

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.

❖ Direct Tax

Procedure, format and standards for filling an application in Form No. 15C or Form No. 15D for grant of certificate for no-deduction of income-tax under sub-section (3) of section 195 of the Income Tax Act, 1961 through TRACES [March 29, 2023]

Section 195(3) of the Income-tax Act, 1961 provides for grant of certificate to a person entitled to receive interest or other sum on which income tax is to be deducted under section 195(1) of the Income-tax Act, 1961 without deduction of tax at source. For the purpose, an application has to be made by the person to the Assessing Officer "AO" in the prescribed form.

Rule 29B(3) of the Income-tax Rules, 1962 provides that the application shall be made by a banking company or insurer in Form No. 15C and by any other person who carries on business or profession in India through a branch in Form 15D.

The Director General of Income-tax (Systems) hereby specifies Form No. 15C and Form No. 15D for electronic furnishing at TRACES website under digital signature or through electronic verification code; and the procedure, format and standards for the purpose of electronic filing of Form No. 15C and Form No. 15D and generation of certificate through TRACES which will be applicable from 01.04.2023.

For details:

<https://incometaxindia.gov.in/communications/notification/notification-no-01-of-2023.pdf>

❖ **Indirect tax**

• **Goods & Services Tax**

₹1,60,122 crore gross GST revenue collected for March 2023. Second highest collection ever, next only to the collection in April 2022. Monthly GST revenues more than ₹1.4 lakh crore for 12 months in a row, with ₹1.6 lakh crore crossed for the 2nd time since inception of GST. GST revenues clock 13% growth Year-on-Year. Total gross collection for 2022-23 stands at ₹18.10 lakh crore; average gross monthly collection for the full year is ₹1.51 lakh crore. Gross revenues in 2022-23 were 22% higher than that last year. (April 1st 2023)

The gross GST revenue collected in the month of March, 2023 is **₹1,60,122 crore** of which CGST is **₹29,546 crore**, SGST is **₹37,314 crore**, IGST is **₹82,907 crore**. It is for the fourth time, in the current financial year that the gross GST collection has crossed ₹1.5 lakh crore mark registering second highest collection since implementation of GST. This month witnessed the highest IGST collection ever.

The total gross collection for 2022-23 stands at ₹18.10 lakh crore and the average gross monthly collection for the full year is ₹1.51 lakh crore. The gross revenues in 2022-23 were 22% higher than that last year. The average monthly gross GST collection for the last quarter of the FY 2022-23 has been ₹1.55 lakh crore.

For details:

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1912850>

• **Customs**

Exemption notification regarding Capital goods & Spare parts of goods (Notification No. 26/2023 - Customs New Delhi, April 1st 2023)

The Central Government, being satisfied that it is necessary in the public interest so to do, hereby exempts goods specified in the given Table 1 annexed hereto, from, the whole of the duty of customs leviable thereon under the First Schedule to the Customs Tariff Act, from the whole of the additional duty leviable thereon under sub-sections(1), (3)and(5) of section 3 of the Customs Tariff Act, when specifically claimed by the importer; and from the whole of integrated tax and the goods and services tax compensation cess leviable thereon under sub-sections (7) and (9) of section 3 of the Customs Tariff Act. Subject to the conditions as given under the said notification.

For details:

<https://taxinformation.cbic.gov.in/view-pdf/1009699/ENG/Notifications>

❖ **Ministry of Commerce and Industry**

Foreign Trade Policy 2023(April 3, 2023)

The new Foreign Trade Policy 2023 has been released on March 31, 2023. The Foreign Trade Policy 2023 announced to provide the policy continuity and a responsive framework.

Key Foreign Trade Policy 2023 highlights are as under:

- Online approvals without Physical Interface: Automatic approval of various permissions under Foreign Trade Policy based on process simplification and technology implementation.
- Reduction in user charges for MSMEs under Advance Authorisation and EPCG
- E-Certificate of Origin: Revamp of the e-Certificate of Origin platform proposed- to provide for self-certification of CoOs as well as automatic approval of CoOs, where feasible
- Paperless filing of Export Obligation Discharge Applications
- Status Holder Export Thresholds Rationalised
- Rupee Payment to be accepted under FTP Schemes
- Four new towns of export excellence declared.
- States and Districts as Partners in Export Promotion
- Capacity Building at District level
- Infrastructure and Logistics Development Intervention
- All FTP benefits to be extended to e-Commerce exports
- Designated hubs with warehousing facility to be notified, to help e-commerce aggregators for easy stocking, customs clearance and returns processing
- Special One-time Amnesty Scheme for Default in Export Obligations
- Focus of FTP 2023 on Special Chemicals, Organisms, Materials, Equipment and Technologies (SCOMET).

