



Giriraj Khandelwal &

Associates

9th AUGUST 2021

Volume 3

LAKSHYA

The monthly Newsletter
(Only for private circulation)



This newsletter covers the following:

- Compliance calendar under various laws for the month of August 21.
- Significant Notifications/Circulars.
- Article on IPOs
- National news updates.
- Snapshot of important financial indicators
- Financial news from around the Globe

If you can't fly then run, if you can't run then walk,
if you can't walk then crawl, but whatever you do
you have to keep moving forward

- Martin Luther.

❖ COMPLIANCE CALENDAR UNDER VARIOUS LAWS FOR THE MONTH OF AUGUST 2021.ESIC, PF & PT PAYMENT

Nature of Payment	Period	Particulars	Due Date
ESIC Payment	July-21	Monthly Payment for ESIC Deducted	15 th August 2021
Provident Fund Payment	July-21	Monthly Payment for Provident Fund Deducted	15 th August 2021
Professional Tax Return	July-21	Return filling for payment made for taxpayers liable to file monthly return	31 st August 2021
Professional Tax Payment	July-21	Monthly Payment for Professional Tax Deducted	31 st August 2021

ROC COMPLIANCE

Forms	Period	Particulars	Due Date
Form 11	F.Y.2020-21	An annual statement for Submitting Details of the Business of the LLP and its Partners.	31 st August 2021
PAS-6	October 2020 - March 2021	Reconciliation of Share Capital Audit Report by Unlisted Company.	31 st August 2021
DPT-3	F.Y. 2020-21	Return Providing Information about deposits and/or outstanding receipt of loan or money.	31 st August 2021

COMPLIANCE CALENDAR UNDER INCOME TAX FOR AUGUST 2021

Form/Section	Period	Particulars	Due Date
—	July 2021	Payment of TDS/ TCS deducted / collected in July 2021.	7 th August 2021
—	—	Payment of Tax without additional charge under Direct Tax Vivad se Vishwas Act 2020.	31 st August 2021
Form 16A	April -June 2021	Issuing Quarterly TDS Certificate for payments other than Salaries.	15 th August 2021
Form 15CA/15CB.	—	Taxpayers who filed Forms 15 CA/15CB, in manual format to the authorized dealers are required to electronically file the forms through e-Filing Portal.	15 th August 2021

Form No.10A/10AB	—	The application under Section 10(23C), 12AB, 35(1)(ii)/(iia)/(iii) and 80G of the Act for registration/ provisional registration/ intimation/ approval/ provisional approval of Trusts/ Institutions/ Research Associations etc.	31 st August 2021
Form No. 15G/15H	F.Y. 2021-22	Uploading of the declarations by recipients requesting bank not to deduct TDS on interest income.	31 st August 2021
Section 144	—	Filing Objections to Dispute Resolution Panel (DRP).	31 st August 2021

Vide Circular No :15/2021 Dated 3rd August 2021, CBDT has extended timelines for electronic filing of various forms under Income Tax Act, 1961.A Summary of the extended due dates is given below:

Form	Period	Particulars	Due Date
Form No.15CC	April - June 2021	Quarterly statement to be furnished by Authorized dealer in respect for remittances made.	31 st August 2021
Form No.1	F.Y.2020-21	Equalization Levy Statement.	31 st August 2021
Form No.64D	F.Y.2020-21	Statement of Income paid or credited by an Investment to its Unit Holder.	15 th Sept 2021
Form No.64C	F.Y.2020-21	Statement of Income paid or credited by an Investment to its Unit Holder.	30 th Sept 2021

Notification: SECTION 35(1)(ii) OF THE INCOME-TAX ACT, 1961 - SCIENTIFIC RESEARCH EXPENDITURE.

- Central Government has approved M/s Patanjali Research Foundation Trust, Haridwar (PAN: -AABTP8183E) under the category "Research Association" for Scientific Research for the purposes of section 35 of the Income-tax Act, 1961.This Notification shall be applicable for Assessment Years 2022-23 to 2027-28.

