The Monthly Messenger

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Chartered Accountants

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India | Accounting News

Exposure Draft on proposed Guidelines for Overseas Network for public comments – 6 June 2025

The Institute of Chartered Accountants of India (ICAI) has released an Exposure Draft on the proposed Guidelines for Overseas Network. The draft has been issued by the Committee for Aggregation of CA Firms (CACAF), which was constituted in 2024-25 to comprehensively study, review and revise various guidelines concerning CA firms. The proposed guidelines are designed to facilitate Indian CA firms in joining international networks, ensuring better global representation, knowledge sharing, and competitiveness in cross-border engagements.

The Exposure Draft is open for public comments until **27 June 2025.**

For more information, click here

India | Regulatory News

Companies (Registration Offices and Fees) Amendment Rules, 2025- 30 May 2025

The Ministry of Corporate Affairs (MCA) has notified Companies (Registration Offices and Fees) Amendment Rules, 2025 to further amend the Companies (Registration Offices and Fees) Rules, 2014. **The key highlight of the amendment is the replacement of the existing Form GNL-1 with a revised format**. The updated form streamlines the process for various application purposes, including compounding of offenses, seeking extensions for annual general meetings, and applications related to schemes of arrangement or amalgamation.

The amendment rules shall come into force with effect from 14 July 2025.

For more information, click here

Companies (Cost Records and Audit) Amendment Rules, 2025- 30 May 2025

The Ministry of Corporate Affairs (MCA) has notified Companies (Cost Records and Audit) Amendment Rules, 2025 to further amend the Companies (Cost Records and Audit) Rules, 2014. Through the amendment rules, **Form CRA-2** which is used by companies to intimate the Central Government about the appointment of a cost auditor under Section 148(3) of the Companies Act, 2013, has been **revised.**
In addition, **Form CRA-4** which is used by companies for filing the Cost Audit Report with the Central Government under Section 148(6), has also been **revised**.

The amendment rules shall come into force with effect from 14 July 2025.

For more information, click here

Companies (Management and Administration) Amendment Rules, 2025- 30 May 2025

The Ministry of Corporate Affairs (MCA) has notified the Companies (Management and Administration) Amendment Rules, 2025 to further amend the Companies (Management and Administration) Rules, 2014. The key highlight of the amendment includes revisions to:

- Form MGT-7- used for Annual Return (other than OPCs and Small Companies): Changes intended for enhanced Shareholder and Debt Disclosure.
- Form MGT-7A- used for Abridged Annual Return for OPCs and Small Companies: Changes intended for Registered Office Verification.
- Form MGT-15- used for filing Report on Annual General Meeting: Changes intended for AGM and Financial Year Linkage.

The amendment rules shall come into force with effect from 14 July 2025.

For more information, click here

Companies (Audit and Auditors) Amendment Rules, 2025- 30 May 2025

The Ministry of Corporate Affairs (MCA) has notified Companies (Audit and Auditors) Amendment Rules, 2025, to further amend Companies (Audit and Auditors) Rules, 2014.

The key highlight of the amendment includes:

- Substitution of clause (d) in rule 13(2), which now mandates that fraud reporting by auditors to the Central Government be filed electronically in Form ADT-4.
- Additionally, clauses (e) and (f) of rule 13(2), have been omitted which were concerned with physical reporting of fraud by auditors to the Central Government.
- Further, Forms ADT-1, ADT-2, ADT-3 and ADT-4 have been substituted with revised format.

The amendment rules shall come into force with effect from 14 July 2025.

For more information, click here

Companies (Accounts) Second Amendment Rules, 2025-30 May 2025

The Ministry of Corporate Affairs (MCA) has notified Companies (Accounts) Second Amendment Rules, 2025, to further amend Companies (Accounts) Rules, 2014.

The key highlight of the amendment includes:

1. **Enhanced Disclosures in the Board's Report:**
   Companies must now provide **detailed reporting** on complaints under the Sexual Harassment of Women at Workplace Act, 2013, along with a formal statement confirming compliance with the Maternity Benefit Act, 1961.

