



N. A. SHAH ASSOCIATES LLP
Chartered Accountants

BULLETIN

ACCOUNTING, AUDITING AND COMPANY LAW –
MAY, 2022



ACCOUNTING AND AUDITING UPDATE

- ♦ EAC of the ICAI has opined that an NBFC should classify cash flows from (a) purchase / sale of special government securities (non-transferable and non-convertible) (b) purchase / sale of other government securities and (c) investment in subsidiary as cash flows from investing activities in accordance with Ind AS 7. However, cash flows from purchase / sale of other government securities can be considered as operating activity only if the securities are held for trading or dealing purposes or as cash equivalent.

For more information, [click here](#)

- ♦ The Council of ICAI has announced the effective date for applicability of Standard SAE 3410 – 'Assurance Engagements on Greenhouse Gas Statements'.

The standard is mandatory for periods on or after 31st March 2024. However, it can be adopted voluntarily for the period ending on or after 31st March 2023.

For more information, [click here](#)

- ♦ ICAI has published an article on non-compliances observed in the Assets Side of the Ind AS Financial Statements

For more information, [click here](#)



COMPANY LAW UPDATES

♦ MCA has provided the following relaxations:

- Companies whose AGMs are due in the year 2022 can conduct them on or before 31st December 2022 through VC or OAVM. Further, MCA clarifies that this is not an extension of time limit for holding AGMs under the Companies Act, 2013. Also, companies can conduct their EGMs via VC or OAVM or transact items through postal ballot up to 31st December 2022.

For more information, [click here](#) and [click here](#)

- Time limit for filing annual return of LLP (i.e. e-form 11) for financial year 2021-22 has been extended till 30th June 2022 without payment of additional fees.

For more information, [click here](#)

- Time limit for filing event-based LLP e-forms having due dates of 25th February 2022 and 31st May 2022 has been extended till 30th June 2022 without payment of additional fees.

For more information, [click here](#)

- ♦ A declaration in Form CAA-16 (newly introduced) is required to be filed in case of compromise, arrangement or amalgamation between an Indian company and a company or body corporate incorporated in a country which shares land border with India.

For more information, [click here](#)

- ♦ Invitation / offer of securities on private placement to a body corporate or any person in a country which shares a land border with India shall be made only after obtaining prior approval of Government under the Foreign Exchange Management (Non-debt Instruments) Rules, 2019. Form PAS-4 is amended to furnish such details.

For more information, [click here](#)



Glossary:

EAC	Expert Advisory Committee
ICAI	Institute of Chartered Accountants of India
NBFC	Non-Banking Financial Company
MCA	Ministry of Corporate Affairs
SAE	Standard on Assurance Engagement
AGM	Annual General Meeting
LLP	Limited Liability Partnership
EGM	Extra-ordinary General Meeting
VC	Video Conference
OAVM	Other Audio-Visual Means
CAA	Compromises, Arrangements and Amalgamations
FRRB	Financial Reporting Review Board
PAS	Prospectus and Allotment of Securities
Ind AS	Indian Accounting Standards



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