

Digital Adoption, Technical Challenges and Access to GST Support – Case Study of Rampur Bushahr Himachal Pradesh.

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ABSTRACT

GST seeks to trace and regularize economic activity through digital platforms, invoice documentation, and return filing systems. Similar to the way digital payments aimed to trace unregistered transactions, GST too has introduced tools such as e-invoicing, digital GST portals, and consumption schemes to promote participation and reduce tax evasion.

GST has opened new avenues for growth. The removal of interstate barriers has allowed businesses to access broader markets beyond their immediate geography. Simplified schemes like the Composition Scheme have provided relief to low-turnover enterprises, while increased formalization has, in some cases, improved access to institutional finance. These dynamics reflect the dual nature of GST's impact, wherein short-term regulatory pressure coexists with long-term possibilities. Despite various government reports and economic analyses, there is limited localized, empirical research on the impact of GST on small enterprises in semi-urban areas. This study addresses the gap by examining how GST has affected small businesses in Rampur Bushahr considered as local trade centre catering to suburbs of four Districts namely Kinnaur, Kullu, Shimla and Mandi in Himachal Pradesh.

Keywords: Digital, GST, Rampur Bushahr, GST portals, Research.

INTRODUCTION

The Goods and Services Tax (GST) is an indirect tax system introduced in India on 1st July 2017. It was implemented to replace the earlier system of multiple indirect taxes such as VAT, excise duty, and service tax, which made the tax structure complicated and difficult to manage. GST brings together various central and state taxes under one common framework, simplifying the overall system and enhancing transparency.

GST is a value-added tax that is applied at every stage of the supply chain but is collected only on the value added at each stage. This means that businesses can claim credit for the taxes paid on their inputs, which helps reduce the overall tax burden. It is also a destination-based tax, meaning the tax revenue goes to the state where the goods or services are consumed, not where they are produced.

The primary objective of GST is to simplify tax procedures, eliminate the cascading effect of taxes, and promote a unified national market. It works on a dual model in India, where both the central and state governments collect tax on the same transaction. Overall, GST was introduced to simplify taxation and support the formalization of the economy. Since its introduction, GST has had a profound influence on the structure and functioning of small and medium-sized enterprises across the country.

Beyond tax simplification, it has reshaped how businesses approach record-keeping, invoicing, and interactions with supply chains. Enterprises, especially in semi-urban and rural areas, have had to adapt their traditional methods to align with a more systematized, digitally-oriented model. While this transition has been met with mixed responses, it has gradually contributed to a shift toward greater transparency and integration into the formal economy.

REVIEW OF LITERATURE

The review has been carefully divided into three core phases: The Pre-implementation Phase, the Implementation Phase, and the Post-Implementation Phase of the Goods and Services Tax (GST) in India.

This structured approach provides a clear understanding of the GST journey – beginning with the preparatory phase, followed by the actual rollout, and concluding with its long-term effects - especially in the context of small businesses. It sheds light on policy intentions, transitional bottlenecks, and adaptive responses from the business community.

Additionally, this section identifies significant research gaps within the existing body of work, underscoring the relevance and necessity of the current investigation.

Phases of GST Implementation

Pre-Implementation Phase

This phase refers to the period before the GST launch on July 1, 2017, when policymakers were conceptualizing, debating, and framing the reform.

Discussions during this stage focused on the expected benefits of GST, such as tax simplification and unification, as well as the anticipated challenges related to fulfilling tax obligations, digital readiness, and formalization of informal businesses. This phase captures the initial perceptions, expectations, and preparatory concerns surrounding the new tax system.

- a) **Amaresh Bagchi (2006) “Towards GST: Choices and Trade- offs”** This study laid the groundwork for GST by analyzing India’s fragmented indirect tax structure and proposing a unified tax system. The author discussed trade-offs in implementing GST, such as balancing Central and State taxation authority, potential revenue losses for states, and the need for an efficient IT infrastructure for tax collection. It emphasized that a successful GST model must ensure fairness in revenue distribution while simplifying compliance for businesses.
- b) **Pinaki Chakraborty and P.K. Rao (2010) “Goods and Services Tax in India: An assessment of the base”** This research focused on India’s tax base and readiness for GST implementation. It argued that for GST to succeed, a broader tax base was necessary to minimize revenue leakage and ensure economic stability. The authors also emphasized the importance of determining the Revenue Neutral Rate (RNR) to maintain fiscal balance without overburdening businesses or causing losses to the government.
- c) **Poonam Garg (2010) “Critical Success Factors for ERP Implementation in India Retail Industry: An Exploratory Study”** The findings indicate that the key factors influencing the successful implementation of Enterprise Resource Planning (ERP) systems in India’s retail sector. While not directly focused on GST, the research provides insights into the technological preparedness of SMEs, which is crucial for GST regulations. The findings suggest that factors such as top management support, clear project objectives and effective project management are vital for successful ERP implementation. These factors are equally relevant for SMEs preparing to adapt to GST, as the new tax regime requires robust technological infrastructure and efficient processes.
- d) **Monika Sharma, Shweta, and Rajeev (2010) “Scope of Cloud Computing for SMEs in India”** This investigation outlines the potential of cloud computing as a cost-effective solution for SMEs in India.

upfront investments. In the context of GST, cloud-based solutions can streamline tax management by offering scalable and accessible platforms for managing tax-related processes. The study highlights the importance of technological adoption for SMEs to remain competitive and compliant in the evolving tax landscape.

- e) **Nitin Kumar (2014) “Goods and Services Tax (GST) in India. A way forward”** Kumar observes GST as a reform aimed at unifying India’s complex indirect tax system. The study argues that GST can reduce economic inefficiencies, ease tax administration, and promote a common national market.
- f) **Shakir Shaik, S.A. Sameera and Sk. C. Firoz (2015) “Does Goods and Services Tax (GST) Lead to Indian Economic Development?”** Through this paper, the author assesses GST as a catalyst for economic growth, stressing its potential to increase revenue efficiency and promote a common market. For SMEs, the researchers suggest that GST can enhance transparency and reduce tax-related uncertainties. However, they also caution that lack of digital infrastructure and awareness could hamper effective adoption among smaller enterprises.
- g) **Indira Rajaraman (2015) “Challenges in Designing a GST for India”** This article examines the challenges in designing a GST framework suited for India’s economic and potential landscape. The author discussed the difficulty of achieving a consensus between the Central and State government, particularly regarding revenue-sharing and tax rate determination. This study also explored the impact of GST on inflation, small enterprises, and informal sector businesses.
- h) **Garima Jain and Kashif Ansari (2015) “Impact of GST on Indian Startups”** Jain and Ansari assess the GST framework through the lens of startups and small businesses. Their findings show that while GST simplifies taxation and reduces multi-stage tax complexities, it also introduces administrative pressure, particularly for early-stage enterprises unfamiliar with digital filings and legal procedures. Overall, they advocate for targeted support mechanisms for SMEs.

Implementation Phase

The Implementation Phase covers the early years following the GST rollout, from July 2017 to 2019, focusing on the transition to the new tax regime.

