

CHAPTER 5

FINDINGS, CONCLUSIONS AND SUGGESTIONS

The present chapter condenses the entire work done in the thesis into classified findings, which have been headed into six broad classifications which are in parlance to the selected objectives of the study, namely: Findings from the Demographic profile of respondents, Findings from the Second objective, Third objective, from Fourth and Fifth objective. Thus, we hereby justify the harmony of the results with the foundation pillars, the objectives on which the entire system has been built. Each and every classification details the related findings. Further, the chapter has been segregated into four sections: first, the findings; second, the researcher's remarks; and the limitations of the study; and fourth, suggestions for future research.

5.1 SECTION I: FINDINGS

5.1.1 Findings From The Demographic Profile of Respondents

1. The study was seen to be highly dominated by male respondents.
2. The results reveal that the majority of the respondents were between 31 and 40 years of age, followed by those between 20 and 30 years, then were the respondents who were between 20 and 30 years, followed by those who are above 51 years of age.
3. The count reveals that the majority of respondents had to be and were those who have done Hotel Management Diploma, followed by Graduates, then by MBAs in Hotel management and the least were those with education till school level.
4. The majority of the respondents have experience between 3 to 6 years, followed by those having experience of more than six years, then between 1 to 3 years, and the least number has experience of less than one year. This shows that the hotel industry is comprised mainly of respondents who have work experience between 3 and 6 years.

5. From the data, it is hereby inferred that the majority of the respondents work in Budget Hotels rather than in Luxury ones. It is quite obvious that the number of Budget hotels is fairly large compared to the number of Luxury hotels in the market.
6. The data concludes that the Composition Scheme is very supportive for small businesses. As opposed to the standard GST scheme, the Composition plan requires taxpayers to submit a total of 5 GST Returns: One yearly GSTR in a year in the form of GSTR-4 and four quarterly GSTRs in the form of CMP-08.

5.1.2 Findings From The Second Objective

Objective 2: To investigate the impact of the GST on the hotel industry.

1. On the basis of the primary data regarding the impact of GST on the hotel industry, the statement “**GST has lessened the impact of taxation cascading**” was 2.93 ± 0.954 , which reflects that sample respondents were “**Neutral**”.

Researcher’s Implication: The respondents were neutral to the statement that whether GST has reduced the cascading effects of taxation or not. GST has been a big transformation in society, and it takes time to properly understand and grasp the changes with a complete SWOT analysis of the same. It could thus be observed that the effects of GST are not clear in the eyes of the respondents.

2. On the basis of the primary data regarding the impact of GST on the hotel industry for, the statement “**The GST has made proper record-keeping Mandatory.**” was 4.05 ± 1.227 , which reflects that sample respondents were “**Strongly Agree**”.

Researcher’s Implication: There is no doubt that GST has enabled proper maintenance of records. The businessmen became responsible in due course after the inception of GST. Their accounts are being maintained several times during a year and hiding money from the Government has become cumbersome now.

3. On the basis of the primary data regarding the impact of GST on the hotel industry for the statement “**GST will increase and provide benefits in the long run.**” was 3.95 ± 1.338 , which reflects that sample respondents were “**Agree**”.

Researcher’s Implication: The respondents were not so clear about the effects of GST on the society but were clear about the positive benefits that GST will bring in the long run. The long run is a period sufficiently long enough to bring life all possible changes a particular system has exerted on the society. The respondents agree to it that GST will bring benefits in the long run for sure.

4. On the basis of the primary data regarding the impact of GST on the hotel industry for the statement “**GST has boosted the number of customers**” was 2.99 ± 0.992 , which reflects that sample respondents were “**Neutral**”.

Researcher’s Implication: The government has very wisely designed the GST policy, which has freed several areas from being taxed and has taxed the segments untouched through the application of GST. The intelligent work of the government is not understood well by the respondents. They gave a neutral rating on the statement that GST has boosted the number of customers in hotels. The luxury room travellers have been affected, but no smart impact could be seen on the regular guests.

5. On the basis of the primary data regarding the impact of GST on the hotel industry for the statement “**GST has increased your hotel’s profitability**” was 2.91 ± 0.973 , which reflects that sample respondents were “**Neutral**”.

Researcher’s Implication: The respondents were neutral even to the statement that their respective profitability has increased post-GST. The makers have designed it in such a way that no profit no loss has been the base of the policy. The above picture clearly depicts that the makers have nearly nullified the profitability effects as they have balanced the charges far and wide; thus, the respondents were not wrong in rating the statement as neutral.

