

First Notes



MCA notified the Companies (Amendment) Act, 2020

17 February 2021

First Notes on

- Financial reporting
- Corporate law updates**
- Regulatory and other information
- Disclosures

Sector

- All**
- Banking and insurance
- Information, communication, entertainment
- Consumer and industrial markets
- Infrastructure and government

Relevant to

- All**
- Audit committee
- CFO
- Others

Transition

- Immediately**
- Within the next three months
- Post three months but within six months
- Post six months
- Forthcoming requirement

Introduction

The Ministry of Corporate Affairs (MCA) issued certain amendments to the Companies Act, 2013 (2013 Act) through the Companies (Amendment) Act, 2020 (2020 Amendment Act) which received the assent of the President of India on 30 September 2020. The 2020 Amendment Act incorporates amendments suggested by the Company Law Committee (CLC) in its report. The government constituted CLC in September 2019 to review sections on offences under the 2013 Act and suggest changes to promote ease of doing business and ease of living for law-abiding corporates.

Further, MCA through its notification dated 21 December 2020, 22 January 2021 and 11 February 2021 notified certain sections of the 2020 Amendment Act.

This issue of the First Notes provides an overview of the notified sections of the 2020 Amendment Act.



Overview of the amendments

On 22 January 2021 and 11 February 2021, MCA notified certain sections of the 2020 Amendment Act. The following table discusses the sections notified:

Part I: Sections notified with effect from 22 January 2021

Provision of the 2013 Act	Amendment
Chapter I: Preliminary	
Amendment to definition of listed company (Section 2(52))	The 2020 Amendment Act empowers Central Government in consultation with the Securities and Exchange Board of India (SEBI) to exclude, certain listed companies and private companies with the intention of getting listed certain class of its securities, from the category of 'listed companies'.



Overview of the amendments (cont.)

Provision of the 2013 Act	Amendment
Chapter IV: Share Capital and Debentures	
Reduction of timelines for rights issue process (Section 62(1))	<p>Recently, the Securities and Exchange Board of India (SEBI) reduced the timeline for the rights issue process as prescribed under the (Issue of Capital and Disclosure Requirements) Regulations, 2018 (ICDR Regulations).</p> <p>Consequently, the 2020 Amendment Act amended Section 62(1) of the 2013 Act to enable the Central Government to reduce the rights issue offer period. The amendment removes the current requirement of mandatory period of minimum 15 days offer to accept rights issue.</p> <p>Further, MCA through amendment to Companies (Share Capital and Debenture) Rules, 2014 (Share Capital Rules) has issued a new Rule 12A to prescribe number of days for offer to be accepted. As per new Rule 12A, for the purposes of Section 62(1), the time period within which the offer should be made for acceptance shall be not less than seven days from the date of offer.</p>
Chapter VII: Management and Administration	
Declaration in respect of beneficial interest in any share (Section 89(11))	<p>The 2020 Amendment Act amended Section 89 to insert a new provision relating to exemption from the requirement of making a declaration under Section 89.</p> <p>The new sub-section 89(11) enables Central Government to prescribe class or classes of persons to exempt from the specified requirements of Sections 89.</p>
Resolutions and agreements to be filed with the ROC by the company (Section 117(3))	<p>Currently under Section 117(3) of the 2013 Act, banks are exempted from filing of resolutions to ROC relating to grant of loans or giving guarantees or providing security in respect of loans.</p> <p>The 2020 Amendment Act introduces amendments to Section 117(3) to provide similar exemption to registered Non-banking Financial Companies (NBFCs) and Housing Finance Companies(HFCs). This is because NBFCs and HFCs engage in lending activities in their regular course of business, similar to the manner in which banks engage in such activities.</p>
Chapter IX: Account of Companies	
Periodical financial results (Section 129A)	<p>The 2020 Amendment Act inserts a new Section 129A relating to requirement of periodical financial results. The section enables Central Government to prescribe such class or classes of unlisted companies to:</p> <ul style="list-style-type: none"> • Prepare periodical financial results (period and form to be prescribed) • Obtain approval of the Board of Directors • Complete audit or limited review of such periodical financial results (manner to be prescribed) • File a copy with the Registrar of Companies (ROC) within 30 days of completion of the relevant period (fees to be prescribed).
Modifying Corporate Social Responsibility (CSR) provisions (Section 135)	<p>The 2020 Amendment Act introduced following amendments under Section 135 relating to CSR:</p> <ul style="list-style-type: none"> • <i>Set Off of excess amount:</i> Inserted a new provision to allow setting off of excess amount spent on CSR activities against the requirement to spend under the 2013 Act. The set-off would be available for certain number of succeeding financial years and in a particular manner. Further, MCA through Companies (CSR Policy) Rules, 2014 (CSR Rules) has prescribed the number of succeeding financial years and manner of set-off. • <i>Exemption from forming CSR Committee:</i> If the amount to be spend by a company on CSR is less than INR50 lakh then a CSR Committee is not required to be formed. In this case, the Board of Directors of such a company would discharge the functions of that of a CSR Committee.

