

Vision

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

Motto

सत्यं वद। धर्मं चर। इष्टार्थं कुरु। त्वात्के। अवेदं ह्यु कुरु। इव।

Mission

"To develop high calibre professionals facilitating good corporate governance"

Wednesday, April 26, 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.

• Requirement of Company Secretaries at CRC, Manesar on Contractual Basis

Central Registration Centre, Corporate Bhawan, IICA, Manesar, near Gurgaon (Haryana) is looking for upto 40 Company Secretaries with payout of **Rs. 40,000/- to Rs. 60,000/- per month**. The tenure for the position will be initially for a period of one year. The period of contract may be extended every year up to a maximum period of two more years based on the performance and the requirement. Preference shall be given to the candidates having a post qualification experience of one to two years and more than two years. Job description shall be Processing of name reservation application Company Incorporation e-Forms and any other related work. The last date for submission of online application is 04.05.2023.

For details:

https://www.icsi.edu/media/webmodules/placement/AnnexureA_AdvtCRC_Executives_April19042023.pdf

❖ **Direct Tax**

Union Finance Minister Smt. Nirmala Sitharaman chairs review meeting with Central Board of Direct Taxes [Dated April 25, 2023]

Union Minister for Finance & Corporate Affairs Smt. Nirmala Sitharaman chaired a periodic review meeting with Central Board of Direct Taxes (CBDT), on April 25, 2023. The review meeting was attended by the Revenue Secretary; Chairman, CBDT; and all the Members of CBDT.

Inter alia, the Finance Minister reviewed the following subjects:

- Efforts for increasing tax payer base
- Pending disciplinary proceeding cases
- Disposal of applications for condonation of delay and grant of exemptions under certain sections of the Income Tax Act, 1961

The Finance Minister emphasised that CBDT should ensure timely and appropriate actions on all applications filed by tax payers and desired a reasonable time frame for disposal of such applications. The Finance Minister exhorted CBDT to expand and strengthen its efforts to increase tax payers' awareness regarding the provisions of the direct tax laws and compliance thereof.

For details:

<https://pib.gov.in/PressReleasePage.aspx?PRID=1919533>

❖ **SEBI**

SEBI stops brokers from using client funds for bank guarantees (April 25, 2023)

Market regulator SEBI has asked stock brokers to stop creating bank guarantees by using the funds of their clients. Brokers mainly use bank guarantees to avail trading limits from clearing corporations of stock exchanges. From September, brokers will have to use their own funds to submit bank guarantees for availing trading limits. "Currently, stock brokers, clearing members pledge clients' funds with banks for bank guarantees to clearing corporations for higher amounts.

This implicit leverage exposes the market and especially client's funds to risks. Beginning May 01, 2023, no new bank guarantee shall be created out of clients' funds by brokers/members," SEBI said in a circular on April 25, 2023.

For details:

<https://www.thehindubusinessline.com/markets/stock-markets/sebi-stops-use-of-bank-guarantees-by-stock-brokers-created-out-of-client-funds/article66777759.ece>

❖ **Banking**

• **General Credit Card (GCC) Facility – Review (April 25, 2023)**

The Reserve Bank of India has reviewed the Revised General Credit Card (GCC) Scheme and issued revised instructions on GCC. The GCC Scheme shall henceforth be called “General Credit Card (GCC) Facility”. The instructions shall apply to all banks which are eligible to issue credit cards under the above Master Direction. Individuals/entities sanctioned working capital facilities for non-farm entrepreneurial activities which are eligible for classification under the priority sector guidelines, may be issued General Credit Cards.

For details:

<https://rbi.org.in/Scripts/NotificationUser.aspx?Id=12492&Mode=0>

• **Central banks signal end of bank turmoil with cut in dollar funding line (April 25, 2023)**

The world’s top central banks are cutting the frequency of their dollar liquidity operations with the U.S. Federal Reserve from May, sending the clearest signal yet that last month’s financial market volatility is essentially over. The Fed started offering dollars in daily tenders from late March after the failure of Silicon Valley Bank and the sale of Credit Suisse sent jitters across financial markets and raised the risk of liquidity shortages that could have morphed into a broader financial crisis.

For details:

<https://indianexpress.com/article/business/banking-and-finance/central-banks-cut-dollar-operations-with-fed-reserve-8575056/>

❖ **Business and Economics News**

Eligibility standards may be prescribed: Government mulls size threshold for auditors of large firms (April 26, 2023)

The Government is examining whether to reserve auditing of large companies and public interest entities to audit firms of certain size, repute and technological prowess. Discussions in this regard, though at an early stage, are revolving around a graded approach to addressing the issue of inadequate audit standards putting investor interests at risk, official sources said. Among the options being weighed are prescribing eligibility standards for audit firms, which oversee financial accounts of large listed companies, through means like a threshold size.

For details:

<https://www.financialexpress.com/industry/eligibility-standards-may-be-prescribed-govt-mulls-size-threshold-for-auditors-of-large-firms/3062816/>

❖ **Arbitration Law**

Arbitration Agreement contained in Unstamped Contract which is Exigible to Stamp Duty is Not Enforceable (April 25, 2023)

A Constitution Bench of the Supreme Court, on Tuesday, April 25, 2023 answered the below mentioned reference:

Whether the statutory bar contained in Section 35 of the Stamp Act, 1899 applicable to instruments chargeable to stamp duty under Section 3 read with the Schedule to the Act, would also render the arbitration agreement contained in such an instrument, which is not chargeable to payment of stamp duty, as being non-existent, unenforceable, or invalid, pending payment of stamp duty on the substantive contract/instrument?

A 5-Judge Bench decided the issue by 3:2 majority.

The majority decided that -

An arbitration agreement within the meaning of Section 7 of the Arbitration and Conciliation Act attracts stamp duty and which is not stamped or insufficiently stamped cannot be acted upon in view of Section 35 of the Stamp Act unless following impounding and paying requisite duty...the provisions of Section 33 and the bar under Section 35 of the Stamp Act...would render the arbitration agreement contained in such instrument as being non-existent in law until the instrument is validated under the Stamp Act."

For details:

https://main.sci.gov.in/supremecourt/2020/23926/23926_2020_3_1501_44044_Judgement_25-Apr-2023.pdf

<https://www.livelaw.in/top-stories/supreme-court-arbitration-agreement-not-valid-unstamped-contract-indian-stamp-act-227141>

❖ **Market Watch**

Stock Market Indices as on 26.04.2023	
S & P BSE Sensex	60300.58(+169.87)
Nifty 50	17813.60(+44.35)

Foreign Exchange Rates as on 25.04.2023 (https://www.geojit.com/currency-futures)			
INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR/ 1 JPY
81.85	90.48	102.30	0.61

Prepared by Directorate of Academics

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

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