2. **Introduction of New E-Forms for Key Extracts**:
   The MCA has introduced a new procedural requirement for all companies filing their financial statements through e-Forms AOC-4, AOC-4 CFS, AOC-4 XBRL, AOC-4 NBFC (Ind AS) or AOC-4 CFS NBFC (Ind AS). Alongside these financial statement forms, companies must now separately file the following new e-Forms: Extract of Board Report, Extract of Auditor's Report (Standalone), Extract of Auditor's Report (Consolidated) as applicable.

3. The rules have formally substituted references to the word **"Form"** with **"e-Form"** since various forms are now required to be filed electronically.

The amendment rules shall come into force with effect from 14 July 2025.

For more information, click here

Companies (Filing of Documents and Forms in Extensible Business Reporting Language) Amendment Rules, 2025- 6 June 2025

The Ministry of Corporate Affairs (MCA) has notified Companies (Filing of Documents and Forms in Extensible Business Reporting Language) Amendment Rules, 2025 to further amend the Companies (Filing of Documents and Forms in Extensible Business Reporting Language) Rules, 2015.

The key highlight of the amendment includes:

- Introduction of a new sub-rule (1A) in Rule 3 of the existing rules, mandating companies while filing their financial statements in e-Form AOC-4 XBRL to attach a duly signed and authenticated copy of their financial statements in PDF format along with the XBRL filing.
- Further, the existing 'e-Form AOC-4 XBRL' have been substituted with revised form namely 'Form No. AOC 4 XBRL'

The amendment rules shall come into force with effect from 14 July 2025.

For more information, click here

Separate Filing of e-form CSR-2 post the period of transition from MCA21 V2 to V3 - reg.- 16 June 2025

The Ministry of Corporate Affairs (MCA) has earlier announced that the MCA21 portal Version 2 (V2) shall be **decommissioned w.e.f. 18 June 2025** as part of the transition to **Version 3 (V3)**.

As per recent amendments to the Companies (Accounts) Rules, 2014, companies are now allowed to file **e-form CSR-2 independently**, without linking it to AOC-4 forms. To facilitate a smooth transition, MCA has clarified that stakeholders who need to file CSR-2 with a **V2 SRN** of Form AOC-4, AOC-4(XBRL), or AOC-4(NBFC) can do so in the **V3 portal** from **14 July 2025 to 15 August 2025**.

For more information, click here

Relaxation of additional fees for filing of 13 e-forms during the period of transition from MCA21 V2 to V3 - reg.- 16 June 2025

The Ministry of Corporate Affairs (MCA) has issued a general circular granting one time relaxation on additional filing fees for submitting 13 specified e-forms. This decision is part of the shift from the old version of their online system MCA Version 2 to a new and improved Version 3.

The Circular announces that no additional fees shall be imposed for the late filings of these specified e-forms if the due date or resubmission date falls between 18 June 2025 and 31 July 2025. Such filings shall be allowed without any additional fee up to 15 August 2025.

For more information, click here

Companies (Meetings of Board and its Powers) Amendment Rules, 2025-26 June 2025

The Ministry of Corporate Affairs (MCA) has issued a public notice proposing an amendment to Rule 11(2) of the Companies (Meetings of Board and its Powers) Rules, 2014.

Under section 186(11)(a) of the Companies Act, 2013 ('the Act') read with rule 11(2) of the Companies (Meetings of Board and its Powers) Rules, 2014, the Non-Banking Financial Companies registered with the Reserve Bank of India who are engaged in the business of giving loans or providing guarantee/security for due repayment of loan availed by any person in the ordinary course of business, are exempt from the requirements of section 186 (except sub-section (1) of such section) of the Act.

The proposed amendment aims to extend the similar exemption to "Finance Companies" registered with the International Financial Services Centres Authority (IFSCA) as well.

Stakeholders are invited to submit their suggestions/comments on such draft amendment by **17 July 2025** through the **e-Consultation Module** on the MCA website.

For more information, click here

Framework for Environment, Social and Governance (ESG) Debt Securities (other than green debt securities)-5 June 2025

Securities and Exchange Board of India (SEBI) has issued a framework establishing guidelines for the issuance and listing of Environment, Social, and Governance (ESG) debt securities (excluding green debt securities) namely social bonds, sustainability bonds, and sustainability-linked bonds. ESG Debt Securities have been formally recognised in India through its inclusion in the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 ('NCS Regulations') vide the 3rd Amendment Regulations, 2024.
The requirements under this framework are in addition to those prescribed under SEBI's NCS and LODR regulations.