Provision of the 2013 Act	Amendment
CSR Provisions (cont.)	<ul style="list-style-type: none"> • <i>Penalty for non-compliance:</i> Following penalty provision has been inserted for non-compliance of provisions relating to CSR: <ul style="list-style-type: none"> ○ On a company: Twice the amount required to be transferred by the company to the Fund specified in Schedule VII or the 'Unspent Corporate Social Responsibility Account' or INR1 crore whichever is lower, and ○ On every officer in default: 1/10th of the amount required to be transferred to the Fund specified in Schedule VII or the 'Unspent Corporate Social Responsibility Account' or INR2 lakh, whichever is lower.
Chapter XXII: Companies Incorporated Outside India	
Exemption of Chapter applicable to foreign companies or bodies corporate (Section 379 and Section 393A)	<p>Chapter XXII lays down certain provisions applicable to companies incorporated outside India but have a place of business in India.</p> <p>The 2020 Amendment Act, inserted a new Section 393A relating to exemption from the requirements of Chapter XXII. The new Section 393A enables Central Government to prescribe any class of:</p> <ol style="list-style-type: none"> a) Foreign companies b) Companies incorporated or to be incorporated outside India, whether the company has or has not established, or when formed may or may not establish, a place of business in India <p>which would be exempt from the provisions of Chapter XXII.</p> <p>Further, the 2020 Amendment Act omitted the provision under Section 379 relating to the exemption for foreign companies from the requirements of specified section under Chapter XXII.</p>
Chapter XXVII: National Company Law Tribunal and Appellate Tribunal	
Constitution of additional Benches of NCLAT and related provisions (Section 410 and Section 418A)	<p>The 2020 Amendment Act inserted a new Section 418A to enable Central Government with the powers to set up such number benches of National Company Law Appellate Tribunal (NCLAT) as may be required. Further, Central Government would set up benches of the NCLAT in places other than New Delhi, if required.</p> <p>Additionally, the 2020 Amendment Act removed the restriction on the appointment of the number of judicial and technical members in NCLAT by the Central Government from Section 410.</p>
Chapter XXVIII: Special Courts	
Establishment of Special Courts (Section 435)	<p>The 2020 Amendment Act amended Section 434 to exclude offence under Section 452 relating to punishment for wrongful withholding of property, from the applicability of Section 435.</p>
Lesser penalties for one person and small companies (Section 446B)	<p>Currently, Section 446B of the 2013 Act prescribes lesser penalties for one person and small companies in case of defaults under Section 92(5)¹, 117(2)² or 137(3)³. The penalty prescribed is one half of the penalty specified in these sections.</p> <p>Section 446B is amended to extend the benefit of reduced penalties to a start-up and a producer company. Therefore, if a start-up, producer company, one person company or a small company fails to comply with any applicable provisions of the 2013 Act which levies monetary penalties, then such a penalty would be reduced to one half of the penalty specified in such respective provisions.</p> <p>Further, the maximum penalty has been capped at INR2 lakh in case of a company and INR1lakh who is in default or any other person, as the case may be</p>
Chapter XXIX: Miscellaneous	
Punishment for wrongful withholding of property (Section 452)	<p>The 2020 Amendment inserted a new provision under Section 452 to provide that the imprisonment of officer or employee of the company for wrongful possession or withholding of property should not be ordered, if the court is satisfied that company has not paid specified statutory dues to such officer or employee.</p>

¹Section 92(5) relates to penalty for default in filing annual return

²Section 117(2) relates to penalty for default in filing specified resolutions to ROC within 30 days of passing such resolutions.

