

DAILY NEWS MONITOR: 7 JULY 2022

1. Government notifies host of procedural changes in GST rules

Source: Business Standard ([Link](#))

The government has notified a host of procedural changes in the GST rules, including levy of interest for wrongful utilisation of ITC and turnover threshold for filing annual returns for the 2021-22 fiscal. The changes were vetted by the Goods and Services Tax (GST) Council at its meeting last week. With the amendments notified by the Central Board of Indirect Taxes and Customs (CBIC), businesses have also been allowed to make tax payments on the GSTN portal by using IMPS and UPI payment modes. Businesses with aggregate annual turnover of up to Rs 2 crore in the fiscal ended March 31, 2022, are exempt from filing annual returns for 2021-22, as per the amended rules.

2. Centre amends wheat flour export policy, panel to decide from July 12

Source: Money Control ([Link](#))

India has tweaked its export policy for wheat flour, and an inter-ministerial committee will take a call on outbound shipments from July 12. In a notification dated July 6, the government said no restrictions were being imposed on the export of wheat flour, maida, semolina and wholemeal atta. The government said that supply disruptions in wheat and wheat flour have created many new players, leading to prices fluctuations and potential quality issues. "Therefore, it is imperative to maintain the quality of wheat flour exports from India," it said

3. RBI takes steps to attract foreign flows, says growth prospects stay strong

Source: Business Standard ([Link](#))

The Reserve Bank of India (RBI) on 7 July announced a series of measures to attract foreign flows in a bid to protect the local currency amid depleting foreign exchange reserves. India's foreign exchange reserves have depleted by \$38 billion to below \$600 billion since the Russian invasion of Ukraine late February. While announcing the measures, the central bank said growth prospects for the Indian economy remained strong and resilient, and that despite headwinds from geopolitical developments, elevated crude oil prices, and tighter external financial conditions, high-frequency indicators pointed to an ongoing recovery in several sectors.

4. New norm banning service charges has created unnecessary confusion: National Restaurant Association of India

Source: Money Control ([Link](#))

Slamming the new guidelines issued by the Central Consumer Protection Authority (CCPA) on service charges, the National Restaurant Association of India (NRAI) on 6 July said that the latest directives have once again created unnecessary confusion among the consumers, leading to disruption in smooth business operations of restaurants. Earlier this week, the CCPA barred hotels and restaurants from levying service charges automatically or by default on food bills and allowed customers to file complaints in case the directives issued by it are violated. It also furnished guidelines for preventing unfair trade practices and violation of consumer rights on levying of service charges.

5. Ease of doing business: Govt working on to reduce compliance issues, says official

Source: The Economic Times ([Link](#))

The government is working on to reduce compliance issues with a focus on ease of doing business and has introduced the Insolvency and Bankruptcy Code (IBC) keeping that in mind, the principal economic advisor with the Department for Promotion of Industry and Internal Trade, Rupa Dutta, said. Speaking at an event organised by MCCI here, Dutta said the government is taking steps for a prospective future and measures are needed to sustain the growth momentum as India is now the fastest growing economy in the world. India's "rank in ease of doing business according to World Bank report has improved from 142 in 2014 to 63 in 2022 and reduction in compliances is now a major focus. The IBC introduced by the government is comparable to OECD countries," she said. The Organisation for Economic Co-operation and Development (OECD) has 38 countries across the globe as members.

6. US Fashion brand Gap returns to India, signs deal with Reliance Retail

Source: Business Standard ([Link](#))

Reliance Retail has entered into a franchise agreement with Gap Inc to bring the American fashion brand to India. Gap will return to India the second time after parting ways with Arvind Fashions in 2020. Reliance Retail will be the official retailer for the fashion house in India, mixing exclusive stores and digital commerce platforms. "The partnership is aimed at leveraging Gap's position as a leading casual lifestyle brand, and Reliance Retail's established competencies in operating robust omnichannel retail networks and scaling local manufacturing and driving sourcing efficiencies," Reliance Retail said in a press release about the long-term agreement.