April 2026

The Yearly Messenger

(This publication includes the updates, which were released during the period 1 April 2025 to 31 March 2026)

S N Dhawan & CO LLP

Chartered Accountants

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Exposure Draft of Contracts Referencing Nature-dependent Electricity: Amendments to Ind AS 109 and Ind AS 107-17 April 2025

The International Accounting Standards Board (IASB) had made amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures, to help companies better report the financial effects of nature-dependent electricity contracts, which are often structured as power purchase agreements (PPAs) entered for electricity supply from sources such as wind and solar power. (Dated 18 December 2024)

In this regard, the Accounting Standards Board (ASB) of Institute of Chartered Accountants of India (ICAI) has now released an Exposure Draft of amendments to Ind AS 109 and Ind AS 107, corresponding to amendments in IFRS Accounting Standards 9 and 7 as mentioned above. The draft provides clarity on how such nature-dependent electricity contracts should be accounted for, allowing their inclusion in hedge accounting. It also introduces enhanced disclosure requirements covering cash flow impacts, financial risks, and assessment of losses. Companies may apply these changes retrospectively but aren't required to restate prior period unless feasible without hindsight. Exposure Draft is open for public comments until 18 May 2025. The amendments will be effective for annual reporting period beginning on or after 1 April 2026.

For more information, click here

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

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

Frequently Asked Questions (FAQs) on Guidance Note on Financial Statements of Non-Corporate Entities- 8 July 2025

The Institute of Chartered Accountants of India (ICAI) had earlier issued the *Guidance Note on Financial Statements of Non-Corporate Entities* ('Guidance Note') to prescribe standardized formats for the financial statements of non-corporate entities. The Guidance Note became effective for accounting periods beginning on or after 1 April 2024 and it superseded the 'Technical Guide on Financial Statements of Non-corporate entities' issued earlier in 2022.

The Accounting Standards Board (ASB) and the Auditing and Assurance Standards Board (AASB) of ICAI have now issued a set of FAQs, serving as an addendum to the Guidance Note.

The FAQs clarify specific applicability of Accounting Standards to Non-company Entities, provide references to the revised classification criteria for non-company entities applicable from 1 April 2024, and highlight disclosure requirements for Micro, Small, and Medium-Sized Non-company Entities (MSMEs).

For more information, click here

Technical Guide on Accounting for Expenditure on Corporate Social Responsibility (CSR) Activities (Revised July 2025 Edition)

The Corporate Laws and Corporate Governance Committee of the Institute of Chartered Accountants of India (ICAI) has released the revised edition of Technical Guide on Accounting for Expenditure on Corporate Social Responsibility Activities.

The objective of this Technical Guide (TG) is to provide guidance on recognition, measurement, presentation and disclosure of expenditure on activities relating to Corporate Social Responsibility.

This revised edition has been issued in view of the **evolving regulatory landscape and emerging practical considerations in CSR accounting**. It aims to provide continued clarity, relevance, and guidance to professionals in navigating the accounting and reporting aspects of CSR with confidence and consistency.

This revised edition of the Technical Guide incorporates the latest amendments, circulars, and guidance issued by the Ministry of Corporate Affairs (MCA), providing updated and practical guidance on key aspects of CSR accounting and compliance.

For more information, click here

Companies (Indian Accounting Standards) Second Amendment Rules, 2025 - 19 August 2025

The Ministry of Corporate Affairs (MCA) in consultation with National Financial Reporting Authority (NFRA) has issued Companies (Indian Accounting Standards) Second Amendment Rules, 2025 introducing modifications to several Indian Accounting Standards (Ind ASs).

Summary of Key Amendments:

Ind AS	Amendments / Insertions / Omissions
Ind AS 7 'Statement of Cash Flows' and Ind AS 107 'Financial Instruments: Disclosures'	**Amendments have been made to introduce new disclosure requirements for 'Supplier Finance Arrangements' such as supply chain finance, payable finance or reverse factoring arrangements etc.** The amendments now require: • Disclosure of terms and conditions, including nature, settlement, and funding mechanisms. • Quantitative disclosure of opening and closing balances, and associated classification in the balance sheet. • Comparison of payment due dates for financed vs. non-financed payables.

	• Disclosure of non-cash movements (e.g., reclassifications, interest accruals) affecting such liabilities. Effective date: Annual reporting periods beginning on or after 1 April 2025. Transitional relief applies to earlier period comparatives.
Ind AS 12 ‘Income Taxes’	**Introduction of ‘International tax reforms- OECD Pillar Two model rules’ in Ind AS 12.** • Mandatory temporary exception from recognising deferred taxes on Pillar Two related top-up taxes. • Additional disclosures for entities in jurisdictions enacting Pillar Two, including: • Qualitative description of the entity’s exposure and impacted jurisdictions. • Governance responses and quantitative disclosures (e.g., proportion of profits subject to top-up tax, effect on effective tax rates). Effective dates: • Temporary exception – Immediate, retrospective as per Ind AS 8. • Disclosure requirements – Annual reporting periods beginning 1 April 2025 (no disclosure required in interim period ending on or before 31 March 2026)
Ind AS 1 ‘Presentation of Financial Statement’ and Ind AS 10 ‘Events After the Reporting Period’	**The amendments clarify how to classify liabilities between current and non-current with when covenants attached to it considering:** • The ability to defer settlement for 12 months must exist at the balance sheet date. • Covenants assessed post-reporting date do not affect classification. • Failure to meet covenants at or before the reporting date impacts current vs. non-current classification. • Breach after the reporting date but before approval does not change the classification if a waiver/right exists. • New disclosure requirements (Ind AS 1) around covenant details, liability amounts, and history of compliance. Effective date: Annual periods beginning 1 April 2025 with retrospective application and certain specified paragraphs beginning 1 April 2026, with retrospective application, allowing entities time to review and renegotiate covenants

	where necessary.
Other Technical/Editorial Amendments **Ind AS 101, 108, 109, 115, 28 and 32**	• Ind AS 101: Transitional reliefs for joint arrangements and particularly regarding lease classification (land and building elements) as finance or operating lease under Ind AS 116. • Ind AS 108: Updated reference from 'IFRS 8' to 'Ind AS 8'. • Ind AS 109: Clarification that certain IFRS 9 effective date provisions are not applicable in India. • Ind AS 115: Editorial corrections to numbering and references. • Ind AS 28: Clarifications on interaction with IFRS 5 and IFRS 9. • Ind AS 32: Revised heading for treasury shares.

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

For more information, click here

Announcement providing relaxation in compliance with the 'Guidance Note on Financial Statements of Non-Corporate entities' and 'Guidance Note on Financial Statements of Limited Liability Partnerships' for annual reporting period 2024-25 - 19 September 2025

The Institute of Chartered Accountants of India (ICAI) has announced a relaxation in respect of two of its publications namely the '**Guidance Note on Financial Statements of Non-Corporate Entities'** and the **'Guidance Note on Financial Statements of Limited Liability Partnerships'**. These Guidance Notes, issued in August 2023, were originally set to be mandatorily applicable for financial statements covering periods beginning on or after 1 April 2024. However, after considering the prevailing circumstances, ICAI has clarified that their application shall be **voluntary for the annual reporting period 2024-25**.

It is also specifically clarified that this relaxation does not affect the applicability of existing Accounting Standards and the Framework for the Preparation and Presentation of Financial Statements, to these entities, which will continue to be complied with in accordance with other ICAI pronouncements.

For more information, click here

Liquidation Accounting- February 2026

The Research Committee of the Institute of Chartered Accountants of India has issued a comprehensive research report providing practical guidance on accounting in non-going concern situations.

The publication aims to bridge gaps in the **understanding and application** of liquidation accounting principles. It incorporates global best practices, relevant Ind AS considerations (including measurement and presentation aspects), and the Indian insolvency and liquidation framework, while ensuring alignment with domestic legal and regulatory requirements.

For more information, click here

Cost Accounting Standard (CAS - 25) on Valuation of Inventory issued by the Council of The Institute of Cost Accountants of India

The Council of the Institute of Cost Accountants of India has issued **CAS–25: Cost Accounting Standard on Valuation of Inventory**. This Standard establishes a comprehensive and structured framework governing the **valuation, measurement, and assignment of costs to inventory**. It aims to ensure uniformity, consistency, and accuracy in the preparation and presentation of cost records.

The Standard shall be effective from the period commencing on or after 12 February 2026 to be applied in the preparation and certification of Cost Accounting Statements.

For more information, click here

Exposure Draft on Insurance Regulatory and Development Authority of India (Actuarial, Finance and Investment Functions of Insurers) (Amendment) Regulations, 2026- 3 March 2026

The Insurance Regulatory and Development Authority of India (IRDAI) has issued an Exposure Draft of the IRDAI (Actuarial, Finance and Investment Functions of Insurers) (Amendment) Regulations, 2026 proposing the implementation of Indian Accounting Standards (Ind AS) by all insurers including life insurers, general insurers, health insurers and reinsurers with effect from 1 April 2026.

In this regard, IRDAI has also issued a Consultation Paper on the Implementation of Ind AS in the Insurance Sector in India, which outlines key aspects of the proposed implementation and raises specific questions for stakeholder consideration. The consultation paper invites comments and constructive feedback from all stakeholders.

The proposed Regulation and the Consultation Paper are open for comments/suggestions until 24 March 2026.

For more information, click here

Companies (Accounting Standards) Amendment Rules, 2026- 12 March 2026

The Ministry of Corporate Affairs ("MCA") has notified the Companies (Accounting Standards) Amendment Rules, 2026 to amend the Companies (Accounting Standards) Rules, 2021.

Key amendments:

- It introduces 'International tax reforms- OECD Pillar Two model rules' in AS- 22 'Accounting for Taxes on Income', referring to them as **'Pillar Two legislation'** which deals with the levy of global minimum top up taxes described therein as **'Pillar Two income taxes'**.
- A mandatory exception has been introduced whereby entities are **not required to recognise or disclose deferred tax assets and liabilities** arising from Pillar Two income taxes. However, entities must **disclose the application of this exception**.
- Entities are required to **present current tax expense/income relating to Pillar Two income taxes separately**.
- Where Pillar Two legislation has been enacted but is not yet effective, entities are required to provide qualitative and quantitative disclosures (to the extent reasonably estimable) regarding their exposure to such taxes.
- Disclosure requirements are applicable for annual reporting periods beginning 1 April 2025 (no disclosure required in interim period ending on or before 31 March 2026).

- **Small and Medium-sized Companies (SMCs)** are exempt from the above disclosure requirements.

For more information, click here

Announcement regarding applicability of 'Guidance Note on Financial Statements of Non-Corporate Entities' and 'Guidance Note on Financial Statements of Limited Liability Partnerships' for annual reporting periods 2025-26 onwards- 31 March 2026

The Institute of Chartered Accountants of India (ICAI) has issued a clarification regarding the applicability of the *Guidance Note on Financial Statements of Non-Corporate Entities (NCEs)* and the *Guidance Note on Financial Statements of Limited Liability Partnerships (LLPs)*, originally released in August 2023.
Pursuant to the decision taken at the 451st Council Meeting held on 30–31 March 2026, the implementation of these Guidance Notes will be carried out in a phased manner as outlined below:

- **Phase I (effective from 1 April 2025):**
  Applicable to NCEs and LLPs having turnover exceeding ₹5 crore.
- **Phase II (effective from 1 April 2026):**
  Applicable to all NCEs and LLPs.

Accordingly, entities falling within the specified thresholds should ensure timely evaluation of the requirements prescribed under the respective Guidance Notes and align their financial reporting processes to ensure compliance.

For more information, click here

Clarifications on implementation of Indian Accounting Standards (Ind AS) by Insurers- 1 April 2026

The Insurance Regulatory and Development Authority of India (IRDAI) has approved a revised financial reporting framework mandating the adoption of Indian Accounting Standards (Ind AS) by insurance entities with effect from 1 April 2026. The revised regulations are applicable to all categories of insurers, including life, general, health insurers, and reinsurers. This transition is aimed at enhancing transparency, improving comparability of financial statements, and aligning the Indian insurance sector with global financial reporting practices.

To ensure a smooth transition to Ind AS, the following key provisions have been introduced:

- **Mandatory adoption date:**
  Ind AS shall be applicable from 1 April 2026.
- **Parallel reporting requirement:**
  Insurers will be required to prepare financial statements under both the existing accounting framework and Ind AS for a period of two years.
- **Forbearance provision:**
  A one-year forbearance has been provided for entities encountering implementation challenges, subject to regulatory considerations.

For more information, click here

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Exposure Draft of Standards on Auditing for Audits of Limited Liability Partnerships- 10 April 2025

The Auditing and Assurance Standards Board (AASB) of the Institute of Chartered Accountants of India (ICAI) has issued Exposure Draft of Standards on Auditing (SAs) applicable for Limited Liability Partnerships (LLPs). The Ministry of Corporate Affairs (MCA) directed ICAI to create a separate set of SAs for LLPs. Accordingly, the said Exposure Draft has been developed by adopting corresponding SAs as applicable for companies after making relevant amendments as considered necessary from the perspective of LLPs.

For more information, click here

Exposure Draft - 'Guidance Note on Tax Audit under section 44AB of the Income-tax Act,1961' for Public Comments- 4 July 2025

The Direct Taxes Committee (DTC) of the Institute of Chartered Accountants of India (ICAI) has issued an Exposure Draft of the revised Guidance Note on Tax Audit under Section 44AB of the Income-tax Act, 1961 for public comments. This revised edition incorporates recent legislative changes brought in by the Finance (No. 2) Act, 2024 and the Finance Act, 2025, along with the latest amendments to Form No. 3CD notified by CBDT vide its notification no. 23/2025 dated 28 March 2025, effective from 1 April 2025. The Exposure Draft builds on the 2023 edition of the Guidance Note and Implementation Guide issued by ICAI in June 2024, offering updated and comprehensive guidance to assist members in effectively conducting tax audits in line with the current regulatory framework.

The Exposure Draft is open for public comments until 20 July 2025

For more information, click here

Limit on number of tax audits - 30 July 2025

The Institute of Chartered Accountants of India (ICAI), has issued detailed guidelines dated 25 July 2025 i.e. The Chartered Accountants (Limit on Number of Tax Audits) Guidelines, 2025 which state that: -

- The existing limit of 60 tax audit assignments per member in a particular financial year is retained.
- This aggregate limit of 60 shall apply to all tax audit assignment accepted and signed by a member, whether individually or as a partner of a firm.
- The said limit cannot be distributed / shared between partners in a firm.
- The limit of 60 would, however, not apply to tax audit assignments arising out of the requirements under clause (c), clause (d) and clause (e) of section 44AB, in relation to persons covered under section 44AE, 44ADA and 44AD, respectively.
- Revised tax audit reports will not be considered for the purpose of computing the ceiling of 60 tax audits.

The revised guidelines shall be effective for the tax audits under section 44AB of the Income tax Act, 1961 from 1 April 2026.

For more information, click here

Guidance Note on Tax Audit under Section 44AB of the Income-tax Act, 1961 (Revised 2025)

The Direct Taxes Committee of the Institute of Chartered Accountants of India (ICAI) has issued the revised edition of the Guidance Note on Tax Audit under Section 44AB of the Income-tax Act, 1961, considering the recent changes in Form No. 3CD and amendments by the Finance (No. 2) Act, 2024 and Finance Act, 2025 in the Income-tax Act, 1961 and to provide clarity on various other aspects of the tax audit.

For more information, click here

Widening the scope of mandatory applicability of Audit Quality Maturity Model (AQMM) and disclosure of AQMM Levels on ICAI Website and Peer Review Certificates - 11 August 2025

The Institute of Chartered Accountants of India (ICAI) has widened the scope of mandatory applicability of **Audit Quality Maturity Model (AQMM) Version 2.0 in a phased manner as mentioned hereunder:**

Sr. No	**Category of Firms**	**Date of applicability (Peer Review conducted on or after)**
1	Firms auditing the Holding/Subsidiary/ Associates/Joint Ventures of the following entities: a. A Listed Entity. b. Banks other than Co-operative banks (Except multi- state Co-operative banks). c. Insurance Companies. However, the firms conducting only branch audits are not to be covered.	1 April 2026
2	Firms which propose to undertake statutory audit of unlisted public companies that meet criteria of paid-up capital of ₹500 crore, turnover of ₹1,000 crore, or outstanding debts of ₹500 crore as on the 31st March of immediately preceding financial year.	1 April 2026
3	Firms which propose to undertake statutory audit of entities which have raised funds from public or banks or financial institutions of over ₹50 crores during the period under review or of any body corporate including trusts	1 April 2027

	which are covered under public interest entities	

Additionally, it has also been decided that the list of AQMM v. 2.0 reviewed Firms will be hosted level-wise on the ICAI website by the Peer Review Board, and the AQMM v. 2.0 level of the Firm will also be mentioned on the Peer Review Certificate issued to the Firms.

For more information, click here

Frequently Asked Questions (FAQs) on Management Representation Letter - 14 August 2025

The Auditing and Assurance Standards Board (AASB) of ICAI has released the publication FAQs on Management Representation Letter (MRL). The publication contains responses to the common queries on MRL and appendices containing illustrative formats for Representation Letter, a format for updating MRL, format for additional considerations, and a compliance checklist for SA 580. This publication is aimed at supporting auditors in effectively obtaining management representations and providing practical
guidance on implementation of the principles laid down in SA 580 (*Written Representations*).

For more information, click here

Handbook on Certificates by Chartered Accountants: Comprehensive Checklist & Formats – October 2025

The Institute of Chartered Accountants of India (ICAI) has released a new publication titled "Handbook on Certificates by Chartered Accountants: Comprehensive Checklist & Formats" (October 2025 edition). The handbook serves as a comprehensive guide for professionals to ensure enhanced quality, uniformity, and compliance in the issuance of various certificates by Chartered Accountants. This publication, issued by the Centre for Audit Quality Directorate, aims to promote consistency and strengthen the reliability of certificates issued by members across different regulatory and business contexts.

For more information, click here

Relaxation of additional fees in filing of CRA 4 (Cost Audit Report in XBRL format)- 27 October 2025

The Ministry of Corporate Affairs (MCA) has, through a General Circular dated 27 October 2025, allowed companies to file Form CRA-4 (Cost Audit Report in XBRL format) for the financial year ended 31 March 2025 without payment of additional fees up to 31 December 2025. This relaxation aims to ease compliance difficulties arising from the recent rollout of revised e-forms on the MCA-21 V3 portal. Filings made after 31 December 2025 will attract normal as well as additional fees as prescribed under the Companies (Registration Offices and Fees) Rules, 2014, calculated from the date the filing originally became due in accordance with Rule 6(6) of the Companies (Cost Records and Audit) Rules, 2014.

For more information, click here

National Financial Reporting Authority (NFRA) publishes an 'Audit Practice Toolkit' to enhance audit quality in India

The National Financial Reporting Authority (NFRA) has released an *Audit Practice Toolkit* aimed at enhancing audit quality, particularly for small and medium practitioners (SMPs).

This initiative aligns with NFRA's ongoing outreach programmes designed to support audit firms and practitioners, with a focus on improving audit documentation and strategy formulation based on the auditee's risk profile. The toolkit serves as a sample document that can be scaled and tailored to fit companies of different sizes and industries.

NFRA has also indicated plans to issue additional toolkits addressing other critical areas of audit practice during the remainder of the financial year.

For more information, click here

ICAI's Game-Changer Step Toward Strengthening Domestic Indian Firms - 12 December 2025

The Institute of Chartered Accountants of India (ICAI) has announced a set of transformative reforms aimed at strengthening domestic Indian chartered accountant firms and enhancing their ability to compete with global professional service firms.

Key changes include **relaxation of advertising and website guidelines under the revised Code of Ethics**, permitting CA firms greater visibility through regulated promotional activities and digital presence. ICAI has also introduced **Global Networking Guidelines** providing a structured framework for Indian firms to collaborate and affiliate with overseas entities, thereby facilitating international expansion, cross-border knowledge sharing, and access to global markets.

Further, the Code of Ethics has been aligned with the latest International Ethics Standards Board for Accountants **(IESBA) Code of Ethics**, reinforcing auditor independence, ethical conduct, and the framework governing modern professional services. New ethical standards relating to sustainability assurance engagements have also been incorporated into the Code of Ethics.

Collectively, these measures represent a significant shift in ICAI's regulatory approach, balancing professional integrity with growth, scale, and global competitiveness of Indian CA firms.

The revised Code of Ethics shall be applicable from 1 April 2026.