³Section 137(3) relates to penalty for default in filing of copy of financial statement to ROC

Provision of the 2013 Act	Amendment
Chapter XXIX: Miscellaneous	
Adjudication of penalties (Section 454)	A new proviso to Section 454(3) has been inserted to provide that no penalty should be imposed, when the default relates to non-compliance of Section 92(4) relating to annual return or Section 137(1)/137(2) relating to filing of financial statements) has been rectified either prior to, or within 30 days of, the issue of the notice by the adjudicating officer.

Part II: Sections notified with effect from 11 February 2021.

Provision of the 2013 Act	Amendment
Chapter XXIA: Producer Companies	
Producer companies (Sections 378A to 378ZU and Section 465)	<p>The 2020 Amendment Act has inserted a new Chapter as Chapter XXIA relating to producer companies. This chapter is on similar lines to the Companies Act, 1956.</p> <p>Further, consequent to introduction of new Chapter XXIA on 'producer companies', provision under Section 465(1) have been omitted. This section required that provisions of Part IXA of the Companies Act, 1956 would be applicable to a producer company.</p> <p>Additionally, MCA through its notification dated 11 February 2021 notified Producer Companies Rules, 2021. The Rules prescribe procedures specifically for producer companies with regard to change of place of registered office from one state to another and investment of general reserves.</p>

Our comments

The government notified the 2020 Amendment Act to address the concerns relating to 2013 Act and to promote ease of doing business in India.

Some of the key sections notified recently are as follows:

- **Modifying CSR provisions:** The 2020 Amendment Act inserted a new proviso to Section 135(5) of the 2013 Act, which permits the companies that spend any amount in excess of their CSR obligation in a financial year to set off the excess amount towards their CSR obligations in subsequent financial years. Additionally, MCA through its notification dated 22 January 2021 have issued related amendments to the CSR Rules.

As per the amendment to Rule 7 of CSR Rules, a company can set-off excess amount against the requirement to spend up to immediately succeeding three FYs subject to the fulfillment of following conditions:

- The excess amount available for set off should not include the surplus arising out of the CSR activities, if any and
- The board of the company should pass a resolution to that effect.
- The amendment would address the practical challenges being faced by many companies. However, companies would need to reconsider their current accounting in light of the guidance provided by ICAI.

Further following are the other key points to consider from the amendments to CSR provisions:

- The 2020 Amendment Act exempts companies with a CSR liability of up to INR50 lakh a year from the requirement of setting up CSR Committees. The amendment was introduced basis the suggestion by high-level committee on CSR which highlighted that a requirement of constituting a CSR committee for smaller companies with low prescribed CSR amount could lead to increased operational cost for such companies.
- The 2020 Amendment Act have also prescribed penal provisions for the company and every officer on default in case a company defaults in complying with the specified requirements of CSR under Section 135. Further, MCA has removed imprisonment provisions for the officers in default.
- **Excluding certain class of companies from the definition of 'listed company':** Currently certain private limited companies fall within the purview of a 'listed company' due to listing of certain debt securities offered on a private placement. Such private companies classified as 'listed companies' have to follow stricter compliance requirements and could be burdensome for such private companies. The 2020 Amendment Act amended the definition of 'listed company' to exclude certain class or classes of companies as listed companies. The government would be issuing rules and criteria to establish the parameters to understand which companies would be outside the scope of listed companies.

Our comments (cont.)

- **Periodic financial results for unlisted companies:** The 2020 Amendment Act inserted a new Section 129A which requires prescribed unlisted companies to prepare financial results and may need to follow processes similar to those followed by listed companies in generating interim financial results and having them subject to audit or review. The amendment expects to raise the bar of corporate governance of certain classes of unlisted companies. Further, the prescribed timelines for filing with the ROC, i.e., 30 days from the completion of the relevant period, seems to be onerous and stricter than the timelines applicable to listed companies.
- **Remaining sections – not yet notified**

The 2020 Act is largely effective with the recent notification dated 21 December 2020. However, there are certain amendments relating to ease of doing business and other amendments which are not yet notified.

