

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

• Reduction of timeline for listing of shares in Public Issue from existing T+6 days to T+3 days (August 09, 2023)

SEBI has reduced the time taken for listing of specified securities after the closure of public issue to 3 working days (T+3 days) as against the present requirement of 6 working days (T+6 days); 'T' being issue closing date. Accordingly, SEBI has specified the revised timelines for listing of specified securities and various activities involved in the public issue process. Further provided that the T+3 timeline for listing shall be appropriately disclosed in the Offer Documents of public issues. The provisions of this circular shall be applicable on voluntary basis for public issues opening on or after September 1, 2023 and mandatory for public issues opening on or after December 1, 2023.

For details:

https://www.sebi.gov.in/legal/circulars/aug-2023/reduction-of-timeline-for-listing-of-shares-in-public-issue-from-existing-t-6-days-to-t-3-days_75122.html

• Consultation Paper on Review of framework for borrowings by Large Corporates (August 10, 2023)

SEBI has released a consultation paper on "Review of framework for borrowings by Large Corporates (LC)". For the purpose of identifying any entity as LC, the threshold for the outstanding long-term borrowings is proposed to be increased to Rs.500 crore or above, which is in line with the present threshold for an entity to be called as 'high value debt listed entity'. Further, it is proposed that the term "incremental borrowings" may be replaced with "qualified borrowings" and requirement of rating as a criterion for identifying any entity as LC may be removed. The comments/suggestions on the queries sought may be provided by August 31, 2023 as per the prescribed format.

For details:

https://www.sebi.gov.in/reports-and-statistics/reports/aug-2023/consultation-paper-on-review-of-framework-for-borrowings-by-large-corporates_75179.html

❖ **Banking**

• **RBI releases the results of Forward Looking Surveys (August 10, 2023)**

The Reserve Bank of India on August 10, 2023 released on its website the results of the following Surveys:

1. Consumer Confidence Survey (CCS) – July 2023
2. Inflation Expectations Survey of Households (IESH) – July 2023
3. OBICUS Survey on manufacturing sector – Q4:2022-23
4. Industrial Outlook Survey of the Manufacturing Sector for Q1:2023-24
5. Survey of Professional Forecasters on Macroeconomic Indicators– Round1 83rd
6. Bank Lending Survey for Q1:2023-24
7. Services and Infrastructure Outlook Survey for Q1:2023-24

For details:

https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=56181

• **Reserve Bank of India proposes conversational payments on UPI using AI (August 10, 2023)**

Reserve Bank of India (RBI) Governor Shaktikanta Das, while announcing the central bank's Monetary Policy Committee (MPC) has kept the repo rate unchanged, on August 10, 2023 said the central bank has proposed to use conversational payments on Unified Payments Interface (UPI) through Artificial Intelligence (AI). Governor Das proposed to launch an innovative payment mode viz., "Conversational Payments" on UPI, that will enable users to engage "in a conversation with an AI-powered system to initiate and complete transactions in a safe and secure environment."

For details:

<https://indianexpress.com/article/business/banking-and-finance/reserve-bank-of-india-conversational-payments-upi-artificial-intelligence-8885735/>

❖ **Market Watch**

Stock Market Indices as on 11.08.2023

S & P BSE Sensex	65322.65 (-365.53)
Nifty 50	19428.30 (-114.80)

Foreign Exchange Rates as on 10.08.2023

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

INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR / 1 JPY
82.85	90.92	105.53	0.58

❖ **Consumer Protection Law**

Centre releases additional guidelines for Health and Wellness Celebrities, Influencers and Virtual Influencers (August 10, 2023)

The Department of Consumer Affairs, under the Ministry of Consumer Affairs, Food and Public Distribution, has released Additional Guidelines for celebrities, influencers and virtual influencers in the field of health and wellness. These guidelines are an important extension to the Guidelines for Prevention of Misleading Advertisements and Endorsements for Misleading Advertisements, 2022 released on 9th June 2022, and in lieu of the "Endorsement Know-hows!" guide booklet released on 20th January 2023.

The Additional Influencer Guidelines for Health and Wellness Celebrities, Influencers and Virtual Influencers has been developed after detailed discussions with all stakeholders including Ministry of Health, Ministry of Ayush, Food Safety and Standards Authority of India (FSSAI) and Advertising Standards Council of India (ASCI).

