

Info Capsule

Monday
September 20, 2021

President : CS Nagendra D. Rao

Vice President : CS Devendra V. Deshpande

❖ International Business News

External Affairs Minister, Dr. S. Jaishankar discusses Afghanistan, India-Saudi ties in meeting with counterpart Al Saud (September 19, 2021)

External Affairs Minister S Jaishankar and his Saudi counterpart Faisal Bin Farhan Al Saud on September 19, 2021 deliberated on the developments in Afghanistan and explored ways to further expand bilateral ties in areas of defence and security, trade, investment and energy.

For details:

<https://theprint.in/diplomacy/jaishankar-discusses-afghanistan-india-saudi-ties-in-meeting-with-counterpart-al-saud/736191/>



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❖ Securities Laws & Capital Market

SEBI NEWS

- **Abhay Bhutada hasn't done anything as per lawyers, says Adar Poonawalla (September 20, 2021)**

Poonawalla Fincorp Chairman Adar Poonawalla said Abhay Bhutada, who resigned last week from the post of Managing Director on alleged charges of insider trading, "hasn't done anything" as per the lawyers and others who gave him reports. He said the company is also conducting an independent investigation. Last week, Bhutada resigned as Managing Director of Poonawalla Fincorp, after capital markets regulator SEBI barred him and seven other entities from securities markets for alleged insider trading in shares of the company.

For details:

https://www.business-standard.com/article/companies/abhay-bhutada-hasn-t-done-anything-as-per-lawyers-says-adar-poonawalla-121091900840_1.html

- **SEBI levies fine on Titan's employee for disclosure lapses (September 18, 2021)**

SEBI on Friday, imposed monetary penalty on an employee of Titan Company Ltd. for disclosure lapses, in violation of insider trading norms. The order follows an investigation conducted between April 2018 - March 2019. The regulator had received a letter from Titan wherein the company intimated about violation of Prevention of Insider Trading (PIT) regulations and the company's code of conduct for the prevention of insider trading by some of its designated persons/employees.

For details:

<https://economictimes.indiatimes.com/markets/stocks/news/sebi-levies-fine-on-titans-employee-for-disclosure-lapses/articleshow/86304849.cms>

❖ **Direct Tax**

- **No Section 194A TDS on Interest payment to Scheduled Tribe by Scheduled Bank (Notification No. 110, Dated September 17, 2021)**

CBDT notifies that no Section 194A TDS will be deducted by 'Scheduled Bank on payment of interest, other than interest on securities to Scheduled Tribe residing in any specified area, and the payment as referred above is accruing or arising to the receiver as referred to in section 10(26) if the payment made or aggregate of payments made during the previous year does not exceed twenty lakh rupees.

For details:<https://incometaxindia.gov.in/communications/notification/notification-no-110-2021.pdf>

- **CBDT notifies pension fund, namely '2452991 Ontario Limited' Section 10(23FE) (Notification No. 111, Dated September 16, 2021)**

CBDT notifies pension fund, namely, '2452991 Ontario Limited' under sub-clause (iv) of clause (c) of the Explanation 1 to clause (23FE) of section 10 of the Income-tax Act, 1961 in respect of the eligible investment made by it in India on or after September 16, 2021 but on or before March 31, 2024 subject to fulfilment of certain conditions.

For details:<https://incometaxindia.gov.in/communications/notification/notification-no-111-2021.pdf>

- **CBDT notifies pension fund, namely '276522 Ontario Limited' Section 10(23FE) (Notification No. 112, Dated September 16, 2021)**

CBDT notifies pension fund, namely, '276522 Ontario Limited' under sub-clause (iv) of clause (c) of the Explanation 1 to clause (23FE) of section 10 of the Income-tax Act, 1961 in respect of the eligible investment made by it in India on or after September 16, 2021 but on or before March 31, 2024 subject to fulfilment of certain conditions.

For details:

<https://incometaxindia.gov.in/communications/notification/notification-no-112-2021.pdf>

❖ **Terminology for today****Gini Index**

The Gini index, or Gini coefficient, is a measure of the distribution of income across a population developed by the Italian statistician Corrado Gini in 1912. It is often used as a gauge of economic inequality, measuring income distribution or, less commonly, wealth distribution among a population. The coefficient ranges from 0 (or 0%) to 1 (or 100%), with 0 representing perfect equality and 1 representing perfect inequality. Values over 1 are theoretically possible due to negative income or wealth.

❖ **Market Watch****Stock Market Indices as on 20.09.2021**

S & P BSE Sensex	58490.93 (-524.96)
Nifty 50	17396.90 (-188.25)

Foreign Exchange Rates as on 17.09.2021

(<https://www.geojit.com/currency-futures/rbi-reference-rate>)

INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR / 1 JPY
73.38	86.43	101.34	0.67

❖ Indirect Tax

Goods and Services Tax

Recommendations of 45th GST Council Meeting (September 17, 2021)

The GST Council's 45th meeting (first physical GST council meeting since pandemic) was held on September 17, 2021 in Lucknow under the chairmanship of the Union Finance & Corporate Affairs Minister Smt. Nirmala Sitharaman. The GST Council has *inter-alia* made the following recommendations relating to changes in GST rates on supply of goods and services and changes related to GST law and procedure:

- Life-saving drugs Zolgensma and Viltepso used in treatment of Spinal-Muscular Atrophy exempted from GST when imported for personal use;
- Extension of existing concessional GST rates on certain COVID-19 treatment drugs upto December 31, 2021;
- GST rates on 7 other medicines recommended by Department of Pharmaceuticals reduced from 12% to 5% till December 31, 2021;
- GST rate on Keytruda medicine for treatment of cancer reduced from 12% to 5%;
- GST rates on Retro fitment kits for vehicles used by persons with special abilities reduced to 5%;
- GST rates on Fortified Rice kernels for schemes like ICDS reduced from 18% to 5%;
- Coaching services to students provided by coaching institutions and NGOs under the central sector scheme of 'Scholarships for students with Disabilities' is exempt from GST;
- Services by cloud kitchens/central kitchens are covered under 'restaurant service', and attract 5% GST [without ITC];
- Ice cream parlor sells already manufactured ice-cream. Such supply of ice cream by parlors would attract GST at the rate of 18%;
- Overloading charges at toll plaza are exempt from GST being akin to toll;
- The renting of vehicle by State Transport Undertakings and Local Authorities is covered by expression 'giving on hire' for the purposes of GST exemption; and
- On the issue of compensation scenario, a presentation was made to the Council wherein it was brought out that the revenue collections from Compensation Cess in the period beyond June 2022 till April 2026 would be exhausted in repayment of borrowings and debt servicing made to bridge the gap in 2020-21 and 2021-22 etc.

In terms of the recent directions of the Hon'ble High Court of Kerala, the issue of whether specified petroleum products should be brought within the ambit of GST was placed for consideration before the Council. After due deliberation, the Council was of the view that it is not appropriate to do so at this stage.

For details:

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1755925>

Prepared by Directorate of Academics

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

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