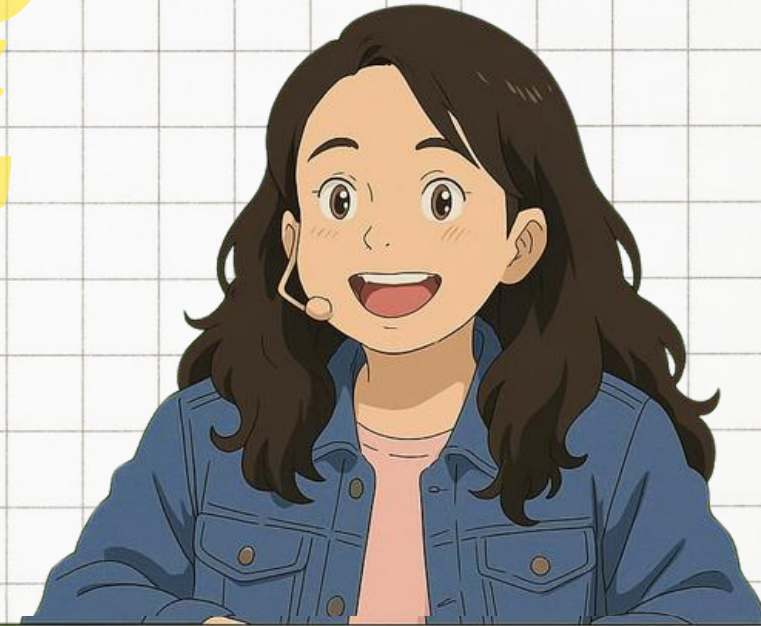


June 2025
Attempt

Chapter 01:

Compliance Framework

Handwritten Notes



①

Compliance framework

Company has to comply with a lot of laws / rules / regulations

Non compliance will attract Risk

To avoid

Compliance framework → Made

3 components

③

CMS

Identification	Risk Assess	Risk Mitigation
----------------	-------------	-----------------

① → Compliance chart

② → Compliance Advisory



has to
 deal with a lot of
 laws / rules / Regulation

Non compliance
 will attract
 Risk

To avoid

Compliance framework

Made by CS → Compliance officer of the company

2

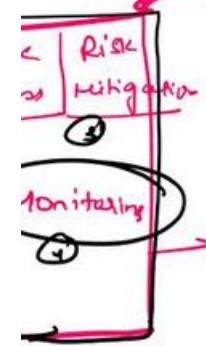
3 Components

① Compliance chart

② Compliance Advisory

Compliance Structure

Tool to analyse the position of organisation



Overview

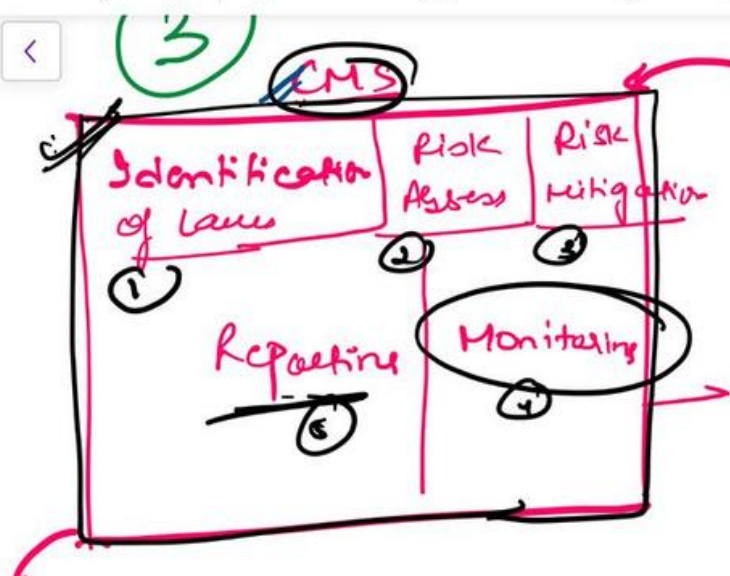
Applicable Law / rules / Reg.
 Appl Risk
 Risk Mitigation techniques used

