

Investors have given green signal to the nation's new apparatus of tax regime, the historic goods and service tax (GST). The sweeping tax reform is aimed to give substantial edge to the economy while drawing big investment into the country. While its implementation will provide a great opportunity to the country's IT sector, GST will lead to improved market expansion and lower logistical overheads which is a boon for MSMEs.

Prime Minister Narendra Modi highlighted the government's ambitious rollout of the GST at the G-20 Summit, saying it would create a unified market of 1.3 billion people and build

resilience. He also said that growth and development for all in India is central to eco-prosperity and to lift 100 million households out of poverty by 2019.

OPPORTUNITIES

The National Association of Software and Services Companies (Nasscom) has said the implementation of the GST will provide a huge opportunity to the country's IT sector, including the software product segment. "The small and medium businesses sector in India is expected to spend more than \$25 billion by 2020 to become digitally enabled. This will create an opportunity in the next three years," Nasscom president R. Chandrashekar informed. He said the

GST: The road ahead

The new tax regime is expected to boost the competitiveness of MSMEs and provide a huge opportunity to the IT sector



A GST Information Centre in Delhi

industry is expected to grow by 7-8 per cent in the current year in terms of revenue. The association has already

projected that the IT industry in India is expected to reach \$350 billion by 2025. He added that soft-

ware as a service is expected to grow at least three times in the next three-four years. According to Chandrashekar, the industry has identified skilling as priority area and identified 55 specific job roles and 155 new age skills. Nearly, 1.5-2 million people in the industry have already received training. Additional 1.5-2 million people need to be skilled over the next 4-5 years,"

GST will lead to improved market expansion and lower logistical overheads, a boon for MSMEs dealing in sales and services and purchase of capital goods.

According to the report, it will also exert compliance burden and associated costs on MSMEs since it aims to increase the taxpayer base. The GST regime will usher in lower taxes, seamless input tax credit and logistics savings while swinging the market share towards organised players. Indian MSMEs will be able to better compete with cheap cost centres such as China and the Philippines.

According to analysts, investors' risk-taking appetite might also strengthen on the back of the smooth rollout of the GST

The GST provision, requiring any good more than Rs.50,000 in value to be pre-registered online before it can be moved, is likely to kick in from October after a centralised software platform is ready

The GST and the RERA are touted as game changers converting unorganised real estate into an organised sector and developers would now have to adopt higher standards of project management, say experts.

The car and motor bike companies are passing on the benefits of GST to customers on the ex-showroom prices to attract

customers and increase demand. Cost of car ownership is expected to rise by 1-2 per cent in 2017-18 according to Society of Indian Automobile Manufacturers, owing to higher fuel and insurance costs.

In a bid to help businessmen and industrialists clear the doubts and confusion over the GST, the Indian Industries Association (IIA) has established 20

helpdesks in Uttar Pradesh, Delhi and Uttarakhand. It has also created a knowledge bank on its website, where businessmen, traders and industrialists can go through different aspects of the GST, post their query and get a prompt answer from the experts.

—Agencies

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he said. He mentioned that opportunities would come in the space of data analytics, data security and cloud technology.

GST will boost competitiveness of micro, small and medium enterprises (MSMEs), the Associated Chambers of Commerce and Industry of India (Assocham) said, citing its report on the unified pan-India indirect tax regime. GST will bring many positives such as easy process of availing input credit, single point tax, elimination of cascading tax

and healthy progress of monsoon rains.

UNDERSTANDING GST

Revenue Secretary Dr. Hasmukh Adhia has clarified that no GST on credit card bills or mobile/telephone bill before June 30 would be generated, even if payment due date is in July, the 18 per cent GST will not be applicable. However, a government official clarified GST would be levied on any bill that is generated from July 1 even if the service has been consumed prior to that, provided that

Assocham seeks review of GST rate on bio-fertilisers

INDUSTRY BODY ASSOCHAM on Wednesday asked the government to review 18% GST rate on select agriculture inputs like bio-fertilisers, bio-pesticides and organic manures so as to compress the use of chemical fertilisers. In a letter to finance minister Arun Jaitley, it said a higher GST on bio-fertilisers, organic manures will promote the use of chemical fertilisers and impact public health. "Higher GST in this segment will directly promote chemical usage, leading to increase in green house gas emissions, besides adversely impacting public health," the letter said. The GST rate imposed on these items directly contradicts efforts being made by Prime Minister Narendra Modi in promoting projects such as Swachh Bharat, Soil Health Card, Namami Gange and various organic missions, Assocham said.

बायो उर्वरकों और कीटनाशकों पर कम हो टैक्स : एसोचैम

एजेंसी | नई दिल्ली

उद्योग चैंबर एसोचैम ने बायो-फर्टिलाइजर, बायो-कीटनाशक और ब्रांडेड ऑर्गेनिक खाद पर जीएसटी रेट घटाने की मांग की है। इसका कहना है कि रासायनिक उर्वरकों का इस्तेमाल कम करने के लिए बायो-प्रोडक्ट पर टैक्स कम करना जरूरी है। चैंबर ने इस सिलसिले में वित्त मंत्री अरुण जेटली को पत्र लिखा है। इसके मुताबिक इन पर ज्यादा टैक्स से ग्रीन हाउस गैसों का उत्सर्जन बढ़ेगा। यह स्वास्थ्य के लिए भी नुकसानदायक है। चैंबर का कहना है कि जीएसटी से पहले बायो-कीटनाशकों और दूसरी चीजों पर ज्यादातर राज्यों में 5-6 फीसदी टैक्स था। ब्रांडेड ऑर्गेनिक खाद पर 5% और बायो-फर्टिलाइजर और कीटनाशकों पर 12% जीएसटी लगाया गया है।

जैविक खाद पर जीएसटी घटाने की मांग

नई दिल्ली। उद्योग संगठन एसोचैम ने सरकार से मांग की है कि वह रासायनिक उर्वरकों के बढ़ते चलन को रोकने के लिए जैविक खाद, जैविक कीटनाशक पर जीएसटी की मौजूदा दर को 18 फीसदी से नीचे करे। वित्त मंत्री को एक पत्र लिख कर संगठन ने मांग की है लोगों की सेहत को ध्यान में रखते हुए इनपर से जीएसटी की दर को कम किया जाए। पत्र में कहा गया है कि इन सभी वस्तुओं पर जीएसटी ऊंची दरें प्रधानमंत्री नरेंद्र मोदी की स्वच्छ भारत, मिट्टी जांच कार्ड, नमामि गंगे जैसी योजनाओं के साथ भी मेल नहीं खाती।