

A STUDY ON IMPACT OF GST ON COST OF LIVING OF STUDENTS: A GENDER PRESPECTIVE

Akshita Garg (Student, Galgotias University)

Aditya Kumar (Student, Galgotias University)

Dr. Poonam Singh (Assistant Professor, Galgotias University, Greater Noida)

ABSTRACT

“This study intends to examine how the Goods and Services Tax (GST) affects students' cost of living, specifically from the standpoint of gender. Many nations have introduced the GST, a consumption-based tax system, and it has the potential to have an impact on a variety of elements of people's life, including their financial security. However, research on its precise effects on students and any potential gender differences is still lacking. This paper conducts a thorough assessment of the literature to analyse the effects of the GST on the cost of living and its consequences for students, with a focus on gender inequalities. It looks into how the GST affects essentials like housing, food, and other necessities as well as important goods for students' daily lives including education-related costs. This study seeks to identify any potential inequalities and offer insights into the policy consequences by looking at the gendered aspects of the GST's influence on students' cost of living. The results of this study will further the body of knowledge on taxes and the gendered effects they have by providing policymakers and other key stakeholders with a greater awareness of the difficulties facing students, particularly in terms of affordability and long-term financial viability. The goal of this research paper is to produce recommendations based on evidence and to expand the conversation about gender-specific GST implementation challenges.”

KEYWORDS

Goods and Services Tax (GST), Cost of living, Students, Gender perspective, Higher education, Affordability, Consumer prices, Financial burden, Expenditure patterns, Essential items, Education-related expenses, Overall Impact.

INTRODUCTION

The India is a tax hotspot where people pay several taxes in a variety of confusing formats. Currently, the average person pays both direct and indirect taxes. India imposes a value-added tax on the sale of goods and services known as the Goods and Services Tax (GST). GST stands for "One Nation, One Tax." On July 1st, 2017, the GST system went into effect to replace several indirect taxes like VAT, excise duty, and service tax. Since the beginning of economic reforms in 1991, the GST is the most significant change to the indirect tax system in India's financial landscape. The main reason for putting in place GST is to make India's tax structure uniform. GST intends to simplify the tax code, lower tax evasion, and establish a nationwide single market.

GST is a tax based on consumption. On the "destination principle," it is based. The location of actual consumption is where the Goods and Services Tax is levied on products and services. At each point in the supply chain where products or services with value-added are sold or purchased, GST is accumulated on those items. GST paid on the acquisition of goods and services may be offset against GST due on the supply of the same goods and services. Producers, wholesalers, and retailers must pay the appropriate GST rate, but they can recoup it through a tax credit method.

There are two types of GST Taxes levied on the supply of goods and services: the Central Goods and Service Tax (CGST), which is imposed by the federal government, and the State Goods and Service Tax (SGST), which is imposed and collected by each state.

The GST, a single tax system, would replace the many indirect taxes including the entertainment tax, central excise duty, service tax, Value Added Tax (VAT), central sales tax (CST), etc.

A GST Council, whose chairman is India's finance minister, oversees the GST.

According to a government announcement, GST would be imposed at four different tax rates: 5%, 12%, 18%, and 28%. The GST has not been applied to many items.

The bulk of people in India are from the lower and middle classes, where they either work in the service sector or rely on agriculture for their living. "Roti, Kapda, and Makaan" are these groups of people's main problems. The most crucial query that emerges is how the GST's introduction will affect them. Naturally, the new Goods and Service Tax (GST) regime raises many issues in the minds of the average person. Is there anything new for them, or is it just the same material packaged differently? Will it result in higher prices for them for products and services? Are there any tax relief measures under the new tax laws?

When the costs of their necessities change, that is when an economy actually has an effect on the common person or the general public. For them, a healthy economy is one in which prices for frequently purchased products and services decline. The public, on the other hand, becomes dissatisfied with the

changes made by the government when inflation is higher. Therefore, it is crucial for public contentment to exist prior to the implementation of any government programme because without it, the policy will not be as successful as intended.

The goal of this research is to examine the impact of GST on student living expenses: A Gender Point of View.

LITERATURE REVIEW

Dr. P. Vijayaraghavan and Mr. Muhammad Unais concluded in their study "Impact of GST on Indian Economy" (April 2017) that the implementation of GST will reduce the tax burden on manufacturers and hence encourage more production. The technique will increase India's exports and GNP as a whole. By preventing the cascade effect, manufacturers can operate at maximum effectiveness while reducing growth.

Dr. K. Chalapathi Rao (2018) did research on the impact of goods and services on the Indian economy and the common man. The study was carried out to examine the impact of GST on the Indian economy and the common man.

