The monthly messenger

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S.N. Dhawan & CO LLP
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The Monthly messenger

India | Accounting news

Exposure Draft on Due Process Handbook by IFRS Foundation- 26 December 2024

The Accounting Standard Board of the Institute of Chartered Accountants of India (ICAI) has invited public comments on the 'Exposure Draft on Proposed Amendments to Due Process Handbook' by IFRS Foundation up to 11 February 2025.

The proposed amendments to the Handbook incorporate the establishment of the International Sustainability Standards Board (ISSB) in 2021. These changes aim to ensure that both the ISSB and the International Accounting Standards Board (IASB) follow a consistent, rigorous, inclusive and transparent standard-setting process.

For more information, **click here**.

India | Auditing news

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

The National Financial Reporting Authority (NFRA) in its 19th meeting held on 25 November 2024 has proposed 40 Standards on Auditing (SA) and related Standards on Quality Management (SQM) for audits of Limited Liability Partnerships (LLPs) under Section 34A of the LLP (Amendment) Act 2021. These standards, which were finalized in a previous meeting, will be applicable to LLPs on a mutatis mutandis basis.

Subject to the approval of the Central Government, these standards are recommended to take effect from 1 April 2026.

For more information, **click here**.

Audit Focus: Audit Committee Communications - 4 December 2024

The PCAOB has published a staff report on auditors' communications with audit committees, which is part of its Audit Focus series. The report emphasizes important reminders for auditors based on PCAOB standards and staff guidance regarding audit committee communications, outlines common deficiencies observed in auditors' work, and shares best practices noted by the staff.

For more information, **click here**.

Clarifications/FAQs on the issues arising out of the Peer Review Mandate -24 December 2024

The Peer Review Board of the Institute of Chartered Accountants of India (ICAI) has issued “Clarifications/FAQs on the issues arising out of the Peer Review Mandate” and addresses 11 FAQs in total. These FAQs aim to clarify various concerns related to the implementation of the peer review process. The document provides guidance to ensure better understanding and compliance with the mandate.

For more information, click here.

India | Regulatory news

The Companies (Accounts) Second Amendment Rules 2024- 31 December 2024

The Ministry of Corporate Affairs (MCA) has notified the Companies (Accounts) Second Amendment Rules, 2024, which has incorporated amendment in Rule 12(1B) of the Companies (Accounts) Rules, 2014 announcing an extension of the due date for filing Form CSR-2 on or before 31 March 2025 as against erstwhile deadline of 31 December 2024.
The notification is effective immediately upon its publication in the Official Gazette i.e 31 December 2024.

For more information, click here.

SECURITIES AND EXCHANGE BOARD OF INDIA (PROHIBITION OF INSIDER TRADING) (THIRD AMENDMENT) REGULATIONS, 2024 – 4 December 2024

The Securities and Exchange Board of India (SEBI) issued the Securities and Exchange Board of India (Prohibition of Insider Trading) (Third Amendment) Regulations, 2024, dated 4 December 2024.

The amendment updates the existing definition of "connected person" to expand its scope, thereby bringing in more individuals and entities with access to unpublished price-sensitive information (UPSI).

The amendment also revises the definition of "relative" to additionally include spouses of the siblings and children of the connected person and of its spouse irrespective of the financial dependence or consulting trading decisions for securities with the connected person. Moreover, it changes the criteria for determining who is considered an insider, making it clear that anyone with access to UPSI qualifies as an insider, regardless of how they obtained it.

This amendment reinforces SEBI's efforts to ensure comprehensive regulatory scrutiny and prevent circumvention of insider trading laws.

For more information, click here.

Transaction in Securities of Unlisted Public Limited Companies on Electronic Platforms – 9 December 2024

The Securities and Exchange Board of India (SEBI) has issued a Press Release that caution to investors about conducting transactions involving investments and trading in securities of unlisted public limited companies on unauthorized online platforms and websites. The regulator also referred to an earlier press release dated August 2016, wherein it had cautioned investors from interacting with such platforms.

The regulator further pointed out that such transactions are in the violation of the provisions of the Securities Contracts (Regulation) Act, 1956, and the SEBI Act, 1992, both of which are enacted for the protection of investors' interests in the securities market.

For more information, **click here**.

SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES) (THIRD AMENDMENT) REGULATIONS, 2024- 11 December 2024

The Securities and Exchange Board of India (SEBI) has issued above regulation to further amend the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, effective upon publication in the Official Gazette.

The amendment includes the introduction of Environment, Social, and Governance (ESG) Debt Securities, defined as bonds adhering to international frameworks adapted or adjusted to suit for Indian requirements specified by Board. Issuers intending to list ESG Debt Securities must comply with conditions specified by SEBI.

The amendment further omits Regulation 26 and update Schedule I which now requires debenture trustees' consent to their appointment and copy of agreements to be shared via a web link or QR code displayed in the issue document. Further in case issuer files a general information document or shelf prospectus, the issuer may disclose a copy of the letter obtained from the debenture trustee consenting to its appointment instead of the agreement

For more information, **click here**.

SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) (THIRD AMENDMENT) REGULATIONS, 2024- 12 December 2024

Securities and Exchange Board of India (“SEBI”) has issued Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2024 (“Amendments”) to further amend Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Regulations”) dated 12 December 2024. The key amendments are as mentioned below:

1. The definition of “half year” has been removed.

2. The followings have been added in the definition of “Related Party Transaction” (RPT) after Regulation 2(1)(zc)(c), thereby such transactions also will not be considered as RPT:

   (d) Acceptance of current account deposits and savings account deposits by banks, in compliance with directions issued by the Reserve Bank of India. Acceptance of deposits include payment of interest thereon.

   (e) Retail purchases made from a listed entity or its subsidiary by its directors or its employees, without establishing a business relationship and at the terms uniformly applicable to others.

3. The definition of “Securities Law” under Regulation 2(1) (zf) have been changed.

4. A definition for “SR equity shares” has been introduced under new clause (zla) in Regulation 2(1).

5. In Regulation 5 – ‘General obligation of compliance’, after the existing regulation, the new proviso is inserted which states KMP, directors, promoter, promoter group or any other person dealing with the listed entity, shall disclose the relevant information to listed entity necessary to ensure compliance with the applicable laws.

6. In Regulation 6- ‘Compliance Officer and his /her Obligations’

- after the existing sub-regulation (1) the new proviso is inserted which states that the Compliance Officer must now be an officer in whole-time employment of the listed entity, not more than one level below the board of directors and be designated as a Key Managerial Personnel (KMP).

- A new sub-regulation (1B) is inserted stating that any vacancy in the office of the Compliance Officer of a listed entity, where a resolution plan under Insolvency Code has been approved, must be filled within three months of such approval.

7. In Regulation 7- ‘Share Transfer Agent’, the requirement to submit a compliance certificate to the stock exchange under sub-regulation (3), signed by both the Compliance Officer of the listed entity and the authorized representative of the share transfer agent, has been removed.

8. In Regulation 10-‘ Filing of information’, an insertion of new sub-regulation (1A) which states that, the Board may enable integrated filing of periodic reports, statements, documents and any other information required to be filed by a listed entity under the Act or the regulations made thereunder in the format and within the timelines as may be specified.”

9. In Regulation 13- ‘Grievance Redressal Mechanism’, substitution of sub-regulation (3) , “the listed entity shall file with the recognized stock exchange(s) on a quarterly basis a statement detailing the redressal of investor grievances in such form and within the timelines as may be specified by the Board.” The erstwhile clause required the listed entity to file the statement of investor complaints within 21 days from the end of the respective quarter

10. In Regulation 15, there are certain revisions in the language of sub-regulation (2), (2A) and (B) and insertion of new proviso thereto.

11. In Regulation 16(1)(c), substitution of “income” word with “turnover”.

12. Under Regulation 16 (1)(d), in the definition of ‘Senior Management’, the words “Company Secretary and Chief Financial Officer” shall be substituted with “persons identified and designated as key managerial personnel, other than the board of directors, by the listed entity”.

13. In Regulation 17, there is an Insertion of new proviso after sub-regulation (1A) which requires the listed entity to ensure compliance with this sub-regulation at the time of appointment and re-appointment or any time prior to the non-executive Directors attaining the age of 75 years.

14. In Regulation 17, sub-regulation (1C) shall be substituted with new sub-regulation which now states that time taken to receive approval of regulatory or statutory authorities for appointment or reappointment of a person to the board of directors, if applicable, shall be excluded from the period of three months.

