

# NEWS ALERT

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## GST RATES WITHIN 15 DAYS

The Goods and Services Tax (GST), the new tax regime, would have four slabs and these were likely to be unveiled within 15 days, Chairman of the Empowered Committee of State Finance Ministers Asim Dasgupta said today.

"It (GST) will have four slabs. I hope the rates will be released in the next 15 days," Dasgupta said.

Among the GST tax slabs, it would be zero for exempted items, one standard rate for majority of the goods and services and another having a moderate rate, he said.



ASIM DASGUPTA



## FMCG FIRMS TO BE HIT IF HILL STATE TAX BENEFITS WITHDRAWN

The Union finance ministry is mooting withdrawal of the tax benefits it has been giving to manufacturing units in Himachal Pradesh and Uttarakhand.

The move is likely to affect the bottom-line of, and discourage investments from, fast moving consumer goods (FMCG) and consumer durables companies that have set up units there to take advantage of the sops available. Dabur, Nestle, Hindustan Unilever, Britannia, Reckitt Benckiser and Videocon, for instance, already have their plants there.

If the government does away with these subsidies, industry experts say the cost of companies in these regions could increase by anywhere between 20 and 30 per cent.

"The government is exploring the issue as it works towards moving to a uniform goods and services tax (GST) regime. The tax incentives these states got on account of area-based exemption notifications are slated to lapse by March 31, 2010.

## BAN ON ILLEGAL CHINESE HANDSETS, BOON FOR LOCAL BRANDS

The ban on illegal Chinese handsets is proving to be a boon for local Indian mobile brands such as Airfone, Karbonn, Fly and Lava.

According to industry estimates, Indian brands have seen a 20 per cent increase in their sales over the past

few weeks after the Government imposed ban on handsets without the IMEI number came into effect on December 1.

"The Chinese handsets accounted for as much as 20-30 per cent of the Indian sales last year.

## CREDIT CARD MATHS RILES HOUSE PANEL

HIGH interest charged by credit card providers has caught the eye of lawmakers. A key Parliamentary standing committee has recommended that all financial charges levied by credit cards companies should not be left open ended and at the discretion of the banks, creating pressure on the RBI to regulate the card market.