

Vision

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

Motto

सत्यं वद। धर्मं चर। इष्टार्थं कुरु। तृणैः केशिभिः प्रसूयते।

Mission

"To develop high calibre professionals facilitating good corporate governance"

Friday, August 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.

❖ Ministry of Corporate Affairs

Condonation of delay in filing of Form-3, Form-4 and Form-11 under section 67 of Limited Liability Partnership Act, 2008 read with section 460 of the Companies Act, 2013 (August 23, 2023)

The Ministry of Corporate Affairs (MCA) has issued general circular no. 8/2023 dated August 23, 2023 and granted one-time relaxation in additional fees to those LLPs who could not file the Form 3, Form 4 and Form 11 within due date and provided an opportunity to update their filings and details in Master-data for future compliances.

Salient features are mentioned as below:

1. Form 3 and Form 4 will be processed under STP mode, except for cases involving changes in business activities. Further, stakeholders are advised to file these forms sequentially.
2. These forms will provide facility to edit the pre-filled master data which is available as the existing master database of the LLP. However, the onus of filing the correct data would be on the stakeholders.
3. The filing of Form 3 and Form 4 without additional fees shall be applicable for the event dates 01.01.2021 onwards. For the events prior to the aforesaid period, these forms can be filed with two times and four times of normal fees as additional fee for small LLPs and other than small LLPs respectively.
4. The filing of Form 11 without additional fee shall be applicable for the financial year 2021-22 onwards.
5. These forms shall be available for filing from 01.09.2023 onwards till 30.11.2023.
6. The LLPs availing the scheme shall not be liable for any action for the delayed filing of aforesaid forms.

For details:

<https://www.mca.gov.in/bin/dms/getdocument?mcs=Zt6foWsl%252BABAbU7Pid9NGg%253D%253D&type=open>

❖ **Direct Tax**

- **CBDT notify 'District Mineral Foundation Trust' for Section 10(46) [Notification No. 66 Dated August 23, 2023]**

The Central Government notifies 'District Mineral Foundation Trust' as specified in the schedule to this notification, constituted by Government in exercise of powers conferred under section 9(B) of the Mines and Minerals (Development and Regulation) Amendment Act, 2015 (10 of 2015) as a 'class of Authority' , for the purposes of the clause (46) of section 10 of the Income-tax Act, 1961, in respect of the certain specified income arising to that Authority subject to fulfilment of certain conditions.

For details:

<https://incometaxindia.gov.in/communications/notification/notification-66-2023.pdf>

- **CBDT notify 'Punjab Building and Other Construction Welfare' for Section 10(46) [Notification No. 67 Dated August 23, 2023]**

The Central Government notifies "Punjab Building and Other Construction Welfare" Board (PAN: AAALP0698P), a body constituted by the State Government of Punjab , for the purposes of the clause (46) of section 10 of the Income-tax Act, 1961, in respect of the certain specified income arising to that Board subject to fulfilment of certain conditions.

For details:

<https://incometaxindia.gov.in/communications/notification/notification-67-2023.pdf>

❖ **Securities Laws and Capital Market**

- **Modification in Cyber Security and Cyber Resilience framework of Stock Exchanges, Clearing Corporations and Depositories (August 24, 2023)**

SEBI has modified the framework for Cyber Security and Cyber Resilience for stock exchanges, clearing corporations and depositories. It is provided that MIIs are mandated to conduct comprehensive cyber audit at least 2 times in a financial year. Along with cyber audit reports, MIIs are directed to submit a declaration from the MD/CEO certifying that comprehensive measures and processes have been put in place and adequate resources have been hired. Further, MIIs, whose systems have been identified as Critical Information Infrastructure (CII) by National Critical Information Infrastructure Protection Centre (NCIIPC), are mandated to send regular updates/closure status of the vulnerabilities found in their respective "protected systems" to NCIIPC. MIIs are directed to communicate the status of the implementation of the provisions of this circular to SEBI within 30 days from the date of this Circular.