This phase saw significant developments such as the launch of the GST Network (GSTN), multiple changes in filing procedures, rate revisions, technical glitches, and resistance or confusion among small taxpayers.

It reflects the real-time experiences of businesses adapting to filing and registration procedures.

- a) **Namasivayam, Sri Padma Abirami P, Ramprakash S (2017) “Impact of GST in India”** This review assessed the initial impact of GST, focusing on logistics efficiency, tax transparency, and compliance. While GST reduced transportation delays, small businesses faced challenges in adapting to the new filing procedures. However, small businesses faced difficulties in transitioning to the GST regime, particularly due to the technical glitches in the GSTN portal and the complexities of filing returns.
- b) **S. Bhatia (2017) “Macro Impact: Will the GST Threaten the Survival of MSME?”** Focusing on MSMEs, this evaluation explored the financial and operational difficulties faced by small enterprises due to GST. It highlighted cash flow disruptions caused by input tax credit refund delays and compliance challenges. These factors pushed some businesses into the informal sector. The paper emphasized the need for government intervention, such as relaxation of filing requirements and tax exemptions, to ensure the sustainability of MSMEs.
- c) **R. Shankar (2017) “GST: Impact and Implications on various Industries in Indian Economy”** This assessment provided a sector-wise analysis of GST impact, showing that while manufacturing industries benefited from input tax credits and reduced cascading effects, service-based businesses experience higher tax burdens. The study illustrated how different sectors adopted to GST, with e-commerce platforms facing tax administrative hurdles due to evolving tax regulations. It also discussed consumer behavior shifts due to tax changes highlighted challenges business faced in tax classifications.
- d) **Rajeev Verma and Anusha Reddy (2018) “GST Implementation in India: Challenges and Early Outcomes”** This observation analyzed the initial months of GST implementation, focusing on the

administrative and economic challenges faced by businesses. It highlighted the confusion surrounding multiple tax slabs, frequent policy revisions, and the burden of compliance for small enterprises.

The paper also examined consumer sentiments and inflation trends post-GST implementation, noting a short-term rise in prices due to tax rate adjustments. Additionally, it discussed the effectiveness of government outreach programs aimed at educating business about GST obligations.

- e) **Vidit Mohan and Salman Ali (2018) “Assessment of the Implications of GST Rollout on Indian MSMEs”** This work provides an overview on the effects of GST implementation on Indian MSMEs through qualitative interviews and surveys. It identifies a gap between anticipated benefits and actual experiences, highlighting challenges such as tax administrative burdens and inter-jurisdictional issues. The authors suggest that effective deployment of GST requires addressing these challenges to support MSMEs across different sectors.
- f) **Kanda, R. Handa, H., and Bhalla, G.S. (2018) “Impact of GST on Rural Economy – A study of urbanized sector in Himachal Pradesh”** Literature discusses the impact of GST on the unorganized sector in Himachal Pradesh. Their findings showed that a significant portion of unorganized businesses in rural regions lacked knowledge of GST regulations, causing confusion regarding adherence to regulations, digital filing, and tax rates. The transition to GST posed operational challenges due to inadequate digital infrastructure, limited IT skills, and insufficient government outreach. Many small business owners were apprehensive about increased tax burdens and became heavily reliant on accountants. Although a few businesses experienced benefits like streamlined tax processes and improved supply chains, most struggled with the shift.

Post-ImplementationPhase

This phase starts once the transitional challenges of GST were addressed and the system stabilized, beginning in 2019. It focuses on the long-term effects of GST on business operations, profitability, formalization, and digitization. Researchers began evaluating whether the intended objectives of GST -such as ease of doing business, reduction in cascading taxes, and increased tax observance, especially for micro and small enterprises.

- a) **M.M. Sury (2019) “GST and Micro, Small and Medium Enterprises”** Studies analyzed how the GST regime impacted MSMEs, particularly in the early post-implementation period. Sury emphasized that while GST was designed to unify the tax system, smaller business faced increased pressure due to ongoing changes in rules and filing procedures. As a coping strategy many opted for the Composition Scheme to reduce procedural stress, but doing so came at the cost of limited benefits, such as restricted access to input tax credits. Capacity building and awareness programs were essential for smoother adaption.
- b) **Deena Jacob (2019) “Two Years of GST and Ease of Doing Business for MSMEs: Hits outweigh Misses”** This publication investigates and evaluates the two-year impact of GST on MSMEs, highlighting both challenges and benefits. While the digital tax system initially posed obstacles related to tax administration for small businesses, the author notes that long-term advantages ,such as streamlined taxation and improved ease of doing business, have begun to outweigh the initial hurdles.
- c) **Kapil Garg (2019) “GST and Indian Fiscal Federalism: The Relevance and the Implications”** This perspective examined how GST affected fiscal federalism by alternating state government taxation powers. “The study argued that while GST created a uniform tax system, it reduced states’ financial independence”. The research also analyzed the compensation mechanisms introduced to offset state revenue losses and assessed their effectiveness in maintaining financial stability.
- d) **Chanchal Kumar Sharma(2022) “Concessionary Federalism in a Dominant Party System?”** **Indirect Tax Reforms and Subnational Acquiescence in India** Current study explores how GST implementation reshaped India’s federal structure through a model of concessionary federalism, where states accepted reduced control over taxation in exchange for guaranteed compensation. Sharma argues that the dominance of a single political party at the central level led to limited bargaining space for states

in GST council decisions. It underscores the tactical observance of states driven by political alignment and fiscal dependency.

- e) **K.J. Joseph and L. Anitha Kumary (2023) “India’s GST Paradigm and the Trajectory of Fiscal Federalism: An analysis with special reference to Kerala”** Prior analysis focused on the revenue impact of GST on Kerala, a consumption-based state, revealing fluctuations in tax collections post-GST. It discussed the border implications of GST for states that relied heavily on direct taxes. The author suggested policy interventions, such as State- specific incentives, to maintain regional economic stability under GST framework.
- f) **Priya Menon and Ashutosh Tiwari (2024) “Evaluating the long-term fiscal effects of GST on Indian Small Enterprises”** Relevant research offers a longitudinal evaluation of GST’s fiscal impact on small enterprises over a six-year period. Using a mixed- methods approach combining GSTN data analysis and qualitative interviews with SME owners, the authors assessed how tax policy shifts have influenced profitability, cash flow and formalization.

The paper finds that while observance of tax requirements has improved steadily due to automated systems and increased awareness, the financial burdens of frequent rate changes and delayed refunds remain critical issues for smaller firms. Profitability for compliant SMEs improved post 2021 due to digital credit system.

Gaps in the Existing Literature

The literature on the **Goods and Services Tax (GST)** in India provides valuable insights into its design, implementation, and economic impact. However, notable gaps remain, particularly concerning how small and medium-sized enterprises (SMEs) have adapted during the pre- implementation, implementation, and post-implementation phases of GST. Although macroeconomic and institutional aspects have been widely explored, the specific challenges faced by SMEs ,particularly those in semi-urban and rural areas, have not been sufficiently addressed.

