



Giriraj Khandelwal &

Associates

10th SEPTEMBER 2021

Volume 4

LAKSHYA

The monthly Newsletter
(Only for private circulation)



This newsletter covers the following:

- Compliance calendar under various laws for the month of September 21.
- Significant Notifications/Circulars.
- Article on Emerging Electric Vehicle Industry
- National news updates.
- Economic Highlights.
- Snapshot of important financial indicators
- Financial news from around the Globe

Service to others is the rent you pay for your room here on earth.

- Mohammed Ali.

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

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

ROC COMPLIANCE

Forms	Period	Particulars	Due Date
DIR 3 KYC	F.Y.2020-21	KYC of Directors / Partners	30 th Sept 2021
AOC 4	F.Y.2020-21	Form for filing Financial Statements of One Person Company	27 th Sept 2021
Form FC-3	F.Y.2020-21	Form for filing Financial Statements of Liaison/Branch/Project Office	30 st Sept 2021
ECB 2	Aug-2021	Filing of ECB Return by Companies	7 th Sept 2021
—	F.Y.2020-21	Last day to hold AGM for Companies.	30 th Sept 2021

INCOME TAX

Form/Section	Period	Particulars	Due Date
—	Aug 2021	Payment of TDS/ TCS	7 th Sept 2021
—	II nd Installment	Payment of Advance Tax Liability	15 th Sept 2021
—	Aug 2021	Payment of Equalization Levy-For online advertisement services	7 th Sept 2021
139AA	—	Linking of PAN & AADHAR	30 th Sept 2021
54 to 54GB	F.Y 2020-21	Last day to deposit Capital Gains in Capital Gain A/c	30 th Sept 2021
194-IA, 194-IB, 194-M	July-2021	Issue of TDS Certificate for tax deducted in the month of July 2021	14 th Sept 2021

153/153B	—	Passing of order for assessment or reassessment by Assessing officer	30 th Sept 2021
—	—	Issue of Notice or passing of any order under Benami Act.	30 th Sept 2021

❖ **Income Tax Notifications issued by CBDT in the month of August 2021 & September 2021**

1. **Circular No.16/2021 Dated 29th August 2021 and Press Release dated 29th 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	Previous Due Date	Extended Due Date
10A	F.Y 2020-21	The application for registration/intimation/ approval of Trusts/Institutions/Research Associations etc.	31 st Aug 2021	31 st Mar 2022
10AB	F.Y 2020-21	The application for provisional registration/approval of Trusts/ Institutions/ Research Associations etc.	28 th Feb 2022	31 st Mar 2022
15CC	Quarter-1 (April 21 to June 21)	The Quarterly Statement to be furnished by authorized dealer in respect of remittances made.	31 st Aug 2021	30 th Nov 2021
15CC	Quarter-2 (July 21 to Sept 21)	The Quarterly statement to be furnished by authorized dealer in respect of remittances made.	15 th Oct 2021	31 st Dec 2021
Form No.1	F.Y 2020-21	The Equalization Levy Statement	31 st Aug 2021	31 st Dec 2021
Form No.3CEAC	—	Intimation by a constituent entity, resident in India, of an international group, the parent entity of which is not resident in India for the purposes of section 286 (1).	30 th Nov 2021	31 st Dec 2021
Form No.3CEAD	—	Report by a parent entity or an alternate reporting entity or any other constituent entity, resident in India, for the purposes of section 286 (2) / 286 (4).	30 th Nov 2021	31 st Dec 2021

Form No.3CEAE	—	Intimation on behalf of an international group for the purposes of the proviso to sub-section (4) of section 286 of the Act.	30 th Nov 2021	31 st Dec 2021
Form No.15G/15H	Quarter-1 (April 21 to June 21)	Uploading of the declarations received from recipients.	31 st Aug 2021	30 th Nov 2021
Form No.15G/15H	Quarter-2 (July 21 to Sept 21)	Uploading of the declarations received from recipients.	15 th Oct 2021	31 st Dec 2021
Form II SWF	Quarter-1 (April 21 to June 21)	Intimation to be made by Sovereign Wealth Fund in respect of investments made by it in India.	30 th Sept 2021	30 th Nov 2021
Form II SWF	Quarter-2 (July 21 to Sept 21)	Intimation to be made by Sovereign Wealth Fund in respect of investments made by it in India.	31 st Oct 2021	31 st Dec 2021
Form No.10BBB	Quarter-1 (April 21 to June 21)	Intimation to be made by a Pension Fund in respect of each investment) made by it in India.	30 th Sept 2021	30 th Nov 2021
Form No.10BBB	Quarter-2 (July 21 to Sept 21)	Intimation to be made by a Pension Fund in respect of each investment) made by it in India.	31 st Oct 2021	31 st Dec 2021
—	—	Direct Tax Vivad Se Vishwas scheme (DTVSV) for payment of tax arrears without any additional amount.	31 st Aug 2021	30 th Sept 2021
—	—	Direct Tax Vivad Se Vishwas scheme (DTVSV) for payment of tax arrears with additional amount. (No Extension Granted)	31 st Oct 2021	31 st Oct 2021