The said framework aligns with international standards like ICMA Principles, Climate Bonds Standard, and aims to promote transparent and credible ESG debt securities issuance while protecting investor interests through robust regulatory oversight.

Disclosure requirements for social bonds are outlined under Annexure A of the Framework. Fo sustainability bonds, initial disclosure and continuous post-listing obligations are specified in the Framework. For sustainability-linked bonds, disclosure requirements are provided under Annexure B of the Framework.

The framework came into force with effect from 5 June 2025

For more information, click here

Limited relaxation from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015- 5 June 2025

The Securities and Exchange Board of India (SEBI) has issued a circular providing temporary relief to entities, who have listed non-convertible debt securities, from certain compliance requirements of the Regulation 58(1)(b) of the SEBI LODR Regulations, 2015.

Under Regulation 58(1)(b) of the SEBI (LODR) Regulations, 2015, issuers of listed non-convertible securities are required to send hard copies of the statement containing salient features of all documents (as per Section 136 of Companies Act, 2013) to those holders who have not registered their email addresses either with listed entity or with any depository.

SEBI through its circular dated 6 October 2023 had earlier granted temporary relaxation from compliance with Regulation 58(1)(b) of the LODR Regulations till 30 September 2024.

In view of MCA General Circular No.09/2024 dated September 19, 2024 extending the relaxation from sending physical copies of the financial statements etc. to the shareholders for AGMs conducted till 30 September 2025, and the representations received, SEBI has now decided to extend the relaxation from compliance with Regulation 58(1)(b) as follows:

Period	Relaxation Granted	Conditions
1 October 2024 to 5 June 2025	No penal action for noncompliance with Regulation 58(1)(b)	For entities having listed non-convertible securities who have complied with the conditions as specified in MCA General Circular No. 09/2024 dated September 19, 2024
6 June 2025 to 30 September 2025	Similar relaxation from the requirements of Regulation 58(1)(b) to continue	For entities having listed non-convertible securities provided that mandatory disclosure of web-link to the statement containing salient features of all documents, as specified in Section 136 is given in the advertisement made under Regulation 52(8)

This Circular came into force with immediate effect.

For more information, click here

Frequently Asked Questions (FAQs) on Cybersecurity and Cyber Resilience Framework (CSCRF) for SEBI REs and Framework for Adoption of Cloud Services by SEBI REs – 11 June 2025

The Securities and Exchange Board of India (SEBI) has issued ‘Cybersecurity and Cyber Resilience Framework (CSCRF) for SEBI Regulated Entities (REs)’ vide its circular dated 20 August 2024 with the objective to address evolving cyber threats, to align with the industry standards, to encourage efficient audits, and to ensure necessary compliance.

Based on the queries and suggestions received, and consultations held, **SEBI has released a set of FAQs** to assist Regulated Entities (REs) in understanding and implementing the following frameworks:

- Cybersecurity and Cyber Resilience Framework (CSCRF) for REs
- Framework for Adoption of Cloud Services by REs

The FAQs address common queries, enhance understanding of key concepts, and promote consistent industry-wide compliance. SEBI has emphasized to offer guidance on the CSCRF for SEBI Regulated Entities (REs), the FAQs are not considered as binding or official interpretations of the frameworks by SEBI. REs must continue to ensure compliance based on the original framework texts and consult SEBI directly for authoritative clarity.

For more information, click here

SEBI Board Meeting- 18 June 2025

The Securities and Exchange Board of India (SEBI) vide its Board Meeting dated 18 June 2025 has approved various amendments dealing with certain Regulations aimed at ease of doing business, key decisions include:

- Relaxation in initial public offer (IPO) and share-based benefit norms under SEBI (ICDR) Regulations, 2018 and SEBI (SBEB) Regulations 2021.
- Mandatory dematerialization of securities for key stakeholders before filing DRHP.
- Simplified placement documents for Qualified Institutional Placements (QIPs).
- Special framework for voluntary delisting of selected PSUs.
- Amendments in framework for Social Stock Exchange and framework for Angel Fund under AIF regulations.
- Introduction of co-investment schemes under Alternate Investment Funds (AIFs) and expanded options for Investment Advisers / Research Analyst (IAs/Ras) to meet deposit requirements using liquid mutual funds.

