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Why India's oxygen supply failed to deliver, and who is responsible for the lives lost.

Oxygen – ironically earth's most freely available resource, and yet short in supply. Hospitals are suddenly running out of medical oxygen and there is more panic amidst the pandemic than ever before because the belief that the doctors and hospitals could save us has been shaken, as people have died in bulk owing to shortage of oxygen supply. Nobody would have imagined a day where oxygen would be out of supply and people would die as a result of the same. However, that's not the entire truth – the production of oxygen is the least of the concern here, as the real source of the issue is 'the supply chain'. This would become evident when you understand India's current demand and supply for oxygen.

India's demand for Oxygen before the pandemic was 700 metric tonne per day. This jumped to 2,800 metric tonnes per day after the pandemic last year. However, due to the surge in COVID-19 cases, now India's oxygen requirement has suddenly increased to 5,500 metric tonnes per day. One would assume that the production of oxygen may have overwhelmed, however, India's oxygen production capacity currently is 7,287 metric tonnes and there is buffer stock of approximately 50,000 metric tonnes as of April 15 as per Health Minister's statement!

INOX Air Products, country's largest manufacturer of medical oxygen is currently producing 2,200 metric tonnes per day from its 25 plants. Reliance Industries is producing 1,000 metric tonne oxygen per day although it is not their business. Tata Steel is producing 600 metric tonnes of oxygen per day while the Steel Authority of India (SAIL) is also working at its peak capacity of 860 metric tonnes per day. And people still died due to lack of oxygen – reason? 'Supply Chain Management' – often the most ignored aspect of the business and even governance.

Government makes policies, however, they rarely reach the person intended. One of the most common mistakes in business plans is a lack of focus on the supply chain – if the product isn't going to reach the ultimate consumers, how will the sales grow? On the contrary, e-commerce companies like Amazon have been successful in this era which provides a platform to buy and sell with a robust supply chain for delivering the products in time while maintaining the quality and keeping things hassle-free for buyers and sellers. However, that's a discussion for another day, as a failure of few businesses doesn't impact the country as much as the failure of Governance does.

And if we were to find out the culprit for this whole oxygen supply facade, you may want to begin by asking questions to the Government first, the body responsible for handling the pandemic. However, let us first understand what went wrong and how we reached this day.

Allocation of Medical Oxygen

Production of oxygen is abundant, however, the allocation of the same to the hospitals and other purposes is managed by the Empowered Group II (EGII). The group has nominated members from the states, representatives from manufacturers and is headed by Mr Guruprasad Mahapatra, the Secretary of 'Department of Promotion of Industry and Internal Trade (DPIIT)' which comes under the control of the Union Government. The group reconstituted under Disaster Management Act, 2005 is responsible for working on ensuring the availability of essential medical equipment and augmenting human resources, amidst the pandemic. Clearly, the people responsible for this whole debacle is this committee, as it was their responsibility.

However, the Empowered Groups (total of 11) formed in March 2020 to look after the COVID-19 situation were condensed into 6 bigger groups in September 2020, so that one group is tasked with two or more functions. Now, as it is with any bigger group and Government organisations in India, the committee had a lot to plan but didn't have time to plan and of course, the consensus is never around the corner for such committees. Thus, the decisions were delayed and that has cost us dearly.

Besides, oxygen is not used for medical purposes alone and there are routine industrial uses as well. On April 18, when Government banned the use of oxygen for industrial use, it also allowed nine industries to continue using the stock - ampoules and vials, pharmaceuticals, steel plants, petroleum refineries, nuclear energy facilities, oxygen cylinder manufacturers, waste-water treatment plants, food and water purification – industries which require oxygen for uninterrupted operation of furnaces. The total usage of these industries is around 2,500 metric tonnes per day. Thus, the Government did not have any clue about the shortage of oxygen in hospitals. On April 21, the Prime Minister's Office released a statement that "Against the present demand from 20 states of 6,785 metric tonnes of oxygen, Government has allocated 6,822 metric tonnes to these states". Surprisingly, India has 28 states and 9 union territories and the Government is talking about only 20 states. To add more to the curiosity, on April 26, the Delhi High Court requested Central Government to entirely stop the use of oxygen for industrial purposes, however, the Central Government hasn't passed any order yet. The government did float an emergency import tender for 50,000 metric tonnes of oxygen, however, nothing has been spoken on its date of delivery.

Transportation of Medical Oxygen

Allocation is not the only problem that the Government needs to resolve. Even if oxygen is appropriately allocated to a particular state, the transportation of the same is a key implementation factor. India's oxygen manufacturing plants are unevenly distributed across the country. The eight states of Maharashtra, Gujarat, Jharkhand, Odisha, Tamil Nadu, Karnataka, Kerala and West Bengal account for 80% of India's total oxygen production. So, if oxygen is short in supply at Delhi, oxygen must be transported from 1,000+ km away from Gujarat, the nearest state and it would take a day for the same if everything occurs smoothly.

And everything doesn't occur smoothly, as different states are in different modes of lockdown – some allow certain kind of transportation, some states have banned transportation from other particular states and some have even shut down their borders completely.

So, if oxygen has to be transported, all the states from where the same vehicle shall pass must provide their consent and permission, and we already know bureaucracy is a lengthy process, especially in India. So, the delay in transportation has further costed us dearly.

And that's the reason why suddenly all the states started requesting for airlifting the oxygen tankers and delivering the same. However, easier said than done, transporting oxygen in large quantities by air has not been done before owing to its hazardous nature and therefore, even the Aircraft Rules, 1937 do not permit private airlines to do so.

So then, Defence aircraft could well come to the rescue, however, even that requires several permissions from the Ministry of Defence, Indian Air Force and Directorate General of Civil Aviation (DGCA). Difficult, yet doable, and hence, Government has been working on the same.

But then there's an another problem.

Storage of Medical Oxygen

Steel Authority of India (SAIL) disclosed that the company was not able to despatch its stockpile of 11,000 metric tonnes of oxygen owing to a lack of oxygen tankers. We do not enough oxygen tankers to supply the oxygen to different states. Transporting liquid medical oxygen has several challenges, as it requires special cryogenic tankers.

We never had such kind of situation before and do not have a large number of tankers to supply the same. The normal daily oxygen transportation (pre-pandemic period) was limited to around 300 - 400 metric tonnes and thus, we do not have the infrastructure to supply large scale oxygen.

The government is now converting nitrogen and argon tankers into oxygen tankers, however, that will come to our rescue after a while. The Railways is also running Special Oxygen Express for transporting oxygen. These limited tankers have to deliver and return to their base, and continue the to and fro cycle.