For more information, click here

NFRA Circular on maintenance, archival and submission of Audit File to NFRA- 16 December 2025

The National Financial Reporting Authority (NFRA) has issued a circular reiterating the obligations of statutory auditors of Public Interest Entities (PIEs) governed by the NFRA Rules, 2018.

The circular emphasizes the mandatory requirement for auditors to maintain, assemble, archive, and retain audit files strictly in compliance with the Standards on Auditing (SAs) and Standards on Quality Control 1 (SQC 1).

Auditors are required to submit complete audit files within **seven days** of a requisition by NFRA. Extensions, if any, shall be granted only upon furnishing valid and justifiable reasons. The circular clearly prohibits modification of original audit documentation after completion of the audit file.

Further, audit files must be retained beyond the prescribed retention period where regulatory, disciplinary, or legal proceedings are pending or contemplated. The circular reinforces the need for strict adherence to professional standards to ensure audit quality, transparency, and regulatory compliance.

For more information, click here

Invitation for Comments on the Exposure Draft of Information Systems Audit Standards (ISAS)

The Digital Accounting and Assurance Board (DAAB) of Institute of Chartered Accountants of India (ICAI) has issued an **Exposure Draft of Information Systems Audit Standards (ISAS)** for public comments.

The proposed ISAS are designed to provide a comprehensive and principle-based framework for assessing the integrity, confidentiality, availability, reliability, and security of information systems. These Standards aim to equip professionals with a structured and globally aligned approach to IS Audit, covering governance, IT general controls, application controls, cybersecurity assurance, technology risk management, incident response, data protection compliance, and system implementation reviews.

Stakeholders are invited to submit their comments and suggestions on the Exposure Draft. The last date for submitting the comments is **25 January 2026**

For more information, click here

Deferment of Phase IV of Peer Review Mandate- 31 December 2025

The Council of the Institute of Chartered Accountants of India (ICAI) has announced the **deferment of Phase IV of the Peer Review Mandate**, which was originally scheduled to come into effect from **1 January 2026**.The implementation of Phase IV has now been **deferred by one year**, and will accordingly become effective **from 31 December 2026 onwards**.

For more information, click here

Audit-Practice Toolkits – ROMM for Revenue-Sample Document - 1 January 2026

The National Financial Reporting Authority (NFRA) has issued a **Staff Series document** titled **"Risk & Response Memorandum (ROMM): Assessment at Assertion Level for Revenue – A Sample Document."** The document provides a practical, standards-aligned framework for identifying and documenting risks in accordance with SA 315 and SA 240. It illustrates the application of ROMM at both the **financial statement and assertion levels**, emphasises the importance of clearly articulating **"what could go wrong"** in revenue recognition, and highlights the critical role of **control evaluation**, particularly in high-volume and automated revenue environments.

The toolkit is intended to assist auditors in strengthening risk assessment, documentation and audit responses for revenue-related risks.

For more information, click here

NFRA Circular on Effective Communication Between Statutory Auditors and Those Charged with Governance, Including Audit Committees- 7 January 2026

The National Financial Reporting Authority (NFRA) has issued a circular dated 7 January 2026, aimed at strengthening and formalising communication between the statutory auditors and those charged with governance (TCWG), including the Boards of Directors and Audit Committees. The Circular is aligned with the requirements of SA 260 (Revised), SA 265 and the Companies Act, 2013. The circular applies to all listed companies, specified large companies covered under NFRA rules, and their auditors.

Key highlights

- **Clear identification of TCWG**
- **Mandatory two-way communication process**

- **Written and appropriately documented communication, forming part of audit documentation**
- **Coverage of critical audit matters, including but not limited to:**
  - Audit strategy, scope, timing, and materiality
  - Key risks, going concern issues, valuation and ECL judgments
  - Significant unusual transactions and related party transactions
  - Deficiencies in internal financial controls (SA 265)
  - Auditor independence and provision of non-audit services
- **At least two structured meetings annually –** One before commencement of the audit to discuss audit planning and another well before approval of the financial statements to discuss audit findings.
- **Joint responsibility of auditors and TCWG to ensure timely, meaningful, and effective communication**

For more information, click here

Exposure Draft of the Standard on Auditing for Audits of Financial Statements of Less Complex Entities- February 2026

The Auditing and Assurance Standards Board (AASB) of the Institute of Chartered Accountants of India (ICAI) has issued an Exposure Draft on the "Standard on Auditing for Audits of Financial Statements of Less Complex Entities (SA for LCE)"

The proposed SA for LCE is designed to enable auditors to obtain reasonable assurance that the financial statements of Less Complex Entities are free from material misstatement, whether due to fraud or error.
The standard provides a simplified and scalable audit approach, with procedures tailored to the size, nature, and risk profile of such entities.

The standard is premised on the basis that the Audit Firm is subject to Standard on Quality Management (SQM) 1, thereby ensuring that audit quality remains a core focus notwithstanding the simplified framework.

Stakeholders are invited to submit their comments and suggestions on the Exposure Draft. The last date for submitting the comments is **20 March 2026.**

For more information, click here

Technical Guide on Revised Directions issued by CAG under Section 143(5) of the Companies Act, 2013- 9 February 2026

The Auditing and Assurance Standards Board (AASB) of the Institute of Chartered Accountants of India (ICAI) has issued the Technical Guide on Revised Directions issued by Comptroller and Auditor General of India (CAG) under Section 143(5) of the Companies Act, 2013". The Guide is intended to assist auditors in implementing the revised CAG directions issued on 23 May 2025 and 17 October 2025.

The revised directions, inter alia, require auditors to cover matters relating to fair valuation of investments for post-retirement employee benefits, IT-based processing and controls over accounting transactions (including cyber security and IT controls), accounting and utilization of Government grants and subsidies, formulation of a risk management policy including identification and valuation of data assets, and compliance with applicable legal and regulatory requirements.

The Guide provides direction-wise guidance on audit approach and reporting considerations, along with illustrative reporting formats and examples with a view to enhancing clarity, consistency, and audit quality. It is clarified that the Technical Guide is intended to supplement, and not substitute, the requirements of the Companies Act, 2013 and the applicable Standards on Auditing.

For more information, click here

Guidance on New Labour Codes- 9 February 2026

The Auditing and Assurance Standards Board (AASB) of the Institute of Chartered Accountants of India (ICAI) decided to develop Guidance on New Labour Codes for providing appropriate guidance to the members in the context of the new Labour Codes, with reference to the requirements of the applicable Standards on Auditing.

The guidance addresses commonly arising in audit engagements, such as payroll related expenses, employee benefit provisions, statutory dues, compliance with laws and regulations, and related disclosures, with reference to the applicable Standards on Auditing.
It outlines key aspects for auditor consideration, including understanding the entity and its workforce structure, evaluating management's actions in response to the Labour Codes, designing audit strategies, engagement team discussions assessing risks of material misstatement, and performing appropriate control and substantive procedures, management representations, communication with those charged with governance, audit documentation and audit reporting considerations including modifications to the auditor's opinion, Emphasis of Matter paragraphs, and reporting under CARO and internal financial controls, where applicable.

For more information, click here

Practitioner's Guide on Drafting of Modified Opinions in Independent Auditor's Reports- 11 February 2026

The Auditing and Assurance Standards Board (AASB) of the Institute of Chartered Accountants of India has issued a **Practitioner's Guide on Drafting of Modified Opinions in Independent Auditor's Reports**.

The Guide provides an overview of the concept and types of modified opinions, and offers guidance on the presentation and headings in the auditor's report where the opinion is modified.
It includes practical and illustrative guidance primarily for qualified opinions, while also covering adverse opinions and disclaimers of opinion, as envisaged under SA 705 (Revised).

The AASB has clarified that the examples included in the Guide **are illustrative** in nature and are intended to support auditors. They **do not replace** professional judgment **nor override** the mandatory requirements of the Standards on Auditing.

For more information, click here

Exposure Draft of Guidance Note on Audit of Banks (2026 Edition)- 13 February 2026

The Auditing and Assurance Standards Board (AASB) of Institute of Chartered Accountants of India (ICAI) has issued an exposure draft of "Guidance Note on Audit of Banks (2026 Edition)".

The proposed 2026 edition seeks to update and refine audit guidance in line with current regulatory and professional requirements.
ICAI has invited public comments on the Exposure Draft, with the last date for submission being **23 February 2026**.

For more information, click here

ICAI (Global Networking) Guidelines, 2025- 17 February 2026

The Institute of Chartered Accountants of India (ICAI) has notified the **ICAI (Global Networking) Guidelines, 2025** to formalise and regulate collaborations between ICAI-registered Indian Firms and overseas entities. The guidelines establish a formal regulatory framework for Indian CA firms entering into networking or collaborative arrangements with overseas entities. Indian firms proposing global networking arrangements must comply with prescribed approval and registration requirements with

ICAI before entering such arrangements. Firms are required to ensure continued compliance with ICAI's Code of Ethics, particularly in relation to independence, conflict of interest, and professional conduct. Specific guidance has been issued on the use of common brand names, and representations in cross-border networking arrangements. The Guidelines also specify prohibited services, outline consequences for professional misconduct, and provide mechanisms for suspension or de-registration.

The Guidelines shall come into force from 17 February 2026.

For more information, click here

Guidance Note on Audit of Banks (2026 Edition) - 16 March 2026

The Auditing and Assurance Standards Board (AASB) of the Institute of Chartered Accountants of India (ICAI) has issued the **revised 2026 edition of the "Guidance Note on Audit of Banks"** to provide detailed guidance to auditors on statutory audit of banks and bank branches**.**

The guidance note is broadly bifurcated into **two Sections**:

- Section A -Statutory Central Audit and
- Section B -Bank Branch Audit.

The Guidance Note also contains various Appendices including illustrative formats of engagement letter, auditor's report and management representation letter, along with the text of relevant master directions, master circulars, and other circulars issued by the Reserve Bank of India (RBI).

For more information, click here

Release of Compendium of Information Systems Audit Standards (ISAS)- 30 March 2026

The Digital Accounting and Assurance Board (DAAB) of the Institute of Chartered Accountants of India (ICAI) has issued the "Compendium of Information Systems Audit Standards (ISAS).

The ISAS provides a structured and principle-based framework for conducting Information Systems Audit engagements, covering areas such as IT Governance, Risk Management, Internal Controls, Cybersecurity, Data Protection and compliance with applicable IT laws.

It shall be applicable on or after a date to be notified by the Council of the ICAI.

For more information, click here

Announcement on Deferment of Effective Date of SQM 1 and SQM 2- 31 March 2026

The Institute of Chartered Accountants of India has announced the **deferment of the mandatory applicability** of Standards on Quality Management, namely SQM 1 and SQM 2, which were earlier scheduled to come into effect from **1 April 2026**.

These standards were intended to replace the existing SQC 1, *"Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements."*
Until further announcement by ICAI, the extant **SQC 1 shall continue to remain applicable**.

For more information, click here

India | Regulatory News

Handbook on Foreign Trade Policy -Incentives, Schemes & Related FAQs - November 2025

The Institute of Chartered Accountants of India (ICAI), through its GST & Indirect Taxes Committee has issued **revised edition** of the 'Handbook on Foreign Trade Policy-Incentives, Schemes & Related FAQs'. This publication provides a **comprehensive and practical overview** of the Foreign Trade Policy, covering key export incentive schemes, procedural aspects, and recent amendments. It is enriched with FAQs and step-by-step guidance, making it a useful reference for understanding compliance and implementation issues.

The publication is intended to serve as a **ready reckoner** for members of the profession, industry participants, and other stakeholders dealing with the complexities of export incentives and foreign trade regulations.

For more information, click here

Technical Guide on Expatriates Taxation (Revised 2025) – December 2025

The Institute of Chartered Accountants of India (ICAI) has issued Sixth Edition of “Technical Guide on Expatriates Taxation.”

The revised guide comprehensively addresses key complexities relating to **determination of residential status, treaty interpretation, salary structuring, and tax compliance requirements**. Significant updates include the impact of **Section 115BAC**, revised **capital gains provisions**, **withholding tax obligations under Section 195**, mandatory **electronic filing of Form 10F**, and practical challenges faced in expatriate taxation.

The guide also incorporates enhanced compliance requirements under the **Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015**, highlighting disclosure obligations and penal consequences for non-compliance.

For more information, click here

Handbook on Key Compliances and Exemptions for Private Limited Companies under Companies Act, 2013 - February 2026

The Corporate Laws & Corporate Governance Committee of the Institute of Chartered Accountants of India (ICAI) has released a handbook on ‘Key Compliance and Exemptions for Private Limited Companies under the Companies Act, 2013.

The handbook provides a comprehensive overview of the **key compliances, exemptions, and procedural requirements** applicable to private limited companies under the **Companies Act, 2013**. It presents the regulatory requirements in a structured, simplified, and user-friendly manner, enabling professionals, company management, and other stakeholders to better understand and navigate governance and compliance obligations with greater clarity and confidence.

For more information, click here

Frequently Asked Questions (FAQs) on Section 8 Companies under Companies Act 2013- February 2026

The Corporate Laws & Corporate Governance Committee of the Institute of Chartered Accountants of India (ICAI) has published a document titled ‘FAQs on Section 8 Companies under the Companies Act, 2013’.

The publication provides practical and structured guidance on various aspects relating to **Section 8 companies (not-for-profit entities)**, bridging the gap between statutory provisions and their procedural implementation. It aims to present the **legal framework governing Section 8 companies in a clear, coherent, and accessible manner**, thereby assisting professionals and stakeholders in understanding the applicable regulatory requirements.

For more information, click here

Volume XLIV of the Compendium of Opinions - February 2026

The Expert Advisory Committee (EAC) of the Institute of Chartered Accountants of India (ICAI) has published **Volume XLIV of the Compendium of Opinions.** This volume contains total **39 opinions** finalised during the period 12 February 2024 to 11 February 2025. The publication provides valuable insights and guidance on a range of important and diverse accounting and financial reporting matters and serves as a useful reference for professionals dealing with complex accounting issues.

For more information, click here

ICAI invites Suggestions for Draft Income-tax Rules, 2026 (and forms)- 8 February 2026

The Income-tax Act, 2025 has received the assent of the Hon'ble President of India on 21 August 2025 and has been notified in the Official Gazette, with the Act set to be effective from 1 April 2026.

Earlier, the Institute of Chartered Accountants of India (ICAI) had submitted detailed clause-by-clause recommendations through its Memorandum of Suggestions on the Income-tax Bill, 2025 presented in the Lok Sabha on 13 February 2025.

The Central Board of Direct Taxes (CBDT) has released the Draft Income-tax Rules, 2026 (including forms) for public consultation. In this regard, the Direct Taxes Committee of ICAI has invited suggestions from members and other stakeholders on the Draft Income-tax Rules, 2026 and the related forms.

For more information, click here

MCA 21 Version 3- Company and LLP filing– Issues/Feedback - 3 April 2025

The Ministry of Corporate Affairs (MCA) has earlier introduced Version 3 of the MCA-21 portal, which includes an updated interface for filing statutory forms related to Companies and Limited Liability Partnerships (LLPs).

Considering this transition, the Corporate Laws & Corporate Governance Committee (CL&CGC) of the Institute of Chartered Accountants of India (ICAI) has invited feedback and suggestions from stakeholders. The objective is to identify challenges and suggest improvements to make the filing process more efficient and user-friendly.

For more information, click here

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

Companies (Restriction on number of layers) Amendment Rules, 2025-27 June 2025

The Ministry of Corporate Affairs (MCA) has issued Companies (Restriction on number of layers) Amendment Rules, 2025 to amend Companies (Restriction on number of layers) Rules, 2017. The amended rules introduce a revised ‘Form CRL-1’ that aims to modify the reporting requirements with respect to the number of layers of subsidiaries that companies can have, reflecting ongoing adjustments to corporate governance regulations.

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

For more information, click here

Companies (Incorporation) Amendment Rules, 2025-27 June 2025

The Ministry of Corporate Affairs (MCA) has issued Companies (Incorporation) Amendment Rules, 2025 to amend the Companies (Incorporation) Rules, 2014. The change under this amendment is the substitution of the existing Form INC-22A within, with a new e-Form No. INC-22A that includes several mandatory fields and enhanced requirements. The amendment aims to strengthen corporate governance and enhanced transparency.

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

For more information, click here

Companies (Listing of equity shares in permissible jurisdictions) Amendment Rules, 2025- 3 July 2025

The Ministry of Corporate Affairs (MCA) has issued Companies (Listing of equity shares in permissible jurisdictions) Amendment Rules, 2025 to amend the Companies (Listing of equity shares in permissible jurisdictions) Rules, 2024. The amended rules notify the substitution of **Form LEAP-1** (Form used for submission of Prospectus with the Registrar) under the Second Schedule of the said rules.

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

For more information, click here

Lot 3 forms Frequently Asked Questions (FAQs)- 7 July 2025

The Ministry of Corporate Affairs (MCA) has mandated that 38 e-forms, previously accessible on the Version 2 (V2) portal, must now be filed exclusively through the Version 3 (V3) portal of MCA with effect from 14 July 2025.

MCA has now released FAQs that aim to address common queries and procedural concerns of stakeholders regarding the transition to V3. Stakeholders are advised to review the FAQs carefully to ensure smooth filing and compliance with the new requirements.

For more information, click here

Companies (Corporate Social Responsibility Policy) Amendment Rules, 2025 – 7 July 2025

The Ministry of Corporate Affairs (MCA) has issued Companies (Corporate Social Responsibility Policy) Amendment Rules, 2025 to amend the Companies (Corporate Social Responsibility Policy) Rules, 2014. This amendment notifies the substitution of **e-form CSR-1 – Registration of Entities for undertaking CSR Activities.**

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

For more information, click here

Advisory w.r.t. Form MGT-7 certification under MCA V3 Portal- 18 July 2025

The Ministry of Corporate Affairs (MCA) recently made annual filing forms available on the MCA21 V3 portal. As per the Companies (Management and Administration) Amendment Rules, 2025, certification in Form MGT-8 has been integrated with the E-form MGT-7 on V3 portal i.e. the certification from Form MGT-8 has been embedded as a static field within Form MGT-7.

The Institute of Company Secretaries of India (ICSI) has issued an advisory dated 18 July 2025, regarding certification under Form MGT-7 on the MCA V3 portal. As per MCA FAQs (FAQ No. 37), any qualifying remarks can currently be included as an 'Optional Attachment' in Form MGT-7, with reference to the embedded Form MGT-8.

To ensure continued due diligence and professional credibility, it is advised to members to continue certifying compliances under Form MGT-8 on the letterhead of a Peer Reviewed Practice Unit along with the UDIN generated as per the ICSI guidelines and be attached as an optional attachment to Form MGT-7, until the MCA issues further clarification on the matter.

For more information, click here

Public Notice for Mandatory Filing of Form IEPF-1A - 31 July 2025

The Ministry of Corporate Affairs (MCA) has issued a public notice regarding Mandatory filing of Form IEPF-1A with Prescribed Excel Template under Rule 5 (4A) of the IEPF (Accounting, Audit, Transfer and Refund) Rules, 2016.

The Companies that transferred amounts to IEPF/Central Government under Section 205C of the Companies Act, 1956 or Section 125 of the Companies Act, 2013 but failed to file Form IEPF-1A in the mandated Excel format must now do so within **30 days of this notice**. Any **failure to comply with the above directions on or before 30 August 2025 shall attract regulatory action under the provisions of the Companies Act, 2013.**

For more information, click here

The Companies (Incorporation) Second Amendment Rules, 2025 - 29 August 2025

The Ministry of Corporate Affairs (MCA) has issued the Companies (Incorporation) Second Amendment Rules, 2025 to amend the existing Companies (Incorporation) Rules, 2014. The sole change introduced by this amendment is the substitution of the current Form No. RD-1 with an updated version of the same Form.

The amended rules shall come into effect on 15 September 2025.

For more information, click here

Companies (Compromises, Arrangements and Amalgamations) Amendment Rules, 2025-8 September 2025

The Ministry of Corporate Affairs (MCA) has notified the **Companies (Compromises, Arrangements and Amalgamations) Amendment Rules, 2025**, on **4 September 2025,** to amend the existing Companies (Compromises, Arrangements and Amalgamations) Rules, 2016. The amendments **expand the scope of fast-track mergers** by including new classes of companies while simultaneously ensuring stronger regulatory oversight. Key changes also include various procedural refinements and **revisions to statutory forms** (such as CAA-9, CAA-10, CAA-11 and CAA-12). Under the revised framework, **the notice of a proposed scheme** must also be served on the concerned **sectoral regulators** (RBI, SEBI, IRDAI, PFRDA, etc.), and in the case of **listed companies**, to the relevant stock exchange(s). These regulators and exchanges are empowered to furnish their objections or suggestions within the statutory period under Section 233(1)(a) of Companies Act 2013.

