

Editorial

Once a reactive domain left to auditors, Governance, Risk and Compliance ("GRC") is now a strategic cornerstone of modern leadership. Today's CXOs don't just manage performance-they shape resilient, compliant, and ethical organizations. By embedding GRC into strategy, operations, and culture, they drive trust and sustainable growth. Collaboration, foresight, and digital tools are key enablers in this transformation. The future belongs to leaders who view GRC not as a burden-but as a business advantage.

We have also included exciting sections in the newsletter like brain teasers. Our other regular features comprise of Gist of Changes in the Companies Act, 2013, SEBI's LODR, 2015 and IB Code, 2016, and Statutory Compliance Calendar for the month of June 2025.

Please share your feedback on this newsletter with us at contact@cimplyfive.com, we eagerly look forward to it.

Happy reading,
Team CimplyFive
July 05, 2025

What's more in this month's issue…

- ***What is Hot in Company Law?***
- ***Article of the Month***
- ***BLISS Tips for the Month***
- ***Test your Gray Matter!***
- ***Compliance Calendar***
- ***Regulatory Changes in the Month***

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OPINION:

What is Hot in Company Law?

Our free to use website www.ca2013.com has the unique distinction of providing an integrated view of the Companies Act, 2013 ("Companies Act"), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015 ("SEBI (LODR)") and Insolvency and Bankruptcy Code, 2016 ("IB code"). Our website has crossed **52 million page-views** as on date and attracts about 14,000 users accessing around 45,000 pages a day. List of the most viewed sections in the Companies Act, SEBI (LODR) and IB Code in the month of June 2025 here is based on visitors to our website as follows:

For the Month of June, 2025
Companies Act, 2013 Top 5 Chartbusters

Rank in May	Change in Rank	Rank in June	Section	Section Title
1	↔	1	179	Power of Board
3	↑	2	134	Financial Statements, Board Report, etc.
2	↓	3	188	Related Party Transactions
4	↔	4	62	Further Issue of Share Capital
N	↑	5	186	Loan and Investment by the Company

Section 149 has been replaced with Section 186 in the top 5 Rankings.

SEBI (LODR) Top 5 Chartbuster Regulations

Rank in May	Change in Rank	Rank in June	Regulation	Regulation title
1	↔	1	30	Disclosure of Events or Information
2	↔	2	17	Board of Directors
N	↑	3	34	Annual Report
3	↓	4	23	Related Party Transactions
N	↑	5	2	Definitions

Regulation 24A and 33 have been replaced by Regulation 34 and 2 in top 5 rankings for the month of June, 2025.

IB Code Top 5 Chartbusters

Rank in May	Change in Rank	Rank In June	Section	Section Title
1	↔	1	59	Voluntary liquidation of corporate persons.
2	↔	2	3	3 – Definitions (Part 1, Chapter 1)
3	↔	3	6	6 - Persons who June initiate Corporate Insolvency Resolution Process
3	↓	4	7	Initiation of corporate insolvency resolution process by financial creditor.
N	↑	5	53	Distribution of assets.

Sections 5, 33 and 35 have been replaced with section 53 in the month of June (Please note the top 5 ranking for May 2025 had 8 sections)

Article of the Month:

The CXO's Role in GRC: From Operational Ownership to Strategic Stewardship

Introduction

Governance, Risk and Compliance (GRC) has become a boardroom imperative, especially in navigating complex regulatory environments and ambitious growth agendas. With rules and regulations getting more intricate, and investors wanting more visibility than ever and CXOs are stepping up to lead the change.

GRC is no longer about ticking boxes - it's about building a culture of accountability, resilience, and transparency across leadership levels.

Let's begin by understanding the core components of GRC, and their role in shaping responsible, forward-looking organizations.

Governance:
Governance refers to the systems, principles, and processes by which an organization is directed and controlled. It focus on transparency, accountability, and ethical conduct-ensuring decisions align with the organization's values and objectives.

Risk Management:
Risk management involves identifying, assessing, and mitigating financial and non-financial risks that could impact the organization. A structured approach with early warning mechanisms safeguards assets, operations, and long-term goals.

Compliance:
Compliance is about adhering to applicable law, regulation and internal policies. It ensures that business activities meet established standards across jurisdictions, supporting operational integrity and reputation.

GRC Salient features as a Value-Generating Function

GRC is no longer just a control function-it has evolved into value-generating capability. For CXOs, this means going beyond compliance and integrating GRC it into core business strategy.