Advises on applicable Law / rules / Reg

- Work of
- ✓ Identification of App Law
 - ✓ Risk Assessment
 - ✓ Risk Mitigation
 - ✓ Monitoring
 - ✓ Reporting

Political Rewards





(1) Compliance chart

(2) Compliance Advisory
 Advises on applicable rules / Reg

Overview

- Applicable Laws / Rules / Reg
- Appl Risk
- Risk Mitigation techniques used

→ Significance
 ↓
ODDMS

- Safety value
- Non compliance
- x cost
- ↑ Good will
- ↑ Credit worthiness
- Good Corp Citizen

- Work of
- ✓ Identification of App Laws
 - ✓ Risk Assessment
 - ✓ Risk Mitigation
 - ✓ Monitoring
 - ✓ Reporting
- Political provide

Identified





→ Good loop citizen

well designed CMS

Ratna aa ~~gaya~~ to
Direct Pass

4

R → access to Rules & Reg

A → compliance Audit

T → Training

D → Dashboard

P → Policy & Procedure

~~1~~
~~2~~
~~3~~
~~4~~
~~5~~





5

1) Identification of Applicable Law/ Policy

Role of a
Identity of the companies

Laws appl on the

- 1) Corporate Law
- 2) Commercial Law
- 3) Labour
- 4) Env Law
- 5) Cyber Law
- 6) Securities Law
- 7) Industry specific law

Source for Identification of Computer

- 1) Law & Reg
- 2) Permits & Licenses
- 3) Orders & Policy by Reg Authorities
- 4) Judgments/ orders of ADM Tribunal
- 5) Internal Policy & Procedure
- 6) Treaties/ convention
- 7) Security Watcher

2)