The objective of these amendments is to ease doing business, reduce the burden on National Company Law Tribunals, facilitate faster corporate restructuring, and broaden access to fast-track merger route.

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

For more information, click here

Clarification on holding of Annual General Meeting (AGM) and Extraordinary General Meeting (EGM) through Video Conference (VC) or Other Audio Visual Means (OAVM) and passing of Ordinary and Special resolutions by the companies under the Companies Act, 2013 read with rules made thereunder - reg.- 22 September 2025

The Ministry of Corporate Affairs (MCA), vide **General Circular No. 03/2025 dated 22 September 2025**, has extended the facility for companies to conduct **Annual General Meetings (AGMs)** and **Extraordinary General Meetings (EGMs)** through **Video Conference (VC)** or **Other Audio Visual Means (OAVM).** Companies may also transact items through **postal ballot** in line with the framework prescribed under earlier MCA circulars, **until further orders**.

The circular also provides an important clarification that this relaxation **does not extend the statutory timeline for holding AGMs** under the Companies Act, 2013. Companies must therefore continue to comply with the prescribed due dates for convening AGMs.

For more information, click here

Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendment Rules, 2025 - 1 October 2025

The Ministry of Corporate Affairs (MCA) issued the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendment Rules, 2025 to further amend the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

The amended rules introduce a revised **Form IEPF-5**, that investors shall use to claim refunds from the **Investor Education and Protection Fund (IEPF)**. The updated form is designed to simplify and expedite the refund and transfer process handled by the IEPF Authority, promoting clearer and more efficient compliance for both companies and claimants.

The amendment shall come into effect from 6 October 2025.

For more information, click here

Relaxation of additional fees and extension of time for filing of Financial Statements and Annual Returns under the Companies Act, 2013 - reg.-17 October 2025

The Ministry of Corporate Affairs (MCA), through a General Circular dated 17 October 2025, has allowed companies to file their **financial statements and annual returns for the financial year 2024–25** (forms MGT-7/7A, AOC-4 series) **without payment of additional fees up to 31 December 2025**.

This relaxation has been provided to ease compliance following the recent rollout of revised e-forms MGT-7, MGT-7A, AOC-4, AOC-4 CFS, AOC-4 NBFC (Ind AS), AOC-4 CFS NBFC (Ind AS) and AOC-4 (XBRL) on the MCA-21 V3 portal.

However, no extension has been granted for holding Annual General Meetings (AGMs); companies are still required to conduct AGMs within the statutory timelines prescribed under the Companies Act, 2013.

For more information, click here

Companies (Meetings of Board and its Powers) Amendment Rules, 2025 - 6 November 2025

The Ministry of Corporate Affairs (MCA) issued the Companies (Meetings of Board and its Powers) Amendment Rules, 2025 to amend the existing Companies (Meetings of Board and its Powers) Rules, 2014.

The amendment precisely defines "business of financing industrial enterprises," crucial for applying exemptions to loans and investments under Section 186 of the Act.

For finance companies registered with the International Financial Services Centres Authority (IFSCA), "business of financing industrial enterprises" now includes activities such as lending through loans, commitments, and guarantees, credit enhancement, securitisation, financial lease, sale and purchase of portfolios, as well as carrying out Global or Regional Corporate Treasury Centre functions per IFSCA regulations.

For more information, click here

Amendment in the threshold of Small Companies as prescribed under Rule 2 of the Companies (Specification of definition details) Rules, 2014 - 2 December 2025

The **Ministry of Corporate Affairs (MCA)** has issued the **Companies (Specification of Definition Details) Amendment Rules, 2025**, which revises the thresholds for Small Companies as prescribed under Rule 2 of the Companies (Specification of definition details) Rules, 2014.

Threshold	**Previous Amount (in Rs)**	**Revised Amount (in Rs)**
Paid up share capital	4 crores	10 crores
Turnover as per profit and loss account for the immediately preceding financial year	40 crores	100 crores

The amendment shall come into effect **from 01 December 2025.**

For more information, click here

Extension of Time and Relaxation of Additional Fees for Filing of Annual Returns and Financial Statements (FY 2024-25)- 30 December 2025

The Ministry of Corporate Affairs (MCA) has issued General Circular No. 08/2025 dated 30 December 2025, granting a further extension for completion of annual filings for the financial year 2024–25. Pursuant to the circular, companies may file e-forms namely MGT-7, MGT-7A, AOC-4, AOC-4 CFS, AOC-4 NBFC (Ind AS), AOC-4 CFS NBFC (Ind AS), and AOC-4 (XBRL) pertaining to financial year 2024-25 up to **31 January 2026** without payment of additional fees.

For more information, click here

Companies (Appointment and Qualification of Directors) Amendment Rules, 2025- 1 January 2026

The Ministry of Corporate Affairs (MCA) has notified the Companies (Appointment and Qualification of Directors) Amendment Rules, 2025, which amend the existing Director KYC compliance framework.

Key Change:

- The requirement for **annual filing of DIR-3 KYC** has been replaced with a **triennial (once every three years) KYC filing** for individuals holding a Director Identification Number (DIN) as on 31 March of a financial year.
- The KYC filing will be completed through the **web-based DIR-3 KYC Web form** on the MCA portal.

The amended provisions will be applicable for filings due from 31 March 2026 onwards.

For more information, click here

Companies Compliance Facilitation Scheme, 2026-reg.-24 February 2026

The Ministry of Corporate Affairs (MCA) has notified the **Companies Compliance Facilitation Scheme, 2026 (CCFS-2026)** as **a one-time compliance amnesty window** to enable companies to regularise long-pending statutory filings with the Registrar of Companies (ROC) at a significantly reduced additional fees.

Key Relaxations / Concessions:

a) Filing of Pending Annual Returns and Financial Statements:
Companies can file pending Annual Returns and Financial Statements by paying **only 10% of the additional fees** that would otherwise be payable under the Companies Act, 2013.

b) Dormant Status (Form MSC-1):
Inactive companies may apply for Dormant Status by filing e-form MSC-1 during the scheme by paying **50% of normal filing fees** payable under the applicable Rules.

c) Strike-off (Form STK-2):
Companies seeking to exit the corporate registry can file for Strike-off by filing e-form STK-2 during the scheme by paying **25% of the prescribed filing fee**.

The Scheme will be in force from **15 April 2026 to 15 July 2026**.

For more information, click here

Important MCA Update for Directors- 31 March 2026

The Ministry of Corporate Affairs (MCA) has introduced significant changes to the **DIR-3 KYC framework** to simplify compliance requirements for the directors.

Key highlights:

- Directors holding a Director Identification Number (DIN) as on 31 March of a financial year will now be required to file **DIR-3 KYC Web once every third consecutive financial year on or before 30th June.**
- Any change in the mobile number, email ID, or address must be initiated within **30 days through DIR-3 KYC Web.**

- Form DIR-3-KYC and DIR-3- KYC-Web has been substituted with a single form ‘Form DIR-3 KYC Web’.
- These amendments shall come into force from 31 March 2026.

For more information, click here

Clarification on the position of Compliance Officer in terms of regulation 6 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - 1 April 2025

The Securities and Exchange Board of India (“SEBI”) has issued a circular clarifying the position of the “Compliance Officer” under Regulation 6(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR Regulations”) and has provided guidance on the interpretation of the term ‘level’ in the organizational structure of listed entities in relation to the “Compliance Officer”.

Presently, the proviso to Regulation 6(1) of the LODR Regulations requires the Compliance Officer of a listed entity to be in whole-time employment, not more than one level below the board of directors and be designated as a Key Managerial Personnel (“KMP”). SEBI has provided the following clarifications in relation to the term ‘level’ used in the said Regulation in response to the queries seeking clarification on the term:

- **Clarification on the term ‘Level’**: ‘one-level below the board of directors’ refers to a position directly below the Managing Director (“MD”) or Whole-Time Director(s) (“WTDs”) of the listed entity. This interpretation is in line with Regulation 2(1)(o) of the LODR Regulations read with Section 2(51) of the Companies Act, 2013, which define KMP.
- **Entities without an MD or WTD**: In cases where a listed entity does not have an MD or a WTD, then the Compliance Officer shall not be more than one level below the Chief Executive Officer, Manager, or any other individual responsible for the day-to-day affairs of the listed entity.

For more information, click here

Extension towards Adoption and Implementation of Cybersecurity and Cyber Resilience Framework (CSCRF) for SEBI Regulated Entities (REs)- 1 April 2025

The Securities and Exchange Board of India (SEBI) issued ‘Cybersecurity and Cyber Resilience Framework (CSCRF) for SEBI Regulated Entities (REs)’ vide circular dated 20 August 2024.

SEBI had received numerous requests to extend the compliance deadline for CSCRF to facilitate smoother adherence of the framework. In response, SEBI has issued a Circular dated 28 March 2025 to extend the compliance deadline by **three months i.e. till 30 June 2025** for all SEBI Regulated Entities, excluding Market Infrastructure Institutions (MIIs), KYC Registration Agencies (KRAs), and Qualified Registrars to an Issue and Share Transfer Agents (QRTAs).

For more information, click here

SEBI launches “Document Number Verification System” - 3 April 2025

SEBI has launched the Document Number Verification System (SEBI-DNVS) in the public interest to enhance transparency in the functioning and ensure verifiability of documents issued by it. SEBI-DNVS will allow verification of physical communication such as letters, notices, and summons issued by it. In the terms of said system, each physical communication such as letters, show cause notices, summons etc issued by SEBI will carry a unique Outward Number, which can be verified by the recipient through an OTP-based authentication process. Users can confirm the document’s issuance by entering the credential such as the Outward Number, sender’s name, date of communication, and the recipient's name. The verification process however does not include the verification of contents of the communication. A detailed Guidance on SEBI-DNVS has also been issued to ease the process of verification.

For more information, click here

Draft circular for public comments - Limited relaxation from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 -21 April 2025

The Securities Exchange Board of India (SEBI) has released a draft circular proposing limited relief from compliance requirements under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR). The draft states:

- SEBI through its circular dated 6 October 2023, had relaxed the requirement under Regulation 58(1)(b) of the SEBI (LODR) Regulations, 2015, till 30 September 2024. The said regulation requires listed entities to send hard copies of the statement containing the salient features of all the specified documents, to holders of non-convertible securities who have not registered their email addresses. This relaxation was given in line with the Ministry of Corporate Affairs (MCA) General Circular and was initially applicable till 30 September 2024. Following the MCA's further extension through General Circular dated 19 September 2024, SEBI has proposed to extend this relief for the AGMs conducted till 30 September 2025.
- Entities having listed non-convertible securities and complying with the conditions specified by MCA General Circular, who have not sent hard copy of statement containing the salient features of all the specified documents to the holders of such securities who have not registered their email address, shall not be subject to any penal action for non-compliance with Regulation 58(1)(b) under the LODR Regulations for the period 1 October 2024 a future specified date in 2025.
- For the period from that future date until 30 September 2025, a similar relaxation will apply, provided that entities disclose a web link to the statement containing the salient features of all the specified documents, in advertisements issued under Regulation 52(8) of the LODR Regulations, allowing investors easy access to the relevant information.

For more information, click here

Trading Window closure period under Clause 4 of Schedule B read with Regulation 9 of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ("PIT Regulations") – Extension of automated implementation of trading window closure to Immediate Relatives of Designated Persons, on account of declaration of financial results- 21 April 2025

The Securities Exchange Board of India (SEBI) has issued a Circular extending the trading window closure mechanism to cover immediate relatives of Designated Persons (DPs) in listed companies, further strengthening measures against insider trading during periods when unpublished price sensitive information (UPSI) is accessible, such as financial results. This builds upon the existing system that restricts trading by DPs themselves.

Stock exchanges and depositories are now required to implement systems to freeze the PANs of these immediate relatives at the security level during the trading window closure period.

The new notification will be implemented in two phases:

Phase I (effective from 1 July 2025) - Applies to top 500 listed companies by market capitalization on 31 March 2025

Phase II (effective from 1 October 2025)- Will cover all remaining all listed companies, including those that list after this circular.

Listed companies will be responsible for providing the details of their designated persons' immediate relatives to the designated depository, which will then share this information with the stock exchanges and other depositories. Additionally, depositories will also be required to submit quarterly reports to SEBI on the implementation.

Process for implementation of the above system is also mentioned in Annexure A of this Circular.

For more information, click here

Frequently Asked Questions (FAQs) on SEBI (LODR) Regulations 2015- 23 April 2025

The Securities Exchange Board of India (SEBI) has released comprehensive Frequently Asked Questions (FAQs) updated as on 23 April 2025, to clarify the key changes introduced in SEBI (LODR) (Third Amendment) Regulations, 2024 dated 12 December 2024, and the SEBI circular dated 31 December 2024 on implementation of recommendations of the Expert Committee for facilitating ease of doing business for listed entities.

The FAQs cover clarifications on secretarial audit norms, mandatory disclosures (including forensic audits and BRSR Core), and minimum public shareholding norms. It also addresses the applicability of related party definitions, financial result formats, ESG assurance scope, and shareholding pattern requirements.

For more information, click here

The list of Services that can or cannot be rendered by a Secretarial Auditor- 24 April 2025

The Securities Exchange Board of India (SEBI) had released Frequently Asked Questions (FAQs) on SEBI (LODR) Regulations, 2015 dated 23 April 2025 which clarify the permissible services which can be rendered by Secretarial Auditors. The guidance, outline specific engagements, Secretarial Auditors are permitted or restricted from undertaking to ensure independence and avoid conflict of interest.

The Institute of Company Secretaries of India (ICSI) has also released the detailed list of Services that can or cannot be rendered by a Secretarial Auditor to the listed entity or its holding entity or subsidiary entity as per above mentioned FAQs.

For more information, click here

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

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

Master Circular for listing obligations and disclosure requirements for Non-convertible Securities, Securitized Debt Instruments and/ or Commercial Paper-11 July 2025

The Securities and Exchange Board of India (SEBI) issued a Master Circular dated 11 July 2025, for the listing obligations and disclosure requirements related to Non-convertible Securities, Securitized Debt Instruments, and Commercial Paper. This circular consolidates all applicable circulars and directions etc. issued until 30 June 2025, into a single document to provide stakeholders with easy access to the relevant regulations.

The provisions of the Master Circular shall come into effect immediately upon issuance, and it supersedes the previous circulars listed in Annex-1. All listed companies are advised to review and comply with the updated guidelines.

For more information, click here

Master Circular for Credit Rating Agencies (CRAs)-11 July 2025

The Securities and Exchange Board of India (SEBI) issued a Master Circular for CRAs dated 11 July 2025. The circular compiles all operational and procedural guidelines that were previously issued under the SEBI (Credit Rating Agencies) Regulations, 1999. The said regulation prescribes guidelines for registration of Credit Rating Agencies (CRAs), general obligations of CRAs, manner of inspection and investigation and code of conduct applicable on CRAs.

The Master Circular includes chapter-wise details of various directions and clarifications issued over time. It also supersedes multiple individual circulars listed in the Appendix.

For more information, click here

Master Circular for ESG Rating Providers (ERPs)-11 July 2025

The Securities and Exchange Board of India (SEBI) issued a Master Circular for ERPs dated 11 July 2025 which specifies the procedural/disclosure requirements and obligations with respect to ERPs, thereby consolidating all the directions applicable to ERPs at one place.

The provisions of the Circular shall come into force with immediate effect.

For more information, click here

Extension towards Adoption and Implementation of Cybersecurity and Cyber Resilience Framework (CSCRF) for SEBI Regulated Entities (REs)-30 June 2025

The Securities and Exchange Board of India (SEBI) had earlier introduced The Cybersecurity and Cyber Resilience Framework (CSCRF) that mandates regulated entities (REs) to implement robust measures to safeguard their IT systems, ensure data security, and maintain operational continuity in the face of cyber threats. Considering the challenges highlighted and to promote the ease of compliance, SEBI has extended the deadline for CSCRF compliance for all REs (except Market Infrastructure Institutions (MIIs), KYC Registration Agencies (KRAs), and Qualified Registrars to an Issue and Share Transfer Agents(QRTAs)) by two months i.e. 31 August 2025.

The provisions of this Circular shall come into force with immediate effect.

For more information, click here

Consultation paper for review of LODR Regulations - measures towards Ease of Doing Business - 25 July 2025

The Securities and Exchange Board of India (SEBI) has released a consultation paper proposing amendments to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR) with the objective to seek comments or suggestions from the public on the proposal related to the Ease of Doing Business and streamlining compliance requirements for non-convertible securities.

The following amendments are proposed:

1. Relaxing the requirement of sending hard copies of financials statements/ Annual report under Regulation 58(1)(b) of the LODR Regulations for an issuer of non-convertible security, to align with the similar relaxation available for entities with listed specified securities.

2. Specifying timelines for issuers having listed non-convertible securities regarding requirements of Regulation 58(1) of the LODR Regulations.

The comments/ suggestions should be submitted latest by 15 August 2025.

For more information, click here

Modification in the conditions specified for reduction in denomination of debt securities and non-convertible redeemable preference shares (NCRPS) - 1 August 2025

The Securities and Exchange Board of India (SEBI) has released a draft circular for public comments, which proposes to modify the conditions for issuing debt securities and non-convertible redeemable preference shares at reduced face value of Rs. Ten Thousand.

This proposal shall facilitate the issuers to issue debt securities or non-convertible redeemable preference share **which carry zero interest/dividend**, at a reduced face value of Rs. Ten Thousand.

The comments/ suggestions should be submitted latest by 21 August 2025.

For more information, click here

Consultation Paper on Amendments to Provisions Relating to Related Party Transactions Under SEBI (LODR) Regulations, 2015 and Circulars Thereunder- 4 August 2025

The Securities and Exchange Board of India ("SEBI") has issued a consultation paper on 4 August 2025, proposing amendments to the provisions relating to Related Party Transactions ("**RPTs**") under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars thereunder.

The Consultation Paper seeks to recalibrate rules for RPTs undertaken by listed entities and their subsidiaries.

The proposed amendments can be categorized into following main areas:

- Threshold for determining material Related Party Transactions ("RPTs") undertaken by listed entities.
- Threshold for determining material RPTs undertaken by subsidiaries of a listed entity.
- Relaxation in the minimum information to be furnished to the Audit Committee and shareholders for the approval of RPTs.
- Inclusion of provision in Regulation with respect to validity of omnibus approval for RPTs granted by the shareholders.
- Clarifications pertaining to applicability of RPT provisions.

The comments or suggestions, along with rationale shall be submitted latest by 25 August 2025

For more information, click here

Master Circular for Debenture Trustees (DTs) - 13 August 2025

The Securities and Exchange Board of India (SEBI) has issued a comprehensive Master Circular for Debenture Trustees. This Master Circular consolidates and updates the regulatory framework governing debenture trustees, replacing a series of earlier circulars with a single comprehensive document.

The Master Circular for Debenture Trustees shall come into force with immediate effect i.e. from 13 August 2025.

For more information, click here

Technical Clarifications to Cybersecurity and Cyber Resilience Framework (CSCRF) for SEBI Regulated Entities (REs)- 28 August 2025

The Securities Exchange Board of India (SEBI) has issued technical clarifications to the Cybersecurity and Cyber Resilience Framework (CSCRF) for SEBI Regulated Entities (REs), supplementing earlier circulars and FAQs issued between August 2024 and June 2025. The said framework was issued to establish and maintain robust cybersecurity and cyber resilience measures to protect market infrastructure and investors from cyber threats.

The current circular introduces the principles of exclusivity and equivalence to address cases where entities operate under the jurisdiction of multiple regulators (such as depository participants, banks etc. primarily regulated by RBI), the definitions of **critical systems have also been expanded,** technical requirements (VAPT, audits, Market-SOC onboarding, ISO 27001 certification, disaster recovery timelines, applicability of NCIIPC guidelines), and confidentiality safeguards for cyber audit reports. In addition to the technical updates, SEBI has revised the categorization thresholds for

Portfolio Managers and Merchant Bankers. Stock Exchanges, Depositories, and BSE have been instructed to amend their byelaws, notify members and implement the directions with immediate effect to strengthen cyber resilience in the securities market.