COMPLIANCE CALENDAR UNDER GST - LAW FOR AUGUST 2021

GSTR-Form	Particulars	Tax Period	Due date
GSTR-1	Details of Sales for the Period	July-21	11 th August 2021
—	IFF	July-21	13 th August 2021
GSTR-3B	More than Rs. 5 Crore	July-21	20 th August 2021
	Up to Rs. 5 Crore (Not opting for QRMP scheme) (Specified States-I)	July -21	22 nd August 2021
	Up to Rs. 5 Crore (Not opting for QRMP scheme) (Specified States-II)	July -21	24 th August 2021
GSTR-5 (Monthly)	Non-Resident Foreign Taxpayers	July-21	20 th August 2021
GSTR-5A (Monthly)	NRI OIDAR Service Provider	July-21	20 th August 2021
GSTR -6 (Monthly)	Input Service Distributor	July-21	13 th August 2021
GSTR-7 (Monthly)	TDS Deductor	July-21	10 th August 2021
GSTR-8 (Monthly)	TCS Collector	July-21	10 th August 2021
-	Monthly payment of tax for Taxpayers opted for QRMP Scheme	JULY 21	25 th August 2021

Note No.1- IFF refers to Invoice Furnishing Facility.

Specified states I-

Chhattisgarh, Madhya Pradesh, Gujarat, Maharashtra, Karnataka, Goa, Kerala, Tamil Nadu, Telangana or Andhra Pradesh or the Union territories of Daman and Diu and Dadra and Nagar Haveli, Puducherry, Andaman and Nicobar Islands and Lakshadweep.

Specified states II-

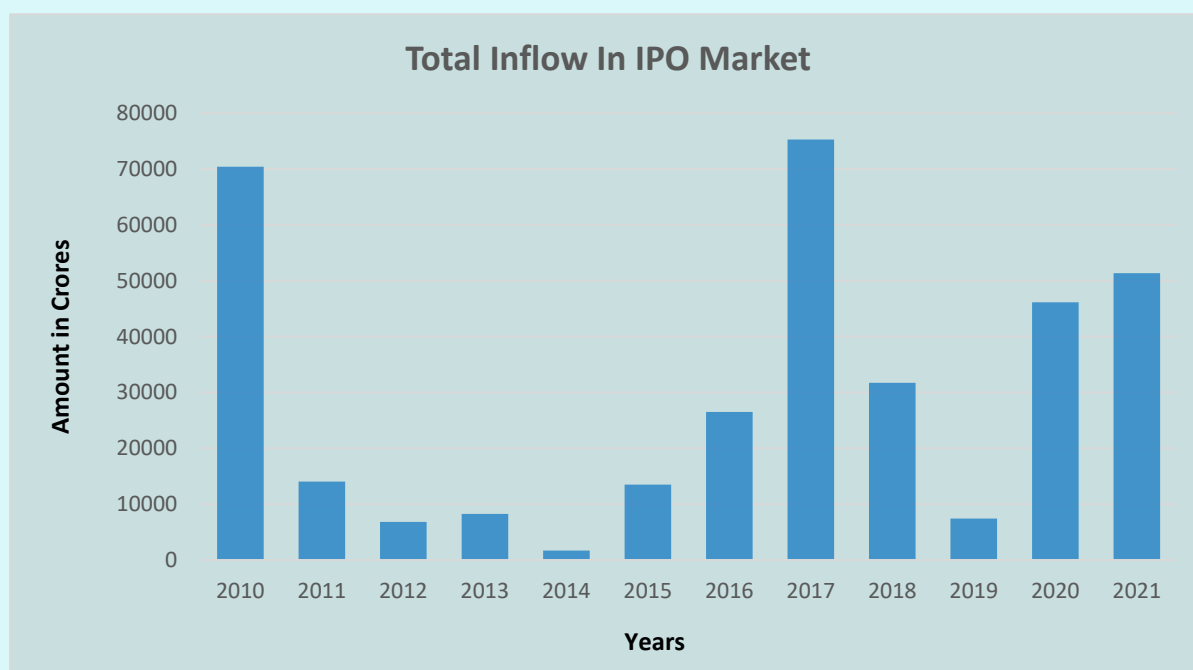
Himachal Pradesh, Punjab, Uttarakhand, Haryana, Rajasthan, Uttar Pradesh, Bihar, Sikkim, Arunachal-Pradesh, Nagaland, Manipur, Mizoram, Tripura, Meghalaya, Assam, West Bengal, Jharkhand, or Odisha or the Union territories of Jammu and Kashmir, Ladakh, Chandigarh and Delhi.