According to Subhadeep Dutta's research from 2018 titled "A Study of Goods and Service Tax and its Impacts," tax rates will rise by 3-5% with the implementation of GST, which will raise the cost of services for end users. SWOT analysis was used in her research to identify challenges and concerns, and it was used to examine how the GST has affected students' way of life.

CMA Amit A. Apte (2019) released a book on "GST on Educational Sector" and found that only primary services are free from GST and that any ancillary or incidental services connected to primary services are subject to GST.

Suresh (2017) examined "What is GST and how does it affect the common man?" and found that GST will eliminate state taxes and bring all states under a single tax regime, despite the fact that many professionals, bankers, and industries are unable to face the challenge provided by GST.

By K. Santhosh Kumar and S. Sathish Kumar, "GST and Its Impact on the Common Man," 2018 - This article gives a general overview of the GST and how it affects the average person. It claims that because GST replaced several taxes with one, it has helped to lessen the overall tax burden on the average person. The report does however also mention that certain price hikes were brought on by the initial application of GST, notably for necessities.

Shreya Agarwal's 2018 article, "GST Impact: The Good, the Bad, and the Ugly for the Common Man," This article offers a fair assessment of how the GST affects the average person. It acknowledges that while the GST has streamlined the tax code and lessened total taxation, there have been some price

hikes for necessities. According to the report, in order to lessen the impact on the average person, the government should think about lowering the GST rates for necessities.

GST has reportedly had a mixed effect on inflation, according to a study by Dr. P. Bala Bhaskar titled "Goods and Services Tax (GST) and Its Impact on Inflation in India." While certain industries have seen price decreases as a result of lower taxes, others have seen price increases as a result of higher tax rates. The evidence reveals that the effects of the GST on the average person have been inconsistent overall. GST has streamlined the tax code and lowered overall tax burden, but it has also increased some prices for necessities.

P. Srinivasan and K. Srinivasan's "Impact of GST on Common Man and Small Business Owners in India: An Empirical Study" (2021) - In order to determine how the GST would affect small company owners and customers in India, this study surveyed both groups. The findings indicated that small business owners have experienced a mixed response to the GST, with some reporting a decline in profits as a result of increased tax rates and others enjoying the benefits of the simpler tax structure. The experiences of the consumers were similarly conflicting, with some citing the GST's benefits due to the total tax burden decrease while others citing higher pricing for goods and services.

Milandeep et al. (2016) analysed the impact of GST and the gap between the indirect tax regimes in the pre and post GST eras in their research paper. They believe that GST is an appealing way to address the distortions of many taxes and that it will play a dynamic role in the growth and development of the Indian economy.

After doing all this research we found that there is still room of improvement in the cost of living of students that has been impacted by GST. As GST was initially introduced to make tax simpler rather not to impose heavy cost expenditure on the name of taxes. As we can see after the introduction of GST a lot of sector where GST should be included but government did not do it because there will be mass decline in the tax revenue.

In our opinion there is still a lot to do while researching on such a vast topic like GST.

OBJECTIVES

- To examine how the GST would affect students' cost of living both male and female.
- To examine whether there is any gender-specific disparities in how the GST affects students' cost of living.

- To determine whether prices have changed for the better or worse after the GST was implemented.
- To identify the major expenses that students face, such as cost of education like tuition fees, books, and other school supplies, as well as costs for meals, lodging, and transportation.
- Examine how each of these places' student costs of living would be affected by the GST.

RESEARCH METHODOLOGY

DATA COLLECTION

The Data for this study were gathered using a mixed-methods technique.

Data collection would need to be done using two different ways, which are as follows, to be done in order to prepare a research report on the effect of GST on the cost of living for students from a gender perspective:

1. Primary Data Collection through Questionnaire
2. Secondary Data Collection through published sources, including government reports, scholarly articles, and research projects.

SAMPLING TECHNIQUE

SIMPLE SAMPLING

Researchers frequently employ a variety of sampling approaches to choose participants for their studies in research investigations on Impact of GST on Cost of Livings of Students: A Gender Perspective. Random sampling is a straightforward technique in which participants are chosen at random from a bigger group of people who fit the study's criteria. The study issue, the target population, and the available resources all influence the sample strategy selection. Before choosing the best sampling technique for their study, it is crucial for researchers to carefully weigh the advantages and disadvantages of each technique.

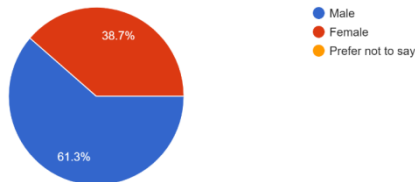
SAMPLE SIZE

Data is collected from 150 students, who are studying. Whole research and interpretation done is based on their responses only.

