

GST news and market sentiments

Objective

Analyze the market sentiments on Goods and Services Tax bill passed by Government of India in 2016.

Introduction

The *Goods and Services Tax Bill (GST)*, proposed by UPA government as early as in 2007 with the expectation to implement by April, 2010, is finally passed by *Union Government of India* on August 3, 2016 with full majority in the Upper house of Parliament. It is the most awaited and biggest tax reform and is expected to significantly boost the Indian economy in positive direction by improving GDP, supporting exports and of course, increasing the government revenue. However, now stakeholders are reacting differently to this bill, not due to tax rate but due to other challenges such as implementation issues, no benefits to manufacturing states etc. One of the major concerns for industry is that GST would be applicable at destination (consumer) location instead of source (producer) location. Due to this the supplier has to register at local locations to avail tax offset. In the current tax system, there is variety of taxes imposed by state and governments at different rates. All of those will be subsumed by GST. Many states such as Tamilnadu, Gujarat which are the net positive producers of goods would not receive revenues that they used to receive. To summarize, there are differences in voices and it is useful to understand the real concerns behind the ongoing discussions in order to have a successful implementation. Your task is to analyze the information available and classify the stakeholders based on the evidences and identify the concerns.

Data source

The relevant textual data can be downloaded from any source such as news article, papers, reports, and comments from industry, industry associations, policy makers and bureaucrats. The unstructured data must be linked with reporting time and relevant numbers to understand the trends and influence.

We suggest an approach that you web-crawl relevant articles from top websites based on viewership. In addition, you download the session proceedings and speeches of parliamentarians and industry speakers. If you get only audio recording, then you may refer to next day press-coverage to learn about the speaker's views. Remember to rely on more than one article to avoid bias in reporting. A few sample links are given below:

<http://www.gstindiaonline.com/pages/gstlegislation/article/newarticle.asp>

<http://taxguru.in/category/goods-and-service-tax/>

<https://home.kpmg.com/in/en/home/services/tax/indirect-tax/goods-and-services-tax/gst-articles.html>

<http://www.ey.com/in/en/services/ey-goods-and-services-tax-gst>

Suggested questions

- Analyze the change in attention over time and closer to government actions from different stakeholders.
- Similarity and diversity among various stakeholders.
- Segregate industries having positive/negative/neutral impact, e.g. Services, Manufacturing goods, Primary goods, etc.
- Inclination of media houses (Positive / Negative / Neutral).
- What exactly the people are searching to know more about GST?
- Difference in views and sentiments across State.
- Comparison between Export-heavy firms vs others within industry.

Please select one question from the list above. Do your analysis based on 50 or more articles.

Submit a report that summarizes method, data, and analysis not more than 4 pages (excluding exhibits) and an executive summary not exceeding one page.

Note: You may ignore the introduction and rationale section in the report.

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