For more information, click here

Rights of Persons with Disabilities Act, 2016 and rules made thereunder - mandatory compliance by all Regulated Entities - 29 August 2025

The Securities and Exchange Board of India (SEBI) has issued a Circular that mandates all regulated entities to ensure digital accessibility for persons with disabilities by complying with the Rights of Persons with Disabilities Act, 2016, and other standards, with timelines for implementation and reporting. This circular came into force from 31st July 2025.

SEBI has now issued a circular dated 29 August 2025 extending compliance timelines for its **Digital Accessibility Circular** following requests from Regulated Entities for more time.

Key extensions include submission of initial compliance reports and digital platform lists extended to 30 September 2025 from 30 August 2025, appointment of an IAAP certified auditor extended to 14 December 2025 from 14 September 2025, completion of digital platform audits have been extended to 30 April 2026 from 31 October 2025, and remediation of audit findings to 31 July 2026.

For more information, click here

Securities and Exchange Board of India (Investor Protection and Education Fund) (Amendment) Regulations, 2025 - 2 September 2025

The Securities and Exchange Board of India (SEBI) has issued the Investor Protection and Education Fund (Amendment) Regulations, 2025 to further amend the Securities and Exchange Board of India (Investor Protection and Education Fund) Regulations, 2009.

The key amendment includes the insertion of a new clause (1a) to existing Regulation 4(1) which expands the sources of funds for the Investor Protection and Education Fund (IPEF). The amendment states that the IPEF will now include delisting related money transfers i.e. amount due to public shareholders who have not tendered their shares in the delisting process of public sector undertakings after a specified period of time.

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

For more information, click here

Frequently Asked Questions (FAQs) on Applicability of the Industry Standards on "Minimum information to be provided for Review of the Audit Committee and Shareholders for Approval of Related Party Transaction (RPT)"- 4 September 2025

The Securities and Exchange Board of India (SEBI), through its Circular dated **26 June 2025**, introduced **Industry Standards on Minimum Information** to be provided for the Audit Committee and shareholder approval of Related Party Transactions (RPTs). To support implementation, the **Bombay Stock Exchange (BSE)** has issued a notice on the set of **FAQs** providing clarity on the new framework.

The FAQs clarify the aspects related to the applicability of **disclosure requirements for RPT exceeding the threshold limit of ₹1 crore**, the **nature of information required to be shared with the Audit Committee**, and the **certifications to be provided by company executives etc.** The FAQs confirm that these new standards, shall be effective from 1 September 2025, and replace previous RPT disclosure formats specified in the Master Circular.

For more information, click here

Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2025 - 8 September 2025

Securities and Exchange Board of India (SEBI) has issued the SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2025 to amend the existing SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Key amendments:

- **Regulation 39(2A):** Mandates issuance of securities pursuant to a Scheme of Arrangement, sub-division, split or consolidation only in **dematerialised form**. Where investors do not have a Demat account, the listed entity is required to facilitate the opening of one.
- **Regulation 91(C)(1) (substituted):** Introduces **enhanced disclosures** for Not-for-Profit Organizations (NPOs) registered on Social Stock Exchanges, including separate non-financial disclosures.
- **Regulation 91(E) (amended):** Provide for **stricter impact reporting** for Social Enterprises / SSE Framework.
- **Schedule VII clause B:** Certain provisos have been **omitted**, thereby reducing exemptions or carve-outs, and simplifying disclosure obligations.

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

For more information, click here

Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) (Amendment) Regulations, 2025 - 8 September 2025

Securities and Exchange Board of India (SEBI) has issued the SEBI (Share Based Employee Benefits and Sweat Equity) (Amendment) Regulations, 2025 to amend the existing SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

The amendment introduces a new Regulation 9A which provides that the employees who are subsequently identified as **promoters or part of the promoter group as per IPO filing and** were granted options / SARs / other benefits under any scheme at least one year prior to the date of filing the draft offer document, will be allowed to continue to hold or exercise such benefits as per the terms of scheme and compliance of these regulations and other applicable laws.

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

For more information, click here

Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Second Amendment) Regulations, 2025 - 8 September 2025

Securities and Exchange Board of India (SEBI) has issued the SEBI (Issue of Capital and Disclosure Requirements) (Second Amendment) Regulations, 2025 to amend the existing SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.

Key amendments:

- Introduction of "accredited investors" (as defined under SEBI AIF Regulations, 2012) for limited purpose of investing in Angel Funds.
- **Specified securities** held by certain categories (promoters, key managerial personnel, directors, employees etc.) must be held in **dematerialized form** *before* filing the draft offer document.
- Equity shares or compulsorily convertible securities acquired under a Court/Tribunal/ Central Government approved scheme (under Companies Act, 2013, sections 230–234) can be offered for sale if these have been in existence for more than **1 year before scheme approval**.
- Add alternative investment funds, foreign venture capital investors, scheduled commercial banks, public financial institutions, insurance companies, or non-individual public shareholders (holding ≥5% post-issue) or entities in promoter group (other than promoter) to certain provisos regarding eligibility / promoter contribution.
- Substantive changes to the disclosure framework under Schedule VII: simplifying and streamlining disclosures.

For more information, click here

Framework on Social Stock Exchange ("SSE") - 19 September 2025

The Securities Exchange Board of India's (SEBI) existing framework for the Social Stock Exchange (notified via Circulars in 2022 and 2023) is being revisited and amended based on recommendations of the Social Stock Exchange Advisory Committee (SSEAC) and feedback received through public consultation.

To align with those amendments, SEBI has also amended relevant provisions in the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (ICDR Regulations) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR Regulations) via Gazette notifications dated 8–9 September 2025.

The provisions of this circular shall come into effect immediately.

For more information, click here

Technical Guide on Disclosure and Reporting of Key Performance Indicators (KPIs) in Offer Documents (Revised 2025) - 9 October 2025

The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (‘ICDR Regulations’) require Issuer Companies to disclose Key Performance Indicators (KPIs) in their Initial Public Offer (IPO) document that are relevant for determining the basis of the Issue Price.

To ensure consistency in the identification and disclosure of Key Performance Indicators (KPIs), the Industry Standards Forum (ISF)—comprising representatives from ASSOCHAM, CII, and FICCI under the aegis of the Stock Exchanges—has, in consultation with SEBI, formulated the Industry Standards on KPI Disclosures in the Draft Offer Document and Offer Document (“KPI Standards”).

The Auditing and Assurance Standards Board (AASB) of the ICAI had earlier issued the ‘Technical Guide on Disclosure and Reporting of KPIs in Offer Documents’ in April 2023. In light of the recent developments and the introduction of the **ISF KPI Standards**, the revised edition (2025) of the Technical Guide has now been issued to assist members in understanding and discharging their responsibilities in reporting KPIs in accordance with requirements of ICDR Regulations and ISF KPI Standards.

For more information, click here

Minimum information to be provided to the Audit Committee and Shareholders for approval of Related Party Transactions - 13 October 2025

The Securities Exchange Board of India (SEBI) has issued a circular on the Minimum information to be provided to the Audit Committee and Shareholders for approval of Related Party Transactions (RPT). This circular has been issued in reference to the Master circular for compliance with the provisions of the SEBI (LODR) Regulation, 2015, by listed entities, which provides for "Disclosure and other obligations of listed entities in relation to Related Party Transactions" under section III-B.

Key Highlights:

1. **Audit Committee Approval (Part A, Paragraph 4 of Section III-B – substituted):**

- **Relaxation introduced**:
    - Where RPT(s) (individually or cumulatively in a financial year) **do not exceed the lower of 1% of the annual consolidated turnover as per last audited financial statements or ₹10 crore’,** the listed entity is required to provide only **limited information** prescribed in Annexure-13A.
    - If such RPT(s) **do not exceed ₹1 crore** in a financial year, no disclosures as per above circulars/Industry Standards are required.

2. **Shareholder Approval (Part B, Paragraph 6 of Section III-B– substituted):**

- Notices to shareholders for RPT(s) approval must contain Information prescribed in Industry Standards, in addition to disclosures required under the Companies Act, 2013.

- **Relaxation introduced:**
  - For RPT(s) up to **1% of the annual consolidated turnover as per last audited financial statements or ₹10 crore',** whichever is lower, only limited information as per Annexure-13A needs to be disclosed in the explanatory statement.

The amendment establishes a **three-tier disclosure framework**:

Transaction Value Threshold	**Disclosure Requirement**	**Reference**
Up to ₹1 Crore	Exempt from detailed disclosure	No disclosure required as per industry standards
Above ₹1 Crore but ≤ lower of 1% of annual consolidated turnover or ₹10 Crore	Limited Disclosure	As per Annexure–13A of the circular
Above the lower of 1% of annual consolidated turnover or ₹10 Crore	Full disclosure	As per detailed disclosure norms under industry standards

The circular shall come into effect immediately i.e. from 13 October 2025.

For more information, click here

Master Circular for issue and listing of Non-convertible Securities, Securitized Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper – 15 October 2025

The Securities and Exchange Board of India (SEBI) has issued a **Master Circular on 15 October 2025** concerning the **issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities, and Commercial Paper**. This circular consolidates and updates prior regulations and guidelines, aiming to streamline compliance and enhance transparency in the debt securities market.

For more information, click here

Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) (Amendment) Regulations, 2025- 27 October 2025

The Securities and Exchange Board of India (SEBI) has issued SEBI (Issue and Listing of Non-Convertible Securities) (Amendment) Regulations, 2025 amending the existing SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021.

Through this amendment, SEBI has inserted a proviso allowing issuers to deviate from the prescribed trust deed format for non-convertible securities, provided that a key summary sheet detailing the deviations along with the rationale for such deviations is disclosed by the issuer in the General Information Document/ Key Information Document or Shelf Prospectus. This amendment provides greater flexibility to issuers while ensuring transparency and investor awareness of such deviations.

For more information, click here

Securities and Exchange Board of India (Mutual Funds) (Second Amendment) Regulations, 2025-1 November 2025

The Securities and Exchange Board of India (SEBI) has notified the SEBI (Mutual Funds) (Second Amendment) Regulations, 2025, amending the SEBI (Mutual Funds) Regulations, 1996 to broaden investment avenues and strengthen portfolio discipline for mutual funds.

Through this amendment, mutual funds are now permitted to invest in **units of Real Estate Investment Trusts (REITs)**, thereby expanding diversification opportunities beyond traditional securities. The amendment also introduces changes relating to a **higher minimum invested asset threshold** and **revised concentration and exposure limits**, promoting efficient fund deployment and better risk management.

For more information, click here

Consultation Paper on amendments to SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, with the objective of enhancing ease of doing business and increasing the participation of retail investors in public issue - 13 November 2025

The Securities and Exchange Board of India (SEBI) issued a Consultation Paper on amendments to SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ('ICDR Regulations'), with the objective to enhance ease of doing business and increasing the participation of retail investors in public issue.

The Consultation Paper proposes two key amendments to the ICDR Regulations to

1. **Review of the requirement of lock-in of shares at the time of IPO** - SEBI proposes a mechanism to treat pledged pre-IPO shares held by non-promoters as locked-in by allowing depositories to mark such shares as non-transferable when system-based lock-in cannot be created, supported by mandatory Articles of Association (AOA) amendments and lender notifications.
2. **Review of the requirement of Abridged Prospectus** - SEBI proposes to replace the abridged prospectus with a new, focused 'Offer Document Summary', which will be filed along with the draft offer document/ offer document and made available separately on websites of the issuer, SEBI, stock exchanges, and lead managers. The new summary will give retail investors simplified access to key disclosures (risk factors, business, industry, financials, KPIs), while reducing documentation burden for issuers.

The comments/suggestions should be submitted latest by 4 December 2025.

For more information, click here

Securities And Exchange Board of India (Listing Obligations and Disclosure Requirements) (Fifth Amendment) Regulations, 2025- 18 November 2025

The Securities and Exchange Board of India (SEBI) has issued SEBI (Listing Obligations and Disclosure Requirements) (Fifth Amendment) Regulations, 2025.

Key highlights of the amendment include:

1. Retail purchases by **relatives** of directors and key managerial personnel of listed entity/its subsidiaries on uniformly applicable terms **are now excluded from definition of Related Party Transaction.**

New Materiality thresholds for related-party transactions (RPTs):

2. New materiality thresholds for RPTs introduced in **Schedule XII** of these regulations are as follows:

<table>
<tr><th>Consolidated Turnover of Listed Entity</th><th>New Materiality Threshold</th><th>Old Materiality Threshold</th></tr>
<tr><td>Up to ₹20,000 Crore</td><td>10% of annual consolidated turnover</td><td rowspan="3">Lower of ₹1,000 Crore or 10% of annual consolidated turnover</td></tr>
<tr><td>More than ₹20,000 Crore upto ₹40,000 Crore</td><td>₹2,000 Crore + 5% of the annual consolidated turnover of the listed entity above ₹20,000 Crore</td></tr>
<tr><td>More than ₹40,000 Crore</td><td>₹3,000 Crore + 2.5% of the annual consolidated turnover of the listed entity above ₹40,000 Crore or ₹5000 Crores, whichever is lower</td></tr>
</table>

3. Related party transactions above ₹1 crore to which the subsidiary of a listed entity is a party (but the listed entity is not a party) shall require **prior approval of Audit Committee of listed entity as per below threshold:**

New Materiality Threshold	Old Materiality Threshold
If the RPT value exceeds the lower of a) 10% of annual standalone turnover of the subsidiary; or b) materiality threshold of listed entity as specified in Schedule XII	10% of annual standalone turnover of the subsidiary

If the subsidiary does not have audited financial statements for at least one year, the new assessment is based on the lower of (a) 10% of aggregate paid-up capital and securities premium of the subsidiary; or (b) materiality threshold of listed entity specified in Schedule XII

4. Clarification that omnibus shareholder approvals for material RPTs given in the Annual General Meeting (AGM) are valid until the next AGM (subject to timelines under Companies Act, 2013). For approvals given in general meetings other than AGM, validity must **not exceed one year.**

Annual Report and disclosure enhancements:

5. Regulation 53: The annual report of a listed entity must include disclosures "as specified in the Companies Act, 2013 **or the statute under which such listed entity is constituted**", thereby extending applicability beyond entities incorporated under the Companies Act.

6. The listed entity must publish the annual report (and any changes thereto) on its website, and submit to the stock exchange and debenture trustee, on or before dispatch to shareholders or submission to government authorities. In case of changes, the revised copy plus details/explanation must be furnished within 48 hours after the AGM or before dispatch to shareholders/submission to government authorities, as applicable.

Timelines and non-convertible securities holder communications

7. Regulation 58: For holders of non-convertible securities who have not registered an email address, a listed entity must send a letter providing a web-link (and optionally a QR-code) to access the complete annual report.

8. A new sub-regulation mandates sending such documents within timelines specified under the Companies Act or the applicable statute; if no timelines are specified, the documents shall be sent on or before the date of dispatch to shareholders/submission to government authorities.

Effective date:
The amendments will come into force on the date of their publication in the Official Gazette (19 November 2025). However, specific sub-regulations (I, III & VII of regulation 3) will come into force **30 days** from the date of publication.

For more information, click here

Timeline for submission of information by the Issuer to the Debenture Trustee(s) – 25 Nov 2025

The **Securities and Exchange Board of India (SEBI)** has issued directions to standardise the **timelines for submission of reports and certificates** by issuers to **Debenture Trustees (DTs)**.

The circular applies to **all registered Debenture Trustees, issuers who have listed or intend to list debt securities, and recognized stock exchanges**, as per the provisions of Regulations 15(1)(s) and 15(1)(t) of the SEBI (Debenture Trustees) Regulations 1993 ('DT Regulations'), DT shall carry out due diligence on a continuous basis.

The issuer shall submit the reports/ certificate to the Debenture Trustees as follows:

Reports/Certificate	Periodicity
Security Cover Certificate (in the format as specified in Annex-VA to DT Master Circular)	**Quarterly basis** – within 60 days from end of each quarter except last quarter, when submission is to be made within 75 days.
A statement of value of pledged securities	**Quarterly basis** – within 60 days from end of each quarter except last quarter, when submission is to be made within 75 days.
A statement of value for Debt Service Reserve Account or any other form of security offered	**Quarterly basis** – within 60 days from end of each quarter except last quarter, when submission is to be made within 75 days.
Net worth certificate of guarantor in case debt securities are secured by way of personal guarantee	**Half yearly basis** – within 60 days from end of each half-year.
Financials/value of guarantor prepared on basis of audited financial statements etc. of the guarantor (secured by way of corporate guarantee)	**Annual basis** – within 60 days from end of each financial year.
Valuation report and title search report for the immovable/movable assets, as applicable	**Once in three years –** within 60 days from the end of the financial year.

The provisions of this circular shall come into effect with the **quarter ending 31 December 2025.**

For more information, click here

Modifications to Chapter IV of the Master Circular for Debenture Trustees dated August 13, 2025 – 25 Nov 2025

The **Securities and Exchange Board of India (SEBI)** has issued an important modification to Chapter IV of the Master Circular for Debenture Trustees dated 13 August 2025, refining the framework for the Recovery Expense Fund (REF) and offering greater clarity on how Debenture Trustees (DTs) may utilise the fund in the event of a default.

While the circular specifies the broad purpose of REF, it does not explicitly specify the list of purposes for which REF can be utilized and accordingly the revisions were introduced following recommendations from the **Working Group of Debenture Trustees for Ease of Doing Business**, deliberations within the **Corporate Bonds and Securitization Advisory Committee (CoBoSAC)**, and subsequent public consultation.

Key modifications include:

- A DT or Lead DT may now seek reimbursement for a comprehensive set of default-related list of actions.
- If REF is used for the activities explicitly listed under the above-mentioned list, no prior approval from debenture holders is required. DTs must simply inform holders through email and publish the reimbursement details on their website. For any use outside the list, DTs must obtain prior consent from debenture holders and inform the designated stock exchange.
- DTs must notify the designated stock exchange, submit an independent auditor’s certificate, and upon verification, the stock exchange must release the funds **within five working days**.

- A Lead DT is defined as one chosen by other DTs or representing more than **50% of outstanding debt value**—clarifying leadership in multi-DT scenarios.
- DTs must maintain proper records of all REF-related expenses and provide **annual updates** to debenture holders.

The provisions of this circular shall come into effect immediately.

For more information, click here

Securities and Exchange Board of India (Informal Guidance) Scheme, 2025 - 28 November 2025

The **Securities and Exchange Board of India (SEBI)** has replaced its 2003 Informal Guidance (IG) Scheme with the Securities and Exchange Board of India (Informal Guidance) Scheme, 2025.

The scheme broadens eligibility to include exchanges, depositories, intermediaries, listed companies, and trustees of pooled investment vehicles, allowing them to seek No-action or Interpretive Letters on the applicability of SEBI regulations. The process is now fully electronic with a ₹50,000 fee and a 60-day disposal timeline. The Guidance issued is non-binding and may be withdrawn or deemed invalid if based on inaccurate disclosures.

For more information, click here

Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) (Amendment) Regulations, 2025– 5 December 2025

The Securities and Exchange Board of India (SEBI) has notified the **SEBI (Substantial Acquisition of Shares and Takeovers) (Amendment) Regulations, 2025**, which further amend the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ("SAST Regulations"). These amendments introduce reforms in the valuation framework applicable during takeovers and open offers.

Independent, Registered Valuers Introduced:
A new definition of "valuer" has been inserted, aligned with Section 247 of the Companies Act, 2013. Valuation of shares in takeover and open offer situations must now be performed by an **independent registered valuer**, strengthening objectivity and reducing conflicts of interest

Mandatory Independent Valuation
The amendment replaces prior provisions where acquirers or their managers could determine valuation. Under the revised rules, valuation must generally be conducted by an **independent registered valuer**, and SEBI may require such valuations at the **acquirer's cost** to ensure fair pricing in substantial acquisition/open offer transactions.

For ongoing valuation assignments that began before the effective date, a **transition period of nine months** is provided for completion under the old process before fully switching to the new independent valuation requirement.

These amendments will come into force **30 days after Gazette notification** i.e. 2 January 2026.

For more information, click here

Securities and Exchange Board of India (Intermediaries) (Third Amendment) Regulations, 2025– 5 December 2025

The Securities and Exchange Board of India (SEBI) has notified the SEBI (Intermediaries) (Third Amendment) Regulations, 2025. The revised provisions primarily impact intermediaries required to comply with **minimum net worth / liquid net worth**, **minimum revenue criteria**, and **structural or activity-segregation requirements** prescribed by SEBI. Failure to comply with these requirements may result in the intermediary being treated as **"not fit and proper"**, triggering regulatory action.

These amendments will come into force **30 days after Gazette notification** i.e. 2 January 2026.