Following are some of the key sections which are still pending to be notified:

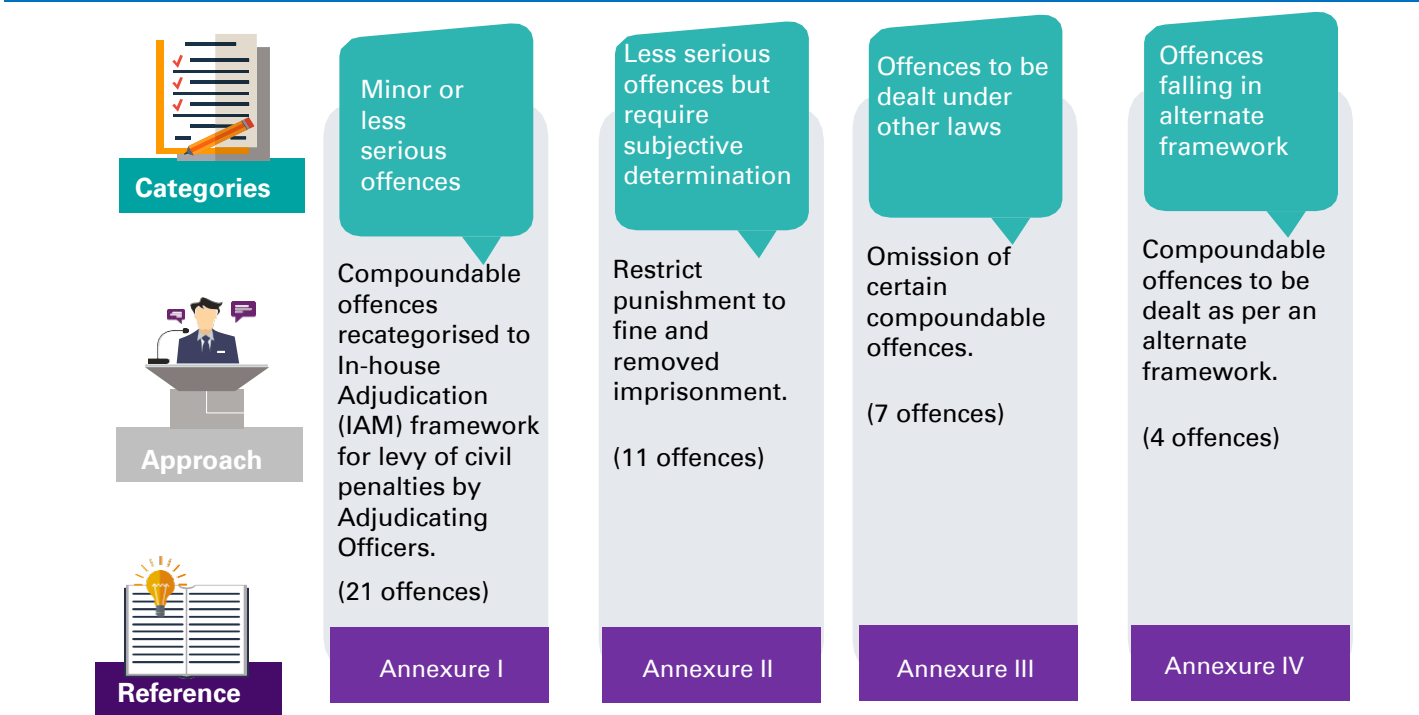
Provision	Amendment
Chapter II Incorporation of Company and Matters Incidental thereto	
Offences falling under alternate framework (Non-compliance with order of the Regional Director (RD) directing change of name of a company (Section 16))	The 2020 Amendment Act amended Section 16 to provide that in case a company fails to abide by the order of the RD under Section 16(1) with regard to change of name of the company within three months of passing of such order, then punishment for non-compliance for such default a new name would be allotted (procedure/manner to be prescribed) to the company. The company may subsequently change its name in accordance with Section 13 of the 2013 Act.
Chapter III Part - I Prospectus and Allotment of Securities	
Direct listing in foreign jurisdictions (Section 23)	The 2020 Amendment Act empowers the Central Government to allow certain classes of public companies to list classes of securities in foreign jurisdictions.
Chapter VIII Declaration and Payment of Dividend	
Offences shifted to IAM framework	Section 124(7) - Failure to comply with the requirements given in this Section for dealing with unpaid dividend, etc.
Chapter XI: Appointment and Qualifications of Directors (Section 149) Chapter XIII: Appointment and Remuneration of Managerial Personnel (Section 197)	
Payment of remuneration to non-executive directors in case of inadequacy of profits or in case of losses (Section 149 and 197)	The 2020 Amendment Act amended relevant provisions under Section 149 and 197 of the 2013 Act, to provide remuneration for non-executive directors, including independent directors, in case of inadequacy of profits like executive directors.
Chapter XVII Registered Valuers	
Offences shifted to IAM framework	Section 247(3) - Contravention of provisions relating to valuation by a valuer
Chapter XXIV: Registration Offices and Fees	
Reviewed penalty for delay in filing the annual return or financial statement (Section 403)	The 2020 Amendment Act amends Section 403(1) to cover situations where there is a default on two or more occasions in submitting, filing, registering or recording of prescribed documents. These documents can be submitted, filed, registered or recorded, as the case may be, on payment of such higher additional fee as may be provided by the rules.