A structured GRC framework helps the company anticipate risks early, enabling smoother operations and more efficient resource allocation. Reliable internal systems also support continuous compliance, reducing dependency on periodic audits or corrective measures.

This proactive approach lowers the risk of penalties, minimise business disruptions, and improves decision-making through accurate data, transparency controls and sound governance.

A strong GRC foundation enhance stakeholder confidence, vital for raising capital, entering new markets, or forming partnerships. CFO-led GRC not only reduces risks, but actively contributes to responsible, sustainable growth.

Key Responsibilities of the CXO Suite in GRC

- **Fostering Strong Governance Standards**
  CXOs play a critical role in establishing and sustaining governance practices - defining strategic objectives, setting internal controls and promoting ethical leadership.

- **Leading Risk Management Efforts**
  Enterprise risk management requires collective vigilance. CXOs must contribute their domain insights- whether financial, operational, technological, or legal - to help assess risk exposure and shape response strategies.

- **Ensuring Regulatory Compliance**
  From tax laws, corporate laws, to data privacy rules like GDPR or SOC 2 (especially for SaaS companies), the CXOs should ensure the company stays compliant. They create systems and processes that help the organization meet its legal obligations-while staying audit-ready and avoiding costly penalties.

- **Steering Long-Term Strategy with GRC in Mind**
  Strategic planning now requires a GRC lens. CXOs should leverage risk and compliance insights to guide expansions, investments, and innovation - ensuring decisions are both bold and grounded.

- **Driving Cross-Department Collaboration**
  GRC isn't just a finance issue - it touches legal, IT, HR, and operations. GRC touches every function. CXOs often act as connectors, working across departments to make sure everyone's aligned on policies, risks, and compliance goals. They help break silos and keep everyone on the same page.

- **Building a Culture of Accountability**

  Through GRC, CXOs promote a company-wide mindset of doing things right. That means encouraging ethical behavior, making sure teams follow internal controls, and creating an environment where transparency is the norm. It's about more than policies-it's about culture.

Traditional CXO: Focused on Functional Excellence
Focus on functional excellence Traditional CXOs were primarily concerned with operational performance within their domains - managing day-to-day tasks, optimizing resources, and ensuring functional compliance
GRC as Secondary Concerns In the past, GRC was seen as the domain of auditors or compliance teams. Senior leaders without typical get involved only during reviews or crises
Limited Strategic Involvement While CXOs supported planning, GRC was rarely embedded into the organization's long-term strategy or transformation roadmap

The Modern CXO: Strategic Steward of GRC
Active Partner in Organizational Direction Modern CXOs co-create business strategy. They see GRC as fundamental to decision-making, scalability, and stakeholder trust.
Leading GRC from the front Today's CXOs don't wait for problems to arise. They take a proactive approach-identifying risks early, ensuring compliance by design, and strengthening governance to support sustainable growth
Building Cross-Team Trust and Resilience Modern CXOs engage across departments like legal, IT, and operations to ensure seamless coordination. Their focus on collaboration and transparency leads to faster, better decisions—and more responsible growth
Driving Digital Transformation in GRC CXOs are champions of GRC tech- automating compliance, using data analytics for real-time insights, and selecting tools that boost accuracy, efficiency and agility

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Challenges and Opportunities for CXOs: How Foresight Drives Effective GRC Leadership

- **Keeping up with Regulatory Change –**

  Challenge - Constantly evolving laws and regional regulations make compliance a moving target.

  Solutions:

  - Set up dashboards to track compliance deadlines and legal updates
  - Maintain a central repository guidance with version history
  - Adapt tools that auto - updates based on jurisdiction-specific compliance rules

- **Breaking down Silos –**

  Challenge - GRC requires across departments, but silos are common.

  Solution:

  - Use cloud-based systems that allow department-specific views and shared frameworks
  - Hold regular inter-departmental meetings with shared KPIs
  - Define compliance ownership clearly using RACI (Responsible, Accountable, Consulted, Informed) models

- **Managing GRC Technology –**

  Challenge - Choosing tech that simplifies instead of complicating GRC processes

  Solutions:

  - Use templates for risk and compliance reporting
  - Ensure that systems provide real-time, CXO-friendly insights

- **Balancing Risk and Growth -**

  Challenge - Growth comes with risk and balance is critical.