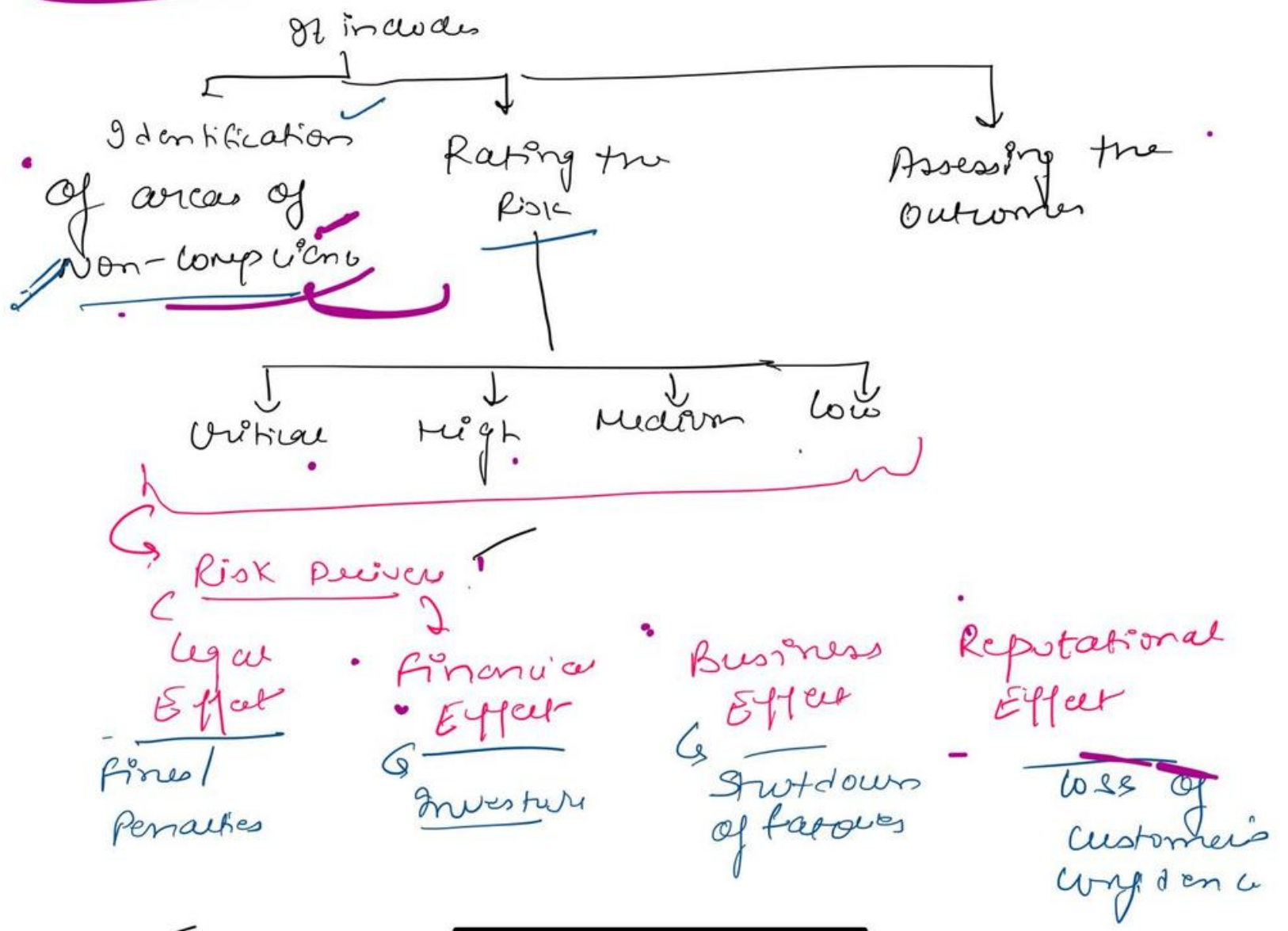
Risk Assessment



2

Risk Assessment

6



Effect
- Fines / Penalties

Effect
- Investments

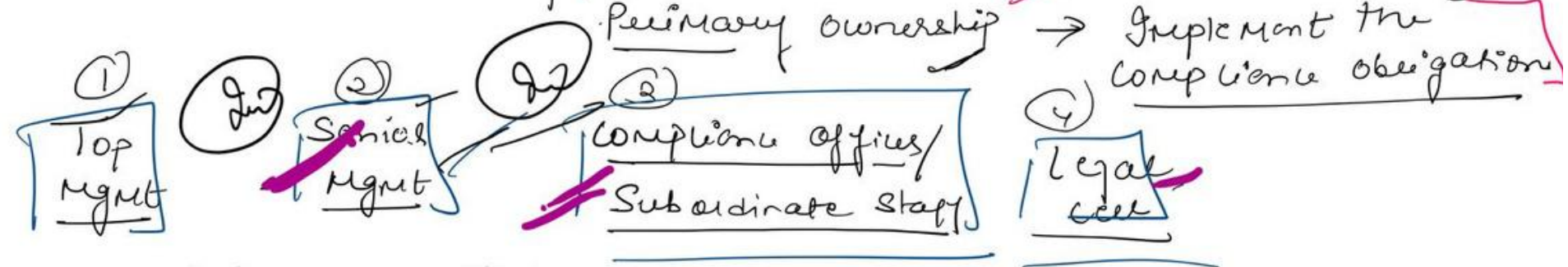
Effect
- Shutdown of factories

Effect
- Loss of customer's confidence

7

Compliance Monitoring

allocation of ownership - Secondary ownership → Supervise → FTA



- Identify nature of law
- Ests. Policies
- guiding compliance own
- motivating
- Conflict Resolution
- Interpretation of compliance
- updation of c
- conflict resolution
- risk identification

