PAPER – 2: CORPORATE AND OTHER LAWS

AMENDMENTS FOR JANUARY 2027 EXAMINATIONS

The Study Material (July 2024 edition-Reprint August 2025) is applicable for January 2027 examinations. This study material is updated for all amendments till 31st July, 2025.

All relevant amendments/ circulars/ notifications etc. in the Company law part for the period 1st May, 2025 to 30th June 2026 are mentioned below:

THE COMPANIES ACT, 2013

Chapter 1: Preliminary

I. Notification G.S.R 880(E) dated 1st December, 2025

The Central Government has amended the Companies (Specification of definition details) Rules, 2014, through the Companies (Specification of definition details) Amendment Rules, 2025.

Amendment:

In the Companies (Specification of definition details) Rules, 2014:

In **rule 2**, in sub-rule (1), for clause (t), the following clause shall be substituted, namely:-

"(t) For the purposes of sub-clause (i) and sub-clause (ii) of clause (85) of section 2 of the Act, paid up capital and turnover of the small company shall not exceed rupees ten crores and rupees one hundred crores respectively.".

Old Law (Pg 1.24)

(85) Small company means a company, other than a public company,—

(i) paid-up share capital of which does not exceed fifty lakh rupees or such higher amount as may be prescribed which shall not be more than ten crore rupees; and

(ii) turnover of which as per profit and loss account for the immediately preceding financial year does not exceed two crore rupees or such

higher amount as may be prescribed which shall not be more than one hundred crore rupees:

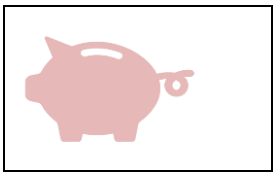
Provided that nothing in this clause shall apply to—

(A) a holding company or a subsidiary company;

(B) a company registered under section 8; or

(C) a company or body corporate governed by any special Act.

As per the Companies (Specification of Definitions Details) Rules, 2014, for the purposes of sub-clause (i) and sub-clause (ii) of clause (85) of section 2 of the Act, paid up capital and turnover of the small company shall not exceed rupees four crore and rupees forty crore respectively.



Capital- ` **4 crore**

Turnover- ` **40 crore**

Chapter 9: Accounts of Companies

II. Notification G.S.R 357(E) dated 30th May, 2025

The Central Government has amended the Companies (Accounts) Rules, 2014, through the Companies (Accounts) Second Amendment Rules, 2025.

Amendment:

In the Companies (Accounts) Rules, 2014:

1. In rule 5, for the word, letter and figure "Form AOC-1" the word, letter and figure "e-Form AOC-1" shall be substituted.

2. In rule 8,-

(i) in sub-rule (2), for the word, letter and figure "Form AOC-2", the word, letter and figure "e-Form AOC-2" shall be substituted.

(ii) in sub-rule (5),-

(A) in clause (x), after the words and figures, "Act, 2013", the following shall be inserted, namely:

"along with the following details:

(a) number of complaints of sexual harassment received in the year;

(b) number of complaints disposed off during the year; and

(c) number of cases pending for more than ninety days."

(B) after clause (xii), the following clause shall be inserted, namely:

"(xiii) a statement by the company with respect to the compliance of the provisions relating to the Maternity Benefit Act, 1961."

3. In rule 12, after sub-rule (1B), the following sub-rule shall be inserted, namely:

"(1C) Every company, along with the relevant e-Form No. AOC-4, AOC-4 CFS, AOC-4 XBRL, AOC-4 NBFC (Ind AS) or AOC-4 CFS NBFC (Ind AS) and the respective attachments in portable document format as required, shall also file e-Form Extract of Board Report, Extract of Auditor's Report (Standalone) and Extract of Auditor's Report (Consolidated), as the case may be:

Provided that a copy of signed financial statements duly authenticated as per section 134 of the Act (including Board's report, auditors' report and other documents) in portable document format shall also be attached with XBRL Forms."

[Enforcement Date: Amendments effective from **14th July, 2025]**

Old Law

Pg 9.13 (for Pt 1.)

Salient features of financial statement of Subsidiaries, Associates and JVs- Form [First proviso to Sub-section 3 read with rule 5]

The statement containing the salient feature of the financial statement of a company's subsidiary or subsidiaries, associate company or companies and joint venture or ventures under the first proviso to sub-section (3) of section 129 shall be in **Form AOC-1** as per Rule 5 of the *Companies (Accounts) Rules, 2014*.

Pg 9.36 [for Pt 2(i)]

Particulars of contracts or arrangements with related parties referred to in section 188 (1) (i.e., Related Party Transactions) in the **form AOC-2.**

Pg 9.36 [for Pt 2(ii)(A)]

The words are newly inserted in clause (x)

Pg 9.36 [for Pt 2(ii)(B)]

Clause (xiii) is newly inserted.

