

Info Capsule

Friday
February 12, 2021

President : CS Nagendra D. Rao

Vice President : CS Devendra V. Deshpande

❖ Direct Tax

Notification No. 5 / 2021 under section 138 for sharing of information with "Chief Executive Officer, Center for e-Governance, Govt. of Karnataka [Dated February 11, 2021]

The Central Government hereby specifies "Chief Executive Officer, Center for e-Governance, Government of Karnataka" for the purpose of section 138(1)(a)(ii) in connection with sharing of information regarding Income tax assesses for identifying the eligible beneficiaries for implementing social security / public welfare schemes with the help of Entitlement Management System.

For details:

https://www.incometaxindia.gov.in/communications/notification/notification_5_2021.pdf



**THE INSTITUTE OF
Company Secretaries of India**

भारतीय कम्पनी सचिव संस्थान

IN PURSUIT OF PROFESSIONAL EXCELLENCE

Statutory body under an Act of Parliament

(Under the jurisdiction of Ministry of Corporate Affairs)

❖ Ministry of Corporate Affairs

- **The MCA notified the commencement date for Section 52 and Section 66 of the Companies (Amendment) Act, 2020 (February 11, 2021)**

The MCA has appointed **February 11, 2021** as the commencement date of section 52 and Section 66 of the Companies (Amendment) Act, 2020 which is related to the insertion of new Chapter in the Companies Act, 2013 pertaining to Producer Companies and amendments under Section 465 of the Companies Act, 2013 related to Repealing of certain enactments and savings respectively.

For details:

<http://egazette.nic.in/WriteReadData/2021/225115.pdf>

- **The Producer Companies Rules, 2021 (February 11, 2021)**

The MCA on February 11, 2021 notified the Producer Companies Rules, 2021. The new rules define the term 'co-operative society' for the purpose of this rule. It also specifies the rules applicable for the purpose of change of place of registered office of a Producer Company from one State to another and Investment of general reserves.

For details:

<http://egazette.nic.in/WriteReadData/2021/225116.pdf>

- **The Companies (Share Capital and Debentures) Amendment Rules, 2021 (February 11, 2021)**

The MCA on February 11, 2021 has notified the Companies (Share Capital and Debentures) Amendment Rules, 2021 which seeks to insert a new Rule 12A in the Companies (Share Capital and Debentures) Rules, 2014 pertaining to period for notice under sub-clause (i) of clause (a) of section 62(1) of the Companies Act, 2013.

This Amendment prescribes that for the purposes of sub-clause (i) of clause (a) of Section 62(1) of the Companies Act, 2013, the time period within which the offer related to further issue of shares to existing shareholders shall be made for acceptance shall be not less than seven days from the date of offer.

For details:

<http://egazette.nic.in/WriteReadData/2021/225109.pdf>

❖ **Indirect Tax**

Goods and Services Tax

- **Standard Operating Procedure (SOP) for implementation of the provision of suspension of registrations under sub-rule (2A) of rule 21A of CGST Rules, 2017 (Circular No. 145/01/2021)(February 11, 2021)**

Sub-rule (2A) of rule 21A of the Central Goods and Services Tax Rules, 2017 provides for immediate suspension of registration of a person, as a measure to safeguard the interest of revenue, on observance of such discrepancies /anomalies which indicate violation of the provisions of Act and rules made thereunder; and that continuation of such registration poses immediate threat to revenue. The taxpayers, whose registrations are suspended under the above provisions, would be required to furnish reply to the jurisdictional tax officer within thirty days from the receipt of such notice / intimation, explaining the discrepancies/anomalies, if any, and shall furnish the details of compliances made or/and the reasons as to why their registration should not be cancelled.

For details:

https://www.cbic.gov.in/resources//htdocs-cbec/gst/Circular_Refund_145_12_2020.pdf

- **QRMP & IFF - Answers to Frequently Asked Questions (February 11, 2021)**

Quarterly Return, Monthly Payment of Taxes (QRMP) Scheme is a scheme to simplify compliance for small taxpayers. Under this scheme, taxpayers having an aggregate turnover at PAN level up to Rs. 5 crore can opt for quarterly GSTR-1 and GSTR-3B filing. Payment can be made in the first two months by a simple challan in FORM GST PMT-06.

