists. In spite of the fact that there are, not many items set under the 12% section, which is required to be more costly than under the past charge laws. FMCG area is has gotten the duty change emphatically as the business will profit with the better aggressive market and rates for the majority of the items being held under the normal expense section. As the shopper merchandise becomes more reasonable since the GST is successful in the country, the FMCG organizations are expecting seeing the lift in the utilization.

GST change isn't only a progress of assessment; it influences each part of the business tasks and thusly it requires a 'entire of business' way to deal with guarantee a smooth progress.

Under the proposed GST framework, different Indirect Taxes would be subsumed (aside from few duties like Stamp Duty) and thus it is expected that it would bring about an easier assessment system, particularly for enterprises like FMCG. Aside from the improvement of assessment compliances, this move is additionally to recognizably affect the FMCG Sector. The past backhanded expenses paid by these organizations remained at around 27% (those being Excise Duty of 12.5% and VAT going from 12% to 15%). With GST set up, there are fluctuated chunk rates across item classifications, going from 5% to 28%. These class astute assessment rates reported by the GST Council have drawn out a blended reaction from the FMCG Industry, with some calling it certain, while leaving numerous others baffled.

The effect of GST will be spread across various components: working capital, benefit, previous agreements with clients or merchants, bookkeeping, bookkeeping techniques, and so on. Consequently, it is simply fitting to say that GST will significantly influence significant parts, everything being equal.

The execution of GST has furnished most FMCG organizations with an opportunity to create impressively high reserve funds in conveyance and coordination's cost as the prerequisite of different deals terminals has been wiped out.

According to the Government's new GST rates, 18% duty section covers almost 81% of things though 28% expense piece covers the excess 19% at the most elevated. In the wake of taking a gander at the timetable, it tends to be extensively expressed that the assessment rate is nonpartisan to positive for most FMCG areas. Following are a couple of effects on the FMCG organizations:

3. RESEARCH METHODOLOGY

3.1 Statement of the Problem

Goods and service Tax assume an overwhelming part in impacting the cost of the items. In this manner it impacts the shopping, Example of purchasers. A judicious buyer will consistently purchase an item that best fulfills his necessities at a lower Cost. In this manner business needs to comprehend the connection between backhanded duties and purchasing conduct of buyers. Along these lines, this examination tries to recognize the connection among GST and spending capacity of customers, the arrangement which will help FMCG organizations to alter their items.

3.2 Objectives of the Study

1. To study the structure of Indian tax system.
2. To study and understand GST and its force on FMCG sector.
3. To analyze the impact GST on FMCG Consumers
4. To find out the impact of GST on sales of retailers

3.3 Research Methodology

3.3.1 Research Design

The Data gathered for the investigation is examined with the assistance of relationship and straightforward relapse procedures. Straightforward relapse investigation is utilized to examine the connection among labor and products assessment and its effect on buyers. Goods and services charge is the autonomous variable while spending capacity of shopper is the reliant variable for the investigation. Likewise, to consider industry point of view, connection is utilized to contemplate relationship of GST as far as in general market size, rustic and metropolitan market size and FDI inflows are reliant factor.

Data source	:	Primary and secondary data
Research approach	:	Survey method
Sampling scheme	:	Random sampling
Contact Method	:	Direct contact
Sample size	:	137
Sample unit	:	150

3.4 RESEARCH DESIGN:

The research design is descriptive in nature. Descriptive studies attempt to obtain a clear, complete and accurate description. The study is necessary when the research is interested in knowing the characteristic of a certain group.

3.4.1 Data sources:

Data for this research was collected both form primary sources.

There are two types of data:

Primary sources:

This consists of original information gathered for primary purpose. The normal procedure is to interview people individual and on groups to ger the required data. Here the data being sought is various methods and techniques of recruitments followed in this organization.

Secondary source

Secondary Data is gathered from the public authority reports, diaries, paper articles and magazines.

3.4.2 Research Approaches:

Type of research where the researcher goes with the questionnaire to the respondentand clarifies and doubts Pose by the respondent and note the responses. The respondent who may fill in the questionnaire it is also called a formal type of personal interviewing.

3.4.3 RESEARCH INSTRUMENTS:

The researcher has used questionnaire as the research instruments.

Multi choice questions:

In this multi choice questions the respondents are given four to five choices in which he has to select one. For these questions we can apply statistical tools like weighted average method to relate the results to the universal?