6. On the basis of the primary data regarding the impact of GST on the hotel industry for the statement “**GST is difficult to comprehend**” was 4.07 ± 1.212 , which reflects that sample respondents were “**Strongly Agree**”.

Researcher’s Implication: The respondents firmly agreed that GST is a complex task to understand. There is no doubt that GST is comparatively complex to understand and work on. Therefore, the respondents have to get help from professionals to get it easy and work on it. Generally, it takes time to adapt to technical changes, and in this case, the entire economy is facing the challenge of accepting the enforced GST on them.

7. On the basis of the primary data regarding the impact of GST on the hotel industry for the statement “**The tax burden on hoteliers has increased as a result of GST**” was 4.06 ± 1.226 , which reflects that sample respondents were “**Strongly Agree**”.

Researcher’s Implication: The respondents are not so clear about the concept of GST; they believe that the tax burden has increased, but actually, the tax that was not being paid earlier has been revealed as a result of GST. The people were hiding their earnings before very conveniently, but the GST system has made it nearly impossible to hide the respective earnings, which has made the business class uncomfortable with the tax structure at present.

8. On the basis of the primary data regarding the impact of GST on the hotel industry, the statement “**Formalities for filing a GST return are too burdensome.**” was 3.92 ± 1.328 , which reflects that sample respondents were “**Agree**”.

Researcher’s Implication: The filing formalities are really tedious; the pattern is complex and technical until understood. The respondents are facing difficulties in filing GST returns, which made them agree that it is tedious. However, it is firmly believed that GST will gradually camouflage itself in the present scenario so well that society will even forget the days without GST implementation.

5.1.3 Findings From The Third Objective

Objective 3: To have a better understanding of awareness among hoteliers on the provisions of GST.

1. On the basis of the primary data regarding awareness for provisions of GST relevant to “**Invoicing**”, was 4.02 ± 1.264 , which reflects that sample respondents were “**Extremely Aware**”.

Researcher’s Implication: The respondents rated extremely aware of the provision ‘Invoicing’ of GST. An “invoice” under the GST regime refers to the tax invoice described in section 31 of the CGST Act, 2017. According to this clause, a bill of supply or invoice must be issued for each provision of goods or services. The issue of an invoice confirms the sales and is a mandatory provision of GST. Thus, the respondents were extremely aware of the provision.

2. On the basis of the primary data regarding awareness for provisions of GST relevant “**E-way Bill**” was 1.97 ± 1.283 , which reflects that sample respondents were “**Slightly Aware**”.

Researcher’s Implication: An e-way bill is a licence required for the delivery of products between states and within states that cost more than Rs. 50,000. Details on the items, the sender, the recipient, and the transporter are included. Through the GSTN, it may be electronically generated. The respondents who have such a transportation type of business are generally aware, whereas others may not. Thus, the majority revealed that they are slightly aware of the provision.

3. On the basis of the primary data regarding awareness for provisions of GST, relevant “**Return**” was 4.11 ± 1.247 , which reflects that sample respondents were “**Extremely Aware**”.

Researcher’s Implication: Another provision which was enquired of was ‘Return’ under the GST procedure. Each GST-registered taxpayer (each GSTIN) is required to file what is termed a GST return with the tax

administration authorities. This return details the taxpayer's purchases, sales, and/or expenses for the tax period. This is what the tax authorities use to compute your net tax bill. The respondents are extremely aware of returns in the GST procedure as it is a mandatory feature in it.

4. On the basis of the primary data regarding awareness for provisions of GST relevant “**Tax on supply types like Interstate CGST, SGST**” was 2.92 ± 0.969 , which reflects that sample respondents were “**Somewhat Aware**”.

Researcher’s Implication: With reference to supply types, the respondents were somewhat aware that the major aim is to file returns in the procedure, and interstate CGST and SGST are not their concerns; they are not so sure about it.

5. On the basis of the primary data regarding awareness for provisions of GST relevant “**Tax on supply types like Interstate IGST**”, was 2.98 ± 0.961 , which reflects that sample respondents were “**Somewhat Aware**”.

Researcher’s Implication: A similar response was given to Interstate IGST. The businessmen are somewhat aware, and they believe they need not be, even as understanding the pattern is never a criterion for anyone; the majority of the people try to get accustomed to the concept rather than being a part of it.