  Solutions:

  - Define risk thresholds and align them with business forecasts
  - Monitor GRC KPIs like audit finding or incident resolutions alongside growth targets
  - Make risk discussions part of quarterly business planning—not just audits

Conclusion

GRC is no longer the responsibility of a single function- it is a shared leadership imperative. As stewards of their respective domains, CXOs are uniquely positioned to embed GRC into the strategic core of the organization.

By championing good governance, anticipating and managing risk, and building systems for continuous compliance, CXOs power more than operational success- they drive responsible, resilient growth.

The modern C-suite must lead GRC with foresight, collaboration and conviction- to thrive today and withstand the uncertainty of tomorrow.

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BLISS Tips for the Month

BLISS Tips #320: Send out quick reminders to vote on Circular Resolutions!

With BLISS, if a circular resolution is put to vote, mail reminders can be sent out to the Directors/ Committee Members prior to the due date of the said resolution. These reminders can be targeted to specific directors/ Committee Members who are yet to cast their votes or sent to all directors as a standard practice.

This feature enables the Company to effectively manage and monitor the voting status of circular resolutions ahead of their due date, ensuring timely approval and compliance.

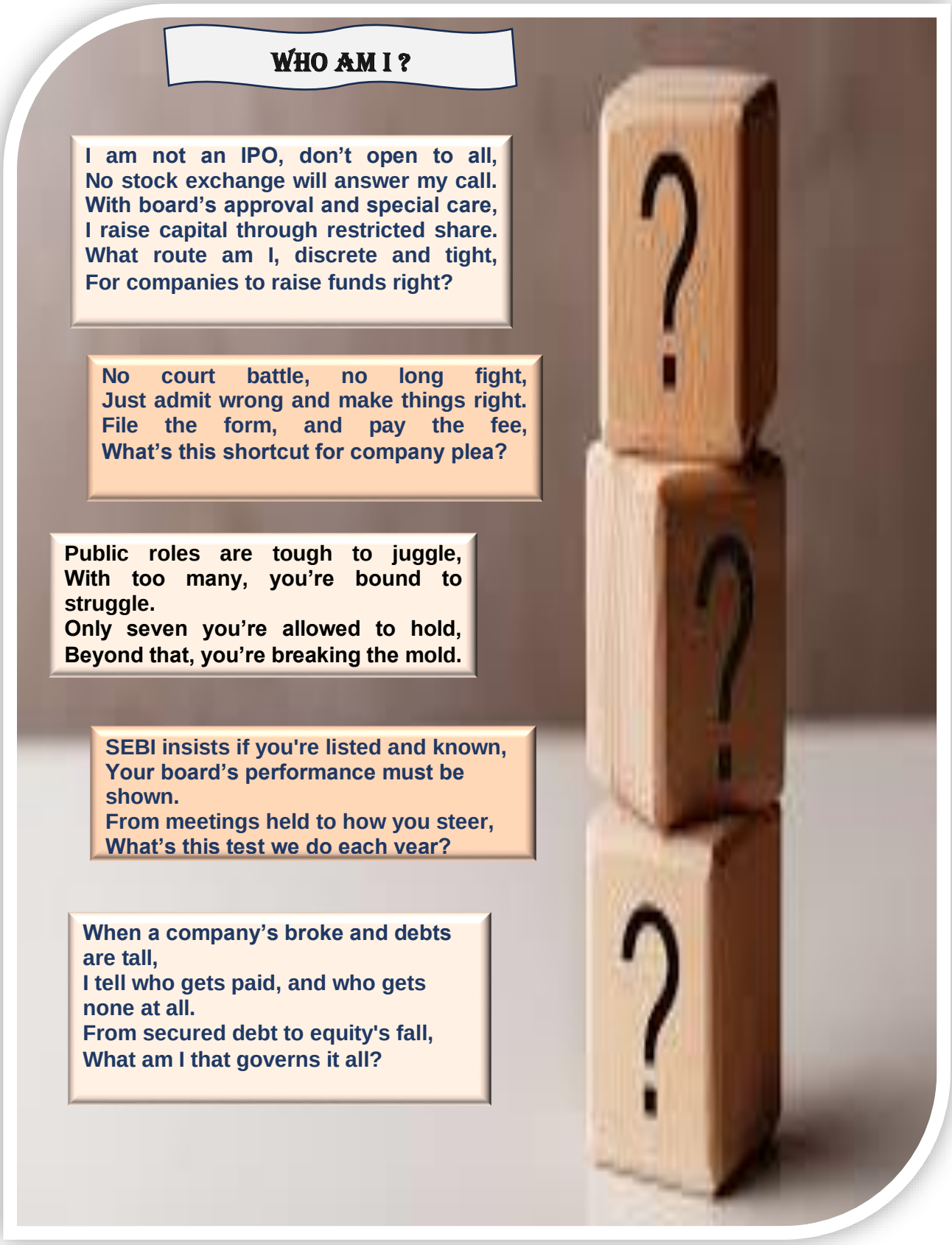
BLISS Tips #321: Search across multiple entities and modules on BLISS using keywords!