For more information, click here

Industry Standards on "Minimum information to be provided to the Audit Committee and Shareholders for approval of Related Party Transactions"-26 June 2025

The Securities and Exchange Board of India (SEBI) issued a circular dated 14 February 2025 requiring listed entities to follow the Industry Standards on 'Minimum information to be provided for review of the audit committee and shareholders for approval of Related Party Transactions (RPTs) with effect from 01 April 2025. These Industry Standards stipulated a standard format for minimum information to be provided for approval of RPTs.

Pursuant to feedback and requests received in this regard, SEBI decided to consider the further simplification of these standards and accordingly extended the timeline for applicability to 01 July 2025.

Industry Standards Forum (ISF) (that includes ASSOCHAM, FICCI, and CII) has now issued **revised Industry Standards on Minimum Information** to be provided to Audit Committees and shareholders for the approval of **Related Party Transactions (RPTs)**.

Listed entities, from the effective date of this circular, are required to follow the revised RPT Industry Standards to ensure appropriate compliance with the provisions of LODR Regulations concerning the approval of RPTs.

The changes shall be effective from **1 September 2025** and shall apply to **all listed entities**.

For more information, click here

Reserve Bank of India (Project Finance) Directions, 2025- 19 June 2025

The Reserve Bank of India (RBI) has issued RBI (Project Finance) Directions, 2025 which shall apply to the project finance exposures of lenders covered under Regulated Entities (REs). REs under these directions include all Commercial Banks, all NBFCs including Housing Finance Companies, All Primary (Urban) Cooperative Bank and All India Financial Institutions (AIFIs).

These Directions aim to provide a harmonised framework for financing of projects in infrastructure and non-infrastructure (including commercial real estate & commercial real estate- residential housing) sectors by REs.

These Directions also lay down the revised regulatory treatment upon change in the date of commencement of commercial operations (DCCO) of such projects in the backdrop of a review of the extant instructions and analysis of the risks inherent in such financing.

These Directions shall come into force with effect from 01 October 2025.

For more information, click here

The Depositor Education and Awareness (DEA) Fund Scheme, 2014 – Revised Operational Guidelines- 25 June 2025

The Depositor Education and Awareness (DEA) Fund Scheme, 2014 issued by Reserve Bank of India, prescribes the process to be followed by the banks for transfer to and claim of the amounts transferred to DEA Fund, including submission of various returns.

The Reserve Bank of India (RBI) has now issued revised operational guidelines for the Depositor Education and Awareness (DEA) Fund Scheme, 2014, consolidating and rationalizing previous instructions issued in this regard.

The guidelines shall be applicable with effect from 1 October 2025.

For more information, click here

Foreign Exchange Management (Non-debt Instruments) (Amendment) Rules, 2025 – 11 June 2025

The Ministry of Finance has notified **Foreign Exchange Management (Non-debt Instruments) (Amendment) Rules, 2025** which amends the Foreign Exchange Management (Non-debt Instruments) Rules, 2019. The amendment inserts sub-rule (2) in the existing Rule 7, stating that an Indian company engaged in a Foreign Direct Investment (FDI)-prohibited sector/activity may now **issue bonus shares to its pre-existing non-resident shareholders** provided that the bonus issue does not alter the shareholding pattern.

Additionally, any **bonus shares previously issued before notification of this sub rule** under similar conditions will be retrospectively treated as valid under the relevant Foreign Exchange Management (Transfer or issue of Security by a Person Resident outside India) Regulations, 2000 or the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, as the case may be.

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

For more information, click here

International | Regulatory News

GRI publishes new climate standards- 26 June 2025

The Global Reporting Initiative (GRI) has published two new climate standards: 'GRI 102: Climate Change' and ‘GRI 103: Energy’.

The updated climate standards, **‘GRI 102 -Climate Change’**, include reporting on the impact of local communities, workers, Indigenous people and nature, and **‘GRI 103-Energy’**, includes disclosures on energy efficiency and transitioning to renewables.

Further, GRI and the International Sustainability Standards Board (ISSB) have also released a joint statement showing how GRI 102 and IFRS S2 can be used together. The Global Sustainability Standards Board (GSSB) confirms that disclosures in IFRS S2 on Scope 1, 2, and 3 GHG emissions can meet corresponding requirements in GRI 102 provided the same is aligned with the GHG Protocol and is properly referenced.

For more information, click here