15. In Regulation 17, sub-regulation (1E), there are changes in the language of first and second proviso to include reference to specified sub-regulations of regulations18, 19, 20 and 21 and further insertion of new proviso.

16. In Regulation 17(2), 17(6), Regulation 18 (2)(a), Regulation 19(3A), Regulation 20(3A) and Regulation 21(3A) insertion of word “Financial” before the word year and “Consecutive” before the word meetings.

17. In Regulation 17(11), there is insertion of word “along with the rationale” which now also requires rationale to be given in the statement annexed to the notice under section 102(1) of the Companies Act, 2013 for each item of special business to be transacted at a general meeting.

18. After Regulation 23(2)(d), insertion of new clauses:

    (e) which states that approval from Audit Committee shall not be required for remuneration and sitting fees payment to director, KMP or senior management who are not a part of promoter or promoter group and also provided that the same is not material under sub regulation 1.

    (f) The members of Audit Committee who are independent directors, may **ratify** the RPTs within 3 months from the date of transactions or in the immediate next audit committee meeting whichever is earlier, subject to specified conditions.

19. Under Regulation 24A, every listed entity and its material unlisted subsidiaries incorporated in India must now undergo Secretarial Audit by **a Peer-Reviewed Company Secretary only**. Additionally, in the revised regulations, the eligibility criteria, qualifications, disqualifications, prohibited services and tenure of appointment as the Secretarial Auditor, have also been provided which are applicable w.e.f. 1 April 2025.

20. In Regulation 25, sub-regulation 6 has been omitted which dealt with resignation or removal of an independent director from the BOD of the listed entity and the replacement thereof.

21. In the Regulation 26, sub regulation 6 has been amended with respect to compliances for subsisting agreements between employees and any shareholder or any third party in connection with compensation or profit sharing in connection with dealings in securities of such listed entity.

22. Under Regulation 26A, a new sub-regulation 3 has been inserted which covers the vacancy in office of CEO, MD, WTD, Manager or CFO of a listed entity subject to the resolution plan under the Insolvency Code.

23. Under Regulation 27, there are certain changes with respect to the manner of reporting including timelines for quarterly compliance report on corporate governance.

24. In Regulation 30(6), changes have been made with respect to timelines of reporting of events or information considered material.

25. Various changes made in regulation 30A, 31A, 33, 34, 36, 37, 39, 40, 42, 44 and 46 with respect to substitution, omission and insertion of new provisions etc.

26. In Regulation 47(1), changes have been made which now additionally require a listed entity to publish an advertisement in newspaper with in forty eight hours from the conclusion of the board meeting at which the financial results were approved, containing a Quick Response code and the details of the webpage where complete financial results is accessible to the investors.

27. Under Regulation 50, disclosures to stock exchanges must now be made in XBRL format, following the guidelines specified by the exchanges.

28. In Regulation 52(2), changes have been made which now allow the quarterly financial results to be signed by a director other than chairperson/managing director/whole time director in their absence, provided he is so authorised by the BOD to sign.

29. In Regulation 60, changes have been made which now require listed entities to give advance notice of atleast three working days instead of erstwhile requirement of seven working days.

30. In Schedule II, following changes have been made:

    Part E- Listed entities ranked from 1001 to 2000 in the list prepared by recognized stock exchanges, shall also endeavour to have atleast one-woman independent director on its board.

    Part F- Independent directors of top 2000 listed entities shall endeavour to hold and attend at least two meetings in a financial year without the presence of non-independent directors and members of management.

    Part G- Listed entities ranked from 1001 to 2000 in the list prepared by recognized stock exchanges may constitute a risk management committee with stipulated composition, roles and responsibilities.

31. Changes have been made in Schedule III with respect to the various thresholds for disclosures of events or information and revision of timelines for filing of presentation/audio/video and transcript to the stock exchange, disclosure of fines and penalty etc.

32. Changes have been made in Schedule V with respect to the deletion of certain parts of corporate governance disclosures in Annual Report.

The above amendments are applicable from the date of their publication in the Official Gazette i.e. 12 December 2024 except for sub regulation VI and XX of regulation 3 of these amendment regulations which shall be effective from 31 December 2024.

For more information, click here.

