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Foreword

Environment, Social and Governance (ESG) reporting and related assurance is gaining significant momentum across the globe with a growing support from investors and companies alike for a global set of baseline standards around sustainability reporting. This has also been the overarching theme of the recently held annual conference of the American Institute of CPAs (AICPA) and CIMA (Chartered Institute of Management Accountants) on the current Securities and Exchange Commission (SEC) and Public Company Accounting Oversight Board (PCAOB) developments. Further, high quality standard-setting, implementation and application of those standards, and audits have been outlined as the key elements to support high quality financial reporting. In this edition of Accounting and Auditing Update (AAU), we cast our lens on the accounting and financial reporting developments and other matters affecting a company following US GAAP as discussed in the conference.

Many companies undertake supplier financing arrangements as a means to improve working capital. However, currently, there is no explicit guidance on accounting for supplier finance arrangements. To address the concerns relating to such arrangements and to meet the user information needs in a way that complements the current requirements in IFRS standards, the International Accounting Standards Board (IASB) has proposed certain amendments to IAS 7, *Statement of Cash Flows* and IFRS 7, *Financial Instruments: Disclosures* through an Exposure Draft (ED). The proposed amendments will add disclosure requirements relating to supplier finance arrangements. In our article on this topic, we provide an overview of the accounting requirements applicable to supplier finance arrangements and disclosures proposed by IASB in the ED.

Recently, the Securities and Exchange Board of India (SEBI) has issued certain amendments to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations). Now approval of shareholders is mandatory for appointment or a re-appointment of a person, including as a managing director, whole-time director or a manager, who was earlier rejected by the shareholders at a general meeting. Further, it has also issued revised norms for imposing fines and taking action for non-compliance with the continuous disclosure requirements specified under the Listing Regulations by the issuers of listed Non-Convertible Securities (NCS) and/or Commercial Papers (CPs). Our regulatory updates section covers these and other important regulatory developments in India.

We would be delighted to receive feedback/ suggestions from you on the topics we should cover in the forthcoming editions of AAU.

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Chapter 1

US GAAP: SEC and PCAOB developments

This article aims to:

Provide an overview of key areas of focus under US GAAP and related auditing matters as discussed in the annual AICPA 2021 conference.

Introduction

In December 2021, the American Institute of CPAs (AICPA) and CIMA (Chartered Institute of Management Accountants) held its annual conference on current SEC[1] and PCAOB[2] developments. Environmental, Social and Governance (ESG) reporting and related matters was an overarching theme of the conference. Further, SEC's Acting Chief Accountant, Paul Munter, outlined three elements necessary to support high quality financial reporting – high quality standard-setting, high quality implementation and application of those standards, and high-quality audits.

In this article, we aim to cover key areas of focus as discussed at the conference relevant for companies following US GAAP.

ESG reporting and related regulatory developments

Need and imperative for ESG reporting

Many companies have been providing sustainability reporting in some form over a number of years. However, there is currently disparity in practice as to where and how that information is disclosed and the level of assurance over that information, if any.

Also, many companies may not have processes and controls when preparing and reporting ESG information. Therefore, sustainability reporting today under different voluntary frameworks does not meet investors' need for consistent, comparable and reliable information, particularly when compared to the well-established disclosures, controls and procedures over financial information.

There have been concerns about 'green washing' (whereby a registrant over-emphasises its environmental contribution compared to its true actions) and questions about the completeness and accuracy of data are common in sustainability reporting.

Therefore, significant support is growing from investors and companies alike for a global set of baseline standards around sustainability reporting. Accordingly, to respond to the demand for a consistent set of standards, in November 2021, the IFRS Foundation announced formation of the International Sustainability Standards Board (ISSB) to develop sustainability standards. The ISSB aims to issue the first international sustainability disclosure standards by late 2022 (focused on general disclosure requirements and climate).

1. U.S. Securities and Exchange Commission
2. Public Company Accounting Oversight Board

A mandatory climate risk disclosure rule is expected to be issued by SEC in early 2022 wherein the SEC staff shall consider whether ESG disclosures should be required as part of a registrant's periodic SEC filings. In 2020, the SEC amended Regulation S-K with a principles-based approach to require registrants to disclose in the 'Description of Business' section of periodic filings how management manages the business from a human capital standpoint. As part of its current rulemaking agenda, the SEC will develop further human capital disclosure guidance, which is expected to be more prescriptive.

An additional proposal on cybersecurity risk disclosure requirements is anticipated in 2022. The SEC believes there should be a continued focus on understanding cybersecurity risks, a registrant's control structure, and timely communication within an organisation of cyber events.

Role of an auditor in sustainability reporting

The speakers noted that to date many of the independent reviews have been performed by engineering and consulting firms. However, they noted that the audit firms are well positioned to provide assurance over ESG information given their understanding of a registrant's business, operations, and financial reporting processes and controls, which may overlap or share many similarities with the processes and controls used to prepare ESG information. Further, auditors are subject to well-established professional standards, independence requirements, and systems of quality control.

Internationally, the International Organisation of Securities Commission (IOSCO), of which the SEC is a member, has expressed support for assurance of ESG metrics and disclosures to enhance reliability of such metrics. IOSCO would be looking at assurance frameworks in 2022.

Next steps

Companies are encouraged to take steps now to prepare for ESG related reporting. While doing so, companies may consider:

- Who has ownership of ESG data within the organisation
- Processes, and controls of preparing ESG information and whether they overlap or differ from the financial reporting processes and controls
- What level of governance and oversight exists with reference to sustainability reporting processes and controls?

A strong understanding of their current ESG reporting infrastructure, processes and controls will help companies when new standards and requirements are proposed in the near future.

SPACs: New trend in capital formation

In a SPAC[3] transaction, a shell (or 'blank check') company is formed that registers with the SEC to become public. This company searches for a private operating company to acquire it. Once acquired by the SPAC, the operating company becomes a public company without going through the traditional IPO[4] process. The increased popularity of using SPACs in the US capital markets has attracted significant attention from the SEC in the past year.

The OCA staff provided further updates on certain accounting matters related to SPACs. Those relate to the following:

- **Indexation:** The issue relates to SPAC warrants with provisions that provide for potential changes to the settlement amounts depending upon the characteristics of the holder of the warrant. In such a case, the OCA staff concluded that if the settlement amount varies depending on who holds the warrant, it does not meet the indexation requirements under US GAAP. Therefore, the warrants should be classified as a liability measured at fair value.