RAINING IPOs IN INDIA

After the boom of IPOs in the year 2010 and 2017 which raised a hefty INR 70,000 and INR 75,000 crores respectively, the year 2021 has already seen several listings so far. During the first half of the year 2021, the amount raised through IPOs have almost touched a mark of Rs.50,000 crores. Considering the fact that we still have a period of five months left this year and the overall market sentiment being positive and conducive towards a bull run, we can expect a record-breaking fund raising in the upcoming period.



The Indian IPO market has been maturing over the past few years whereby a greater number of companies are getting listed creating a surge in the volatility and wealth in the stock market. Below given is the graph stating the rise of the IPO market in India over the past 10 years.



As can be observed in the graph above, the year 2020 and 2021 respectively have seen a surge in the IPO market. The investors now have to see if the current IPO trend can break the record of the year 2017 which had the maximum inflow through IPOs of around Rs. 75,000 crores.

In the year 2021 many companies are preparing to get listed on the exchanges. Below, given is the list of the major companies already listed in the year 2021.

Sr No.	Company Name	Issue Price	Listing Day Price	Listing Day Gain /Loss	Current Price as on 6 th Aug 2021	% Return so far	Issue Size (In Crores)
1.	Zomato Limited	76	126	66%	131	72%	9375
2.	Clean Science and Technology Ltd	900	1586	76%	1656	84%	1546
3.	GR Infraprojects Limited	837	1746	108%	1692	102%	963
4.	India Pesticides Limited	296	343	16%	327	10%	800
5.	Dodla Dairy Limited	428	609	42%	605	41%	520
6.	Shyam Metallics	306	376	23%	421	37%	909
7.	MTAR Technologies Ltd	575	1082	88%	1377	139%	596
8.	Nazara Technologies Ltd	1101	1576	43%	1789	62%	583
9.	Macrotech Developers	486	463	(4.7%)	874	79%	2500
10.	Kalyan Jewellers India Ltd	87	75	(13.45%)	66	(24)%	1170
11.	Krishna Institute	825	1009	22%	1228	48%	2144
12.	Sona BLW	291	302	4%	411	42%	300
13.	Barbeque Nations	500	492	(2%)	1163	132%	450

14.	Craftsman	1490	1440	(3%)	1997	34%	820
15.	Laxmi Organics	130	173	33%	276	112%	800
16.	Nureca	400	634	58%	1728	332%	100
17.	Stove Kraft	385	498	30%	811	111%	412
18.	Glenmark Life Sciences	720	750	4%	748	3.8%	1513

As can be seen from the data provided, most of the IPOs have seen substantial gains in the current year due to the sudden spike in the cash inflows in the markets. Due to the lockdown restrictions during the past one year many individuals, mostly the youths have started investing the stock market. This has increased the liquidity in the market which has proved advantageous for the companies to get listed on the exchanges demanding heavy listing premiums.

After witnessing the success of the recent IPOs, many companies have lined up for filing their documents with the SEBI for getting listed on the stock exchanges. The summary of the same has been given below:

Sr No.	Company Name	Tentative Issue Size
1.	Paytm	12,000 Crores
2.	MobiKwik	1,900 Crores
3.	Life Insurance Corporation	-----
4.	Rolex Rings	731 Crores
5.	Nuvoco Vistas	5,000 Crores
6.	Go Air	3,600 Crores
7.	Fincare Small Finance Bank	1,330 Crores
8.	Bajaj Energy	5,450 Crores
9.	Aptus Value Housing Finance India Ltd	2,780 Crores
10.	Chemplast Sanmar Limited	3,850 Crores
11.	Aashka Hospitals Limited	101 Crores
12.	Cartrade Tech Limited	2,998 Crores
13.	Krsnaa Diagnostics Limited	1,213 Crores

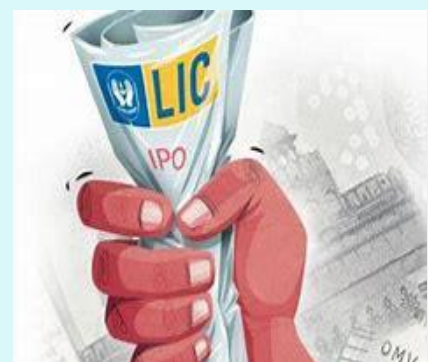
14.	Exxaro Tiles Limited	161 Crores
15.	Devyani International Limited	1,838 Crores
16.	Aditya Birla Sun Life AMC	1,500 Crores
17.	PharmEasy	3,000 Crores
18.	Muthoot Microfin	700 Crores
19.	Windlas Biotech	401 Crores
20.	Exxaro Tiles	161 Crores

After seeing unpredictable listing gains of 60% of a loss-making company like Zomato, many tech-based companies like Paytm and Mobikwik which have been provided above are in the news for filling their IPO documents with the SEBI.