guiding with
 motivating
 conflict resolution

→ updation of u
 → conflict resolution
 → risk identification

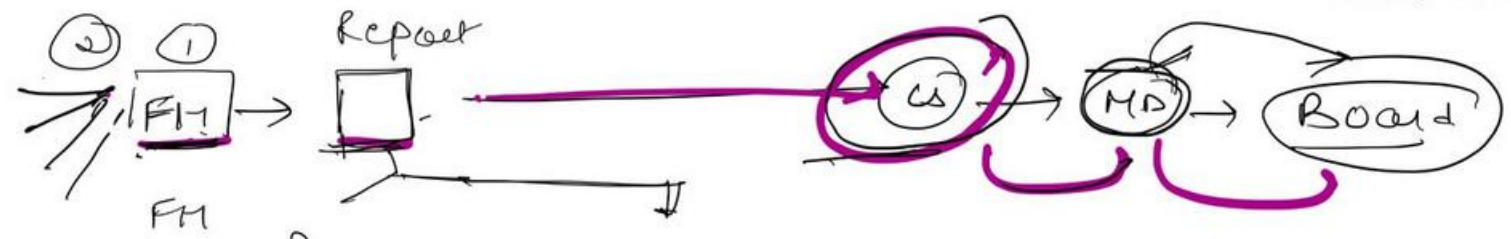
8

1) Compliance Reporting

Cyclical Reporting → Reporting atleast once in a quarter ✓

Incidental Reporting → Reporting on a specific instance of fraud. ✓

Procedure



Report is prepared on the basis of the inputs received

contains compliance + non-compliance

Compliance Training → training the staff

9

Compliance Training → Training the staff

Why

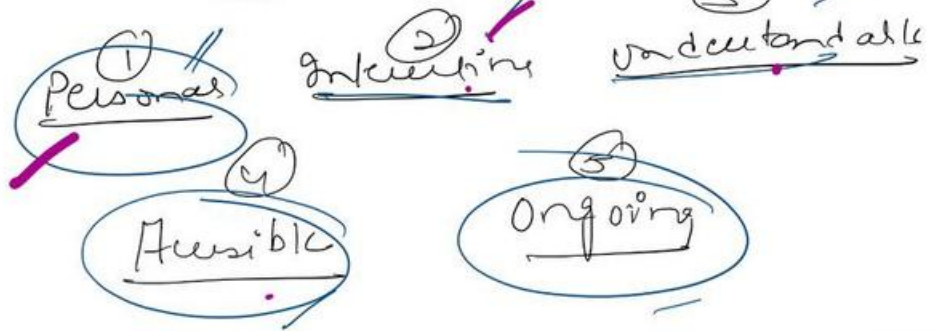
To create awareness of

What

- ① Company framework
- ② Roles & Resp
- ③ critical / high
- ④ Process of compliance
- ⑤ consequences of non-compliance

- ① Compliance framework
- ② Association =
- ③ Training Activity =
- ④ Target Audience =
- ⑤ Frequency =