Annexures

Decriminalisation of certain compoundable offences

The 2020 Amendment Act introduced amendments relating to 46 compoundable offences under the 2013 Act. The aim of the amendments is to strike a balance between civil and criminal liabilities, the 2020 Amendment Act decriminalised and recategorised 46 offences.

The MCA through its notifications upto 11 February 2021, notified sections relating to 43 offences out of 46 offences. The chart below summarises the amendments to 43 offences into four categories:



Changes in penalties: The 2020 Act rationalised penalties in respect of the following six sections:

Default	Revised penalty
Failure or delay in filing notice for alteration of share capital (Section 64)	The penalty in case of a default that continues has been amended to be reduced to INR500 per day instead of INR1,000 per day. Further maximum penalty has been capped at INR5 lakh in case of a company and INR1 lakh in case of an officer in default instead of fixed amount of INR5 lakh.
Failure or delay in filing annual return (Section 92)	The penalty amount for a failure or delay in filing an annual return at the first instance of failure or delay has been reduced to INR10,000 from INR50,000. In case a default continues, the maximum penalty has been capped at INR2 lakh in case of a company and at INR50,000 in case of an officer in default instead of fixed amount of INR5 lakh.
Failure or delay in filing of certain resolutions or agreements to ROC (Section 117)	The penalty amount for failure or delay in filing of certain resolutions or agreements to the Registrar of Companies (ROC) at the first instance of failure or delay would be reduced to INR10,000 from INR1 lakh. In case a default continues, the penalty has been fixed as INR100 per day subject to the maximum penalty of INR2 lakh in case of a company and at INR50,000 in case of an officer in default.
Failure or delay in filing of the financial statements with ROC (Section 137)	The penalty amount for or delay in filing financial statements with the ROC at the first instance of failure or delay has been fixed to INR10,000 instead of INR1 lakh. In case the default continues, the penalty has been fixed as INR100 per day subject to the maximum penalty of INR2 lakh in case of a company and INR50,000 in case of an officer in default.

Default	Revised penalty
Failure/delay in filing statement with the company or ROC by an auditor after resignation (Section 140)	The maximum amount of penalty for failure or delay in filing a statement by an auditor after resignation with the company or ROC has been capped at INR2 lakh instead of INR5 lakh.
Accepting directorships beyond specified limits (Section 165)	The penalty for each day's default of accepting directorships beyond specified limits has been reduced to INR2,000 from INR5,000 and a maximum penalty has been INR2 lakh for the defaulting directors.

Annexure I: Offences shifted to IAM framework (minor or less serious offences)

Section 454 of the 2013 Act provides that the IAM (In-House Adjudication) framework is a mechanism for levy of civil penalties by Adjudicating Officers (AO). The 2020 Amendment Act notified provisions to shift 21 compoundable offences relating to minor or less serious issues to the IAM framework. In addition, the quantum of penalties prescribed by the 2020 Amendment Act are lower than the quantum of fines currently prescribed under the 2013 Act.