The problem doesn't end just with transportation. Once the oxygen reached the location, it has to be stored in cryogenic vessels or cylinders which again aren't available in the numbers that we need right now. The manufacturers were simply not prepared for catering to such a huge demand. There is demand for 10,000 cylinders daily, but the industry manufactures only 2,000 a day. Besides, cylinders are manufactured foreseeing demand and in February-March, the production slowed down as it seemed Covid was over and there was no requirement. The government had placed estimated requirements to the cylinder manufacturers last year, but this year the

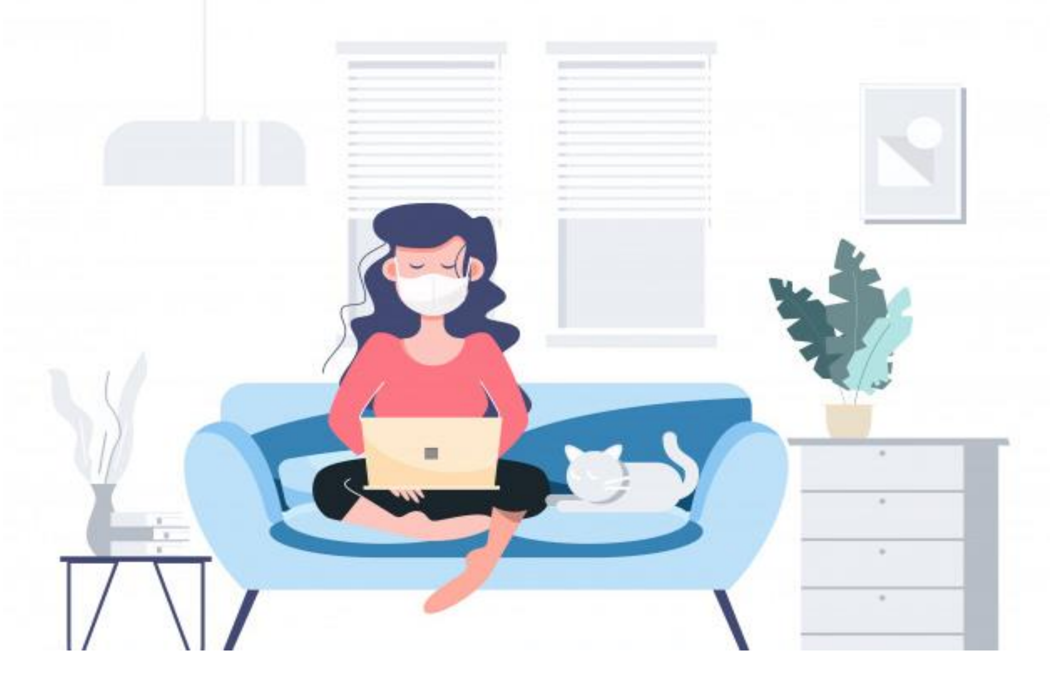
Government did not plan anything.

Like the Oxygen tankers, even the cylinders have to be used and then returned to the base for refilling. Hospitals are in chaos currently owing to the sudden surge in the number of patients, and the recent cases of fire in some hospitals is an example of how hospitals are out of control. Thus, the oxygen cylinders may not be returning immediately for refilling and therefore, the usage of the same may not be as efficient, as one would expect to overcome the situation.

Overwhelmed!

There's one common factor in the whole story – 'sudden surge in demand'. The oxygen manufacturers did not expect, the storage tankers did not expect, the cylinders did not expect, the hospitals did not expect and even the State and Union Governments did not expect that the cases would surge so dramatically. We can blame the Government for taking the pandemic too lightly, exporting the vaccines to other countries while there's a short supply for its citizen, not running vaccination drive at its full, conducting elections and campaigns in the middle of a global pandemic, not effectively utilising the contributions to PM Cares Fund, allowing religious and sporting events to occur, not expending the budget allocations promised for COVID-19 vaccines and healthcare budget, and many more things. However, we cannot deny the fact that the situation emerged because people took the pandemic casually, left the guard and stepped out of their homes, got infected with the COVID-19 virus and then required the medical support and oxygen – we created the demand, the surge in the cases and the short supply of everything thereon. While expecting a better response from the Government, we also need to expect a better response from ourselves.

(This article was contributed by the editorial team.)



Stay Home. That's the best thing you can do, to help overcome the oxygen crisis, and to appreciate the work of our superheroes!

How income tax department is tracking your income, and what you need to do, to smartly avoid the hassles!

By Amit Chandak, Associate Director, Greenvissage

(Disclaimer: Tax evasion is high in our country, and so is red-tapism. This article is an advisory on how genuine taxpayers can avoid the red-tapism and in no manner, intends to promote tax avoidance, since paying taxes genuinely, is the first step, and in the truest spirit, the smartest way, to avoid hassles from the tax department.)

Have you ever wondered? Barely 1% of the population pays taxes in India and surprisingly, 100% of the country is still running, growing, developing and even globally competing with the money collected from the 1% population. Is the income disparity so high in India? Well, there are few myths in this understanding.

Firstly, direct taxes are only 50% of the total collections of the Government and the same is also on the decline, as the Government has found success the alternate ways. When you buy something for personal use, you are already paying taxes (i.e. GST) indirectly. By the end of the year, you would have purchased so many things for personal use and on an average 8-10% of the same is the amount of taxes you have already paid to the Government.

Secondly, similar to taxes on goods and services, the Government levies taxes on equity and other security transactions (Securities transaction tax) and also properties. Lastly, the economic services such as dairy, animal husbandry, Food, Agriculture, Petroleum, Railways, Roads and bridges, Communication services, Research, etc are all areas where Government owns assets and earns from the same e.g. toll tax, police fines, telecom spectrums, sale of defence equipment, food warehouses, etc. Thus, all these collections together help the Government to run our economy.

While the collections from the economic services is not a huge portion, it helps the government to cover its expenses towards public welfare. However, the Government still has the country's defence and military, roads and railways, space research, educational institutions, and various other development works to manage.

The collection from the taxes in a way can be said is used for these purposes. However, even when the country's tax collections are huge, we are still amongst the developing nations trying to build our space amongst the global stalwarts. This is mainly because of the poor strategies of the Governments and misuse of public money.

If you were the Government, what would you do to?

The Tax Department's Plan

Information! The key constraint of the entire tax conundrum is information – Government needs the information because once they have the information they have the force to work on it and extract the tax money from the evaders. Until the last few years, the tax department used to evaluate your returns, find if there are any problems and resolve or assess the same. However, this did not yield many results as only the people filing returns were being assessed while the evaders were out there. Demonetisation was a big failure as people found ways to circumvent the situation. Several attempts at increasing the number of return filers have been unsuccessful, as people continue to disregard the laws. And thus, realising the ineffectiveness of the prior means, the Government's plan has shifted from being 'assessors of information' to 'collectors of information'. Why sit and evaluate information when you can collect the information yourself? This is evident from the following:

1. Government programmes for linking to Aadhar, to create a database of each person's activities
2. Government's increasing focus on digitalisation of the economy
3. Government departments entering into 'Memorandum of Understanding' (MOUs) for information sharing
4. Introduction of faceless assessment schemes and annual information statements
5. Pre-filled income tax returns introduced from FY 2021-22 onwards

The central idea of a digital economy is information – when the world is digital, everything can be traced, tracked and caught. Think of this as GPS in your mobile phone. Because you carry a smartphone, your location is digitally available through accessing the GPS. However, if you do not carry a smartphone, your whereabouts would be difficult to trace. Thus, the Government's primary focus has been to digitalise the economy and it has been successful.

However, digitalisation alone won't be helpful, if the information collected doesn't reach the tax department. And thus, the Government has been aggressively entering into 'Memorandum of Understanding' (MOUs) with various other entities. Of course, this could have been done years ago, as many other Government departments are already almost digital, but this is Government and not so surprisingly, it takes years for the Government to pass and process changes in the system.

The success of the Goods and Services Tax (GST) portal has been the real eye-opener for the Government. While citizens continue to abuse the GST portal, it is still one of the best data portals that the Government has ever owned. The information collected through GST returns, e-way bills, e-invoicing and reports have enabled Government to create a huge database of business transactions that can be analysed, traced to the origins and even raise the red flags on its own. The Finance Ministry has finally understood that this is the way forward.

