‘ADMINISTRATION OF VAT IN INDIA
(A Study with Reference to Puducherry State)’

Schedule for Experts or Professionals (Opinion Survey)

(Administered for Ph.D Research in Alagappa University on VAT)

Supervisor:  Dr. M. UPAULTHUS SELVARAJ  
Professor, Dept. of Corporate Secretaryship,  
Alagappa University,  
Karaikudi.

Researcher:  Mrs. S. Vijayalakshmi,  
Ph.D Scholar in Corporate  
Secretaryship,  
Alagappa University, Karaikudi.

General Information:

a. Name : 

b. Address : 

c. Gender : Male ( ) Female ( )

d. Marital Status : Married/Unmarried

e. Age :

f. Educational Qualification : Schooling/Graduate/Post-Graduate/Professional/Others

g. Occupation :

h. No. of years of experience in this field:

i. above 10 □  ii. 11-15 □

iii. 16-20 □ iv. more than 20 □
1. **What are the complications in dealing with traders?**

   a) Improper submission of accounts
   b) Concealment of transactions
   c) Under valuing of transactions
   d) Carrying out transactions without invoicing

   **Problems in Implementing VAT**

2. **What were the problems faced by the authorities in the implementation of Value Added Tax?** (Put ranks 1, 2, 3, etc against each statement as per your point of view) (1 for first rank, 2 for second rank and so on)

   a) agitation from traders
   b) educating the traders
   c) Making more traders to fall under the purview of VAT
   d) registration of traders

   **Working of VAT**

3. **Tick the relevant columns**

   a. Does the Vat system really work out as a self regulatory mechanism which checks tax-evasion?
   b. Has the Puducherry’s tax revenue raised due to the implementation of VAT?
   c. Do you expect that the Goods and Service Tax rates would be lesser than VAT rates, when implemented?
   d. Are there administrative pressures for increasing VAT rates?
   e. Do you feel that all the goods should come under VAT levy? (including liquor, petroleum etc.)
   f. Is there any elimination of over-lapping auditing practices after the implementation of VAT?
   g. Whether all the traders registered under PGST has moved to Puducherry VAT.
   h. The rules for defining the place of origin/destination of inter-state supplies of goods – create problem of taxation.
   i. As under VAT regime the tax authorities have more powers regarding seizure, penalties and prosecution. Should this continue in the GST regime also
4. What are the precautionary steps the authorities have taken to ensure the prompt payment of tax? (Tick the appropriate statements)
   a. inspect the traders' accounts
   b. send a circular to all defaulting traders
   c. educate the traders on compliance of Sales tax.
   d. if any others please specify
      (i) ________________________
      (ii) ________________________

5. How do you expect the GST model to be?
   a) Single method   b) dual method

6. Which is the best method of valuation of goods under VAT system from taxation point of view?
   a) Invoice method   b) subtraction method   c) addition method

Best Mechanism under VAT

7. How is the VAT mechanism working now? (put ranks 1, 2, 3, etc against each statement as per your point of importance) (1 for first rank, 2 for second rank and so on)
   a) Self policing mechanism which checks tax-evasion
   b) Self-auditing and self-submission leads to proper maintenance of accounts
   c) Builds confidence among traders
   d) Monthly or quarterly returns make the traders\manufacturers assess their performance every quarter for their tax.

8. Why do the traders/manufacturers contact the tax authorities most: (can tick more than one box)
   a) Queries or revision
   b) Remission of tax
   c) To pay penalty
   d) Any others (pl. specify)
      (i) ________________________
      (ii) ________________________
9. What would be the outcome of India while implementing Goods and Service (GST) tax system?