5.1.4 Findings From Fourth Objective

Objective 4: To identify challenges faced by the respondents in effective implementation of GST.

On the basis of the responses gathered, the mean rank of the top five challenges, as extracted with the help of the Friedman test, were as follows on which first was relying on professionals (Accountant, CA etc.), followed by GST is not well understood, followed by GST Calculation, next was GST slabs have been revised several times and last one was filling out returns is a time-consuming

process. The application of Chi-Square confirmed that there was a significant difference in the perception of the respondents.

5.1.5 Findings From The Fifth Objective

Objective 5: To draw a comparison between the previous indirect tax regime & the present GST system from the opinion of hoteliers.

1. On the basis of the primary data regarding the comparison between the previous indirect tax regime & the present GST system from the opinion of hoteliers for the statement **“Compared to the former indirect tax system, the GST contains fewer legislation”** was 4.05 ± 1.255 , which reflects that sample respondents were **“Strongly Agree”**. The one sample t-test results were $t(199) = 11.831$, $p = 0.000$, which concludes that the population mean is more than 3.

Researcher’s Implication: In comparison to the indirect tax system, GST has actually simplified the taxation regime. The respondents strongly agreed to it which reveals that they are satisfied but actually they are not. The respondents are living in a dilemma where they are not able to decide whether GST is good or bad for them, which made them agree that GST has reduced the number of laws as compared to the previous indirect tax system.

2. On the basis of the primary data regarding the comparison between the previous indirect tax regime & the present GST system from the opinion of hoteliers for the statement **“In comparison to the old indirect tax system, GST has introduced unified tax rates”** was 4.07 ± 1.256 , which reflects that sample respondents were **“Strongly Agree”**. The one sample t-test results were $t(199) = 11.987$, $p = 0.000$, which concludes that the population mean is more than 3

Researcher’s Implication: The respondents strongly agreed with the fact that GST has introduced a uniform tax system nationwide. It is a measure to prevail equality within a society which is full of disparities. The

system's introduction of a consistent tax structure will turn India into a single market and encourage trade, business, and export.

3. On the basis of the primary data regarding the comparison between the previous indirect tax regime & the present GST system from the opinion of hoteliers for the statement **“In comparison to the former indirect tax structure, GST has lowered the tax burden.”** was 2.98 ± 1.029 , which reflects that sample respondents were **“Neutral”**. The one sample t-test results were $t(199) = -0.343$, $p = 0.732$, which concludes that the population mean is equal to 3

Researcher’s Implication: The former indirect tax system had a number of shortcomings; in contrast, the GST has several advantages over the earlier legislation. GST is advantageous to consumers, the government, businesses, and the economy as a whole. With the introduction of GST, there would be no difference in the taxation of doing business across the country.

4. On the basis of the primary data regarding the comparison between the previous indirect tax regime & the present GST system from the opinion of hoteliers for the statement **“In comparison to the former indirect tax structure, GST has decreased hotel service costs.”** was 2.88 ± 0.954 , which reflects that sample respondents were **“Neutral”**. The one sample t-test results were $t(199) = -1.779$, $p = 0.077$, which concludes that the population mean is equal to 3

Researcher’s Implication: With reference to hotel service costs, GST has done a miracle. The VAT, Service Tax, Luxury Tax, and even excise fees on the production of pastries, among other taxes, were causing headaches for the hotel and restaurant industry prior to the implementation of the GST. All of these taxes were combined after the GST.

5. On the basis of the primary data regarding the comparison between the previous indirect tax regime & the present GST system from the opinion of hoteliers for the statement, **“In comparison to the previous indirect tax structure, GST has correctly defined the power of the national and**

state governments.” was 4.15 ± 1.192 , which reflects that sample respondents were **“Strongly Agree”**. The one sample t-test results were $t(199) = 13.583$, $p = 0.000$, which concludes that the population mean is more than 3.

Researcher’s Implication: With the introduction of CGST and SGST, the powers of central and state Governments have become transparent and clear. There is no chance of any collision and confusion between the two on their powers. Thus, the respondents strongly agreed with the statement.

