

Vision

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

Motto

सत्यं वद। धर्मं चर। इष्टार्थं कुरु। तृणैः कुरुते ह्यु कुरुते इव।

Mission

"To develop high calibre professionals facilitating good corporate governance"

Info Capsule

Thursday, August 17, 2023

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.

❖ Ministry of Corporate Affairs News

Ministry of Corporate Affairs-Important update (August 16, 2023)

Stakeholders please note that VPD V3 Beta version is available under Document Services from 7pm to 10pm. It is for testing purposes only and forms prior to May 2023 are available for download.

For details:

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

❖ Banking

Banks likely to raise deposit rates to meet credit demand (August 17, 2023)

With the excess liquidity in the banking system getting absorbed due to the Reserve Bank of India's (RBI) Incremental Cash Reserve Ratio (I-CRR) measure, banks are likely to raise deposit rates on select tenors to meet higher credit demand ahead of the upcoming festive season. Last week, the RBI asked banks to maintain an Incremental Cash Reserve Ratio (I-CRR) of 10 per cent on the increase in their Net Demand and Time Liabilities (NDTL) between May 19, 2023, and July 28, 2023. Lenders have to maintain I-CRR from the fortnight starting on August 12.

For details:

<https://indianexpress.com/article/business/banking-and-finance/banks-likely-to-raise-deposit-rates-to-meet-credit-demand-8895874/>

❖ *Competition Law*

Commission approves acquisition of certain stake of IBS Software Pte Limited by Pelipper HoldCo SARL (August 16, 2023)

The proposed combination relates the acquisition of approximately 30% of the issued share capital on a fully diluted basis of IBS Software Pte Limited (Target) from Techware Singapore Holdings Pte. Ltd., a portfolio company of Blackstone Inc. (Seller) by Pelipper HoldCo SARL (Acquirer). The Acquirer is a special-purpose-vehicle indirectly wholly-owned by investment funds advised by Apax Partners LLP (AP). AP is a limited liability partnership incorporated under the laws of United Kingdom and the parent of a number of entities which provide investment advisory services to private equity funds investing in a range of industry sectors. The Acquirer is neither active in India nor does it have any planned business activities in India. The Target is the parent company of IBS group of companies (Target Group), that is mainly active as a software vendor, predominantly for the aviation industry and the travel industry.

The Target also provide IT services to its own existing customers, mainly aviation, tour & cruise, hospitality and energy resources industries. The Target Group is primarily active as a provider of software solutions to the travel industry globally, managing mission-critical operations for customers in the aviation, tour & cruise, hospitality and energy resources industries. Target Group's solutions for the aviation industry cover fleet and crew operations, aircraft maintenance, passenger services, loyalty programs, staff travel & air-cargo management. The Target Group also runs a real-time B2B and B2C distribution platform providing hotel room inventory, rates, and availability to a global network of hospitality companies and channels. For the tour and cruise industry, the Target Group provides a comprehensive customer-centric, digital platform that covers onshore, online and on-board solutions.

For details:

<https://www.cci.gov.in/media-gallery/press-release/details/309/0>

❖ *Market Watch*

Stock Market Indices as on 17.08.2023	
S & P BSE Sensex	65151.02(-388.40)
Nifty 50	19365.25 (-99.75)

Foreign Exchange Rates as on 14.08.2023 <i>(https://www.geojit.com/currency-futures)</i>			
INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR/ 1 JPY
83.10	90.78	105.37	0.57

❖ MSME**Union Cabinet approves new Central Sector Scheme 'PM Vishwakarma' to support traditional artisans and craftspeople of rural and urban India(August 16, 2023)**

The Cabinet Committee on Economic Affairs chaired by the Prime Minister Shri Narendra Modi today approved a new Central Sector Scheme "PM Vishwakarma" with a financial outlay of Rs.13,000 crore for a period of five years (FY 2023-24 to FY 2027-28). The scheme aims to strengthen and nurture the Guru-Shishya parampara or family-based practice of traditional skills by artisans and craftspeople working with their hands and tools. The scheme also aims at improving the quality, as well as the reach of products and services of artisans and craftspeople and to ensure that the Vishwakarmas are integrated with the domestic and global value chains.

