

Vision

"To be a global leader in promoting good corporate governance"

Motto

सत्यं वद। धर्मं चर। इष्टार्थं कुरु। तृणैः क्लेशं ह्यु कुरु।

Mission

"To develop high calibre professionals facilitating good corporate governance"

Wednesday, August 02, 2023

Info Capsule

President

CS Manish Gupta

Vice President

CS B Narasimhan

❖ Latest @ ICSI

Feedback on Company Forms in MCA21-V3 Portal

As you are aware, the Ministry of Corporate Affairs w.e.f. August 31, 2022 migrated filing of 9 Company Forms from MCA 21 V2 to V3 Portal.

The Ministry of Corporate Affairs w.e.f. January 23, 2023, has launched second set of Company Forms covering 56 forms on MCA21-V3 Portal for filing purposes. The list of all 56 Company Forms is available on MCA website.

The Institute of Company Secretaries of India, in its attempt to further facilitate the stakeholders and ensure smooth transition and implementation, is sharing your feedback to the Ministry of Corporate Affairs (MCA) on regular basis. Such feedback is constantly and closely monitored by MCA at all levels for timely resolution.

We request you to share your inputs/issues/suggestions on filing of Company Forms in MCA V3 at the link given below:

<https://forms.gle/m5NGoCbt4TibuD196>

We thank you for your continued support and hope for association in the future as well.

❖ Securities Laws & Capital Market

• Consultation Paper on collating and defining use cases of Financial Information Users in the Account Aggregator Framework in Securities Markets (August 01, 2023)

SEBI invited public comments on proposal of collating and defining use cases of Financial Information Users in the Account Aggregator framework in securities markets. An Account Aggregator (AA) is a type of RBI regulated entity (with an NBFC-AA license) that helps an individual securely and digitally access and share information from one financial institution they have an account with to any other regulated financial institution in the AA network. Data cannot be shared without the consent of the individual. Comments are sought in improving the safeguards within the AA framework especially to curb misuse of the financial information in frauds, misappropriation, mis-selling or unsolicited cross-sell/upsell, etc. The comments/suggestions may be provided in the prescribed format till August 31, 2023.

For details:

https://www.sebi.gov.in/reports-and-statistics/reports/aug-2023/consultation-paper-on-collating-and-defining-use-cases-of-financial-information-users-in-the-account-aggregator-framework-in-securities-markets_74811.html

• SEBI clarifies on format for seeking clients' trading preferences (August 01, 2023)

SEBI clarified that new format for seeking clients' trading preferences prescribed by it last month will not be applicable to members registered exclusively with commodity derivatives exchanges. Such members will use the format as prescribed by erstwhile Forward Markets Commission (FMC) in February 2015, SEBI said in a circular. Under the format, the member must specify the names of the exchanges where the member has membership, date of consent for trading on the concerned exchange and signature of the client.

For details:

<https://www.financialexpress.com/market/sebi-clarifies-on-format-for-seeking-clients-trading-preferences/3195823/>

❖ **Ministry of Corporate Affairs**

MCA-Important Update (August 01, 2023)

The Ministry of Corporate Affairs (MCA) vide issuing important update dated August 01, 2023 has informed the stakeholders about the below mentioned matters:

- The Ministry of Corporate Affairs is launching Refund form on V3 portal effective on 04th August 2023. Refund form on V2 portal will continue for availing refund for forms filed in V2.
- Stakeholders are informed that Beta Version of View Public Documents [VPD] service in V3 shall be launched on 16th August 2023 for V3 documents (only for Testing purposes between 7:00 pm to 10:00 pm daily). Existing V2 VPD Service shall remain available for the stakeholders.
- Approval for incorporation of 82,628 companies and LLPs has been given during April-July 2023 compared to 73,875 during April- July 2022.