Pre-Implementation Phase: The pre-implementation literature largely revolves around the theoretical framework of GST and its anticipated benefits, such as tax simplification and the unification of India’s fragmented indirect tax structure (**Bagchi, 2006; Chakraborty & Rao, 2010**). However, limited research has been conducted on the technological readiness of SMEs to adopt GST’s digital requirements. Studies by **Garg (2010) and Sharma et al. (2010)** discuss ERP systems and cloud computing as potential solutions but do not adequately assess how SMEs, particularly those in rural and semi-urban areas, can integrate these systems. There is a notable gap in understanding the digital capabilities of smaller enterprises in these regions, which is crucial for effective GST adherence.

Implementation Phase:

During the GST rollout from 2017 onwards, research as **Namasivayam et al. (2017) and Bhatia (2017)** highlights the difficulties businesses faced with technical glitches, regulatory complexities, and changes in filing procedures. However, these studies do not delve deeply into the sector-specific challenges and the diverse regional impacts of GST. While **Kanda et al. (2018)** explore the rural economy’s struggles with GST in Himachal Pradesh, there is insufficient focus on how small businesses in other rural or semi-urban regions with limited digital literacy and infrastructure adapted to the reform. Additionally, informal enterprises, which often lack the resources to transition to a digital tax system, have not been adequately examined in the existing literature.

Post-Implementation Phase: In the post-implementation phase, studies such as **Sury (2019) and Jacob (2019)** evaluates the long-term effects of GST on SMEs, particularly in terms of tax simplification and adherence. However, ongoing issues such as delayed refunds, frequent changes in tax rates, and cash flow disruptions remain underexplored. The Composition Scheme, designed to reduce tax-related burdens for SMEs, has not been critically assessed for its practical limitations and real-world effectiveness. Furthermore, there is a lack of research on regional disparities, particularly in states with high consumption rates, which is essential for understanding GST’s varying impact on businesses across India.

While the literature offers broad insights into GST's impact but lacks focus on the unique challenges faced by small businesses in rural and semi-urban areas.

Targeted research on sector-specific issues, regional implementation differences, and government support for SMEs is needed to better understand GST's practical effects.

Research Objectives and Research Methodology

1. To assess how prepared local businesses are in using digital tools for GST and whether they receive adequate guidance or support in the process
2. To examine how GST has influenced business owners' decision-making, discipline, and long-term approach to business operations.

The analysis follows the same Likert scale structure and scoring method. Respondents were asked to indicate their agreement with six behavioural statements linked to GST-triggered changes.

While much of the existing research on GST implementation has concentrated on urban and industrial businesses, there has been limited attention given to the difficulties faced by small businesses in less-developed, semi-urban, and rural contexts.

This study is important for the following reasons:

1. **Filling the Research Gap:** Existing literature largely overlooks the unique challenges faced by small enterprises in semi-urban areas. This research aims to address this gap by focusing on Rampur Bushahr.
2. **Understanding Localized Challenges:** Small businesses in semi-urban areas frequently operate in environments that lack professional advisory services. This study will explore these obstacles in detail.

Selecting a suitable study area is essential to ensure that the research findings are contextually relevant and practically meaningful.

For this study, **Rampur Bushahr, a sub-divisional town in the Shimla district of Himachal Pradesh**, has been chosen as the focal point. The region offers a unique combination of geographic remoteness and economic activity, making it a valuable location for understanding how small enterprises have adapted to the Goods and Services Tax (GST).

Research Design

This study adopts a descriptive and exploratory research design to critically examine the challenges of meeting GST obligations among small enterprises in Rampur Bushahr.

To this end, a mixed-methods framework has been employed integrating quantitative and qualitative methodologies. To enrich the findings and add depth to the quantitative results, qualitative data were gathered through:

- Field visit to business establishments.
- Informal interviews with business owners and staff
- Direct observations of operational and digital practices

These interactions provided insight into the lived experiences of entrepreneurs, highlighting specific regulatory challenges, adaptive responses, and perceived barriers to digital adoption.

The analysis of the data collected in this study has been conducted using a combination of basic **quantitative tools** and **qualitative insights**, ensuring clarity, reliability, and ease of interpretation. Given the structured nature

of the questionnaire and the judgmental sampling approach focused on **GST-registered small enterprises**, the following tools and techniques were used

Descriptive statistical techniques were employed to summarize the collected data and present key trends in a meaningful way.

Measures such as frequency counts, percentages, and averages were used to understand Digital Adoption, Technical Challenges and Access to GST Support

Data Analysis and Interpretations:

Business Profile of Respondents

1. Classification Based on Nature of Business Activity

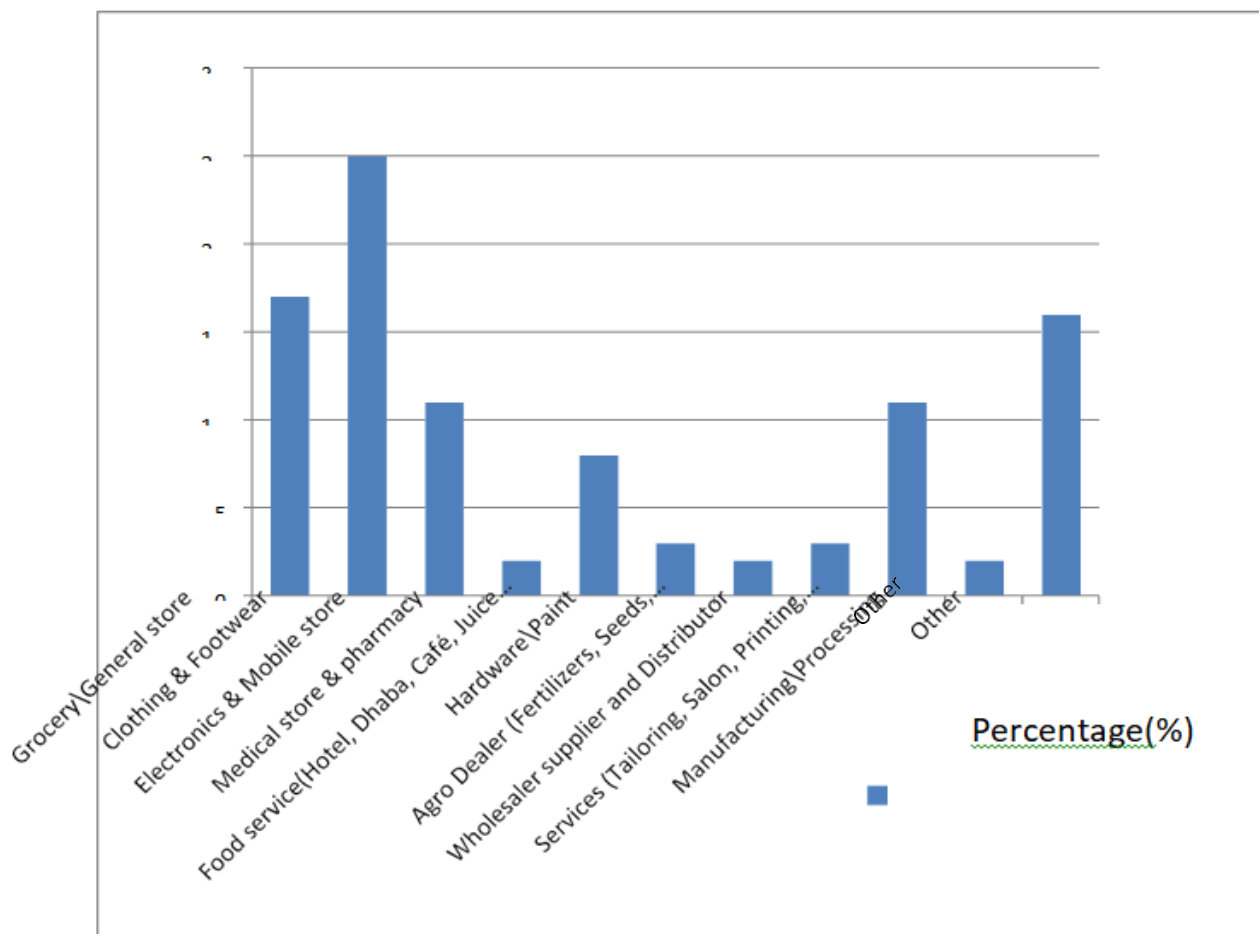
Table 1.1: Distribution of Respondents by Type of Business Activity