2) Notification No. 90/2021 - Income Tax dated 9th August, 2021.

A new set of rules and forms to amend the existing Income-tax Rules, 1962 which shall come into force as on the date of its publication in the Official Gazette.

- a) **Rule 21AI**-Computation of exempt income of specified fund for the purposes of clause (4D) of section 10.

Form No. 10IG-Statement of Exempt income under clause (4D) of section 10 of the Income- tax Act, 1961.

- b) **Rule 21AJ**-Determination of income of a specified fund attributable to units held by non-residents under sub-section (1A) of section 115AD.

Form No. 10IH-Statement of income of a Specified fund eligible for concessional taxation under section 115AD of the Income-tax Act, 1961.

3) Notification No. 97/2021 Dated 1st Sept 2021

The CBDT has notified 3 Board for Advance Rulings, with 2 in Delhi and 1 in Mumbai. The Boards to be effective from Sep 1, 2021. As a result, AAR stands abolished.

4) Circular No.17/2021 Dated 9th Sept 2021,

CBDT has extended the due dates for filing of Income Tax Returns and various reports of audit for the Assessment Year 2021-22. The details are as under:

Form/Section	Period	Particulars	Previous Due Date	Extended Due Date
139(1)	F.Y 2020-21	Income Tax Returns for Individuals and other Non-Corporates who are not liable to Tax Audit	30 th Sept 2021	31 st Dec 2021
139(1)	F.Y 2020-21	Income Tax Returns for Assesseees who are liable to Tax Audit	30 th Nov 2021	15 th Feb 2022
139(1)	F.Y 2020-21	Income Tax Returns for Assesseees liable for Transfer pricing Audit	31 st Dec 2021	28 th Feb 2022
3CEB	F.Y 2020-21	Furnishing Reports For International Transactions	30 th Nov 2021	31 st Jan 2022
3CD	F.Y 2020-21	Furnishing of Tax Audit Report	31 st Oct 2021	15 th Jan 2022
139(4) & (5)	F.Y 2020-21	Belated/Revised Return of Income	31 st Jan 2022	31 st Mar 2022

2) Notification No.A-12023(1)/15/2016 Dated 05/09/2021

Government has appointed Shri. G.S. Pannu as a Officiating President, ITAT, with effect from 6th Sep 2021.

GOODS & SERVICE TAX

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

IFF* refers to **Invoice Furnishing Facility**. The Invoice Furnishing Facility (IFF) is a facility where quarterly GSTR-1 filers can choose to upload their Business-to-business (B2B) invoices every month, currently under the QRMP scheme only there is no requirement to upload invoices in GSTR-1 if the same has been uploaded in the IFF.

GST Notification & Amendments issued by CBIC in the month of August 2021**1) Notification 34/2021 -Central dated 29th Aug 2021.**

The CBIC has notified that due date of filing of application for revocation of cancellation of registration falls between 1st March, 2020 to 31st August, 2021, the time limit for filing such application for revocation of cancellation of registration has been extended up to 30th September, 2021.

2) Notification No. 32/2021- Central Tax, dated 29th Aug 2021.

The CBIC has notified that the filing of FORM GSTR-3B and FORM GSTR-1/ IFF by companies using EVC, instead of DSC has already been enabled for the period from 27.04.2021 to 31.08.2021. This has been further extended upto 31st October, 2021.

3) Amendment in Form ASMT-14

- a) after the words, "with effect from -----", the words, "vide Order Reference No. -----, dated -----" shall be inserted.
- b) the words, "for conducting business without registration despite being liable for registration" shall be omitted.
- c) at the end after "Designation", the word "Address" shall be inserted.

4) Notification No. 33/2021- Central Tax, dated 29th Aug 2021.