BLISS offers a powerful search functionality that allows users to locate any document using a keyword across multiple companies and modules. Search can be refined by applying filters to a specific period, or narrowing down on any modules- such as Agenda, Minutes, Registers, Past Records, Returns, Circular Resolutions and Action Trackers.

Additionally, BLISS supports upload of OCR-enabled PDFs, enabling keyword searches within scanned documents where text is machine-readable. This helps the users to search for resolutions or authorizations given, even with limited recollection of the information.

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Test your Gray Matter!! Take our Quiz to find out!



Test your Gray Matter!! Take our Quiz to find out!

1. **Which of the following companies is not required to constitute an Audit Committee under Section 177?**

   A. A listed public company
   B. A private company with ₹200 crore turnover
   C. A public company with ₹12 crore paid-up share capital
   D. A public company with ₹50 crore turnover and ₹10 crore borrowings

2. **A company makes a rights issue but one shareholder renounces his rights in favour of someone who is not an existing shareholder. Is this valid?**

   A. No, renunciation is not allowed
   B. Yes, renunciation can be made in favour of outsiders
   C. Only partially allowed
   D. It depends on Board approval

3. **A financial creditor initiates CIRP, but the corporate debtor disputes the debt citing errors in calculation. What should the Adjudicating Authority consider?**

   A. Reject the application outright
   B. Admit it unless the dispute is pre-existing
   C. Wait for an external auditor's report
   D. Require both parties to approach DRT first

4. **Can a public company opt for private placement of its securities under the Companies Act, 2013?**

   A. No, only private companies can use private placement
   B. Yes, but only after converting to a private company
   C. Yes, subject to compliance with Section 42 and applicable rules
   D. No, public companies can only raise funds via public offer

5. **Alpha Ltd., a listed entity, has 9 directors. One of the independent directors resigns mid-term citing personal reasons. The Board does not fill the vacancy for 4 months.**

   Question: Is Alpha Ltd. in compliance with the applicable law?

   A. Yes, as the company still has Independent Directors
   B. No, the vacancy must be filled within 30 days
   C. Yes, if the Board has recorded the reason
   D. No, the vacancy must be filled at the next AGM

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Board Leaders Integrated Software Solution

BLISSPLUS

BLISSPLUS is a Cloud hosted software that automates the routines, provides an e-repository, timely alerts, and a real-time dashboard, all aimed at ensuring compliance and good corporate governance. By doing so, it provides complete peace of mind to the Board of Directors and assurance to professionals by providing them with real-time compliance status with respect to the Companies Act, 2013. It also has multiple premium features like Directors view, facility to store past Secretarial records, automated compliance tracker for size- based compliance under the Companies Act, 2013.

BLISSLISTED

BLISSLISTED is an advanced variant of BLISSPLUS for Listed Companies with Companies Act,2013 and SEBI's LODR 2015 compliances integrated to provide a single point compliance automation, risk manager & e-repository for secretarial records including past secretarial records.

BLISSDOCS

BLISSDOCS is an Android/IOS based Board app for Directors which provides secure access to Board documents on Tablets/mobile phones, enhancing Directors productivity and making the Board meetings efficient & effective

CIMPLYBEST

CimplyBest is a tailormade software for Indian Corporates in conducting Corporate Board Evaluation which will optimize Board's Time & Effort with confidentiality assured.

Clear Compass

Clear Compass is an All-law Compliance Software to ascertain, track and manage all the applicable state, central and industry-specific laws.

