The Monthly Messenger

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S.N. Dhawan & CO LLP
Chartered Accountants

The Monthly messenger

India | Accounting News

The Companies (Indian Accounting Standards) Amendment Rules, 2025- 7 May 2025

The Central Government (CG) in consultation with National Financial Reporting Authority (NFRA) has issued the **Companies (Indian Accounting Standards) Amendment Rules, 2025**, wherein **the Central Government** has introduced several changes to **Ind AS 21 – The Effects of Changes in Foreign Exchange Rates** and **IND AS 101 - First-time Adoption of Indian Accounting Standards.** The key amendments provide:

- Detailed guidance on assessment of whether a currency is exchangeable into another currency,
- How to estimate the spot exchange rate when a currency is not exchangeable,
- New definitions and application guidance have been added to clarify concepts and procedures related to exchangeability,
- Corresponding amendments are also made to Ind AS 101 regarding first-time adoption of Ind AS in the context of severe hyperinflation and non-exchangeable currencies,

The amendment rules shall come into force on the date of their publication in the Official Gazette.

For more information, **click here**

Companies (Accounts) Amendment Rules, 2025- 19 May 2025

The Ministry of Corporate Affairs (MCA) has issued the Companies (Accounts) Amendment Rules, 2025, whereby it has amended sub-rule (1B) of rule 12 of the Companies (Accounts) Rules, 2014 extending the due date for filing 'Report on Corporate Social Responsibility' in Form CSR-2 to 30 June 2025 as against the erstwhile deadline of 31 March 2025.

For more information, **click here**

Guidance Note on Environmental Costing – April 2025

The Institute of Cost Accountants of India (ICMAI) has released the first edition of its "Guidance Note on Environmental Costing" in April 2025. This Guidance Note presents a Holistic Environmental Costing (HEC) Framework for identification and measurement of environmental impact right from the source (i.e. the operations and other business activities undertaken), the intention is to accurately measure the cost to the environment of running a business.

The Guidance Note is based on existing principles and methods of cost accounting and adapts them for environmental costing. The principles and methods enunciated in this Guidance Note help in practical determination of environmental cost of an enterprise (and its operations) enabling deeper understanding and knowledge for the enterprise to take appropriate actions. This will further facilitate enterprises to seamlessly derive needed data for the BRSR report and for any other global environmental or sustainability reporting needs of an enterprise.

For more information, **click here**

Exposure Drafts of updated Forensic Accounting and Investigation Standards (FAIS) and its Implementation Guide- 29 May 2025

The Digital Accounting and Assurance Board (DAAB) of the Institute of Chartered Accountants of India (ICAI) has released an **Exposure Draft** of updated **Forensic Accounting and Investigation Standards (FAIS)** and its corresponding **Implementation Guide**.

The updates aim to enhance the global applicability of these standards by incorporating recent technical advancements and emerging forensic techniques. The revised FAIS and Implementation Guide have been open for public comments from members and stakeholders for 21 days until 19 June 2025.

For more information, **click here**

India | Regulatory News

Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2025 – 29 April 2025

Securities and Exchange Board of India (SEBI) has issued Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2025 (“Amendments”) to further amend SEBI (Listing Obligations and Disclosure Requirements) (LODR) Regulations, 2015 (“Regulations”). The key amendments are as mentioned below:

- Regulation 13(2) introduces a new proviso permitting registration on SCORES at the trustee level in case of securitised debt instrument. This provision applies to all special purpose distinct entities (SPDIs) managed by a trustee.
- Additionally, Schedule III, Part D has been expanded with the insertion of new clauses 10 and 11. These new clauses impose enhanced disclosure obligations on SPDIs and their trustees. They must now report annually to the stock exchange:

  (i) Any outstanding litigations and material developments involving the originator, servicer, or any other party to the transaction, that could be prejudicial to investors interests.
  (ii) Any defaults in servicing obligations undertaken by the servicer.

The amendment shall come into force on the date of the publication in the Official Gazette.

