

# Info Capsule

Monday  
March 22, 2021

President : CS Nagendra D. Rao

Vice President : CS Devendra V. Deshpande

## ❖ Latest @ ICSI

### **Webinar on QRMP Scheme; Dynamic QR Code; Compulsory Quoting of HSN/SAC for Supply of Goods & Services - Issues and Way Forward (March 22, 2021)**

The Indirect Taxes Committee of PHD Chamber is organizing a Webinar on QRMP Scheme; Dynamic QR Code; Compulsory Quoting of HSN/SAC for Supply of Goods & Services - Issues and Way Forward on Friday, March 26, 2021 from 10.30 am to 01.30 pm. Members of the ICSI will be awarded 2 credit hours.

For details:

[https://www.icsi.edu/media/web-modules/Webinar\\_on\\_QRMP\\_Scheme\\_Dynamic\\_QR\\_Code;\\_Compulsory\\_Quoting\\_of\\_HSN\\_SAC\\_for\\_Supply\\_of\\_Goods\\_&\\_Services\\_Issues\\_and\\_Way\\_Forward.pdf](https://www.icsi.edu/media/web-modules/Webinar_on_QRMP_Scheme_Dynamic_QR_Code;_Compulsory_Quoting_of_HSN_SAC_for_Supply_of_Goods_&_Services_Issues_and_Way_Forward.pdf)



**THE INSTITUTE OF  
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**भारतीय कम्पनी सचिव संस्थान**

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(Under the jurisdiction of Ministry of Corporate Affairs)

## ❖ Securities Laws and Capital Markets

### SEBI Adjudication Orders

- **In the matter of Supreme Tex Mart Limited (March 18, 2021)**

SEBI imposed a penalty of Rs. 8 lakh on Mr. Neelesh Kumar Radheshyam Lahoti for alleged violations of providing incorrect information to the Investigating Authority (IA) of SEBI which hampered the process of investigation and thus violated the provisions of Section 11C(2) read with Section 11C(3) of the SEBI Act, 1992.

For details:

[https://www.sebi.gov.in/enforcement/orders/mar-2021/adjudication-order-in-the-matter-of-supreme-texmart-limited\\_49580.html](https://www.sebi.gov.in/enforcement/orders/mar-2021/adjudication-order-in-the-matter-of-supreme-texmart-limited_49580.html)

- **In the matter of Prakash Constrowell Ltd. (March 19, 2021)**

SEBI imposed a penalty of Rs. 1 lakh on Vyoman Tradelink India Private Limited for failure to disclose the release of pledged shares and subsequent change in its shareholding to the company (Prakash Constrowell Ltd.) and both the exchanges (BSE & NSE) and thereby had violated Regulations 29(2) read with 29(3) & 29(4) of SAST Regulations 2011.

For details:

[https://www.sebi.gov.in/enforcement/orders/mar-2021/adjudication-order-in-respect-of-vyoman-tradelink-india-pvt-ltd-in-the-matter-of-prakash-constrowell-ltd-\\_49572.html](https://www.sebi.gov.in/enforcement/orders/mar-2021/adjudication-order-in-respect-of-vyoman-tradelink-india-pvt-ltd-in-the-matter-of-prakash-constrowell-ltd-_49572.html)

## SEBI Final Order

- **In the matter of Ruchi Soya Industries Ltd. (March 19, 2021)**

SEBI directed seven entities to disgorge a total of Rs 5.75 crore of ill-gotten gains made through alleged fraudulent trade practices in the shares of Ruchi Soya Industries in 2012. SEBI had issued show cause notice in 2017 to these seven entities alleging that some of these entities contributed to the price rise in the shares of Ruchi Soya Industries during the last 30 minutes of trading at NSE cash market on September 27, 2012 in order to influence the settlement price for the futures contracts of Ruchi Soya expiring on the same day.

*For details:*

[https://www.sebi.gov.in/enforcement/orders/mar-2021/final-order-in-the-matter-of-ruchi-soya-industries-ltd-\\_49577.html](https://www.sebi.gov.in/enforcement/orders/mar-2021/final-order-in-the-matter-of-ruchi-soya-industries-ltd-_49577.html)

## ❖ *Indirect Tax*

- **Goods and Services Tax**

**Taxpayers are free to utilise Input Tax Credit available in their credit ledger as permissible by law to discharge their GST due for March month (March 21, 2021)**

Unconfirmed reports had appeared in certain sections of the media that some GST officers are using unauthorised communication means asking taxpayers to discharge 'maximum tax liability' in 'cash' in order to ensure that targets for revenue collection from GST for the financial year are met. It is clarified that neither the Government nor CBIC have issued any such instructions to their field formations. As such, taxpayers are free to utilise the Input Tax Credit available in their credit ledger, as permissible in law, to discharge their GST dues for the month of March, 2021 – the last month of this financial year.

*For details:*

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1706393>

## ❖ *Terminology for today*

### **Performance-Based Budgeting**

A performance budget is an integrated annual performance plan and budget that shows the relationship between program funding levels and expected results. It indicates that a goal or a set of goals should be achieved at a given level of spending.

## ❖ **Banking and Insurance**

- **Digital lending : Government blocks 27 fraud lending apps offering instant credit online (March 21, 2021)**

The Ministry of Electronics and Information Technology (MeitY) had received a request from the Ministry of Home Affairs for blocking 27 loan lending apps and after due process, MeitY blocked those 27 apps under Section 69A of the Information Technology Act, 2000.

