

# Info Capsule

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## ❖ 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 and Capital Market

### New SEBI rule: A ban that's a boon in many ways (May 01, 2023)

Starting May 1, 2023, stock brokers and clearing members in India will no longer be allowed to use their clients' funds for bank guarantees, according to a ruling by the Securities and Exchange Board of India (SEBI). Usually, banks issue bank guarantees on behalf of stockbrokers to stock exchanges for security deposits and margin requirements. These guarantees are submitted at clearing corporations, which then determine the brokers' trading limits. However, brokers often pledge their clients' funds with banks, which in turn issue bank guarantees for higher amounts. Banks issues Bank Guarantee at 2 times the amount pledged by the Broker, this exposes the market to risks. As per the circular no new Bank Guarantees shall be created out of clients' funds from May 1, 2023. Existing Bank Guarantees created out of clients' funds are to be wound down by September 30, 2023. To address this issue, SEBI has mandated that brokers must use their own working capital to obtain greater Clearing Corporation limitations, thereby increasing their working capital demand.

*For details:*

<https://economictimes.indiatimes.com/markets/stocks/news/new-sebi-rule-from-today-a-ban-thats-a-boon-in-many-ways/articleshow/99904959.cms>

## ❖ **Direct Tax**

**Government launches Vivad se Vishwas scheme for relief to MSMEs for COVID-19 period, as announced in the Union Budget 2023-24 - Last date for submitting claims under the scheme is 30.06.2023 [PIB Dated May 02, 2023]**

Ministry of Finance, has launched the scheme, “Vivad se Vishwas I – Relief to MSMEs” for providing relief to Micro, Small and Medium Enterprises (MSMEs) for COVID-19 period. The scheme was announced in the Union Budget 2023-24. As per this scheme, *“In cases of failure by MSMEs to execute contracts during the COVID period, 95 per cent of the forfeited amount relating to bid or performance security will be returned to them by Government and Government undertakings. This will provide relief to MSMEs”*.

The Ministry of Finance, through this scheme, decided to give following additional benefits to eligible MSMEs, affected during the COVID-19 period:

- I. 95% of the performance security forfeited shall be refunded.
- II. 95% of the Bid security shall be refunded.
- III. 95% of the Liquidated Damages (LD) deducted shall be refunded.
- IV. 95% of the Risk Purchase amount realized shall be refunded.
- V. In case any firm has been debarred only due to default in execution of such contracts, such debarment shall also be revoked, by issuing an appropriate order by the procuring entity.

However, in case a firm has been ignored for placement of any contract due to debarment in the interim period (i.e. date of debarment and the date of revocation under this order), no claim shall be entertained.

- VI. No interest shall be paid on such refunded amount.

Government e-Marketplace (GeM) has developed a dedicated web-page for implementation of this scheme. Eligible claims shall be processed only through GeM. For details:

<https://pib.gov.in/PressReleasePage.aspx?PRID=1921382>

## ❖ *Business and Economics News*

### **Professionals under the scanner for unethical conduct (May 01, 2023)**

The Ministry of Corporate Affairs has taken a serious view of professionals who help companies incorporate by falsely certifying they have visited the premises of the intended registered office. Falsely certifying the physical premises is linked to formation of shell companies, and the government wants field officers and regulators like ICSI, Institute of Chartered Accountants of India (ICAI) and Institute of Cost Accountants of India to be vigilant and to sensitize professionals about this requirement, said the person speaking on condition of anonymity.

*For details:*

<https://www.livemint.com/news/india/indias-corporate-ministry-cracks-down-on-false-premises-certification-by-professionals-for-company-incorporation-11682964736059.html>

## ❖ *Terminology For Today*

### **Conscious capitalism**

Conscious capitalism is a socially responsible framework for capitalism in the corporate and political spheres. It emphasizes creating human value alongside profit value.

## ❖ *Market Watch*

### **Stock Market Indices as on 03.05.2023**

S & P BSE Sensex	61193.30(-161.41)
Nifty 50	18089.85(-57.80)

### **Foreign Exchange Rates as on 02.05.2023**

*(<https://www.geojit.com/currency-futures>)*

INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR / 1 JPY
81.76	89.87	102.39	0.60

**Prepared by Directorate of Academics**

*For any suggestions, please write to [academics@icsi.edu](mailto:academics@icsi.edu).*

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