

# Info Capsule

## **GST COUNCIL RECOMMENDS INCREASE IN MAXIMUM CEILING OF CESS LEVIABLE ON MOTOR VEHICLES FALLING UNDER HEADINGS 8702 AND 8703 TO 25% INSTEAD OF PRESENT 15%<sup>1</sup>**

The GST Council considered the issue of cess leviable on motor vehicles in its 20th meeting held on the 5th of August 2017 and recommended that Central Government may move legislative amendments required for increasing the maximum ceiling of cess leviable on motor vehicles falling under headings 8702 and 8703 including SUVs, to 25% instead of present 15%. However, the decision on when to raise the actual cess leviable on the same will be taken by the GST Council in due course.

It was noted that after introduction of GST, the total tax incidence on motor vehicles [GST + Compensation Cess] has come down vis-a-vis the total tax incidence in pre-GST regime. The Schedule to the Goods and Service Tax (GST) (Compensation to State) Act 2017, specifies the maximum rate at which Goods and Service Tax Compensation Cess may be collected. In respect of motor vehicles, the maximum rate at which Goods and Service Tax Compensation Cess may be collected is 15%.

## **PRODUCTS ACCORDED APPROVAL BY SEBI FOR TRADING IN STOCK EXCHANGES IN GIFT CITY IFSC<sup>2</sup>**

Gujarat International Finance Tec-City International Financial Service Centre (GIFT City IFSC) has been set up with an objective to, inter alia, enable Indian entities to compete on an equal footing with offshore financial centres and to provide facilities and regulations comparable to other leading international financial centres in the world.

SEBI had already operationalized two stock exchanges, viz. India INX and NSE IFSC in GIFT City IFSC and advised that all categories of exchange-traded products as available for trading in stock exchanges in FATF/IOSCO compliant jurisdictions shall be eligible for trading subject to prior approval of SEBI. SEBI has now accorded approval to India INX and NSE IFSC to launch derivatives on additional 33 and 52 Indian stocks, respectively.

With the above, India INX and NSE IFSC have been permitted to offer trading in a well-diversified range of products spanning various asset classes which include Indian index derivatives, derivatives on Indian stocks, derivatives on foreign stocks, currency derivatives and commodity futures on Gold, Silver and base metals as given below:

<sup>1</sup> Available at: <http://pib.nic.in/newsite/erelease.aspx>

<sup>2</sup> Available at: [http://www.sebi.gov.in/media/press-releases/aug-2017/products-accorded-approval-by-sebi-for-trading-in-stock-exchanges-in-gift-city-ifsc\\_35525.html](http://www.sebi.gov.in/media/press-releases/aug-2017/products-accorded-approval-by-sebi-for-trading-in-stock-exchanges-in-gift-city-ifsc_35525.html)

## 1. India INX

- a) Index Derivatives (Futures and Options) on S&P BSE SENSEX and S&P BSE SENSEX 50
- b) Derivatives (Futures and Options) on Indian stocks
- c) Futures on Foreign Stocks
- d) Derivatives (Futures and Options) on currency pairs (not involving Indian Rupee)
- e) Commodity Futures on Gold, Silver, Copper, Zinc, Aluminium, Lead and Nickel

## 2. NSE IFSC

- a) Index Derivatives (Futures and Options) on NIFTY, BANKNIFTY and NIFTY IT
- b) Derivatives (Futures and Options) on Indian stocks
- c) Derivatives on Foreign stocks
- d) Derivatives (Futures and Options) on currency pairs (not involving Indian Rupee)
- e) Commodity Futures on Gold, Silver, Copper, Zinc, Aluminium, Lead and Nickel

## MISLEADING ADVERTISEMENTS IN ELECTRONIC MEDIA<sup>3</sup>

The Department of Consumer Affairs has launched an online portal called Grievance Against Misleading Advertisements (GAMA) since March, 2015 for the consumers to file complaint online against misleading advertisements appearing in newspapers, hoardings, handbills, wall writing as well as advertisements in the electronic media such as TV channels, radio channels, internet sites etc. The number of complaints relating to misleading advertisements, as registered in the online portal, is as shown below:

PERIOD	NUMBER OF COMPLAINTS RECEIVED
15.03.2015 to 31.12.2015	641
1.1.2016 to 31.12.2016	2032
1.1.2017 to 2.8.2017	1846
<b>Total</b>	<b>4519</b>

The complaints received through the online portal GAMA are processed by the Advertisement Standards Council of India (ASCI) based on an MoU signed with the Department of Consumer Affairs. Complaints which remain unresolved are forwarded by ASCI to the Departments/Regulators concerned for further necessary action. Of the 4519 complaints, 2106 complaints have been resolved, 947 complaints have been rejected and the rest have been referred to the Ministries/Departments/regulators concerned for necessary action.

Further, in so far as advertisements appearing in private satellite TV channels are concerned, all advertisements telecast on such channels are regulated in accordance with the Advertising Code available on the website of the Ministry of Information and Broadcasting "mib.nic.in". The Ministry has constituted an Inter-Ministerial Committee (IMC) under the chairmanship of the Additional Secretary (I&B), and comprising officers drawn from various Ministries such as Consumer Affairs, Home Affairs, Law & Justice, Women & Child

<sup>3</sup> Available at: <http://pib.nic.in/newsite/erelease.aspx>

Development, Health & Family Welfare, External Affairs, Defence and including a representative from the Advertising Standards Council of India, to take cognizance *sou motu* or look into specific complaints regarding violation of the Programme Code and Advertising Code.

This information was given by Shri C. R. Chaudhary, Minister of State for Consumer Affairs, Food and Public Distribution, in a written reply to a question in Rajya Sabha.

**Team ICSI**

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