



N.A.SHAH ASSOCIATES LLP
Chartered Accountants

BULLETIN

ACCOUNTING, AUDITING AND COMPANY LAW –
JUNE, 2025

ACCOUNTING AND AUDITING UPDATE

♦ EAC opinion on accounting treatment of investment in erstwhile associate under Ind AS framework

Based on the facts of the case, the Company used fair value in its opening Indian Accounting Standard (Ind AS) balance sheet as deemed cost of investment in associate in accordance with paragraph 31 of Ind AS 101. Further, the Company has used Rs. 1 as the fair value on the date of transition to Ind AS which was also the carrying amount of investment on that date.

In the subsequent period, it was discontinued to be an associate entity due to holding % went below 20%. In view of turnaround of the erstwhile associate, the management of the Company has decided to value the investment in erstwhile associate at fair value through OCI.

As per EAC opinion, an entity is required to apply Ind AS 109 once such investments discontinued to be an associate entity i.e, option is there on initial recognition to measure equity instruments at FVTPL or FVTOCI. Such option is not available in the subsequent accounting period. Accordingly, once the entity has measured its equity instrument at FVTPL, it cannot measure the instruments FVTOCI in the subsequent accounting period.

For more information, [Click here](#)

♦ Exposure Draft issued for Guidance Note on Tax Audit

ICAI's Direct Taxes Committee has issued an Exposure Draft on the 'Guidance Note on Tax Audit under section 44AB' for public comments till 20th July 2025. The draft includes guidance on recent changes in Form No 3CD.

For more information, [Click here](#)

COMPANY LAW UPDATES

♦ Major Amendments to E-Forms filing on Version 3 portal of MCA

MCA has notified various amended e-forms for filing on V3 portal which were earlier filed on V2 portal. These changes are mainly in regard to additional disclosures, formats and data submission modes. Some of the e-forms which are changed are given below:

Particulars	Link
filing an application with ROC [GNL-1]	Click here
annual return (MGT-7 & MGT-7A for OPC and small Companies)	Click here
filing of financial statement (AOC-4),	Click here
appointment of cost auditor and filing cost audit report (CRA 2 and CRA 4)	Click here
appointment, removal & resignation of auditor (ADT-1, ADT-2 and ADT-3)	Click here
active company tagging identities and verification (INC 22A)	Click here
reporting of fraud to CG (ADT-4)	Click here
report on CSR (CSR-2)	Click here

submission of Prospectus with the Registrar (Listing of equity shares in permissible jurisdictions-1) (LEAP-1)	Click here
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- ♦ MCA has relaxed payment of additional fees till 15th August 2025 for certain forms having due dates between 18th June 2025 and 13th July 2025.

For more information, [Click here](#)

SEBI UPDATES

- ♦ SEBI has further extended the time limit for complying with the Industry Standards on “Minimum information to be provided to the Audit Committee and Shareholders for approval of RPT” from 1st July 2025 to 1st September 2025.

For more information, [click here](#)

OTHER UPDATES


- ♦ **Amendment in Foreign Contribution (Regulation) rules**

The amendments require more detailed financial disclosures in various online forms (FC-3A, FC-3B, FC-3C, FC-4, FC-6A to FC-6E) related to registration, prior permission, renewal, annual returns, intimation for changes in registration. Further, CA certificate is now required to certify the project-wise and location-wise details of receipt and utilization of foreign contributions.

For more information, [click here](#)

Glossary:

EAC	Expert Advisory Committee
Ind AS	Indian Accounting Standards
MCA	Ministry of Corporate Affairs
SEBI	Securities and Exchange Board of India
FCRA	Foreign Contribution Regulation Act
RPTs	Related Party Transactions
CAs	Chartered Accountant
FVTPL	Fair Value Through Profit or Loss
OCI	Other Comprehensive Income
FVOCI	Fair Value Through Other Comprehensive Income
CG	Central Government
CSR	Corporate Social Responsibility



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