The CBIC had provided relief to the taxpayers by reducing/waiving late fee for non-furnishing FORM GSTR-3B for the tax periods from July, 2017 to April, 2021, if the returns for these tax periods are furnished between 01st June, 2021 to 31st August, 2021. The last date to avail benefit of the late fee amnesty scheme has now been extended from existing 31st August, 2021 to 30th November, 2021.

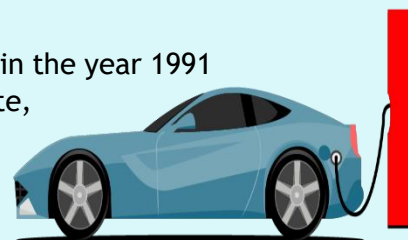
5) Notification No. 1/2021 dated 1st January 2021.

Rule 59(6) of CGST Rules, 2017 providing for restriction in the filing of GSTR-1 has been inserted in January 2021 which will be implemented on GST Portal from 1st September 2021. Taxpayers who have not filed GSTR-3B returns in the preceding two months will not be able to file details of outward supplies in GSTR-1 from September 1.

Emerging Automobile Industry

Introduction

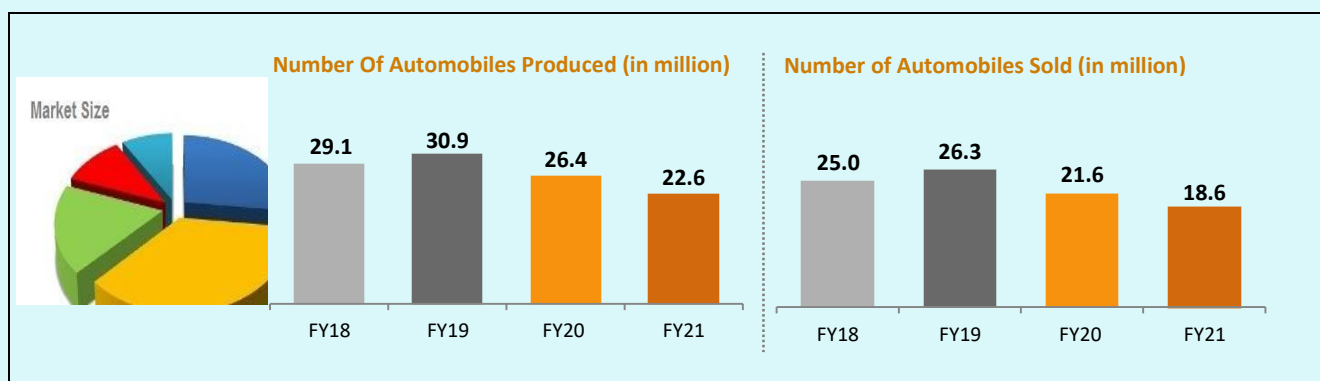
The automobile Industry is one of the key drivers that boost the economic growth of the country. Since the de-licensing of the sector in the year 1991 resulting into an opening of 100 Percent FDI through automatic route, Indian automobile sector has come a long way.



As per data published by the Department of Industrial Policy and Promotion (DIPP), Ministry of Commerce, Government of India, the cumulative FDI inflows into the Indian automobile industry during April 2000 to October 2013 was noted to be **9,079 million USD**, which amounted to **4 %** of the total FDI inflows in terms of US Dollars.

Market Size

Domestic Automobiles sales increased at **1.29 %** CAGR (Compound Annual Growth Rate) between FY16-FY20 with **21.6 million** vehicles being sold in F.Y 2020. In F.Y 2021, the total passenger vehicles production reached **22,652,108 units**. Two wheelers and passenger cars accounted for **80.8 %** and **12.9 %** market share, respectively.



Investments

In order to keep up with the growing demand, several auto makers have started investing heavily in various segments of the industry. According to Department for Promotion of Industry and Internal trade (DPIIT), FDI between April 2000 and March 2020 was **25.85 USD billion**.

Some of the recent/planned investments in the automobile sector in India are as follows:

- In January 2021, Fiat Chrysler Automobiles (FCA) announced an investment of **USD 250 million** to expand its local product line-up in India.
- A cumulative investment of **USD 180 billion** in vehicle production and charging infrastructure would be required until 2030 to meet India's electric vehicle (EV) ambitions.
- In January 2021, Tesla, the electric car maker, set up a R&D centre in Bengaluru and registered its subsidiary as Tesla India Motors and Energy Private Limited.

