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MCA observes Special Campaign 2.0 for Swachhata in Government Offices and Disposal of Pending Matters from October 2nd to October 31st, 2022

The Ministry of Corporate Affairs (MCA), Govt. of India, has been actively carrying out the Special Campaign 2.0 for Swachhata in Government Offices and Disposal of Pending Matters from Oct 2, to Oct 31, 2022. Vigorous efforts were made to bring down all Pendency identified during Preparatory phase. Progress in different parameters have been constantly monitored by the Senior Level Officers.



Writ petition filed against MCA for seeking extension

A proprietor firm named Kumar Dilip & Associates registered under with ICSI (Institute of company secretaries of India) has file the Writ Petition against MCA (Ministry of Corporate Affairs) for seeking extension of time-period for Annual Filing for the FY 2021-2022. The Petitioner firm is continuously making efforts in coordination with the Ministry of Corporate Affairs for redressing the problems/issues being faced by its members or the other professionals engaged in Secretarial practices and address all issues before the Hon'ble High Court, Delhi. The High Court has directed MCA for remove and solve all glitches so that filings can be done in a smooth manner.



Stringent penalty on Company for violation of Section 92 and 137 of the Companies Act, 2013

The Registrar of Companies has adjudicated the penalty in matter of Fish Catch Ecommerce Private Limited for not filing the Annual Return under Section 92 and filing of Financial Statements under Section 137 of the Companies Act, 2013 for two financial Year 2019-2020 and Financial Year 2020-2021. The adjudication officer, after consideration of facts and circumstances of the case, imposed the penalty on Company and Director of Rs. 10.90 lakhs.



SEBI cautions investors against funds raised by unauthorised PMS providers

Capital markets regulator SEBI cautioned investors against unauthorised money mobilisation by entities claiming to provide portfolio management services. Further, the regulator noted that these entities have been luring the public, with a promise of high returns, through pamphlets and social media platforms. It was observed that in such schemes, the entities have been mobilising money in relatively smaller amounts and promising assured returns, SEBI said in a statement. The advisory comes after the Securities and Exchange Board of India (SEBI) noted that some entities are collecting money from the public claiming to provide portfolio management services (PMS).



SEBI's new rule on settling unused funds reveals funds mismatch

A new rule in India's stock markets, where brokers are supposed to transfer unused funds back to the client accounts at least once each quarter, has revealed a big mismatch of funds. The accounts settlement process as mandated by market regulator SEBI kicked in on October 7, 2022, the first Friday of the current quarter. During the exercise, it was revealed that while brokers withdrew anywhere between ₹16,500 crore and ₹20,000 crore from the clearing corporation (CCs) of stock exchanges, the actual amount they returned to the clients stood somewhere around ₹25,000-30,000 crore. The mismatch has led to doubts that some large brokers were not depositing entire client money with CCs and preserving part of it as liquid float.



SEBI clarifies on block mechanism facility pertaining to demat accounts

Capital markets regulator SEBI said block mechanism facility pertaining to demat accounts will not be applicable for clients having arrangements with custodians for clearing and settling trades. In order to safeguard investors' demat accounts, the Securities and Board of India (SEBI) in August said the facility of block mechanism will be mandatory for all early pay-in transactions from November 14, 2022. Currently, the facility is optional for investors. The early pay-in mechanism is used by traders to reduce their margin obligations. Under the block mechanism, shares of a client intending to make a sale transaction will be blocked in the client's demat account in favour of the clearing corporation concerned.



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