  Further, the OCA staff had evaluated other fact patterns, including certain warrants (often referred to as public warrants) that the registrant considered to be indexed to the entity's own stock and therefore, qualified for equity classification. These warrants did not have any variability in settlement amounts depending on who held them and there were no other features that precluded the warrants from being considered indexed to the entity's own stock. Therefore, the public warrants qualified for equity classification.

- **Tender offer provisions:** The issue relates to SPAC warrants that entitle all warrant holders to receive cash if a tender or exchange offer is made to and accepted by holders of more than 50 per cent of the outstanding shares of a single class of common stock. In certain multiple class share structures, such a tender offer may not result in a change in control of the entity. If a qualifying cash tender offer does not result in a change in control, all warrant holders would be entitled to receive cash, but only certain holders of the underlying shares of common stock would be entitled to receive cash. For this reason, the OCA staff objected to the warrants being classified as equity.

3. Special Purpose Acquisition Companies
4. Initial Public Offer

The OCA staff had also evaluated a different fact pattern in which cash settlement for the warrants is triggered only upon a change in control and the holders of the shares underlying the warrants would also receive cash for their shares. As a result, the registrant concluded that the warrants qualified to be classified as equity. The OCA staff did not object to this conclusion.

- **Unit of account analysis in relation to temporary equity classification:** Under SEC guidance, if an equity-classified instrument could be redeemed upon the occurrence of an event outside a registrant's control, that instrument is required to be classified outside of permanent equity. This classification is commonly referred to as temporary equity or mezzanine equity. The classification of a SPAC's equity is an issue because a SPAC is typically structured so that its issued shares will become redeemable either when the SPAC completes a merger with a target entity within a specific time period or when the SPAC dissolves without a target to complete a merger.

The OCA staff had evaluated a fact pattern in which a registrant believed that a portion of its shares could be classified as permanent equity because of a provision in its charter that stated a redemption would not occur if it caused net tangible assets to decline below a certain threshold amount. Notwithstanding the fact that each share was freestanding from the other shares and each share was separately redeemable, the registrant believed that the provision in the charter provided a basis to evaluate a pool of shares as the unit of account, instead of evaluating each individual share as a unit of account. Under this approach, the registrant concluded that any shares that would cause the net tangible assets to fall below the threshold amount could be classified as permanent equity in its entirety.

The OCA staff objected to the registrant's conclusion because it did not agree that there is a basis under US GAAP or SEC guidance to consider the pool of a class of shares as the unit of account instead of an individual share. As a result, the OCA staff concluded that each share was required to be classified as temporary equity.

Materiality and restatements

'Big R' restatements refer to restatement of prior-period financial statements whereas 'little r' restatements refer to errors corrected in current-period comparative financial statements by restating the prior-period information, without reissuing the prior-period financial statements. A 'Big R' and 'little r' are both accounting restatements, the difference being the presentation of the restatement.

The key issue in distinguishing between a 'Big R' and 'little r' restatement is materiality. The preparers and auditors should apply the framework from Staff Accounting Bulletin Topic 1.M, *Materiality* (SAB 99) when determining whether a restatement is a 'Big R' or a 'little r' restatement. Following should be noted:

- If an error is quantitatively material, then registrants should be cautious in concluding that qualitative factors would be able to overcome the magnitude of the error that would allow a registrant to conclude that the restatement to correct the error is a 'little r' restatement. Magnitude often cannot be overcome by qualitative factors.
- If an error is quantitatively immaterial, then qualitative factors should be carefully analysed because the combination of the quantitative and qualitative factors could make the restatement to correct the error a 'Big R' restatement.

Also, if a registrant has a quantitatively material error, then it is likely to impact Internal Control over Financial Reporting (ICFR) as a material weakness. However, even if a registrant has a 'little r' error, it could still have a material weakness.

SEC: Other areas of focus

- **Spring-loaded share-based compensation awards:** The SEC staff issued Staff Accounting Bulletin No. 120 (SAB 120)[5] to provide interpretive guidance on accounting for grants of share-based payment awards under FASB ASC Topic 718, *Accounting for Stock Compensation* when the issuer has knowledge of material non-public information (commonly referred to as 'spring-loaded awards'). In accordance with the guidance, material non-public information can impact the grant date fair value of spring-loaded share-based payment awards. The guidance also expresses an expectation that a registrant discloses any adjustments made to its share price or share price inputs because of spring-loaded share-based payment awards.

  The SEC staff indicated that non-routine spring-loaded grants merit particular scrutiny by those responsible for compensation and financial reporting governance at registrants. As these registrants measure compensation actually paid to executives, they must consider the impact that material non-public information will have upon release.

- **Reference rate reform:** Many LIBOR tenors will cease being published on 31 December 2021 and LIBOR will be phased out completely on 30 June 2023. There is temporary relief under FASB ASC Topic 848 (reference rate reform) that allows an entity to adopt optional expedients regarding contract modification accounting and elective hedge accounting expedients when LIBOR is replaced as the reference rate in a contract. Topic 848 establishes elective hedge accounting expedients, including those that allow an entity to change certain critical terms of existing hedging relationships that are affected or expected to be affected by reference rate reform without causing the entity to de-designate the hedging relationship because of those changes.

  Topic 848 applies only to modifications related to reference rate reform and hedging relationships that are affected by such reform.

  Registrants affected by reference rate reform need to have appropriate processes and controls in place when applying Topic 848. Further, they should confirm that their systems are able to handle the new rate environment.

- **Non-GAAP reporting:** The SEC staff emphasised three key issues it has identified involving non-GAAP reporting:

  a. **Prominence:** When a registrant presents a non-GAAP measure, it must present the most directly comparable GAAP measure with equal or greater prominence. The SEC staff gave the example of how a lengthy discussion of a non-GAAP measure (including charts and graphs) can inappropriately overshadow the GAAP measure.

  b. **Mislabelling:** A registrant should not use terms for non-GAAP measures that are too similar to GAAP terms. The title of a measure should match its description. The SEC staff gave the example of labelling a non-GAAP measure 'core earnings' but excluding cost of revenue line items or other expenses. Further, a registrant should adequately describe all of the adjustments it is making to a measure.

  c. **Metrics versus non-GAAP measures:** When a registrant discloses a financial or non-financial metric to describe the performance of its business, it must determine if the metric is actually a non-GAAP measure. The SEC staff acknowledges that the line between a metric

5. Issued on 29 November 2021

and a non-GAAP measure can be blurry, but the distinction will assist in determining which disclosure guidance applies.

