



THE INSTITUTE OF
Company Secretaries of India

भारतीय कम्पनी सचिव संस्थान

IN PURSUIT OF PROFESSIONAL EXCELLENCE

Statutory body under an Act of Parliament

(Under the jurisdiction of Ministry of Corporate Affairs)

SUPPLEMENT PROFESSIONAL PROGRAMME

for

December, 2025 Examinations

COMPLIANCE MANAGEMENT, AUDIT & DUE DILIGENCE

(Supplement covers amendments/developments from June 2023 to
May 2025)

GROUP 1

PAPER 3

Disclaimer: This document has been prepared purely for academic purposes only and it does not necessarily reflect the views of ICSI. Any person wishing to act on the basis of this document should do so only after cross checking with the original source.

Index

S.No.	Lesson No. and Name	Pages
1	Lesson 6	2-2
2	Lesson 13	3-3
3	Miscellaneous	4-17

Lesson 6: Non-Compliances, Penalties and Adjudications

1. The Companies (Adjudication of Penalties) Amendment Rules, 2024 {MCA notification dated August 05, 2024 vide G.S.R 476(E)}

In exercise of the powers conferred by section 454 read with section 469 of the Companies Act, 2013, the Central Government notified the Companies (Adjudication of Penalties) Amendment Rules, 2024 which shall come into force from the 16th day of September, 2024.

A new section 3A after Rule 3 is being inserted in Companies (Adjudication of Penalties) Rules, 2014 in order to enable e-adjudication platform developed by the Central Government which shall be read as under:

Adjudication Platform:

(1) On the commencement of the Companies (Adjudication of Penalties) Amendment Rules, 2024, all proceedings (including issue of notices, filing replies or documents, evidences, holding of hearing, attendance of witnesses, passing of orders and payment of penalty) of adjudicating officer and Regional Director under these rules shall take place in electronic mode only through the e-adjudication platform developed by the Central Government for this purpose.

(2) In case the e-mail address of any person to whom a notice or summons is required to be issued under these rules is not available, the adjudicating officer shall send the notice by post at the last intimated address or address available in the records and the officer shall preserve a copy of such notice in the electronic record in the e-adjudication platform referred to in sub-rule (1): Provided that in case no address of the person concerned is available, the notice shall be placed on the e-adjudication platform.”

2. For the Annexure to the said rules, the Annexure shall be substituted by Form No. ADJ (Memorandum of Appeal).

For details:

<https://www.mca.gov.in/bin/dms/getdocument?mds=ksyWu6kmYbS46oyUYmt6cw%253D%253D&type=open>

Lesson 13: Secretarial Audit

1. SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2024 (December 12, 2024)

{SEBI notification dated December 12, 2024 vide No. SEBI/LAD-NRO/GN/2024/218}

SEBI has notified the SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2024 which shall come into force on the date of their publication in the Official Gazette. It may be noted that sub-regulations VI and XX of regulation 3 of these regulations shall come into force with effect from December 31, 2024.

Vide the above notification, SEBI inter alia has amended regulation 24A of the SEBI (LODR) Regulations, 2015, whereby prescribing that every listed entity and its material unlisted subsidiaries incorporated in India shall undertake Secretarial Audit by a Secretarial Auditor who shall be a Peer Reviewed Company Secretary and shall annex a Secretarial Audit Report in such form as specified, with the annual report of the listed entity. On the basis of recommendation of board of directors, a listed entity shall appoint or re-appoint:

(i) an individual as Secretarial Auditor for not more than one term of five consecutive years; or

(ii) a Secretarial Audit firm as Secretarial Auditor for not more than two terms of five consecutive years, with the approval of its shareholders in its Annual General Meeting.

Further provided that the listed entity shall ensure that with effect from April 1, 2025, the Secretarial Compliance Report submitted to the stock exchange(s) on annual basis is signed only by the Secretarial Auditor or by a Peer Reviewed Company Secretary who satisfies the conditions mentioned above.

For details:

https://www.sebi.gov.in/legal/regulations/dec-2024/securities-and-exchange-board-of-india-listing-obligations-and-disclosure-requirements-third-amendment-regulations-2024_89956.html

Miscellaneous

1. SEBI has notified the SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2023

SEBI has notified the SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2023 on June 14, 2023. Vide this notification the following amendments have been made in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

1. The new definition Mainstream media is added [Regulation 2(1)(ra)]: Mainstream media shall include print or electronic mode of the following:

Newspapers registered with the Registrar of Newspapers for India;

News channels permitted by Ministry of Information and Broadcasting under Government of India;

Content published by the publisher of news and current affairs content as defined under the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021; and

Newspapers or news channels or news and current affairs content similarly registered or permitted or regulated, as the case may be, in jurisdictions outside India.