DATA ANALYSIS & INTERPRETATION

GENDER:

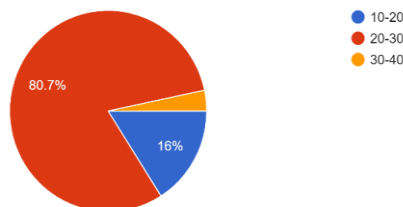
Gender
150 responses



150 responses have been collected from the students out of which 38.7% are females and 61.3% are males. Hence, more males have responded to the questionnaire.

AGE:

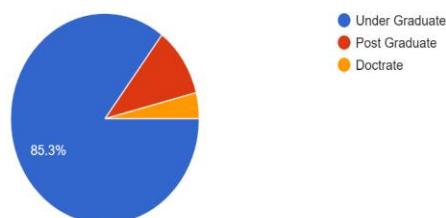
Age Group
150 responses



150 responses have been collected from the students out of which 16% are of 10-20 ages, 80.7% are of 20-30 ages, 3.3% are 30-40 ages.

EDUCATION QUALIFICATION:

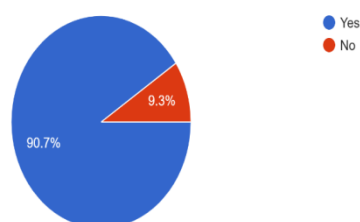
Educational Qualification
150 responses



150 responses have been collected from the students out of which 85.3% are under graduate, 10.7% are post graduate and 4% are doctorate. Hence, more undergraduate have responded to the questionnaire.

Is Implementation of GST overall impacts the cost of living of Students?

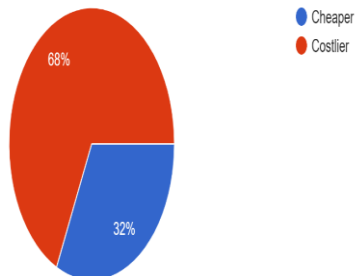
Is Implementation of GST overall impacts the cost of living of Students?
150 responses



From 150 responses collected from the students, out of which 90.7% respondent are satisfied with this statement, 9.3% respondent are not satisfied with this statement. Hence, we can conclude that GST implementation has a handsome effect on cost of living.

Buying of clothes become cheaper or costlier after Implementation of GST?

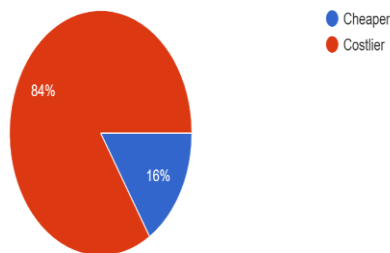
Buying of clothes become cheaper or costlier after Implementation of GST?
150 responses



From 150 responses collected from the students, out of which 68% respondents think that buying of clothes become costlier and 32% respondents think that buying of clothes become cheaper. Hence, we can conclude that due to GST implementation buying of clothes become costlier.

Cost of Education become cheaper or costlier after implementation of GST?

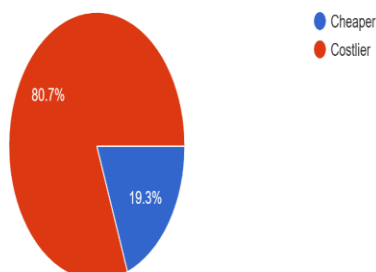
Cost of Education become cheaper or costlier after implementation of GST?
150 responses



From 150 responses collected from the students, out of which 84% respondents think that Cost of Education become costlier and 16% respondents think that Cost of Education become cheaper. Hence, we can conclude that due to GST implementation Cost of Education become costlier.

Cost of essentials become cheaper or costlier after implementation of GST?

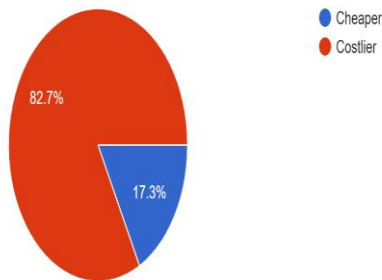
Cost of essentials become cheaper or costlier after implementation of GST?
150 responses



From 150 responses collected from the students, out of which 80.7% respondents think that Cost of essentials become costlier and 19.3% respondents think that Cost of essentials become cheaper. Hence, we can conclude that due to GST implementation Cost of essentials become costlier.

Buying of Food & Beverages become cheaper or costlier after Implementation of GST?