However, many professionals and investors have stated that Zomato and other companies are highly priced due to the current unprecedented bullish trend in the market. Moreover, the current trend of loss-making companies getting listed is a cause of worry for the market as a whole. Even though the allocation of the initial public offering in case of loss-making company is focused on the HNIs and QIBs and the retail participation is restricted to 10% of the issue, the same is not a good sign for a healthy market. The companies like Zomato and Paytm have a different modus operandi as compared to the traditional companies. In this regard in the current case scenarios, it is difficult to predict the correct value of such firms. If we recall the year 1993, when Infosys was listed, analysts could not decode a method to value the company as IT was a new sector. However, coming to date, we know how such IT companies are to be evaluated.

On the other hand, the market is in a long wait for the biggest IPO till date which is none other than **Life Insurance Corporation of India (LIC)**. I would like to provide certain facts about the company.

- LIC has a total asset base of Rs.35,00,000 crores which is almost three times of that of Reliance.
- LIC controls almost 70% share in the insurance sector of India.
- As compared to the other insurance companies it has utmost penetration in the rural areas which consists of 70% of country's population.
- It has stakes in almost 20-25 companies which are included in the NIFTY 50 index.



Concluding my views, before investing in the IPOs investors shall consider all the aspects of the companies and the state of economy. Moreover, investor must be cautious before investing as there are blooming news in the market of a possible market bubble being made up which may burst at any point of time resulting into a fall in the short run.

However, India being a developing economy, most of the foreign as well as Indian investors are bullish in the long run.

**“If you can get an IPO, don’t buy it
Only buy IPOs you can’t get.”**

- Vahan Janjigian

- Sairaj Surve
Article Trainee

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NATIONAL NEWS UPDATES

- 1) India's largest oil firm **Indian Oil Corporation Ltd** will build the nation's first green hydrogen plant at its Mathura refinery, as it aims to prepare for a future catering to growing demand for both oil and cleaner forms of energy
- 2) The total contribution of agriculture and its allied sector has increased by **26.8%** from Rs 16,09,198 crore during 2013-14 to Rs 20,40,079 crore during 2020.
- 3) **IndusInd Bank** board approves plan to raise **Rs.30,000** crore through equity and debt. According to the board's decision the bank can raise funds through routes including American depository receipts and global depository receipts. The board also approved a proposal to raise authorised capital to ₹1,000 crore from ₹857 crore.
- 4) **Reliance Industries** is reportedly planning to buy Renewable Energy Corporation Group, a Norwegian solar module maker, as part of its **Rs.75,000 crores** push into clean energy.
- 5) Government paid Infosys **₹164.5** Crore for new Income Tax e-filing Portal between January and June 2021. On 7th June 2021, the Government launched the new tax e-filing portal.
- 6) According to Centre for Monitoring the Indian Economy (CMIE) data showed, India's unemployment rate soared to **7.14% from 5.98%** in the week ending 25th July as joblessness increased in both urban and rural areas.
- 7) Government Net tax collection in the April -June quarter grew about **86%** to over ₹ 5.57 Lakh crore, out of total tax collection of net direct tax stood at **₹ 2.46 Lakh** crore as against ₹1.17lakh crore in the year-ago period. Indirect tax collection stood at ₹ 3.11 lakh crore in Q1.
- 8) As per Ministry of Commerce and Industry India's Export increases by 45% to **USD 22.4 billion** during the first three weeks of July 2021.
- 9) RBI Increases Loan Limit of bank directors to **Rs.5 Cr** from 25 Lakh, It further stated that unless sanctioned by board or management committee, banks should not grant loans of Rs 5 crore or more to relatives other than spouse and dependent children of their top brass.
- 10) SEBI decided to relax the lock-in requirements of Promoter's shareholding to the extent of minimum shareholding (i.e.20% of Post-issue Capital) for the period of 18 Months from date of allotment of IPO instead of 3 years.
- 11) Flipkart, India's biggest e-commerce retailer, raised **\$3.6 Billion** in its latest fundraising round, valuing it at **\$37.6 Billion** as it reportedly prepares for a stock market listing.