2. Vacancy to be filled in the office of the Compliance Officer: Any vacancy in the office of the Compliance Officer shall be filled by the listed entity at the earliest and in any case not later than 3 months from the date of such vacancy. However, the listed entity shall not fill such vacancy by appointing a person in interim capacity, unless such appointment is made in accordance with the laws applicable in case of a fresh appointment to such office and the obligations under such laws are made applicable to such person. [Insertion: Regulation 6(1A)]

3. The following Regulation 17(1D) is added: Shareholder approval required for Appointment or Reappointment

- With effect from April 1, 2024, the continuation of a director serving on the board of directors of a listed entity shall be subject to the approval by the shareholders in a general meeting at least once in every five years from the date of their appointment or reappointment, as the case may be. However, the continuation of the director serving on the board of directors of a listed entity as on March 31, 2024, without the approval of the shareholders for the last five years or more shall be subject to the approval of shareholders in the first general meeting to be held after March 31, 2024. The requirement specified in this regulation shall not be applicable to the Whole-Time Director, Managing Director, Manager, Independent Director or a Director retiring as per the sub-section (6) of section 152 of the Companies Act, 2013, if the approval of the shareholders for the reappointment

or continuation of the aforesaid directors or Manager is otherwise provided for by the provisions of these regulations or the Companies Act, 2013 and has been complied with.

4. The following Regulation 17(1E) is added: Vacancy to be filled in the office of a director: Any vacancy in the office of a director shall be filled by the listed entity at the earliest and in any case not later than 3 months from the date such vacancy. However, if the listed entity becomes non-compliant, due to expiration of the term of office of any director, the resulting vacancy shall be filled by the listed entity not later than the date such office is vacated.

5. The following Regulation 26A is added: Vacancies to be filled in respect of certain Key Managerial Personnel

- Any vacancy in the office of Chief Executive Officer, Managing Director, Whole Time Director or Manager shall be filled by the listed entity at the earliest and in any case not later than 3 months from the date of such vacancy.

- Any vacancy in the office of the Chief Financial Officer shall be filled by the listed entity at the earliest and in any case not later than 3 months from the date of such vacancy.

- The listed entity shall not fill such vacancy by appointing a person in interim capacity, unless such appointment is made in accordance with the laws applicable in case of a fresh appointment to such office and the obligations under such laws are made applicable to such person.

6. Disclosure of Cybersecurity Breaches: Details of cyber security incidents or breaches or loss of data or documents shall be disclosed along with quarterly compliance report on corporate governance. [Insertion: Regulation 27(2)(ba)]

7. Disclosure of events or information:

- The omission of an event or information, whose value or the expected impact in terms of value, exceeds the lower of the following:

- o 2% of turnover, as per the last audited consolidated financial statements of the listed entity;

- o 2% of net worth, as per the last audited consolidated financial statements of the listed entity, except in case the arithmetic value of the net worth is negative;

- o 5% percent of the average of absolute value of profit or loss after tax, as per the last three audited consolidated financial statements of the listed entity. [Regulation 30(4)(i)(c)]

- In case where the criteria specified is not applicable, an event or information may be treated as being material if in the opinion of the board of directors of the listed entity, the event or information is considered material. [Insertion: Regulation 30(4)(i)(d)]

- The listed entity shall first disclose to the stock exchange all events or information which are material in terms of the provisions of this regulation as soon as reasonably possible and in any case not later than the following:

- 30 minutes from the closure of the meeting of the board of directors in which the decision pertaining to the event or information has been taken;

- 12 hours from the occurrence of the event or information, in case the event or information is emanating from within the listed entity;

- 24 hours from the occurrence of the event or information, in case the event or information is not emanating from within the listed entity. However, disclosure with respect to events for which timelines have been specified in Part A of Schedule III shall be made within such timelines. Provided further that in case the disclosure is made after the timelines specified under this regulation, the listed entity shall, along with such disclosure provide the explanation for the delay. [Regulation 30(6)]