Following table highlights sections shifted under IAM framework i.e., following offences would now be liable to penalty instead of being punishable with imprisonment:

Section	Default
Chapter IV: Share Capital and Debentures	
Section 56(6)	Failure to comply with the procedural requirements given in the section the way the transfer of securities is required to be done.
Chapter VI: Registration of charges	
Section 86(1)	Contravention of the provision of Chapter VI dealing with duty to register charges, to report their satisfaction within prescribed timelines and the duty to maintain register of charges.
Chapter VII: Management and administration	
Section 88(5)	Failure to maintain members' register, debenture holders register and register of other security holders.
Section 89(5)	Failure to make declaration by the registered owner and the beneficial owner in respect of shares.
Section 89(7)	Company to file a return with ROC within the prescribed time after receiving a declaration of beneficial interest in shares from a person.
Section 90(10)	Failure to make declaration by the registered owner and the beneficial owner in respect of shares.
Section 90(11)	Failure on behalf of company to maintain a register of significant beneficial owners.
Section 92(6)	Contravention of the requirements under this section by a company secretary in practice.
Section 105(5)	Fine for issuance of invitation to appoint proxies (for any meeting of a company) at the company's expense to any member who is entitled to attend meeting.
Chapter IX: Account of companies	
Section 134(8)	Contravention of the requirements relating to financial statements and board's report.
Section 135(7) ⁴	Contravention of provisions of CSR and manner of dealing with any unspent amount under it.
Chapter X: Audit and Auditors	
Section 143(15)	Violation of the obligation to report fraud that she has come across in the course of performance of duties by auditor, company secretary in practice or cost accountant.
Chapter XI: Appointment and qualification of directors	
Section 172	Contravention of any provisions relating to appointment and qualifications of directors.
Chapter XII: Meetings of board and its powers	
Section 178(8)	Contravention of the provisions relating to audit committee, nomination and remuneration committee, and stakeholder's relationship committee.

⁴Section 135(7) notified on 22 January 2021

Section	Default
Section 184(4)	Contravention of the provisions mandating disclosure of interest by the director in the first board meeting every financial year or wherever there is any change in relation to any contract/arrangement.
Section 187(4)	Contravention of the provisions regarding holding of investments by a company.
Section 188(5)	Contravention of provisions regarding related party transactions by a director or employee of the company.
Chapter XIII: Appointment and Remuneration of Managerial Personnel	
Section 204(4)	Contravention of provisions mandating secretarial audit for certain classes of companies.
Chapter XV: Compromises, arrangements and amalgamations	
Section 232(8)	Failure to comply with obligations imposed by Section 232 in relation to merger and amalgamation of companies.
Chapter XXV: Companies to furnish information or statistics	
Section 405(4)	Non-compliance with orders of the Central Government directing a company or companies to furnish certain information. (The Central Government issues such orders under Section 405(1) or (3) to a company or a class of companies or to all companies).
Chapter XXIX: Miscellaneous	
Section 450	Fine for contravention of any of the provisions of the 2013 Act or the rules made thereunder.

Annexure II: Less serious offences but subjective determination

11 offences that are not serious violation would be based on subjective determination. The 2020 Act restricts the punishment to only fine and in case fraudulent practices are noticed further action would be taken. Following table provides sections under the above principle:

Section	Default
Chapter II: Incorporation of company and matters incidental thereto	
Section 8(11)	Failure to comply with the requirements imposed on Section 8 companies.
Chapter III Part-I: Prospectus and allotment of securities	
Section 26(9)	Contravention of matters to be stated in the prospectus.
Section 40(5)	Default in complying with the requirements of public offer.
Chapter IV: Share capital and debentures	
Section 68(11)	Default in complying with the requirements of buy-back.
Chapter IX: Account of companies	
Section 128(6)	Maintenance of the books of accounts of the company at its registered office and its inspection thereof by any director.
Chapter X: Audit and auditors	
Section 147(1)	Default in complying with the provisions of Chapter X relating to audit and auditors.
Chapter XI: Appointment and qualifications of directors	
Section 167(2)	Default of continuing to act as a director upon becoming liable for vacation of office.
Chapter XVI: Prevention of oppression and mismanagement	
Section 242(8)	Making alteration in the memorandum or in the articles inconsistent with an order of the NCLT.
Section 243(2)	Default in complying with the directions of the NCLT regarding termination or modification of certain agreements.
Chapter XX: Winding up	
Section 347(4)	Contravention of directions of the Central Government in relation to disposal of books and papers of the company which has been wound up.
Chapter XXII: Companies incorporated outside India	
Section 392	Contravention of provisions related to foreign companies.