3.4.4 Sampling method

A sampling of 150 is taken, for administering questionnaire. While analyzing qualitative data relating to the opinion of students scaling sampling techniques and ranking methods have been used. Determines how the respondents be chosen is called sampling method.

3.4.5 Tools used for analysis

- Regression Analysis
- Descriptive statistics
- Chi.-squared test
- Correlation analysis

3.5 Limitations of the Study:

This study has its limitations that limit the applicability and validity of study which limitations are as listed below:

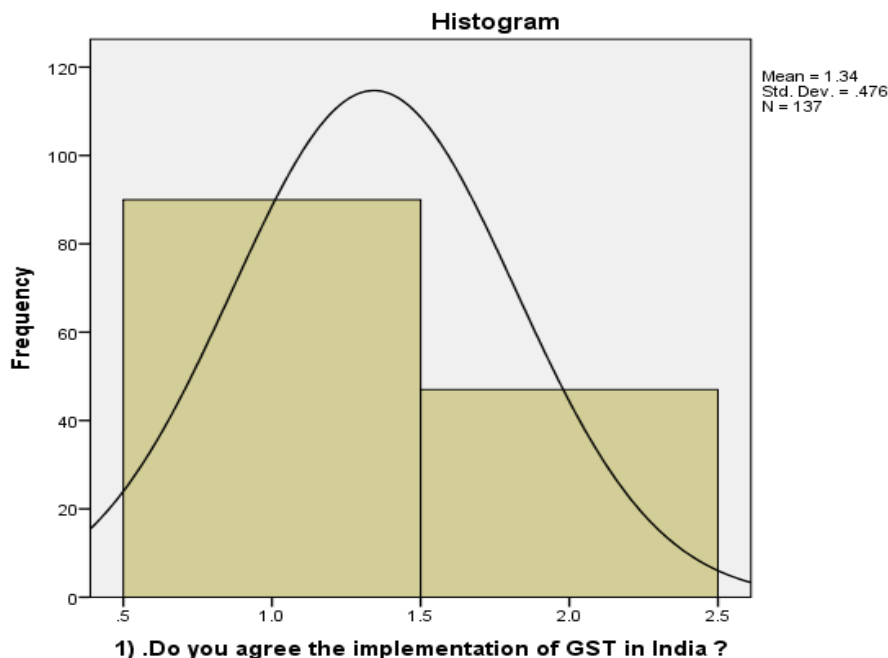
1. Some of the persons were not so responsive
2. GST is newly launched tax system .so some inherent complications faced by the people have not been specifically captured; however, an attempt has been made to address the specific problem statements as per the study objectives.
3. Possibility of error in data collection because many of people may have not given actual answers of my questionnaire.
4. The sample size is small and cannot be applied to the entire population.
5. The sample size may not adequately represent.

4. DATA ANALYSIS & INTERPRETATION

Table No. 4.1

Showing descriptive analysis of implementation of GST in India

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	YES	90	65.7	65.7	65.7
	NO	47	34.3	34.3	100.0
	Total	137	100.0	100.0	

Chart No. 4.1**Showing descriptive analysis of implementation of GST In India****Interpretation:**

From the above descriptive analysis 90 members has agreed the implementation of GST in India and remaining 47 members are not agreed the implementation of GST in India and also the Mean for above analysis is 1.34 and Std.Dev is .476 for N=137.

Table No. 4.2

**Showing descriptive analysis of GST is revenue to government and awareness
about GST on FMCGStatistics**

		GST is way for the government to collect the revenue to manage an eco2my	Is there any awareness about implementation of GST on FMCG?
N	Valid	137	137

Table No. 4.2.1

Showing descriptive analysis of GST is way for the government to collect the revenue to manage an economy

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	92	67.2	67.2	67.2
	2	45	32.8	32.8	100.0
	Total	137	100.0	100.0	