For details:-

<https://pib.gov.in/PressReleaseIframePage.aspx?PRID=1947344#:~:text=and%20medical%20practitioners.-,Celebrities%2C%20influencers%20and%20virtual%20influencers%20presenting%20themselves%20as%20health%20experts,should%20not%20be%20seen%20as>

❖ **Ministry of Micro, Small & Medium Enterprises**

Schemes to Support MSMEs (August 10, 2023)

The Micro, Small and Medium Enterprises (MSMEs) sector plays an important role in the growth of the Indian economy. As per the latest information received from Ministry of Statistics & Programme Implementation, the share of MSME Gross Value Added (GVA) in all India Gross Domestic Product (GDP) during the year 2021-22 was 29.2% and the share of MSME manufacturing output in all India Manufacturing output during the year 2021-22 was 36.2%. The Ministry of MSME is implementing MSME Champions Scheme, a Central Sector Scheme. MSME Champions Schemes comprising three components i.e., MSME-Sustainable (ZED), MSME-Competitive (Lean) & MSME-Innovative (for Incubation, IPR, Design and Digital MSME) for promoting competitiveness amongst Micro, Small and Medium Enterprises (MSMEs).

For details:

<https://pib.gov.in/PressReleasePage.aspx?PRID=1947397>

❖ **Merger & Acquisition**

NCLT approves Zee Ent-Sony India merger, dismisses all objections (August 10, 2023)

The National Company Law Tribunal (NCLT) has cleared the merger of satellite TV broadcasters Zee Entertainment Enterprises (ZEEL) and Japanese entertainment major Sony India's television (TV) business, creating the country's largest TV network company with a 26 per cent market share.

Shares of ZEEL soared 18 per cent in late-afternoon trade on August 10 after the NCLT approved the merger of the company with Sony Pictures Networks India. Shares of ZEEL closed 17.95 per cent up at Rs. 285.55 on the BSE. The tribunal has also dismissed all objections regarding the merger. The merger was first announced in December 2021. On July 11, the NCLT reserved its order on the merger between ZEEL and Culver Max Entertainment (previously known as Sony Pictures Networks India) after hearing objections from several creditors.

It heard arguments from creditors, including Axis Finance, JC Flowers Asset Reconstruction Company, IDBI Bank, IMAX Corporation, and IDBI Trusteeship Services.
For details:

https://www.business-standard.com/companies/news/nclt-approves-zee-ent-sony-india-merger-dismisses-all-objections-123081000682_1.html

❖ **Information Technology and Automation News**

Digitalization of the Supreme Court and High Court Records (August 09, 2023)

Digitization of court records is an administrative matter falling under the domain of the respective High Courts and the Supreme Court of India and the Government has no direct role in it. The eCourts Mission Mode Project is a national eGovernance project for ICT enablement of district/subordinate courts of the country with a view to facilitate faster disposal of cases by speeding up court processes and providing transparent on-line flow of information on case status, orders/judgments etc. to the judiciary as well as litigants, lawyers and other stakeholders.

The National Judicial Data Grid (NJDG), is an online repository of case statistics, as a result of digitalized case records, from the High Courts and the District and Subordinate Courts of the country. It provides information relating to judicial proceedings/decisions of the computerized courts of the country. Approximately 3000 Court Complexes replicate live data of filing, registration, scrutiny, objections, case status, cause list, judgment and orders on real-time basis.

For details:

<https://pib.gov.in/PressReleasePage.aspx?PRID=1947489>

❖ **Pronouncement**

August 03, 2023	Ashok Shewakramani & Ors {Appellant(s)} VS. State Of Andhra Pradesh & Anr {Respondent(S)} With Criminal Appeal Nos. 884, 882, 880, 881 and 883 of 2023	Supreme Court of India Criminal Appellate Jurisdiction Criminal Appeal No.879 OF 2023
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On a plain reading of Section 141(1) of Negotiable Instrument Act, it is apparent that the words "was in charge of" and "was responsible to the company for the conduct of the business of the company" cannot be read disjunctively.

The Hon'ble Supreme Court inter alia observed that section 141 is an exception to the normal rule that there cannot be any vicarious liability when it comes to a penal provision. The vicarious liability is attracted when the ingredients of sub-section 1 of Section 141 are satisfied. The Section provides that every person who at the time the offence was committed was in charge of, and was responsible to the Company for the conduct of business of the company, as well as the company shall be deemed to be guilty of the offence under Section 138 of the NI Act.

Sub-section 1 of Section 141 reads thus: "141. Offences by companies.- (1) If the person committing an offence under section 138 is a company, **every person who, at the time the offence was committed, was in charge of, and was responsible to the company for the conduct of the business of the company, as well as the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly:.....**"

Further, Apex Court observed that on a plain reading, it is apparent that the words "was in charge of" and "was responsible to the company for the conduct of the business of the company" cannot be read disjunctively and the same ought be read conjunctively in view of use of the word "and" in between.

For details:

https://main.sci.gov.in/supremecourt/2017/12240/12240_2017_7_103_45644_Judgement_03-Aug-2023.pdf

Prepared by Directorate of Academics

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

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