SEBI Board Meeting- 18 December 2024

The Securities and Exchange Board of India (SEBI) vide its Board Meeting dated 18 December 2024 has approved various proposals dealing with certain Regulations as detailed hereunder:

-Ease of business for BRSR:

- SEBI has approved one year deferral for ESG disclosures for value chains (from FY 2025-26 as against FY 2024-25) and for “assessment or assurance” thereof (from FY 2026-27 as against FY 2025-26)
- A new leadership indicator has been added for Green Credit disclosures.
- Additionally, rather than mandating a "comply-and-explain" approach, the board has made these disclosures voluntary, encouraging a phased implementation.

-Revised SME Framework (in SEBI ICDR and LODR Regulations)

- Minimum operating profit requirement of ₹1 crore for any 2 out of 3 past years at the time of filing DRHP.

- Offer for Sale (OFS) capped at 20% of total issue size for SME IPOs and selling shareholders cannot sell more than 50% of their holdings.
- Lock-in period for excess promoter contribution revised.
- Amount for general corporate purpose capped at lower of 15% of amount being raised or Rs. 10 crores.
- SME issues with the objective of repayment of loans from Promotor group or related party prohibited.
- DRHP to be made available, for minimum 21 days for public comments.
- Related party transaction norms also extended to SME listed entities subject to materiality norms.

-Ease of doing business for ESG rating providers

- Sharing of ESG rating report with subscribers and the rated issuers at the same time.
- Process of dealing with appeal and representation by the rated issuer
- Activity based regulatory framework approved for ERPs

-Approval of corporate governance norms for High Value Debt Listed Entities (HVDLEs):

- Threshold for identification raised from ₹500 crore to ₹1,000 crore.
- Other corporate governance norms aligned with large corporates.

-Insider Trading Updates -The Board has approved to expand the definition of Unpublished Price Sensitive Information (UPSI) to align the same with material events disclosures under regulation 30 of LODR.

-Comprehensive review of SEBI (Merchant Bankers) Regulation, 1992 and approved amendments thereto.

-Amendments to SEBI (Issue and Listing of Securitised Debt Instruments and Security Receipts) Regulations, 2008 ('SDI Regulations') approved.

-Certain measures for reforms to Debenture Trustees Regulations with a view to facilitate ease of doing business have been approved.

-Certain measures for Infrastructure Investment Trusts (InvITs), Real Estate Investment Trusts (REITs) and Small and Medium Real Estate Investment Trusts (SM REITs) with a view to facilitate ease of doing business and Investor Protection have been approved.

For more information, click here

Industry Standards on Reporting of BRSR Core- 20 December 2024

The Securities Exchange Board of India (SEBI) has issued a circular on 20 December 2024, outlining industry standards for the reporting of the Business Responsibility and Sustainability Report (BRSR) Core. These standards, developed by the Industry Standards Forum (ISF) comprising representatives from ASSOCHAM, FICCI and CII, aim to facilitate the standardization and ease of implementation of BRSR Core disclosures under SEBI's LODR Regulations.

The guidelines are designed to help listed entities comply with requirements outlined in Regulation 34(2)(f) of the LODR Regulations and shall be applicable for the financial year 2024-25 and onwards. Stock exchanges and other industry associations shall publish these standards on their websites, further the listed entities are expected to adhere to these guidelines to ensure proper compliance.

For more information, click here

Gazette Notification for withdrawal of recognition granted to the Indian Commodity Exchange Limited (ICEX)-26 December 2024

The Securities and Exchange Board of India (SEBI) has announced the withdrawal of recognition granted to the Indian Commodity Exchange Limited (ICEX). Initially recognized as an 'association' under the Forward Contracts (Regulation) Act, 1952, ICEX became a deemed recognized stock exchange after the merger of the Forward Market Commission with SEBI.

In 2022, SEBI withdrew ICEX's recognition, but this decision was overturned by the Securities Appellate Tribunal with certain conditions. ICEX later requested regulatory relaxations or permission to voluntarily surrender its recognition. On 10 December 2024, SEBI permitted ICEX to exit as a stock exchange, subject to specific conditions.

The withdrawal of recognition will take effect once the notification is published in the Official Gazette.

For more information, **click here**.

Comprehensive FAQs on SEBI(PIT) Regulations 2015- 31 December 2024

In light of the amendments, queries and suggestions received, and consultations with market participants, The Securities and Exchange Board of India (SEBI), has revised and updated the Frequently Asked Questions (FAQs) on SEBI (PIT) Regulations, 2015.