❖ **Business and Economics News**

2nd G20 Energy Transitions Working Group Meeting commences in Gandhinagar (April 02, 2023)

The 2nd Energy Transitions Working Group (ETWG) meeting under India's G20 Presidency commenced in Gandhinagar on April 02, 2023. Union Minister of State for AYUSH and Women and Child Development, Dr. Munjpara Mahendrabhai Kalubhai in his inaugural address emphasized India's G20 Presidency's commitment to finding immediate and pressing solutions to global warming, climate change, and energy security. The Minister highlighted the need for research and development of innovative technologies to promote clean energy and make it cost-effective and reliable.

For details:

<https://pib.gov.in/PressReleasePage.aspx?PRID=1913109>

❖ **Securities Laws and Capital Market**

SEBI strengthens online dispute resolution mechanism in securities market (March 29, 2023)

SEBI strengthened the dispute resolution mechanism in the securities market to empower the investors. The market regulator amended rules to operationalize Online Dispute Resolution (ODR) mechanism for investors across registered intermediaries / regulated entities. The announcement on this was made by SEBI Chairperson Madhabi Puri Buch at a press conference in which key decisions related to ESG framework, mutual funds, Alternative Investment Funds and shareholder empowerment were also announced.

For details:

<https://economictimes.indiatimes.com/markets/stocks/news/sebi-strengthens-online-dispute-resolution-mechanism-in-securities-market/articleshow/99097189.cms>

• **SEBI greenlights backstop fund for corporate debt market (March 29, 2023)**

SEBI has approved a fund to backstop the corporate debt market for buying ill-liquid and investment grade debt paper. This will help instill confidence in investors on the corporate bond market and also enhance secondary market liquidity. Finance Minister Nirmala Sitharaman announced last year that the government had taken up the SEBI's proposal for the fund, without giving details. Corporate Debt Market Development Fund (CDMDF), based on a guarantee to be provided by National Credit Guarantee Trust Company (NCGTC), may raise funds to purchase corporate debt securities during market dislocation. "Access to the fund for selling securities during market dislocation shall be to specified mutual fund schemes in proportion to the contribution made to the Fund at a mutual fund level," SEBI said.

SEBI has also decided that the period of compliance for Large Corporates to raise 25% of their incremental borrowings through the debt market be extended to a contiguous block of 3 years instead of the current 2 years.

For details:

<https://economictimes.indiatimes.com/markets/stocks/news/sebi-greenlights-backstop-fund-for-corporate-debt-market/articleshow/99094060.cms>

Market Watch

Stock Market Indices as on 03.04.2023	
S & P BSE Sensex	59106.44(+114.92)
Nifty 50	17399.20(+39.45)

Foreign Exchange Rates as on 31.03.2023 <i>(https://www.geojit.com/currency-futures)</i>			
INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR / 1 JPY
82.15	89.35	101.47	0.62

❖ **IFSCA****Sensitising Authorised Dealer (AD) branches of Indian banks about facilities in IFSC(March 31, 2023)**

During a recent interaction with the officials of the IFSC Banking Unit (IBU) of an Indian AD bank it was observed that the onshore branch of the AD Bank was refusing to route a foreign exchange transaction through the IBU due to the lack of clarity by the branch on whether IBUs fall within the definition of “a foreign branch of Indian bank” as per the relevant RBI circular.

In this regard, the IFSCA clarified that the clients of an AD bank in India are usually serviced by an AD branch of the bank through which all their foreign exchange transactions are undertaken. Apart from handling transactions, such branches also advise the client on the procedure for undertaking the transactions and other related aspects.

IFSCA also directed the Heads of the Banking Units of Indian banks to undertake structured sensitisation programmes for staff of the AD branches of banks to make them aware of the legal and regulatory status of IBUs and transactions that may be routed through IBUs instead of foreign branches of Indian banks.

For details: <https://ifsc.gov.in/Viewer/Index/401>

❖ **Ministry of Corporate Affairs****Companies to disclose material accounting policy information in financial statements. The Companies (Indian Accounting Standards) Amendment Rules 2023 (March 31, 2023)**

MCA has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 amending the Companies (Indian Accounting Standards) Rules, 2015. The amendments come into force with effect from 1st day of April, 2023 i.e. Financial Year 2023-24. One of the major change is that Companies, in their financial statements shall disclose material accounting policy information as against hitherto requirement of disclosing “significant accounting policies”

With the latest MCA rule change, India has aligned itself with the "Material" concept already required under International Financial Reporting Standards (IFRS). This could lead to more meaningful disclosure of Accounting Policies and will improve the readability and usefulness of financial statements.

For details: <https://egazette.nic.in/WriteReadData/2023/244871.pdf>

Prepared by Directorate of Academics

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

Disclaimer : Although due care and diligence have been taken in preparation and uploading this info capsule, the Institute shall not be responsible for any loss or damage, resulting from any action taken on the basis of the contents of this info capsule. Anyone wishing to act on the basis of the material contained herein should do so after cross checking with the original source.