- **Segment reporting:** The SEC staff reminded registrants to consider the impact that changes to their business, executives or operations may have on segment reporting. Both US GAAP and IFRS require disclosing the measure of profit and loss for each reportable segment that is reviewed by the chief operating decision maker or is otherwise regularly provided to the chief operating decision maker. Any other profit and loss measure that a registrant wants to disclose should appear outside of the financial statements and could be considered a non-GAAP measure.

Digital assets

The accounting of digital assets continues to be a complex and fast-evolving area, raising several issues. The SEC staff's view is that digital assets that are not considered securities or subject to other specific guidance should be accounted for as intangible assets. Although there are existing models to account for digital assets, it was noted that investor community is looking for more guidance from the FASB on how these assets should be defined and accounted for. The FASB may add a project to its technical agenda to address the accounting for digital assets.

Audit - Data and technology

Advancements in technology allow auditors to access an expanded breadth and depth of data, and auditors may use more external sources of information when performing audit procedures. While the use of data and technology has the potential to improve audit quality, auditors' abilities to obtain appropriate data sets remains a challenge. It is to be noted that the use of technology does not diminish the importance of requirements in the risk assessment standard, and certain audit procedures may not lend themselves to the use of technology (e.g., the need for an auditor to hold key discussions with an audit committee and inquiries of management).

The PCAOB staff expects to continue to focus on audit risk driven by the current economic environment and recent changes, which may present increased audit risks and the risk of fraud for certain registrants. Examples include:

- Valuation estimates and accounting complexities associated with the high level of IPOs and merger and acquisition activities, including SPACs and de-SPAC transactions and
- Asset impairments and going concern risks associated with widespread disruption of supply chains and the continued negative effect of COVID-19 on certain industries.

Additionally, PCAOB will focus on audit firmwide risks, including the heightened degree of staff turnover and potential risks to a firm's independence related to the sale and delivery of non-audit services.

(Sources: Quarterly Outlook, December 2021, KPMG US and SEC Issues & Trends, December 2021, KPMG US)

Chapter 2

Supplier finance arrangements: Proposed amendments to IAS 7 and IFRS 7

This article aims to:

Expound the amendments proposed by IASB on disclosures required for supplier finance arrangements.

Introduction

Globally, there has been an increase in the usage of supplier financing arrangements[1] as a means to improve working capital position. However, currently, there is no explicit guidance on accounting for supplier finance arrangements. In this regard, the IFRS Interpretations Committee (IFRIC) received a request regarding the information which is required to be provided in financial statements about supply chain finance (reverse factoring) arrangements.

In response to this, in December 2020, IFRIC through an agenda decision[2] concluded that the IFRS standards already provide adequate basis to determine the presentation of liabilities and associated cash flows that meet some of the information needs of users of financial statements with respect to reverse factoring arrangements.

However, based on the several suggestions and inputs received from investors, analysts and users of financial statements, the International Accounting Standards Board (IASB) opined that without targeted amendments to the current disclosure requirements, users of financial statements might not be able to obtain some of the information they need to understand the effects of the supplier finance arrangements and may, therefore, face challenge in comparing one entity with another. Thus, the IASB through an Exposure Draft: Supplier Finance Arrangement (the Exposure Draft) issued in November 2021, proposed amendments to IAS 7, *Statement of Cash Flows* and IFRS 7, *Financial Instruments: Disclosures.* The proposals add disclosure requirements related to supplier finance arrangements in order to meet the user information needs in a way that complements the current requirements in IFRS standards. The comment period for this Exposure Draft ends on 28 March 2022.

In this article, we aim to provide an overview of the accounting provisions applicable to supplier finance arrangements and disclosures proposed by IASB in its Exposure Draft.

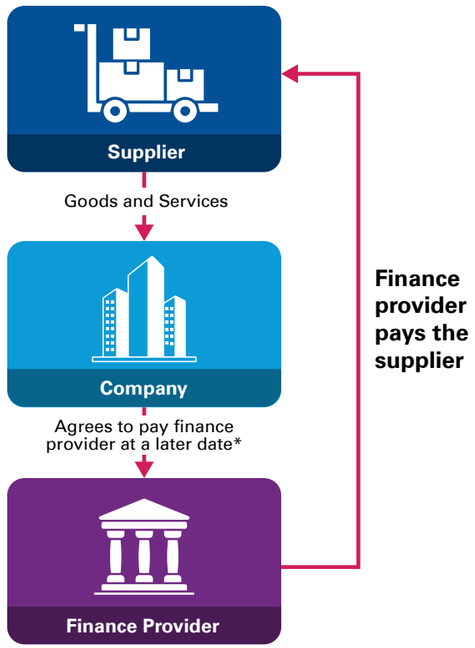
Understanding supplier finance arrangements

An entity may enter into supplier finance arrangements for different reasons, such as to improve working capital position, assist the entity's suppliers through alternative and more affordable financing, etc. The IASB's proposals apply to supplier finance arrangement, which have the following characteristics:

- The finance provider[3] pays amounts a company (the buyer) owes its suppliers
- The company agrees to pay the finance provider at the same date as, or a date later than, suppliers are paid, and
- The company is provided with extended payment terms or suppliers benefit from early payment terms, compared with the related invoice payment due date.

This arrangement is depicted in figure 1 below:

Figure 1: Supply finance arrangement



*At the same date as, or a date later than, suppliers are paid

(Source: Exposure Draft on Supplier Finance Arrangement issued by IASB in November 2021)

1. Also referred to as supply chain finance, payables finance or reverse factoring arrangement.
2. Agenda Decision, Supply Chain Financing Arrangements-Reverse Factoring.
3. Also referred to as 'factor'.

All arrangements with the characteristics of supplier finance arrangements (as mentioned above) are subject to the proposed disclosure requirements. However, the terms and conditions of supplier finance arrangements can range from simple to highly complex and arrangements can vary in form and how they are labelled.

The Exposure Draft specifies that the proposals do not apply to arrangements for financing receivables or inventory.

