

Info Capsule

Monday
April 04, 2022

President : CS Devendra V. Deshpande

Vice President : CS Manish Gupta

❖ Direct Tax

Income tax 5th Amendment Rules, 2022 [Notification No. 23 Dated: 1st April, 2022]

CBDT notifies Form ITR-7 for Assessment Year 2022-23 / Financial Year 2021-22 vide Notification No. 23/2022.

For details:

<https://incometaxindia.gov.in/communications/notification/notification-23-2022.pdf>



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भारतीय कम्पनी सचिव संस्थान
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❖ Securities Laws & Capital Markets

SEBI Circulars

• **Standardization of industry classification- Applicability to credit rating agencies (April 01, 2022)**

To bring in uniformity in the classifications being used across sectors and in securities market, SEBI has issued standardized industry classification which will be used by credit rating agencies (CRAs) for the purpose of rating exercise and research activities. It is provided that the industry classification will be applicable to CRAs with effect from October 01, 2022. In the meantime, any feedback and suggested changes by credit rating agencies shall be recalibrated by exchanges, wherever feasible.

For details:

https://www.sebi.gov.in/legal/circulars/apr-2022/standardization-of-industry-classification-applicability-to-credit-rating-agencies-cras-_57531.html

• **Standardisation of Ratings Scales Used by credit rating agencies - Extension of timeline for implementation (April 01, 2022)**

SEBI has extended the date of applicability of the section B of its circular no.

SEBI/HO/MIRSD/MIRSD_CRADT/P/CIR/2021/594 dated July 16, 2021. It is provided that the Credit rating agencies shall ensure compliance with the requirements/provisions of the section B of the aforesaid circular on or before June 30, 2022. In order to standardise the usage of rating scales, SEBI vide its circular dated July 16, 2021 had advised the credit rating agencies to either align their rating scales with the rating scales prescribed under the guidelines of respective financial sector regulator or in absence of the same, follow rating scales prescribed by the SEBI, by March 31, 2022.

For details:

https://www.sebi.gov.in/legal/circulars/apr-2022/standardisation-of-ratings-scales-used-by-credit-rating-agencies-extension-of-timeline-for-implementation_57529.html

❖ **Indirect Tax**

Goods and Services Tax

- **Special composition scheme for Brick Kilns (Notification No. 03/2022- Central Tax and Notification No. 04/2022 –Central Tax dated March 31, 2022)**

These notifications seeks to amend notification no. 10/2019-Central Tax and notification no. 14/2019-Central Tax dated March 07, 2019 to implement special composition scheme for Brick Kilns, as recommended by 45th Goods and Services Tax Council meeting. These notifications are applicable from April 01, 2022.

For details:

<https://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-03-central-tax-english-2022.pdf>

<https://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-04-central-tax-english-2022.pdf>

- **New GST rates for Fly Ash Bricks, Building Bricks etc. (Notification No. 01/2022-Central Tax (Rate) and Notification No. 02/2022- Central Tax (Rate) dated March 31, 2022)**

Central Board of Indirect Taxes and Customs (CBIC) has issued notifications to increase GST rates for Fly Ash Bricks, Bricks of fossil meals or similar siliceous earths, Building Bricks and roofing tiles to 12% with ITC and 6% without ITC from existing rate of 5%. These notification seeks to provide for a concessional rate on intra state supply of bricks conditional to not availing the ITC, as recommended by 45th Goods and Services Tax Council meeting.

For details:

<https://taxinformation.cbic.gov.in/content-page/explore-notification>

❖ **Terminology for today**

Shrinkflation

Shrinkflation is the reduction in the size of a product in response to rising production costs or market competition.

❖ **Business and Economic News**

- **Cost of living rises in India as companies pass on higher prices (April 4, 2022)**

Indian manufacturers are running out of capacity to absorb rising input costs, with an increasing number passing it along to consumers in an economy already grappling with Asia's third-fastest inflation and an uneven recovery.

For details:

<https://economictimes.indiatimes.com/news/india/cost-of-living-rises-in-india-as-companies-pass-on-higher-prices/articleshow/90632305.cms>

- **Unemployment rate decreasing in India: CMIE (April 3, 2022)**

Unemployment rate in the country is decreasing with the economy slowly returning to normal, according to CMIE data. The Centre for Monitoring Indian Economy's monthly time series data revealed that the overall unemployment rate in India was 8.10 per cent in February 2022, which fell to 7.6 per cent in March. On April 2, the ratio further dropped to 7.5 per cent, with urban unemployment rate at 8.5 per cent and rural at 7.1 per cent.

For details:

<https://economictimes.indiatimes.com/jobs/unemployment-rate-decreasing-in-india-cmie/articleshow/90624064.cms>

- **India overshoots export target; achieves USD 417.8 billion exports in 2021-22(April 03, 2022)**

Merchandise exports from India have reached USD 417.8 billion in the current financial year. This figure excludes the figures from non-EDI Ports and adding that, it is likely to exceed \$418 billion, an all-time high in India's export history.

India has achieved highest monthly value of merchandise export in March 2022 amounting USD 40.38 billion, an increase of 14.53% over USD 35.26 billion in March 2021 and an increase of 87.89% over USD 21.49 billion in March 2020.

The exports have witnessed a significant growth in non-petroleum goods also in April 2021-March 2022 which was USD 352.76 billion, an increase of 32.62% over USD 266.00 billion in April 2020-March 2021 and an increase of 29.66% over USD 272.07 billion in April 2019-March 2020.

For details:

<https://pib.gov.in/PressReleasePage.aspx?PRID=1812990#:~:text=India%20has%20achieved%20highest%20monthly,21.49%20billion%20in%20March%202020>

❖ Ethics and Governance News

House finance panel may question SEBI Chief in NSE Scam (April 4, 2022)

A parliamentary panel on finance headed by former minister of state for finance Jayant Sinha has called top officials of market regulator SEBI including its chairperson Madhabi Puri Buch for questioning on issues pertaining to regulatory issues and the NSE colocation scam. The committee on finance summoned Securities and Exchange Board of India (SEBI) representatives on Tuesday. Officials in the Ministry of Corporate Affairs said that the newly appointed chairperson Madhabi Puri Buch may appear before the committee. "The standing committee has issued a notice.....Panel would like know what went wrong in the case of NSE," the official said. The new chairperson herself is expected to attend the meeting and inform the panel about the development, the official added.

For details:

<https://economictimes.indiatimes.com/news/india/house-finance-panel-may-question-sebi-chief-in-nse-scam/articleshow/90628951.cms>

Market Watch

Stock Market Indices as on 04.04. 2022

S & P BSE Sensex	60611.74 (+1,335.05)
Nifty 50	18053.40 (+382.95)

Foreign Exchange Rates as on 01.04.2022

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

INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR/ 1 JPY
75.52	83.93	99.18	0.62

Prepared by Directorate of Academics

For any suggestions, please write to academics@icsi.edu

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