From the budget speeches to the amendments in the laws and changes in the procedures, the Government off lately has been pretty vocal about how they want to change the tax system. The Finance Minister and her team are using terminologies such as data analytics, artificial intelligence, machine learning, etc. to be to be used in the tax department. However, when a cash-rich company like Google hasn't mastered the technologies yet, it would be ground-breaking if the Government does! We know it's not true – words 'AI' and 'ML' are so trendy that even the Government wants to jump in and 'portray' that they are technologically advanced.

One thing is true – the Government's plan is 'Information'. However, even with information, the Government's tax collection won't go up, if the tax litigations keep increasing simultaneously. So, the best sider for 'Information' is 'Fear'. When citizens fear that the Government is capable of doing something, the tax contributions would be higher than before. That's the best we can make out of the whole 'AI-ML' talks of the Finance Ministry.

Sources of Tax Department's Information

To understand how the income tax department traces income and to ensure that you disclose your income appropriately and maintain 'social distancing' with tax hassles, you firstly need to understand how the income tax department collects information and its sources.

1. <u>Income Tax Return</u> – The first and foremost source of information about your income is your income tax return. Income Tax Returns are filed on a self-assessment basis meaning 'this is my income as per my calculations and the tax payable by me'. When you provide information through income tax return, the same is automatically processed without any human intervention and your income tax refund or tax payable, if any, is determined. Since computers are processing the information, it is important that your income tax return is filled up properly because filling up wrong information can result in computer highlighting the mismatches and therefore, result in tax assessments where more officers would be involved and would cause you more troubles, even if you have paid taxes properly. That's why it is so important to not just hire experts but to hire the best experts to file your tax returns. By paying a little higher fees to get experts to file your tax returns can save you from hassles in the future and much higher fees, for handling assessments.

2. <u>TDS/TCS Returns / Form 26AS</u> – Information about your income, if liable to a tax deduction or (tax collection) at source i.e. TDS/TCS would automatically reach the tax department since the person deducting taxes reports your PAN and your income in his TDS returns that he files. Now, although it is beyond your hands, such another person must also file the returns appropriately because if he is mistaken, your income might be reported incorrectly and land you in troubles, not the other person. So, if you notice any mistake in your Form 26AS, request the other party involved to rectify the mistakes before you file your tax return. The Government has recently increased the coverage of TDS and TCS returns to ensure more information reaches the tax department. You cannot escape from filing returns or paying taxes if taxes have been deducted from your income. This has been the biggest source of information for decades now.

3. Tax Audit Reports – For businesses and professionals who are liable to audit under income tax, a long list of information concerning your income is provided by the Chartered Accountants in Form 3CD, the tax audit report. This information is submitted in a database file, meaning the information is auto-populated and auto-matched with the information in your tax return and used to process your tax return and for tax assessment. The report must contain 'accurate' information as the tax officers are going to assume the same as true above your words and your self-assessed return. Form 3CD contains various clauses which empower the tax officer with information about critical provisions under income tax. Your tax officer is going to scrutinise your tax audit report and open a 'Scrutiny Assessment' if he finds any information unusual or missing in your tax return. So, make sure that your tax audit report and your income tax return reconcile and cross-match with each other in every aspect.

4. Goods and Services Tax Returns – Oh yes, you read it right! As a result of MOUs with the Central Board of Indirect Taxes and Customs, the Income Tax Department now receives the details of your GST returns (specifically GSTR-3B) filed and the same is being automatically reconciled with your income tax returns. Thus, if you have disclosed certain Sales turnover in GSTR-3B returns, make sure the same reconciles with your turnover in Income Tax Return. If the same is exempt, non-taxable or has different treatments under two laws, make sure you prepare (or ask your tax consultant) a reconciliation of your 'Turnover as per IT Returns' vs 'Turnover as per GSTR-3B return'. Any major differences between the two (even if legal) would be highlighted by the data analytics, as technology and even the tax officer won't understand the reasons for the same until you explain. The probability of getting selected for scrutiny assessments (or limited scrutiny assessments) would be higher if the turnover does not reconcile. Make sure that even if your turnover is exempt from income tax, the same if disclosed under GSTR-3B, is also disclosed under the exempt income schedule of the income tax return. This would enable you to better explain your turnover reconciliation in assessments later.

5. Statement of Financial Transactions (SFT) – SFT is a report of specified financial transactions that certain entities such as banks, listed companies, mutual funds, document registrar, etc are liable to submit to the income tax department. These transactions are specified under income tax law and the persons liable to submit the report are expected to maintain a record over the year and file the SFT return based on the record at the end of the year before May 31. However, it is important to note here that the tax department doesn't get the entire details of your bank account through the bank or such others. Only the specific information that such institution is required to report and is reporting, reaches the income tax department. All such transactions would be reported to the Income-tax department and would also reflect in Form 26AS, at the end of the year. While these transactions may have occurred

transactions may have occurred for legitimate reasons and sources, the same must be considered while filing an income tax return, as the tax officer would compare the return filed with the above transactions and may issue a notice to understand the details of the above transactions. The list of specified transactions is as follows:

a) Annual cash payments for bank drafts, pay orders or banker's cheque exceeding 10 lakh
b) Annual cash payments for purchase of pre-paid instruments exceeding 10 lakh
c) Annual cash deposits in one or more current account exceeding 50 lakh
d) Annual cash withdrawals from one or more current account exceeding 50 lakh
e) Annual cash deposits in one or more savings accounts or time deposits exceeding 10 lakh
f) Annual fixed or recurring deposits (other than renewals) exceeding 10 lakh
g) Annual credit card payments in cash exceeding 1 lakh
h) Annual credit card payments in any mode exceeding 10 lakh
i) Purchase/buyback of bonds, debentures or shares of a company exceeding 10 lakh
j) Purchase of one or more schemes of a particular Mutual Fund exceeding 10 lakh
k) Purchase of foreign currency through any mode exceeding 10 lakh in a year
l) Purchase or sale of immovable property with value exceeding 30 lakh
m) Annual cash purchases from a particular person exceeding 2 lakh
n) Dividend distributed by a company during the year, no minimum limit on amount
o) Capital gains on transfer of listed equity, securities or mutual funds, no minimum limit on amount
p) Interest earned from banks, post office or non-banking financial companies, no minimum limit on amount

6. <u>Investigation Wing</u> – The investigation wing of the Central Board of Direct Taxes (CBDT) is a high-level department that keeps checking on tax evasion at a higher level. This wing is also responsible for conducting search and seizures when they have reasonable information about a particular taxpayer.

7. <u>Other Government Agencies</u> – The Central Board of Direct Taxes (CBDT) has recently entered into a Memorandum of Understanding with the following Government authorities and departments for the exchange of information. These agencies provide the income tax department with data available. Central Board of Indirect Taxes & Customs (CBIC) has a huge database of customs clearances for exports and imports. The Government is currently working on building a network between these entities to share the relevant data. These agencies are:

    a) Central Bureau of Investigation (CBI)
    b) Directorate of Revenue Intelligence
    c) Enforcement Directorate (ED)

d) Central Board of Indirect Taxes & Customs (CBIC)

e) Cabinet Secretariat

f) Intelligence Bureau (IB)

g) Directorate General of GST Intelligence

h) Narcotics Control Bureau (NCB)

i) Financial Intelligence Unit (FIU) and

j) National Investigation Agency (NIA).

8. Whistleblowers – The income tax department has recently opened an option for any citizen to report details of tax evasion or Benami property by either filing a simple complaint secretly without any rewards or by becoming an informer for the income tax department after disclosing the identity and claiming a reward.

