

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"

Info Capsule

Tuesday, June 27, 2023

President

CS Manish Gupta

Vice President

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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.

❖ Business and Economics News

• U20 Engagement Group of G20 to host 2 Days Mayoral Summit in Ahmedabad (June 26, 2023)

The city of Ahmedabad is all set to host the Urban20 (U20) Mayoral Summit on 7-8 July, 2023. This Mayoral Summit is expected to bring together several city leaders and Mayors from across G20 nations. The summit will also be attended by delegates representing various cities, knowledge partners, Indian and international organizations, academic institutes and dignitaries from the Government of India and the State Government.

U20 is an Engagement Group under India's G20 presidency. It is a city diplomacy initiative, comprising cities from G20 countries, emphasizing the role of cities in taking forward the global agenda for sustainable development through collaboration among cities. Ahmedabad is the U20 Chair for the current sixth cycle and is supported by the National Institute of Urban Affairs (NIUA) as the Technical Secretariat, and the Ministry of Housing and Urban Affairs (MoHUA) as the nodal ministry.

For details:

<https://pib.gov.in/PressReleaseIframePage.aspx?PRID=1935357>

• Ministry of Corporate Affairs Orders Inspection of Byju's Books for Corporate Governance Lapses (June 26, 2023)

India's Company Regulator is gathering information about education-technology firm Byju's after the resignation of its auditor and three board members, according to people familiar with the matter. The Ministry of Corporate Affairs has sought more information about the embattled startup and a final decision about whether to open a formal probe is expected soon, the people said. The decision to order an inspection and investigation would be based on an assessment of the information, they said.

For details:

<https://www.financialexpress.com/industry/ministry-of-corporate-affairs-scrutinizes-byjus-after-deloitte-resigns-as-its-auditor/3143338/>

❖ **Securities Laws and Capital Market**

• **SEBI introduces ASBA-like facility for secondary market trading (June 26, 2023)**

With an aim to safeguard investors' money from misuse and default by stock brokers, SEBI introduced a supplementary process for trading in the secondary market based on blocked funds in an investor's bank account, instead of transferring them upfront to the trading member. This is similar to Application Supported by Blocked Amount (ASBA)-like facility already available for the primary market which ensures that money from an investor gets moved only when an allotment happens. The new facility will become live by January 1, 2024, the Securities and Exchange Board of India (SEBI) said in a circular. Under the framework, funds will remain in the account of client but will be blocked in favour of the Clearing Corporation (CC) till the expiry date of the block mandate or till block is released by the CC, or debit of the block towards obligations arising out of the trading activity of the client, whichever is earlier. Further, settlement for funds and securities will be done by the CC without the need for handling of client funds and securities by the member. The process safeguards clients' assets from misuse, brokers' default and consequent risk to their capital.

For details:

<https://economictimes.indiatimes.com/markets/stocks/news/sebi-introduces-asba-like-facility-for-secondary-market-trading/articleshow/101283901.cms?from=mdr>

• **SEBI releases compliance rules for REITs, InvITs (June 27, 2023)**

SEBI came out with disclosure formats for compliance reports on governance and annual secretarial for emerging investment vehicles – REITs and InvITs. These would come into force from FY24 onwards, SEBI said in four circulars. Under the format for compliance report on governance, SEBI said infrastructure investment trusts (InvITs) and real estate infrastructure trusts (REITs) will have to disclose the name of the investment managers, the composition of the board of directors of the investment managers as well as the composition of committees, meetings of the board of directors, along with meetings of committees, on a quarterly basis. In addition, the regulator has issued separate formats for the financial year that need to be submitted by the investment managers of InvITs and REITs. For the governance report, such investment managers are required to submit a quarterly compliance report to the stock exchanges within 21 days from the end of each quarter. The report needs to be signed either by the compliance officer or the chief executive officer of the investment manager. With regard to the annual secretarial compliance report, SEBI said the investment manager will have to appoint a practising company secretary on an annual basis to examine the compliance of all applicable rules, consequent to which, the practising company secretary is required to submit a report to such investment managers.

For details:

<https://economictimes.indiatimes.com/markets/stocks/news/sebi-releases-compliance-rules-for-reits-invits/articleshow/101291668.cms>

❖ **Banking**

• **Shri Swaminathan J appointed as RBI Deputy Governor (June 26, 2023)**

Shri Swaminathan J took charge as the Deputy Governor of Reserve Bank of India on June 26, 2023. The Government of India, on June 21, 2023 has appointed him to the post of Deputy Governor, Reserve Bank of India, for a period of three years from the date of joining the post or until further orders, whichever is earlier. As Deputy Governor, Shri Swaminathan will look after Consumer Education and Protection Department, Department of Supervision, Financial Inclusion and Development Department, Inspection Department, Premises Department and Rajbhasha Department.