Business Type	Frequency(n)	Percentage(%)
Grocery\General store	17	17%
Clothing&Footwear	25	25%
Electronics&Mobile store	11	11%
Medical store&pharmacy	2	2%
Food service(Hotel, Dhaba, Café, Juice Corner)	8	8%
Hardware\Paint	3	3%
Agro Dealer(Fertilizers, Seeds, Equipment)	2	2%
Wholesaler supplier and Distributor	3	3%
Services (Tailoring, Salon, Printing, Coaching, Courier, Repairs, etc.)	11	11%
Manufacturing\Processing	2	2%
Other	16	16%
Total	100	100%

Note on Calculation: Percentage values for each response were calculated using the standard formula:

$$\text{Percentage} = (\text{Frequency} / \text{Total Respondents}) \times 100$$

Figure1.1:Sector-wiseDistributionofBusinessActivities



Interpretation:

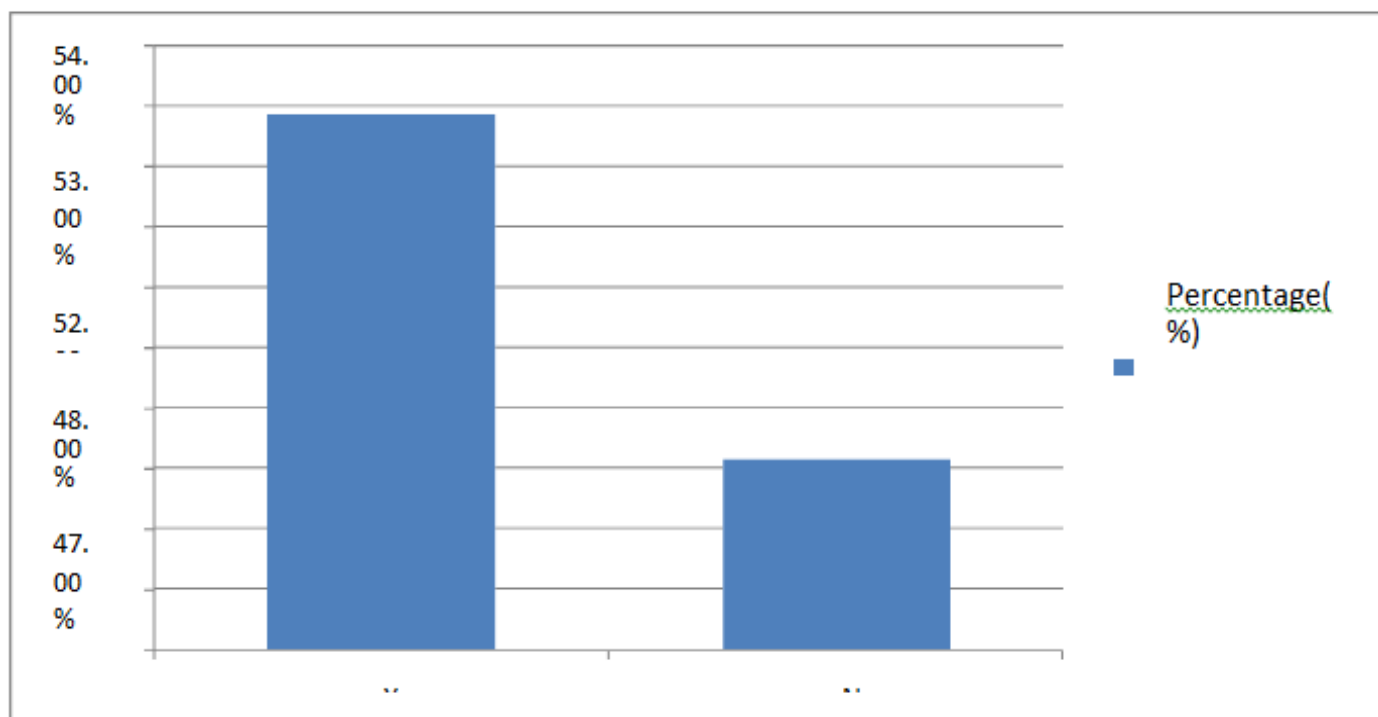
The business types in the study are quite diverse, with the largest share(25%) in clothing and footwear, followed by grocery and general stores at 17%. Electronics and mobile shops make up 11% while service-oriented businesses like tailoring, salons, printing, and repairs also account for 11%. Other sectors include food services (8%), hardware and paint (3%), wholesalers and distributors (3%), medical store and pharmacies (2%), agro dealers (2%), and manufacturing or processing units (2%). Additionally,16% fall under various other categories. This distribution highlights a mix of retail, service, and small-scale manufacturing businesses in the sample

Participation In GST Training or Guidance Sessions

Table2.1:Participation in GST Training or Guidance Sessions

Response	Frequency(n)	Percentage(%)
Yes	37	52.85%
No	33	47.15%
Total	70	100%

Figure2.1:ParticipationinGSTAwarenessorTrainingSessions



Interpretation:

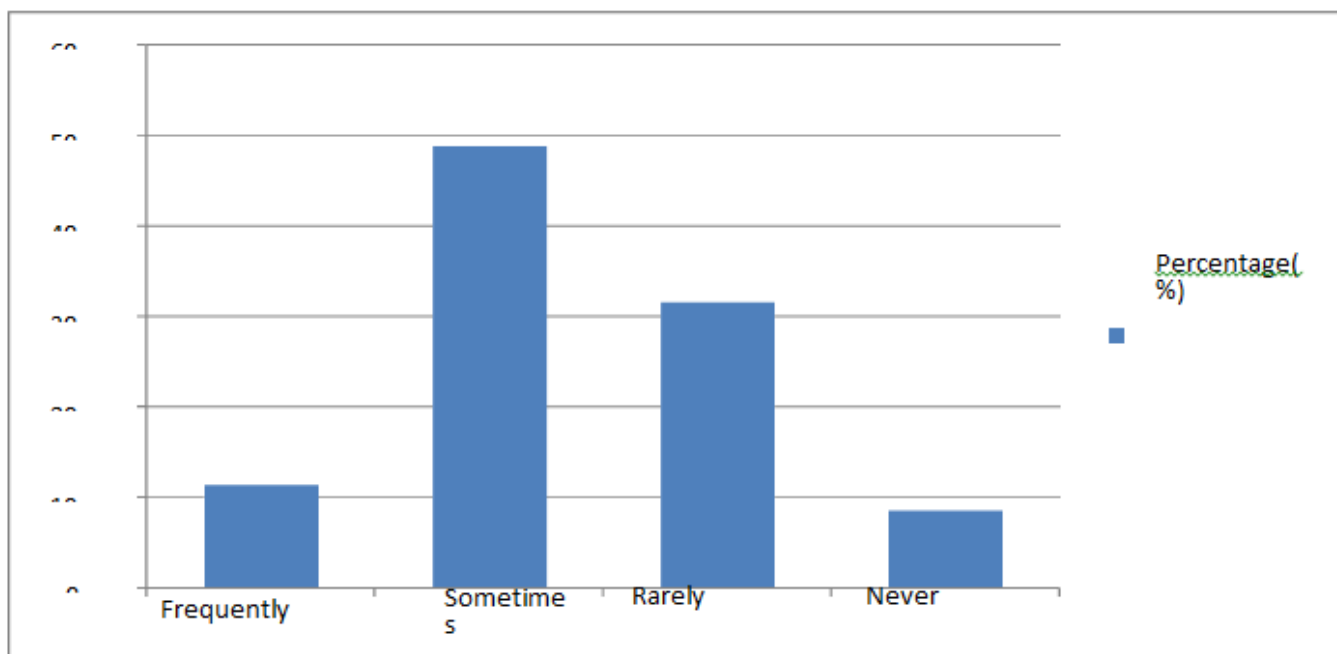
The data shows that 37 out of 70 enterprises (52.85%) have attended GST- related training or guidance sessions, while 33 (47.15%) have not. This indicates that although more than half of the respondents engaged in some form of GST awareness or learning, a significant portion still lacks formal exposure to GST training.

3.Frequency of Technical Issues with GST portals and Related Systems

Table3.1:Experience of Technical Issues While Using GST Portals

Response	Frequency(n)	Percentage(%)
Frequently	8	11.43%
Sometimes	34	48.57%
Rarely	22	31.43%
Never	6	8.57%
Total	70	100%

Figure3.1:FrequencyofTechnicalIssuesWhileUsingGSTSystems



Interpretation:

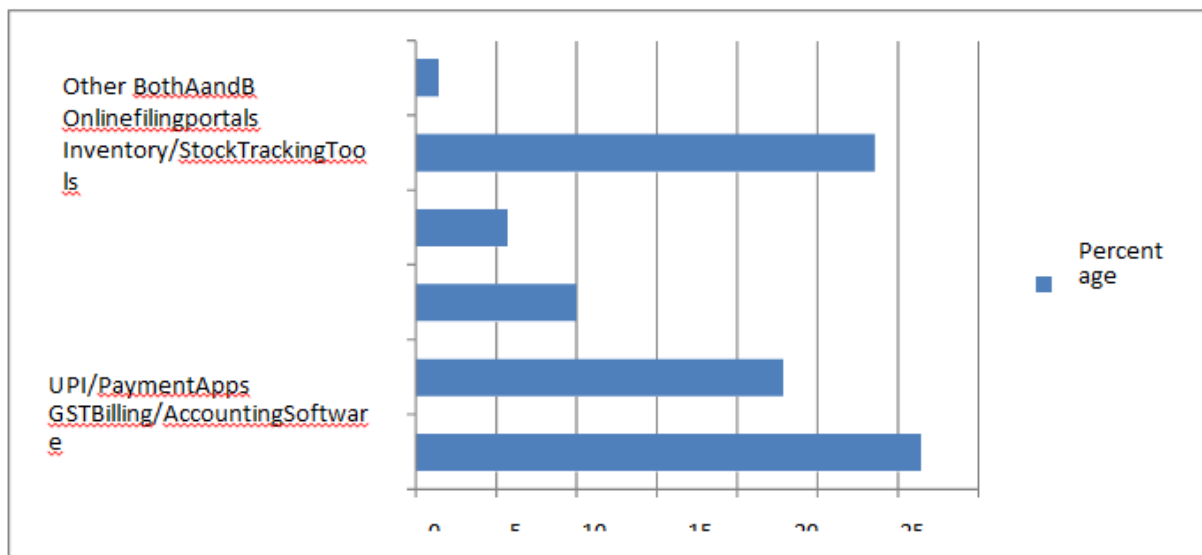
The data reveals that 48.57% of respondents sometimes face technical issues on GST portals, while 11.43% experience them frequently and 31.43% experience issues rarely. Only 8.57% have never faced any problems. This indicates that while serious disruptions are not widespread, occasional to rare technical challenges remain common, potentially affecting filing efficiency and the ease of managing GST obligations digitally for many small enterprises.

4.Digital Platforms &Tools used for managing GST tasks, business records, and payments

Table 4.1:Use of Digital Tools for Business and GST-Related Activities

Digital Tools/Platform	Frequency(n)	Percentage (%)
GST Billing/Accounting Software	22	31.43%
UPI/payment apps (PhonePe, Google Pay, etc.)	16	22.86%
Inventory/Stock Tracking Tools	7	10%
Online filing portals (Clear Tax, Khatabook, etc.)	4	5.71%
Both A and B	20	28.57%
Other	1	1.43%
Total	70	100%

Figure4.1:DigitalToolsUsedforGSTandBusinessOperations



Interpretation:

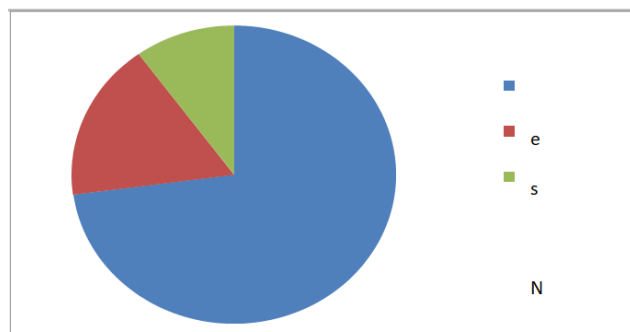
Among respondents, 31.43% use GST billing/accounting software, making it the most common digital tool. UPI and payment apps follow with 22.86% usage, indicating wide adoption of cashless transactions. Notably, 28.57% of respondents use both billing software and UPI apps together, reflecting a growing trend towards essential digital tools. Inventory tracking tools (10%) and online filing portals (5.71%) remain less common. Only 1.43% mentioned using any other tools.