- The top 100 listed entities (with effect from October 1, 2023) and thereafter the top 250 listed entities (with effect from April 1, 2024) shall confirm, deny or clarify any reported event or information in the mainstream media which is not general in nature and which indicates that rumours of an impending specific material event or information in terms of the provisions of this regulation are circulating amongst the investing public, as soon as reasonably possible and not later than 24 hours from the reporting of the event or information. However, if the listed entity confirms the reported event or information, it shall also provide the current stage of such event or information. [Insertion: Provisos to Regulation 30(11)]

- In case an event or information is required to be disclosed by the listed entity in terms of the provisions of this regulation, pursuant to the receipt of a communication from any regulatory, statutory, enforcement or judicial authority, the listed entity shall disclose such communication, along with the event or information, unless disclosure of such communication is prohibited by such authority. [Insertion: Regulation 30(13)].

8. Disclosure requirements for certain types of agreements 10 binding listed entities: All the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel and employees of a listed entity or of its holding, subsidiary and associate company, who are parties to the agreements specified in clause 5A of para A of part A of schedule III to these regulations, shall inform the listed entity about the agreement to which such a listed entity is not a party, within 2 working days of entering into such agreements or signing an agreement to enter into such agreements. [Insertion: Regulation 30A]

9. Special rights to shareholders: Any special right granted to the shareholders of a listed entity shall be subject to the approval by the shareholders in a general meeting by way of a special resolution once in every five years starting from the date of grant of such special right. [Insertion: Regulation 31B]

10. Submission of Financial Results for newly listed entity: The listed entity shall, subsequent to the listing, submit its financial results for the quarter or the financial year immediately succeeding the period for which the financial statements have been disclosed in the offer document for the initial public offer, in accordance with the timeline specified in regulation 33(3)(a) i.e. 45 days from end of each quarter or in regulation 33(3)(d) i.e.60 days from the end of the financial year or within 21 days from the date of its listing, whichever is later. [Insertion: Regulation 33(3)(j)]

11. Annual Report Disclosures: For the top 1000 thousand listed 11 entities, the annual report shall contain a Business Responsibility and Sustainability Report (BRSR) on the environmental, social and governance disclosures, in the format as may be specified by SEBI. The assurance of the BRSR Core shall be obtained, with effect from and in the manner as may be specified by SEBI. The listed entities shall also make disclosures and obtain assurance as per the BRSR Core for their value chain, with effect from and in the manner as may be specified by SEBI. The remaining listed entities, including the entities which have listed their specified securities on the SME Exchange, may voluntarily disclose the BRSR or may voluntarily obtain the assurance of the Business Responsibility and Sustainability Report Core, for themselves or for their value chain, as the case may be. [Regulation 34(2)(f)]

For details:

https://www.sebi.gov.in/web/?file=https://www.sebi.gov.in/sebi_data/attachdocs/jun-2023/1686826381670.pdf#page=1&zoom=page-width,-16,842

2. SEBI Circular - Appointment of Director nominated by the Debenture Trustee on boards of issuers (July 04, 2023)

SEBI vide this circular provided clarity on the requirements for appointment of directors by entities that have listed their debt securities. Under SEBI norms pertaining to listing of non-convertible securities, an entity registered under the Companies Act, 2013 has to ensure that a person nominated by the debenture trustee is appointed as a director. While this obligation exists for issuers that are companies under the Companies Act, 2013). Citing issues raised by the debenture trustees and the role of a nominee director, SEBI said that issuers coming under certain categories can submit an undertaking to the debenture trustees instead of nominating a director.

For details:

https://www.sebi.gov.in/web/?file=https://www.sebi.gov.in/sebi_data/attachdocs/jul-2023/1688473896905.pdf#page=1&zoom=page-width,-16,842

3. The Limited Liability Partnership (Third Amendment) Rules, 2023

The Ministry of Corporate Affairs (MCA) vide its notification dated October 27, 2023 has notified “the Limited Liability Partnership (Third Amendment) Rules, 2023” which has come

into force on the date of its publication in the Official Gazette. According to the amendment Rule 22A and Rule 22B are inserted by stating matters pertaining to:

- Every limited liability partnership shall, from the date of its incorporation, maintain a register of its partners in Form 4A which shall be kept at the registered office of the limited liability partnership;
- Declaration in respect of beneficial interest in any contribution.

Brief Analysis:

According to the Limited Liability Partnership (Third Amendment) Rules, 2023:

- i) Rule 22A-Register of Partners: Every limited liability partnership (LLP) shall, from the date of its incorporation, maintain a register of its partners in Form 4A which shall be kept at the registered office of the limited liability partnership.