<table>
<thead>
<tr>
<th></th>
<th>Low</th>
<th>Moderate</th>
<th>High</th>
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<tbody>
<tr>
<td>a. Economic instability</td>
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<td>b. Economic stability</td>
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<td>c. Administrative difficulties</td>
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<td>d. Administrative convenience</td>
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<td>e. Compensations to States</td>
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<td>f. Taxing under one roof</td>
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<td>g. Multitaxing</td>
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<td>h. Tax evasion</td>
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</tr>
<tr>
<td>i. More Tax compliance</td>
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<tr>
<td>j. Tax collections</td>
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</tbody>
</table>

10. How does traders/business man/public meet the tax authorities?

a) Directly [ ]
   b) through representatives [ ]
   c) both [ ]

**Reasons for Implementing VAT**

11. What is the main reason for introduction of VAT system to replace CST? (put ranks 1,2,3, etc against each statement as per your point of reason) (1 for first rank, 2 for second rank and so on)

a) Have control over the taxation under single ambit. [ ]

b) Mobilize more resources to the Government [ ]

c) Bring more traders under the tax net [ ]

d) Meet out the competition in pricing compared to other countries [ ]

e) Have single tax base throughout the Country [ ]

f) Make the traders realize their responsibilities [ ]

g) Differential pricing in States of same goods [ ]

h) Any others (pl. specify) [ ]
Threshold Limit for VAT

12. Registration of VAT is compulsory for a dealer when their turnover is 10 Lakhs or more? How do you expect it to be in the near future?

   a) Below 10 lakhs  [ ]  b) 11-25 lakhs  [ ]  
   c) 26-50 lakhs  [ ]  d) more than 50 lakhs  [ ]

Transition from VAT to GST

13. What will be the major revision in the present VAT to move to GST Act? (put ranks 1, 2, 3, etc against each statement as per your point of reason) (1 for first rank, 2 for second rank and so on)

   a) Mobility of goods  [ ]  
   b) All states to have uniform tax base  [ ]  
   c) Maintenance of internal economic stability  [ ]  
   d) System which will not be affected due to of the Govt. instability  [ ]  
   e) Any others (Please Specify)  [ ]

Problem under VAT

14. What were the major problems faced by the traders after the implementation of VAT?

   VL  LE  TS  LE  NA
   a. Auditing of accounts  [ ]  [ ]  [ ]  [ ]  [ ]
   b. Maintaining Invoices and vouchers  [ ]  [ ]  [ ]  [ ]  [ ]
   c. Filing of returns  [ ]  [ ]  [ ]  [ ]  [ ]
   d. Complexity in understanding tax slabs  [ ]  [ ]  [ ]  [ ]  [ ]

   VL- Very large extent; LE- large extent; TS-to some extent; LE-little extent; NA- not at all

15. What type of disciplinary actions are taken against the traders, who fail to submit their returns in time? (Can tick more than one if found necessary)

   a) Penal action  [ ]  b) Punishment  [ ]  c) Warning  [ ]
   d) Fine  [ ]  e) Interest  [ ]
16. What kind of problems the Central Government would face in bringing GST in full shape? (put ranks 1, 2, 3, etc against each statement as per your point of reason) (1 for first rank, 2 for second rank and so on)

a) Educating the traders/manufacturers/consumers
b) Preparedness of States.
c) More administrative work
d) Compensating and settling out the financial anomalies.

Concerns of Manufacturers

17. What are the major concerns of manufacturers under VAT? (put ranks 1, 2, 3, etc against each statement as per your point of reason) (1 for first rank, 2 for second rank and so on)

a. Treatment of stock transfer
b. Parity on input tax and output tax rates
c. Phasing out VAT.
d. Apprehensions of more tax burden
e. Any others (pl. specify)

18. More Problems are faced by the traders after the implementation of VAT? Yes /No/to some extent.

If yes, a) Auditing of accounts
b) Maintaining Invoices and vouchers
c) Filing of returns
d) Complexity in understanding tax slabs.