For details:

https://rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=55929

• **S&P raises assessment of Indian banking sector on “strong recovery” (June 27, 2023)**

S&P Global Ratings on June 27, 2023 raised its assessment of India’s banking sector, citing a “strong recovery” underway in the Indian financial sector. India’s ‘Banking Industry Country Risk Assessment’, an indicator of an economy’s financial sector, has been raised one notch to 5 from 6 earlier, the rating agency said in a note. Risk scores range from 1 to 10, with 10 signalling the highest risk.

For details:

<https://www.financialexpress.com/industry/banking-finance/sp-raises-assessment-of-indian-banking-sector-on-strong-recovery/3143909/>

• **White-label ATMs see red in under a decade (June 27, 2023)**

White-Label ATMs (WLAs), set up and operated by non-banking entities, made their debut in India in 2013-14 with much fanfare. The Reserve Bank of India (RBI), pursuing its ongoing goal of financial inclusion, gave licences to eight players to set up and operate ATMs in predominantly semi-urban and rural regions. Less than a decade later, the hype has given way to a more sombre mood, with half the players withdrawing from the business, weighed down by higher costs and lower fees. The initial list of eight players included India1 Payments, Hitachi Payments Services, Tata Communication Payment Solutions, Vakrangee, Muthoot Finance, SREI, AGS Transact Technologies, and RiddhiSiddhi Bullions.

For details:

<https://www.financialexpress.com/industry/banking-finance/white-label-atms-see-red-in-under-a-decade/3143610/>

❖ **ESG****ESG integration across alternatives continues in spite of refocus on returns (June 26, 2023)**

Prequin, a leader in alternative assets data, tools, and insights, published its annual environmental, social and governance (ESG) report: ESG in Alternatives 2023. The report shows that there has been a three-fold increase in annual capital raised between 2020 and 2022, rising from \$29bn to \$92bn. Of this, Europe-based ESG funds are the most prominent, having secured over three quarters (79%) of aggregate capital, followed by 14% in North America and 7% in APAC. Recent years of fundraising growth have seen average ESG fund size dial up from \$400mn in 2017 to closer to \$600mn in 2022.

For details:

<https://www.hubbis.com/news/esg-integration-across-alternatives-continues-in-spite-of-refocus-on-returns>

❖ **Terminology for Today****Cognitive diversity**

It is the inclusion of people who have different styles of problem-solving and can offer unique perspectives because they think differently.

❖ **Market Watch****Stock Market Indices as on
27.06.2023**

S & P BSE Sensex	63,416.03 (+446.03)
Nifty 50	18,815.85 (+124.65)

Foreign Exchange Rates as on 26.06.2023

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

INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR / 1 JPY
81.95	89.29	104.20	0.57

❖ **IFSCA**

• **Co-location facility offered by the Stock Exchanges (June 23, 2023)**

The term “Co-location” also synonymously referred to as “proximity hosting” is defined as the facility offered by the Stock Exchanges to eligible market participants such as Broker-Dealers and data vendors, whereby their trading or data-vending systems are allowed to be located within or at close proximity to the premises of the Stock Exchanges and are allowed to connect to the trading platform of the Stock Exchanges through direct and private network.

International Financial Services Centres Authority (IFSCA) has issued a circular addressing Stock Exchanges and Broker-Dealers in the International Financial Services Centre (IFSC) with regard to Co-location facility offered by the Stock Exchanges.

The circular inter alia provides for Fair and equitable co-location services, Connectivity at the co-location facility, Disclosure of information pertaining to co-location services, Third party Co-location services, Measurement of Latency, Managed Co-location Services etc.

For details:

<https://ifsc.gov.in/Legal/Index?MId=fakQrzygzyc=>

• **Framework for Ship Leasing (June 23, 2023)**

International Financial Services Centres Authority ("IFSCA"), in order to facilitate the Ship Leasing business in the International Financial Services Centres in India specified the Framework for entities to get registered under Finance Company Regulations for undertaking ship lease transactions.

This Framework shall apply to all eligible applicants engaging in one or more of the permissible activities as mentioned in the circular through which the framework has been specified.

For details:

[https://ifsc.gov.in/Viewer?Path=Document%2Flegal%2Fframework-for-ship-leasing_updated-as-on-june-23-](https://ifsc.gov.in/Viewer?Path=Document%2Flegal%2Fframework-for-ship-leasing_updated-as-on-june-23-202323062023122852.pdf&Title=Framework%20for%20Ship%20Leasing%2C%20updated%20as%20on%20June%202023%2C%202023&Date=23%2F06%2F2023)

[202323062023122852.pdf&Title=Framework%20for%20Ship%20Leasing%2C%20updated%20as%20on%20June%202023%2C%202023&Date=23%2F06%2F2023](https://ifsc.gov.in/Viewer?Path=Document%2Flegal%2Fframework-for-ship-leasing_updated-as-on-june-23-202323062023122852.pdf&Title=Framework%20for%20Ship%20Leasing%2C%20updated%20as%20on%20June%202023%2C%202023&Date=23%2F06%2F2023)

Prepared by Directorate of Academics

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