Modification made to Billing or Documentation Systems after GST Implementation

Table5.1:ChangeinBillingorDocumentationSystemsPost-GST

Response	Frequency(n)	Percentage(%)
Yes	51	72.86%
No	12	17.14%
Planning to soon	7	10%
Total	70	100%

Figure5.1:Change in Billing/ Documentation Systems in GST Implementation



Interpretation

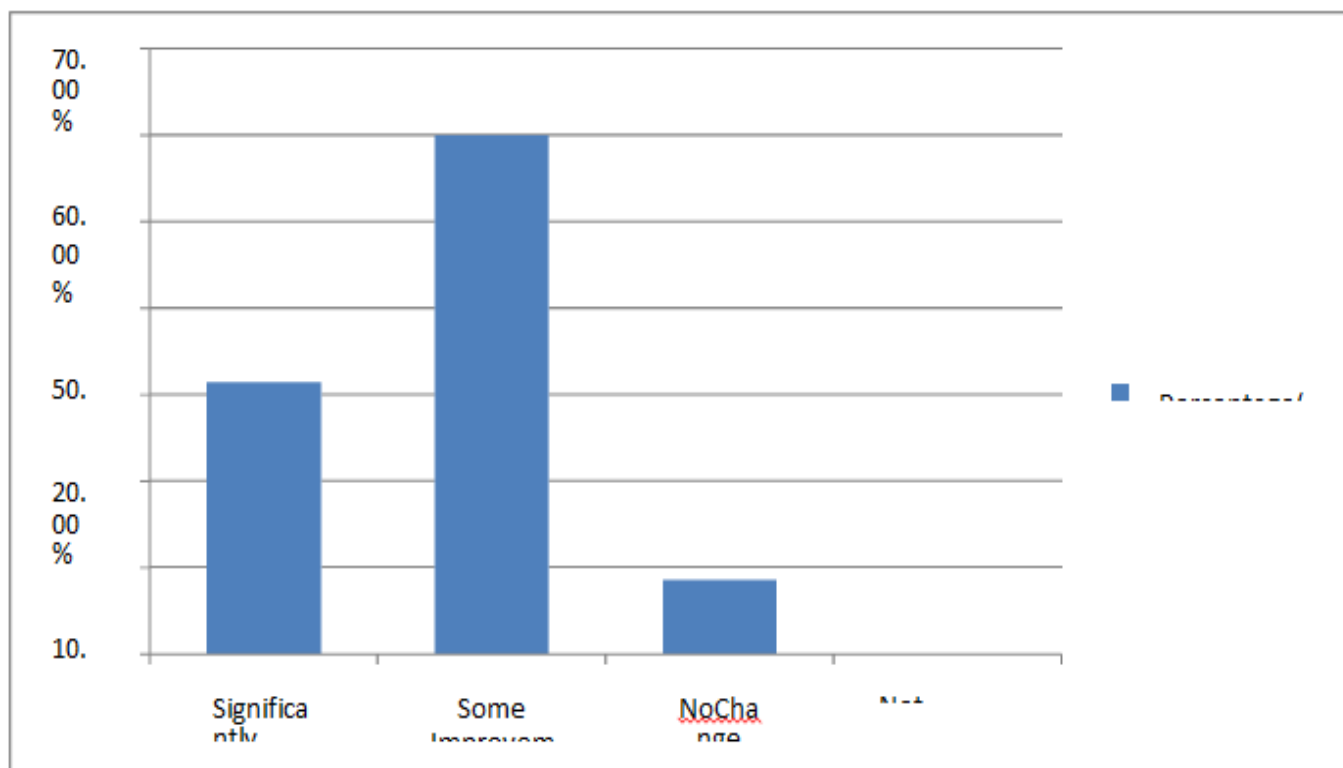
This data shows that 72.86% of enterprises have modified their billing or documentation systems after GST implementation, while 17.14% made no changes and 10% plan to update soon. This indicates that GST has prompted a significant shift towards formalized and structured record-keeping, with most businesses adopting digital or compliant systems to meet invoice, return, and audit requirements.

Impact of Digital Tools on Visibility and Control over Business Operations

Table6.1:Impact of Digital Tools on Business Visibility &Control

Response	Frequency(n)	Percentage(%)
Significantly Improved	22	31.43%
Some Improvement	42	60%
No Change Noticed	6	8.57%
Not Applicable	0	0%
Total	70	100%

Figure6.1:ImpactofDigitalToolsonBusinessManagement



Interpretation:

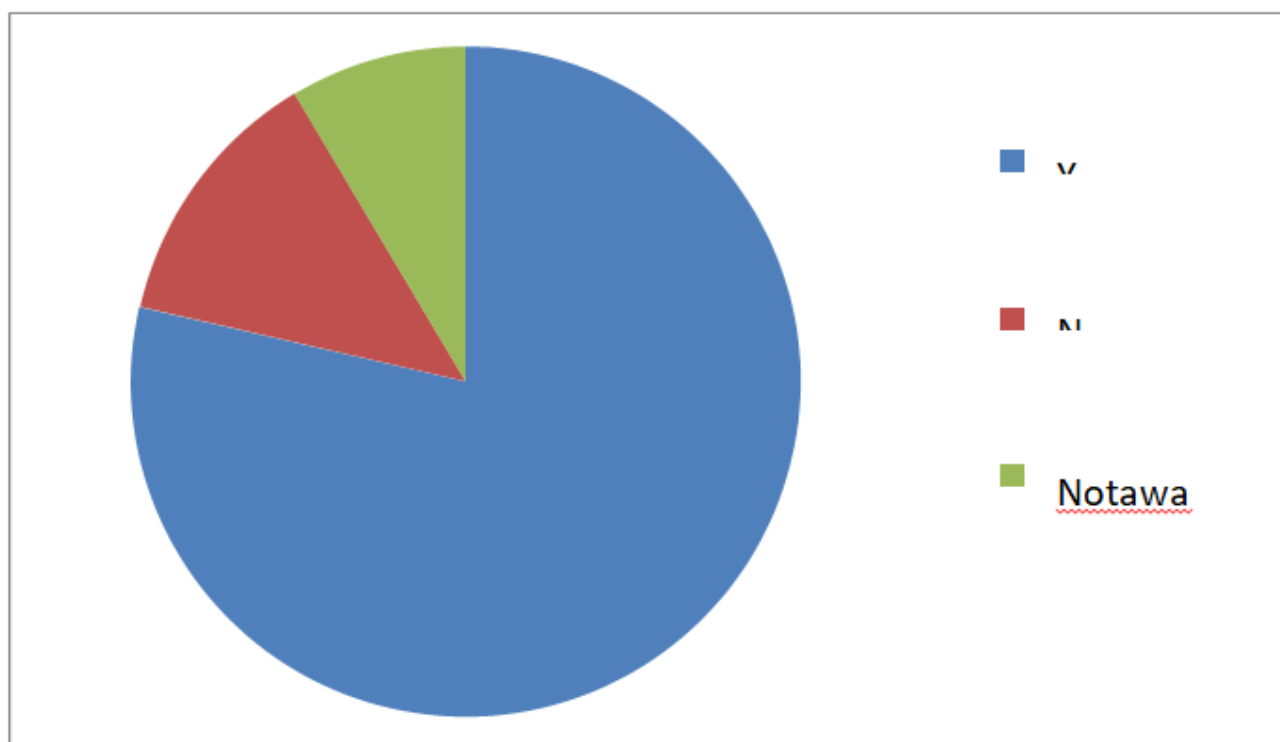
A large majority (60%) observed some improvement, while 31.43% reported significant improvement, indicating that over 90% of respondents experienced a positive change. Only 8.57% noticed no change, and none selected “Not Applicable,” suggesting that the question was relevant to all participants and the impact was largely positive.