19. What type of disciplinary actions are taken against the traders who fail to submit their returns in time?

a) Penal action b) Punishment c) Warning d) Fine e) Interest

20. What are the problems the Central Government would face in bringing GST in full shape?

a) Educating the traders: manufacturers: consumers
b) Preparedness of States.
c) More administrative work
d) Compensating and settling out the financial anomalies.
21. What are the major concerns of manufacturers under VAT?
   a) Treatment of stock transfer
   b) Parity on input tax and output tax rates
   c) Phasing out VAT.
   d) Apprehensions of more tax burden
   e) Any others (pl. specify)

22. Suggestions for implementing VAT as an expert in taxation. (put ranks 1,2,3, etc against each statement as per your point of reason) (1 for first rank, 2 for second rank and so on)
   a) Base limit/threshold limit to be raised to Rs.20 lakhs.
   b) States to have more autonomy to fix up slab rates.
   c) To have uniform taxation throughout the Country.
   d) Reduce the cascading effect of tax
   e) Local taxes can be levied by States not sales tax but as octroi, etc.,

Phasing out of VAT

23. Suggestion on phasing out VAT. (put ranks 1,2,3, etc against each statement as per your point of reason) (1 for first rank, 2 for second rank and so on)
   a) The centre alone to fix up tax rates and implemented by states
   b) Single point tax system to be abolished
   c) All forms of tax to be levied as a single levy
   d) Local taxes can be permitted for, levy apart from GST levy.
ALAGAPPA UNIVERSITY
DEPARTMENT OF CORPORATE SECRETARYSHIP
PH.D (Part Time) 2007-2009

‘ADMINISTRATION OF VAT IN INDIA
(A Study with Reference to Puducherry State)’

Schedule for Traders/Business (Opinion Survey)

(Administered for Ph.D Research in Alagappa University on VAT)

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Researcher: Mrs. S. Vijayalakshmi,
Ph.D Scholar in Corporate Secretaryship,
Alagappa University, Karaikudi.

<table>
<thead>
<tr>
<th>General Information:</th>
</tr>
</thead>
<tbody>
<tr>
<td>a) Name :</td>
</tr>
<tr>
<td>b) Type of ownership</td>
</tr>
<tr>
<td>a. Proprietorship</td>
</tr>
<tr>
<td>c) Year of commencement of this business :</td>
</tr>
<tr>
<td>d) Locality of business : Rural/Urban</td>
</tr>
<tr>
<td>e) Experience in years in this business :</td>
</tr>
<tr>
<td>a) Less than 5</td>
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<td>d) 15-20</td>
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<tr>
<td>f) Annual turnover (Tick the appropriate)</td>
</tr>
<tr>
<td>a) Below 10 lakhs</td>
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<tr>
<td>c) 25-50 lakhs</td>
</tr>
</tbody>
</table>
1. Under which method of taxing your business falls?
   a) Input tax credit ☐ b) Compounded rate ☐ c) Zero-rate ☐
   d) Not paid Value added tax so far/small trader ☐

2. What class of trade are you in?

3. In which of the goods you deal with?
   a) Industrial goods ☐ b) Consumer ☐
   c) Essential/life saving goods ☐ d) Any other goods (pls. mention) ☐

4. Please tick the relevant column
<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
<th>to some extent</th>
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</thead>
</table>
   a. Are you a registered dealer/trader? |
   b. Have you renewed your registration? |
   c. Is all your transactions supported by bill/invoices? |
   d. Are you satisfied with present system of VAT? |
   e. Whether your turnover has moved up after VAT implementation? |
   f. Do you file your returns regularly? |

Problems in VAT

5. What are the problems you face in the present VAT system?
<table>
<thead>
<tr>
<th>SA</th>
<th>A</th>
<th>N</th>
<th>DA</th>
<th>SD</th>
</tr>
</thead>
</table>
   a. Maintaining books of accounts |
   b. Monthly filing of returns |
   c. Transparency of business (making full disclosures) |
   d. Pricing of goods |
   e. Claiming tax credit |
   f. Cost of compliance is high |

SA - strongly Agree; A - agree; N - No idea; DA - Disagree; SD - strongly disagree
VAT - Value Added Tax; CST - Central Sales Tax; GST - Goods and Service Tax
### Awareness on Taxation

6. (I) Are you aware of the following taxes/allowances?