Table No. 4.2.2

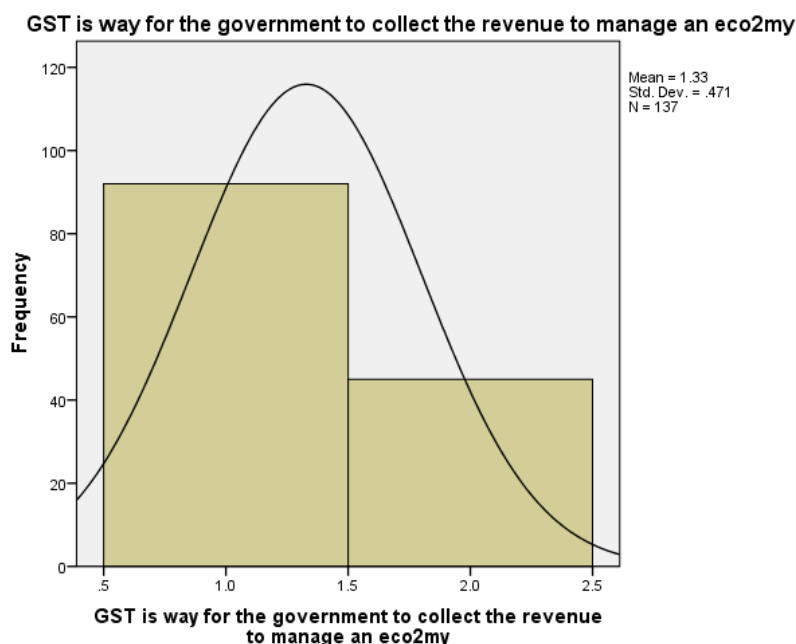
Showing awareness about implementation of GST on FMCG

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	85	62.0	62.0	62.0
	2	50	36.5	36.5	98.5
	4	2	1.5	1.5	100.0
	Total	137	100.0	100.0	

Chart No 4.2.1

Showing descriptive analysis of GST is revenue to government

Histogram



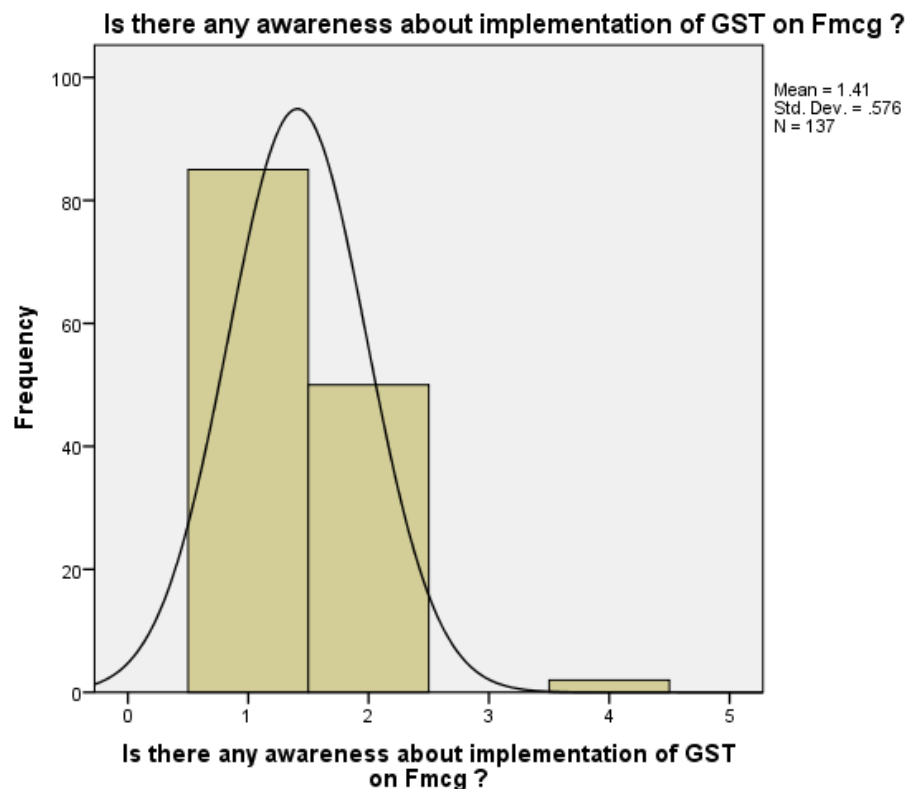
Interpretation:

From the above descriptive analysis 92 members has agreed the implementation of GST is way for the government to collect the revenue to manage remaining 45members are not agreed the implementation of GST

is way for the governmentto collect the revenue to manage in India and also the Mean for above analysis is 1.33 and Std.Dev is .471 for N=137

Chart No. 4.2.2

Showing descriptive analysis awareness about GST on FMCG



Interpretation:

From the above descriptive analysis 85 members said that awareness about implementation of GST on FMCG And remaining 50 members are said there is no awareness about the implementation of GST on FMCG and also the Mean for above analysis is 1.41 and Std.Dev is .576 for N=137