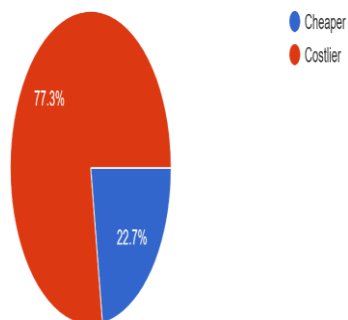
Buying of Food & Beverages become cheaper or costlier after Implementation of GST?
150 responses



From 150 responses collected from the students, out of which 82.7% respondents think that Buying of Food & Beverages become costlier and 17.3% respondents think that Buying of Food & Beverages become cheaper. Hence, we can conclude that due to GST implementation buying of Food & Beverages become costlier.

Making Payment of Mobile Bills become cheaper or costlier after Implementation of GST?

Making Payment of Mobile Bills become cheaper or costlier after Implementation of GST?
150 responses



From 150 responses collected from the students, out of which 77.3% respondents think that making payment of mobile bills become costlier and 22.7% respondents think that making payment of mobile bills become cheaper. Hence, we can conclude that due to GST implementation making payment of mobile bills become costlier.

LIMITATIONS

- **Lack of information:** It can be difficult to find accurate and trustworthy data on how the GST will affect students' cost of living. This is due to the fact that the impacts of the GST can differ depending on a wide range of factors, including location, income, and spending habits.
- **Time limitations:** It takes a lot of time and resources to conduct a thorough and comprehensive study on how the GST affects students' cost of living. Due to time constraints, it might be challenging to gather and analyze all the data required to create an in-depth report.
- **Issue complexity:** The effect of GST on students' cost of living is a complicated issue that involves numerous variables that are challenging to quantify. It can be difficult to distinguish the effects of the GST from other societal and economic factors that have an impact on the cost of living.

- **Limited application:** The effect of the GST on the cost of living for students may be restricted to a few specific goods and services or student populations. For instance, the effects might be different for graduate students versus undergraduates or for students living on or off campus.
- **Students' heterogeneous nature:** Students have a variety of backgrounds and spending habits. Depending on things like their location, income, and way of life, the effect of GST on students' cost of living may differ. It might be challenging to generalize the effect of GST on students' cost of living.
- **Multiple variables influencing the cost of living:** Inflation, exchange rates, and governmental policies are just a few of the many variables affecting the cost of living for students. It might be challenging to separate other factors from the effect of the GST on the cost of living for students.
- **Research design restrictions:** The ability to analyze how the Goods and Services Tax (GST) affects students' cost of living may be restricted. A survey-based study, for instance, might be biased by responses, whereas a case study might not be generalizable to the larger student population.

CONCLUSION

Based on the research, it can be said that the Goods and Services Tax (GST) implementation has significantly affected students' cost of living in India, particularly with regard to their gender. The study found that, in comparison to male students, female students are more impacted by the rising cost of living.

The primary cause of this is India's gender pay gap, which leaves women in a more vulnerable position as a result of their lower income than men. Female students also have a higher propensity to come from disadvantaged backgrounds, which makes their financial problems even worse.

The research results also point to an increase in the cost of basic goods and services like food, clothing, and education as a result of the implementation of the GST. Students, particularly those from low-income families, have been burdened more as a result of this price increase.

In conclusion, it can be stated that the GST has had a negative effect on student costs of living, particularly those of female students. In order to address this problem, the government must help students financially and make sure that the costs of basic goods and services are kept at levels that are affordable for all.

SUGGESTIONS

- Examine how much the cost of necessities has changed: Conduct a survey to determine the cost of necessities like food, clothing, and stationery before and after the implementation of the GST. To see if there has been an increase in the cost of living for students, compare the data.
- Analyze how GST will affect the education sector, paying particular attention to how it will affect the price of textbooks, tuition, and other educational expenses. Find out if costs have gone up or down, and what impact that has had on the educational system.
- Look at the effect on the economy: Consider the GST's effects on the Indian economy and how they have changed the cost of living for students. Determine whether the introduction of the GST has caused inflation to rise or fall and how that has impacted the purchasing power of students.
- Examine the effect on small businesses: Find out what impact the GST has had on small businesses, particularly those that serve the needs of students. Find out if prices have gone up or down, and how that has impacted how much it costs to live as a student.
- To gather qualitative data, interview students to learn how they perceive how the GST will affect their standard of living. Find out if their expenses have changed and how they have adjusted to those changes.
- Compare the effects of GST to other tax structures: Examine how the GST compares to other tax structures that were in place prior to its implementation in terms of its effects on students' cost of living.

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