

EXECUTIVE SUMMARY:

The project report of “Effect of GST on corporate profitability of selected Information Technology companies” is to analysis about the traditional taxation with GST, analysis of GST/VAT influence of IT industry and the present stage of implication of GST in IT industry. The selected companies are TCS, Infosys, Wipro, HCL Technologies, Tech Mahindra, Larsen & Toubro.

The main objectives of the study are to highlight the conceptual framework of GST and its silent features, to identify the benefits associated with the implementation of GST and to analysis the effects of GST on selected companies of IT industry. These are studied to interpret to know the corporate profitability. Since, the GST came into effect from July 1, 2017 through the implementation of the one hundred and first amendment of the constitution of India by the Indian government. GST in IT sector will attract 18% on software services companies. For purely software services, the cost of such services will increase under GST. Getting the accounting systems and ERPs in sync with GST will mean an increase in infrastructure costs, overhead costs and change in business systems.