

Info Capsule

MCA INVITES APPLICATION FOR NATIONAL CSR AWARDS¹

Government of India has instituted the 1st ever National Corporate Social Responsibility (CSR) Awards to recognize companies that have made a positive impact on the society through their innovative & sustainable CSR initiatives.

The key focus areas will be human development, economic development, social welfare, environment and sustainable development.

The companies have been classified into following categories on the basis of annual profit

- Companies (other than PSEs) having CSR spending : equal to or above Rs 5 crore in FY 2015 - 16
- Companies (other than PSEs) having CSR spending : below Rs 5 crore in FY 2015 - 16
- Public Sector Enterprises (PSEs) having CSR spending : equal to or above Rs 5 crore in FY 2015 - 16
- Public Sector Enterprises (PSEs) having CSR spending : below Rs 5 crore in FY 2015 - 16

The companies can send the applications /nominations on the link provided below on or before June 18, 2017.

LINK TO APPLY/NOMINATE:

<http://national-csrawards.iica.in/>

GUIDELINES FOR APPLICATION:

http://national-csrawards.iica.in/public/uploads/documents/guidelines_for_applications_box.pdf

MCA ISSUED CLARIFICATION ON APPLICABILITY OF SECTION 16(1)(a) OF COMPANIES ACT, 2013 WITH REFERENCE TO CASES UNDER CORRESPONDING PROVISIONS OF COMPANIES ACT, 1956²

Ministry of Corporate Affairs issued a clarification on applicability of section 16(1)(a) of Companies Act, 2013 with reference to cases under corresponding provisions of Companies Act, 1956 vide Circular No.4/2017 [F.NO.17/89/2016-CL-V], dated 16-5-2017.

A representation was received from Regional Director, Mumbai, seeking clarification as to:

Whether Regional Directors can entertain, fresh applications under section 16 of the Companies Act, 2013, which states the provisions for Rectification of name by the Central Government, in respect of applications which were earlier rejected by them under Companies Act, 1956 on the

¹ Available at : <http://national-csrawards.iica.in/>

² Available at : http://www.mca.gov.in/Ministry/pdf/Circular04_2017_17052017.pdf

ground of being time-barred as the prescribed period of twelve months had been completed (under section 22(1)(ii)(b) of the Companies Act, 1956), since no limitation period has been specified under Section 16 of the Companies Act, 2013.

In consultation with the D/o Legal Affairs, the Ministry of Corporate Affairs clarified that the applications which were rejected under section 22(1)(b) of the Companies Act, 1956 on the ground that such applications were made after the requisite period of 12 months specified therein, cannot apply afresh under section 16(1)(a) of the Companies Act, 2013 as the extinguished limitation cannot be considered to be revived even if no limitation period has been prescribed in the said section under the new Act.

NOTIFICATION ISSUED BY MCA FOR PROVISIONS OF CLAUSE (a) to (d) OF SECTION 2 OF THE INSOLVENCY AND BANKRUPTCY CODE, 2016 TO BE ENFORCED FROM APRIL 1, 2017³

Ministry of Corporate Affairs notifies 1st April, 2017 as the date on which the provisions of clause (a) to clause (d) of section 2 of the Insolvency and Bankruptcy Code, 2016 relating to voluntary liquidation or bankruptcy shall come into force.

According to the provisions of Section 2 of the Insolvency and Bankruptcy Code, 2016, the Code shall be applicable to:

- (a) any company incorporated under the Companies Act, 2013 or under any previous company law,
- (b) any other company governed by any special Act,
- (c) any Limited Liability Partnership ('LLP') incorporated under the LLP Act, 2008,
- (d) such other body incorporated under any law as notified by the Govt., and
- (e) partnership firms and individuals, in relation to their insolvency, liquidation, voluntary liquidation / bankruptcy.

In reference to the above, MCA by means of an explanatory memorandum further clarified that by giving retrospective effect to this notification, it is certified that no one is being adversely affected and giving retrospective effect to this notification is purely procedural in nature.

THE 14TH GOODS AND SERVICES TAX (GST) COUNCIL MEETING CHAIRED BY THE UNION FINANCE MINISTER SHRI ARUN JAITLEY APPROVES GST RATES FOR GOODS AND GST COMPENSATION CESS⁴

The 14th Goods and Services Tax (GST) Council Meeting, chaired by the Union Minister of Finance Shri Arun Jaitley, was held at Srinagar, Jammu and Kashmir on 18.05.2017. The fitment of rates of goods were discussed during the Council meeting. The Council has broadly approved the GST rates for goods at nil rate, 5%, 12%, 18% and 28% to be levied on certain goods. The Council has also broadly approved the rates of GST Compensation Cess to be levied on certain goods.

³ Available at : <http://www.egazette.nic.in/WriteReadData/2017/176016.pdf>

⁴ Available at: <http://pib.nic.in/newsite/erelease.aspx?relid=0>

The information has been uploaded after the GST Council's decision on the website of Central Board of Excise and Customs (CBEC) and is available at <http://www.cbec.gov.in/>. It will be subject to further vetting during which the lists may undergo some changes.

Chapter-wise-rate-wise-GST-schedule-18.05.2017

GST-compensation-cess-rates-18.05.2017

GOVERNMENT INVITES COMMENTS / SUGGESTIONS OF ALL STAKEHOLDERS CONCERNED / PUBLIC AT LARGE ON THE DRAFT 'FUGITIVE ECONOMIC OFFENDERS BILL, 2017'⁵

It is widely felt that the spectre of high-value economic offenders absconding from India to defy the legal process seriously undermines the rule of law in India. It is, therefore, felt necessary to provide an effective, expeditious and constitutionally permissible deterrent to ensure that such actions are curbed.

In view of the above context, a Budget Announcement was made by the Government in the Budget 2017-18 that the Government is considering to introduce legislative changes or even a new law to confiscate the assets of such absconders till they submit to the jurisdiction of the appropriate legal forum. The relevant extract from the Budget Speech is re-produced below.

"In the recent past, there have been instances of big time offenders, including economic offenders, fleeing the country to escape the reach of law. We have to ensure that the law is allowed to take its own course. Government is therefore considering introduction of legislative changes, or even a new law, to confiscate the assets of such persons located within the country, till they submit to the jurisdiction of the appropriate legal forum. Needless to say that all necessary constitutional safeguards will be followed in such cases."

Pursuant to the above Budget Announcement, a draft law, known as 'The Fugitive Economic Offenders Bill, 2017' has been prepared. A copy of the Draft Bill along with an Explanatory Note explaining the key legal provisions of the Bill are also hosted on the home page of the Department of Economic Affairs, Ministry of Finance at <http://dea.gov.in/recent-update>

All stakeholders concerned / public are requested to forward comments / suggestions that they may wish to submit on the Draft Bill by 3rd June 2017 by e-mail to parveen.k63@gov.in or in hard copy to Shri Parveen Kumar, Under Secretary (FSLRC), Department of Economic Affairs, Ministry of Finance, Room No. 48, North Block, New Delhi-110001. The decision of the Government with respect to the Draft Bill will be taken after receipt of public / stakeholders comments and after following due procedure thereafter.

Click here to See the Fugitive Economic Offenders Bill, 2017:

Click here to see the Fugitive Economic Offenders Bill, 2017: Explanatory Note:

Team ICSI

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⁵ Available at: <http://pib.nic.in/newsite/erelease.aspx?relid=0>