SNAPSHOT OF THE FINANCIAL MARKETS

- India's currency was Rs.74.18 against the US Dollar (USD) on 30th July 2021 to beat all its regional peers as the nation's daily infections decline rapidly after touching a record high.
- The price of the world's largest cryptocurrency Bitcoin on Monday rose to approximately \$42,200 hitting its highest level since mid-June. Ethereum, on the other hand, hit a three-week high of \$2,100.
- The Indian Share Market has seen a positive impact in the month of August 2021 due to the decrease in the Covid cases. The summary of the monthly changes in the Indices is stated below:



Indices	June 2021 (Closing Value)	July 2021 (Closing Value)	Percentage change during the month
NIFTY 50	15,721	15,763	0.27 %
SENSEX	52,482	52,586	0.19 %
BANK NIFTY	34,772	34,584	(0.54 %)

- The summary of performance of global indices the has been given below:

Indices	June 2021 (Closing Value)	July 2021 (Closing Value)	Percentage Change during the month
NASDAQ COMPOSITE	14,528	14,672	0.99 %
NIKKEI 225	28,791	27,283	(5.23 %)
SHANGHAI	3,591	3,397	(5.40 %)
DAX	15,531	15,544	0.08 %
KOSPI	3,296	3,202	(2.85 %)

FINANCIAL NEWS FROM AROUND THE GLOBE

- 1) US-based teleconferencing services provider Zoom Video Communications Inc has agreed to buy cloud software provider Five-9 Inc in an all-stock deal worth \$14.7 billion.
- 2) The United Nations estimated the pandemic impact on Tourism industry will reduce global GDP by \$1.7 trillion - \$2.4 trillion in 2021. According to World Tourism Organization said that between January and May 21, International tourist arrivals were 85% below 2019 levels and 65% down in 2020.
- 3) Britain ran a fiscal deficit of 14.3% of GDP in the latest financial year, higher than any peacetime year on record. The stock of Government has risen from around 80% of GDP before Covid -19 to 100%.
- 4) According to Switzerland's central bank, the funds of Indians in Swiss banks rose to Rs 20,700 crore in 2020, the highest it has been in the last 13 years, owing to the surge in securities and institutional holdings. The bank also revealed that customer deposits from Indians in Swiss banks have fallen.
- 5) Facebook doubled its Net profit in the second quarter to \$10.4 billion, However Apple's new privacy policy to get clear consent for the ad data collected for iPhone users had a little Impact on Facebook's business so far.
- 6) Microsoft had another bumper three months as the pandemic boon to its cloud-computing and Team communications businesses helped generate a profit of \$16.5 billion.
- 7) Pfizer said it now thinks revenue from vaccine it developed with BioNTech will reach \$33.5 Billion this year. On the other hand, AstraZeneca and Johnson & Johnson have said they will not make a profit from their vaccines until the pandemic ends.
- 8) Microsoft and Google ended a truce in which they had agreed not to litigate or complain about each other to regulators without trying to resolve the disagreement first, the deal was struck in 2015.
- 9) Didi Chuxing, China's biggest ride-hailing app, ended its first day of trading on the New York Stock Exchange with a Market capitalization of \$68 Billion, it is the biggest foreign listing in America since Alibaba's debut.
- 10) Netflix gained 1.5 million subscribers in the second quarter, far below the 10.1 million who Joined in the same quarter last year, when lockdowns bit. The Company is looking at adding games to its platform at adding games to its platform to boost its user base.
- 11) China's economy expanded by 1.3% in the second quarter, compared with the previous three months, helped by growth in manufacturing retail and investment. China's export, meanwhile, rose by 32% in June over June 2020.
- 12) America's annual rate of Inflation hit 5.4 % in June another 13-year high.

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As can be seen from the data provided, most of the IPOs have seen substantial gains in the current year due to the sudden spike in the cash inflows in the markets. Due to the lockdown restrictions during the past one year many individuals mostly the youths have started entering the stock market. This has increased the liquidity in the market which has proved advantageous for the companies to get listed on the exchanges demanding heavy listing premiums. Since the current case market scenario is suitable for listing many companies have lined up for filing their documents with the SEBI for getting listed on the stock exchanges. The summary of the same has been given below:

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