For more information, **click here**

Frequently Asked Questions (FAQs) on SEBI (Buy-Back of Securities) Regulations, 2018

Securities and Exchange Board of India (SEBI) has issued these FAQs to provide simplistic explanations and clarifications of the terms and concepts related to SEBI (Buy-Back of Securities) Regulations, 2018. The FAQs cover the manner of shareholder's participation in buy back in case he/she does not receive the tender/offer form, the manner of acceptance of buy back by shareholders, maintaining the cash component of the escrow account in an interest-bearing account. They also address whether a letter of offer can be dispatched via electronic means.

For more information, **click here**

Frequently Asked Questions (FAQs) on SEBI (Delisting of Equity Shares) Regulations, 2021

Securities and Exchange Board of India (SEBI) has issued FAQs on SEBI (Delisting of Equity Shares) Regulations, 2021. The FAQs majorly cover:

- The difference between voluntary delisting & compulsory delisting,
- The exit opportunity available for shareholders and investors in case of delisting,
- Whether the same merchant banker appointed to carry out due diligence on behalf of the company can also act as Manager to Offer,
- How a shareholder can participate in delisting if he/she does not receive tender/offer form.
- Whether the cash component of the escrow account in the delisting offer process be maintained in an interest-bearing account.

For more information, **click here**

Disallowance of Expenses incurred for settlement of violation of specified laws (CBDT Notification No. 38/2025) - 23 April 2025

The Central Board of Direct Taxes (CBDT) has issued a notification (**Notification No. 38/2025)** which provides that the expenses incurred to settle legal proceedings in relation to contraventions or defaults under certain laws shall not be considered as expenditure incurred for the purpose of business or profession. Consequently, no deduction will be allowed for such expenses.
The listed laws include:

- The Securities and Exchange Board of India Act, 1992,
- The Securities Contracts (Regulation) Act, 1956,
- The Depositories Act, 1996, and
- The Competition Act, 2002

The notification shall come into force on the date of its publication in the Official Gazette.

Further, CBDT has also issued FAQs to clearly understand the implications of the above-mentioned Notification.

For notification, **click here**

For FAQs, **click here**

Income-tax (Twelfth Amendment) Rules, 2025- 29 April 2025

The Central Board of Direct Taxes (CBDT) has issued the Income-tax (Twelfth Amendment) Rules, 2025 which have introduced amendments in Rule 12 of Income Tax Rules, 1962, rule 11B has also been amended to require the furnishing of Form No. 10BA along with the return of income. Further Income Tax Return Form ITR-1 has been revised and replaced in Appendix II.

The amendment shall come into force with effect from the 1 April 2025.

For more information, **click here**

Income-tax (Thirteenth Amendment) Rules, 2025- 1 May 2025

The Central Board of Direct Taxes (CBDT) has issued the Income-tax (Thirteenth Amendment) Rules 2025 which has prescribed revised Income Tax Return Form ITR-3 introducing significant updates such as split in the Schedule of Capital Gain for gains before and after 23 July 2024, the revised threshold for mandatory reporting of assets and liabilities in 'Schedule AL', reference to section 44BBC (specific to cruise business) incorporated and a mandate to report the TDS section code in Schedule-TDS.

The amendment shall come into force with effect from the 1 April 2025.

For more information, **click here**

Income-tax (Fourteenth Amendment) Rules, 2025- 1 May 2025

The Central Board of Direct Taxes (CBDT) has issued the Income-tax (Fourteenth Amendment) Rules, 2025 whereby the Income Tax Return Form ITR-5 has been revised and replaced in Appendix II for the assessment year 2025-26.

The amendment shall come into force with effect from the 1 April 2025.

For more information, **click here**

Income-tax (Fifteenth Amendment) Rules, 2025- 3 May 2025

The Central Board of Direct Taxes (CBDT) has issued the Income-tax (Fifteenth Amendment) Rules 2025 whereby the Income Tax Return Form ITR-2 has been revised and replaced in Appendix II for the assessment year 2025-26. This form is meant for Individuals and Hindu Undivided Families (HUFs) who do not have income from business or profession.

The amendment shall come into force with effect from the 1 April 2025.

For more information, **click here**

Income-tax (Sixteenth Amendment) Rules, 2025- 6 May 2025

The Central Board of Direct Taxes (CBDT) has issued the Income-tax (Sixteenth Amendment) Rules, 2025 whereby the Income Tax Return Form ITR-6 has been revised and replaced in Appendix II for the assessment year 2025-26. This form is meant for companies other than the companies claiming exemption under Section 11 of the Income Tax Act.