- Hyundai Motor India invested USD 500 million in FY.20-21, with an eye to gain the market share.
- In October 2020, MG Motors announced its interest in investing USD 135.3 million to launch new models and expand operations in spite of the Anti-China sentiments.

Government Initiatives

In order to encourage the automobile sector Government of India is taking some significant steps which are as follows:

- In Union Budget 2021-22, the Government introduced the voluntary vehicle scrappage policy, which is likely to boost demand for new vehicles after removing old unfit vehicles currently plying on the Indian roads.
- In February 2021, the Delhi Government started the process to set up 100 vehicle battery charging points across the state to push adoption of electric vehicles
- Under NATRIP (National Automotive Testing and R&D Infrastructure Project), the Government of India is planning to set up R&D centres at a total cost of USD 388.5 million to enable the industry to be on par with global standards.
- The Ministry of Heavy Industries, Government of India has shortlisted 11 cities in the country for introduction of EVs in their public transport systems under the FAME (Faster Adoption and Manufacturing of (Hybrid) and Electric Vehicles in India) scheme. The Government will also set up incubation centre for start-ups working in the EVs space.
- On 5th June 2021 that marks World Environment Day, the Government released the 'Report of the Expert Committee on Road Map for Ethanol Blending in India 2020-2025'. In this report, the government has laid down a target of blending 20% ethanol in petrol by 2025. The government expects investments of up to Rs. 41,000 crore to help India achieve its ethanol blending target of 10% by 2022 and 20% by 2025. However, Chandrasekhara Venkata Raman, Chief Technical Officer, Maruti Suzuki India expressed his concern about customer acceptability and the impact of compatibility with ethanol fuels with on-road vehicles which are not developed to run on 20% ethanol-blended fuel which might would result in increased fuel consumption and higher maintenance costs for vehicles.

Electric Vehicle - Future of Automobile Industry

EV sales, excluding E-rickshaws, in India witnessed a growth of 20 % and reached 1.56 lakh units in F.Y.20-21 driven by two wheelers. According to NITI Aayog and Rocky Mountain Institute (RMI) India's EV finance industry is likely to reach USD 50 billion in 2030.

Under the Make In India programme, the manufacturing of e-vehicles and their associated components. India has a lot to gain from the widespread adoption of e-mobility. The manufacturing of e-vehicles and their associated components is expected to increase the share of manufacturing in India's GDP to 25% by 2022. Thus, it seems that Future of electric Vehicles appears to be promising in India.

1. Maharashtra EV policy 2021

The Policy adopted by Maharashtra Government policy aims to at making Maharashtra the top producer of BEVs in India.

As part of the plans, the Government expects EVs to contribute to 10% of all new vehicle registrations by, that is 3 lakh EV sales per year, by 2025.

To this effect, the State Government has ledged Rs 930 crore towards the policy till 31st March, 2025. The government will develop 2,375 public and semi-public charging stations across seven major urban areas and four national highways.

The Government has also announced charging infrastructure incentives, wherein the slow public charging station attracts an incentive of Rs 10,000 and the moderate/fast public charging station will attract incentives of Rs 5 lakh.

2. Competitive landscape

The Indian EV market is consolidated with the presence of major players in the market, owing to cheap and readily available manpower.

Major Players:

- MG Motor India
- Mahindra & Mahindra Limited
- Tata Motors Limited
- JBM Auto limited
- Olectra Greentech Ltd

In January 2020, Morris Garages Motor India launched the ZS EV, the first electric internet SUV in India, and the car has a driving range of 340 km on a full charge.

In August 2021, Tata Motors has expanded its EV portfolio by unveiling the new Tata Tigor EV. The new Tigor EV gets a host of design updates and Ziptron technology and ensures better performance compared to the outgoing model.