Existing LLPs shall comply within thirty days from the commencement of aforesaid amendment Rules. The register shall consist certain particulars of partners viz. name/address/PAN/date of becoming partner/cessation etc.

The entries in the register maintained under this rule shall be made within seven days pursuant to any change made in the contribution amount, or in name and details of the partners in the Limited Liability Partnership agreement, or in cases of cessation of partnership interest.

Rectifications made pursuant to orders by competent authorities must be recorded.

- ii) Rule 22B- Declaration in respect of beneficial interest in any contribution: A person whose name is entered in the register of partners of a Limited Liability Partnership but does not hold any beneficial interest fully or partly in contribution (hereinafter referred to as “the registered partner”), such person shall file with the Limited Liability Partnership, a declaration to that effect in Form 4B within a period of thirty days from the date on which his name is entered in the register of partners specifying the name and other particulars of the person who actually holds any beneficial interest in such contributions. Changes in beneficial interest should also be reported within 30 days.

Beneficial partners who have an interest in contributions not registered in their name must file a declaration in Form 4C within 30 days. Changes in beneficial interest should also be reported within 30 days.

In case of receipt of any declaration under Form 4B or Form 4C by the Limited Liability Partnership, it shall record such declaration in the register of partners and shall file, within a period of 30 days from the date of receipt of declaration by it, a return in Form 4D to the Registrar in respect of such declaration with fees.

Every Limited Liability Partnership shall specify a designated a partner who shall be responsible for furnishing of and extending co-operation for providing, information with

respect to beneficial interest in contribution in Limited Liability Partnership to the Registrar or any other officer authorised by the Central Government and shall file information of such designated partner with the Registrar in Form 4.

Further, until a designated partner is specified, every designated partner shall be deemed to be responsible for furnishing of, and extending co-operation for providing, information with respect to beneficial interest in contribution under this sub-rule.

For details:

<https://www.mca.gov.in/bin/dms/getdocument?mds=VYVpE7YcJovnhBqcW9gtsw%253D%253D&type=open>

4. The Limited Liability Partnership (Significant Beneficial Owners) Rules, 2023

The Ministry of Corporate Affairs (MCA) vide its notification dated November 07, 2023 has notified “the Limited Liability Partnership (Significant Beneficial Owners) Rules, 2023” which has come into force on the date of its publication in the Official Gazette. The provisions of these rules shall specifically apply to all the LLPs. The aforesaid rules, conferred under section 79 of the Limited Liability Partnership Act, 2008, directs to regulate and identify significant beneficial owners in Limited Liability Partnerships and such individual to make a declaration in Form No. LLP BEN-I.

Brief Analysis:

Following are the certain major rules mentioned:

1. The provisions of these rules shall specifically apply to all the LLPs.(Rule 2)
2. Aforesaid rules mentioned various definitions viz, control; majority stake; significant beneficial owner; significant influence; ultimate holding company etc.(Rule 3)
3. Duty of the reporting limited liability partnership to take necessary actions in identifying the significant beneficial owner and causing such individual to file Form No. LLP BEN-1.(Rule 4)
4. Upon receipt of declaration as mentioned above sub point, the reporting limited liability partnership shall file a return in Form No. LLP BEN-2 with the Registrar.(Rule 6)
5. The limited liability partnership shall maintain a register of significant beneficial owners in Form No. LLP BEN-3 and keep it open for inspection during the business hours for such reasonable time as mentioned in the rules.(Rule 7)
6. Rules specified Form No. LLP BEN-4 for notice seeking information about significant beneficial owners.(Rule 8)
7. Provisions related to the filing of application to the Tribunal under certain circumstances.(Rule 9)

Provisions related to non-applicability of aforesaid rules to the certain entities.(Rule 10)

For details:

<https://www.mca.gov.in/bin/dms/getdocument?mds=pJZaasqhxL5W9F46Ukp5lw%253D%253D&type=open>

5. Specified Companies (Furnishing of information about payment to micro and small enterprise suppliers) Amendment Order, 2024 (July 15, 2024)

In exercise of the powers conferred by section 405 of the Companies Act, 2013 the Central Government issued Specified Companies (Furnishing of information about payment to micro and small enterprise suppliers) Order, 2024.

