

Topic: GST and Its Implications

The essay should mainly cover the following broad points:

1. Why GST in India?

This section should emphasize on why there is a need for GST in India? How does it remove the cascading effects on economic agents, how does it deal with the prevailing multiplicity of taxes and tax rates, dual taxation, concessions and exemptions and complexities in business administration? How would the GST improve the tax base and transparency in the system? What are the sectors excluded from GST and why? Will it accomplish the purpose of a uniform tax rates across states?

2. Likely macroeconomic implications of GST

This section should include what are the likely macroeconomic implications of GST such as its impact of general Prices/inflation, investment, domestic manufacturing and trade, formalization of the economy, tax revenue, fiscal deficit, and governance and institutional reforms in terms of efficiency in tax system, etc.

3. Challenges to GST in India

What are the challenges especially in terms of administrative and technological difficulties that are likely to arise during the implementation of GST focus on the readiness of tax authorities, businesses and classification of commodities to be included under the GST?

4. Impact of GST on Centre-State Relations

What was the need for a constitutional amendment for GST implementation? Will it change the dynamics of centre-state relations? Is GST a good thing for fiscal federalism and decentralisation?

5. Do you approve of the present GST model with multiple taxes for different class of commodities? What does the international experience tell us?