<table>
<thead>
<tr>
<th>Type of tax</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>a Excise Duty</td>
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<tr>
<td>b CENVAT Credit</td>
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<tr>
<td>c Input Tax credit</td>
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<tr>
<td>d Sales Tax</td>
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<td></td>
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<tr>
<td>e Customs</td>
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<td>f Education Cess</td>
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<tr>
<td>g Income Tax</td>
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<td>h Service Tax</td>
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<tr>
<td>i Wealth Tax</td>
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<td></td>
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<tr>
<td>j Gift Tax</td>
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</tbody>
</table>

7. (II) Do you know that a new system of tax is to be introduced from 2010 called as GST?

Yes/No

8. Arrange the following by your level of agreement by ticking the appropriate box

<table>
<thead>
<tr>
<th></th>
<th>SA</th>
<th>A</th>
<th>N</th>
<th>D</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>A) Under VAT the registered dealer and manufacturer has to register under Permanent Account Number &amp; Tax Payer’s Identification Number</td>
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<tr>
<td>B) Do you think the present VAT system, penalizes the firms that are more efficient and realize greater profit</td>
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<tr>
<td>C) Most of the countries have reduced their taxes under Goods and service tax. Do you think even India will follow this measure of taxation?</td>
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<tr>
<td>D) The traders are forced by the tax officials in the tax department</td>
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<tr>
<td>E) Self-assessment procedure under Puducherry VAT is simple</td>
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</tbody>
</table>

9. Are you a member of any trade associations?

Yes/No
10. What sort of help these associations of trade in general is offers to their members. (Tick the relevant) (Please rank the items as 1,2,3,.....) (1 for first rank, 2 for second rank and so on)

   a) Helps in lobbying with Government/Tax Dept. □
   b) Seek the support of general public □
   c) Agitate and publicize the issue □
   d) Helps technically to sort out the problem □
   e) To educate members □
   f) Offer suggestions to fall in line with tax changes. □

11. What were the main reasons for switching over to VAT from Central Sales Tax?

<table>
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<tr>
<th></th>
<th>SA</th>
<th>A</th>
<th>N</th>
<th>D</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>a</td>
<td>Abolish double taxation</td>
<td></td>
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<td></td>
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</tr>
<tr>
<td>b</td>
<td>Narrow down tax system</td>
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<td></td>
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<tr>
<td>c</td>
<td>Compete with international Competition</td>
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<tr>
<td>d</td>
<td>Bring down the cost of commodities</td>
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<tr>
<td>e</td>
<td>Uniform levy</td>
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DEPARTMENT OF CORPORATE SECRETARYSHIP
PH.D (Part Time) 2007-2009

‘ADMINISTRATION OF VAT IN INDIA
(A Study with Reference to Puducherry State)’

Schedule for General Public (Opinion Survey)

(Administered for Ph.D Research in Alagappa University on VAT)

<table>
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<tr>
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<table>
<thead>
<tr>
<th>Researcher:</th>
<th>Mrs. S. Vijayalakshmi,</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>Ph.D Scholar in Corporate Secretaryship, Alagappa University, Karaikudi.</td>
</tr>
</tbody>
</table>

General Information:

a) Name (optional):

b) Age: (a) above 30-40 [ ] (b) 41-50 [ ] (c) 51-60 [ ]

c) Sex: Male / Female

d) Educational Qualification: (a) below graduation [ ] (b) above graduation [ ]

e) Employment Status: (a) employed [ ] (b) self-employed [ ] (c) unemployed [ ]

f) Residential location: (a) urban [ ] (b) rural [ ] (c) sub-urban [ ]

g) Annual Income: (a) below 1 lakh [ ] (b) above 1 lakh [ ] (c) more than 5 lakhs [ ]
1. **Tick the relevant column:**