For more information, click here

Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2025- 16 December 2025

The Securities and Exchange Board of India notified the SEBI (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2025, to amend the SEBI LODR Regulations, 2015.

The amendment primarily standardises terminology **by replacing the term "Share Transfer Agent" with "Registrar to an Issue and Share Transfer Agent"** throughout the regulations. This change has been implemented across Regulation 7 and Schedules I, II, III, VI, and VII to maintain consistency in references related to disclosures, compliance requirements, and reporting formats for listed entities.

The amendment comes into force from the date of its publication in the Official Gazette i.e. 15 December 2025.

For more information, click here

SEBI Board Meeting- 17 December 2025

The Securities and Exchange Board of India (SEBI), has approved a series of far-reaching regulatory reforms aimed at simplifying compliance, enhancing investor protection, and improving ease of doing business at its 212th Board Meeting.

The key highlights include:

- SEBI approved the replacement of the **Stockbrokers Regulations, 1992** with the **SEBI (Stockbrokers) Regulations, 2025**. The new framework is shorter, clearer, and easier to comply with, with updated provisions and removal of obsolete rules.
- SEBI has also approved the new SEBI (Mutual Funds) Regulations, 2026, replacing the 1996 framework. Introduces Base Expense Ratio (BER) excluding statutory levies like STT, GST, stamp duty. Also rationalised expense ratio limits for various fund categories.
- To enhance retail investor participation and reduce friction in IPO processes, SEBI has also approved amendments to the **ICDR Regulations, 2018**.
- SEBI has approved amendments to the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 to permit issuers of debt securities to offer incentives in public issues to specified categories of investors, with the objective of enhancing retail participation and encouraging public issuance in the corporate debt market.
- SEBI has approved amendments to Regulations 39 and 40 of the LODR Regulations, 2015 to simplify investor servicing and facilitate legacy cases of physical securities.
  SEBI has approved amendments to the LODR Regulations, 2015 to align the timeline for transfer of unclaimed interest, dividend and redemption amounts relating to listed non-convertible securities with the provisions of the Companies Act, with the objective of easing compliance.
- SEBI has approved a relaxation in the criteria for identification of High Value Debt Listed Entities (HVDLEs) by increasing the outstanding non-convertible debt threshold from ₹1,000 crore to ₹5,000 crore, with a view to easing compliance and facilitating fund-raising through corporate bonds, particularly for regulated entities.

- Additionally, SEBI has approved amendments to align the corporate governance framework for HVDLEs with recent changes under the LODR Regulations applicable to equity-listed entities, including rationalisation of board and committee-related compliances and revised criteria for identification of material subsidiaries.

For more information, click here

Modification in the conditions specified for reduction in denomination of debt securities - 18 December 2025

The Securities and Exchange Board of India (SEBI) had earlier amended the framework governing the issuance of **debt securities and non-convertible redeemable preference shares (NCRPS)** to permit issuance at a **reduced face value of ₹10,000** subject to certain conditions, to enhance market accessibility and liquidity. The present amendment **explicitly includes zero-coupon (zero interest) debt securities** with fixed maturity and no structured obligations as eligible instruments at the reduced face value of ₹10,000.
For more information, click here

Securities and Exchange Board of India (Stockbrokers) Regulations, 2026- 7 January 2026

The Securities and Exchange Board of India (**SEBI**) has notified the **SEBI (Stockbrokers) Regulations, 2026**, replacing the erstwhile **SEBI (Stockbrokers) Regulations, 1992**.
The revised Regulations set out comprehensive provisions relating to **registration, compliance requirements, code of conduct, fees, and investor protection measures**.

The Regulations shall **come into force with effect from 7 January 2026**.

For more information, click here

Securities and Exchange Board of India (Mutual Funds) Regulations, 2026-14 January 2026

The Securities and Exchange Board of India (SEBI) has notified the SEBI (Mutual Funds) Regulations, 2026, replacing the erstwhile SEBI (Mutual Funds) Regulations 1996.

Key Highlights of the Regulation

- The 2026 regulations comprehensively overhaul the framework governing registration, eligibility, governance, and net worth requirements applicable to sponsors, trustees, asset management companies (AMCs), and custodians.
- A differentiated "Mutual Fund Lite" regime has been introduced for passive investment products.
- Detailed provisions have been prescribed covering scheme launch, advertisements, listing, winding up, investment norms, borrowing limits, NAV computation, payouts, stress testing, and prevention of market abuse.
- Enhanced accountability is ensured through strengthened fit-and-proper criteria, whistleblower mechanisms, independent oversight, and time-bound disclosure requirements.

The 2026 regulations shall come into force with effect from 1 April 2026.

For more information, click here

Master Circular for Framework on Social Stock Exchange- 19 January 2026

The Securities and Exchange Board of India (SEBI) has issued a Master Circular for the Framework on the Social Stock Exchange (SSE). The circular consolidates all earlier circulars and guidelines issued under the SEBI (ICDR) Regulations, 2018 and the SEBI (LODR) Regulations, 2015, in relation to the functioning, compliance, and fundraising mechanisms of the Social Stock Exchange.

For more information, click here

Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) (Amendment) Regulations, 2026-20 January 2026

The Securities and Exchange Board of India (SEBI) has notified the SEBI (Issue and Listing of Non-Convertible Securities) (Amendment) Regulations, 2026, further amending the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021.

Key Highlights of the Amendment:

- A formal definition has been introduced for **"retail individual investor"**, covering individuals applying or bidding for debt securities up to ₹2 lakh.
- Issuers of non-convertible securities are now permitted to offer incentives to specified categories of investors. Such incentives may include additional interest rates or discounts on the issue price.
- This is further clarified that any incentive offered under the amended regulations shall be available only to the initial allottee of the securities.

The Regulations shall come into force with effect from the date of their publication in the Official Gazette i.e. 21 January 2026.

For more information, click here

Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2026- 20 January 2026

The Securities and Exchange Board of India (SEBI) has notified the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2026, further amending the SEBI LODR Regulations, 2015, with a major focus on High Value Debt Listed Entities (HVDLEs).

Key Highlights of the Amendment:

- The threshold for classification as a **High Value Debt Listed Entities (HVDLE)** has been increased from ₹1,000 crore to ₹5,000 crore of outstanding non-convertible debt securities, significantly reducing the compliance burden for mid-sized issuers.
- Entities that no longer meet the revised threshold are exempted from continuing compliance with HVDLE-specific provisions under the LODR Regulations.
- Issuers are now required to ensure credit of securities in dematerialised form within 30 days, enhancing efficiency and investor protection.
- Related party transaction (RPT) norms for HVDLEs have been aligned with Regulation 23.

- Secretarial audit provisions have been streamlined by directly linking them to Regulation 24A, thereby removing duplicative and overlapping compliance obligations.

The Regulations shall come into force with effect from the date of their publication in the Official Gazette i.e. 22 January 2026.

For more information, click here

Master Circular for compliance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 by listed entities- 30 January 2026

The Securities and Exchange Board of India (SEBI) has issued a **Master Circular** consolidating all operative circulars issued under the **SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**, as updated up to **30 December 2025**.

The Master Circular rationalises and integrates requirements relating to **periodic, event-based, and annual disclosures**, with the objective of streamlining the compliance framework for listed entities. It seeks to **simplify compliance**, **reduce duplication** arising from multiple disclosure requirements, and provide a **single reference document** for listed entities and auditors.

The consolidation also reflects the introduction of an **Integrated Filing Framework**, covering governance and financial periodic filings, aimed at enhancing consistency and efficiency in regulatory reporting.

For more information, click here

Master Circular for Issue of Capital and Disclosure Requirements- 9 February 2026

The Securities and Exchange Board of India has issued an updated Master Circular under the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, consolidating all applicable circulars to a single, comprehensive compliance reference. Originally issued on 21June 2023 and subsequently updated on 11 November 2024, the Master Circular has now been revised to incorporate all relevant circulars issued up to 31 December 2025.

For more information, click here

Frequently Asked Questions (FAQs) on Credit Rating Agencies (“CRAs”) - 02 March 2026

The Securities and Exchange Board of India (SEBI) has released a set of FAQs on Credit Rating Agencies to provide clarity on the regulatory framework governing credit ratings in India. The FAQs explain that credit ratings represent the opinion of a CRA regarding the likelihood of timely repayment of a rated debt obligation, thereby assisting investors in assessing the credit risk associated with securities. The publication is intended to help investors, issuers, and other stakeholders better understand the role, responsibilities, and functioning of CRAs under the SEBI (Credit Rating Agencies) Regulations, 1999.

For more information, click here

Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Amendment) Regulations, 2026 - 21 March 2026

The Securities and Exchange Board of India (SEBI) has notified the SEBI (**Issue of Capital and Disclosure Requirements) (ICDR) (Amendment) Regulations, 2026** amending the SEBI (ICDR) Regulation, 2018.

Key amendments:

- **Lock-in of specified securities**
  Where lock-in of specified securities held by persons other than promotors, as required under Regulation 17, cannot be created, **depositories shall mark such securities as *non-transferable* for the entire lock-in period**, based on the instructions received from the issuers.

- **Submission and public availability of Draft Abridged Prospectus**
  Lead managers are now required to **submit a Draft Abridged Prospectus** (prepared in accordance with Part E of Schedule VI) to SEBI **along with the Draft Offer Document and Offer Document**.
  Further, the same must also be **made available to the public for comments**.

- **QR code and hyperlink in application forms**
  Application forms for all types of issues **must now include a QR code and hyperlink** providing access to the red herring prospectus, abridged prospectus, and price band advertisement.

- **Additional financial disclosures in offer documents**
  Part A of Schedule VI has been amended to require the inclusion of two additional financial summaries in all offer documents i.e. a Summary of Contingent Liabilities and a Summary of Related Party Transactions. Simultaneously, the clause (4) of Part A has also been omitted.

- **Revisions to General Instructions (Part E)**
  The General Instructions to Part E have been revised with respect to certain disclosures.

These amendments **came into force on 21 March 2026**, i.e., the date of publication in the Official Gazette.

For more information, click here

Master Circular for Mutual Funds- 20 March 2026

The Securities and Exchange Board of India (SEBI) has issued a **Master Circular for Mutual Funds** on 20 March 2026 with the objective of consolidating and updating all regulatory instructions governing mutual funds in line with the *SEBI (Mutual Funds) Regulations, 2026*.

The circular consolidates all applicable guidelines and instructions issued up to 20 March 2026, providing a **comprehensive and unified reference framework** for mutual funds.

It **replaces the earlier Master Circular dated 27 June 2024** and rescinds specified prior circulars to streamline compliance and enhance clarity and readability.

The Master Circular shall come into force with effect from **1 April 2026.**

For more information, click here

Master Direction - Reserve Bank of India (Interest Rate on Deposits) Directions, 2025- 1 April 2025

The Reserve Bank of India (RBI) has issued a comprehensive Master Direction “Reserve Bank of India (Interest Rate on Deposits) Directions, 2025” which consolidates all the instructions related to interest rates on deposits applicable to banks in one place.

With the issuance of these comprehensive Master Directions, the previous Master Direction - Reserve Bank of India (Interest Rate on Deposits) Directions, 2016 dated 3 March 2016 and Master Direction - Reserve Bank of India (Co-operative Banks - Interest Rate on Deposits) Directions, 2016 dated 12 May 2016 shall stand repealed.

The Master Direction shall come into force with immediate effect i.e. 1 April 2025.

For more information, click here

Master Circular - Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances- 1 April 2025

The Reserve Bank of India (RBI) has issued an updated Master Circular dated 1 April 2025, concerning prudential norms for income recognition, asset classification, and provisioning pertaining to bank’s advances. This circular, applicable to all commercial banks excluding Regional Rural Banks (RRBs), consolidates all existing instructions and guidelines issued up to 31 March 2025 on the stated matter.

It supersedes the previous Master Circular dated 2 April 2024 and incorporates all subsequent directives. The Circular’s purpose is to provide a comprehensive reference for banks, ensuring they adhere to the RBI’s established prudential norms. The RBI has also clarified that this Master Circular does not contain any new instructions or guidelines. Instead, it acts as a compilation of previously released directives, providing a single, accessible document for banks.

For more information, click here

Master Circular – Housing Finance- 1 April 2025

The Reserve Bank of India (RBI) has issued an updated Master Circular dated 1 April 2025 on Housing Finance for the financial year 2025-26. The circular is applicable to all Scheduled Commercial Banks, excluding Regional Rural Banks (RRBs).

It supersedes the previous Master Circular dated 2 April 2024 issued on this subject. The RBI has clarified that this Master Circular does not introduce any new instructions or guidelines but merely consolidates the existing rules/regulations/instructions/clarifications issued up to 31 March 2025 on the Housing Finance for easier reference.

For more information, click here

Master Circular - Bank Finance to Non-Banking Financial Companies (NBFCs)- 1 April 2025

The Reserve Bank of India (RBI) has issued an updated Master Circular dated 1 April 2025 concerning bank finance to Non-Banking Financial Companies (NBFCs). The circular, applicable to all Scheduled Commercial Banks excluding Regional Rural Banks (RRBs), consolidates all existing instructions and guidelines related to bank’s lending to NBFCs, issued up to 31 March 2025. It supersedes the previous Master Circular issued on 24 April 2024, ensuring that banks have a comprehensive and up-to-date reference for their lending practices to NBFCs.

The RBI has clarified that this Master Circular does not contain any new instructions or guidelines but merely consolidates the existing instructions on the above matter.

For more information, click here

RBI issues draft Directions on the regulatory measures announced in SDRP- 9 April 2025

Pursuant to the announcement made in the Statement on Developmental and Regulatory Policies, the Reserve Bank has issued draft Directions on the following matters:

- Reserve Bank of India (Securitisation of Stressed Assets) Directions, 2025
- Reserve Bank of India (Co-Lending Arrangements) Directions, 2025
- Reserve Bank of India (Lending Against Gold Collateral) Directions, 2025
- Reserve Bank of India (Non-Fund Based Credit Facilities) Directions, 2025

Comments and suggestions from the public and relevant stakeholders are invited on these draft Directions by 12 May 2025.

For more information, click here

Master Direction - Risk Management and Inter-Bank Dealings- 16 April 2025

The Reserve Bank of India (RBI) has released an updated Master Direction on Risk Management and Inter-Bank Dealings dated 16 April 2025. These updated versions are effective immediately and supersede previous versions wherever applicable. The Market participants are advised to review the full circular and make necessary adjustments to their internal policies and systems to ensure continued compliance.

The RBI issues directions to Authorized Persons (including Authorised Dealer Category-I banks) under Section 11 of the Foreign Exchange Management Act (FEMA), 1999 which lay down the modalities of conduct of foreign exchange business in India. Further, RBI also issues directions to agencies undertaking foreign exchange transactions under Section 45W of the Reserve Bank of India Act, 1934.

Instructions issued in respect of Foreign Exchange Derivative Contracts, Overseas Commodity & Freight Hedging, Rupee Accounts of Non-Resident Banks and Inter-Bank Foreign Exchange Dealings etc. have also been compiled in this Master Direction.

For more information, click here

Master Direction - Deposits and Accounts- 16 April 2025

The Reserve Bank of India (RBI) has released an updated Master Direction on maintenance of Deposits and Accounts i.e the opening, holding, and maintenance of foreign currency accounts by residents in India, under the framework of the Foreign Exchange Management Act (FEMA), 1999.

The revised guidelines consolidate existing regulations, which govern foreign currency accounts and cross-border deposit arrangements respectively. These updated versions are effective immediately and supersede previous versions wherever applicable.

A key highlight of this amendment is the integration of provisions related to **Vostro accounts of non-resident banks, previously detailed under the Master Direction on Risk Management and Inter-Bank Dealings**. The revised direction now has references to Special Rupee Vostro Accounts and the Vostro Accounts of Non-Resident Exchange Houses have also been added to the Master Direction and presented in a newly inserted Part III of this Master Direction.

The RBI will issue further updates through A.P. (DIR Series) Circulars in regard to any change in the Regulations.

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

Reserve Bank of India (Pre-payment Charges on Loans) Directions, 2025- 2 July 2025

The Reserve Bank of India (RBI) has issued the RBI (Pre-payment Charges on Loans) Directions, 2025 which are aimed particularly at protecting individual borrowers and supporting Micro and Small Enterprises (MSEs) by eliminating unfair charges that could discourage early loan repayments. As per the new Directions, no pre-payment charges shall be levied on the floating rate loans granted to individuals for non-business purposes and on floating rate loans granted for business purposes to individuals and MSEs irrespective of the source of funds used for pre-payments.

These directions shall come into effect for all loans and advances sanctioned or renewed on or after 1 January 2026. These provisions will apply across all Commercial Banks (excluding payment banks), co-operative banks, NBFCs and All India Financial Institutions.

For more information, click here

RBI issues draft Master Direction – Digital Banking Channels Authorisation (Directions), 2025 - 22 July 2025

The Reserve Bank of India (RBI) has released a draft Master Direction on Digital Banking Channels Authorisation.

According to the draft norms, both commercial and co-operative banks need to put in place comprehensive policies for all digital banking channels, that align with statutory and regulatory requirements, including liquidity management and operational risks. The draft master direction lays out eligibility criteria for providing view-only banking facility in the digital mode and for providing a transactional banking facility to customers. Transactional banking shall only be allowed with the express permission of RBI, as per the draft norms. It also compiles prior circulars and directions on technological issues in digital banking.

The comments on the draft Directions are invited from public/stakeholders until 11 August 2025.

For more information, click here

Reserve Bank of India (Non-Fund Based Credit Facilities) Directions, 2025 - 6 August 2025

The Reserve Bank of India (RBI) has issued the "**Reserve Bank of India (Non-Fund Based Credit Facilities) Directions, 2025**, establishing a unified regulatory framework for granting non fund based credit facilities like guarantees, letters of credit, co-acceptances etc. These directions aim at improving uniformity, risk control, and prudential supervision, these norms apply to Commercial Banks, Primary (Urban) Co-operative Banks, All India Financial Institutions, and Non-Banking Financial Companies (NBFCs).

The framework seeks to promote consistent practices and strengthen financial stability. The directions outline clear rules for issuing guarantees, co-acceptances, and other guarantee types, as well as regulatory provisions for partial credit enhancement to support debt instrument creditworthiness enhancing transparency and mitigating risks linked to non-fund based credit exposures.

These Directions shall come into force from 1 April 2026, or from any earlier date as decided by a RE as per its internal policy. The directions mandate that any new or renewed non fund based facilities after the effective date must comply with these directions.

For more information, click here

Reserve Bank of India (Co-Lending Arrangements) Directions, 2025 - 6 August 2025

The Reserve Bank of India (RBI) has issued the "Reserve Bank of India (Co-Lending Arrangements) Directions, 2025", a comprehensive regulatory framework for co-lending arrangements ("CLAs"), by regulated entities (REs). The directions apply to Commercial Banks (excluding Small Finance Banks, Local Area Banks, and Regional Rural Banks), All-India Financial Institutions and Non-Banking Financial Companies (including Housing Finance Companies).

Under the new guidelines, each RE in a co-lending arrangement must retain at least **10% of each individual loan** in its own books, ensuring all CLA partners share the risk and follow responsible lending practices. The agreement between CLA partners must detail the terms of the arrangement, including borrower selection criteria, product lines, and grievance redressal mechanisms.
These Directions shall come into force from 1 January 2026, or from any earlier date as decided by a RE as per its internal policy.

For more information, click here

Guarantee regulations under Foreign Exchange Management Act (FEMA), 1999 – Draft for feedback - 14 August 2025

The Reserve Bank of India (RBI) has released draft *Foreign Exchange Management (Guarantees) Regulations, 2025* to streamline and simplify the framework for guarantees under FEMA, 1999.

The proposed principle-based rules seek to enhance ease of doing business by allowing a wider range of cross-border guarantees that can be issued under the **automatic route**, provided that the underlying transaction and any subsequent transactions on invocation comply with FEMA, 1999.

Key features of the draft framework include:

- A **comprehensive reporting system**, mandating that all issued and invoked guarantees shall be reported to the RBI.
- Clear definitions of terms such as *creditor, guarantee, principal debtor,* and *surety.*

- Specific conditions outlining when a person resident in India may act as a surety, principal debtor, or creditor.

The RBI has invited public comments on the draft regulations until **4 September 2025**.

For more information, click here

RBI issues the Reserve Bank of India (Regulation of Payment Aggregators) Directions, 2025- 15 September 2025

The Reserve Bank of India (RBI) has issued Master Directions on **Regulation of Payment Aggregators, 2025** to consolidate, update, and supersede earlier guidelines ('Guidelines on Regulation of Payment Aggregators and Payment Gateways' and 'Regulation of Payment Aggregator – Cross Border (PA - Cross Border)'. Master Directions 2025 consolidate earlier circulars and guidelines, rationalizing the regulation of entities aggregating payments on behalf of merchants through various payment channels.