These FAQs are organized by topics such as trading, structured digital databases, disclosures, pledging, pre-clearance, trading window closure, contra-trade etc. These FAQs rescinds the earlier issued FAQs/Clarifications/Guidance-notes.

For more information, **click here**.

Circular for implementation of recommendations of the Expert Committee for facilitating ease of doing business for listed entities-31 December 2024

The Securities and Exchange Board of India (SEBI) issued a circular to all listed entities, recognized stock exchanges, depositories, and the Institute of Company Secretaries of India (ICSI).
The circular reflects the implementation of the recommendations made by the Expert Committee formed to facilitate ease of doing business for listed entities. These changes, approved by the SEBI Board and published in the Gazette of India on 13 December 2024, aim to simplify and streamline compliance processes under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR Regulations).

The Expert Committee was tasked with reviewing the LODR Regulations and identifying ways to improve the ease of doing business for companies listed on Indian stock exchanges. The circular highlights that these recommendations will now be implemented, focusing on providing practical solutions for the challenges faced by listed entities. The recommendations led to amendments in the SEBI (Listing Obligations and Disclosure Requirements) Regulations (LODR) and the introduction of Integrated Filing for governance and financial-related disclosures.

The changes affect filings related to investor grievances, corporate governance reports, related party transactions and financial results, with updated deadlines for quarterly submissions. The circular also outlines new guidelines for secretarial auditors and the disclosure of employee benefit scheme documents. It also emphasizes the use of a single filing system and system-driven disclosures for certain filings.

SEBI further updated its Master Circular, adjusting the removal of obsolete formats and the introduction of fines for non-compliance with timelines. Stock exchanges and depositories are tasked with implementing the necessary systems for monitoring these changes.

The amendments shall come into effect from 31 December 2024 and aim to streamline compliance and ensure transparency.

For more information, **click here**

Clarifications to Cybersecurity and Cyber Resilience Framework (CSCRF) for SEBI Regulated Entities (REs)-31 December 2024

The Securities and Exchange Board of India (SEBI) issued a circular providing clarifications regarding the Cybersecurity and Cyber Resilience Framework (CSCRF) for SEBI-regulated entities (REs).

This framework was introduced in August 2024 and aims to enhance cybersecurity and protection of data and IT infrastructure for SEBI REs. The circular grants regulatory forbearance until 31 March 2025, provided REs are able to demonstrate progress made towards CSCRF compliance without facing immediate regulatory action.

It also extends the compliance deadlines for certain entities, such as KYC Registration Agencies (KRAs) and Depository Participants (DPs), from 1 January 2025 to 1 April 2025. Furthermore, SEBI has postponed decisions on Data Localization requirements.

These provisions are effective immediately and are part of SEBI's ongoing efforts to safeguard investors and regulate the securities market.

For more information, **click here**

EFRAG adds new non-authoritative technical explanations on ESRSs – 6 December 2024

European Financial Reporting Advisory Group (EFRAG) has announced the release of 64 new explanations added to its Compilation of Technical Explanations, as technical advisor to the European Commission to provide practical and timely support for preparers and others in the implementation of European Sustainability Reporting Standards (ESRS).
This updated compilation includes a mapping of sustainability matters in paragraph **AR 16 of ESRS 1** to the Disclosure Requirements in the topical standards. The total number of explanations now stands at 157, with Appendix III identifying 133 questions already addressed through Implementation Guidance and previously published explanations.

EFRAG released update to the Compilation of Explanations to respond to stakeholders' technical questions on the ESRS, which now includes a total of 157 explanations released between January and November 2024.

For more information, click here

EFRAG publishes voluntary sustainability reporting standard for non-listed SMEs-18 December 2024

The European Financial Reporting Advisory Group (EFRAG) issued a standard for voluntary sustainability reporting by non-listed micro, small and medium-sized entities (SMEs) known as the 'VSME' standard.

The standard is a voluntary reporting framework designed for non-listed SMEs that are not covered by the Corporate Sustainability Reporting Directive (CSRD). Its purpose is to help these businesses meet the information requirements of banks, investors, and their value chain in a standardized format.

The VSME standards are divided into a 'Basic Module' and a 'Comprehensive Module'. It is also accompanied by supplementary Basis of Conclusions.