The above sources of income tax department's information are compiled together and available with the income tax department in respect of all taxpayers which enables the tax officers to analyse returns and complete assessments. A taxpayer must keep a track of all the above reports, returns, transactions and details which are being filed in his respect by various authorities. It is important that the taxpayers ensure that all such transactions in respect of which the income tax department already has information are reported in the tax return.

Compliance Portal and Cross-confirmations

The income tax department has recently launched its compliance portal and Annual Information Statement (AIS). The compliance portal is an ongoing dashboard that updates with information from the above sources, every quarter. Currently, the portal is in beta version and is the centre of all future developments. This portal also contains an Annual Information Statement (AIS) which contains more detailed information as compared to a Form 26AS. The information on the compliance portal seeks confirmation from the taxpayers concerning information reported by other entity. The income of one person is an expense for another person. Thus, if certain transactions are reported by one entity, they can be confirmed by the other entity in respect of whom such transactions have been reported. Such cross confirmations enable the income tax department to ensure the tax liabilities of both the persons are correct and there is no escaping of income. The entire portal is dependent on information from the above sources and it seems Government will over years intensify the portal by extending the scope of TDS/TCS, SFT etc.

Proper Accounting and Documentation

One of the most common mistakes that taxpayers make is they fail to maintain proper accounting, records and documents of their transactions. This is equivalent to digging one's own grave. Proper accounting aids in reporting the transactions properly in the tax returns and audit reports. Meanwhile, proper documentation is evidence that the transactions are the way they have been reported. Most taxpayers are not in a position to submit documents asked for in a tax assessment and hence end up paying taxes and penalties. Taxpayers do not employ appropriate resources to maintain accounts and end up paying more than what they saved, besides the taxes and penalties, and most importantly the hassles and the time lost.

Government Policies

- Reserve Bank of India (RBI) has constituted a committee to evaluate applications for Universal Banks and Small Finance Banks. A Universal Bank offers Retail, Wholesale and Investment Banking Services under one roof. The applications shall be initially screened by the RBI to ensure prima facie eligibility and thereafter, the committee will evaluate the applications. The panel termed as 'Standing External Advisory Committee (SEAC)' shall be headed by Former Deputy Governor, Shyamala Gopinath.

- Union Ministry of Civil Aviation (MoCA) has granted permission to the Telangana Government to use drones for the experimental delivery of Covid-19 vaccines across the state, for a period of one year. The Telangana government had sought the exemption from Unmanned Aircraft Systems (UAS) Rules of 2021, in March 2021, to press drones into vaccine delivery service and the same has been granted provided that the drones fly within the Visual Line of Sight (VLOS) range.

- Minister for Road Transport & Highways and Micro, Small and Medium Enterprises, Nitin Gadkari said that the Government is developing infrastructure with priority and has set a target of road construction worth INR 15 lakh crores in the next two years, with 40 kilometres per day of highway construction, as Government is also permitting 100% FDI in the road sector. The National Infrastructure Pipeline (NIP) for 2019-2025 is the first of its kind project where the Government has committed to providing world-class infrastructure to its citizens and improving the quality of their lives.

- The government is working on a system to provide GST officers with live reports of vehicles that are moving without e-way bills, to intercept trucks at toll plazas and check GST evasion. Under the Goods and Services Tax regime, e-way bills are mandatory for inter-state transportation of goods valued over INR 50,000 from April 2018 onwards.

- India's foreign exchange reserves have increased by USD 1.701 billion to tally a total of USD 584.107 billion as of April 23. The reserves touched a lifetime high of USD 590.185 billion this year on January 29.

Goods and Services Tax

- To provide relief to taxpayers, the Ministry of Finance has notified relaxations in the compliance requirements as follows:

a) Timelines for all proceedings, assessment orders and all other related compliances falling due on any day between April 15 to May 30 has been extended to May 31.

b) The due date for filing GSTR-1 for April 2021 has been extended from May 11 to May 26 and the due date for filing Invoice Furnishing Facility (IFF) for taxpayers opting for Quarterly Return and Monthly Payment (QRMP) scheme has been extended from May 13 to May 28.

c) Taxpayers with turnover up to INR 5 crore have been waived off from interest liability for late filing of GSTR-3B for March and April months, for the first 15 days from the due date. 9% interest shall be applicable for delay extending to the next 15 days and the regular provisions and interest at 18% thereafter.

d) Taxpayers who file quarterly returns have been waived off from paying a late fee for 30 days for filing returns for March, falling due on April 30.

e) Taxpayers with an aggregate turnover of more than INR 5 crore in the preceding financial year have been waived off their late fee if they fail to submit GSTR-3B within 15 days from the due date for the months of March and April.

f) The due date to furnish GSTR-4 return by Composition Taxpayers for the financial year ending March 31, 2021, has been extended May 31, from April 30.

g) The period for furnishing the ITC-04 declaration in respect of goods dispatched to a job worker or received from a job worker during the period from January 1 to March 31 has also been extended to May 31, 2021.

- The Supreme Court, while hearing a case relating to arrest under the GST act, has announced that the judiciary will intervene and ensure that fundamental, constitutional rights of citizens are not trampled on during such arrests, since there is no oversight mechanism such as the CrPC provisions in case of GST arrests. The Supreme Courts will lay down guidelines for officers to follow, in breach of which citizens can approach jurisdictional courts for appropriate relief. Section 69 of the CGST Act empowers the commissioners to arrest a person if he has reasons to believe that the person has claimed fraudulent ITC and order up to 5 years of the arrest. The companies involved have represented that the arrests under GST cannot precede the process of determination of liability, as a person cannot be termed as 'accused' before an investigation, and an offence cannot be non-bailable until the duty alleged to be evaded is quantified.

- The Supreme Court in the case of Radha Krishna Industries vs State of Himachal Pradesh came down heavily on the GST authorities for enforcement and blatant misuse of the provisions concerning attachment of taxpayers' assets. The bench noted that Parliament aimed to give the GST a citizen-friendly tax structure, however, the provisional attachment was a draconian and preemptive strike.

- The Appellate Authority for Advance Ruling (AAAR), Tamil Nadu bench in the case of Kalyan Jewellers India, has ruled that GST would be levied on the value of goods or services involved in gift vouchers, at the time of redemption such pre-paid instruments. The appellate authority has modified the ruling of AAR which ruled that the GST rate shall be 12% if the prepaid instrument was paper-based and 18% if the same was magnetic strip based.

- Authority for Advance Ruling (AAR), Uttar Pradesh bench, in the case of Dwarikesh Sugar Industries engaged in the manufacture and sale of sugar and allied products ruled that the expenses incurred for Corporate Social Responsibility (CSR) expenditure are expenses incurred in the course of business and eligible for input tax credit (ITC), distinguishing such expenditure from goods given voluntarily as 'Gifts'. The company had undertaken construction of school buildings, additional rooms and laboratories, besides supplying free furniture and electrical equipment for use in the school.

- The Central Board of Indirect Taxes and Customs (CBIC) has allowed taxpayers registering themselves on the GST portal, during the period from April 21 to May 31 to furnish their GST returns through electronic verification code (EVC). Corporate taxpayers usually have to digitally sign the GST returns using Digital Signature Certificate (DSC) while filing the monthly return on the GST portal.

- Goods and Services Tax (GST) collections have touched a record high of INR 1.41 lakh crore in April surpassing the previous high of INR 1.23 lakh crore in March. This is the seventh month where the monthly GST collections have crossed INR 1 lakh crore mark. April collections which relate to Sales in March 2021 – the last month of the financial year conventionally sees a pickup in tax collections.