IFRIC Agenda Decision - Accounting for supplier finance arrangements – an overview

After entering into a supplier finance arrangement, careful consideration is required to determine whether the financial liability should be presented as a trade payable or whether it should be presented as part of borrowings. Determining this aspect is critical as it could impact key performance ratios and user's understanding of the purchaser's financial position and cash flows.

IFRIC, in its agenda decision specified that the IFRS standards provide adequate guidance to determine presentation of liabilities and cash flows in the financial statements. Thus, the presentation of the supplier finance arrangements and the cash flows are evaluated as under:

Presentation in the balance sheet

Derecognition of trade payables

Entities would need to evaluate the arrangement entered into to determine whether it results in derecognition of a trade payable to a supplier and recognition of a new financial lability to a financial institution, applying the derecognition provisions prescribed in IFRS 9, *Financial Instruments*. In such a case, the entity should refer to IAS 1, *Presentation of Financial Statements* for disclosure of the new liability in the balance sheet.

Presentation in balance sheet

As per IAS 1, an entity is required to evaluate whether to present liabilities that are part of a reverse factoring arrangement:

- Within trade and other payables
- Within other financial liabilities, or
- As a line item separate from other items in its statement of financial position[4].

In making this determination, entities would need to assess the substance of supplier finance arrangements. Where the terms of the liabilities (including the nature and function of the liabilities) entered into are similar to the terms of an entity's trade payables[5] (for example, when those liabilities are part of the working capital used in the entity's normal operating cycle), they would be classified as a trade payable. Other factors should also be assessed, for example, where an entity provides additional security as part of the supplier finance arrangement, that would not have been provided without the arrangement, then the liability would not represent trade payables. Further, entities may determine to disclose these liabilities separately in the balance sheet, when the size, nature or function of such liabilities make separate presentation relevant to an understanding of the entity's financial position.

Companies are required to disclose the accounting policy they apply to the liabilities arising from or affected by supplier finance arrangements.

Presentation in the statement of cash flows

IAS 7 does not provide specific guidance on supplier finance arrangements, however, IFRIC observed that an entity's assessment of the nature of the liabilities that are part of the arrangement may help in determining whether the related cash flows arise from operating or financing activities. For example, if the entity considers the related liability as a trade or other payable, the entity presents cash outflows to settle the liability as arising from operating activities in its statement of cash flows. Where the related liability represents borrowings, the entity presents cash outflows to settle the liability arising from financing activities in its statement of cash flows.

Where entities determine that the liability arising from the supplier finance arrangement results in a borrowing, it would result in a non-cash transfer of liabilities within the balance sheet. IAS 7 requires an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities (both, cash and non-cash changes) arising from financing activities.

Exposure Draft - Key requirements

The Exposure Draft proposes to introduce as a new disclosure objective in IAS 7 for a company to provide information about its supplier finance arrangements. This would enable users (investors) to assess the effects of these arrangements on the company's liabilities and cash flows.

4. As per IAS 1, an entity will present additional line items (including by disaggregating line items in the balance sheet) when such presentation is relevant to an understanding of the entity's financial position.
5. As per IAS 37, Provisions, Contingent Liabilities and Contingent Assets, trade payables are liabilities to pay for goods or services that have been received or supplied and have been invoiced or formally agreed with the supplier.

Disclosure requirements proposed by the Exposure Draft

The amendments proposed in the Exposure Draft require entities to disclose additional information in the notes to the financial statements about those arrangements that would enable users to assess the effects of these arrangements on the company's financial statements. These are given as under:

Amendments to IAS 7

Following are an illustrative set of additional disclosures that an entity would now be required to provide as per IAS 7.

Example: Supplier finance arrangement with Finance Provider A		
Qualitative information		
[Disclosure of terms and conditions (e.g., extended payment terms and security or guarantees provided.)]		
Quantitative information		
Nature of disclosure	**End of reporting period 31 December 20X1**	**Beginning of reporting period 1 January 20X1**
For each supplier finance arrangement,		
i. The carrying amount of financial liabilities recognised in the entity's balance sheet that are part of the arrangement and the line item(s) in which those financial liabilities are presented, together with the entity's accounting policies	2,000 (disclosed under trade and other payables)	1,500 (disclosed under trade and other payables)
ii. The carrying amount of financial liabilities disclosed under (i) for which suppliers have already received payment from the finance providers	1,500	1,100
iii. The range of payment due dates of financial liabilities disclosed under (i)	XX-YY days after invoice date	YY-ZZ days after invoice date
The range of payment due dates of trade payables that are not part of a supplier finance arrangement as at the beginning and end of the reporting period	AA-BB days after invoice date	CC-DD days after invoice date

(Note: An entity would be permitted to aggregate the information provided for different arrangements only when the terms and conditions of those arrangements are similar.)

(Source: KPMG in India's analysis, 2022 read with Disclosure of supplier finance arrangements, issued by KPMG IFRG Limited, 2021)

Amendments to IFRS 7

Reverse factoring arrangements often give rise to liquidity risk. By entering into such an arrangement, an entity concentrates a portion of its liabilities with one or a few finance providers. Consequently, if the arrangement gets withdrawn during times of stress, it could increase pressure on an entity's cash flows and affect its ability to settle liabilities when they are due. In another situation, suppliers may be inclined to renegotiate payment terms with customers in times of stress, however finance providers, subject to capital requirements may not be inclined to be as flexible.

Thus, users of financial statements need information to help them assess the effect of supplier finance arrangements on an entity's exposure to liquidity risk and risk management. As a part of the Agenda Decision, IFRIC was of the opinion that the liquidity risk disclosure requirements in IFRS 7 were comprehensive enough to meet the information needs of the users of financial statements. Under the existing set of requirements of IFRS 7, an entity is required to make certain quantitative disclosures in order to disclose the nature and extent of risks arising from financial instruments. A key disclosure under these quantitative disclosures is disclosure of liquidity risk. As a part of the proposed amendments, **supplier finance arrangements have been added as an example within the liquidity risk disclosure requirements**[6].

Transition

Entities already applying IFRS standards

IAS 8, *Accounting Policies, Changes in Accounting Estimates and Errors* requires an entity to initially apply an IFRS Standard (or amendments to it) retrospectively, except to the extent it is impracticable to do so.