For more information, click here

EFRAG adds new technical explanations on ESRSs- 27 December 2024

The European Financial Reporting Advisory Group (EFRAG) has introduced new non-authoritative technical explanations to its collection of guidance aimed at assisting stakeholders with the implementation of the European Sustainability Reporting Standards (ESRSs).
The new explanations focus on climate change mitigation and adaptation targets, as well as biodiversity and ecosystems. These are particularly relevant for specific sectors and are provided as part of EFRAG's role as a technical advisor to the European Commission, offering practical and timely support to preparers and other stakeholders in the adoption of the ESRSs.

For more information, [click here]

EFRAG publishes addendum to implementation guidance for ESRSs-28 December 2024

The European Financial Reporting Advisory Group (EFRAG) has released an addendum to EFRAG IG 3 'ESRS Datapoints', which is part of its non-authoritative implementation guidance on the European Sustainability Reporting Standards (ESRSs).

Originally published in May 2024, EFRAG IG 3 includes all requirements from the complete first set of ESRSs in an Excel format. It provides additional details such as the type of requirement whether they are subject to transitional provisions.

The addendum offers a limited number of clarifications and corrections based on feedback from stakeholders. EFRAG plans to release an updated version of EFRAG IG 3 in 2025, incorporating these clarifications and any additional Q&A responses that may arise during the first ESRS reporting cycle.

For more information, [click here]

International | Accounting News

FASB Issues Standard That Improves Accounting Guidance for Induced Conversions of Convertible Debt Instruments-26 November 2024

The Financial Accounting Standards Board (FASB) published an Accounting Standards update (ASU) that improves the relevance and consistency in application of the induced conversion guidance in FASB Accounting Standards Codification® Subtopic 470-20, Debt—Debt with Conversion and Other Options.

Current generally accepted accounting principles (GAAP) provide guidance on whether a settlement of convertible instruments with different terms should be treated as an induced conversion or debt extinguishment.

The aforesaid amendment clarifies the criteria for deciding whether certain settlements of convertible debt instruments, including those with cash conversion features or those not yet convertible, should be recognized as an induced conversion.

The amendments in the ASU are effective for annual reporting for periods beginning after 15 December 2025, and interim reporting periods within those annual reporting periods. The early adoption of the same is also permitted.

For more information, [click here].

IASB updates IFRS Accounting Standards (IFRS 9 and IFRS 7) for nature-dependent electricity contracts -18 December 2024

The International Accounting Standards Board (IASB) has issued targeted amendments to help companies better report the financial effects of nature-dependent electricity contracts, which are often structured as power purchase agreements (PPAs) to secure their electricity supply from sources such as wind and solar power.

The quantum of electricity generated under these contracts varies based on uncontrollable factors such as weather conditions. Current accounting requirements does not adequately capture how these contracts affect a company’s performance.

To address this, the IASB has amended IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures. The amendments include:

- Clarifying the application of 'own-use' requirements;
- Allowing hedge accounting for contracts used as hedging instruments;
- Introducing new disclosure requirements to help investors to understand how these contracts affect a company’s financial performance and cash flows.

The above amendments are applicable for annual reporting periods beginning on or after 1 January 2026. Early application is also permitted.

For more information, click here

International | Auditing News

New Guidance Advances High-Quality Corporate Sustainability Reporting and Assurance Preparedness – 19 December 2024

The International Federation of Accountants (IFAC) issued guidance on enhancing governance and control activities to improve the quality of sustainability information and disclosures. The resource provides a roadmap for aligning sustainability and financial reporting, emphasizing transparency in governance, risk management, and internal controls. By implementing a systematic annual cycle of governance and control activities, companies can improve data quality, reduce the risk of modified assurance conclusions, and meet investors' expectations for sustainability reporting prepared with the same rigor as financial statements. This guidance also supports the adoption of IFRS Sustainability Disclosure Standards and European Sustainability Reporting Standards (ESRS).

For more information, click here.

IFAC and WMBC publish guidance on sustainability reporting and assurance-27 December 2024

The International Federation of Accountants (IFAC), We Mean Business Coalition (WMBC), and Global Accounting Alliance (GAA) have released a report on enhancing governance in sustainability reporting, aligning it with financial reporting, and addressing related challenges. The guidance supports the adoption of ISSB standards and European Sustainability Reporting Standards (ESRS).

For more information, **click here.**