(For queries or more information relating to GST, contact our colleague Ashish Gandhi at ashish.gandhi@greenvissage.com)

Income Tax

- Ministry of Finance (MoF) has notified relaxations in the compliance requirements, to provide relief to taxpayers. Thereby, all compliances in respect of Appeals to Commissioner (Appeals), Objections to Dispute Resolution Panel (DRP) under section 144C and filing of Income-tax return in response to notice under section 148, where the last date of filing is between April 1 and May 30, has been extended to May 31.

- The due date for filing of belated return under 139(4) and revised return under 139(5) for FY 2019-20 has been extended from March 31 to May 31. Similarly, the due date for payment of tax deducted at source (TDS) under section 194-IA, section 194-IB and section 194M of the Act and filing of challan cum statement for such tax deducted which are required to be paid and furnished by April 30 has been extended to May 31.

- Statement in Form 61 containing particulars of declarations received in Form 60 due to be furnished by April 30 can now be submitted up to May 31. Form 60 is required to be filed in a case where a person enters into certain transactions such as the Sale of immovable property but does not have a PAN card. Form 61 is required to be furnished by a person who has only agricultural income and is not in receipt of any income.

- Various taxpayers have received communications from the Income Tax Department relating to the mismatch between income tax returns (ITR) filed for FY 2019-20 and the details of high-value transactions available with the department. The taxpayers are expected to file a revised return and pay taxes accordingly, if the mismatch is genuine, or provide an appropriate response to the High-Value Transactions on the Compliance Portal of Income Tax website. The move is welcoming as the Income Tax Department is alerting taxpayers in advance, instead of directly proceeding with scrutiny assessments. Off recently, the Ministry of Finance has been vocal about the ways they have been working on aggregating data and analysing tax returns with the aid of data analytics and other technologies being built.

- Central Board of Direct Taxes (CBDT) has introduced new rules to allow claiming deductions for payments such as taxes, duties, or cess or provident fund contribution of employees under section 40 or 43B if the same have been paid after the tax audit report has been submitted. Section 40 disallows expenditure that is not deductible while computing business income while Section 43B allows deductions of certain expenses on an actual payment basis. The new rules now allow filing a Revised Audit Report i.e. Form 3CD signed by the accountant to claim relief for such payments.

- The Direct Tax Resolution Scheme 'Vivad Se Vishwas' has resolved one-third of the total direct tax disputes to net INR 54,005 crore in tax revenue and out of the same 51% of the total tax related to Central Public Sector Undertakings (PSUs). While the Government had expected to generate a revenue of INR 1 lakh crore through the scheme, the scheme has failed to generate the same owing to the pandemic, even after a series of extensions.

- The Direct Tax Dispute Resolution Scheme 'Vivad Se Vishwas' has been extended by two months till June 30.
- Income Tax Department has issued refunds worth over INR 2.62 lakh crore to more than 2.38 crore taxpayers in 2020-21 (refunds of prior years). The refunds issued have increased 43.2% during the year 2020-21.

(For queries and more information relating to Income Tax, contact our colleague Sneha Halder at sneha.halder@greenvissage.com)

Corporate Laws

- Ministry of Corporate Affairs (MCA) has allowed spending of Corporate Social Responsibility (CSR) Funds for setting up makeshift hospitals and Covid-care facilities, including vaccination for the general public, to reduce stress on existing healthcare infrastructure. However, the circular is silent on vaccination.
- Securities and Exchange Board of India (SEBI) has extended the due date for filing the Q4 financial results (due on May 15) and Annual Financial Results (due on May 30), to June 30.
- Securities Exchange Board of India (SEBI) has released new guidelines to refund for unallotted and partially allotted applications for the rights issue. The issuing company along with its lead managers, registrar, and other intermediaries now have to ensure that the refund for unallotted/partially allotted applications is completed on or before one day after the basis of allotment day. The aforementioned parties also have to ensure that all data for refund instructions is error-free to avoid any technical rejections and in case of any technical rejection, the same must be addressed promptly.
- Securities Exchange Board of India (SEBI) has released fresh guidelines on reporting formats for Mutual Funds to be submitted by Asset Management Companies (AMCs) to Trustees, by the Asset Management Companies to SEBI and by the trustees to the SEBI, based on consultation from the industry. The compliance certificate to be submitted on a bi-monthly basis and half-yearly basis has been discontinued and these reports have been incorporated in the quarterly report by AMC to trustees.

(For queries and more information relating to Corporate Laws, contact our colleague Adnan Ginwala at adnan.ginwala@greenvissage.com)

Customs and Foreign Trade

- The Central Board of Indirect Taxes and Customs (CBIC) has set up a help desk to handle queries related to Covid related imports for expeditious Customs clearance of these goods.
- The Finance Ministry has fully exempted import of COVID-19 vaccines, Oxygen Concentrators and Oxygen related equipment such as Medical Oxygen, Oxygen storage tanks, Oxygen filing systems, Cryogenic road transport tanks for Oxygen, etc. from basic customs duty and health cess for a period of three months, up to July 31.
- Owing to the surge in Covid cases, Finance Ministry has reduced the Integrated Goods and Services Tax (IGST) on import of Oxygen Concentrators for personal use, from 28 per cent to 12 per cent.

- Ministry of Finance (MoF) has amended the Foreign Trade Policy to allow imports of Oxygen Concentrators for Personal Use through the post, courier or e-commerce portals under the category of 'Gift' amid increasing demand for oxygen due to rising COVID-19 cases. The exemption under this category is granted only for life-saving drugs and medicines. This exemption shall be applicable for three months period up to July 31.

(For queries and more information relating to Foreign Trade, contact our colleague Adnan Ginwala at adnan.ginwala@greenvissage.com)

Banking and Finance

- Reserve Bank of India (RBI) has clarified that the cost of the court-mandated waiver of compound interest for all loans during the moratorium period has to be borne by the lenders, and has mandated the lenders to refund the interest component to their borrowers by placing board-approved policies to refund or adjust the 'interest on interest' charged to borrowers during the moratorium period – March 1, 2020, to August 31, 2020. Earlier, Supreme Court had dismissed the distinction made by the government between small and large borrowers for refunding compound interest accrued during the moratorium period. An additional INR 7,500 crore ex-gratia burden would be added owing to loans of 2 crore and above. The relief already extended to borrowers with loans up to 2 crores was estimated at INR 6,500 crore.

- Reserve Bank of India (RBI) has increased the limit of maximum balance in a payments bank from INR 1 lakh to INR 2 lakh per individual customer at the end of each day. Paragraph 4(i) of the 'Guidelines for Licensing of Payments Banks' (Licensing Guidelines) dated November 27, 2014, restricted the Payments Bank (PBs) such as Paytm Payments Bank, Airtel Payments Bank, etc to hold a maximum balance of INR 1 lakh per individual customer at the end of the day. The guidelines allowed to revise the maximum balance limit based on the performance of the Payment Banks.

- Reserve Bank of India (RBI) has extended Cheque Truncation System (CTS) across all bank branches in the country and has ordered compliance by all bank branches across the country by September 30, intending to provide a uniform customer experience irrespective of location. Banks will have to ensure that all their branches use the image-based CTS, with the freedom of choosing infrastructure deployment i.e. installing infrastructure in every branch or following a hub and spoke model. Banks had been mandated to submit their roadmap to achieve pan-India coverage of CTS and submit a status report before April 30. CTS system is in use since 2010 and presently covers around 1,50,000 branches. All the erstwhile 1219 Non-CTS clearing houses (ECCS centres) have been migrated to CTS effective September 2020.