These Directions shall come into effect immediately, unless indicated otherwise therein.

For more information, click here

RBI Issues Amendment Directions/Circulars - 29 September 2025

The Reserve Bank of India (RBI) has issued seven Directions/Circulars, proposing to amend some of the extant Directions/Circulars applicable to banks and other regulated entities. While three of these amendments came into effect immediately (Part A), public comments are solicited on the other four (Part B).

A. Directions which come into force from 1 October 2025

- Reserve Bank of India (Interest Rate on Advances) (Amendment Directions), 2025.
- Reserve Bank of India (Lending Against Gold and Silver Collateral) - (1st Amendment) Directions, 2025.
- Reserve Bank of India (Basel III Capital Regulations - Perpetual Debt Instruments (PDI) in Additional Tier 1 Capital – Eligible Limit for Instruments Denominated in Foreign Currency/Rupee Denominated Bonds Overseas) Directions, 2025.

B. Directions/Circulars which are being issued as drafts for public feedback

- Reserve Bank of India (Gold Metal Loans) Directions, 2025,
- Large Exposures Framework (Amendment Circular), 2025; and Guidelines on Management of Intragroup Transactions and Exposures (Amendment Circular), 2025.
- Draft Reserve Bank of India (Credit Information Reporting) (1st Amendment) Directions, 2025.

The comments on the draft Directions/Circulars are invited till 20 October 2025.

For more information, click here

RBI Issues draft Directions/ Circulars – 1 October 2025

The Reserve Bank of India (RBI) has released several draft Directions and Circulars for public comments which include:

- RBI (Transaction Accounts) Directions, 2025, covering various categories such as Commercial Banks, Small Finance Banks, Regional Rural Banks, Local Area Banks, Urban Co-operative Banks, Rural Co-operative Banks, and Payments Banks.
- Guidelines on Enhancing Credit Supply for Large Borrowers through Market Mechanism (Repeal Circular), 2025
- RBI (Basic Savings Bank Deposit Account) Directions, 2025

The RBI has invited comments from banks, market participants, and other stakeholders on the draft Directions and Circulars till 24 October 2025.

For more information, click here

Foreign Exchange Management (Export of Goods and Services) (Second Amendment) Regulations, 2025 - 13 November 2025

The **Reserve Bank of India (RBI)** has issued the **Foreign Exchange Management (Export of Goods and Services) (Second Amendment) Regulations, 2025**, to amend **Foreign Exchange Management (Export of Goods and Services) Regulations, 2015**.
Extended realisation/repatriation timelines (Regulation 9): Exporters now have up to 15 months (instead of 9 months) to realise and repatriate export proceeds.

Extended retention of advances received against exports (Regulation 15): Exporters now have up to 3 years (instead of 1 year) for shipment of goods from the date of receipt of advance payment.

The amendments will come into force from the date of their publication in the Official Gazette (14 November 2025).

For more information, click here

Reserve Bank of India Notifications- December 2025

The Reserve Bank of India (RBI) has issued a series of **Amendment Regulations/Directions, 2025**, through notifications dated **4 December 2025, 5 December 2025, and 11 December 2025**.
These amendments introduce updates to select regulatory frameworks with the objective of **strengthening compliance requirements, enhancing operational clarity, and aligning existing regulations with evolving market and supervisory expectations**.

For more information, click here

RBI Notifications (Know your customer) Amendment Directions – 29 December 2025

The Reserve Bank of India (RBI) has issued a series of Know Your Customer (KYC) Amendment Directions vide notifications dated 29 December 2025. These amendments update the existing KYC framework with the objective of strengthening compliance requirements, improving risk management practices, and providing greater operational clarity for regulated entities.

For more information, click here

Reserve Bank of India (Non-Banking Financial Companies - Concentration Risk Management) Amendment Directions, 2026-1 January 2026

The Reserve Bank of India (RBI) has issued the **Reserve Bank of India (Non-Banking Financial Companies – Concentration Risk Management) Amendment Directions, 2026**, amending the 2025 Directions by inserting a proviso to **sub-paragraph 4(4)** to define **"High-Quality Infrastructure Projects"** for NBFCs.

The amendment introduces a **clear and structured definition** of high-quality infrastructure projects for the purpose of concentration risk assessment. Infrastructure exposures meeting specified criteria—such as an established operational track record, classification as standard assets, robust contractual and security arrangements, and stable cash flows—will be identified and monitored separately under the concentration risk management framework.

The Amendment Directions shall become applicable from the date on which an NBFC opts to implement the Reserve Bank of India (Non-Banking Financial Companies – Prudential Norms on Capital Adequacy) Amendment Directions, 2026, or from 1 April 2026, whichever is earlier.

For more information, click here

Reserve Bank of India (Non-Banking Financial Companies – Prudential Norms on Capital Adequacy) Amendment Directions, 2026 - 1 January 2026

The Reserve Bank of India has issued the **Non-Banking Financial Companies – Prudential Norms on Capital Adequacy (Amendment) Directions, 2026,** introducing revisions to the risk-weight framework, with a specific focus on infrastructure exposures.

The amendments provide for revised, risk-sensitive risk weights for exposures to high-quality infrastructure projects, with preferential risk weights available for qualifying projects based on their operational track record and repayment performance. This aligns regulatory capital requirements more closely with the underlying risk profile of such exposures.

The revised framework will be applicable **from 1 April 2026**, or earlier if an NBFC chooses to adopt it in advance. **Transitional provisions** permit the continuation of existing lower risk weights for eligible exposures until the **next review or renewal date, or 31 March 2027, whichever is earlier**.

For more information, click here

Reserve Bank of India (Commercial Banks - Financial Statements: Presentation and Disclosures) Amendment Directions, 2026- 1 January 2026

The Reserve Bank of India has issued the Reserve Bank of India (Commercial Banks – Financial Statements: Presentation and Disclosures) Amendment Directions, 2026.

The amendment revises the disclosure requirements under **Schedule 1 – Capital**, mandating banks to **separately disclose, by way of a note**, the amount of deposits held under **Section 11(2)(b)(i) of the Banking Regulation Act,** that are **earmarked as Credit Risk Mitigation (CRM)** for the purpose of offsetting **non-centrally cleared derivative exposures to the Head Office (including overseas branches)**.

The amendment shall be **effective from the earlier of** the date on which a bank implements paragraphs 3(1) to 3(4) of the *RBI Concentration Risk Management Amendment Directions, 2025*; or **1 April 2026**.

For more information, click here

RBI Notifications Amendment Directions – 5 January 2026

The Reserve Bank of India (RBI), vide notifications dated 5 January 2026, has issued a series of Amendment Directions applicable to Banks and Non-Banking Financial Companies (NBFCs). These amendments introduce a mandatory requirement to **disclose 'Exposures to Related Parties' in the Notes to the Financial Statements, in the prescribed format specified in the respective Directions.**

The amendments shall be effective from 1 April 2026, with an option for NBFCs/Banks to adopt them earlier.

For more information, click here

Foreign Exchange Management (Guarantees) Regulations, 2026

The Reserve Bank of India (RBI) has notified the Foreign Exchange Management (Guarantees) Regulations, 2026 on 6 January 2026, superseding the erstwhile Foreign Exchange Management (Guarantees) Regulations, 2000. The revised framework governs the issuance and acceptance of guarantees involving persons resident in India and non-residents under the Foreign Exchange Management Act, 1999.

The Regulations shall come into force from the date of their publication in the Official Gazette, i.e., 10 January 2026.

For more information, click here

Foreign Exchange Management (Export and Import of Goods and Services) Regulations, 2026- 13 January 2026

The Reserve Bank of India (RBI) has notified the Foreign Exchange Management (Export and Import of Goods and Services) Regulations, 2026 in supersession of the Foreign Exchange Management (Export of Goods and Services) Regulations, 2015 with a unified regulatory regime for both exports and imports of goods and services.

Key Highlights of the Regulations

- Both exports and imports — including merchanting trade transactions — are now covered by one set of regulations.
- **Export proceeds realization period from the date of shipment/invoice**: Uniform 15 months for all exporters, 18 months for INR-invoiced export receivables.

- **Unrealized exports**: If export proceeds remain unrealized beyond one year from due date / extended period, further exports are permitted only against full advance payment or irrevocable Letter of Credit.
- Import payment terms aligned with the period specified in the underlying contract.
- Changes introduced in reporting compliances with respect to declaration of export value including for services export.
- Authorized Dealer Bank may allow reduction / non-realization of export based on its satisfaction of reasons. Export value upto Rs. 10 lakh per invoice may be closed based on self-declaration by exporter.
- The new regime brings project exports directly into the 2026 Regulations, instead of relying on separate PEM Rules.
- Changes in the compliance framework with respect to Merchanting trade transactions.
- **Internal policy and SOP by AD Banks**: Mandatory comprehensive internal policy and SOP for handling transactions with disclosure on its website.

The regulations shall come into force with effect from 1 October 2026.

For more information, click here

RBI issues Amendment Directions on Capital Market Exposure- 13 February 2026

The Reserve Bank of India has issued its regulatory framework on Capital Market Exposure (CME) through (i) Reserve Bank of India (Commercial Banks – Capital Market Exposure) Directions, 2025 and (ii) Reserve Bank of India (Small Finance Banks – Capital Market Exposure) Directions, 2025 following stakeholder consultation on the draft Directions issued on 24 October 2025.

Pursuant to this, the Reserve Bank has issued a series of Amendment Directions in 2026 for both Commercial Banks and Small Finance Banks with effect from 1 April 2026.

Accordingly, the Reserve Bank has issued the following Amendment Directions, with updates as and when they become effective.

i. Reserve Bank of India (Commercial Banks - Credit Facilities) Amendment Directions, 2026.
ii. Reserve Bank of India (Commercial Banks – Concentration Risk Management) Amendment Directions, 2026.
iii. Reserve Bank of India (Commercial Banks – Prudential Norms on Capital Adequacy) Second Amendment Directions, 2026.
iv. Reserve Bank of India (Commercial Banks – Financial Statements: Presentation and Disclosures) Third Amendment Directions, 2026.
v. Reserve Bank of India (Commercial Banks – Undertaking of Financial Services) – Amendment Directions, 2026
vi. Reserve Bank of India (Small Finance Banks - Credit Facilities) Amendment Directions, 2026.
vii. Reserve Bank of India (Small Finance Banks – Concentration Risk Management) Amendment Directions, 2026.

viii. Reserve Bank of India (Small Finance Banks – Prudential Norms on Capital Adequacy) Second Amendment Directions, 2026.
ix. Reserve Bank of India (Small Finance Banks – Financial Statements: Presentation and Disclosures) Second Amendment Directions, 2026.

For more information, click here

Foreign Exchange Management (Borrowing and Lending) (First Amendment) Regulations, 2026- 16 February 2026

The Reserve Bank of India has issued the Foreign Exchange Management (Borrowing and Lending) (First Amendment) Regulations, 2026. The amended regulations have rationalised the ECB framework by expansion of eligible borrower and recognised lender base, rationalisation of borrowing limits and restrictions on average maturity period, removal of restrictions on the cost of borrowing for ECBs, review of end-use restrictions and simplification of reporting requirements.

For more information, click here

RBI Notifications - 10 March 2026

The Reserve Bank of India (RBI), vide notifications dated 10 March 2026, has issued a series of Amendment Directions applicable to Banks and Non-Banking Financial Companies (NBFCs). These amendments introduce updates to select regulatory frameworks with the objective of **strengthening compliance requirements, enhancing operational clarity, financial stability, and prudential governance across the banking sector.**

For more information, click here

Master Direction - Reserve Bank of India (Unique Identifiers in Financial Markets) Directions, 2026- 27 March 2026

The Reserve Bank of India has issued the Master Direction – Reserve Bank of India (Unique Identifiers in Financial Markets) Directions, 2026 consolidating earlier instructions relating to Legal Entity Identifier (LEI) and Unique Transaction Identifier (UTI) for financial market transactions.
The Directions provide a unified framework for the implementation of LEI and UTI in financial market transactions.
Section A of the Directions on implementation of Legal Entity Identifier shall come into force with immediate effect.
Section B of the Directions on implementation of Unique Transaction Identifier shall come into effect from 1 January 2027.

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

Insurance Regulatory and Development Authority of India (Insurance Fraud Monitoring Framework) Guidelines, 2025 – 9 October 2025

The **Insurance Regulatory and Development Authority of India (IRDAI)** has issued the **IRDAI** (**Insurance Fraud Monitoring Framework Guidelines), 2025** to establish a comprehensive framework for the **prevention, detection, reporting, and remediation of fraud** across the insurance sector. These guidelines aim to enhance the sector's resilience against fraud, foster a culture of integrity, protect policyholders' interests, safeguard financial stability and maintain public trust.

These guidelines shall come into force from 1 April 2026.

For more information, click here

Clarifications on provisions with respect to investment in Alternative Investment Funds (AIFs)- 12 February 2026

The Insurance Regulatory and Development Authority of India (IRDAI) has clarified insurers' investments in Alternative Investment Funds (AIFs), under Section 27E of the Insurance Act, 1938.

Key points:

- Insurers may invest in AIFs with **SEBI-compliant Excusal Rights**, provided **no deployment of insurer funds outside India**
- Mandatory safeguards: declarations under Section 27E, fund document restrictions, statutory auditor certification, AIF compliance confirmation, and concurrent auditor verification
- Operational requirements: "Restricted Domestic Only" tagging, dual-ledger accounting, zero overseas drawdowns, and periodic (quarterly/annual) certifications
- **Revised exposure norms**: single AIF exposure limits to apply on **both direct and indirect investments.**

For more information, click here

Order under section 119 of the Income-tax Act, 1961 for waiver on levy of interest under section 201(IA)(ii)/ 206C(7) of the Act, as the case maybe, in specific cases regarding- 28th March 2025

The Central Board of Direct Taxes (CBDT) has issued a circular with respect to the waiver of interest on late payments of tax deducted at source (TDS) or tax collected at source (TCS) where the concerned delays are on account of the technical glitches beyond the control of taxpayer.

If the payment was initiated and debited from the taxpayer's bank account on or before the due date but credited to the government after the due date due to the technical problems, notices have been received by such taxpayers for levy of interest under section 201(IA)(ii)/ 206C(7) of the Act, as the case maybe.

The said interest may be waived by the concerned authority i.e. Chief Commissioner of Income-tax (CCIT) or Director General of Income-tax (DGIT) or in case there is no CCIT and DGIT, then Principal Chief Commissioner of Income-tax (PrCCIT). Even previously paid interest in such cases may be refunded upon approval. CBDT has also clarified that no waiver application shall be entertained beyond one year from the end of the financial year for which the interest under section 201(IA)(ii)/ 206C(7) is charged.

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

Clarification regarding CBDT's Circular No. 5/2025 dated 28.03.2025 for waiver on levy of interest under section 201(1A) (ii)/ 206C(7) of the Income-tax Act, 1961, as the case may be, in specific cases- reg.-1 July 2025

The Central Board of Direct Taxes (CBDT) has issued a Circular No. 8/2025 dated 1 July 2025 to clarify the application process under Circular dated 28 March 2025 for waiver on levy of interest under sections 201(1A)(ii) i.e. Interest for late payment of TDS to the Central Government and 206C(7) i.e. Interest for late payment of TCS to the Central Government ,of the Income-tax Act, 1961.

The current circular confirms that the competent authorities, i.e. CCIT/ DGIT/ Pr.CCIT can pass order for interest waiver after **the date of the circular's issuance**, i.e. **28-03-2025**. However, such applications must be submitted within one year from the end of the financial year in which interest was charged. For instance, if the interest charged pertains to FY 2023-24, the application for waiver of such interest
can be filed by 31.03.2025 i.e. one year from the end of FY 2023-24.

For more information, click here

Partial Modification of Circular No.3 of 2023 dated 28-3-2023 regarding consequences of PAN becoming inoperative as per Rule 114AAA of the Income-tax Rules, 1962 – 21 July 2025

The Central Board of Direct Taxes (CBDT) has issued a partial modification to its earlier Circular No. 03/2023, dated 28 March 2023, which outlined the consequences of a Permanent Account Number (PAN) becoming inoperative under Rule 114AAA of the Income-tax Rules, 1962. Further, the CBDT, through Circular No. 06/2024 dated 23 April 2024 provided relief to deductors/collectors from applicability of higher TDS/ TCS rates under section 206AA/206CC of the Act for transactions entered upto 31 March 2024, where PAN becomes operative post linkage of Aadhar on or before 31 May 2024.

To address issues raised by deductors/collectors over short TDS/TCS deductions, CBDT, through Circular No. 9/2025 dated 21 July 2025 (modifying Circular No. 03/2023), has clarified that no liability under Sections 206AA/206CC will arise in the following cases:

- If the payment is made between 1 April 2024 and 31July 2025, and the PAN is linked with Aadhaar and made operative by 30 September 2025.
- If the payment is made on or after 1 August 2025, and the PAN is linked and made operative within two months from the end of the month in which the payment is made.

For more information, click here

Extension of timelines for filling of various reports of audit for Financial Year 2024-25 (relevant to Assessment Year 2025-26) by auditable assessees - reg. - 25 September 2025

The Central Board of Direct Taxes (CBDT) has extended the due date for furnishing **audit reports** (under various provisions of the Income-tax Act) for the Assessment Year 2025–26 (Previous Year 2024–25) in respect of **specified assessees** under clause (a) of Explanation 2 to sub-section (1) of Section 139 of Income Tax Act, 1961. The timeline has been extended **from 30 September 2025** to **31 October 2025**. These assessees are typically required to file their tax audit reports one month prior to the due date for furnishing their income tax return. The extension provides additional time to complete and submit the required audit reports.

For more information, click here

Extension of timelines for filing of various reports of audit and Income Tax Returns (ITRs) for the Assessment Year 2025-26-reg. -29 October 2025

The Central Board of Direct Taxes (CBDT), through its circular dated 29 October 2025, has extended the due dates for furnishing the Income Tax Return (ITR) for the Assessment Year 2025–26 (Previous Year 2024–25), for specified assessees from **31 October 2025 to 10 December 2025**.
Consequently, the **due date for furnishing tax audit reports** under *Section 44AB of Income Tax Act, 1961* is also extended to **10 November 2025**.
For more information, click here

Frequently Asked Questions (FAQs) and Guidance Notes on Forms as per Income-tax Rules, 2026- 20 March 2026

The Central Board of Direct Taxes (CBDT) has issued a comprehensive compilation of **Frequently Asked Questions (FAQs) and Guidance Notes** dated 20 March 2026 on various forms notified under the Income-tax Rules, 2026. This initiative is aimed at facilitating a smooth transition to the new compliance framework under the *Income-tax Act, 2025*.

Coverage of forms
The compilation provides guidance on various forms prescribed under the Income-tax Rules, 2026 (for example, **Form 26 corresponding to Forms 3CA, 3CB and 3CD**), along with detailed explanations and clarifications.

Mapping with earlier framework
It includes a **detailed mapping of forms** under the Income-tax Rules, 2026 with their corresponding forms under the earlier *Income-tax Rules, 1962*, along with descriptions, FAQs, and guidance notes for each form.

Purpose and usability
The FAQs and Guidance Notes are designed to **assist taxpayers and professionals in understanding and navigating the revised forms and reporting requirements**. The Guidance Notes and FAQs are **educational in nature** and are intended solely to aid understanding; they **do not constitute legal advice**.

For more information, click here

Notification of Income tax return Forms -30 March 2026

The Central Board of Direct Taxes, vide various notifications, has notified the revised Income Tax Return Forms to be filed for Assessment Year 2026-27. The updated forms include ITR 1 SAHAJ, ITR 2, ITR 3, ITR 5, ITR 6, ITR 7, ITR-V and ITR-U.

These revised forms will be applicable for filing income tax returns for **AY 2026–27.**

For more information, click here

Income Tax Act, 2025 - 21 August 2025

The President of India has given his assent to the Income Tax Bill, and the Income Tax Act 2025 has been published in the Official Gazette. The new Act replaces the six-decade-old Income Tax Act, 1961. This Act aims to create a **simpler, transparent and compliance-friendly tax regime**, reducing number of sections from 819 to 536. It also introduces the concept of a **"tax year"** in place of the previous and assessment years.

The amended law will come into effect from 1 April 2026.