Annexure III: Offences to be dealt with under other laws

The 2020 Act omits following seven offences from the 2013 Act as these would be dealt under other laws:

Section	Default
Chapter IV: Share capital and debentures	
Section 48(5)	Default in complying with provisions relating to variation of the rights of shareholders.
Section 59(5)	Failure to comply with the order of the National Company Law Tribunal (NCLT) regarding rectification of register of members.
Section 66(11)	Default in publishing order of the NCLT confirming reduction of share capital.
Section 71(11)	Non-compliance with the order of the NCLT regarding failure to redeem debentures on maturity or in payment of interest.
Chapter XX: Winding up	
Section 342(6)	Non-cooperation by liquidator or other persons during prosecution in the course of winding up.
Section 348(6)	Contravention of provisions relating to information as to pending liquidations under Section 348 by a company liquidator.
Section 348(7)	Contravention of provision relating to audit of information of the company pending liquidations under Section 348 (1) by a company liquidator.

Annexure IV: Offences falling under Alternate framework

The 2020 Act notified alternate framework for following four sections to achieve the intended aim of such provisions:

Section	Default	Amendments
Chapter XXVIII: Special courts		
Section 441(5)	Non-compliance with order of the RD/NCLT for compounding of an offence	Section 441 of the 2013 Act has been amended to provide that if any officer or employee of a company fails to comply with the order of NCLT, RD, or any other officer authorised by the Central Government, then instead of imprisonment and fine both a maximum amount of fine for the offence proposed to be compounded under Section 441 would be twice the amount provided in the corresponding section in which the punishment for such offence is provided.
Chapter XX: Winding up		
Section 284(2)	Non-cooperation of promoters, directors, etc. of a company being wound- up, with the liquidator	The 2020 Act introduced a new mechanism, where a liquidator of a company may apply to NCLT for cooperation in case a person required to cooperate or assist the company liquidator does not do so. Further it empower NCLT to direct such person to comply with the directions of the company liquidator. Currently, the person who fails to discharge his obligations punishable with imprisonment and fine both.
Section 302	Dissolution of company by Tribunal	The amended provision requires the NCLT (within a period of 30 days from the date of the order) to forward a copy of the order of dissolution to the ROC who would record in the register relating to the company of the dissolution of the company. Additionally, NCLT would also direct the company liquidator to forward a copy of the order to the ROC. The provision relating to imposition of fine has been omitted.
Section 356	Powers of Tribunal to declare dissolution of company void	The amended provision requires that NCLT would forward a copy of the order, within 30 days from the date thereof, to the ROC who would record the same. Additionally, NCLT would direct the company liquidator or the person on whose application the order was made, to file a certified copy of the order, within 30 days from the date thereof or such further period as allowed by the NCLT, with the ROC who would record the same. The provision relating to imposition of fine has been omitted.

KPMG in India offices

Ahmedabad

Commerce House V, 9th Floor,
902, Near Vodafone House,
Corporate Road,
Prahlad Nagar,
Ahmedabad – 380 051
Tel: +91 79 4040 2200

Bengaluru

Embassy Golf Links Business
Park,
Pebble Beach, 'B' Block,
1st & 2nd Floor,
Off Intermediate Ring Road,
Bengaluru – 560071
Tel: +91 80 6833 5000

Chandigarh

SCO 22-23 (1st Floor)
Sector 8C, Madhya Marg
Chandigarh – 160 009
Tel: +91 172 664 4000

Chennai

KRM Towers, Ground Floor,
1, 2 & 3 Floor, Harrington Road
Chetpet, Chennai – 600 031
Tel: +91 44 3914 5000

Gurugram

Building No.10, 8th Floor
DLF Cyber City, Phase II
Gurugram, Haryana – 122 002
Tel: +91 124 307 4000

Hyderabad

Salarpuria Knowledge City, 6th
Floor, Unit 3, Phase III, Sy No.
83/1, Plot No 2, Serilingampally
Mandal,
Ranga Reddy District,
Hyderabad – 500 081
Tel: +91 40 6111 6000

Jaipur

Regus Radiant Centre Pvt Ltd.,
Level 6, Jaipur Centre Mall,
B2 Bypass Tonk Road
Jaipur – 302 018.
Tel: +91 141 - 7103224