Thus, IASB has decided that entities would be required to apply the proposed amendments retrospectively in accordance with IAS 8. However, the effective date would be decided after the deadline of the exposure draft. Earlier application would be permitted. If an entity applies the amendments for an earlier period, it would be required to disclose that fact.

Next steps

With supplier finance arrangements becoming a more prevalent source of financing in recent years, expectations of the users of financial statements with respect to a more detailed and transparent disclosure of information of such arrangements have also increased many fold. Without detailed disclosure of information about an entity's supplier finance arrangements, users face a stern challenge in:

a. Analysing the total amount and terms of an entity's debt,

b. Identifying operating and financing cash flows arising from supplier finance arrangements,

c. Understanding the effect supplier finance arrangements have on an entity's exposure to liquidity risk; and

d. Comparing the financial statements of an entity that uses supplier finance arrangements with those of an entity that does not.

According to IASB, additional information that is now required to be disclosed is already readily available with the entities and consequently, application of the new requirements would not result in significant costs for the entities affected. However, for some supplier finance arrangements, the information a company might need to meet certain of the new disclosure requirements may not always be readily available, it should thus obtain this information from its finance providers.

The Indian Accounting Standards (Ind AS) are based on the IFRS standards issued by IASB, thus amendments to IFRS will be adopted (with or without modification) within Ind AS. On that account, entities in India, that would be impacted by the proposals issued by IASB are encouraged to raise their concerns or provide their suggestions to the IASB.

6. These provisions have been added under para B11F of IFRS 7 which provides the factors that an entity might consider in providing the disclosure required in para 39(c) (i.e., description of how it manages the liquidity risk inherent in the maturity analysis of non-derivative and derivative financial liabilities).

Chapter 3

Regulatory updates

SEBI issued clarification regarding related party disclosures for High Value Debt Listed Entities (HVDLEs)

Background

On 7 September 2021, the Securities and Exchange Board of India (SEBI) had made Regulations 15 to 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) applicable to High Value Debt Listed Entities (HVDLEs)[1] on a 'comply or explain' basis up to 31 March 2023. Further, on 9 November 2021, SEBI amended Regulation 23 of the Listing Regulations which, *inter alia*, mandated entities with listed specified securities (i.e., equity shares and convertible securities) to submit to the stock exchanges disclosure of Related Party Transactions (RPTs) in the format specified by SEBI as per the following timelines:

a. Within 15 days from the date of publication of the standalone and consolidated financial results (effective 1 April 2022)

b. On the date of publication of its standalone and consolidated financial results (effective 1 April 2023).

The HVDLEs are required to submit these disclosures along with the standalone financial results for the half year[2].

Accordingly, on 22 November 2021, SEBI through a circular had specified the following disclosure obligations of listed entities in relation to RPTs with respect to specified securities[3]:

a. Information to be reviewed by the audit committee for approval of RPTs

b. Information to be provided to shareholders for consideration of RPTs

c. Format for reporting of RPTs to the stock exchange.

The provisions of the circular are effective from 1 April 2022.

New development

As the provisions of Regulation 23 of the Listing Regulations (relating to RPTs) would be applicable to HVDLEs, SEBI through a circular dated 7 January 2022 has clarified that the provisions of SEBI circular dated 22 November 2021[1] which specifies disclosure obligations of listed entities in relation to RPTs will be applicable to HVDLEs.

(Source: SEBI circular no. SEBI/HO/DDHS/DDHS_Div1/P/CIR/2022/0000000006 dated 7 January 2022)

Amendments to SEBI Regulations

ICDR Regulations

On 14 January 2022, SEBI has notified various amendments to the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (ICDR Regulations).

Some of the key amendments are as follows:

- **General conditions for initiating an IPO (Regulation 7(2)):** In accordance with the amendments:

  a. Where the issuer company has not identified acquisition or investment target as mentioned in objects of the issue in the draft offer document and the offer document, the amount for such objects and amount for General Corporate Purpose (GCP) should not exceed 35 per cent of the total amount being raised by the issuer.

  b. Where the issuer company has not identified acquisition or investment target, as mentioned in objects of the issue in the draft offer document and the offer document, the amount raised for such objects should not exceed 25 per cent of the amount being raised by the issuer.

1. HVDLEs are those entities which have listed non-convertible debt securities and have an outstanding value of listed non-convertible debt securities of INR500 crore and above.
2. This is applicable on a 'comply or explain' basis from 8 September 2021 to 31 March 2023, and on mandatory basis from 1 April 2023.
3. SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2021/662

These limits shall not apply if the proposed acquisition or strategic investment object has been identified and suitable specific disclosures about such acquisitions or investments are made in the draft offer document and the offer document at the time of filing of offer documents.

- **Additional conditions for an offer for sale (Regulation 8A):** For issues where draft offer document is filed by an issuer without track record i.e., under Regulation 6(2) of the ICDR Regulations:

  a. Shares offered for sale by selling shareholders, individually or with persons acting in concert, holding more than 20 per cent of pre-issue shareholding of the issuer based on fully diluted basis, shall not exceed more than 50 per cent of their pre-issue shareholding on fully diluted basis.

  b. Shares offered for sale by selling shareholders, individually or with persons acting in concert, holding less than 20 per cent of pre-issue shareholding of the issuer based on fully diluted basis, shall not exceed more than 10 per cent of pre-issue shareholding of the issuer based on fully diluted basis.

  c. For shareholder(s) holding, individually or with persons acting in concert, more than 20 per cent of pre-issue shareholding of the issuer based on fully diluted basis, provisions of lock-in as specified under Regulation 17 of ICDR Regulations shall be applicable, and relaxation from lock-in as provided under Regulation 17(c) of ICDR Regulations shall not be applicable.

- **Monitoring agency (Regulation 41):** Credit Rating Agency (CRAs) registered with SEBI, shall henceforth be permitted to act as a monitoring agency instead of Scheduled Commercial Banks (SCBs) and Public Financial Institutions (PFIs). Monitoring shall continue till 100 per cent (earlier 95 per cent) of utilisation of issue proceeds.

- **Price band (Regulation 127):** The cap on the price band, and the coupon rate in case of convertible debt instruments, shall be less than or equal to 120 per cent of the floor price.

  As per the amendments, the cap of the price band shall be at least 105 per cent of the floor price.