For more information, click here

Banking Laws (Amendment) Act, 2025 – 16 April 2025

The Ministry of Law and Justice issued Banking Laws (Amendment) Act, 2025 which introduces significant updates to several key financial statutes including

- The Reserve Bank of India Act, 1934,
- The Banking Regulation Act, 1949,
- The State Bank of India Act, 1955,
- The Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970, and
- The Banking Companies (Acquisition and Transfer of Undertakings) Act, 1980.

This amendment brings current and practical changes to the existing laws which aims to make operations more convenient.

This amendment shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

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

India's Labour Reforms - 22 November 2025

The Ministry of Labour and Employment has announced 4 labour codes:

- The Code on Wages, 2019
- The Industrial Relations Code, 2020
- The Code on Social Security, 2020 and
- The Occupational, Safety, Health and Working Conditions Code, 2020

29 existing labour laws have been codified into 4 labour codes

The Key Provisions in the codes are:

- Harmonised definition of wages, employee, worker and establishment across all the 4 codes
- Wages include basic pay, dearness allowance and retaining allowance. 50% (or such percentage as may be notified) of the total remuneration shall be added back to compute wages ensuring consistency in calculating gratuity, pension and social security benefits.
- Overtime wages be at least twice the normal rate for any work done beyond the regular working hours.
- Extends social security to gig and platform workers with digital, transparent delivery systems.
- Fixed-term employees become eligible for gratuity after one year (that was earlier five years).
- Provident Fund (PF) coverage expanded to all establishments with 20+ workers.
- National Database for Unorganised Workers to provide Aadhaar-linked unique IDs for seamless benefit access.
- ESIC coverage extended nationwide.
- Enhanced women-friendly provisions: 26 weeks maternity leave, benefits for adoptive/commissioning mothers, nursing breaks, crèche facilities, and work-from-home option.

For more information, click here

Banking Regulation (Companies) Amendment Rules, 2025- 10 December 2025

The Ministry of Finance has notified the Banking Regulation (Companies) Amendment Rules, 2025 to amend the Banking Regulation (Companies) Rules, 1949. The main objective of these amendment rules is to provide simplification, modernization, and removal of outdated provisions that no longer align with the current banking and financial ecosystem.

The key amendments include:
1. Removal of references to 'Subsidiary Bank'.
2. Deletion of Rule 15B being redundant under the current RBI regulatory frameworks.
3. Major Changes in Financial Reporting Formats (Form VIII and Form X)

The Rules shall come into force on the 15 December 2025

For more information, click here

Draft Rules on New Labour Codes- 31 December 2025

The Ministry of Labour and Employment has pre-published draft central rules under all four labour codes that were implemented from 21 November 2025, seeking public and stakeholder comments within a period of 30–45 days, depending on the respective Code, prior to their final notification. The draft Rules released are as follows

- Draft Code on Wages (Central) Rules, 2025;
- Draft Code on Social Security (Central) Rules, 2025;
- Draft Occupational Safety, Health, and Working Conditions Code (Central) Rules, 2025,
- Draft Industrial Relations Code (Central) Rules, 2025.

For more information, click here

Frequently Asked Questions (FAQs) on New Labour Codes- 31 December 2025

The Ministry of Labour and Employment has **issued a detailed set of Frequently Asked Questions (FAQs)** on the Labour Codes to provide **clarity on key provisions, compliance requirements and practical implementation aspects**. The FAQs aim to address common interpretational issues and dispel prevalent misconceptions, thereby assisting employers, employees and professionals in effectively navigating the changes introduced by the Labour Codes.

For more information, click here

Repeal of Legacy Acts Under Industrial Relations Code, 2020- 2 February 2026

The Ministry of Labour and Employment has issued a notification, clarifying that provisions of the Trade Unions Act, 1926, Industrial Employment (Standing Orders) Act, 1946 and Industrial Disputes Act, 1947 stand repealed with effect from 21 November 2025.

This clarification is consequent to the implementation of the Industrial Relations Code, 2020, and is aligned with the Government's broader labour law reforms aimed at consolidating multiple legacy labour legislations into four Labour Codes.

For more information, click here

Industrial Relations Code (Removal of Difficulties) (Amendment) Order, 2026 – 2 February 2026

The Ministry of Labour and Employment has issued a notification, clarifying that existing statutory authorities constituted under the Trade Unions Act, 1926, Industrial Employment (Standing Orders) Act, 1946 and Industrial Disputes Act, 1947 shall continue to function until corresponding authorities are appointed under the **Industrial Relations Code, 2020.**
This clarification has been issued to ensure continuity of regulatory and dispute resolution functions during the transition to the Industrial Relations Code, 2020, which came into force with effect from **21 November 2025**.

For more information, click here

Securities Contracts (Regulation) Amendment Rules, 2026 - 13 March 2026

The Ministry of Finance has issued Securities Contracts (Regulation) Amendment Rules, 2026 that **amends Rule 19(2)(b)** of Securities Contracts (Regulation) Rules, 1957. The amendment revises the framework relating to minimum public offer and public shareholding requirements for companies seeking to list their securities on recognised stock exchanges.

The amendment introduces a **tiered minimum public shareholding framework for IPOs based on post-issue capital, allowing large companies to list with lower initial public float but mandating gradual increase to 25% public shareholding over time.**

Post-Issue Capital (at Offer Price)	Minimum Public Offer Requirement	Timeline to Reach 25% Public Shareholding
Up to ₹1,600 crore	Minimum **25% public shareholding**	Not applicable.
₹1,600 crore – ₹4,000 crore	Such Companies must offer shares equivalent to **₹400 crore** in value to the public	Increase to **25% within 3 years** from the date of listing
₹4,000 crore – ₹50,000 crore	Minimum **10% public shareholding**	Increase to **25% within 3 years** from the date of listing
₹50,000 crore – ₹1 lakh crore	Minimum **₹1,000 crore** and at least **8% public shareholding**	Increase to **25% within 5 years** from the date of listing
₹1 lakh crore – ₹5 lakh crore	Minimum **₹6,250 crore** and **2.75% public shareholding**	If <15% at listing → **15% in 5 years and 25% in 10 years**; If ≥15% → **25% in 5 years**
Above ₹5 lakh crore	Minimum **₹15,000 crore** and **1% public shareholding**, subject to **minimum 2.5% public float**	If <15% at listing → **15% in 5 years and 25% in 10 years**; If ≥15% → **25% in 5 years**

The amendments are effective from 13 March 2026.

For more information, [click here]

Frequently Asked Questions (FAQs) on Occupational Safety, Health and Working Conditions (OSH&W) Code, 2020 - 13 March 2026

The Ministry of Labour and Employment has issued FAQs on the OSH&W Code, 2020, providing clarifications on key implementation aspects under the Code.

Key Technical Clarifications:

- The FAQs reiterate that the **principal employer is responsible for ensuring health, safety, and welfare measures** for all workers, including contract labour engaged through contractors.
- Contractors are required to **issue experience certificates to contract workers upon request**, thereby enhancing employment traceability and safeguarding worker rights.
- The requirement of free of cost **pre-employment and periodic health examinations** for workers engaged in hazardous processes and dangerous operations have been reaffirmed, with no age-based exemptions indicating a stricter compliance posture.

For more information, [click here]

Additional Frequently Asked Questions (FAQs) on Labour Codes - 16 March 2026

The Ministry of Labour & Employment has issued **Additional FAQs** to provide further clarity on the implementation of the four Labour Codes, the Code on Wages, 2019, Code on Social Security, 2020, Industrial Relations Code, 2020, and the Occupational Safety, Health and Working Conditions (OSH&WC) Code, 2020.

The updated FAQs address key interpretational and practical issues relating to **wage definitions, gratuity eligibility (including fixed-term employees), social security contributions, overtime, and leave entitlements**, thereby promoting uniform understanding across employers and employees.

Key Technical Clarifications:

- Fixed-term employment applies only to employees directly engaged by the employer and does not extend to contract labour engaged through contractors.
- In the case of contract labour, the **liability to pay gratuity rests with the contractor** and not with the principal employer.
- The term **'remuneration in kind'** includes benefits provided under the terms of employment, such as **food coupons, ration items, mobile recharges**, etc.

For more information, click here

Frequently Asked Questions (FAQs) on share capital e-form SH-7 & PAS -3 in MCA-21 V3 Portal- 21 April 2025

The Institute of Company Secretaries of India (ICSI) has released FAQs on share capital filings and related e-forms (SPICe+ Part B, PAS-3, SH-7, SH-11, and INC-28) under the MCA21 V3 portal. The document explains key concepts like the "Class Wise Master" for maintaining capital details, guides migrated companies on creating class-wise masters and clarifies when share capital fields in e-form SH-7 are editable. It also highlights the importance of the paid-up capital event date to ensure proper record updates when filing different forms.

Additionally, the FAQs address common issues and emphasise on important Do's and Don'ts for filing SH-7 and PAS-3.

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

NFRA Auditor-Audit Committee Interactions Series 4 – Audit of Accounting Estimates and Judgements Impairment of Non-financial Assets- Ind AS 36, SA 540- 30 September 2025

The National Financial Reporting Authority (NFRA) has released a new communication, i.e. Audit Committee* - Auditor Interactions Series 4 - Audit of Accounting Estimates and Judgements Impairment of Non-financial Assets- Ind AS 36, SA 540 etc. In the course of NFRA's review and monitoring activities, the auditor's communication with those charged with Governance (TCWG) (including the Audit Committees) has been variously highlighted. With the objectives of ensuring improvements in overall audit quality, promoting awareness and significance of accounting and auditing standards, auditor's responsibilities, protecting public interest and investor protection, NFRA commenced this series of Auditor – Audit Committee interactions, which is being issued on significant areas of accounting and auditing, from time to time.

This publication serves both as an educational resource and as a practical tool to drive accountability, oversight, and rigorous audit processes around impairment of non-financial assets. It focuses on how audit committees and auditors should approach the audit of accounting estimates and judgements regarding impairment of non-financial assets, referencing Ind AS 36 and SA 540.

For more information, click here

NFRA Auditor-Audit Committee Interaction Series 5- Dealing with Audit of Provisions, Contingent Liabilities and Contingent Assets – Ind AS 37, SA 540, and SA 501 – 31 March 2026

The National Financial Reporting Authority (NFRA) has released a new communication, **Auditor-Audit Committee - Interactions Series 5** – focusing on the audit of **Provisions, Contingent Liabilities and Contingent Assets with reference to Ind AS 37, SA 540, and SA 501**. Based on its review and monitoring activities, NFRA has highlighted the importance of **effective communication between auditors and Those Charged With Governance (TCWG)**, including Audit Committees.

With the objectives of ensuring improvements in overall audit quality, promoting awareness and significance of accounting and auditing standards, auditor's responsibilities, protecting public interest and investor protection, NFRA had commenced with this series of Auditor – Audit Committee interactions, which are being issued on significant areas of accounting and auditing, from time to time.

The publication serves as an educational resource to improve accountability, oversight, and robustness in audit procedures relating to provisions, contingent liabilities, and contingent assets.

For more information, click here

The Industrial Relations Code (Amendment) Act, 2026- 16 February 2026

The Industrial Relations Code (Amendment) Act, 2026 has been notified to bring further clarity on the transition to the Industrial Relations Code framework. The Amendment Act clarifies that the following legislation shall stand repealed from the appointed date:

- The Trade Unions Act, 1926
- The Industrial Employment (Standing Orders) Act, 1946; and
- The Industrial Disputes Act, 1947

The amendment shall be deemed to have come into force from 21 November 2025.

For more information, click here

The Corporate Laws (Amendment) Bill, 2026 - 23 March 2026

The Government has introduced the Corporate Laws (Amendment) Bill, 2026 in the Lok Sabha proposing specific amendments to the Limited Liability Partnership Act, 2008 and the Companies Act, 2013.

The Bill focuses on facilitating business reforms and enhancing regulatory clarity. Key proposals include introduction of enabling provisions for **International Financial Services Centre (IFSC)**-based LLPs and companies, and permitting conversion of specified trusts into LLPs, subject to prescribed conditions. The Bill also proposes revisions relating to penalties, disclosures, and conduct of general meetings, along with consequential amendments across various provisions of both legislations.

In relation to the Companies Act, 2013, the Bill introduces several definitional and procedural changes. It proposes revision in thresholds for classification of certain categories of companies and introduces provisions to permit realignment of financial years under specified circumstances. Further, new compliance requirements are proposed mandating prescribed classes of companies to maintain functional websites, designated email addresses, and electronic communication systems, along with reporting of such details to the Registrar of Companies.
Overall, the proposed amendments are aimed at promoting ease of doing business, strengthening corporate governance, and enabling greater use of digital infrastructure in regulatory compliance.

For more information, click here

The Foreign Contribution Regulation Amendment Bill 2026 - 26 March 2026

The Government has introduced the Foreign Contribution (Regulation) Amendment (FCRA) Bill, 2026 in the Lok Sabha, proposing significant changes to strengthen oversight of foreign funding received by NGOs and other entities. The Bill proposes amendments to the Foreign Contribution (Regulation) Act, 2010 (FCRA) with the objective of strengthening transparency, improving compliance, and facilitating genuine charitable activities while ensuring effective regulatory oversight.

Key amendments include:

- The Bill aims to enhance **accountability and transparency** in the utilization of foreign contributions.
- Introduction of a framework enabling the government to manage and regulate the assets of organisations whose FCRA registration has been cancelled/suspended.
- Empowerment of the government to prescribe timelines for receipt and usage of foreign funds.
- Establishment of clearer provisions for management and disposal of funds and assets of non-compliant or deregistered entities.
- Measures aimed at preventing misuse of foreign contributions and ensuring alignment with national interest.

For more information, click here

International | Accounting News

Marked-up version of the IFRS for SMEs- 16 April 2025

The IFRS Foundation has published a new educational material to support stakeholders in understanding the differences between the second and third editions of the IFRS for SMEs.
The material presents the full text of the Standard, **with all changes in the third edition** of the Standard marked up to help stakeholders assess the effects of the changes and prepare for implementation.

For more information, click here

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

Request for Information on Post-implementation Review of IFRS 16 Leases by IASB- 30 June 2025

International Accounting Standards Board (IASB) has recently issued 'Request for Information on Post-implementation Review (PIR) of IFRS 16 Leases' for public comments as part of its due process to evaluate whether the Standard is broadly working as intended for investors, companies, auditors and regulators. IFRS 16, which became effective in January 2019, brought a significant change in lease accounting to improve information that companies provide about their lease arrangements to investors and other users of financial statements.

The Accounting Standards Board (ASB) ICAI has also invited various stakeholders to provide their feedback / comments on the said PIR of IFRS 16 latest by 31 August 2025. This feedback will help the IASB determine whether any clarifications, amendments, or additional guidance are needed to enhance the effectiveness of IFRS 16.

For more information, click here

IFRS for SMEs Accounting Standard modules- 8 July 2025

The International Financial Reporting Standard (IFRS) Foundation has developed stand-alone modules, for each section of the IFRS for SMEs Accounting Standard. These modules are designed to provide support for individuals interpreting financial statements prepared using the IFRS for SMEs Accounting Standard. The modules are still not approved by IASB and are valuable resources for understanding and applying the Standard.

For more information, click here

Tentative Agenda Decision on Updates to Committee's agenda decisions for IFRS 18-11 July 2025

The IFRS Interpretations Committee (IC) has issued a Tentative Agenda Decision (TAD) addressing 'Updates to the Committee's agenda decisions for IFRS 18' and sought public comments globally. IC issues such Agenda Decisions to explain how the applicable accounting principles in IFRS Standards apply to particular transactions.

The Accounting Standards Board (ASB) of the Institute of Chartered Accountants of India (ICAI) has also invited comments from stakeholders in India on the TAD issued by the IFRS (IC), to encourage active participation in international standard-setting and implementation thereof.

TAD is open for public comments until 25 August 2025.

For more information, click here

Tentative Agenda Decision on Determining and Accounting for Transaction Costs (IFRS 9)- 11 July 2025

The IFRS Interpretations Committee (IC) has issued a Tentative Agenda Decision (TAD) on 'Determining and Accounting for Transaction Costs (IFRS 9)' and sought public comments globally. IC issues such Agenda Decisions to explain how the applicable accounting principles in IFRS Standards apply to particular transactions.

The Accounting Standards Board (ASB) of the Institute of Chartered Accountants of India (ICAI) has also invited comments from stakeholders in India on the TAD issued by the IFRS (IC), to encourage active participation in international standard-setting and implementation thereof.

TAD is open for public comments until 25 August 2025.

For more information, click here

Tentative Agenda Decision on Embedded Prepayment Option (IFRS 9)- 11July 2025

The IFRS Interpretations Committee (IC) has issued a Tentative Agenda Decision (TAD) on 'Embedded Prepayment Option (IFRS 9)' and sought public comments globally. IC issues such Agenda Decisions to explain how the applicable accounting principles in IFRS Standards apply to particular transactions.

The Accounting Standards Board (ASB) of the Institute of Chartered Accountants of India (ICAI) has also invited comments from stakeholders in India on the TAD issued by the IFRS (IC), to encourage active participation in international standard-setting and implementation thereof.

TAD is open for public comments until 25 August 2025.

For more information, click here

IASB issues amendments to IFRS 19 to complete catch-up work- 21 August

The International Accounting Standards Board (IASB) has released amendments to *IFRS 19: Subsidiaries without Public Accountability—Disclosures.* IFRS 19 was originally issued in May 2024 and permits eligible subsidiaries to apply IFRS Accounting Standards with reduced disclosure requirements. While the Standard initially covered pronouncements issued up to February 2021, the latest amendments extend these reduced disclosures to Standards and amendments published between February 2021 and May 2024.
Key updates include:

- **IFRS 18** – *Presentation and Disclosure in Financial Statements*
- **Supplier Finance Arrangements** (Amendments to IAS 7 and IFRS 7)
- **International Tax Reform—Pillar Two Model Rules** (Amendments to IAS 12)
- **Lack of Exchangeability** (Amendments to IAS 21)

- **Classification and Measurement of Financial Instruments** (Amendments to IFRS 9 and IFRS 7)

With these amendments, IFRS 19 reflects the changes to IFRS Accounting Standards that take effect up to 1 January 2027, when IFRS 19 will be applicable.

For more information, click here

FASB Issues Standard on Derivatives Scope Refinements- 29 September 2025

The Financial Accounting Standards Board (FASB) has published an Accounting Standards Update (ASU)- 'Derivatives Scope Refinements and Scope Clarification for Share-Based Non cash Consideration From a Customer in a Revenue Contract'. The ASU is intended to address stakeholders' concerns about the application of derivative accounting to contracts with features based on the operations or activities of one of the parties to the contract and to reduce the diversity in accounting for share-based payments from a customer in Revenue Contracts.

For more information, click here

FASB Seeks Public Comment on Proposed Guidance on Initial Measurement of Paid-in-Kind Dividends on Equity-Classified Preferred Stock - 30 September 2025

The Financial Accounting Standards Board (FASB) has issued a proposed Accounting Standards Update (ASU) that aims to standardize the initial measurement of **paid-in-kind (PIK) dividends (e.g. dividends paid in the form of additional shares)** on equity-classified preferred stock. As per the proposed amendments, PIK dividends should be initially measured based on the contractual terms of the preferred stock agreement, specifically using the stated PIK dividend rate applied to the liquidation preference (i.e. the preferred stock's face or liquidation value).

The proposal seeks to eliminate current inconsistencies in practice and improve comparability in financial reporting.

Comments on the proposed ASU are due by 27 October 2025.

For more information, click here

IFRS for SMEs Accounting Standard modules – 13 October 2025

The IFRS Foundation has developed a set of stand-alone modules, one for each section of the *IFRS for Small and Medium-sized Entities (SMEs) Accounting Standard*. These modules serve as practical learning tools to help users understand, apply, and interpret the requirements of the Standard. The Foundation is currently updating the modules to reflect the amendments introduced in the 2025 version of the Standard, with priority given to sections that have undergone significant changes.

For more information, click here

FASB Improves Guidance on Purchased Loans - 12 November 2025

The Financial Accounting Standards Board (FASB) has issued a new Accounting Standards Update (ASU) aimed to improve how purchased loans are accounted.

As per the current generally accepted accounting principles, acquired financial assets are initially recorded at their amortized cost basis, with an allowance for expected credit losses recognized separately. The process for PCD assets uses a "gross-up approach" to record the initial allowance.

The ASU has simplified this area by broadening the range of acquired financial assets that must follow the gross-up approach. Under the new guidance, most acquired loans except credit card receivables shall be classified as purchased seasoned loans and recorded using the gross-up method at acquisition, provided it meets the specified criteria.