For details:

<https://www.mca.gov.in/content/mca/global/en/home.html>

❖ **Ministry of Finance**

Roadmap to making India a \$5 trillion economy [PIB Dated August 1, 2023]

The Government's roadmap for making India a \$5 trillion economy comprises focussing on growth at the macro level and complementing it with all-inclusive welfare at the micro level, promoting digital economy and fintech, technology-enabled development, energy transition and climate action and relying on a virtuous cycle of investment and growth. The Government's Road Map was put into effect in 2014. This was stated by Union Minister of State for Finance Shri Pankaj Chaudhary in written reply to a question in Rajya Sabha.

For details:

<https://pib.gov.in/PressReleasePage.aspx?PRID=1944734>

❖ **Terminology for today**

Vigeo Eiris

Vigeo Eiris provides Environmental, Social and Governance (ESG) research, ratings, and data to institutional investors and companies. Since 2019, the agency operates as a business unit of Moody's Corporation. As part of the ESG Assessment, Vigeo Eiris analyzes companies' ESG performance, identify risks and opportunities, and screens controversies.

❖ **Indirect Taxes**

Goods & Services Tax

- **₹1,65,105 crore gross GST revenue collected for July 2023; records 11% Year-on-Year growth (August 01, 2023-PIB)**

Gross GST collection crosses ₹1.6 lakh crore mark for 5th time since inception of GST. Revenues from domestic transactions (including import of services) are 15% higher Year-on-Year. The gross GST revenue collected in the month of July, 2023 is ₹1, 65, 105 crore of which CGST is ₹29,773 crore, SGST is ₹37,623 crore, IGST is ₹85,930 crore (including ₹ 41,239 crore collected on import of goods) and cess is ₹11,779 crore (including ₹ 840 crore collected on import of goods). The revenues for the month of July 2023 are 11% higher than the GST revenues in the same month last year.

For details:

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1944590>

- **Clarification regarding GST rates and classification of certain goods based on the recommendations of the GST Council in its 50th meeting held on 11th July, 2023 (Circular No. 200/12/2023-GST-August 01, 2023)**

Based on the recommendations of the GST Council in its 50th meeting held on July 11, 2023, clarifications with reference to GST levy related to the following items are being issued:

- Un-fried or un-cooked snack pellets, by whatever name called, manufactured through process of extrusion; falling under CTH 1905 will attract GST rate of 5%.*
- Fish Soluble Paste; attracted 18% under the residual entry S No. 453 of Schedule III of notification no. 1/2017-Central Tax (Rate), dated the 28th June, 2017.*
- Desiccated coconut; falling under CTH 0801, the issue for past period from 01.07.2017 up to and inclusive of 27.07.2017 is hereby regularized on “as is” basis.*
- Biomass briquettes; falling under any chapter, the issue for past period from 01.07.2017 up to and inclusive of 12.10.2017 is hereby regularized on “as is” basis.*
- Imitation zari thread or yarn known by any name in trade parlance; that imitation zari thread or yarn known as “Kasab” or by any other name in trade parlance, would attract a uniform GST rate of 12% under tariff heading 5605.*
- Supply of raw cotton by agriculturist to cooperatives; attracts 5% GST on reverse charge basis; clarification is hereby regularized on “as is basis”.*
- Plates, cups made from areca leaves; regularized on “as is basis” for the period prior to 01.10.2019.*
- Goods falling under HSN heading 9021; would attract a GST rate of 5% and in view of prevailing genuine doubts, the issue for the past periods is hereby regularized on “as is basis”. However, it is clarified that no refunds will be granted in cases where GST has already been paid at higher rate of 12%.*

For details:

<https://taxinformation.cbic.gov.in/view-pdf/1003174/ENG/Circulars>

- **Clarifications regarding applicability of GST on certain services (Circular No. 201/13/2023-GST-August 01, 2023)**

GST Council in the 50th meeting held on July 11, 2023 clarified the following issues:

- 1) Whether services supplied by director of a company in his personal capacity such as renting of immovable property to the company or body corporate are subject to Reverse Charge Mechanism (RCM):** It is hereby clarified that services supplied by a director of a company or body corporate to the company or body corporate in his private or personal capacity such as services supplied by way of renting of immovable property to the company or body corporate are not taxable under RCM. Only those services supplied by director of company or body corporate, which are supplied by him as or in the capacity of director of that company or body corporate shall be taxable under RCM in the hands of the company or body corporate under notification No. 13/2017-CTR (Sl. No. 6) dated 28.06.2017.
- 2) Whether supply of food or beverages in cinema hall is taxable as restaurant service:** It is hereby clarified that supply of food or beverages in a cinema hall is taxable as 'restaurant service' as long as:
 - a) The food or beverages are supplied by way of or as part of a service, and
 - b) Supplied independent of the cinema exhibition service.

It is further clarified that where the sale of cinema ticket and supply of food and beverages are clubbed together, and such bundled supply satisfies the test of composite supply, the entire supply will attract GST at the rate applicable to service of exhibition of cinema, the principal supply.

For details:

<https://taxinformation.cbic.gov.in/view-pdf/1003175/ENG/Circulars>

❖ **Banking**

Withdrawal of ₹2000 Denomination Banknotes – Status (August 01, 2023)

The Reserve Bank of India had announced the withdrawal of ₹2000 banknotes from circulation on May 19, 2023. The total value of ₹2000 banknotes in circulation, which amounted to ₹3.62 lakh crore on March 31, 2023 had declined to ₹3.56 lakh crore as at the close of business on May 19, 2023. According to the data received from the banks, the total value of ₹2000 banknotes received back from circulation is ₹3.14 lakh crore up to July 31, 2023. Consequently, ₹2000 banknotes in circulation as at the close of business on July 31 stood at ₹0.42 lakh crore. Thus, 88% of the ₹2000 banknotes in circulation as on May 19, 2023, have since been returned.

For details:

https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=56132

❖ Parliament- Monsoon Session

• Rajya Sabha passes Mediation Bill 2021 (August 01, 2023)

Rajya Sabha passed the Mediation Bill 2021 on Tuesday (August 01, 2023). The Bill requires persons to try to settle civil or commercial disputes through mediation before approaching any court or tribunal. A party may withdraw from mediation after two mediation sessions. The mediation process must be completed within 180 days, which may be extended by another 180 days by the parties. The Bill provides for the setting up of The Mediation Council of India. Its functions will include registering mediators, and recognising mediation service providers and mediation institutes.

Replying to the discussion on the bill, Law and Justice Minister Arjun Ram Meghwal said, the bill will reduce the pendency of cases in courts. He informed that five crore cases are pending in courts. He said, the bill has been brought with an aim to provide legal framework to mediation. Mr. Meghwal said, the Narendra Modi government has worked with a whole of government approach in this regard.

For details:

<https://newsonair.gov.in/News?title=Rajya-Sabha-takes-up-Mediation-Bill-2021-for-consideration-and-passing&id=465314>

• Rajya Sabha passes Multi-State Cooperative Societies (Amendment) Bill (August 01, 2023)

The Rajya Sabha on Tuesday (August 01, 2023) gave its green light to the Multi-State Cooperative Societies (Amendment) Bill 2023. This Bill introduces significant amendments to the Multi-State Cooperative Societies (MSCS) Act. These modifications aim to enhance the transparency and accountability of these cooperatives' operations in a bid to improve governance.

The MSCS Act has not seen changes since 2002, making these updates noteworthy. The Lok Sabha had previously approved the Bill.

For details:

https://www.business-standard.com/india-news/rajya-sabha-passes-multi-state-cooperative-societies-amendment-bill-123080100838_1.html

❖ Market Watch

Stock Market Indices as on 02.08.2023	
S & P BSE Sensex	65782.78 (-676.53)
Nifty 50	19526.55 (-207.00)

Foreign Exchange Rates as on 01.08.2023 (https://www.geojit.com/currency-futures)			
INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR / 1 JPY
82.25	90.59	105.69	0.58

Prepared by Directorate of Academics

For any suggestions, please write to academics@icsi.edu.

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