Invoice Furnishing Facility (IFF) is an optional facility made available as per Rule-59(2) of the CGST Rules, 2017. This is provided for those quarterly taxpayers who want to pass on input tax credit (ITC) to their recipients (buyers/customers) in first two months of a quarter. Since IFF is an optional facility, it poses no additional compliance burden. It is a facility for those quarterly filers who intend to pass ITC to their recipients in first two months of the quarter. It may be noted that since IFF is an optional facility, IFF for a month will expire after the due date of 13th of next month, and cannot be filed after this date.

For details:

https://tutorial.gst.gov.in/downloads/news/faq_on_qrmp_iff.pdf

❖ **Business and Economics News**

- **Aditya Mittal appointed ArcelorMittal CEO; father to be executive chairman (February 12, 2021)**

ArcelorMittal, one of world's biggest steel producers, announced that Aditya Mittal would take over as chief executive officer (CEO) from his father, Lakshmi Mittal, who would take on the mantle of executive chairman.

Aditya Mittal, 45, was previously the president and chief financial officer (CFO) of the company, and CEO of its European arm.

Lakshmi Mittal, who founded the company in 1976, will continue to lead the board of directors and work together with the CEO and management team, while Aditya will run the company's day-to-day affairs.

For details:

https://www.business-standard.com/article/companies/aditya-mittal-appointed-arcelormittal-ceo-father-to-be-executive-chairman-121021101036_1.html

- **Future-Reliance deal 'illegal and arbitrary' : Amazon tells Supreme Court (February 11, 2021)**

Amazon approached the Supreme Court against Future Group's \$3.4 billion retail assets sale to Reliance Industries. The E-commerce giant termed a Delhi High Court judgment revoking a previous single judge decision blocking the deal "illegal" and "arbitrary", reported *Reuters*.

The Delhi High Court had stayed an order on status quo of the deal and ruling that statutory authorities cannot be restrained from acting in accordance with the law. The order is, however, an interim one and the next hearing is on February 26, 2021.

For details:

<https://www.livemint.com/news/india/futurereliance-deal-illegal-and-arbitrary-amazon-tells-supreme-court-11613042230540.html>

- **Budget 2021-22 proposal on digital tax likely to land up in court (February 11, 2021)**

The central government's clarification on the 2% equalisation levy on foreign digital operators in the Budget, which considerably expands the scope of the levy, might be challenged in court, with several companies contemplating filing a writ petition in the coming few weeks.

For details:

https://www.business-standard.com/budget/article/budget-2021-22-proposal-on-digital-tax-likely-to-land-up-in-court-121021200053_1.html

❖ Terminology for today

Data Flow Diagram (DFD)

An analysis model that illustrates processes that occur, along with the flows of data to and from those processes.

❖ Market Watch

Stock Market Indices as on 12.02.2021

S & P BSE Sensex	51544.30 (+12.78)
Nifty 50	15163.30 (-10.00)

Foreign Exchange Rates as on 11.02.2021

(<https://www.fbil.org.in/#/home>)

INR / 1 USD	INR / 1 GBP	INR / 1 EUR	INR / 1 JPY
72.7772	100.7741	88.2661	.6959

Prepared by Directorate of Academics

For any suggestions, please write to academics@icsi.edu, or call at 01204082269

Disclaimer : Although due care and diligence have been taken in preparation and uploading this info capsule, the Institute shall not be responsible for any loss or damage, resulting from any action taken on the basis of the contents of this info capsule. Anyone wishing to act on the basis of the material contained herein should do so after cross checking with the original source.

VISION
"To be a global leader in promoting
good corporate governance"

ICSI Motto
सत्यं वद। धर्मं चर।
कृदकं धेठे धृतेः श्रेष्ठे ङु धेठे ङदः।

MISSION
"To develop high calibre professionals
facilitating good corporate governance"

Connect with ICSI

www.icsi.edu | [f](#) [t](#) [in](#) [v](#) [g](#) | Online Helpdesk : <http://support.icsi.edu>