Awareness and Access to Government GST Support

Table7.1: Awareness and Access to Government GST Support

Response	Frequency(n)	Percentage(%)
Yes	55	78.57%
No	9	12.86%
Not aware of any	6	8.57%
Total	70	100%

Figure7.1: Awareness and Accessibility of Government GST Support



Interpretation:

The data shows that 78.57% of respondents are aware of and have accessed government – provided GST support, while 12.86% have not and 8.57% were not aware of any related information, suggesting that while awareness is high overall, there's still a small segment with limited exposure or understanding.

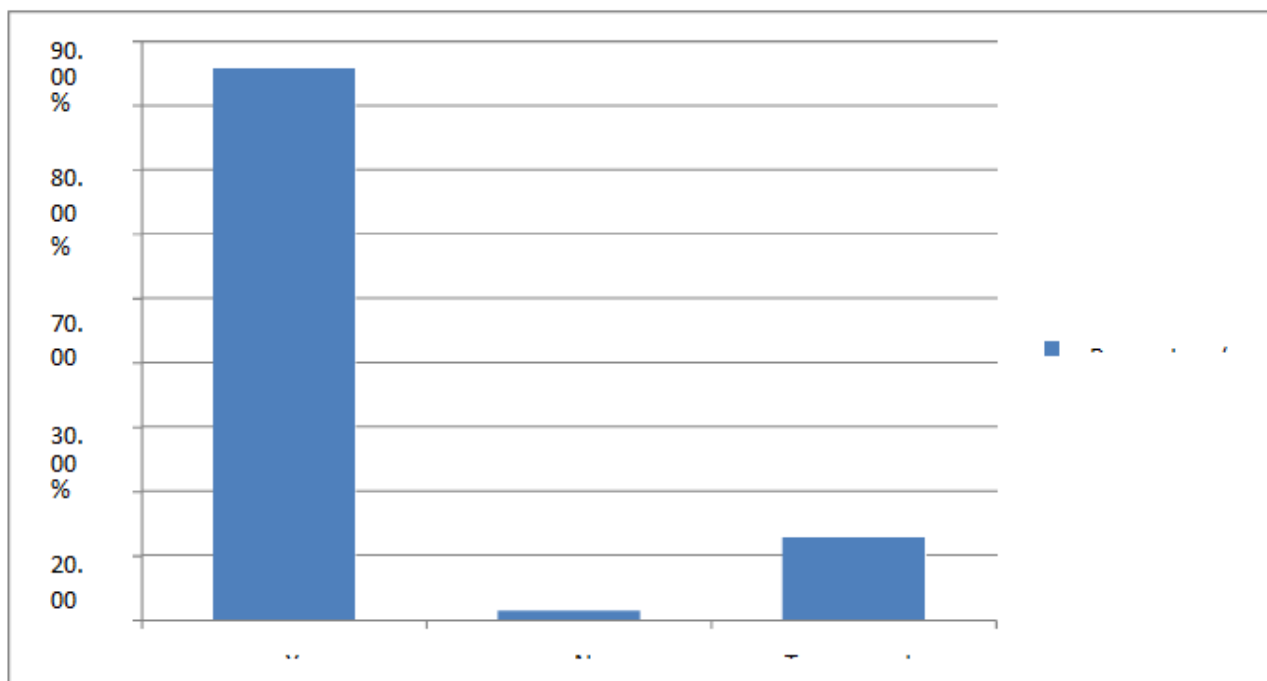
Effect of Digital Systems on Business Record Maintenance

Table 8.1: Impact of Digital Systems on Record Maintenance

Response	Frequency(n)	Percentage(%)
Yes	60	85.71%

No	1	1.43%
Tosomeextent	9	12.86%
Total	70	100%

Figure8.1:Effect of Digital Systems on Business Record Management



Interpretation:

The data shows that 85.71% of respondents believe digital systems have improved their record maintenance, while 12.86% observed partial improvements and only 1.43% saw no benefits indicating that disagreement or rejection of the idea is extremely rare among participants.

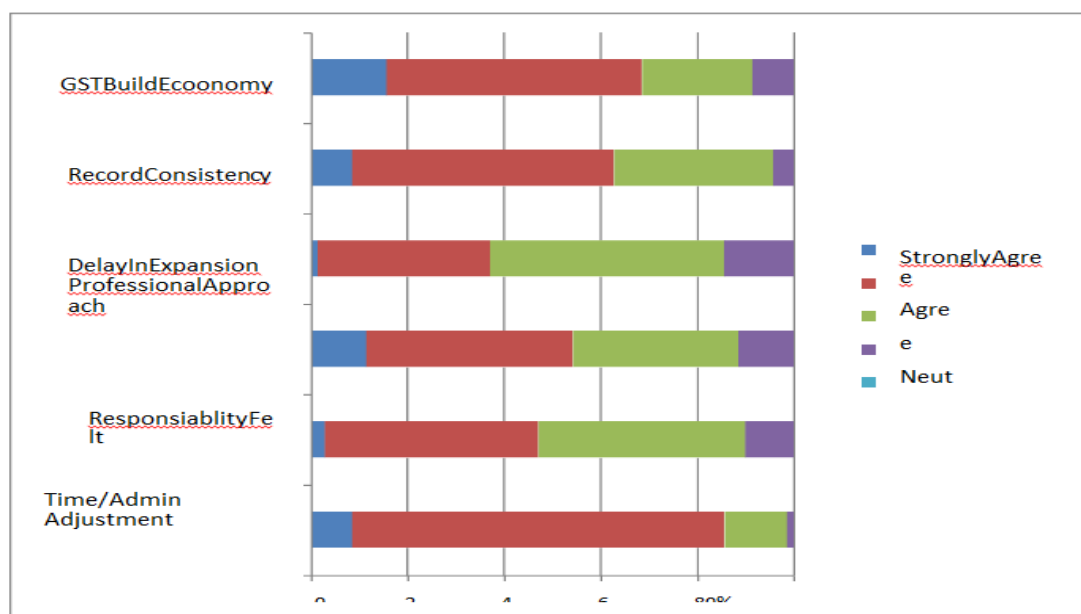
Strategic Mindset and Behavioural Shifts Triggered by GST - (Likert Scale Analysis)

Table9.1:Frequency of Responses (26to31)

Sr.No.	Statements Summary	SA (5)	A (4)	N (3)	D (2)	SD (1)	Total Frequency
26	Adjusted time and administrative routines to align with GST-related tasks	6	54	9	1	0	70
27	Developed a stronger sense of responsibility due to the risk of penalties or notices	2	31	30	7	0	70
28	Adopted a more organized and professional business approach since GST implementation	8	0	24	8	0	70

29	Reconsider or delayed business expansion plans due to GST-related factors	1	25	34	10	0	70
30	Became more consistent in reviewing financial records and maintaining documentation	6	38	23	3	0	70
31	Believe that GST supports a more transparent and efficient national business environment	11	37	16	6	0	70

Figure9.1: Response Category Distribution(26to31)



InterpretationforTable922andFigure9.1:-

Table 9 and Figure 9.1 present the behavioural impact of GST on business practices. A large majority (60 out of 70) reported adjusting their routines to meet GST tasks (26), showing improved time discipline. Many respondents agreed they have become more responsible due to the risk of penalties (27), though 30 remained neutral. The adoption of more professional approach (28) and increased review of records (30) also received strong agreement, reflecting a shift in operational behaviour. Responses to statement 29 were more neutral, indicating mixed influence of GST on expansion decisions. Notably, 48 respondents agreed that GST supports a more transparent and efficient business environment (31).