The amendment shall come into force with effect from the 1 April 2025.

For more information, **click here**

Income-tax (Seventeenth Amendment) Rules, 2025- 7 May 2025

The Central Board of Direct Taxes (CBDT) has issued the Income-tax (Seventeenth Amendment) Rules 2025 whereby the Income Tax Return Form ITR-V has been revised and replaced in Appendix II for the assessment year 2025-26.

The amendment shall come into force with effect from the 1 April 2025.

For more information, **click here**

Income-tax (Eighteenth Amendment) Rules, 2025- 9 May 2025

The Central Board of Direct Taxes (CBDT) has issued the Income-tax (Eighteenth Amendment) Rules, 2025 whereby the Income Tax Return Form ITR-7 has been revised and replaced in Appendix II for the assessment year 2025-26. Form ITR-7 is used by entities such as trusts, political parties, institutions, and other organizations that are required to file returns under specific provisions of the Income-tax Act, 1961 including sections 139(4A) to 139(4F).

The amendment shall come into force with effect from the 1 April 2025.

For more information, **click here**

Income-tax (Nineteenth Amendment) Rules, 2025- 19 May 2025

The Central Board of Direct Taxes (CBDT) has issued the Income-tax (Nineteenth Amendment) Rules 2025 whereby the Income Tax Return Form ITR-U (ITR for updated return) has been revised and replaced in Appendix II for the assessment year 2025-26. The revised Form ITR-U enables taxpayers to update their income tax returns within 48 months from the end of the corresponding assessment year. The form can be used by individuals and entities that want to correct omissions or errors in earlier returns or to submit returns for assessment years when they had not submitted any return at all.

For more information, **click here**

Extension of due date for furnishing return of income for the Assessment Year 2025-26 reg.- 27 May 2025

The Central Board of Direct Taxes (CBDT), in exercise of its powers under Section 119 of the Income-tax Act, 1961 (the Act), extends the due date of furnishing of Return of Income under sub-section (1) of section 139 of the Act for the Assessment Year 2025-26 in the case of assessees referred in clause (c) of Explanation 2 to sub-section (1) of section 139 of the Act, which is 31 July 2025 to 15 September 2025.

For more information, **click here**

Master Checklist for Listing Requirements- 30 April 2025

The Bombay Stock Exchange (BSE) has issued a notification regarding the Master Checklist for Listing requirements. The BSE has established guidelines for listing of securities, which are revised from time to time in line with legal and regulatory requirements.
To provide issuers and stakeholders with easy access to all applicable requirements for listing, further listing, forfeiture, etc., the Exchange compiles these into a single Master Circular, published annually on its website. The said Master Checklist is updated as of 30 April 2025.

For more information, **click here**

International | Accounting News

FASB Seeks Public Comment on Proposal to Improve Accounting for Debt Exchanges – 30 April 2025

The Financial Accounting Standards Board (FASB) has requested public feedback on a proposed Accounting Standards Update (ASU) that would provide specific guidance on accounting for debt exchange transactions involving multiple creditors.
Under the current GAAPs, entities are required to determine if a modified or exchanged debt instrument should be treated as a modification of the existing debt obligation or as the issuance of a new debt obligation with an extinguishment of the existing debt obligation.
The proposed ASU would specify that an exchange of debt instruments that meets certain requirements should be accounted for by the debtor as the issuance of a new debt obligation and an extinguishment of the existing debt obligation. It further aims to reduce diversity in accounting practices over said debt exchanges.

Stakeholders are required to provide comments on the proposed ASU by 30 May 2025.

For more information, **click here**

New educational materials to support implementation of the IFRS for SMEs Accounting Standard- 28 May 2025

The IFRS Foundation has published new educational material to support the application of Section 11 *Financial Instruments* of the third edition of the *IFRS for SMEs* Accounting Standard.

For more information, **click here**

International | Regulatory News

IFRS Foundation publishes educational material on greenhouse gas emissions disclosures – 29 May 2025

The IFRS Foundation has published education material in the form of a Questions and Answers guide to help users understand the greenhouse gas (GHG) emissions disclosure requirements in IFRS S2. The questions are divided into three sections: background, measurement-related requirements and disclosure-related requirements.

For more information, **click here**