Kochi

Syama Business Centre
3rd Floor, NH By Pass Road,
Vytilla, Kochi – 682 019
Tel: +91 484 302 5600

Kolkata

Unit No. 604,
6th Floor, Tower – 1,
Godrej Waterside,
Sector – V, Salt Lake,
Kolkata – 700 091
Tel: +91 33 4403 4000

Mumbai

1st Floor, Lodha Excelus,
Apollo Mills
N. M. Joshi Marg,
Mahalaxmi, Mumbai – 400 011
Tel: +91 22 3989 6000

Noida

Unit No. 501, 5th Floor,
Advant Navis Business Park
Tower-A, Plot# 7, Sector 142,
Expressway Noida,
Gautam Budh Nagar,
Noida – 201 305
Tel: +91 0120 386 8000

Pune

9th floor, Business Plaza,
Westin Hotel Campus, 36/3-B,
Koregaon Park Annex, Mundhwa
Road, Ghorpadi, Pune – 411 001
Tel: +91 20 6747 7000

Vadodara

Ocean Building, 303, 3rd Floor,
Beside Center Square Mall,
Opp. Vadodara Central Mall,
Dr. Vikram Sarabhai Marg,
Vadodara – 390 023
Tel: +91 265 619 4200

Vijayawada

Door No. 54-15-18E, Sai Odyssey,
Gurunanak Nagar Road, NH 5,
Opp. Executive Club, Vijayawada,
Krishna District ,
Andhra Pradesh - 520008
Contact: 0866-6691000

KPMG in India's IFRS institute



Visit KPMG in India's IFRS institute - a web-based platform, which seeks to act as a wide-ranging site for information and updates on IFRS implementation in India.

The website provides information and resources to help board and audit committee members, executives, management, stakeholders and government representatives gain insight and access to thought leadership publications that are based on the evolving global financial reporting framework.

Missed an issue of Accounting and Auditing Update or First Notes



Issue no. 54 – January 2021

The topics covered in this issue are:

- Going concern disclosures: Guidance by IASB
- Common financial statement frauds: Insights from SEC enforcement actions
- Business combination under common control - IASB's proposed accounting
- Regulatory updates.

MCA amended CSR provisions under the Companies Act, 2013

12 February 2021



The Ministry of Corporate Affairs (MCA) made certain amendments in the past to the provisions of the Companies Act, 2013 (2013 Act) relating to:

- Corporate Social Responsibility (CSR) through 2019 Amendment Act and
- Decriminalisation of certain compoundable offences and other amendments including amendments relating to CSR provisions through the 2020 Amendment Act

Recently, MCA has notified the CSR related amendments under the 2019 Amendment Act and 2020 Amendment Act. Amendments have also been made to the Companies (CSR Policy) Rules, 2014 (CSR Rules).

This issue of First Notes provides an overview of the revised CSR mandate.



Voices on Reporting

KPMG in India is pleased to present Voices on Reporting (VOR) – a series of knowledge sharing calls to discuss current and emerging issues relating to financial reporting.

On 18 January 2021, KPMG in India released the VOR – Quarterly updates publication. The publication provides a summary of key updates from the Securities and Exchange Board of India (SEBI), the Ministry of Corporate Affairs (MCA), the Institute of Chartered Accountants of India (ICAI) and the Reserve Bank of India (RBI) that are expected to be relevant for stakeholders for the quarter ended 31 December 2020.

To access the publication, please click [here](#).

Feedback/queries can be sent to aaupdate@kpmg.com

Previous editions are available to download from: home.kpmg/in

The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavour to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

KPMG Assurance and Consulting Services LLP, Lodha Excelus, Apollo Mills Compound, NM Joshi Marg, Mahalaxmi, Mumbai - 400 011 Phone: +91 22 3989 6000, Fax: +91 22 3983 6000.

© 2021 KPMG Assurance and Consulting Services LLP, an Indian Limited Liability Partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.

KPMG (Registered) (a partnership firm with Registration No. BA- 62445) converted into KPMG Assurance and Consulting Services LLP (a Limited Liability partnership firm) with LLP Registration No. AAT-0367 with effect from July 23, 2020.

The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organization.

This document is meant for e-communication only.