Table No: 4.3

Showing the correlation analysis of GST increases the tax burden on common abt business man, of implementation of GST

Correlations					
			GST has increased the tax burden on common man?	GST has increased the tax burden on Business man?	Do you think implementat ion of GST
GST has increased the tax burden on common man?	Pearson Correlation		1	.335**	.622**
	Sig. (2-tailed)			.000	.000
	N		137	137	137
GST has increased the	Pearson Correlation		.335**	1	.409**
	Sig. (2-tailed)				
	N		137	137	137

tax burden on Business man?	Sig. (2-tailed)	.000		.000
	N	137	137	137
Do you think implementation of GST	Pearson Correlation	.622**	.409**	1
	Sig. (2-tailed)	.000	.000	
	N	137	137	137
**. Correlation is significant at the 0.01 level (2-tailed).				

Interpretation:

From the above correlation analysis there is a significant relation between the implementation of GST and GST has increased the tax burden on common man P value is less than 0.05. There is a significant relation between the implementation of GST and GST has increased the tax burden on common man P value is less than 0.05, GST has increased the tax burden on Business man.

Table No 4.4

Showing the Regression analysis of GST affecting the small business very badly and impacts the customer purchasing power effectively.

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.195 ^a	.038	.024	.569

a. Predictors: (Constant), GST will affecting the small business very badly? GST impacts the customer purchasing power effectively?

ANOVA^a

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	1.713	2	.856	2.644	.075 ^b
	Residual	43.397	134	.324		
	Total	45.109	136			

a. Dependent Variable: Is there any awareness about implementation of GST on FMCG?

b. Predictors: (Constant), GST will affecting the small business very badly, GST impacts the customer purchasing power effectively?

Coefficients						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.791	.184		9.747	.000
	GST impacts the customer purchasing power effectively?	-.026	.053	-.049	-.492	.623

	GST will affecting the small business very badly?	-.082	.050	-.164	-1.633	.105
a. Dependent Variable: Is there any awareness about implementation of GST on FMCG?						

Interpretation:

From the above regression analysis there is a significant relationship between the awareness about implementation of GST on FMCG and GST will affecting the small business very badly, GST impacts the customer purchasing power effectively. Further with B coefficient value is 1.791 and R squared value is 1.713 with less than the significant value.

Table No 4.5

Showing Chi-Square Test challenges that you are facing regarding the impact of GST in Indian Retail Industry?

	Observed N	Expected N	Residual
1	46	34.3	11.8
2	41	34.3	6.8
3	37	34.3	2.8
4	13	34.3	-21.3
Total	137		

Test Statistics	
	Choose one of the following challenges that you are facing regarding the impact of GST in Indian Retail Industry?
Chi-Square	18.766 ^a
Df	3
Asymp. Sig.	.000
a. 0 cells (0.0%) have expected frequencies less than 5. The minimum expected cell frequency is 34.3.	

Interpretation

From the above analysis since the p value is less than 0.05 so there will be a regarding the impact of GST in Indian Retail Industry most of the retailers are facing the problems through there will be a lack of awareness & concern and some of lack of coordination and lack of technology.

Table No 4.6

Showing the descriptive analysis of awareness abt GST in retail sector

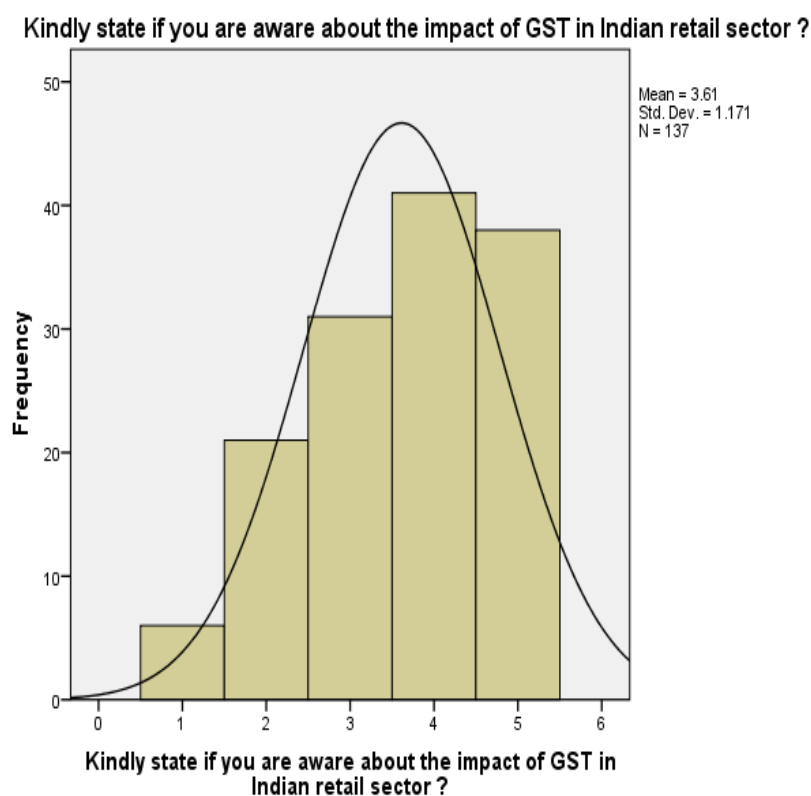
		Kindly state if you are aware about the impact of GST in Indian retail sector?	Is there any awareness about implementation of GST on FMCG?
N	Valid	137	137
	Missing	0	0

