

Vision

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

Motto

सत्यं वद। धर्मं चर। इष्टार्कं कुरु। त्वाक्रेः अर्कं देव्यु कुरु।

Mission

"To develop high calibre professionals facilitating good corporate governance"

Wednesday, May 31, 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.

❖ Securities Laws and Capital Market

SEBI paper asks 'high risk' FPIs with concentrated holdings to make more disclosures (May 31, 2023)

SEBI has floated a consultation paper mandating additional disclosures from certain Foreign Portfolio Investors (FPIs) to prevent violation of the minimum public shareholding rules and to ward off hostile takeover of Indian companies. The SEBI paper said that only a limited number of objectively identified high-risk FPIs with either concentrated single group equity exposures or significant equity holdings will be mandated to provide additional granular disclosures around the ownership of, economic interest in, and control of such funds. The market regulator has proposed that for now, high-risk FPIs, holding more than 50 percent of their equity assets under management in a single corporate group would have to comply with the requirements of additional disclosures up to the level of all natural persons and/ or Public Retail Funds or large public listed entities. Some FPIs have been observed to concentrate a substantial portion of their equity portfolio in a single investee company or a group of companies. In some cases, these holdings are near static and maintained for a long time, SEBI has found.

For details:

<https://www.moneycontrol.com/news/business/markets/sebi-paper-asks-high-risk-fpis-with-concentrated-holdings-to-make-more-disclosures-10705811.html>

❖ **Direct Tax**

• **Income-tax (Sixth Amendment) Rules, 2023 [Notification No. 32 Dated May 29, 2023]**

CBDT introduces the Income-tax (Sixth Amendment) Rules, 2023. The key changes made by these rules are as follows:

Rule 45: The words “Commissioner (Appeals)” in the marginal heading and sub-rule (1) are replaced with “Joint Commissioner (Appeals) or Commissioner (Appeals).”

Rule 46A: The words “Deputy Commissioner” in the marginal heading and throughout the rule are replaced with “Joint Commissioner.” Appendix-II,

FORM NO. 35: The heading is modified to include the words and brackets “Joint Commissioner (Appeals) or the” before “Commissioner of Income-tax.” Additionally, the words and brackets “Joint Commissioner (Appeals) or” are inserted before the word “Commissioner” wherever it occurs.

For details:

notification-32-2023.pdf (incometaxindia.gov.in)

• **CBDT notifies Income Tax e-Appeals Scheme, 2023 [Notification No. 33 Dated May 29, 2023]**

CBDT introduces the e-Appeals Scheme, 2023 under the provisions of the Income-tax Act, 1961. The key points of the scheme are as follows:

1. The scheme is called the e-Appeals Scheme, 2023 defines various terms used, including terms like “addressee,” “appeal,” “appellant,” “authorised representative,” “e-appeal,” “registered account,” etc.
2. The scheme applies to appeals filed under section 246 of the Income-tax Act, 1961, except for cases excluded under sub-section (6) of that section.
3. The Joint Commissioner (Appeals) (JCIT) is designated as the appeal authority under the scheme who is responsible for disposing of appeals filed before it or allocated or transferred to it.
4. The Principal Director General of Income-tax (Systems) or the Director General of Income tax (Systems) will devise a process for randomly allocating or transferring appeals to the JCIT (Appeals).
5. The scheme outlines the procedure to be followed in appeal proceedings. It includes provisions for condoning the delay in filing appeals, issuing notices to the appellant and the Assessing Officer, obtaining further information or reports, serving notices for submission of information or evidence, admitting additional grounds of appeal or evidence, and enhancing or reducing assessments or penalties.
6. The JCIT (Appeals) prepares an appeal order stating the points for determination, the decision, and the reasons for the decision. The order is digitally signed and communicated to the appellant, as well as to the relevant tax authorities.
7. Penalty proceedings may be initiated by the JCIT (Appeals) for non-compliance with notices, directions, or orders issued under the scheme. This scheme aims to introduce electronic filing and processing of appeals in order to streamline and expedite the appeals process under the Income-tax Act, 1961.

For details:

notification-33-2023.pdf (incometaxindia.gov.in)

❖ **Banking**

- **Ex Jio Payments Bank Chief appointed MD of Karnataka Bank (May 30, 2023)**

Mangaluru-headquartered private sector lender Karnataka Bank has announced the appointment of Srikrishnan Harihara Sarma as its new MD & CEO. He succeeds Mahabaleshwara MS. The appointment is for a three-year period, a statement from the bank said. Sarma brings with him nearly four decades of experience in commercial, retail & transactional banking, technology and payments. He has previously held key positions at HDFC Bank, Yes Bank and Jio Payments Bank.

For details:

<https://economictimes.indiatimes.com/industry/banking/finance/banking/ex-jio-payments-bank-chief-appointed-md-of-karnataka-bank/articleshow/100627869.cms>

- **RBI to introduce expected loss approach for bad loan provisioning in 2023-24 (May 30, 2023)**

The RBI is proposing to introduce expected loss-based approach for provisioning during 2023-24 as part of its measures to strengthen the bad loan resolution ecosystem. This will enable banks to design their own credit loss models and spread the higher provisions over a five-year period under a newer system of setting aside money for lending.

For details:

<https://economictimes.indiatimes.com/industry/banking/finance/banking/rbi-to-introduce-expected-loss-approach-for-bad-loan-provisioning-in-2023-24/articleshow/100625743.cms>

- **Banks saw highest number of frauds in digital payments in FY23: RBI (May 31, 2023)**

Banks have witnessed maximum number of frauds in digital payment category during the fiscal ended 2023-24, according to the RBI annual report 2022-23. In FY2023, the total number of fraud cases in the banking system were 13,530. In the last two years, the highest number of fraud cases were in loan portfolios of banks. There was a 49 per cent reduction in the amount involved in the total frauds reported during FY2023 over FY2022.

For details:

<https://indianexpress.com/article/business/banking-and-finance/digital-payment-frauds-in-fy23-rbi-report-8637607/>

❖ **NITI Aayog**

PM chairs 8th Governing Council Meeting of NITI Aayog (May 27, 2023)

Prime Minister Shri Narendra Modi chaired the 8th Governing Council Meeting of NITI Aayog held on May 27, 2023. The Meeting was held at the New Convention Centre, Pragati Maidan, New Delhi. It was attended by Chief Ministers/Lt.Governors representing 19 States and 6 UTs.

Prime Minister stressed that the Centre, States and UTs should work as Team India and fulfil the dreams and aspirations of people for a Viksit Bharat @ 2047. He said that NITI Aayog can play a critical role in helping States to

develop their strategies for the next 25 years and align the same with the National Development Agenda. He urged the States and UTs to work with NITI Aayog so that the country can take a quantum leap towards achieving its vision for the Amrit Kaal.

For details:

<https://pib.gov.in/PressReleaseIframePage.aspx?PRID=1927735#:~:text=Meeting%20was%20attended%20by%2019%20states%20and%206%20UTs&text=Prime%20Minister%20Shri%20Narendra%20Modi,19%20States%20and%206%20UTs>

❖ **Market Watch**

Stock Market Indices as on 31.05.2023

S & P BSE Sensex	62622.24 (-346.89)
Nifty 50	18534.40 (-99.45)

Foreign Exchange Rates as on 30.05.2023 (<https://www.geojit.com/currency-futures>)

INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR/ 1 JPY
82.59	88.53	102.01	0.59

Prepared by Directorate of Academics

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

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