CAIRR LODR Integrated

CAIRR is a free to use website from CimplyFive that provides at your fingertips, an integrated view of the Companies Act, 2013, IB Code, 2016 and LODR, 2015. The site and app are updated every business day by 11 AM for changes in the Act & Regulations. For more details, please visit www.ca2013.com

Compliance Calendar for the month of July, 2025

SEBI (LODR) Regulations, 2015 Compliances			
Sl. No.	**Compliance requirement**	**Regulation reference**	**Due Date**
1.	Integrated Filing (Governance): Statement of redressal of Investor Grievances and Compliance Report on Corporate Governance	13(3) and 27(2)(a)	Within 30 days from the end of the quarter, by 30th July 2025
2.	Statement showing holding of securities and shareholding pattern	31(1)(b)	Within 21 days of end of quarter, by 21st July 2025
3.	Indian Depository Receipt holding pattern (Only for Listed entities which has issued IDR)	69(1)	Within 15 days of end of quarter, by 15th July 2025
SEBI (Depositories and Participants) Regulations, 2018			
Sl. No.	**Compliance requirement**	**Regulation reference**	**Due Date**
1.	Reconciliation of share capital audit report.	55A (1)	Within 30 days of end of end of quarter, by 30th July 2025
Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019			
Sl. No.	**Compliance requirement**	**Regulation reference**	**Due Date**
1.	Annual Return on FLA (Foreign Assets and Liabilities) (If the Company has received FDI in the prior year(s), including the current year)	4(2)	To be filed on or before 15th July 2025

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Gist of regulatory changes in Companies Act, 2013, SEBI (LODR) 2015, SEBI (PIT) Regulations, 2015 and Insolvency & Bankruptcy Code, 2016 in the month of July, 2025.

- **02-06-2025**

Interim Resolution Professionals, Liquidators, Resolution Professionals and Bankruptcy Trustees (Recommendation) Guidelines, 2025

1. Background:
The Insolvency and Bankruptcy Board of India ("the Board") is empowered to share a panel of eligible Insolvency Professionals ("IPs") with the Adjudicating Authority for appointment as Resolution Professionals or Bankruptcy Trustee.

To minimize administrative delays and ensure timely appointments of Interim Resolution Professional ("IRP"), Resolution Professional (RP), Liquidator, or Bankruptcy Trustee (BT), the Board has recognized the need to prepare and provide this panel in advance and has issued guidelines in this regard.

2. Eligibility Criteria for IPs:
An IP is eligible if:

- No pending disciplinary proceedings against the IP.
- Not convicted in the last 3 years.
- Has submitted an Expression of Interest (EOI) with consent to act.
- Holds a valid Authorization for Assignment (AFA) until at least December 31, 2025.

3. Expression of Interest (EOI):
The Board will invite EOIs from IPs via email to their registered addresses in Form A (format provided in these guidelines), which shall be submitted by June 22, 2025. The submission of EOI is an unconditional consent by the IP to act as an IRP, Liquidator, RP or BT of any process relating to a corporate or individual debtor, as the case may be.

4. Panel of IPs:
The Board will prepare a common Panel of IPs for appointment as IRP, RP, Liquidator, or BT, which is valid for six months, and share it with the Hon'ble National Company Law Tribunal ("NCLT") and Hon'ble Debt Recovery Tribunal ("DRT"). The Panel will be structured Zone-wise and Bench-wise, based on the IPs' registered office addresses. IPs will be eligible for appointment across all NCLT benches.

5. Sorting Criteria:
The eligible IPs will be sorted on the basis of the volume of ongoing assignments related to liquidation and CIRPs.

6. Conditions:
The inclusion of the name of the IP in the panel will be deemed acceptance to act as IRPs, Liquidator, RP or BT, as the case may be, on being appointed by the NCLT or the DRT, as the case may be. IPs must not withdraw consent or refuse appointments unless permitted by the NCLT, DRT, or IBBI. Unjustified refusal will be treated as a violation, and the IP's name will be removed from the panel for six months.

- **03-06-2025**

MCA launches final set of 38 Company forms on V3 Portal
Key highlights of the announcement are as follows:

1. Filings on V2 portal will be disabled from June 18, 2025 12:00 AM.

2. Offline payments in V2 using pay later will be stopped from June 08, 2025 12:00 AM.

3. V3 portal will not be available for filing from July 09, 2025 12:00 AM to July 13, 2025 11:59 PM. There will be no waiver of fees or extension of resubmission period, if the due date/resubmission date falls within the aforementioned downtime period.

4. MCA has advised the Stakeholders to create user ID/upgrade existing V2 ID/Merge V2 ID in V3 system under 'Business user' category and associate the DSC.

