

Editorial

November amendments in GST rates and filing of returns have brought relief to manufacturers and traders. However, marketplace operators are still not happy. Finance Ministry believes that reduction of GST rates would not result in shortfall in target indirect tax collection. The Ministry expects strong corporate results in third and fourth quarters of the current fiscal and hopes that buoyancy in the economy will improve the overall tax collection. One has to wait till March 2018 to see the impact of recent changes in GST on the exchequer. India has also completed this month the first anniversary of demonetisation. Researchers and policy makers would now analyse the data to comment on the effect of such a large natural experiment. We expect to see some serious study on impact of demonetisation soon.

The first article deals with the recent lowering of GST rates where the author explains why our government should use lessons from corporate finance to set the initial GST rates. The second article looks at the external commercial borrowing by Indian firms in detail and tries to find out some of the implications of this surge in external debt in India. The third article explains RBI's Monetary Policy after Dr. Urjit Patel takes over as the new RBI Governor. In the fourth article, the author discuss about current research in algorithmic trading which has been growing fast in India, but Indian market regulators need to be wary of prescriptions derived from complicated market trading models as they are still works in progress.

The last piece is a conference report of India Research Conference held on 27 October 2017 at New York University (NYU) Stern Business School.

You may send your comments and feedback on this issue to ashok@iimcal.ac.in

Happy reading!

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