

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 & Capital Market

• SEBI wants mutual funds to catch front running, insider trading frauds (May 20, 2023)

SEBI has proposed setting up surveillance and internal control systems to catch frauds like front running and insider trading. At the minimum, SEBI has said that such a system should be able to catch front-running, insider trading, misselling of products, misuse of information by the asset management company (AMC), its employees, distributors, brokers dealers and so on and delay in execution of orders by their brokers and dealers. Now typically, front-running and insider trading frauds are detected by stock market exchanges that use their surveillance systems in conjunction with SEBI. But with the proliferation of fund houses and brokerage houses over the years, this puts pressure on SEBI as well as the exchanges to constantly monitor and fish out culprits. By putting onus on the fund houses to put in place such systems, it wants fund houses to be more proactive. Additionally, SEBI also wants the chief executive officer (CEO) and chief compliance officer (CCO) to be made responsible for implementing these systems, so that the top management cannot escape accountability even if someone below commits the crime.

For details:

<https://www.moneycontrol.com/news/business/markets/amcs-must-set-up-robust-surveillance-internal-control-system-to-prevent-fraud-sebi-paper-10629221.html>

- **SEBI pitches for expulsion of AIFs with members from same family or business group (May 20, 2023)**

SEBI has pitched for a review of the Qualified Institutional Buyers (QIBs) status conferred on alternative investment funds, venture capital funds and foreign venture capital investors. SEBI was prodded into looking at this issue after it found out that a few alternative investment funds (AIFs) were exploiting a regulatory vacuum by incorporating members belonging to the same family or group. These AIFs have gone on to invest in IPOs under the QIB quota, effectively violating norms pertaining to QIBs under the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018. The regulator found that as on March 31, 2023, some 318 schemes of AIFs had five or fewer investors out of which 210 schemes have either one or two investors. SEBI said that many of these investors belong to the same group, that is, the same family or business group or holding/subsidiary Company.

For details:

<https://www.moneycontrol.com/news/business/markets/sebi-pitches-for-expulsion-of-aifs-with-members-from-same-family-or-business-group-10627291.html>

- **SEBI proposes measures to boost liquidity in corporate bond market (May 19, 2023)**

With an aim to boost liquidity in the secondary market for corporate bonds, SEBI came out with a proposal for enabling direct participation by clients in the tri-party repo segment for corporate bonds. The proposal will facilitate direct participation in repo transactions in corporate bonds by entities which cannot take direct membership of the stock exchange, clearing corporation such as NBFCs, insurance companies, mutual funds, etc. In its consultation paper, SEBI has suggested for facilitating transactions directly between clients and the Limited Purpose Clearing Corporation (LPCC) in the tri-party repo segment as well as to enabling contribution by such clients directly to the Core SGF (Settlement Guarantee Fund).

For details:

<https://www.moneycontrol.com/news/business/sebi-proposes-measures-to-boost-liquidity-in-corporate-bond-market-10624521.html>

❖ **Terminology for today**

Green-hushing is the term used to describe the company practice of saying less about sustainability and climate risk reduction practices and targets, to avoid scrutiny. Green-hushing is less likely to be used by organisations that are committed to a sustainability reporting framework (such as the Global Reporting Initiative) with required disclosures.

❖ **Business and Economic News**

• **Amazon Web Services Plans to Invest US\$12.7 Billion in India by 2030 (May 19, 2022)**

Amazon Web Services (AWS) announced its plans to invest US\$12.7 billion into cloud infrastructure in India by 2030 to meet the growing customer demand for cloud services in India. AWS said that the latest investment will be used to build its cloud infrastructure in India and will support over 100,000 full-time jobs annually. This investment will contribute INR 1,94,700 crores (US \$23.3 billion) to India's total gross domestic product (GDP) by 2030.

For details: <https://www.analyticsinsight.net/amazon-web-services-plans-to-invest-us12-7-billion-in-india-by-2030/>

• **Justice Prashant Kumar Mishra, senior advocate KV Viswanathan sworn in as Supreme Court judges (May 19, 2023)**

Justice Prashant Kumar Mishra and senior advocate KV Viswanathan were sworn-in as Supreme Court judges on Friday, a day after the Central government cleared the appointment of the advocates.

The five-member Collegium said the Supreme Court has a sanctioned strength of 34 judges and is currently functioning with 32. Two Supreme Court judges - Dinesh Maheshwari and MR Shah - retired recently.

For details: <https://www.indiatoday.in/law/story/justice-prashant-kumar-mishra-and-senior-advocate-kv-viswanathan-2381271-2023-05-19>

• **MP's Bhopal becomes first city in India to measure Sustainable Development Goals progress (May 20, 2023)**

Madhya Pradesh capital Bhopal has become the first city in India to accept the localization of the United Nations (UN)-mandated Sustainable Development Goals (SDG). Voluntary Local Reviews (VLR) will now be conducted in Bhopal to show the abilities and commitments of the government.

The 2030 Agenda for Sustainable Development, often known as Agenda 2030, is being translated into local actions and impacts as part of the SDGs localization process, which helps promote the goals' achievement on a global scale.

For details: <https://www.thehindu.com/opinion/op-ed/tracking-sdg-progress-the-bhopal-way/article66871463.ece>

Market Watch

Stock Market Indices as on 22.05.2023

S & P BSE Sensex	61963.68 (+234.00)
Nifty 50	18314.40 (+111.00)

Foreign Exchange Rates as on 19.05.2023

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

INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR / 1 JPY
82.59	89.21	102.72	0.59

Prepared by Directorate of Academics

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

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