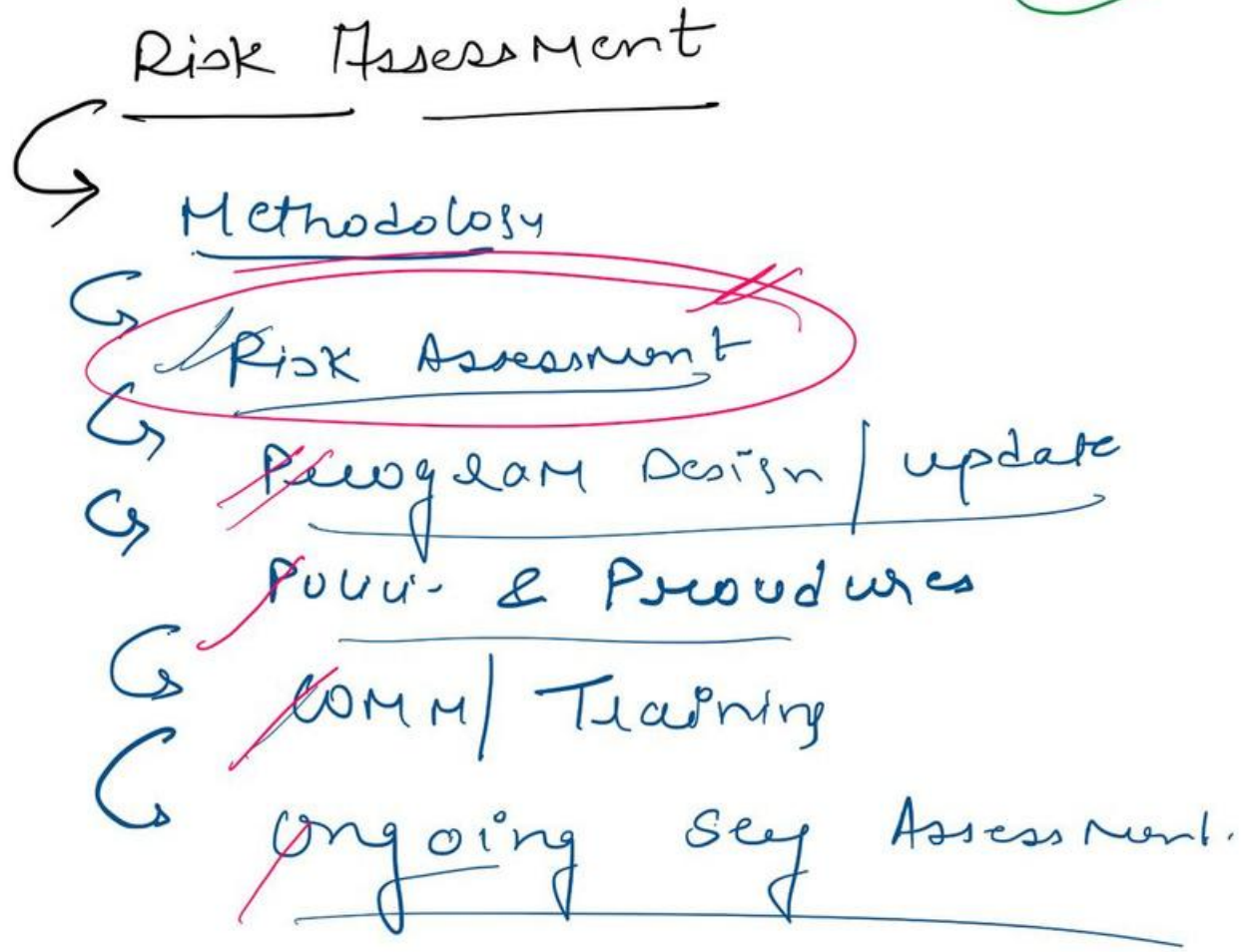
5 Essentials



PU



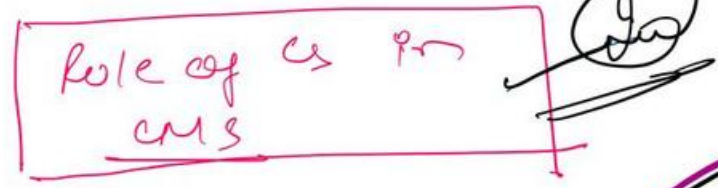
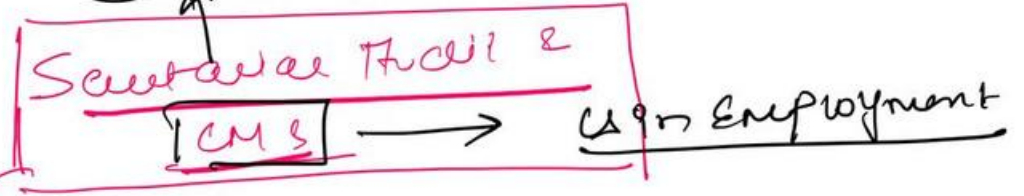
10



Personal
 (4)
 Feasible
 (3)
 Ongoing

(11)

PU



- Factors →
- Nature of Business ✓
 - Size of co. ✓
 - Listed / unlisted ✓
 - Geographical domain ✓
 - Jurisdiction ✓
 - Types of co. ✓

- 1) Compliance Manager ✓
- 2) Corporate Disclosures ✓
- 3) Advice on Compliance Risk ✓
- 4) guides BOP ✓

DRS → Director's Responsibility Statement

(4) DRS

Section 134 → Board report will include DRS



DRS → Director's Responsibility Statement

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Section 134 → Board Report will include DRS

DRS

- ① Accounts are prepared as per AS.
- ② Accounting Practices show a true & fair view of affairs of company.
- ③ Accounting Records are maintained to safeguard assets & detect fraud.
- ④ Accounts are prepared → going concern Basis Minimum
- ⑤ Compliance with Law,
- ⑥ Unfit W. → Co. has laid down internal financial controls.