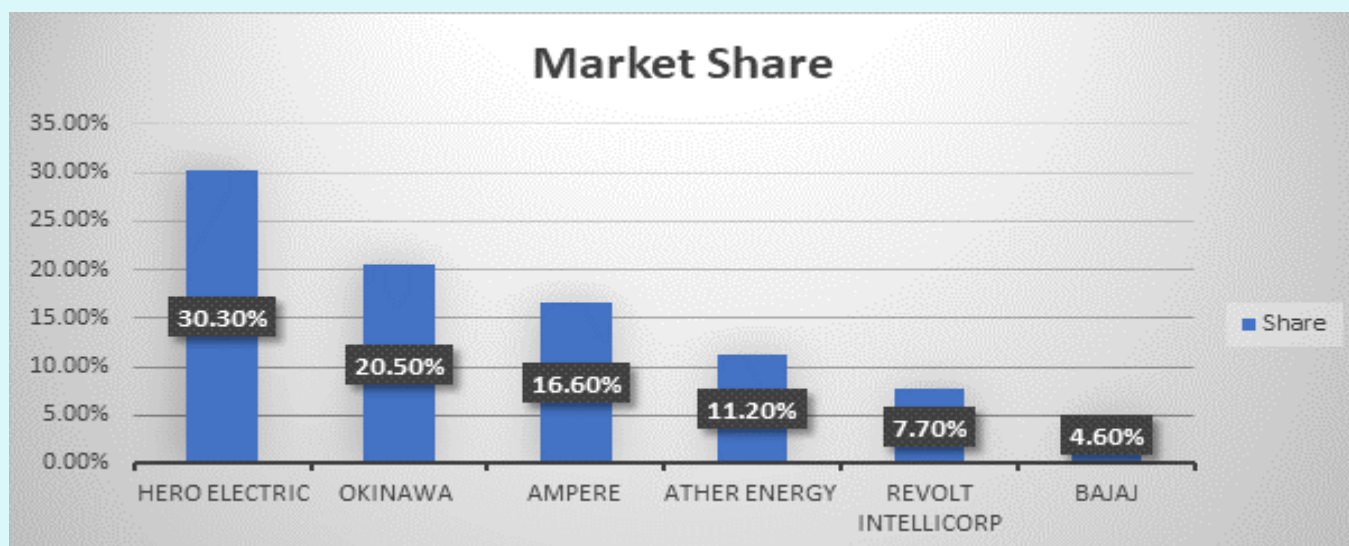
In February 2021, Ather Energy, India's first intelligence EV manufacturer, moved its USD 86.5 million factory from Bengaluru (Karnataka) to Hosur (Tamil Nadu) to increase its two-wheeler production capacity.

3. Electric Vehicles Sales in India

The Society of Manufacturers of Electric Vehicles (SMEV) has released official sales data for EVs sold in India in FY2021. In a year badly impacted by the pandemic and resultant lockdowns, like the rest of the automotive industry, the EV sector too has felt the pressure of a slowing economy and tepid sales.

Category	F.Y 2021(units)	F.Y2020(units)	Growth (%)
Two-wheelers	1,43,837	1,52,000	-5.37 %
Three-wheelers	88,378	1,40,683	-37.18 %
Cars	5,905	2,814	109.84 %
Total	2,38,120	2,95,497	-19.42 %

4. Market Share for Electric two-wheeler for F.Y 2019-20.



Hero Electric, a subsidiary of Hero MotoCorp, dominated the electric two-wheeler market, with a share of 30.3% in 2020. This was followed by Okinawa and Ampere, having a share of 20.5% and 16.6%, respectively. Ather energy, Revolt Intellicorp and Baja had a market share of 11.2%, 7.7% and 4.6% respectively.

5. Types of Electric Vehicle

- PEV: Plug In EV
- BEV: Battery electric Vehicle
- HEV: Hybrid Electric Vehicle
- PHEV: Plug in Hybrid EV
- EREV: Extended Range EV

6. Categories of EV

- a. Ground Vehicles
- b. Airborne Electric Vehicles
- c. Seaborne Electric Vehicles
- d. Electrically Powered Space craft

Tax Benefits

Some Tax benefits are available to the person purchasing the electronic vehicle, which are as follows:

- The government has decided to provide an additional income tax deduction of ₹ 1.5 lakhs on the interest paid on loans taken between April 2019 to March 2023 to purchase electric vehicle.
- GST rate on Electric vehicles has been reduced from 12% to 5%.
- EVs are exempt from Road tax and Registration costs in some states like Delhi, Tamil Nadu, etc., and the same is going to be implemented in other states very soon
- Exempt from Green Tax - The government has announced a Green Tax policy in Budget 2021 (the aim is to reduce the pollution level). Under the Green Tax, personal vehicles would be CHARGED TAX at the time of RENEWAL of registration certificate after 15 years. Whereas electric vehicles would be EXEMPT from Green Tax entirely.
- Property tax rebates will be available for installing private charging infrastructure within society premises.