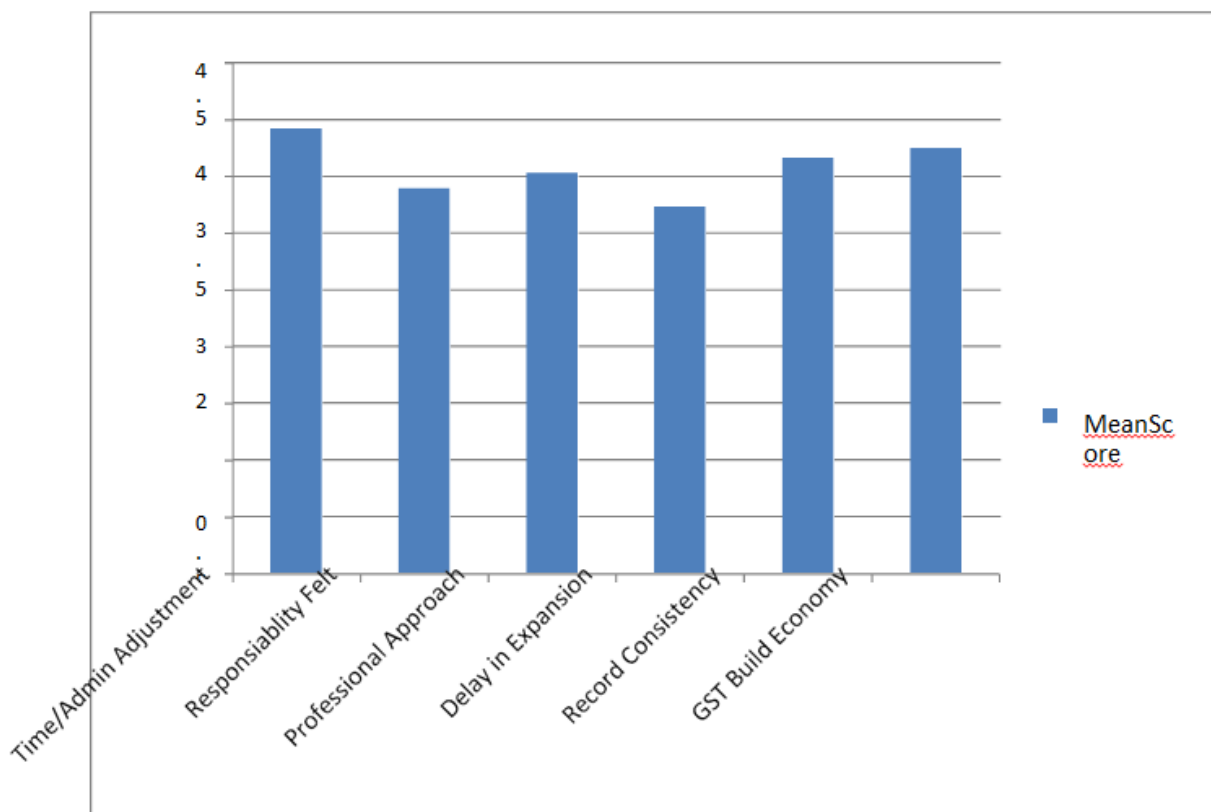
Overall, the data suggests GST has led to improved discipline, awareness, and operational maturity among small business owners.

Table9.3:Mean Score Calculation and Interpretation(26to31)

Sr.No.	Mean Score Calculation	Mean	Interpretation
26	$(6 \times 5) + (34 \times 4) + (23 \times 3) + (10 \times 2) + (0 \times 1) / 70 = 275 / 70$	3.93	Moderate Agreement
27	$(2 \times 5) + (31 \times 4) + (30 \times 3) + (7 \times 2) + (0 \times 1) / 70 = 238 / 70$	3.40	Slight Agreement

28	$(8 \times 5) + (30 \times 4) + (24 \times 3) + (8 \times 2) + (0 \times 1) / 70 = 248 / 70$	3.54	Moderate Agreement
29	$(1 \times 5) + (25 \times 4) + (34 \times 3) + (10 \times 2) + (0 \times 1) / 70 = 227 / 70$	3.24	Slight Agreement
30	$(6 \times 5) + (38 \times 4) + (23 \times 3) + (3 \times 2) + (0 \times 1) / 70 = 257 / 70$	3.67	Moderate Agreement
31	$(11 \times 5) + (37 \times 4) + (16 \times 3) + (6 \times 2) + (0 \times 1) / 70 = 263 / 70$	3.76	Moderate Agreement

Figure9.4:Comparing Mean Scores(26to31)



InterpretationforTable9.323andFigure9.4.: -Table4.23andFigure

9.3 present the mean score analysis of behavioural changes observed among GST-registered enterprises. The highest agreement was recorded for adjustments in time management and administrative routines (26, Mean = 3.93), indicating that GST has strongly influenced how businesses structure their daily operations.

Most of the remaining statements reflect moderate agreement, including those related to professionalism (28, Mean = 3.54), routine financial review (30, = 3.67), and transparency in business conduct (31, Mean = 3.76). These scores suggest that GST has played a significant role in encouraging more accountable and process-oriented behaviour among business owners.

However, statements on responsibility (27, Mean = 3.40) and business expansion decisions (29, Mean = 3.24) fall within the neutral range ,reflecting mixed perceptions or variability based on firm size, readiness, or industry.

Overall, the mean values reflect a positive behavioural shift driven by GST - particularly in discipline, compliance, and record maintenance through the extent of agreement varies across different aspects of business adaptation.

CONCLUSION

The analysis of the statements ranging from 26 to 31 indicates that GST has had a moderate yet positive behavioural impact on small business owners. The highest mean score 3.93 for (26) suggests that respondents have made significant adjustments in administrative routines and time discipline as a result of GST-related requirements. Similarly, statements regarding professional conduct (28, Mean = 3.54), financial monitoring (30, Mean = 3.67), and transparency in business practices (31, Mean = 3.76) reflect a strong trend toward structured and accountable business behaviour. However, areas like personal responsibility (27, Mean = 3.40) and business expansion decisions (29, Mean = 3.24) fall within the neutral range, suggesting that while some enterprises have internalized behavioural shifts, others remain cautious or unaffected in these aspects.

Overall, the response suggests that GST has encouraged a shift toward discipline and professional awareness, though the degree of impact varies across behavioural domains. The data highlights the role of GST not only as a tax reform but also as a catalyst for behavioural transformation in business practices.

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