- **Revised allocation methodology for non-institutional investors ((Regulation 129(3A)):** In an issue made through book building process, the allocation in the non-institutional investors' category shall be as follows:

  a. One third of the portion available to non-institutional investors shall be reserved for applicants with application size of more than INR2 lakh and up to INR10 lakh

  b. Two third of the portion available to non-institutional investors shall be reserved for applicants with application size of more than INR10 lakh.

  The provision is applicable from 1 April 2022.

- **Lock-in for anchor investors (Schedule XIII):** There shall be a lock-in of 90 days on 50 per cent of the shares allotted to the anchor investors from the date of allotment, and a lock-in of 30 days on the remaining 50 per cent of the shares allotted to the anchor investors from the date of allotment. This is applicable for all issues opening on or after 1 April 2022.

- **Determining the floor price (Regulation 164A and 165):** In case of frequently traded shares, the price of the equity shares to be allotted pursuant to the preferential issue shall not be less than 10 trading days' average price of the related equity shares quoted on a recognised stock exchange preceding the relevant date.

  In case of infrequently traded shares, the valuation report by a **registered** independent valuer shall be required.

  (Emphasis added to highlight the change)

- **Valuation report (Regulation 166A):** An additional requirement for a valuation report from a registered independent valuer shall be required in case of change in control/allotment of more than five per cent of post issue fully diluted share capital of the issuer company to an allottee or to allottees acting in concert.

- **Committee of Independent Directors (IDs) (Regulation 166A):** Any preferential issue, which may result in a change in control of the issuer, shall only be made pursuant to a reasoned recommendation from a committee of IDs of the issuer after considering all the aspects relating to the preferential issue including pricing, and the voting pattern of the said committee's meeting shall be disclosed in the notice calling the general meeting of shareholders.

- **Pledge of locked-in specified securities (Regulation 167A):** Specified securities, except SR equity shares, held by the promoters and locked-in under the provisions of ICDR Regulations, may be pledged as collateral for a loan granted by a scheduled commercial bank or a public financial institution or a systemically important non-banking finance company or a housing finance company provided if the loan has been granted to the issuer or its subsidiary(ies) for the purpose of financing one or more of the objects of the issue and pledge of specified securities is one of the conditions for sanction of the loan.

- **Disclosure in the offer document - certification of financial statements and issue of audit report (Schedule VI):** Currently, an issuer is required to incorporate in its offer document:

  a. Consolidated Financial Statements (CFS) prepared in accordance with Ind AS for three years and the stub period (if applicable) audited and certified by the **statutory auditor(s)** who holds a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India (ICAI) in the offer document.

  b. Proforma financial statements, as certified by the **statutory auditor**, of all the subsidiaries or businesses material to the CFS where the issuer or its subsidiaries have made an acquisition or divestment including deemed disposal after the latest period for which financial information is disclosed in the offer document but before the date of filing of the offer document.

  In case of non-material acquisitions/divestments disclosures in relation to the fact of the acquisition/divestment, consideration paid/received, and mode of financing shall be certified by the **statutory auditor** of the issuer company.

  Further, an **auditor** shall issue an examination report on the restated and audited financial information in accordance with the guidance note issued by the ICAI from time to time.

  Amendment

  As per the amendment, audit and certification of mentioned financial statements can be done by the statutory auditor(s) or **Chartered Accountants** who holds a valid certificate issued by the Peer Review Board of ICAI.

Effective date: The amendments are effective from the date of their publication in the official gazette i.e., 14 January 2022.

(Source: SEBI notification no. SEBI/LAD-NRO/GN/ 2022/63 dated 14 January 2022)

Listing Regulations

On 24 January 2022, SEBI notified certain amendments to the Listing Regulations. The key amendments are as follows:

- **Appointment of directors (Regulation 17):** As per the amendments, the listed entity shall ensure that approval of shareholders for appointment of a person on the Board of Directors (BoD) **or as a manager** is taken at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier.

  Further, the amendments require that the appointment or re-appointment of a person, including as a managing director, whole-time director or a manager, who was earlier rejected by the shareholders at a general meeting, shall be done only with the prior approval of the shareholders.

  Also, the statement annexed to the notice to the shareholders under Section 102(1) of the Companies Act, 2013 (2013 Act), for considering the appointment or re-appointment of such a person earlier rejected by the shareholders shall contain a detailed explanation and justification by the Nomination and Remuneration Committee (NRC) and the BoD for recommending such a person for appointment or re-appointment.

  (Emphasis added to highlight the change)

- **Statement of deviation(s) or variation (Regulation 32):** Where the listed entity has appointed a monitoring agency to monitor the utilisation of proceeds of a public or rights issue, the monitoring report of such agency shall be placed before the audit committee on a **quarterly** basis (earlier required on an annual basis), promptly upon its receipt.

  (Emphasis added to highlight the change)

- **Transfer or transmission or transposition of securities (Regulation 40):** Transmission or transposition of securities held in physical or dematerialised form shall be effected only in dematerialised form.

Effective date: The amendments are effective from the date of their publication in the official gazette i.e., 24 January 2022.

(Source: SEBI notification no. SEBI/LAD-NRO/GN/2022/66 dated 24 January 2022)

AIF Regulations

On 24 January 2022, SEBI made certain amendments to the SEBI (Alternative Investment Funds) Regulations, 2012 (AIF Regulations). The amendments have introduced Special Situation Funds (SSF), a sub-category under Category I AIF, which shall invest only in 'stressed assets' such as:

- Stressed loans available for acquisition in terms of the Reserve Bank of India (RBI) (Transfer of Loan Exposures) Directions, 2021 or as part of a resolution plan approved under Insolvency and Bankruptcy Code, 2016 (IBC)
- Security receipts issued by Asset Reconstruction Companies (ARCs) registered with RBI
- Securities of companies in distress such as companies against whose borrowings, security receipts have been issued by an ARC and companies whose borrowings are subject to corporate insolvency resolution process under Chapter II of the IBC.

Additionally, the amendments specified important features of the regulatory framework for SSF which, *inter alia*, include:

- Each scheme of a SSF shall have a corpus as may be specified by SEBI
- SSF shall not accept investments from any other AIF other than a SSF
- SSF shall accept from an investor, an investment of such value as may be specified by SEBI.

Effective date: The amendments are effective from the date of their publication in the official gazette i.e., 24 January 2022.