Electric Vehicle VS Petrol Vehicle



Electric vehicle would cost about **Rs 0.97 - 1.03 per Km** to run which is significantly less than **Rs.9 - 8 per Km** for Petrol cars.

Emissions emitted by Petrol/Diesel Cars are one of the major sources of Air pollution in urban cities. However, EVs are Eco-friendly as they run on electrically powered engines and doesn't emit Toxic gases.

The Initial Investment cost for an EV is High and even the Battery Replacement Cost is High. On the other hand, the Initial cost of Petrol/Diesel cars is low as compared to EVs and Petrol cars require a minimal maintenance cost.

In order to encourage the production and sales of Electric Vehicle in India Government of India has provided many Incentives and Tax benefits to the person purchasing an EV which is not available to buyers of Petrol vehicle.

The life of an EV battery ranges between six and eight years and needs replacement when its capacity starts falling below 80%, whereas the Petrol cars requires to be serviced depending upon the Frequency they are used.

Initiative by OLA India

Ola Electric is a product by Ola, one of the world's largest ride-hailing companies. It aims to place 10,000 e-rickshaws in service over upcoming months.

Aligned with Government's vision of 100% electric vehicles by 2030, Ola electric Project aims at building electric mobility ecosystem at scale, including charging infrastructure and a range of vehicle fleet viz. electric cabs, e-rickshaws, electric auto-rickshaws, and electric buses and announced to build Rs.2400 crore EV Plant in Tamil Nadu.

Ola launched OLA S1 and Ola S1 Pro, two-wheeler electric scooters which can be purchased from 8th Sept 2021 having an on-road price of Rs.99,999 and Rs. 1,29,999 respectively.

Emerging Trends in Automobile Industries in India:

- **Rising Adoption of Personal mobility:** COVID-19 has changed the preferred mode of commute among passengers, with 56% of people choosing to use a personal vehicle over a public or shared transport as per a recent survey done by PGA Labs. This increased preference for personal mobility vehicles is expected to drive vehicle demand in the post-COVID world.
- **Growth in the used car market:** Consumer behaviour is changing rapidly in India, the average ownership period reduced to 3-5 years in 2019 compared to 8-10 years in 2009. Reduced ownership period and other factors like the transition from BS-IV to BS-VI, GST rates differential on purchase of a used car vs new car, etc. are some of the growth drivers for increasing used cars.
- **Globalization:** Globalization is forcing Indian auto majors to associate, upgrade technology, admittance of new markets, expand product range and cut costs.
- **Export Hub for Sports Utility vehicles:** India is emerging as an export hub for Sports utility vehicles. The global automobile majors are looking to influence India's costs -competitive manufacturing practices and are measuring prospects to export SUVs to Europe, South Africa, and Southeast Asia. India can emerge as a supply hub to feed the world demand for SUVs.
- **Exports of compact Cars to Europe:** India has the largest base to export compact cars to Europe. Hybrid and electronic vehicles are new developments in the auto industry and India is a key market for them.
- **Foreign Direct Investment:** FDI growth in the automobile sector has helped to impulse the overall growth in the foreign investment in the country.

- Dhaval Ahir
Article Trainee

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NATIONAL NEWS UPDATES



1. ICICI Banks becomes the second lender to cross **Rs.5 trillion** in market capitalization as its shares have surged over **38%** so far this year.
2. Telecom service provider Bharti Airtel's planned **\$2.8 billion** equity issuance will improve its funds from operations (FFO) net leverage to around **2x** and provide funds to strengthen its market position, according to Fitch Ratings.
3. The Goods and Service Tax (GST) revenue collections for August 2021 stood at **Rs.1.12 lakh crore**, crossing the crucial mark for the second month in a row.
4. Private sector lender Axis Bank Ltd has launched an offshore additional tier 1(AT1) bond offering to raise as much as **\$1 billion**.
5. Actor Rajinikanth has always held a special place for Freshworks founder and CEO Girish Mathrubootham, whose company has just filed its initial documents for a **\$100 million** IPO in the US.
6. India's power consumption grew **18.6 per cent** in August to **129.51 billion units (BU)** and remained higher than the pre-COVID level due to improved economic activities amid easing of lockdown curbs by states, according to power ministry data.
7. Financial, real estate and professional services sector manages to achieve **98.5%** of pre-pandemic level (April-June quarter of FY2019-2020) in terms of gross value addition
8. Central Government's total receipts stood at **Rs 6.83 lakh crore** or **34.6 percent** of corresponding BE 2021-22 up to July 2021.
9. To encourage retail participation in G-Sec market, the RBI had announced the 'Retail Direct' scheme, a one-stop solution to facilitate investment in government securities by individual investors.
10. Sovereign Gold Bond Scheme will be open for subscription from August 30 for five days, the Reserve Bank of India (RBI) announced. The issue price for Sovereign Gold Bond Scheme 2021-2022, Series 6, has been fixed at **Rs 4,732 per gram** of gold. The RBI issues the bonds on behalf of the Government of India.
11. High Value Cheques to bounce if you don't inform bank. The Reserve Bank of India(RBI) had introduced the positive pay system, essentially rolled out as a tool designed to detect fraudulent activity. As per the new rule, customers who are looking to issue cheques of value above **Rs. 5 lakhs** will have to inform their respective banks about the cheque details via net/mobile banking, SMS, ATM or physical visit to the branch.