Pg 9.70 [for Pt 3]

Rule 12(1C) is newly inserted.

III. Notification G.S.R 371(E) dated 6th June, 2025

The Central Government has amended the Companies (Filing of Documents and Forms in Extensible Business Reporting Language) Rules, 2015, through the Companies (Filing of Documents and Forms in Extensible Business Reporting Language) Amendment Rules, 2025.

Amendment:

In the Companies (Filing of Documents and Forms in Extensible Business Reporting Language) Rules, 2015, in rule 3, after sub-rule (1), the following sub-rule shall be inserted, namely:

"(1A) The companies which have filed their financial statements under sub-rule (1), shall also attach a copy of signed financial statements duly authenticated as specified in section 134 of the Act (including Board's

report, auditors' report and other documents) in PDF format in eForm AOC-4 XBRL."

[Enforcement Date: Amendments effective from **14th July, 2025]**

Old Law
Pg 9.70
Rule 3(1A) is newly inserted.

IV. Notification G.S.R 415(E) dated 27th May, 2026

The Central Government has amended the Companies (Corporate Social Responsibility Policy) Rules, 2014, through the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2026.

Amendment:

In the Companies (Corporate Social Responsibility Policy) Rules, 2014:

1. In rule 2, in the sub-rule (1), -

   (i) after clause (h), the following clause shall be inserted, namely:

   "(ha) 'Not for Profit Organization' has the same meaning as in clause (e) of regulation 292A of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018."

   (ii) after clause (k), the following clause shall be inserted, namely:

   "(l) 'zero coupon zero principal instrument' means an instrument declared as a security that is issued by a Not for Profit Organization registered with the Social Stock Exchange segment of a recognised Stock Exchange in accordance with the regulations made by the Securities and Exchange Board of India."

2. After rule 4, the following rule shall be inserted, namely:

   "4A Corporate Social Responsibility implementation through zero coupon zero principal instrument.

   (1) A company may carry out Corporate Social Responsibility activities through a zero coupon zero principal instrument:

Provided that the expenditure incurred for such instrument shall not exceed ten percent of the total Corporate Social Responsibility expenditure of such company for that financial year.

(2) The company that has subscribed in a zero coupon zero principal instrument shall be exempted from undertaking impact assessment of any project funded by such an instrument.

(3) The Not for Profit Organisation issuing the zero coupon zero principal instrument and raising fund therefrom shall:

(a). undertake a project with a duration not more than three succeeding financial years from the issue of such zero coupon zero principal instrument; and

(b). on termination of listing of such zero coupon zero principal instrument, transfer the unspent amount to any fund included in Schedule VII to the Act and submit its compliance report to the Securities Exchange Board of India.

(4) The provisions of rule 4, except sub-rules (5) and (6) shall be applicable to the implementation of Corporate Social Responsibility through a zero coupon zero principal instrument."

Old Law
Pg 9.57 [for Pt 1(i)]
Rule 2(1)(ha) is newly inserted.
Pg 9.57 [for Pt 1(ii)]
Rule 2(1)(l) is newly inserted.
Pg 9.57 [for Pt 2]
Rule 4A is newly inserted.

V. Notification G.S.R 416(E) dated 27th May, 2026

The Central Government has amended the Schedule VII of the Companies Act, 2013.

Amendment:

In the said Schedule, after item (xii) and the entries relating thereto, the following item and entry shall be inserted, namely:-

"(xiii) Subscription to zero coupon zero principal instruments on Social Stock Exchange."

Old Law
Pg 9.61
(xiii) is newly inserted.

Chapter 10: Audit and Auditors

VI. Notification G.S.R 359(E) dated 30th May, 2025

The Central Government has amended the Companies (Audit and Auditors) Rules, 2014, through the Companies (Audit and Auditors) Amendment Rules, 2025.

In rule 13, in sub-rule (2),-

1. for clause (d), the following shall be substituted, namely:-

   "(d) the report shall be filed electronically in form ADT-4."

2. clauses (e) and (f) shall be omitted.

[Enforcement Date: Amendments effective from **14th July, 2025]**

Old Law
Pg 10.38 [for Pt 1]
d. **The report shall be sent to the Secretary, Ministry of Corporate Affairs (MCA) in a sealed cover by Registered Post with Acknowledgement Due or by Speed Post followed by an e-mail in confirmation of the same;**
Pg 10.38 [for Pt 2]
e. The report shall be on the letter-head of the auditor containing postal address, e-mail address and contact telephone number or mobile number and be signed by the auditor with his seal and shall indicate his Membership Number; and
f. The report shall be in the form of a statement as specified in Form ADT-4.