- Finance Industry Development Council (FIDC) has requested the Reserve Bank of India (RBI) to allow restructuring of stressed loans given by Non-Banking Financial Companies (NBFCs) to retailers and small businesses, even if they had been restructured earlier, up to March 31, 2022, owing to the second wave of COVID crisis. The retail borrowers, including the MSMEs, and the wholesale trader industry are in urgent need of support from the lenders to revive their economic activities.

- Reserve Bank of India (RBI) has extended the timeline for Non-Banking Payment Aggregators (PAs) to enable the payment system providers and participants to put in place workable solutions such as tokenisation, by 6 months to December 31.

- Reserve Bank of India (RBI) is conducting a customer satisfaction survey to find out the impact of the recent mergers of state-owned banks on banking services being availed by individuals. The respondents are being asked whether the merger was positive from the point of customer services.

- Reserve Bank of India (RBI) has mandated banks to collect more details of international transactions using credit cards, debit cards, unified payment interface (UPI) along with their economic classification i.e. Merchant Category Code (MCC) while compiling returns for reporting under the Foreign Exchange Transactions Electronic Reporting System (FETERS), through a new return termed as FETERS-Cards. For transactions through credit card, debit card or UPI, the banks shall provide details of forex sold and purchased by the bank and provide the Merchant Category Code (MCC), the currency involved, the amount of transaction, the status of the card, the country involved and whether the payment was through QR Code Scan in case of UPI.

- Reserve Bank of India (RBI) has modified its format for Uniform Credit Reporting (UCR) used for reporting credit information to the Credit Information Companies (CICs). The format which earlier had two Annexures viz. Consumer and Commercial Bureau, and Micro Finance Institution (MFI), is now split into three annexures (i) Consumer Bureau, (ii) Commercial Bureau and (iii) MFI Bureau. The field 'Written off and Settled status' is now renamed to 'Credit Facility Status' and a new value 'Restructured due to COVID-19' has been added to the same.

- Reserve Bank of India (RBI) has maintained the limits for Foreign Portfolio Investors (FPIs) investment in Corporate bonds of Indian companies, unchanged at 15% of the outstanding stock of securities for FY 2021-22.

(For queries and more information relating to banking and finance, contact our colleague Kethaan Parakh at ksparakh@greenvissage.com)

Accounting and Auditing

- Ministry of Corporate Affairs (MCA) has deferred its order requiring companies to use only accounting software that has 'audit trail' and other specified features, by a year to April 1, 2022. Earlier, the Ministry of Corporate Affairs had notified that starting April 1, the companies must mandatorily use only such accounting software which has features of recording audit trail for transactions, logs of changes made to the books and that the audit trail feature cannot be disabled.

- Reserve Bank of India (RBI) has issued new guidelines for the appointment of statutory auditors of Banking companies and Non-Banking Financial Companies (NBFCs), including Housing Finance Companies (HFCs), applicable for FY 2021-22 onwards. Non-deposit taking NBFCs with asset size below INR 1,000 crore have the option to continue with their existing procedure. The guidelines provide instructions for the appointment of auditors, the number of auditors, their eligibility criteria, tenure, rotation, etc.

In Focus: IndAS-16

- *If a company has acquired agricultural land for setting up a factory building and significant costs (non-refundable) are to be incurred for obtaining permissions for the construction of the building such as environmental clearance and change of land use, etc. Whether such costs can be capitalised?* As per paragraph 7 of IndAS 16, an item of property, plant and equipment shall be recognised as an asset if, and only if (a) the future economic benefits will flow to the entity; and (b) the cost can be measured reliably. Further, the paragraph 10 of IndAS 16 be evaluated when the costs are incurred and not later. Thus, at the time of incurring expenditure on obtaining permissions, judgement has to be applied whether relevant permissions will be granted or not. If regulatory permission is merely a formality i.e. (i) the company regularly obtains such permission; or (ii) has been told informally that the permission will be granted; or (iii) based on the experience of the company, it will be able to obtain such permission in a short period, then the costs can be capitalised when incurred. However, where consent is not a formality, for example, if the company has been trying to get permission for some time and there is no indication of whether it will be granted, in such cases, the expenses must be charged as an expense in the Statement of profit and loss. Once expensed, any subsequent change in circumstances cannot result in the capitalisation of such expenses.

- *To facilitate the construction of the factory and its operations, if a company is required to incur expenditure on the construction/development of railway siding, roads or bridges, which would not be owned by the company, as they would result in public property, can the company capitalise such expenditure?* Paragraph 16 of In AS 16 states that the cost of property, plant and equipment shall comprise any costs directly attributable to bringing the asset to the location and condition necessary for operating in the manner intended. If the railway siding, road and bridge are required to facilitate the construction of the factory and for its operations, such expenditure shall result in future economic benefits from the project as a whole. However, since the company does not own these assets, they cannot be capitalised as a separate asset, instead, the expenditure incurred on these assets should be considered as the cost of constructing the factory and accordingly, such expenditure should be allocated and capitalised as part of property, plant and equipment. Further, as per paragraph 43 of IndAS 16, each part of property, plant and equipment with a cost that is significant to the total cost should be depreciated separately. Thus, the treatment of depreciation on such costs capitalised can be different from the same to the factory. However, the useful lives of these assets should not exceed that of the asset to which it relates.

- *If a company is required to build schools as a part of its arrangement with the local authorities to enable setting up of factory in the area, can costs of such schools be capitalised, if the ownership of the schools after construction or development would be handed over to the public?* No, such costs cannot be capitalised as the costs incurred to construct or develop the schools is not directly attributable to bringing the asset to the location and condition necessary for operating in the manner intended. Such costs must be expensed out in the statement of profit and loss.

- *Can a company expense off items purchased below a certain threshold set by the management?* Yes. As per the Guidance Note on Accounting for Depreciation in companies in the context of Schedule II to the Companies Act, 2013, issued by the ICAI, the life of the asset is a matter of estimation and the materiality of the impact of such charge should be considered concerning the cost of the asset. The size of the company is also a factor to be considered for such policy. Accordingly, a company may adopt a policy to fully depreciate assets up to certain threshold limits considering the materiality aspect in the year of acquisition. However, deciding whether an individual item is insignificant and the same may not be recognised as property, plant and equipment is a matter of professional judgment which requires careful assessment of facts and circumstances including qualitative aspects.

- *If a manufacturing company has machinery spares expected to be used for more than one accounting period, should such spares be capitalised or expensed out?* Paragraph 6 of IndAS 16 provides that property, plant and equipment are tangible items that (a) are held for use in the production or supply of goods or services, for rental to others, or administrative purposes and (b) are expected to be used during more than one period. Thus, machinery spares that are to be used for more than one accounting period must be capitalised subject to the materiality of the same.

- *Can renovations to the factory and renovations to administrative offices be capitalised as the cost of Property, Plant and Equipment?* As per IndAS 16, an item of property, plant and equipment must be capitalised if the same is expected to yield future economic benefits and the cost of the item can be measured reliably. Thus, if the renovations to the factory building and the administrative offices are expected to yield future economic benefits, the same should be capitalised.

- *If a critical part of the machinery is replaced, should the cost of such part be capitalised?* Yes. Since the part is critical and would be important in operating the machinery, if it is probable that future economic benefits shall flow to the company, owing to the replacement. Thus, the cost of such part must be capitalised. Further, the costs incurred on servicing the machinery on account of a replacement should also be capitalised. The carrying amount of the old part which is being replaced must be derecognised and expensed out.

