

Info Capsule

Tuesday
September 21, 2021

President : CS Nagendra D. Rao

Vice President : CS Devendra V. Deshpande

❖ Direct Tax

Government extends certain timelines to ease compliances (Notification No. 113, Dated September 17, 2021)

The Central Government, in continuation of its commitment to address the hardship being faced by various stakeholders on account of the Covid-19 pandemic, has, on consideration of representations received from various stakeholders, decided to extend timelines for compliances under the Income-tax Act, 1961 in the following cases, as under:

- Time limit for intimation of Aadhaar number to the Income tax Department for linking of PAN with Aadhaar has been extended from September 30, 2021 to March 31, 2022.
- The due date for completion of penalty proceedings under the Act has also been extended from September 30, 2021 to March 31, 2022.
- Time limit for issuance of notice and passing of order by the Adjudicating Authority under the Prohibition of Benami Property Transactions Act, 1988 has also been extended to March 31, 2022.

For details:

<https://incometaxindia.gov.in/communications/notification/notification-no-113-2021.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)



❖ Securities Laws & Capital Markets

SEBI CIRCULAR

Clarifications with respect to Circular dated April 28, 2021 on 'Alignment of interest of Key Employees ('Designated Employees') of Asset Management Companies (AMCs) with the Unitholders of the Mutual Fund Schemes' (September 20, 2021)

SEBI, vide its Circular dated April 28, 2021, has provided that a part of the compensation of Key Employees of the AMCs shall be paid in the form of units of the schemes in which they have a role or oversight. In this regard, SEBI has clarified that junior employees (a designated employee of the AMC below the age of 35 years excluding CEO, head of any department and Fund Managers) shall be required to invest 10% during October 01, 2021 to September 30, 2022 and 15% during October 01, 2022 to September 30, 2023, in the MF units. However, all junior employees shall be mandatorily required to invest 20% w.e.f. October 01, 2023 onwards. Further, it has been provided that other designated employees shall be mandatorily required to invest 20% in the MF units w.e.f. October 01, 2021.

For details:

https://www.sebi.gov.in/legal/circulars/sep-2021/clarifications-with-respect-to-circular-dated-april-28-2021-on-alignment-of-interest-of-key-employees-designated-employees-of-asset-management-companies-amcs-with-the-unitholders-of-the-mutual-_52703.html

❖ Terminology for today

Command Economy

A command economy is a key aspect of a political system in which a central governmental authority dictates the levels of production that are permissible and the prices that may be charged for goods and services. Most industries are publicly owned.

❖ **Indirect Tax**

Goods and Services Tax

- **Clarification on doubts related to scope of “Intermediary” - Circular No. 159/15/2021- GST (September 20, 2021)**

The definition of intermediary services specifically mentions that intermediary “does not include a person who supplies such goods or services or both or securities on his own account”. Use of word “such” in the definition with reference to supply of goods or services refers to the main supply of goods or services or both, or securities, between two or more persons, which are arranged or facilitated by the intermediary. It implies that in cases wherein the person supplies the main supply, either fully or partly, on principal to principal basis, the said supply cannot be covered under the scope of “intermediary”.

For details: https://www.cbic.gov.in/resources//htdocs-cbec/gst/Circular%20No.%20159_14_2021_GST.pdf

- **Clarification in respect of certain GST related issues - Circular No. 160/16/2021- GST (September 20, 2021)**

With effect from January 01, 2021, section 16(4) of the CGST Act, 2017 was amended *vide* the Finance Act, 2020, so as to delink the date of issuance of debit note from the date of issuance of the underlying invoice for purposes of availing input tax credit. Accordingly, for availment of ITC on or after January 01, 2021, in respect of debit notes issued either prior to or after January 01, 2021, the eligibility for availment of ITC will be governed by the amended provision of section 16(4), whereas any ITC availed prior to January 01, 2021, in respect of debit notes, shall be governed under the provisions of section 16(4), as it existed before the said amendment on January 01, 2021.

For details: https://www.cbic.gov.in/resources//htdocs-cbec/gst/Circular%20No.%20160_14_2021_GST.pdf

- **Clarification relating to export of services-condition (v) of section 2(6) of the IGST Act 2017 - Circular No. 161/17/2021- GST (September 20, 2021)**

Supply of services made by a branch or an agency or representational office of a foreign company, not incorporated in India, to any establishment of the said foreign company outside India, shall be treated as supply between establishments of distinct persons and shall not be considered as “export of services” in view of condition (v) of section 2(6) of IGST Act. Similarly, any supply of service by a company incorporated in India to its branch or agency or representational office, located in any other country and not incorporated under the laws of the said country, shall also be considered as supply between establishments of distinct persons and cannot be treated as export of services.

For details: https://www.cbic.gov.in/resources//htdocs-cbec/gst/Circular%20No.%20161_14_2021_GST.pdf

❖ **Banking and Insurance**

• **Heed to Heal - Climate Change is the Emerging Financial Risk (September 20, 2021)**

RBI Deputy Governor M Rajeshwar Rao in CAFRAL Virtual Conference on Green and Sustainable Finance said that there is a need to mainstream green finance and devise ways for incorporating environment impact into commercial lending decisions. The climate risk in the financial sector should be the joint responsibility of stakeholders as it would affect the resilience of the financial system in the long run.

For details: https://rbi.org.in/Scripts/BS_SpeechesView.aspx?Id=1127

• **AU Small Finance Bank issues over 40k credit cards since inception (September 20, 2021)**

AU Small Finance Bank on September 20, 2021 said it has issued over 40,000 credit cards since its launch a few months back, and more than half of them are first time users. The Jaipur based lender said it is the first SFB to enter semi-urban and rural areas with its own credit cards. It also offers a special Altura plus credit card to empower women to experience a limitless living.

For details:

<https://economictimes.indiatimes.com/industry/banking/finance/banking/au-small-finance-bank-issues-over-40k-credit-cards-since-inception/articleshow/86372392.cms>

❖ **Market Watch**

Stock Market Indices as on 21.09.2021

S & P BSE Sensex	59005.27 (+514.34)
Nifty 50	17562.00 (+165.10)

Foreign Exchange Rates as on 20.09.2021

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

INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR / 1 JPY
73.47	86.13	100.88	0.67

Prepared by Directorate of Academics

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

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।
कष्टकर्म कृतं त्रुतिः करोते हि ते भवः।

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

Connect with ICSI

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