Goods and Services Tax (GST) in India: Prospectus, Challenges & Effect in Rural India

Dr. Alok Awasthi
Chemistry Department, Government Degree College, Unnao

Abstract

India is a huge country of 130 crore population. Indian rural market has been a self made economy based on social ethical conditions, original Indian market has been meeting with the necessity through exchange of things. Barter system that is purchase and gain. Rural market has been identified and acknowledge with the handmade items, local artisans pottery, snacks and some speciality of the area. Rural market has ever been the meeting place of variety of products made and crafted by locals. India has over 7200 local melas where people buy thing of their choice.

INTRODUCTION

Indian scenario is changing with the advent of Technology and communication. Indian market is upgraded and expanded with no bounds. Fast moving consumer goods sector is the fourth largest contributor in sector in Indian economy. Over 70% of this sector income generated from the sub Urban and rural consumer. Discussing Rural market consumer in the Global context means the opportunity and challenges of FMCG sector in rural area. Today's Rural consumer is not ignorant. With the advent of ICT the village villages have a contact and communication with and around though interruptedly. The result is that Rural consumer do not have a keenness to upgrade their lifestyle.
A notable point is that a big number of the consumer is below poverty line. They Aspire But not frequently to them basic necessities come first and global products come second. There is another category of Rural consumer who can afford to buy an upgrade their lifestyle.

**Opportunity based strategy of the Global Company**

- Considering the mentality and psychology of rural consumer the company has introduce products accordingly
- The Indian ruler market economy based purchase. The small size of purchase has been supplied by companies ranging from rs. 5 to 10. 50-100 gram pouch is available for economical purpose and this strategy is successful only in Indian rural market with a view to Cater to the needs of consumer within affordable Range.
- An old item, open and loose items were exchanged. Although this periodic is yet existence in the villages in India. The Global companies have launched various colourful Item that lure rural consumers and they prefer packed.
- The idea of sale or discount is also a very creative idea of companies to the Indian ruler consumer.
- Heavy population means chances of large profit earning
- Challenges are many and big for the Global standard of market establishment in Indian ruler areas
- The rural economy is based on social economics. Rural consumer should not be treated as an appendages or accessories for the urban market.
- The psychology of the ruler rural consumer is needed to be learnt
- It is during the weekly, monthly or annually melas or haats that the companies can make a direct contact or communication with rural consumer for the promotion of their sales.
Since the Indian rural market commands to have a large share of the FMCG sector the rural consumer should be given a chance of feedback. As a seller if one establishes a store in the rural area the kind of difficulties may arise

- Lack of regular transport
- Lack of basic infrastructure
- Lack of language communication
- Lack of power supply
- Lack of identifying use of product

The cycle of consumption and redemption is a big challenge. The frozen items the dairy product cannot be stored in large quantity. Rural consumers are buyers of economic pack. Thinking this, Some fake companies are misusing the rural consumers simplicity and ignorance. They put forth fake and injurious brands. This duplicity is otherwise to block the name of company. The cheap expiry items and the quackes using fetal medicine is a challenge not to company but to the buyer.

The Global companies have to face the challenge how to establish the truth and standard of quality among the consumer. Challenges are vital get the opportunity persists in the Indian ruler market. it needs a flexibility mentality to prepare a rural consumer to buy the product. They are made to buy at their friends or neighbours advice, oral publicity works more.

**How the rural market contributes their support?**

The rural consumer provides support to the FMCG sector. The villages supply raw material and support as workforce to the market industry. They support as consumer they also support their labour to the manufacturer. The Indian rural consumers are valuable to Indian fast moving consumer goods sector. The challenges resolved with time as

opportunity are myriads. The sustainable growth and development enhances with the strategic approach of the marketing strategies in the Indian rural market. A Polish proverb is “A farmer is poor so is the whole country”. The success story of the White Revolution is highly motivational in the terms of self sustaining entrepreneurship.

Tribhuvan Das the founder of the white revolution in India credits to have scored the dairy industry as the next more popular sector. initially from a very small setup in the Anand Gujarat in 1946 with a mission to stop farmers being exploited by the middleman in the business. Does having the motivational support of Shri Vallabh Bhai Patel succeeded in his aim and letter on managed by Dr Varghese Kurian contribution that turned it and Organisation Gujarat Cooperative milk marketing federation Limited (GCMMF). It owns 3.6 million producers of Gujarat currently with a network of over 50 countries; in India alone has 7200 milk and dairy products outlets.

Amul the taste of India credits to win the Guinness World Record for the longest running ad campaign many more awards has been conferred on the name of the brand. The success story of dairy industry is an example of self sustaining entrepreneurship it quotes where there is unity there is always the success. In fact they are countless stories yet to follow and get higher goal of success if we talk in terms of Indian ruler rural market

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