(For queries and more information relating to Accounting, contact our colleague Rahul Mundada at rahul.mundada@greenvissage.com)

Payroll and Personal Savings

- Following the order passed by Delhi High Court, the Insurance Regulatory and Development Authority of India (IRDAI) has directed insurers to communicate their cashless approvals to the hospitals/establishments within a maximum period of 30 to 60 minutes so that there is no delay in discharge of patients, and hospital beds do not remain unoccupied. The decision on the final discharge of patients covered in COVID-19 claims has to be communicated within a period of 60 minutes from the receipt of the final bill along with all requirements from the hospital.

- Maharashtra Government decided not to extend the stamp duty waiver on property registrations whereby 3% concession was available up to March 31. As a result of the same, only 10,136 properties were registered in the state capital Mumbai as compared to 17,728 units registered in March, around a 43% decline.

- Employees Provident Fund Organisation (EPFO) has increased the maximum death insurance benefit for subscribers of its employees' deposit linked insurance scheme to INR 7 lakh while the minimum limit has been increased to INR 2.5 lakh. The same prior to revision were INR 2 lakh minimum and INR 6 lakh maximum.

- The rate of return of small savings schemes of post office as compared to prior period is as follows:

Scheme	21-22 Q1	20-21 Q4	%
Savings	4.00	4.00	0.00
FD (5 years)	6.70	6.70	0.00
RD (5 years)	5.80	5.80	0.00
NSC	6.80	6.80	0.00
PPF	7.10	7.10	0.00
KVP	6.90	6.90	0.00
SSA	7.60	7.60	0.00

(For queries and more information relating to Payroll, contact our colleague Kumari Snigdha at kumari.snigdha@greenvissage.com)

Economic Indicators

- Latest statistics relating to the key economic indicators of Indian economy stand as follows:

Indicator	As on	Current	Prior
GDP Growth (%)	Dec-20	0.40	– 7.30
Inflation (%)	Mar-21	5.52	5.03
Unemployment (%)	Feb-21	6.50	9.10
Trade Balance ($m)	Mar-21	–13930	–12620
GOI Bond 10yr (%)	Apr-21	6.03	6.18

- The movement in the major indices of various stock exchanges across the world, during the month of April, 2021 was as follows:

Equity Index	Country	%
NIFTY 50	India	– 1.59
BSE SENSEX	India	– 2.49
INDIA VIX	India	15.21
NIFTY BANK	India	– 3.18
DOW JONES	USA	+ 2.18
NASDAQ	USA	+ 3.58
S&P 500	USA	+ 4.01
FSTE 100	UK	+ 3.45
NIKKEI 225	Japan	– 3.49
SHANGHAI COM	China	– 1.08
MOEX	Russia	– 0.40
CAC 40	France	+ 2.73
DAX	Germany	+ 0.19
ASX 200	Australia	+ 2.89
BOVESPA	Brazil	+ 3.16
FTSE STI	Singapore	+ 0.00
KOSPI	South Korea	+ 1.13
HANG SENG	Hong Kong	– 0.91

- The movement in the major commodities futures with latest expiry, as per MCX during the month of April, 2021 was as follows:

Commodity	Expiry	Price	%
Gold	04-Jun	46,785	+ 3.04
Silver	05-May	68,423	+ 5.20
Crude Oil	19-May	4,716	+ 4.43
Natural Gas	27-May	218	+ 12.42
Aluminum	31-May	194	+ 8.79
Copper	31-May	754	+ 12.66
Cotton	31-May	21,900	+ 3.01

- The movement in the reference rates of major global currencies during the month of April, 2021 was as follows:

Currency Pair	Current	Prior	%
INR/1 USD	74.91	72.40	– 3.47
INR/1 GBP	103.81	99.62	– 4.20
INR/1 EUR	90.09	85.31	– 5.60
INR/100 YEN	69.40	66.26	– 4.74

- Movement in the major cryptocurrencies during the month of April, 2021 was as follows:

Currency	Pair	Price	%
Bitcoin	BTC/USD	57,444	– 2.31
Ethereum	ETH/USD	2,899	+ 40.01
Tether	USDT/USD	1.01	+ 0.71
XRP	XRP/USD	1.56	+ 158.28
Btc Cash	BCH/USD	992.53	+ 76.25

- Following the recent surge in the Bitcoin, now Ethereum has joined the party with a 40% surge during the last month. Unlike Bitcoin which is only a digital currency, Ethereum is an open source operating system and computing platform apart from being a digital currency.

Corporate News

- **Steel Authority of India (SAIL)** has disclosed that the company is unable to despatch its stockpile of 11,000 tonnes of oxygen owing to a lack of oxygen tankers. The company has further enhanced its oxygen-producing capacity of 860 tonnes per day owing to the present Covid situation, however, despatches are dependent on the availability of tankers.

- **Reliance Industries** has announced that it is now the country's largest single-location producer of medical-grade liquid oxygen amid the second wave of COVID-19 in the country. The company which was not into the oxygen business, however, began and ramped up its production of medical-grade oxygen from zero to 1,000 tonne per day in the short term and is ensuring a swift supply of the resource across the country.

- **Tata Steel** has raised its daily oxygen supply limit to 600 tonnes a day to health centres for the treatment of COVID-19 patients. On the directions of the steel ministry, steel plants in the country are supplying liquid medical oxygen (LMO) to various states amid rising demand for the gas. Tata Steel is closely working with central and state governments to augment the availability of oxygen.

- **Ola Cabs** Chairman and Group CEO Bhavish Aggarwal has said that the company will start selling their Ola Electric scooter in India first and are now also moving to foreign markets with a key focus on Europe. Ola is working on setting up a Hypercharger Network, to launch its electric scooter in India by July. The company recently launched its factory to manufacture electric scooters in Tamil Nadu and is gearing up to enter the electric four-wheeler segment by modelling a native electric car based on a born-electric skateboard platform, in combination with electronic motors, battery, and driving components. Ola Electric is looking to set up a global design division in Bengaluru.

- **Uber India** has introduced INR 18.5 crore (USD 2.5 million) initiative to get its 150,000 drivers vaccinated over the next six months. The company said that the drivers on its platform who show a valid digital vaccination certificate would be eligible for INR 400 for each of their two Covid vaccine shots.

- **Hotel Association of India (HAI)** has urged Finance Minister for modification in the Emergency Credit Line Guarantee Scheme (ECLGS) and factor in the capital intensive hotel industry who have a high percentage of fixed costs of operations and have become unsustainable due to negligible revenues.

- **Indian Railways** is planning to launch a 'Reverse Auction' to allow bids for supplying rails to railway projects. The company which offers the lowest price would secure orders of supplying rails to the Indian Railways. Jindal Steel and Power (JSPL) and Steel Authority of India (SAIL) are the only Indian companies currently who produce grades of rails at their facilities in Chhattisgarh.

- **Reliance Industries** is increasing its focus towards pharmacy deliveries putting the Netmeds acquisition to test hyperlocal deliveries in Bengaluru. The company claims to have launched 114 pharmacy stores during the last quarter.

- **Reliance Jio** has announced a 47.5% YoY profit in the fourth quarter with a net profit of INR 3,508 crore, as compared to INR 2,379 crore in the same period last year. Jio also posted an average revenue per user (ARPU) during the quarter of INR 138.2 per subscriber per month.