As per the order the following amendments are made in the Specified Companies (Furnishing of information about payment to micro and small enterprise suppliers) Order, 2019:

1. In paragraph 3, the following proviso shall be inserted, namely:- “Provided that only those specified companies which are having payments pending to any micro or small enterprises for more than 45 days from the date of acceptance or the date of deemed acceptance of the goods or services under section 9 of the Micro, Small and Medium Enterprises Development Act, 2006 shall furnish the information in MSME Form-1.”
2. MSME Form-1 form shall be substituted.

For details:

<https://www.mca.gov.in/bin/dms/getdocument?mds=LNC1bxj5jUf0Cxxk6hVY6uQ%253D%253D&type=open>

6. Companies (Appointment and Qualification of Directors) (Amendment) Rules, 2024 (July 16, 2024)

In exercise of the powers conferred under second proviso to sub-section (1), sub-section (4), clause (f) of sub-section (6) of section 149, sub-sections (3) and (4) of section 150, section 151, subsection (5) of section 152, section 153, section 154, section 157, section 160, sub-section (1) of section 168 and section 170 read with section 469 of the Companies Act, 2013), the Central Government notified the Companies (Appointment and Qualification of Directors) (Amendment) Rules, 2024.

According to the Amended Rules following amendments are made in the Companies (Appointment and Qualification of Directors) Rules, 2014, in rule 12A:

1. In case an individual desires to update his personal mobile number or the e-mail address, as the case may be, he shall update the same by submitting e-form DIR-3 KYC only on or before 30th September of the financial year.
2. after the third proviso, the following proviso shall be inserted, namely:-
“Provided also that if an individual intends to update his personal mobile number or the email address again at any time during the financial year in addition to the updation allowed under the third proviso, he shall update the same by submitting e-form DIR-3 KYC on payment of fees of five hundred rupees:”.
3. They shall come into force from the 01st day of August, 2024.

Brief Analysis:

As per the amendment the updating of directors' personal details namely mobile number and email address should be done within the mentioned time frame i.e upto 30th September of the financial year. In case he is desirous of updating the above-mentioned details more than one time during the financial year he can so do by filing of e-form DIR-3 KYC on payment of fees amounting to Rs. 500/-.

For details:

<https://www.mca.gov.in/bin/dms/getdocument?mds=FBPSgUwyPTQpTzkMffyl3g%253D%253D&type=open>

7. The (Incorporation) Amendment Rules, 2024 (July 16, 2024)

In exercise of the powers conferred by sub-sections (1) and (2) of section 469 of the Companies Act, 2013 the Central Government notified (Incorporation) Amendment Rules, 2024.

As per the amended rules the word Nidhi shall be omitted from clause (p) which means that if the proposed name includes word Nidhi a declaration to be submitted by the applicant that the requirements mandated by the respective regulator have been complied with by the applicant is not mandatory. Clause (v) which states that the proposed name of a Nidhi company under the Act does not have the last words "Nidhi Limited" as a part of its name shall be omitted.

For details:

<https://www.mca.gov.in/bin/dms/getdocument?mds=TaZb6FKHcrk2uA%252B354fxBA%253D%253D&type=open>

8. The Nidhi (Amendment) Rules, 2024 (July 16, 2024)

In exercise of the powers conferred by sub-section (1) of section 406 read with sub-sections (1) and (2) of section 469 of the Companies Act, 2013 the Central Government notified the Nidhi (Amendment) Rules, 2024.

According to the Amended Rules in the Nidhi Rules, 2014, in rule 4, in sub-rule (5,) the following proviso shall be inserted, namely:

"Provided that a company shall not use the words "Nidhi Limited" in its name unless it is declared as such under subsection (1) of section 406 of the Act."

Thus, A Company shall not use the words "Nidhi Limited unless it is declared by the Central Government by notification in the Official Gazette as declared to be a Nidhi or Mutual Benefit Society, as the case may be.

For details:

[https://egazette.gov.in/\(S\(hlheyalf1slflg2bzslqhwlnl\)\)/error.aspx?aspxerrorpath=/ViewPDF.aspx](https://egazette.gov.in/(S(hlheyalf1slflg2bzslqhwlnl))/error.aspx?aspxerrorpath=/ViewPDF.aspx)

9. Limited Liability Partnership (Amendment) Rules, 2024. (August 05, 2024)

In exercise of the powers conferred by sub-sections (1) and (2) of section 79 of the Limited Liability Partnership Act, 2008 the Central Government notified the Limited Liability Partnership (Amendment) Rules, 2024.