- **05-06-2025**

The Ministry of Corporate Affairs (MCA) has notified the revised format of e-forms ADT-1, ADT-2, ADT-3, ADT-4, GNL-1, CRA-2, CRA-4, MGT-7/7A, effective 14th July 2025. Key changes in forms are as follows:

Forms ADT-1 to ADT-4:

- ADT-1: Mandatory declaration now required to confirm "Whether the recommendation of the Audit Committee constituted u/s 177 of the Companies Act, 2013 has been considered by the Board of Directors before the appointment".
- ADT-2: "Proof of service to the defending/ responding auditor" is now required to be mandatorily attached to the form
- ADT-3: SRN of ADT-1 now a mandatory field.
- ADT-4: This form is now required to be filed electronically.

Forms MGT-7/7A:

- A new mandatory attachment is required: a photograph of the registered office showing an external view with the nameboard clearly visible, along with latitude and longitude coordinates.
- The company's Details must be disclosed as on the last day of the financial year and the date of filing so as to assess the actual details that occurs between these two dates.
- The registered office address and SEBI registration number of the Registrar and Transfer Agent must be provided.
- For share transfer details, only the number of transfers needs to be mentioned in the form, with a separate detailed sheet to be attached.
- Shareholding break-up must now include gender-wise classification for both promoters and other shareholders.
- The number of shareholders must be explicitly mentioned in the form.
- Only Excel-format attachments for the list of shareholders and debenture holders are required. Uploading PDFs of MGT-8 is no longer necessary, as MGT-8 will now be generated as a part of the Form itself.

- **10-06-2025**

Amendment to the Companies [Filing of Documents and Forms in Extensible Business Reporting Language("XBRL")] Rules, 2015

Companies which are required to file or are filing their financial statements in XBRL format, are now required to attach a copy of signed financial statements duly authenticated as specified in section 134 of the Companies Act, 2013 (including Board's report, auditors' report and other documents) in PDF format in e-Form AOC-4 XBRL w.e.f. July 14, 2025.

The format for e-form AOC-4 (XBRL) has also been replaced to reflect the aforementioned change and includes the following new fields, including but not limited to:

1. Details of Specified Bank Notes (SBN)
2. CSR reporting

- **19-06-2025**

Separate Filing of e-form CSR-2 post the period of transition of MCA21 Portal from Version 2 ("V2") to Version 3 ("V3")

In view of the aforementioned transition, the Ministry has scheduled a system migration, due to which filing in V2 has been decommissioned with effect from 18th June, 2025.

Pursuant to the decommission, stakeholders intending to file e-form CSR- 2 independently, with V2 SRN of Form AOC-4/ AOC-4(XBRL)/AOC-4 (NBFC), can file the same in V3 portal from 14th July, 2025 to 15th August, 2025.

Relaxation of additional fees for filing of 13 e-forms during the period of transition from V2 to V3

Considering the aforementioned decommission, the Ministry has scheduled a system migration phase, during which e-forms will be temporarily unavailable for filing from 18th June 2025 to 13th July 2025 (inclusive of both dates).

To facilitate a smooth filing experience, the competent authority has decided that, in cases where ***due date (last date of filing without additional fees) or resubmission date*** falls between 18th June 2025 to 31st July 2025, the filing of the following e-forms shall be allowed without levying any additional fees till 15th August 2025:

1. AOC-4
2. AOC-4 NBFC (Standalone)
3. AOC-4 NBFC (Consolidated)
4. AOC-4 CFS
5. AOC-4 XBRL
6. MGT-7/7A
7. MGT-15
8. GNL-1 (relating to Application for extension of AGM)
9. LEAP-1
10. ADT-1
11. ADT-3
12. CRA-2
13. CRA-4

This relaxation is granted as a one-time measure in consideration of technical constraints during the system transition and the users are expected to complete the filings promptly once the forms are made live on V3.
of the resolution plan shall be paid at least pro rata and in priority over financial creditors who voted in favour of the plan, in each stage.

Solution for Riddles	**Solution for Quiz**
1. Private Placement	1. A
2. Compounding of offences	2. B
3. Limit of 7 Directorship in Public Company	3. B
4. Board Evaluation	4. C
5. Waterfall Arrangement	5. C

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About CimplyFive

Mission

Provide a cost-effective, secure web-based, menu driven, subscription services that provides curated resolutions, timely alerts and informative dashboards to free the management bandwidth for pursuing business goals

Vision

Leverage research and technology to eliminate procedural non-compliance risk for entities regulated by the Indian Companies Act, 2013



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