- **Reliance Retail's** eCommerce platform JioMart has announced three increase in its merchant base for the grocery delivery vertical in the last quarter. The platform has expanded its services to 10 new cities, with an overall presence in 33 cities now. The company is witnessing strong merchant traction from Tier 3 and beyond cities. Reliance Retail Ventures (RRVL), reported a 24.4% rise in revenue from operations at INR 47,064 crore for the last quarter.

- **Tata Digital's** acquisition of up to 64.3% in supermarket grocery supplies and sole control in BigBasket has been approved by the Competition Commission of India (CCI). Founded in December 2011, BigBasket is an Indian online grocery delivery service that primarily delivers grocery goods, home essentials and food supplies to customers.

- **State Bank of India (SBI)** has reduced its home loan rates to 6.70% while the women borrowers will get a special concession of 5 basis points. Thus, SBI home loan interest rates now start from 6.70 per cent for loans up to INR 30 lakh and 6.95 per cent for loans above INR 30 lakh and up to INR 75 lakh.

- **State Bank of India (SBI)** has issued a circular to update Know Your Customer (KYC) details through document received via post or email. Since restrictions and lockdowns are imposed in many states, the bank has mandated KYC update in cases where due, based on documents received from customers.

- **Borosil Limited** has announced that if an employee loses life due to COVID-19 his or her family will continue to receive the salary for the next two years along with other benefits that the employee was eligible for.

- **WhatsApp** has filed an appeal against the Delhi High Court who refused to revoke the order by the Competition Commission of India (CCI) concerning the inquiry into the abusive allegations on WhatsApp's new privacy policy. Facebook and WhatsApp had earlier petitioned the court to block the probe because of several pending cases related to the privacy policy.

- **Facebook** in collaboration with the Indian government is building a vaccine tracker that allows users to locate nearby vaccination spots on the Facebook website and mobile app. Facebook has pledged a USD 10 million grant for the COVID-19 crisis in the country.

- **Google's** parent company Alphabet Inc has Alphabet Inc revealed that its core advertising business is so profitable and dominant that it does not enough options for usefully deploying its cash and hence, announcing a USD 50 billion share buyback plan. Alphabet reported record earnings leaving its cash pile at about USD 135 billion USD 18 billion higher than the last year.

- **Amazon** has announced that its first-quarter profit (January 2021 to March 2021) has tripled as compared to the same during the last year, owing to the growth of online shopping amid pandemic. The company has posted revenue of more than USD 100 billion for the second quarter in a row. The profitability for the first quarter stood at USD 8.1 billion net profits, compared to USD 2.5 billion last year for the same period.

- **Apple** has been fined USD 12 million in Russia for alleged abuse of its dominance in the mobile applications market. The Federal Antimonopoly Service (FAS) reported that the tech giant's distribution of apps through its iOS operating system gave its products a competitive advantage.

- **Mahindra & Mahindra (M&M)** has bought a 56.8% share in Meru Cabs to take its holding to 100% as a part of its strategic intent to grow its presence in the shared mobility space. The company had earlier bought 44.14% holding of Meru Cabs for INR 76.03 crore from True North and others.

- **IDFC First** has lowered its interest rates on savings accounts to 4% effective May 1. The bank was earlier offering an impressive savings interest rate of 7% which was cut to 6% in February this year and now slashed further. On Saving Account balance ranging from INR 1 lakh to INR 10 lakh, the bank is offering an interest rate of 4.5%.

- **UpGrad** has garnered USD 40 million in another funding round from the International Finance Corporation (IFC), a sister organisation of the World Bank. The round has brought down the promoters' holding to 75%. Earlier, the company had secured USD 120 million in funding from Temasek in the company's first external funding round.

- **Page Industries** has temporarily suspended its operations in Karnataka from April 30, considering the seriousness of the current COVID situation in India except for warehouse, elastics and raw material stores in Karnataka.

- **Serum Institute of India's** CEO, Adar Poonawalla, was granted Y category security by the Ministry of Home Affairs (MHA) which includes 11 security personnel consisting of the Central Reserve Police Force (CRPF) and one or two commandos. Adar Poonawalla has left the country and is in London currently and said that he would return after few days. Adar Poonawalla had reported receipt of aggressive calls from powerful people demanding instant supplies of Covishield vaccines. SII is India's largest vaccine manufacturer.

- **Zomato** has claimed in its IPO filing that the Gross Order Value (GOV) on its platform has eclipsed pre-Covid levels in Q3 and that the GOV has increased by 7% to INR 29,810 crore compared to the same in FY20. Zomato has recently rebranded its Gold membership programme to Zomato Pro and it had 1.4 million members as of December 2020.

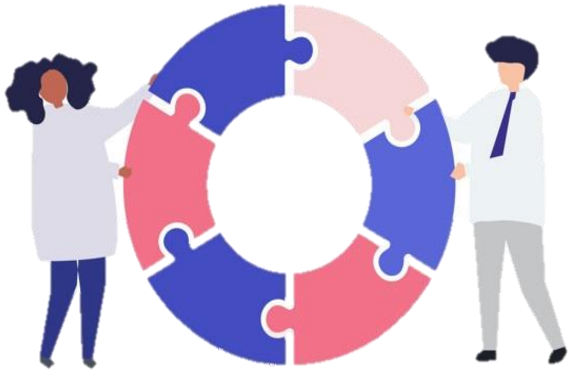
- **InfoEdge** has announced that it would be selling its stakes worth INR 750 crore in Zomato via Offer For Sale (OFS) in the upcoming IPO, as per the regulatory filing of the company.

- **Hathway Cable & Datacom's** 16 million shares were bought by the Government of Singapore's sovereign wealth fund at INR 22.22 apiece through a bulk deal on the National Stock Exchange.

- **Tata Consultancy Services (TCS)** has developed Covid Care Centres across 11 cities in India and has made arrangements with hotels that have hospital tie-ups to enable employees and their families to avail emergency medical financial assistance, apart from the health insurance facilities offered. The company is also organising COVID testing camps in the offices and 24x7 TCS Medical Hotline to reach doctors.

This too shall pass,
if you are passing the right thing.

Pass love, not virus!



Recap 2020 – The need to learn from the past and think about future It's a new year. The five-second task of scrapping the old calendars and replacing them with a new one, itself is a refreshing task. Writing date will have a fascination attached to it for the next few days. Finally, the year 2020 is done and dusted. We have a brand new year and a new decade to begin with. New resolution, new plans and new hopes – you don't need public speaker to motivate …

Don't be shy to find your why. Dive deeper and discover reality. Hello friends, I am 2021. "Hello friends, how are you doing? I am glad you are safe. By now you already know me – I am 2021, welcome to my age! Firstly, kudos to you for successfully graduating2020. It's okay if you didn't fetch good marks. I understand it was a challenging year with too many out of syllabus questions. Therefore, I am exempt you from everything this year, except for …

How to finance your business setup in India? People wonder how entrepreneurs discover amazing ideas and start new ventures they couldn't even think of. Did this question cross your mind too? Let me spill the beans – the ideas are right in front of you, it's just that your perception restricted your vision. We all face problems in life, what makes entrepreneurs different is that they perceive the same problem differently, and are curious, passionate, and courageous to …

Transfer Pricing – Understanding the concept of Arm's Length Price When we imagine big corporates, handshakes are one of the prominent flashes in our mind. We are often reminded that a good handshake is key to a good meeting. So, what's a good handshake? As experts list the rules – "Approach the person from his line of sight, look straight in the eye, keep a smile on the face, offer a hand when you have the attention, hold hand with a firm grip, with …

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