Centre for Processing Accelerated Corporate Exit or C-PACE in short was established vide MCA Notification dated 17th March, 2023 which shall be situated at Indian Institute of Corporate Affairs for faster closure of Companies & LLP.

- Under these amended rules, effective from the 27th August 2024, the application for voluntary closure of LLPs will now be approved by C-PACE along with of the Registrar.

For details:

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

10. Companies (Registration of Foreign Companies) Amendment Rules, 2024 (August 12, 2024)

In exercise of the powers conferred by section 381, section 385, clause (a) of section 386, section 389 and section 390, read with section 469 of the Companies Act, 2013 the Central Government has notified Companies (Registration of Foreign Companies) Amendment Rules, 2024 which shall come into force with effect 09th day of September, 2024.

MCA has operationalized Central Processing Centre (CPC) for Centralised Processing of Corporate Filings that processes applications in time-bound and faceless manner on the lines of Central Registration Centre (CRC). In order to implement the same amendments are made in Companies (Registration of Foreign Companies) Rules, 2014.

As per the amendment, in rule 3, sub-rule (3) a foreign company within a period of thirty days of the establishment of its place of business in India shall now file with the Registrar, Central Registration Centre Form FC-1 with such fee as provided in Companies (Registration Offices and Fees) Rules, 2014.

Accordingly, changes are also made in in rule 8, in sub-rule (1), by inserting the following proviso: "Provided that the documents for registration by a foreign company referred to in sub-rule (3) of rule (3) shall be delivered in Form FC-1 to the Registrar, Central Registration Centre."

For details:

[https://egazette.gov.in/\(S\(mlbrmms5ask0jtyms2hmrpsl\)\)/error.aspx?aspxerrorpath=/ViewPDF.aspx](https://egazette.gov.in/(S(mlbrmms5ask0jtyms2hmrpsl))/error.aspx?aspxerrorpath=/ViewPDF.aspx)

11. Companies (Indian Accounting Standards) Amendment Rules, 2024 (August 12, 2024)

In exercise of the powers conferred by section 133 read with section 469 of the Companies Act, 2013, the Central Government, in consultation with the National Financial Reporting Authority, have notified Companies (Indian Accounting Standards) Rules, 2024.

According to the amendments following changes are made in Companies (Indian Accounting Standards) Rules, 2015:

1. Indian Accounting Standard (Ind AS) 117 which relates to Insurance Contracts is being inserted to ensure that an entity provides relevant information that faithfully represents those contracts. This information gives a basis for users of financial statements to assess the effect that insurance contracts have on the entity's financial position, financial performance and cash flows.

2. In order to correspond with Indian Accounting Standard (Ind AS) 117, modifications are also made to Indian Accounting Standard (Ind AS) 101, (Ind AS) 103, (Ind AS) 105, (Ind AS) 107, (Ind AS) 109, and (Ind AS) 115.

For details:

<https://www.mca.gov.in/bin/dms/getdocument?mds=4iwngdxt9oFj%252Bpp05r1EZA%253D%253D&type=open>

12. Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Second Amendment Rules, 2024 (September 09, 2024)

In exercise of the powers conferred by sub-sections (1), (2), (3), (4), (8), (9), (10) and (11) of section 125 and sub-section (6) of section 124 read with section 469 of the Companies Act, 2013 (18 of 2013), the Central Government notified the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Second Amendment Rules, 2024.

- The changes intend to raise the minimum claim amount required to submit a claim to the IEPF Authority and to make clear the procedure for transferring securities to legal heirs. Legal heir certificates from tax authorities are now accepted under the laws, but they also call for further paperwork like indemnity bonds and no objection certifications from other legal heirs.
- A new requirement is brought stating that businesses to acquire insurance coverage for risks related to verification reports. The purpose of these modifications is to simplify the procedure for investors to retrieve misplaced or unclaimed assets and safeguard the interests of corporations and investors alike.

For details:

<https://www.mca.gov.in/bin/dms/getdocument?mds=U0MUCISSaXRSw6YtZ1D98w%253D%253D&type=open>

13. The Companies (Indian Accounting Standards) Second Amendment Rules, 2024 (September 09, 2024)

In exercise of the powers conferred by section 133 read with section 469 of the Companies Act, 2013 the Central Government, in consultation with and after examination of the recommendations made by the National Financial Reporting Authority have notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2024.