Economic Highlights issued by Government

1. Provisional GDP estimates, now available for April-June quarter (Q1) of FY 2021-22, reaffirm India's resilient V-shaped recovery from -24.4% in Q1-FY21 to 20.1% in Q1-FY22 despite more brutal second wave.
2. Inflation in 2008-09 was 9.1 per cent whereas in 2020-21, it was 6.2 per cent as government took timely and effective supply-side measures to address supply disruptions caused by lockdowns.
3. Financial sector remained accommodative in August with systemic liquidity in surplus. Confidence in India's fundamentals is further reflected in buoyant domestic equity markets with BSE Sensex and Nifty 50 scaling record highs in August to close the month at 57,552.39 (9.4% higher) and 17,132.20 (8.7% higher) respectively over July end levels.
4. UPI transactions continued to attain another record high in August 2021 with value of total transactions climbing to ₹6.39 lakh crore, up from previous record high of ₹6.06 lakh crore in July 2021. Transactions volume further firmed up to 355.5 crore in August 2021 from 324 crore in July 2021. The steady uptick in UPI transactions corroborates an upbeat consumer sentiment with resumption of activity levels and rising popularity of digital modes of payment, also reflected in the recovery in NEFT and RTGS transactions since June 2021.
5. Upbeat consumer sentiment and growing preference for digital modes of payment is further captured in the recently launched RBI's Digital Payments Index, which has risen steadily from base value of 100 in March 2018 to 270.6 in March 2021.
6. The Central Government finances showed an improved performance during April 2021 to July 2021 over the previous year. During April-July 2021, the Centre's fiscal deficit stood at ₹3.21 lakh crore, which is 21.3 per cent of BE, much lower than the 5 years moving average of 86.7 percent of BE. Both the direct and indirect taxes have shown a significant YoY growth during the first four months of 2021-22.
7. The corporation tax registered a YoY growth of 171.5% and the Personal Income Tax showed a YoY growth of 76.7%. With the revival of economic activities, during Apr-July 2021 revenue collection from Customs has increased by 144%, and the GST collection to the Centre has gone up by 60%, over the previous year.
8. Overall bank credit growth inched up to 6.55% (YoY) in the fortnight ending August 13, 2021, compared to 6.11% in the previous fortnight and 5.52% in the corresponding period of previous year.
9. India remained a net importer in August 2021, with a merchandise trade deficit rising to US\$ 13.9 billion, compared to trade deficit of US\$ 8.2 billion in August 2020, but equal to trade deficit of US\$ 13.9 billion recorded in August 2019.
10. With steady rise in average daily vaccination doses from 42.0 lakh in July to 56.6 lakh in August, more than 60 per cent of adult population have received at least one dose, while more than 19 per cent have received both doses.

SNAPSHOT OF THE FINANCIAL MARKETS

- Rupee pulled back from two-and-a-half-month high on back of short covering along with weaker Asian currencies. Rebound in dollar index also weighed on rupee along with dollar buying around 73 odd levels. On 31st Aug 2021 the rupee had settled at **73.00** against the American currency.
- 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	July 2021 (Closing Value)	August 2021 (Closing Value)	Percentage change during the month
NIFTY 50	15,763	17,132	7.99%
SENSEX	52,586	57,552	8.63%
BANK NIFTY	34,584	36,424	5.05%