<table>
<thead>
<tr>
<th></th>
<th>SA</th>
<th>A</th>
<th>N</th>
<th>DA</th>
<th>SD</th>
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</thead>
<tbody>
<tr>
<td>a</td>
<td>VAT makes the cost of goods to go high</td>
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<tr>
<td>b</td>
<td>VAT makes the immediate buying to be postponed</td>
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<tr>
<td>c</td>
<td>The rates of VAT (on goods) is high when compared to rates under CST</td>
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<tr>
<td>d</td>
<td>VAT is necessary to avoid smuggling of goods</td>
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<tr>
<td>e</td>
<td>VAT contributes to the National exchequer a sizeable revenue</td>
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<tr>
<td>f</td>
<td>VAT system to be replaced by some other system of Tax</td>
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</tbody>
</table>

*SA - strongly agree; A - agree; N - No idea; DA - Disagree; SD - strongly disagree*

*CST - Central Sales Tax; GST - Goods and Service Tax*

**Status of VAT**

2. While making purchases have you noticed the following?

<table>
<thead>
<tr>
<th></th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>a</td>
<td>Do you look for price tags</td>
<td></td>
</tr>
<tr>
<td>b</td>
<td>Do you know how Sales Tax/VAT is calculated</td>
<td></td>
</tr>
</tbody>
</table>

**VAT Payment Vs other Taxes**

3. What type of tax have you paid so far? (Tick more than one box if found appropriate)

(a) Income tax [ ] (b) sales tax [ ] (c) service tax [ ]

(d) Customs [ ] (e) excise tax [ ] (f) education cess [ ]

4. What type of disciplinary action do you think is essential to make the traders? Pay regular tax? (Tick more than one box)

a) Penal action [ ] b) punishment /imprisonment [ ] c) warning [ ]

**Reasons for Tax Evasion**

5. What is the reason for tax evasion by traders? (put ranks 1,2,3, etc against each statement as per your point of opinion) (1 for first rank, 2 for second rank and so on)

(a) High rates of tax [ ]

(b) Unable to maintain accounts [ ]

(c) Poor understanding of tax structures [ ]

(d) Willful evasion [ ]
Working of VAT System

6. How is the present VAT system working? (Please ranks the items as 1, 2, 3, …) (1 for first rank, 2 for second rank and so on)

   (a) Enables more collection of tax
   (b) Avoid tax evasion
   (c) Makes more people to come under the purview of tax system
   (d) Provides for tax credit to bills based by purchases/sales
   (e) Makes small traders also accountable for tax

7. What are the suggestions you give for the improvement of tax system in India (please specify)
   (i) ___________________
   (ii) ___________________

Awareness on Tax

8. Do you know the following tax structure in India (including some of taxes levied by world countries)?

   a. Income Tax
   b. Wealth tax
   c. property tax
   d. Security transaction tax
   e. Sales tax
   f. Value added tax
   g. Excise
   h. Customs
   i. Service tax less

VAT as against other forms of Tax

9. On what VAT is levied? (Tick more than one box)
   a. income
   b. goods
   c. property
   d. capital investment
   e. service
10. When VAT/Sales tax is levied on purchases? (Tick more than one box)
   a) When buying the goods from wholesaler
   b) When buying the goods from retailer
   c) Buying capital goods (such as Television, Fridge/washing machine) only
   d) When buying the goods from other states
   e) During import of goods

11. While making of purchase goods do you insist on bill? Yes / No

12. In the bill you get do you know why tax is not included? (Tick more than one box)
   a) Being second sales
   b) Small traders making sales
   c) No value addition takes place

VAT Bill on Puducherry

13. If tax is included in your bills do you know whether it is sales tax/other taxes?
    Yes / No