One of the significant changes is the addition of new clauses pertaining to leaseback transactions under Indian Accounting Standard (Ind AS) 116. The changes ensure that gains or losses related to retained rights are not recognized unless specific requirements are met, providing seller-lessees with greater clarity on how to use lease obligations and the right-of-use asset.

Additionally, illustrative examples are provided to demonstrate the proper application of the modified rules, including how to manage sale and leaseback transactions including both variable and fixed payments. These rules aim to simplify accounting processes while ensuring compliance with the Ind AS laws. The changes will take effect for reporting periods beginning on or after April 1, 2024.

For details:

<https://www.mca.gov.in/bin/dms/getdocument?mds=G2RyU1%252F3f6giST1Y5Hresw%253D%253D&type=open>

14. Clarification on holding of Annual General Meeting (AGM) and EGM through Video Conference (VC) or Other Audio-Visual Means (OAVM) and passing of Ordinary and Special resolutions by the companies under the Companies Act, 2013 read with Rules made thereunder (September 19, 2024)

- In continuation to this Ministry's General Circular No. 20/2020 dated 05.05.2020, General Circular No. 02/2022 dated 05.05.2022, General Circular No. 10/2022 dated 28.12.2022 and General Circular No. 09/2023 dated 25.09.2023 after due examination, it has been decided to allow companies whose AGMs are due in the Year 2024 or 2025, to conduct their AGMs through VC or OAVM on or before 30th September, 2025 in accordance with the requirements laid down in Para 3 and Para 4 of the General Circular No. 20/2020 dated 05.05.2020.
- However, it is hereby clarified that General Circular shall not be construed as conferring any extension of statutory time for holding of AGMs by the companies under the Companies Act, 2013 (the Act) and the companies which have not adhered to the relevant statutory timelines shall be liable to legal action under the appropriate provisions of the Act.

For details:

<https://www.mca.gov.in/bin/dms/getdocument?mds=4C8ofg1qraQ0Blj5Bx1Ijw%253D%253D&type=open>

15. The Companies (Prospectus and Allotment of Securities) Amendment Rules, 2024 (September 20, 2024)

In exercise of the powers conferred under the Companies Act, 2013 the Central Government hereby has notified the Companies (Prospectus and Allotment of Securities) Amendment Rules, 2024.

- Rule 9B relates to Issue of securities in dematerialised form by private companies.
- As per the amendment in the Companies (Prospectus and Allotment of Securities) Rules, 2014, a producer company covered under rule 9B (2) shall issue the securities only in dematerialised form and facilitate dematerialisation of all its securities, in accordance with provisions of the Depositories Act, 1996 and regulations made thereunder and comply with the provision within a period of five years of closure of such financial year.

For details: [https://egazette.gov.in/\(S\(udocmspd2yw5rbet2jduvdyd\)\)/ViewPDF.aspx](https://egazette.gov.in/(S(udocmspd2yw5rbet2jduvdyd))/ViewPDF.aspx)

16. The Companies (Accounts) Amendment Rules, 2024 (September 24, 2024)

In exercise of the powers conferred under Companies Act, 2013 the Central Government hereby notified the Companies (Accounts) Amendment Rules, 2024.

As per the amendments a new proviso is being inserted in the Companies (Accounts) Rules, 2014, in rule 12 (1B) which reads as follows:

Provided also that for the financial year 2023-2024, Form CSR-2 shall be filed separately on or before 31st December 2024 after filing Form No. AOC-4 or Form No. AOC-4-NBFC (Ind AS), as specified in these rules or Form No. AOC-4 XBRL as specified in the Companies (Filing of Documents and Forms in Extensible Business Reporting Language) Rules, 2015 as the case may be.

For details:

[https://egazette.gov.in/\(S\(zabxxp01ilzyug4umhwhed3k\)\)/error.aspx?aspxerrorpath=/ViewPDF.aspx](https://egazette.gov.in/(S(zabxxp01ilzyug4umhwhed3k))/error.aspx?aspxerrorpath=/ViewPDF.aspx)

17. NFRA finalises and recommends Auditing Standards to the Central Government for notifying under Section 34A of LLP (Amendment) Act 2021 (November 25, 2024)

The National Financial Reporting Authority held its 19th Meeting on 25 November 2024 to finalise and recommend Auditing Standards to the Central Government for notifying under Section 34A of LLP (Amendment) Act 2021. The Authority decided to recommend the 40 Standards on Auditing (SAs) and related Standards on Quality Management (SQM), which were finalised by the Authority in its 18th Meeting held on 11-12 November 2024 for audit of Companies, to be applicable to audit of LLPs on a mutatis mutandis basis. Upon the approval of the Central Government, these Standards are recommended to be effective from 1.04.2026.