For more information, click here

FASB Issues New Standard to Improve Hedge Accounting Guidance – 25 November 2025

The Financial Accounting Standards Board (FASB) has introduced new hedge accounting rules for how companies report on complex financial tools that used to manage risks, like future prices of goods or interest rate changes. The Board has published Accounting Standards Update (ASU) Hedge Accounting Improvements, marking a continued effort to align financial reporting with the economic realities of risk management. The ASU enables entities to apply hedge accounting to a greater number of highly effective economic hedges in the following five areas:

- **Similar Risk Assessment for Cash Flow Hedges**
- **Hedging Forecasted Interest Payments on Choose-Your-Rate Debt Instruments**
- **Cash Flow Hedges of Nonfinancial Forecasted Transactions**
- **Net Written Options as Hedging Instruments**
- **Foreign-Currency-Denominated Debt Instrument as Hedging Instrument and Hedged Item (Dual Hedge)**

For more information, click here

Exposure Draft of Ind AS 119, Subsidiaries without Public Accountability: Disclosures – 5 December 2025

The Accounting Standards Board (ASB) of the Institute of Chartered Accountants of India (ICAI) has issued an Exposure Draft proposing a new standard, **Ind AS 119 – *Subsidiaries without Public Accountability: Disclosures***.

The proposed Ind AS 119 is a **voluntary standard** applicable to eligible subsidiaries and is intended to **simplify the preparation of financial statements** by prescribing **reduced disclosure requirements**, while retaining the recognition and measurement principles of existing Ind AS.

Indian Accounting Standards are formulated in alignment with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB). In this context, the IASB had earlier issued **IFRS 19 – *Subsidiaries without Public Accountability: Disclosures*** in 2024, which introduced a reduced disclosure framework for eligible subsidiaries. The proposed Ind

AS 119 is broadly aligned with IFRS 19.

Under the proposed standard, a subsidiary would be eligible to apply reduced disclosures if, at the end of its reporting period, it:

- does not have public accountability (for example, it is not a listed entity); and
- has an ultimate or intermediate parent that prepares consolidated financial statements available for public use in compliance with Ind AS.

The Exposure Draft has been issued for public comments, and **comments may be submitted up to 5 March 2026**.

For more information, click here

Exposure Draft on Risk Mitigation Accounting-Proposed amendments to IFRS 9 and IFRS 7- 23 December 2025

The International Accounting Standards Board (IASB) issued an exposure draft titled Risk Mitigation Accounting-Proposed amendments to IFRS 9 and IFRS 7. The Accounting Standards Board (ASB) of ICAI has also invited stakeholder comments on this consultative document to enable early participation in the international standard-setting process.

The proposed risk mitigation accounting model is expected to primarily impact financial institutions, particularly those that manage interest rate repricing risk on a net basis. Repricing risk arises when interest-earning assets (such as loans) and interest-bearing liabilities (such as deposits) reset interest rates at different times or reference different benchmarks, resulting in volatility in net interest income.

The Exposure Draft proposes amendments to ***IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures to***:

- introduce a risk mitigation accounting model for entities that manage repricing risk on a net basis; and
- enhance disclosure requirements by mandating entities to explain their repricing risk management strategy and the financial effects of related risk management activities.

In addition, the IASB has sought feedback on the proposed withdrawal of IAS 39 *Financial Instruments: Recognition and Measurement.*

The exposure draft is open for public comments until **22 May 2026.**

For more information, click here

Exposure Draft of Amendments to Ind AS 21-Translation to a Hyperinflationary Presentation Currency- 26 December 2025

The Accounting Standards Board (ASB) of the Institute of Chartered Accountants of India (ICAI) has issued an Exposure Draft seeking public comments on the “Amendments to Ind AS 21 – Translation to a Hyperinflationary Presentation Currency.” The proposed amendments specify the translation requirements for entities whose presentation currency is that of a hyperinflationary economy, with the objective of enhancing consistency and comparability in financial reporting.

The Exposure Draft is open for public comments until 25 January 2026.

For more information, click here

FAQs on key accounting implications arising from the New Labour Codes - 26 December 2025

The Accounting Standards Board (ASB) of the Institute of Chartered Accountants of India (ICAI) has issued a set of Frequently Asked Questions (FAQs) to provide guidance on the key accounting implications arising from the implementation of the New Labour Codes. The FAQs address significant issues relating to the recognition, measurement, presentation and disclosure of employee benefit obligations—particularly gratuity and leave encashment—under Ind AS and Indian Generally Accepted Accounting Principles (GAAP).

The FAQs clarify that the New Labour Codes are expected to increase employee benefit liabilities, especially in respect of gratuity and leave encashment, due to the revised definition of wages and the extension of gratuity eligibility to fixed-term employees after one year of service. Any resulting increase in obligation is required to be accounted for as past service cost and **recognised immediately in profit or loss** in accordance with Ind AS 19 and AS 15, subject to vesting conditions. Further, the enactment of the Labour Codes constitutes a non-adjusting event for reporting periods ending before 21 November 2025, though appropriate disclosures are required in the financial statements.

For more information, click here

ISSB issues targeted amendments to IFRS S2 to support implementation – 11 December 2025

The **International Sustainability Standards Board (ISSB)** has issued **targeted amendments** to the **IFRS S2 Climate-related Disclosures** standard to support practical implementation by preparers, based on feedback received during early application. These amendments **clarify and ease several greenhouse gas (GHG) emissions disclosure requirements** while maintaining the quality and decision-usefulness of information for investors.

Key changes include:

- Clarification that an entity is permitted to limit measurement and disclosure of Scope 3 Category 15 GHG emissions to financed emissions as defined in IFRS S2;
- permit the use of alternative classification systems—beyond the Global Industry Classification Standard—to disaggregate information about financed emissions;
- clarify the availability of the jurisdictional relief from using the GHG Protocol Standard,
- introduce a jurisdictional relief from using global warming potential values from the latest IPCC Assessment Report for converting GHG emissions.

Consequential amendments were also issued to align **financed emissions metrics** in three SASB Standards with the amended IFRS S2 requirements.

The amendments are effective for reporting periods beginning on or after 1 January 2027, with early application permitted.

For more information, click here

Tentative Agenda Decision on Assessment of a Specified Main Business Activity for the purposes of the Separate Financial Statements of a Parent (IFRS 18)- 23 December 2025

The IFRS Interpretations Committee (IC) has issued a Tentative Agenda Decision (TAD) on *“Assessment of a Specified Main Business Activity for the purposes of the Separate Financial Statements of a Parent under IFRS 18”* and has invited public comments globally. Agenda Decisions are issued by the IC to explain how the principles in IFRS Standards should be applied to particular transactions or specific fact patterns.

The agenda item addresses whether, in the preparation of separate financial statements, a parent entity’s specified main business activity should be assessed based on the activities of the group or the activities of the parent entity itself. The IC concluded that, for the purposes of IFRS 18, the assessment must be made **based on the parent’s own activities reflected in its separate financial statements**, and not by reference to the group’s consolidated activities.

The Accounting Standards Board (ASB) of ICAI has also invited comments from stakeholders in India on this TAD, to encourage active participation in international standard-setting and its implementation.

The Tentative Agenda Decision is open for public comments until **22 January 2026**.

For more information, click here

Tentative Agenda Decision on Classification of Gains and Losses on a Derivative Managing a Foreign Exchange Exposure (IFRS 18)- 23 December 2025

The IFRS Interpretations Committee (IC) has issued a Tentative Agenda Decision (TAD) on *“Classification of Gains and Losses on a Derivative Managing a Foreign Exchange Exposure under IFRS 18”* and has invited public comments globally. The IC issues Agenda Decisions to clarify how the principles in IFRS Standards should be applied to specific transactions or fact patterns.

The agenda item addresses the appropriate classification, under IFRS 18, of gains and losses arising from derivatives used to manage foreign exchange risk—specifically, whether such gains and losses should be classified based on the nature of the derivative itself or by reference to the activity giving rise to the underlying foreign exchange exposure. The IC concluded that gains and losses on such derivatives should be classified consistently with the category (operating, investing or financing) of the income or expenses arising from the item whose foreign exchange risk is being managed.

The Accounting Standards Board (ASB) of the ICAI has also invited comments from stakeholders in India on this TAD, to encourage active participation in international standard-setting and its implementation.

The Tentative Agenda Decision is open for public comments until **22 January 2026**.

For more information, click here

Tentative Agenda Decision on Presentation of Taxes or Other Charges that are Not Income Taxes within the Scope of IAS 12 (IFRS 18) – 23 December 2025

The IFRS Interpretations Committee (IC) has issued a Tentative Agenda Decision (TAD) on “Presentation of Taxes or Other Charges that are Not Income Taxes within the Scope of IAS 12 for IFRS 18” and has invited public comments globally. The IC issues Agenda Decisions to clarify how the principles in IFRS Standards should be applied to specific transactions or fact patterns.

The agenda item addresses how taxes or other charges that do not meet the definition of income taxes under IAS 12 should be presented in the statement of profit or loss in accordance with IFRS 18. The IC concluded that such taxes or charges must not be presented as income tax expense and should instead be classified as operating, investing, or financing expenses, based on the activity that gives rise to the tax or charge, in accordance with the presentation principles of IFRS 18.

The Accounting Standards Board (ASB) of the ICAI has also invited comments from stakeholders in India on this TAD, to encourage active participation in international standard-setting and its implementation.

The Tentative Agenda Decision is open for public comments until 22 January 2026.

For more information, click here

Tentative Agenda Decision on Scope of the Requirement to Disclose Expenses by Nature (IFRS 18)- 23 December 2025

The IFRS Interpretations Committee (IC) has issued a Tentative Agenda Decision (TAD) on “Scope of the Requirement to Disclose Expenses by Nature under IFRS 18” and has invited public comments globally. The IC issues Agenda Decisions to clarify how the principles in IFRS Standards are applied to specific transactions or fact patterns.

The agenda item considers whether the requirement in IFRS 18 (paragraph 83) to disclose total amount of specified expenses applies to operating expenses listed in paragraph 75(a)(ii) by function, or whether it also applies when any expense is presented by function in the operating category, including those required by IFRS 9 and IFRS 17 under paragraphs 75(b)–(c).

The IC concluded that the paragraph 83 contains no exceptions and does not exclude expenses listed in paragraph 75(b)–(c). Therefore, paragraph 83 applies whenever any expense is presented by function in the operating category.

The Accounting Standards Board (ASB) of the ICAI has also invited comments from stakeholders in India on this TAD, to encourage active participation in international standard-setting and its implementation.

The Tentative Agenda Decision is open for public comments until 22 January 2026.

For more information, click here

IASB consults on clarifying the fair value option in IAS 28- 19 February 2026

The International Accounting Standards Board (IASB) has issued an exposure draft proposing targeted amendments to IAS 28 *Investments in Associates and Joint Ventures*, to clarify the eligibility criteria for applying the ‘**fair value through profit or loss’ accounting option** instead of the ‘**equity method of accounting’** for measurement of investments in Associates and Joint Ventures.

The Exposure Draft proposes amendments to **paragraphs 18–19 of IAS 28** to clarify that an entity **whose main business activity is investing in specific types of assets** (as described in paragraph 49(a) of IFRS 18 Presentation and Disclosure in Financial Statements) is eligible to elect the **fair value option**.

The proposals are issued in response to **stakeholder feedback highlighting diversity in practice** in applying the fair value option under IAS 28, particularly in the context of the implementation of **IFRS 18 Presentation and Disclosure in Financial Statements**. With IFRS 18 becoming effective for annual periods beginning on or after **1 January 2027**, more entities are expected to reassess the use of this option under the revised presentation framework.

The exposure draft is open for comments until 20 April 2026.

For more information, click here

IPSASB releases inaugural public sector standard for climate-related disclosures- 29 January 2026

The International Public Sector Accounting Standards Board (IPSASB) has issued **IPSASB SRS 1, Climate-related Disclosures**—its first sustainability reporting standard specifically designed for governments and other public sector entities. The standard aims to promote consistent and transparent reporting of climate-related risks and opportunities in the public sector.

IPSASB SRS 1 is aligned with **IFRS S2** – Climate-related Disclosures and applies to an entity's general purpose financial reports.

The standard is effective for reporting periods beginning on or after **1 January 2028**, with early adoption permitted.

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

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

ISSB proposes enhancements to the SASB standards and consequential amendments to IFRS S2- 3 July 2025

The International Sustainability Standards Board (ISSB) has published two exposure drafts proposing amendments to the Sustainability Accounting Standards Board (SASB) Standards and consequential amendments to the industry-based guidance on implementing International Financial Reporting Standard 2 (IFRS S2) Climate -related disclosures. The proposed amendments :

1) present a comprehensive review of nine priority industries (all eight industries within the extractives and minerals processing sector and the processed foods industry);

2) support the implementation of IFRS S1 and IFRS S2 through timely enhancements to the SASB standards

The draft is open for comments until 30 November 2025.

For more information, click here

ISSB publishes educational material on its industry-based guidance- 10 July 2025

The International Sustainability Standards Board (ISSB) has published educational material on how to use its industry-based guidance, which comprises the Sustainability Accounting Standards Board (SASB) standards and the 'Industry-based Guidance on Implementing IFRS S2'.

The educational material explains:

- requirements in ISSB Standards that companies 'shall refer to and consider the applicability of' the ISSB industry-based guidance;
- considerations related to applying the ISSB industry-based guidance; and
- disclosure requirements about how a company has used the ISSB industry-based guidance.

This educational material can provide helpful context for stakeholders reviewing the proposed amendments to the SASB Standards in the Exposure Draft *Proposed Amendments to SASB Standards*. It has no effect on the proposed enhancements and does not add to or otherwise change the requirements in the ISSB Standards.

For more information, click here

Financial Accounting Standards Board (FASB) Issues Standard That Makes Targeted Improvements to Internal-Use Software Guidance- 18 September 2025

FASB has published an Accounting Standards Update (ASU) that updates the guidance on accounting for internal-use software costs to make it more operable and adaptable to current and future software development methods. This update introduces focused enhancements to the guidance on capitalizing costs related to internal-use software.

The new guidance eliminates references to specific project stages, such as the application development stage. Instead, companies are required to capitalize costs when management has authorized and committed to funding the project, and when the project is deemed probable of completion.

The amendments in the ASU shall be effective for all entities for annual reporting periods beginning after 15 December 2027, and interim reporting periods within those annual reporting periods. Early adoption is permitted as of the beginning of an annual reporting period.

For more information, click here

Exposure Draft on Amendments to the Fair Value Option for Investments in Associates and Joint Ventures - Proposed amendments to IAS 28 issued by the IASB for comments- 3 March 2026

The International Accounting Standards Board (IASB) has issued an Exposure Draft proposing **amendments to IAS 28, Investments in Associates and Joint Ventures,** to clarify the eligibility criteria for applying the '**fair value through profit or loss' accounting option** instead of the '**equity method of accounting'** for measurement of investments in Associates and Joint Ventures.

The Exposure Draft proposes amendments to paragraphs 18 and 19 of IAS 28 to clarify that an entity whose **main business activity involves investing in particular types of assets**, as described in paragraph 49(a) of IFRS 18-Presentation and Disclosure in Financial Statements), would be eligible to elect the fair value option.

The Indian Accounting Standards are formulated in alignment with International Financial Reporting Standards (IFRS) issued by the IASB. In order to provide stakeholders in India an opportunity to raise concerns at the initial international standard-setting stage, the Accounting Standards Board (ASB) of ICAI has invited comments on this Exposure Draft.

The Exposure Draft is open for public **comments until 2 April 2026**.

For more information, click here

Tentative Agenda Decision on Reassessment of Control (IFRS 10)-2 April 2026

The IFRS Interpretations Committee (IC) has issued a Tentative Agenda Decision (TAD) on **"Reassessment of Control under IFRS 10"** and has invited public comments globally. Agenda Decisions are published to clarify how principles in IFRS Standards apply to particular transactions or specific fact patterns.

The Committee considered a query on whether, in accordance with paragraph 8 of IFRS 10, an entity is required to reassess whether it retains control of an investee when the investee's governing documents are amended.

The Committee observed that reassessment of control may be required depending on the specific facts and circumstances. However, since the issue is not considered widespread, the Committee decided not to undertake a standard-setting project.

The Accounting Standards Board of ICAI has also invited comments from stakeholders in India to promote participation in international standard-setting and its implementation.

The Tentative Agenda Decision is open for public comments until **2 May 2026**.

For more information, click here

List of Abbreviations

AASB	Auditing and Assurance Standards Board
AGM	Annual General Meeting
AMCs	Asset Management Companies
AQMM	Audit Quality Maturity Model
ASB	Accounting Standards Board
ASSOCHAM	Associated Chambers of Commerce and Industry of India
ASU	Accounting Standards Update
BRSR	Business Responsibility and Sustainability Report
BSE	Bombay Stock Exchange
CACAF	Committee for Aggregation of CA Firms
CAS	Cost Accounting Standard
CBDT	Central Board of Direct Taxes
CG	Central Government
CII	Confederation of Indian Industry
CRAs	Credit Rating Agencies
CRM	Credit Risk Mitigation
CSCRF	Cybersecurity and Cyber Resilience
CSR	Corporate Social Responsibility
DAAB	Digital Accounting and Assurance Board
DEA	Depositor Education and Awareness
DPs	Designated persons
DRHP	Draft Red-Herring Prospectus
DTCs	Direct Taxes Committee
DTs	Debenture Trustees
EAC	Expert Advisory Committee
ECL	Expected Credit Losses
EGM	Extraordinary General Meeting
ERPs	ESG Rating Providers
ESG	Environmental, Social and Governance
FAIS	Forensic Accounting and Investigation Standards
FAQs	Frequently Asked Questions

FASB	Financial Accounting Standards Board
FEMA	Foreign Exchange Management Act
FICCI	Federation of Indian Chambers of Commerce and Industry
FY	Financial Year
GAAP	Generally Accepted Accounting Principles
GHG	Greenhouse gas
GRI	Global Reporting Initiative
HEC	Holistic Environmental Costing
HVDLEs	High Value Debt Listed Entities
IASB	International Accounting Standards Board
ICAI	Institute of Chartered Accountants of India
ICDR	Issue of Capital and Disclosure Requirement
ICMAI	Institute of Cost Accountants of India
ICSI	Institute of Company Secretaries of India
IEPF	Investor Education and Protection Fund
IESBA	International Ethics Standards Board for Accountants
IFRS	International Financial Reporting Standard
IFSC	International Financial Services Centre
IFSCA	International Financial Services Centres Authority
Ind AS	Indian Accounting Standard
IPO	Initial Public Offering
IPSAB	International Public Sector Accounting Standards Board
IRDAI	Insurance Regulatory and Development Authority of India
ISAS	Information Systems Audit Standards
ISF	Industry Standards Forum
ISSB	International Sustainability Standards Board
KMP	Key Management Personnel
KRAs	KYC Registration Agencies
KYC	Know-Your Customer
LLPs	Limited Liability Partnerships
LODR	Listing Obligation and Disclosure Requirements
MCA	Ministry of Corporate Affairs

MD	Managing Director
MIIs	Market Infrastructure Institutions
MRL	Management Representation Letter
MSMEs	Micro, Small, and Medium-Sized Entities
NBFC	Non- Banking Financial Companies
NCEs	Non-Corporate Entities
NFRA	National Financial Reporting Authority
NPOs	Not for Profit Organizations
OAVM	Other Audio Visual Means
OECD	Organization for Economic Co-operation and Development
PIR	Post-implementation Review
PIT	Prohibition of Insider Trading
QR	Quick Response
RBI	Reserve Bank of India
REITs	Real Estate Investment Trusts
REs	Regulated entities
RPT	Related Party Transaction
SAs	Standards on Auditing
SASB	Sustainability Accounting Standards Board
SEBI	Securities and Exchange Board of India
SMCs	Small and Medium-sized Companies
SMEs	Small and Medium-sized Enterprises
SOP	Standard Operating Process
SQC	Standard on Quality Control
SQM	Standard on Quality Management
SSE	Social Stock Exchange
TAD	Tentative Agenda Decision
TCS	Tax Collected at Source
TCWG	Those Charged with Governance
UDIN	Unique Document Identification Number
UPSI	Unpublished Price Sensitive Information
UTI	Unique Transaction Identifier

VAPT	Vulnerability Assessment and Penetration Testing
WTD	Whole Time Director
XBRL	Extensible Business Reporting Language