(Source: SEBI notification no. SEBI/LAD-NRO/GN/2022/68 dated 24 January 2022)

SEBI issued a clarification on scheme of arrangement by listed entities

Background

In November 2021[4], SEBI had issued certain amendments to its master circular (no. SEBI/HO/CFD/DIL1/CIR/ P/2020/249) dated 22 December 2020 which laid down the framework of schemes of arrangement by listed entities. The amendments mainly prescribe additional documents to be submitted with the stock exchanges before the scheme is sanctioned by the National Company Law Tribunal (NCLT). The documents, *inter alia*, included a No Objection Certificate (NOC) from lending scheduled commercial banks/financial institutions/ debenture trustees.

Further, Regulation 37(1) of the Listing Regulations requires a listed entity desirous of undertaking a scheme of arrangement or involved in a scheme of arrangement to file the draft scheme of arrangement with the stock exchange(s) for obtaining the no-objection letter, before filing such scheme with any Court or Tribunal, in terms of requirements specified by the SEBI or stock exchange(s) from time to time.

Clarification

SEBI through a circular dated 3 January 2022 has clarified that the NOC required from lending scheduled commercial banks/financial institutions/ debenture trustees should be submitted before the receipt of the no-objection letter from the stock exchange in terms of Regulation 37(1) of the Listing Regulations.

Uniform structure for non-compliance with provisions related to continuous disclosures by issuers with listed non-convertible securities and commercial paper

SEBI through a circular dated 13 November 2020 had issued a uniform structure for imposing fines and taking action for non-compliance with continuous disclosure requirements specified under the Listing Regulations by the issuers of listed Non-Convertible Securities (NCS) and/or Commercial Papers (CPs).

Consequent to the recent amendments to Listing Regulations, on 29 December 2021, SEBI has issued a revised circular with certain new/modified fines and actions to be taken in case of non-compliance with continuous disclosure requirements by the issuers of listed NCS and/or CPs.

Revised key norms in case of non-compliance by an entity with listed NCS are as follows:

Regulation	Particulars	Fine payable and/or action taken for non-compliance by an entity with listed NCS
Regulation 50(1)	Delay in furnishing intimation about board meeting	INR5,000 per instance of non-compliance per item
Regulation 52(7)/(7A)	Non-submission of statement indicating the utilisation of issue proceeds/material deviation in the use of proceeds	INR1,000 per day[5]
Regulation 53(2)	Non-submission of annual report within the specified period	INR2,000 per day per ISIN
Regulation 57(1)	Non-disclosure of information related to payment obligations	INR2,000 per day per ISIN (previously earlier INR1,000 per day per ISIN)
Regulation 57(4)	Non-submission of details of payable interest/dividend/principal obligations during the quarter	INR1,000 per ISIN
Regulation 57(5)	Non-submission of certificate confirming the payment of interest/ dividend/principal obligations due in the quarter or non-submission of details of all unpaid interest/dividend/ principal obligations at the end of the quarter	INR1,000 per ISIN

4. SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/0000000657 dated 16 November 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/0000000659 dated 18 November 2021.
5. International Securities Identification Number.

The fines specified would continue to accrue till the time of rectification of the non-compliance and to the satisfaction of the concerned recognised stock exchange. Such accrual would be irrespective of any other disciplinary/enforcement action(s) initiated by recognised stock exchange(s)/SEBI.

Effective date: The provisions of the circular would be effective for the due dates of compliances falling on or after 1 February 2022. It should be noted that the circular dated 13 November 2020 would be applicable till the time current circular comes into force.

(Source: SEBI circular no. SEBI/HO/DDHS_Div2/P/CIR/2021/699 dated 29 December 2021)

SEBI board meeting

SEBI in its board meeting dated 28 December 2021 has approved certain amendments to the SEBI (Mutual Funds) Regulations, 1996 (MF Regulations). Those are as follows:

- Mutual Fund schemes are required to follow Indian Accounting Standard (Ind AS) from Financial Year (FY)2023-24 onwards.
- Removal of redundant provisions with respect to accounting related regulatory provisions.
- Trustees are mandated to obtain the consent of the unitholders when the majority of the trustees decide to wind up a scheme or prematurely redeem the units of a close ended scheme.

(Source: SEBI press release PR No. 38/2021 dated 28 December 2021)

Guidance notes on Schedule III

ICAI through an announcement dated 24 January 2022 has issued guidance notes relating to the following divisions of Schedule III to the 2013 Act:

- **Division I:** Applicable to companies whose financial statements are required to comply with Companies (Accounting Standards (AS)) Rules, 2006
- **Division II:** Applicable to companies whose financial statements are required to comply with Companies Indian Accounting Standards (Ind AS) Rules, 2015
- **Division III:** Applicable only to Non-Banking Financial Companies (NBFCs) whose financial statements are required to comply with Companies (Ind AS) Rules, 2015.

Some of the key guidance provided is as follows:

Category	Guidance
Guidance applicable to Division I, II and III	
Balance sheet	
Disclosure of shareholding of promoter in a specified format	• Companies should also disclose number and percentage of shares at the beginning of the year as additional columns in order to facilitate an understanding of the percentage change during the year.
Trade payables and trade receivables ageing schedule	• Two additional columns with heading 'Unbilled' and 'Not due' shall be added before the ageing columns to tie-up the amounts presented in the 'total' column with the amounts presented in the financial statements or notes.
Property, Plant and Equipment (PPE)	• Separate presentation of the amount of change due to revaluation should be continued, irrespective of whether such a change is 10 per cent or more, in order to comply with a broader presentation requirement of AS 10 (revised)/Ind AS 10. Such presentation should be followed consistently.
Capital work-in-progress (CWIP) ageing schedule/completion schedule	• A company's 'original plan' shall be considered as that plan which is approved by the relevant approving authority and on the basis of which implementation progress is evaluated. Such an original plan shall include management's estimates and assumptions with respect to future business, economy/industry and regulatory environments and such assumptions shall be subject to change from time to time resulting in a 'revised plan'. • Management shall apply judgement in determining whether such revisions in the plans are in the nature of a fresh 'original plan' or simply an update of estimates and assumptions such that the original plan is revisited and revised. • For the purpose of this disclosure, projects that are not considered as material at an individual level can be aggregated and disclosed under the relevant category.