Compliance under Companies Act, 2013



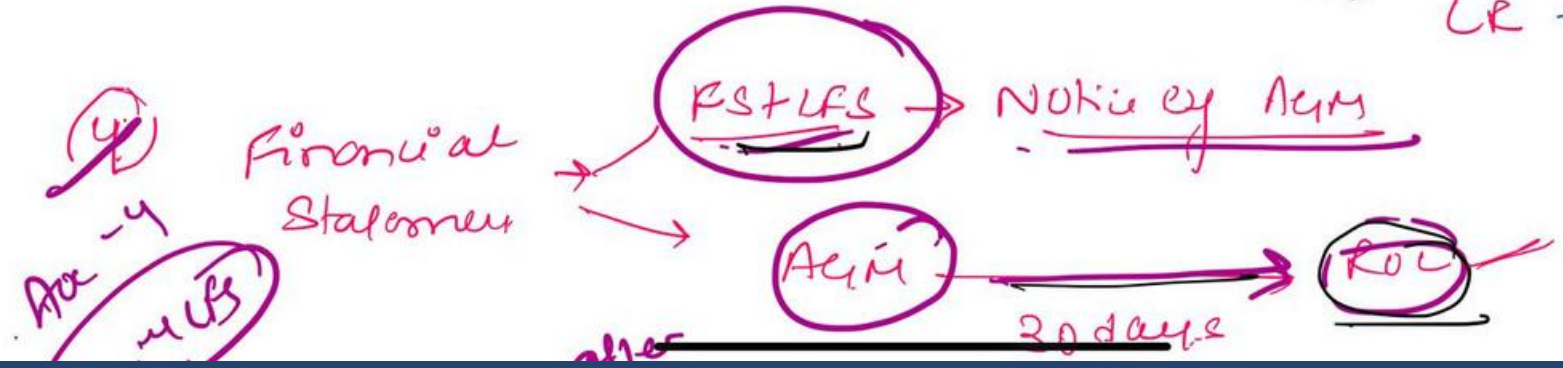
Compliance under Companies Act, 2013

(13)

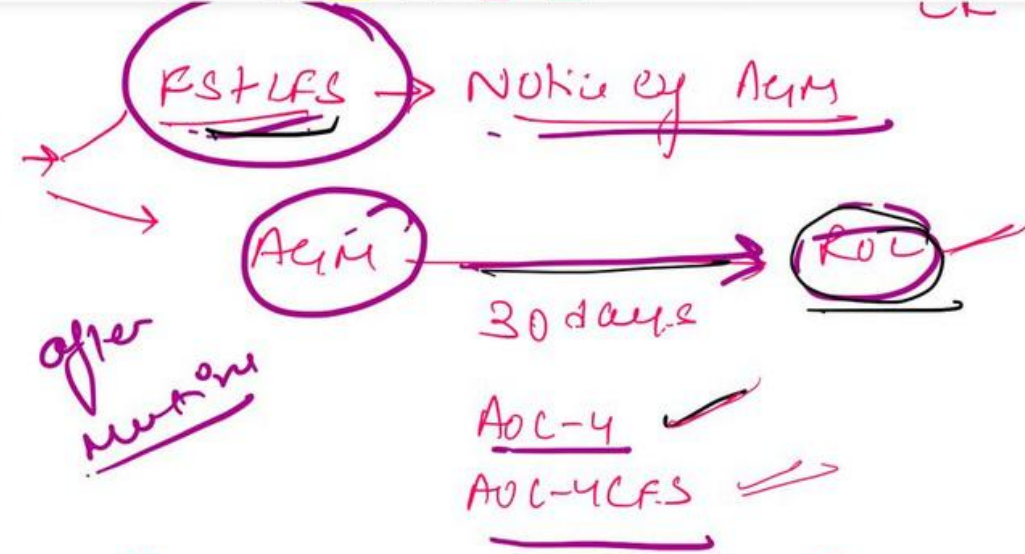
1) BM → 4 BM → Max 120 days gap
 → 1st BM → 30 days of inc
 → SS-1