*For details:*

*<https://www.financialexpress.com/industry/banking-finance/digital-lending-government-blocks-27-fraud-lending-apps-offering-instant-credit-online/2217349/>*

- **Bond vigilantes may undermine revival, unsettle markets : RBI (March 20, 2021)**

With bond yields rising the world over, the Reserve Bank of India (RBI) has warned against bond vigilantes, stating they could undermine the recovery, unsettle financial markets and trigger capital outflows from emerging markets.

*For details:*

*<https://indianexpress.com/article/business/banking-and-finance/bond-vigilantes-may-undermine-revival-unsettle-mkts-rbi-7236537/>*

## ❖ **Business and Economic News**

- **GAIL set to kick off asset monetisation in oil sector by end of 2021-22 (March 22, 2021)**

The first oil-sector infrastructure investment trust (InvIT) is expected to be floated by GAIL (India) by the end of 2021-22. According to a top petroleum ministry official, Indian Oil Corporation (IOCL), Hindustan Petroleum Corporation (HPCL), and GAIL (India) will be going for three separate InvITs as part of the central government's asset monetisation plan. GAIL (India) will be the first to float the InvIT.

*For details : [https://www.business-standard.com/article/companies/gail-set-to-kick-off-asset-monetisation-in-oil-sector-by-end-of-2021-22-121032200019\\_1.html](https://www.business-standard.com/article/companies/gail-set-to-kick-off-asset-monetisation-in-oil-sector-by-end-of-2021-22-121032200019_1.html)*

- **Govt. considers blocking IP addresses of cryptocurrency exchanges (March 22, 2021)**

The government is considering the blocking of internet protocol (IP) addresses of companies/exchanges on which trading in cryptocurrencies is happening. Two months ago, the government had said it intended to bring a Bill to ban private cryptocurrencies and introduce India's own digital currency in line with what China and other countries had done.

*For details : [https://www.business-standard.com/article/markets/govt-considers-blocking-ip-addresses-of-cryptocurrency-exchanges-121032200021\\_1.html](https://www.business-standard.com/article/markets/govt-considers-blocking-ip-addresses-of-cryptocurrency-exchanges-121032200021_1.html)*

## ❖ *Insolvency and Bankruptcy*

### **Release of publication “Handbook on Ethics for Insolvency Professionals: Ethical and Regulatory Framework”. (March 19, 2021)**

1. The Handbook prepared by the Insolvency and Bankruptcy Board of India in association with British High Commission is based on inputs on the best practices followed by the Insolvency Practitioners in the United Kingdom and aims to stimulate the highest standards of ethics and professionalism among the Insolvency Professionals. This Handbook serves as a ready reckoner and a tool to assist the insolvency professionals and other stakeholders in the insolvency ecosystem, for imbibing and practising an ethical code of conduct.
2. The Handbook details several aspects of professional ethics, including conflict of interest, independence, impartiality, objectivity and timelines, etc. in a comprehensive manner, and is expected to serve as an important knowledge product for development and percolation of standards of professional and ethical conduct for IPs enabling proactive compliances with utmost care and diligence.
3. The Handbook is in line with the ground realities of the Indian insolvency ecosystem and is expected to serve as a practical guide for IPs in discharging of their duties ethically and effectively.

*For details:*

<https://ibbi.gov.in/uploads/press/b680882d6d4906830b6d1282f69f8ddc.pdf>

<https://www.ibbi.gov.in/uploads/whatsnew/0ab3ccba77975afcd9eb7ac679154de8.pdf>

## ❖ *Market Watch*

<b>Stock Market Indices as on 22.03.2021</b>	
S & P BSE Sensex	49771.40 (-86.95)
Nifty 50	14736.40 (-7.60)

<b>Foreign Exchange Rates as on 19.03.2021</b> <i>(https://www.fbil.org.in/#/home)</i>			
<b>INR / 1 USD</b>	<b>INR / 1 GBP</b>	<b>INR / 1 EUR</b>	<b>INR / 1 JPY</b>
72.5155	100.943	86.4515	.6664

## ❖ **Pronouncement**

March 17, 2021	Navneet R. Jhanwar (Appellants) vs. State Tax Officer & others (Respondents)	Jammu and Kashmir High Court
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### **Show Cause Notice (SCN) to be served before denying GST Refund**

#### **Facts of the case:**

The Appellant having become entitled to refund of excess tax paid in terms of Section 54 of the CGST Act, submitted a refund claim before the respondent authority in FORM-GST-RFD-06.

The Respondent instead of directing the refund issued a Show Cause Notice (SCN) calling upon the appellant to show cause as to why his refund claim to the extent of the amount claimed should not be rejected or the amount erroneously refunded should not be recovered for the reason that the claim for refund is belated having been filed after the expiry of two years from the relevant date, as per explanation in Section 54(1) of the CGST Act and that in the instant case the period had expired in April 2020. The appellant replied to the SCN and explained the delay.

The explanation on delay by the appellant was accepted and accordingly, the application of the petitioner for refund was processed by respondent. Respondent, however, without serving further show cause notice upon the appellant, determined the claim for refund and in terms of the order impugned dated December 2, 2020 rejected the same being not tenable in law.

#### **Judgment:**

The Jammu and Kashmir High Court quashed the order rejecting the refund and remitted the matter back to the Authority for fresh consideration. The Court was of the view that the appellant has invited their attention to Section 54 of the Act and Rule 92 of the Central Goods and Service Tax Rules, 2017, wherein it is specifically provided that no order rejecting the claim of refund shall be passed unless the person claiming refund is given an opportunity of being heard.

*For details :*

<https://indiankanoon.org/doc/199334456/?type=print>

### **Prepared by Directorate of Academics**

*For any suggestions, please write to academics@icsi.edu, or call at 01204082116*

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