

Vision

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

Motto

सत्यं वद। धर्मं चर। इष्टार्कं क्रेतं त्वाक्रे. अक्रोदते ह्यु क्रेतं त्वा

Mission

"To develop high calibre professionals facilitating good corporate governance"

Tuesday, April 25, 2023

Info Capsule

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.

❖ Direct Tax

Income Tax Department readying angel tax norms, valuation guidelines [Dated April 25, 2023]

The Income Tax Department is working on the guidelines for applicability of the "angel tax" provisions which were extended to foreign investors effective April 1. The idea is to provide clarity on valuation and the exemption norms.

A number of startups have in recent weeks received notices from the tax department ascertaining details of their fundraise in previous years. These notices come on the heels of the amendments in the Union Budget to Section 56(2) VII B of the Income Tax Act that would bring foreign investors under the angel tax regime. Effective April 1, unlisted companies issuing shares at a premium to non-residents in excess of fair market value (FMV) will also be taxed. However, businesses incorporated before April 2016 can apply for exemptions from this section and Sebi-registered alternative investment funds (AIFs) are also exempt. About 80,000 startups registered with the DPIIT will be exempt.

For details:

<https://www.financialexpress.com/economy/it-dept-readying-angel-tax-norms-valuation-guidelines/3059316/>

❖ **Banking**

- **RBI Working Paper No. 06/2023: Did COVID-19 Affect Households Differently? Understanding Heterogeneity in Consumer Confidence (April 24, 2023)**

The Reserve Bank of India placed on its website a Working Paper titled, “Did COVID-19 Affect Households Differently? Understanding Heterogeneity in Consumer Confidence” under the Reserve Bank of India Working Paper Series. Using household-level data from the Consumer Confidence Survey of the RBI, this paper brings out the heterogeneous impact of COVID-19 on Indian households in terms of the five parameters covered by the survey, namely, economic conditions, employment, price level, income, and spending. The paper derives household-level heterogeneity in current perceptions and the assessment about future outlook across five parameters using Latent Class Analysis (LCA).

For details:

https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=55565

- **MAS clears merger of HDFC Investments with HDFC Bank (April 24, 2023)**

HDFC Bank on April 24, 2023 said Monetary Authority of Singapore (MAS) has given an approval for merger of HDFC Investments and HDFC Holdings with parent HDFC Ltd. As part of a composite scheme of amalgamation, Griha Pte, a wholly-owned subsidiary of HDFC Investments and a foreign step-down subsidiary of HDFC Ltd, received approval for the merger with HDFC Bank.

For details:

<https://economictimes.indiatimes.com/industry/banking/finance/banking/mas-clears-merger-of-hdfc-investments-with-hdfc-bank/articleshow/99738276.cms>

- **Allow foreign currency transactions in country via RBI: Consultants & service providers urge Govt. (April 24, 2023)**

Consultants and service providers in the country have urged the Government to stop routing domestic foreign currency deals via the US banking system, in order to avoid transaction fees and save foreign currency. Rather such domestic deals involving foreign currencies such as the US dollar should be routed through the Reserve Bank of India.

For details:

<https://indianexpress.com/article/business/banking-and-finance/foreign-currency-transactions-india-reserve-bank-8573021/>

❖ **Business and Economics News**

Starting this FY, companies must maintain audit trail (April 24, 2023)

Businesses must maintain an unbroken record of all edits in their books of accounts and not disable the audit trail feature in their accounting software starting this financial year, marking a significant change in accounting regulations. The Ministry of Corporate affairs has decided not to defer the requirement, first announced in 2021, for businesses any further, a person familiar with the government's decision said.

The Companies (Accounts) Amendment Rules, 2021, which was modified twice later to give extra time for businesses to comply, stipulates that companies record an audit trail of all transactions in the accounting software used and capture the edit log of all changes along with the date of the change.

For details:

<https://www.livemint.com/companies/news/companies-must-maintain-audit-trail-11682269050833.html>

❖ **Market Watch**

Stock Market Indices as on 25.04.2023

S & P BSE Sensex	60130.71(+74.61)
Nifty 50	17769.25(+25.85)

Foreign Exchange Rates as on 24.04.2023

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

INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR/ 1 JPY
82.03	90.14	102.06	0.61

Prepared by Directorate of Academics

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

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