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

Indices	July 2021 (Closing Value)	August 2021 (Closing Value)	Percentage Change during the month
NASDAQ COMPOSITE	14,672	15,265	3.88%
NIKKEI 225	27,283	28,104	2.92%
SHANGHAI	3,397	3,540	4.04%
DAX	15,544	15,984	2.75%
KOSPI	3,202	3,193	-0.28%

FINANCIAL NEWS FROM AROUND THE GLOBE

- 1) South Korea's economy was **5.9%** larger in the second quarter of this year than it was a year earlier. But by comparison with the first quarter of this year GDP expanded by just **0.7%**, the **slowest pace** since the middle of last year.
- 2) Apple also reported stellar earnings, Apple's quarterly net income of **\$21.7 billion** was driven by iPhone sales
- 3) Alphabet reported its best-ever quarter for revenue and profit of **\$18.5 billion** boosted by online advertising as economies reopen.
- 4) The American Government's ban on Chinese tech firms with suspected military ties obtaining American technology hit Huawei hard in the first half of the year. Revenue fell by almost **30%** compared with the first six months of 2020, and by almost **50%** in its consumer-electronics business, which relies on smartphones.
- 5) Bukalapak raised **\$1.5 billion** when it listed its shares on the Jakarta stock market, making it Indonesia's biggest-ever IPO.
- 6) American employers created **9,43,000** jobs in July, the most since last August. America's annual rate of inflation, meanwhile, remained at **5.4%** in July.
- 7) Britain's GDP expanded by **4.8%** in the second quarter over previous three months, boosted by the end of pandemic restrictions on restaurants and pubs. The economy is now **4.4%** smaller than it was at the end of 2019, before covid-19 struck.
- 8) Saudi Aramco reported a net profit of **\$25.5 billion** for the second quarter. That was an increase of almost **300%** on the same three months last year.
- 9) Canadian Pacific raised its offer to **\$31 billion** in an attempt to derail a proposal from Canadian National that the board at KCS has accepted.
- 10) A least **\$611 million** worth of Crypto-currencies vanished from Poly Network, a decentralized finance platform, in one of the largest cyber-heists targeting the digital-asset industry.
- 11) Square, a payment firm run by Jack Dorsey, has offered to buy **Afterpay**, based in Melbourne and a global pioneer in BNPL for **\$29 billion**, Australia's biggest ever takeover.
- 12) Robinhood's stock had a rollercoaster ride after the firm floated on the stock market. The share-trading app had a terrible IPO, with its share price closing **8%** down. A few days later the multitude of small investors who favour the app, especially to buy and sell "meme" equities, rushed to buy share options. The frenzied trading pushed the stock up by **85%** over the offer price.
- 13) General Motors reported net income of **\$2.8 billion** for the second quarter and raised its profit forecast for the year.
- 14) The euro zone's GDP grew by **2%** in the second quarter compared with the previous three months, a better showing than America and China, which grew by **1.6%** and **1.3%** on that measure. Germany's economy expanded by **1.5%** and France's by **0.9%**.

- 15) ExxonMobil, which recorded a loss in every quarter last year, made a net profit of **\$4.7 billion**.
- 16) PepsiCo agreed to sell a majority stake in its Tropicana and Naked fruit juice brands to a private-equity firm for **\$3.3 billion**.
- 17) An early target of China's regulatory crackdown, Alibaba, reported a **34%** rise in revenue for the second quarter, year on year.
- 18) Zoom reportedly agreed to pay **\$85 million** to settle a class-action lawsuit that accuses it of sharing customer's data with third parties, including Facebook and Google.
- 19) Walmart's quarterly revenue for the three months ending in July reached **\$141 billion**, a **2.4%** increase from the previous year. Sales and foot traffic also rose at Target, a rival.
- 20) The inflation rate in Britain dropped to **2%** in June, compared with **2.5%** the month before. But inflation is expected to climb in the second half of the year, on the back of rising energy costs and global production bottlenecks.
- 21) BHP, the world's biggest miner, announced plans to leave the London stock Exchange and list only in Sydney. The firm is the second-biggest listed in London by market capitalization.
- 22) Nvidia, a big American chip maker, reported strong results, thanks to surging demand for online services and gaming. Revenues rose to **\$6.5 billion** in the second quarter, **68%** higher than a year earlier. Net income almost quadrupled to **\$2.4 billion** over the same period.
- 23) Blue Origin, a space firm owned by Jeff Bezos, sued the American government over NASA's decision to award a **\$2.9 billion** contract to build a lunar lander to SpaceX, a rival owned by Elon Musk.

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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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