

Info Capsule

Friday
February 19, 2021

President : CS Nagendra D. Rao

Vice President : CS Devendra V. Deshpande

❖ Ministry of Corporate Affairs

• MCA update (February 18, 2021)

Stakeholders are hereby informed that the Central Government, in Ministry of Corporate Affairs, under section 67(1) of LLP Act, 2008 will be extending Sub-sections (1) to (11) of section 90, Sub-sections (1) and (2) of section 164, Sub-sections (1) and (3) to (6) of section 165, Sub-section (1) to (3) of section 167, Sub-section (5) of section 206, sub-section (3) of section 207, Sub-sections (1) to (3) of section 252 and Sub-sections (1) to (4) of Section 439 of the Companies Act, 2013 to Limited Liability Partnerships with modification and adaptation soon.

Accordingly, Limited Liability Partnerships, Partners and Designated partners thereof are advised to take note of the same for appropriate action.

For details:

<http://www.mca.gov.in/>



THE INSTITUTE OF
Company Secretaries of India

भारतीय कम्पनी सचिव संस्थान

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Statutory body under an Act of Parliament

(Under the jurisdiction of Ministry of Corporate Affairs)

❖ Indirect Taxes

Goods and Services Tax

• GST Council may take up rationalizing tax rates, slab merger in next meet (February 19, 2021)

The Goods and Services Tax (GST) Council meeting in March will likely take up rationalising tax rates and mergers of multiple slabs to bring them close to being revenue-neutral and make the indirect tax regime simpler. The meeting, whose date is yet to be set, will come at a time when the 15th Finance Commission has recommended merging the 12 and 18 per cent tax rates.

For details: [https://www.business-](https://www.business-standard.com/article/economy-policy/gst-council-may-take-up-rationalising-tax-rates-slab-merger-in-next-meet-121021900069_1.html)

[standard.com/article/economy-policy/gst-council-may-take-up-rationalising-tax-rates-slab-merger-in-next-meet-121021900069_1.html](https://www.business-standard.com/article/economy-policy/gst-council-may-take-up-rationalising-tax-rates-slab-merger-in-next-meet-121021900069_1.html)

Customs

• Extension of Board's Circular for sanction of pending IGST refund claims where the records have not been transmitted to ICEGATE due to GSTR-1 and GSTR-3B mismatch error – Circular No. 04/2021 – Customs (February 16, 2021)

The IGST refunds relating to the Shipping Bills filed after March 31, 2019 having mismatch error between GSTR-1 and GSTR-3B could not be processed and are held up on above account. There was a need to extend the facility as provided vide above Circular No. 12/2018-Cus dated May 29, 2018 and 25/2019 - Cus dated August 27, 2019 in respect of the Shipping Bills filed after March 31, 2019 as well. The CBIC has decided that the solution provided in the Circular 12/2018-Customs read with Circular No. 25/2019-Customs would be applicable mutatis mutandis for the Shipping Bills filed during the financial year 2019-20 and 2020-21 i.e. in respect of all Shipping Bills filed/ to be filed upto March 31, 2021.

For details : <https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-circulars/cs-circulars-2021/Circular-No-04-2021.pdf>

- **IGST refunds on exports-extension in SB005 alternate mechanism - Circular No. 05/2021 - Customs (February 17, 2021)**

The exporter may avail the facility of correction of Invoice mis-match errors (error code SB-005) in respect of all past shipping bills, irrespective of its date of filing, by following the procedure as provided in the above Circulars, subject to payment of Rs. 1,000/- as fee towards such rendering of service by Customs Officers for correlation and verification of the claim. Necessary amendments have been made in the Levy of Fee (Customs Documents) Regulations, 1970 vide Notification No.17/2021 dated February 17, 2021.

For details:

<https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-circulars/cs-circulars->

❖ **Business and Economic News**

- **Piramal group gets RBI approval for debt-ridden DHFL's acquisition (February 19, 2021)**

The Reserve Bank of India has cleared Rs. 34,250 crore acquisition of Diwan Housing Finance Corporation (DHFL) by the Piramal Group.

The Ajay Piramal-led group had outbid US-based asset management firm Oaktree last month. Piramal plans to merge DHFL with its financial services business as soon as the National Company Law Tribunal (NCLT) approves the transaction.

For details :

https://www.business-standard.com/article/companies/rbi-approves-dhfl-resolution-plan-from-piramal-capital-and-housing-finance-121021800586_1.html

- **Tribunals Reforms Bill proposes amendments to ten laws; seeks to replace appellate authorities with High Courts (February 19, 2021)**

The Central government on February 13 introduced the *Tribunals Reforms (Rationalisation and Conditions of Service) Bill, 2021* in the Lok Sabha.

The Bill contemplates significant amendments to ten statutes by doing away with the appellate authorities under various Acts and granting the right to hear appeals to High Courts.

For details:

<https://www.barandbench.com/news/litigation/tribunals-reforms-bill-replace-appellate-authorities-high-court>

❖ **Direct Tax**

• **Faceless Assessment (1st Amendment) Scheme, 2021 (Notification No. 6, Dated February 17, 2021)**

The CBDT vide **Notification No. 6/2021, dated February 17, 2021**, has notified the 'Faceless Assessment (1st Amendment) Scheme, 2021' which seeks to amend Faceless Assessment Scheme, 2019 ("Scheme"), by way of which certain amendments in Para 2 of the Scheme (i.e., definitions), Para 11 of the Scheme (i.e., No personal appearance in the Centres or Units) and substituted Para 5 of the Scheme (i.e., Procedure for assessment).

For details:

https://www.incometaxindia.gov.in/communications/notification_6_2021.pdf

• **New procedure of faceless assessment under Faceless Assessment Scheme, 2019 (Notification No. 7 Dated February 17, 2021)**

The CBDT vide **Notification No. 7/2021, dated February 17, 2021** amended **Notification No. 62/2019 September 12, 2019** to provide for new procedure of faceless assessment under Faceless Assessment Scheme, 2019 ("**Scheme**").

For details:

https://www.incometaxindia.gov.in/communications/notification_7_2021.pdf

❖ **Banking & Insurance**

Master Direction on Digital Payment Security Controls (February 18, 2021)

Reserve Bank of India has placed on its website the "Master Direction on Digital Payment Security Controls". The Master Direction provides necessary guidelines for the Regulated Entities (Scheduled Commercial Banks, Small Finance Banks, Payment Banks and Credit Card issuing NBFCs) to set up a robust governance structure and implement common minimum standards of security controls for digital payment products and services. The guidelines are technology and platform agnostic and shall create an enhanced and enabling environment for customers to use digital payment products in a more safe and secure manner.

For details :

https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=51155

❖ **Terminology for today****Consular Statement**

A document required by some foreign countries, describing a shipment of goods and showing information such as the consignor, consignee, and value of shipment. Certified by a consular official of the foreign country, it is used by the country's officials.

❖ **Market Watch**
**Stock Market Indices as on
19.02.2021**

S & P BSE Sensex	50889.76 (-434.93)
Nifty 50	14981.75 (-137.20)

Foreign Exchange Rates as on 18.02.2021

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

INR / 1 USD	INR / 1 GBP	INR / 1 EUR	INR / 1 JPY
72.7327	100.7149	87.6148	.6868

Prepared by Directorate of Academics

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

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