

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.

❖ Ministry of Corporate Affairs

MCA Establishes Centre for Processing Accelerated Corporate Exit (March 17, 2023)

The Ministry of Corporate Affairs (MCA) vide its notification dated March 17, 2023 has notified that in exercise of the powers conferred by section 396(1) of the Companies Act, 2013, the Central Government establishes a Centre for Processing Accelerated Corporate Exit (C-PACE). The C-PACE shall be located at the Indian Institute of Corporate Affairs (IICA), Manesar, Gurugram. This notification shall come into force with effect from the 01st day of April, 2023

For details:

<https://egazette.nic.in/WriteReadData/2023/244467.pdf>

❖ International Business News

India eases leasing rules to address aircraft shortages (March 20, 2023)

India has taken steps to allow airlines to lease more aircraft to fill a gap in capacity as travel rebounds from the pandemic, the country's civil aviation minister said on Monday, March 20, 2023. Airline traffic is recovering quickly from coronavirus restrictions that led to jets being grounded worldwide in 2020, with manufacturers now struggling to keep pace with aircraft demand and engine shortages grounding some planes.

For details:

<https://www.reuters.com/business/aerospace-defense/india-eases-leasing-rules-address-aircraft-shortages-minister-2023-03-20/>

❖ **Securities Laws and Capital Market**

- **SEBI comes out with requirement to process investors' service requests (March 17, 2023)**

SEBI came out with simplified procedural requirements for processing investors' service requests by registrar and share transfer agents (RTAs) to push ease of doing business. In addition, the regulator has issued framework for furnishing PAN, KYC (Know Your Client) details and nomination by holders of physical securities. This came after SEBI received representations from investors regarding difficulties being faced by them with regard to certain procedural aspects of guidelines and varied interpretations pertaining to the documentation required for processing investor service requests. The new framework would come into force from April 1, 2023. The regulator has made it mandatory for all holders of physical securities in listed companies to furnish PAN, nomination, contact details, bank account details and specimen signature for their corresponding folio numbers.

For details:

https://www.business-standard.com/article/economy-policy/sebi-comes-out-with-requirement-to-process-investors-service-requests-123031701256_1.html

- **ESOPs: Market regulator SEBI could tweak regulations for start-ups (March 17, 2023)**

The Securities and Exchange Board of India (SEBI) is planning to change its rules to address concerns around founders and family members of tech or app-based start-ups owning shares under the employee stock ownership plan (ESOP). SEBI does not want founders to own stock options if they have rights akin to those enjoyed by promoters, the sources with direct knowledge of the matter said. A decision in this regard could come sometime this year, the sources added. Under present laws, promoters hold direct and indirect control over the company, advise, direct, and instruct the board of directors, and have the right to nominate directors to the board, but are barred from owning ESOPs. "In new-age tech companies, founders have reduced their shareholding to below 10 per cent and have stayed away from the promoter tag,". The regulator is examining the gap in the law and whether it is being misused.

For details:

https://www.business-standard.com/article/markets/esops-market-regulator-sebi-could-tweak-regulations-for-start-ups-123031701466_1.html

❖ **Banking**

- **New age firms unwilling to comply with rules at times: Shaktikanta Das (March 18, 2023)**

Reserve Bank of India Governor Shaktikanta Das on March 18, 2023 said though the digital payments infrastructure has grown rapidly over the past years, some Payment System Operators (PSOs) are unwilling to comply with regulatory instructions. The RBI had directed PSOs to implement an ODR system for disputes and grievances related to failed transactions in their respective payment systems.

For details:

[https://www.business-standard.com/article/finance/new-age-firms-in-payment-space-reluctant-to-comply-with-rules-at-times-das-123031800502_1.html#:~:text=New%20age%20tech%20firms%20who,Reserve%20Bank%20of%20India%20\(RBI](https://www.business-standard.com/article/finance/new-age-firms-in-payment-space-reluctant-to-comply-with-rules-at-times-das-123031800502_1.html#:~:text=New%20age%20tech%20firms%20who,Reserve%20Bank%20of%20India%20(RBI)

- **Centre calls applications for Deputy Governor post at RBI (March 20, 2023)**

The Union finance ministry on March 19, 2023 called applications to fill the post of Deputy Governor at Reserve Bank of India (RBI), as per a notification on RBI website. The candidate will succeed RBI Deputy Governor MK Jain, whose tenure is ending in June. The last date for submission of application is April 10, 2023 and candidates older than 60 years of age as on June 22, 2023 will not be considered eligible for the post. The salary for this position is fixed at Rs. 2.25 lakh per month.

For details:

<https://www.financialexpress.com/industry/banking-finance/centre-calls-applications-for-deputy-governor-post-at-rbi/3015165/>

- **Bahrain keen on UPI linkage for faster payments between countries (March 20, 2023)**

After Singapore, Bahrain has evinced interest in India's retail payment system and has held initial talks with the Government for a possible collaboration. This is in line with the recent integration of India's Unified Payment Interface (UPI) and Singapore's PayNow payment system. Last month, UPI and its equivalent network in Singapore, PayNow, were integrated to enable faster remittances between the citizens of the two countries at a highly competitive rate.

For details:

<https://indianexpress.com/article/business/banking-and-finance/bahrain-keen-on-upi-linkage-for-faster-payments-between-countries-8505566/>

❖ **Indirect Tax**

• Goods & Services Tax (GST)

GST department to scrutinise I-T, MCA data to identify entities not paying taxes (March 19, 2023)

The Goods & Services Tax (GST) department will soon begin analysing Income Tax Returns (ITRs) filed by business entity and professionals and also Ministry of Corporate Affairs (MCA) filings to ascertain if the entities are adequately discharging their GST liability and widening the taxpayer base. The data analysis will focus on those entities which are not exempt and are required to register under the GST and file returns, either monthly or quarterly. After identifying the entities which are not complying with the GST law, the GST department will communicate to them at their registered place of business asking them the reasons for non-compliance.

For details:

<https://economictimes.indiatimes.com/news/economy/policy/gst-dept-to-scrutinise-i-t-mca-data-to-identify-entities-not-paying-taxes/articleshow/98780285.cms?from=mdr>

❖ **Terminology for Today**

Community development investing

Investment options from community development corporations (CDCs) and other organizations intended to generate new opportunities that help lower-income neighborhoods and populations. Such investments generally are related to affordable housing, small businesses and jobs.

Market Watch

Stock Market Indices as on 20.03.2023

S & P BSE Sensex	57628.95(-360.95)
Nifty 50	16988.40(-111.65)

Foreign Exchange Rates as on 17.03.2023

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

INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR/ 1 JPY
82.68	87.68	99.91	0.62

Prepared by Directorate of Academics

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

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