Brief Analysis:

In August 2021, Parliament passed the Limited Liability Partnership (Amendment) Act to encourage the startup ecosystem and further boost the ease of doing business. The amended Act inserted a new Section 34A to empower the central government, in consultation with NFRA, to prescribe 'accounting standards' or 'Auditing Standards' for a class or classes of LLPs.

For details:

<https://pib.gov.in/PressReleasePage.aspx?PRID=2077025>

18. Industry Standards on 'Minimum information to be provided for review of the audit committee and shareholders for approval of a related party transaction' (February 14, 2025)

SEBI has introduced industry standards for the minimum information that listed entities are required to provide to the audit committee and shareholders when seeking approval for the related party transactions (RPT). The Industry Standards Forum (ISF) comprising representatives from three industry associations i.e ASSOCHAM, CII and FICCI have formulated these standards for minimum information to be provided for review of the audit committee and shareholders for approval of RPTs in consultation with SEBI under the aegis of the stock exchanges. The industry associations and stock exchanges will publish these standards on their websites to facilitate a uniform approach and assist listed entities in complying with the requirements.

For details:

https://www.sebi.gov.in/legal/circulars/feb-2025/industry-standardson-minimum-information-to-be-provided-for-review-of-the-auditcommittee-and-shareholders-for-approval-of-a-related-partytransaction_91945.html

19. SEBI Appointment and Change of Key Managerial Personnel by a Fund Management Entity (February 20, 2025)

Regulation 7 of the IFSCA (Fund Management) Regulations, 2025 requires the Fund Management Entity (FME) to appoint Key Managerial Personnel (KMPs) based out of IFSC and meeting the requirements prescribed regarding educational qualification, work experience, etc. Further, it also stipulates that any appointment of and changes to the KMPs shall take place only in the manner as specified by the IFSCA. IFSCA specifies the manner and procedure to be followed by a FME for effecting the appointment of or change to the KMPs subsequent to the grant of registration by the Authority to the FME. The FME shall file an intimation to the IFSCA regarding the proposal to appoint or change a KMP in the prescribed format as specified in the circular.

For details:

<https://ifsc.gov.in/Legal/Index?Mid=0sZRYPhaKY=>

20. MCA rolled out final set of 38 company forms from July 14, 2025 (May 30, 2025)

The Ministry of Corporate Affairs in its continuous endeavour to serve better, is launching final set of 38 Company Forms [including 13 Annual filing forms, 6 Audit/Cost audit forms] on 14th July 2025 at 12:00 AM.

To facilitate implementation of these forms in V3 MCA21 portal, stakeholders are advised to note the following points:

(1) Company e-Filings on V2 portal will be disabled from 18th June 2025 12:00 AM. Thus, all the stakeholders are advised to ensure that no SRNs are under pending payment/Resubmission status.

(2) Offline payments in V2 using Pay later option will be stopped from 08th June 2025 12:00 AM. Therefore, you are requested to make payments for these forms in V2 through online mode only. (Credit/Debit Card and Net Banking)

(3) In view of the upcoming launch, V3 portal will not be available from 09th July 2025 12:00 AM to 13th July 2025 11:59 PM. Accordingly, stakeholders are advised to plan and file/resubmit current V3 forms before 09th July 2025 as there will be no waiver of fees or extension of resubmission period, if the due date/resubmission date fall within the mentioned downtime period i.e. 09th July 2025 12:00 AM to 13th July 2025 11:59 PM.

(4) Stakeholders are advised to create user ID/upgrade existing V2 ID/Merge V2 ID in V3 system under "Business user" category and associate the DSC if not already done.

(5) Stakeholders are requested to check the SRNs that are currently pending with status "Pending for upload of Investor details", "Pending for Subsidiary Details" and upload the details by using services available on MCA portal ["Upload details of Security Holders/Depositors" and "Update Subsidiary Details"] by 17th June 2025, failing which SRN will be marked under "NTBR" status.

For details:

<https://www.mca.gov.in/content/mca/global/en/home.html>

Note: Students appearing in December, 2025 Examination should also update themselves on all the relevant Notifications, Circulars, Clarifications, Orders etc. issued by MCA, SEBI, ICSI & or other authority till May 31, 2025.