For details:

https://www.sebi.gov.in/legal/circulars/aug-2023/modification-in-cyber-security-and-cyber-resilience-framework-of-stock-exchanges-clearing-corporations-and-depositories_75887.html

- **SEBI initiates third tranche of distribution of disgorged / recovered amount to investors in the matter of IPO irregularities (August 24, 2023)**

SEBI has initiated the third tranche for distribution of Rs. 14.87 crore to 2.58 lakh investors from the disgorged/recovered amount in the matter of IPO irregularities on August 17, 2023. SEBI had investigated into certain irregularities in the shares issued through 21 Initial Public Offerings (IPOs) during the period 2003-2005 before their listing on the stock exchanges. Under the Chairmanship of Justice D.P. Wadhwa, former Judge of Supreme Court of India, a committee was set up namely 'Wadhwa Committee', which recommended the procedure of identification of persons who have been deprived in the said IPOs and the manner in which reallocation of shares to such persons should take place. As per the recommendations of Wadhwa Committee, 13.57 lakh persons had been identified as eligible investors for distribution.

For details:

https://www.sebi.gov.in/media-and-notifications/press-releases/aug-2023/sebi-initiates-third-tranche-of-distribution-of-disgorged-recovered-amount-to-investors-in-the-matter-of-ipo-irregularities_75884.html

- **SEBI mandates additional disclosures for certain FPIs, releases criteria and exemption details (August 24, 2023)**

The market regulator SEBI has mandated the criteria for submission of disclosures by foreign portfolio investors (FPIs). Certain FPIs were observed to hold concentrated portion of their equity portfolio in a single investee company/ corporate group. Such concentrated investments raised concerns that investors or promoters of such investee companies could use such FPIs to circumvent regulatory requirements, such as that of disclosures under SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 or maintaining Minimum Public Shareholding (MPS) in the listed company. According to the criteria, given in the latest circular dated August 24, 2023 granular details of all entities holding any ownership, economic interest, or exercising control in the FPI, on a full look through basis, up to the level of all natural persons, without any threshold, need to be provided by certain FPIs. These are FPIs that hold more than 50 percent of their Indian equity Assets Under Management (AUM) in a single Indian corporate group; and FPIs that individually, or along with their investor group (in terms of Regulation 22(3) of the FPI Regulations), hold more than INR 25,000 crore of equity AUM in the Indian markets.

For details:

<https://www.moneycontrol.com/news/business/markets/sebi-mandates-additional-disclosures-for-certain-fpis-releases-criteria-and-exemption-details-11253321.html>

❖ **Banking**

Banks' dividend payout to hit 7-year high: S&P Global

The aggregate dividend payout by the Indian banks to shareholders in fiscal year 2023-2024 will increase to its highest level in at least seven years, said a report from S&P Global Market Intelligence. According to the S&P Global report, banks will likely account for 13% of the aggregate dividend payout across all sectors in the fiscal year 2024 ending March 31, up from 12% and 9% in the previous two financial years.

For details:

<https://www.livemint.com/industry/banking/banks-dividend-payout-to-hit-7-year-high-s-p-global-11692879498668.html>

❖ **Business and Economic News**

Six countries to join BRICS group; China labels expansion 'historic' (August 24, 2023)

The BRICS grouping of Brazil, Russia, India, China and South Africa will add six nations to its ranks next year, as Beijing and Moscow push for the loose collection of emerging economies to evolve into a robust counterweight to Western global dominance.

Argentina, Egypt, Ethiopia, Iran, Saudi Arabia and the United Arab Emirates will join as members in January, the summit host, South African President Cyril Ramaphosa, said Thursday, the last day of the three-day meeting in Johannesburg.

For details:

<https://www.washingtonpost.com/world/2023/08/24/brics-china-russia-expansion/>

❖ **Market Watch**

Stock Market Indices as on 25.08.2023	
S & P BSE Sensex	64886.51 (-365.83)
Nifty 50	19265.80 (-120.90)

Foreign Exchange Rates as on 25.08.2023 (https://m.rbi.org.in/Scripts/ReferenceRateArchive.aspx)			
INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR / 1 JPY
82.65	89.16	103.93	.5658

Prepared by Directorate of Academics

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

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