2) Notice of BM → 7 days in Advance
 → circulation

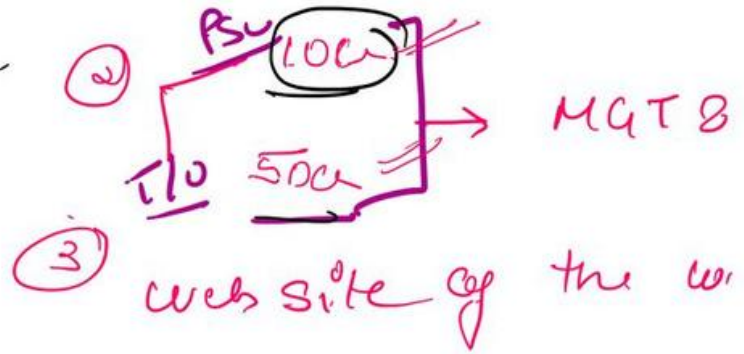
3) MGM → Notice 21 days in Advance
 → Director
 → Auditor
 → Member
 → CR



~~4~~
AOC-4
Financial Statements
AOC-4



~~5~~
Annual Return



6 Disclosure of int of Director

- 1) First Meeting Every year
- 2) Appointment

6) Disclosure
of mt of
Director

- ① First Meeting Every year
- ② Appointment
- ③ MBP-I

15

7) Appt of Auditor → Appt $\xrightarrow{15\text{days}}$ RoC
ADT-I

8) Appt of C → PSU 10u → WT C

9) Register of Mem → Mandatory

Compliance Management Tool
↳ Software that helps building

Compliance Management Tool

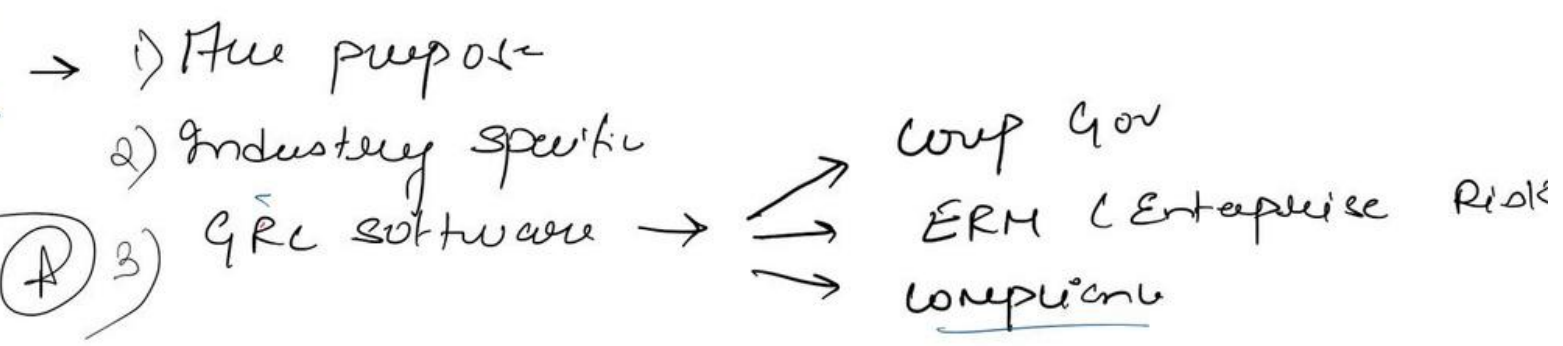
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Software that helps building
Compliance Management & comply
with Legal Procedures

- Objective
- Digitization → Replace Spreadsheet
 - Automation → Automatic update
 - Compliance → Manage Compliance

Kinds of
CM Tool

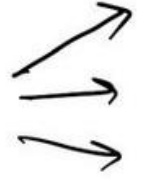


2) Industry specific

Work flow

(A) 3)

QRC software →



ERM (Enterprise Risk)

Compliance

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Benefits of CMT

- ① Reduction in Manual work
- ② ~~Streamlining~~ Implementation
- ③ ~~Monitoring & Reporting~~
- ④ Risk in Human Error Reduces
- ⑤ Builds Rep of org
- ⑥ Creates a Roadmap