Category	Guidance
Additional regulatory information	
Loans or advances in the nature of loans granted to promoters, directors, Key Managerial Personnel (KMPs) and related parties	• An advance is in the nature of a loan would depend upon the facts and circumstances of each case. • A stipulation regarding interest may normally be an indication that the advance is in nature of a loan but this by itself is not conclusive and there may also be advances which are not in the nature of loan and which carry interest. • Relationship should be considered on the date of loan and the amount should be outstanding as at the balance sheet date (gross amount without netting off). • Disclosure to be provided for previous period as well.
Wilful defaulter	• The disclosure requirement applies to any company that has been declared as a wilful defaulter by any lender who has powers to declare a company as a wilful defaulter at any time during the financial year or after the end of reporting period but before the date when financial statements are approved or in an earlier period and the default has continued for the whole or part of the current year. • Such lenders shall include any bank or financial institution or any other lender in which such powers shall be vested pursuant to relevant regulations. • RBI identified certain events that would be considered as a wilful default. • The term 'lender' as per RBI circulars issued in this regard, covers all banks/financial institutions to which any amount is due, provided it is arising on account of any banking transaction, including off balance sheet transactions such as derivatives, guarantee and letter of credit.
Disclosure of details of transactions with struck-off companies	• If any transaction with a struck off company has happened during a financial year and settled/reversed/squared off, etc., during the same financial year such that the balance outstanding is nil as at the end of the reporting period, the company is required to disclose those transactions as well in the format specified in the guidance note (refer para 8.9.9.3).
Utilisation of borrowed funds and share premium	• The disclosure requires a company to cover transactions that do not take place directly between the company and the ultimate beneficiary but are camouflaged by including a pass-through entity in order to hide the ultimate beneficiary. • The pass-through entity acts on the instructions of the company for channeling the funds to the ultimate beneficiary as identified by the company. It might be noted that the reporting obligation includes inbound as well as outbound funding transactions.

Category	Guidance
	• Advances given or received in the ordinary course of business (e.g., advance to employees, advance to customers or suppliers against provision of goods or services, etc.) shall not be covered as part of this disclosure requirement.
Details of benami property held	• In case if there is any benami proceeding initiated against any associate company, then the company should disclose in case the proceeding is material to the group.
Borrowings not used for the specific purpose	• It is not necessary to establish a one-to-one relationship with the amount of borrowings and its utilisation. • Amount deposited in common account and subsequent withdrawal from the account for the said purpose does not tantamount to non-utilisation.
Title deeds of immovable property not held in the name of the company	• Details of immovable property whose title deeds are not held in the name of the company have to be disclosed in the specified format. • Immovable properties presented under 'PPE', 'investment property' or classified as 'PPE retired from active use and held for disposal' would be covered in the scope of this disclosure. • Items presented as inventory by companies carrying on real estate business will not fall under this disclosure.
Borrowings from banks or financial institutions on the basis of security of current assets	• Disclosure requirement shall apply if the company has borrowings 'during any point of time of the year' from banks or financial institutions on the basis of security of current assets. • Company shall provide this disclosure considering the sanctioned borrowings (fresh or renewed) even if the same is unutilised during the period or as at the end of the reporting period. • It should cover both fund and non-fund-based credit facilities availed by the company.

Category	Guidance
Statement of profit and loss	
Undisclosed income	• It covers transactions that were unrecorded in the books of account and which were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 in the form of returns filed by the company. • In case the company has not recorded/disclosed income in the books of account/financial statements, as applicable, reasons for same shall be disclosed.
Details of crypto currency or virtual currency	• The guidance note has defined the term 'virtual currency' and 'crypto currency'. • 'Virtual currency' is a digital representation of value, other than a representation of the INR or a foreign currency that functions as a unit of account, a store of value, and a medium of exchange. • 'Crypto currency' is a form of digital/virtual currency generated through a series of written computer codes that rely on cryptography which is encryption and is thus independent of any central issuing authority per se.

Category	Guidance
Guidance applicable to Division II and III	
General instructions for preparation of financial statements	• A company may not present a third balance sheet as at the beginning of the preceding period when preparing financial statements in line with the amended requirements of Ind AS Schedule III.

Category	Guidance
Balance sheet	
Equity share capital- Notes	• The statement of changes in equity would require disclosure for the current reporting period as well as the previous reporting period in the specified format. The disclosure would also include changes in equity share capital due to prior period errors.
Other equity	• Disclosure related to remeasurement of defined benefit plans and fair value changes relating to own credit risk of financial liabilities designated at fair value through profit or loss can be shown as a separate column under 'Reserves and Surplus' or recognised as a part of retained earnings.

(Source: Guidance notes on Schedule III issued by ICAI on 24 January 2022)

CBDT extended timelines for filing income-tax returns and reports of audit for AY2021-22

The Central Board of Direct Taxes (CBDT) through a circular dated 11 January 2022 has further extended the timelines for various compliances under the Income-Tax Act, 1961 (IT Act). Those are as follows:

Particulars	Due date	Revised timeline
Report of audit under any provision of the IT Act for the Previous Year (PY) 2020-21	30 September 2021/31 October 2021	15 February 2022
Report from an accountant by persons entering into international transaction or specified domestic transaction under Section 92E of the IT Act for PY2020-21	31 October 2021	15 February 2022
Return of income under Section 139(1) of the IT Act for Assessment Year (AY) 2021-22	31October 2021/30 November 2021	15 March 2022

(Source: CBDT circular no. 01/2022 dated 11 January 2022)

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.

First Notes

SEBI notified amendments to related party transactions

24 December 2021

On 28 September 2021, SEBI, in its board meeting, *inter alia*, considered and approved amendments to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) on Related Party Transactions (RPTs). On 9 November 2021, SEBI notified these amendments through SEBI (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021 (the amendments).

The amendments mainly pertain to the following areas:

- Definition of related parties and RPTs
- Audit committee's approval
- Materiality threshold and shareholders' approvals for RPTs
- Enhanced disclosures.

These amendments will be applicable in a phased manner, with certain amendments coming into effect from 1 April 2023 and remaining amendments will come into effect from 1 April 2022.

In this issue of First Notes, we aim to provide an overview of the key amendments made by SEBI in the Listing Regulations relating to related parties and RPTs.

Voices on Reporting (VOR) – Quarterly updates publication

On 25 January 2022, KPMG in India issued its 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) relevant for the quarter ended 31 December 2021.

To access the publication, please click here.

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