Under PM Vishwakarma scheme, the artisans and craftspeople will be provided recognition through PM Vishwakarma certificate and ID card, Credit Support upto Rs.1 lakh (First Tranche) and Rs.2 lakh (Second Tranche) with a concessional interest rate of 5%. The Scheme will further provide Skill Upgradation, Toolkit Incentive, Incentive for Digital Transactions and Marketing Support.

The scheme will provide support to artisans and craftspeople of rural and urban areas across India. Eighteen traditional trades will be covered in the first instance under PM Vishwakarma. These trades include (i) Carpenter (Suthar); (ii) Boat Maker; (iii) Armourer; (iv) Blacksmith (Lohar); (v) Hammer and Tool Kit Maker; (vi) Locksmith; (vii) Goldsmith (Sonar); (viii) Potter (Kumhaar); (ix) Sculptor (Moortikar, stone carver), Stone breaker; (x) Cobbler(Charmkar)/ Shoesmith/Footwear artisan; (xi) Mason (Rajmistri); (xii) Basket/Mat/Broom Maker/Coir Weaver; (xiii) Doll & Toy Maker (Traditional); (xiv) Barber (Naai); (xv) Garland maker (Malakaar); (xvi) Washerman (Dhobi); (xvii) Tailor (Darzi); and (xviii) Fishing Net Maker.

For details:

<https://pib.gov.in/PressReleasePage.aspx?PRID=1949411>

❖ **Pronouncement**

<i>Order dated July 27th, 2023</i>	<i>M/S J.P. Lights India (Appellant) Vs. The Regional Director E.S.I. Corporation, Bangalore (Respondent)</i>	<i>Supreme Court of India Civil Appeal No. 2527 of 2012</i>
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Business of Selling Electrical Goods in a Shop is a “Factory” under ESI Act.

In the above case the Hon’ble Supreme Court inter alia observed that it is apparent from a perusal of the definition of the word “Factory”, as used in the ESI Act that it means any premises including precincts wherein ten or more persons are employed or were employed on any day of the preceding twelve months, and in any part of which a manufacturing process was being carried out or ordinarily so carried out, with an exception of a mine or a railway running shed. Section 2(14AA) of the ESI Act defines the expression “manufacturing process” as one, defined under the Factories Act, 1948. The said Act defines the expression “manufacturing process” under Section 2(k) that is sub-divided into six sub-heads. For the purposes of the present case, Section 2(k)(i) is relevant which makes it clear that a “manufacturing process” may include ‘any process amongst others for altering or repairing or treating/adapting any article for its use or disposal’.

In the instant case, the appellant-firm is in the business of selling electrical goods in a shop. Admittedly, the shop premises is used not only for selling goods, but also to service electrical goods. That being the position, it is clear that the appellant firm falls under the definition of a “Factory” and is using a “manufacturing process”, as contemplated under both the Statutes. The appellant-firm is an establishment that has been using electrical energy for the sale and repair of electrical goods at its premises by using “power” as has been defined under Section 2(15)(C) of the ESI Act, which again takes us back to the Factories Act, 1948, where the definition of “power” has been spelt out in Section 2(g) and the meaning ascribed to the said word is ‘electrical energy, or any other form of energy which is mechanically transmitted and is not generated by human or animal agency’. The observations made in the impugned judgment to the same effect, are based on the provisions of the relevant Statutes and are therefore, upheld.

For details:

https://main.sci.gov.in/supremecourt/2011/10997/10997_2011_14_107_45453_Order_27-Jul-2023.pdf

Prepared by Directorate of Academics

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

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