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	6	4.4	4.4	4.4
	2	21	15.3	15.3	19.7
	3	31	22.6	22.6	42.3
	4	41	29.9	29.9	72.3
	5	38	27.7	27.7	100.0
	Total	137	100.0	100.0	

Chart No 4.6

Chart showing the descriptive analysis of awareness abt GST in retail sector

Histogram



Interpretation

From the above analysis most of the members are strongly agreed and agreed about their awareness about the impact of GST in Indian retail sector and mean value is 3.61 and Std.Dev is 1.171.

5. FINDINGS, SUGGESTIONS AND CONCLUSION

5.1 Findings

1. Above descriptive analysis most of the members are agreed for implementation of GST In India
2. From descriptive analysis most of the members are get awared abt GST on FMCG
3. From Chi-Square Test can find that challenges that you are facing regarding the impact of GST in Indian Retail Industry

4. Lack of awareness and concern is the biggest problem that are facing in retail industry
5. By the investigation and buyers' reactions, it is perceived that costs are expanded for certain items and diminished in certain items.
6. The buying design has changed for those classes of customers who have pay limitations. In any case, there is no huge change in the customers buying design in light of the fact that there is a slight variety in costs and shoppers are with the discernment that if there is any adjustment of value, they actually purchase what they decide to.
7. An everyday person in India is underneath working class and a segment of delegate working class, his life is simply attempting to meet the two closures (needs and buy power) is consistently on one specific tendency for example his buy power is down pattern, he attempts to balance out his requirements despite the fact that needs continue evolving.

5.2 SUGGESTIONS

1. FMCG companies should take care in formulating their price strategies
2. Providing greater clarity about what percent up to various items are charged.
3. It was better freedoms and development of Retail endless supply of GST; examiners anticipate unification of business sectors. Hence, greatest of the effects of GST will be in the enlarging of possible business sectors for the retailers.
4. Retailers would be prepared to investigate markets across reduced limits prompting better development of the retail market. From both tax assessment and activities viewpoint, GST will plainly have a positive effect in the retail area. These enterprises should rethink their present production network technique and re-structure their organization.

5.3 Conclusion

Implementation of GST all through India (included Jammu and Kashmir) is the greatest change in India. It's anything but an extraordinary advance for a far-reaching aberrant assessment change in India. Execution of GST mixed affects FMCG area. Those FMCG organizations whose charge occurrence brought down, as Dabur, HUL, and ITC have begun to pass on the impact as low costs. Changes in GST rates on normal spans are productive for certain organizations yet not for different firms in the FMCG business. GST may become distinct advantage over the long haul for the FMCG area and may likewise profoundly affect Indian economy too. However, the transient effect uncovers that GST has fizzled in cutting down generally speaking expense of wares; strangely cost of certain items has expanded substantially more than cost of pre-GST system.

So, under the GST system, different Indirect Taxes would be subsumed (aside from few charges like Stamp Duty) and subsequently it is normal that it would bring about a less difficult assessment system, particularly for enterprises like FMCG. It has expanded the simplicity of doing organizations along these lines helping little and medium brokers. It is more reasonable than the past charge framework. I thus presume that; Price of Many

items has been marked down. There is no genuine fall in the costs of any things, so it doesn't transform anything for the average person. Independently there may not be advantage, yet because of single duty framework certainly there is some advantage as it is one aberrant expense with straightforwardness not just borne by a definitive client.

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