6. On the basis of the primary data regarding the comparison between the previous indirect tax regime & the present GST system from the opinion of hoteliers for the statement, **“In comparison to the old indirect tax system, GST has introduced a more transparent tax structure.”** was 4.14 ± 1.106 , which reflects that sample respondents were **“Strongly Agree”**. The one sample t-test results were $t(199) = 14.515$, $p = 0.000$, which concludes that the population mean is more than 3

Researcher’s Implication: As stated above, GST has introduced a transparent tax system. In comparison to the previous tax systems, this one is more transparent because consumers understand that they must account for and remit a certain tax amount when making a purchase of taxable products or services. Input tax credits are readily available across all goods and services at all stages of production, allowing for a complete reorganisation of corporate processes. As a result, there was unanimous agreement among responders.

7. On the basis of the primary data regarding the comparison between the previous indirect tax regime & the present GST system from the opinion of hoteliers for the statement **“In comparison to the old indirect tax structure, GST has introduced a more liberal tax regime.”** was 4.07 ± 1.180 , which reflects that sample respondents were **“Strongly Agree”**. The one sample t-test results were $t(199) = 12.825$, $p = 0.000$, which concludes that the population mean is more than 3

Researcher’s Implication: Further, the respondents strongly agreed that GST is a very liberal tax system. The previous tax system lacked this feature; the multiplicity of taxes and the fragmented set-up led to the introduction of GST, a new, improved and better scheme for the betterment of society as a whole.

5.1.6 Findings from Hypotheses Testing

Table 5.1: Findings from hypotheses testing

First Hypothesis	H₀₁: There is no significant difference in the perception of hoteliers of luxury and budget hotels with regard to the impact of GST.
Test	Independent t-test
Decision	Reject Null hypothesis
Conclusion	That there is a significant difference in the perception of hoteliers of luxury and budgeted hotels with regard to the impact of GST.

Second Hypothesis	H₀₂: There is no significant difference in the perception of hoteliers of luxury and budgeted hotels with regard to awareness about the provisions of GST.
Test	Independent t-test
Decision	Reject Null hypothesis
Conclusion	Conclude that there is a significant difference in the perception of hoteliers of luxury and budget hotels with regard to awareness about the provisions of GST.

Third Hypothesis	H₀₃: There is no significant difference in the perception of hoteliers with reference to challenges in the effective implementation of GST.
Test	Friedman test and Chi-Square’s
Decision	Reject Null hypothesis

Conclusion	The mean rank of the top five challenges, as extracted with the help of the Friedman test, were as follows on which first was relying on professionals (Accountant, CA etc.), followed by GST is not well understood, followed by GST Calculation, next was GST slabs have been revised several times and last one was filling out returns is a time-consuming process. The application of Chi-Square confirmed that there was a significant difference in the perception of the respondents.
Fourth Hypothesis	H₀₄: There is no significant difference in the perception of hoteliers with reference to the previous indirect tax regime & the present GST.
Test	Independent t-test
Decision	Reject Null hypothesis
Conclusion	Conclude that there is a significant difference in the perception of hoteliers with reference to the previous indirect tax regime & the present GST.

5.2 SECTION II: RESEARCHER'S REMARKS

On the basis of the work done in the thesis and on the basis of the researcher's personal opinion, it is hereby concluded that GST is a revolution, and it will take time to ripe its fruits. Thus, all efforts must be made to wait and watch the revolution deepen its roots in the economy. The hotel industry, too, will need some time to bring exact clarity to the culture to grow and re-grow and bloom in the economy as a whole.

5.3 SECTION III: LIMITATIONS OF THE STUDY

The researcher faced several issues while working on the current thesis; a few of those are:

1. Lack of sufficient reviews available: Since the concept is new and yet unexplored with reference to statistical works, the researcher faced a major problem collecting the reviews, which made us test and try all the postulates justifiably.
2. Small area and sample size: In accordance with the 'law of inertia of small numbers', the results become more and more trustworthy when they are

based on a bigger sample size; the present research takes it as a limitation that the sample size which has been selected is small, which is 200 Hoteliers and the area is Udaipur city only if both these are increased, the results would definitely be more promising and trustworthy.

5.4 SECTION IV: SUGGESTIONS FOR FUTURE RESEARCHES

For future researchers, it is suggested that:

1. New areas with the same parameters can be tried on,
2. Sample size should be increased,
3. The hotel industry has been statistically tested in the present thesis; upcoming researchers can extend the findings to other segments and promising industries to test the applicability of the present findings in other areas as well,
4. The perception of respondents can be tested with respect to time frame, i.e., immediately after its inception and after a set of years, to check the acceptability parameters among them.