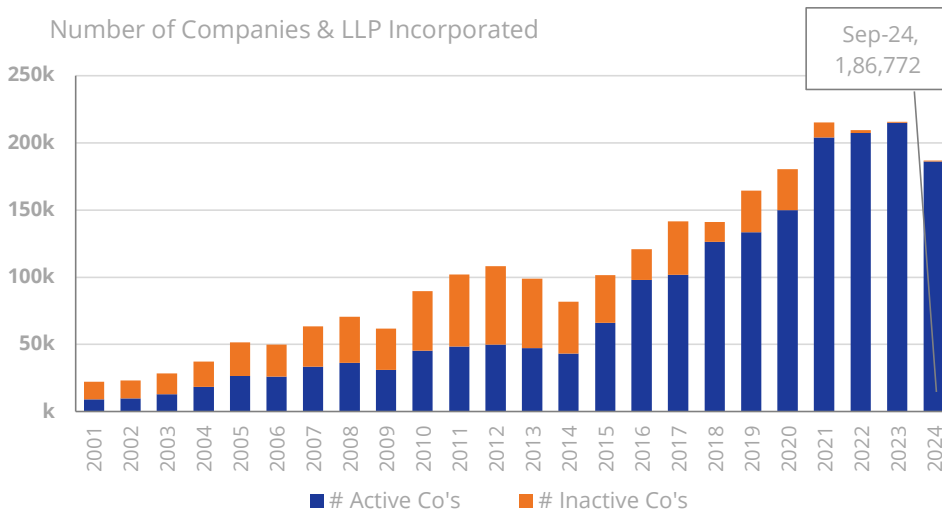


The Power of Data

Transforming Insights into Action

Welcome to our September edition! Dive into the latest trends in company incorporation, get insights on charges created or modified, explore the top 20 charge holders, and review state-wise revenue distribution. Plus, don't miss our in-depth analysis of the Food & Beverage sector in our Industry Insights series.

Universe of Registered Companies and LLPs

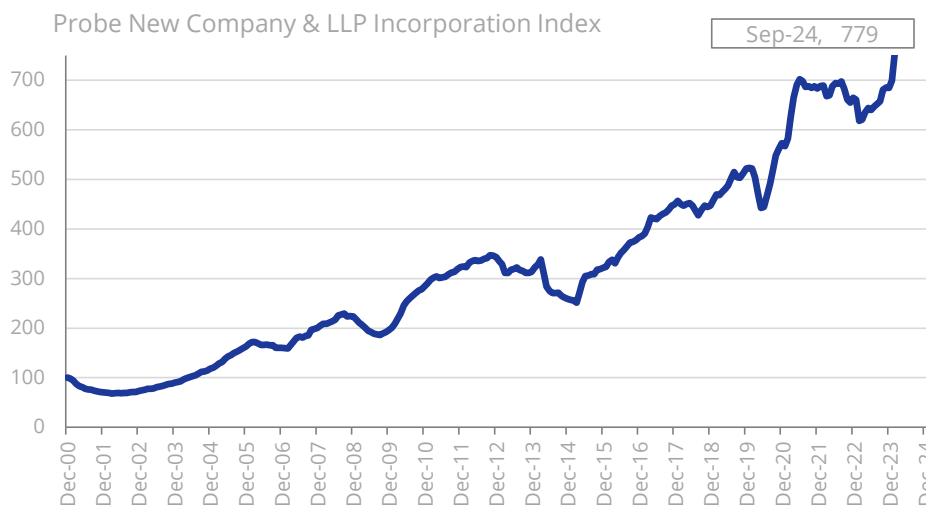


There are 21,36,884 active entities (21,21,600 entities as on last month) out of 31,46,271 entities ever registered.

92.7% of the entities registered between 2019 and 2022 are active now.

Source: Probe Data and analytics

Probe New Company and LLP Incorporations Index



The Probe New Company and LLP Incorporations (PNCLI) Index was constructed using Dec-00 as the base year.

Probe Index value in Sep-24, stood at 779 with 1,80,048 companies and 65,342 LLP registered in the prior 12 months.

In the month of Sep-24, 11,107 companies and 4,703 LLPs were registered with MCA.

Source: Probe Data and analytics

PIN Code Spread (New Incorporations)

PIN Code	Area / District	No. of Entities	% of Total
201301	Gautam Buddha Nagar	209	1.3%
110092	East - Delhi	117	0.7%
122001	Gurugram	94	0.6%
122002	Gurugram	77	0.5%
500081	Hyderabad	73	0.5%
380015	Ahmadabad	61	0.4%
110034	North West - Delhi	58	0.4%
110059	West - Delhi	58	0.4%
110085	North West - Delhi	57	0.4%
431001	Aurangabad	55	0.3%
Rest of India		14,951	94.6%
Total		15,810	100.0%

Source: Probe Data and analytics

15,810 entities got incorporated with MCA under 4,199 PIN Codes in the last month.

Top 10 PIN Codes counts for 5.4% of total new incorporations with 859 entities.

During the month, 2,831 entities got incorporated in North region of India covering 5 States (Uttar Pradesh, Haryana, Punjab, Uttarakhand, Himachal Pradesh).

PIN Code Spread (All Entities)

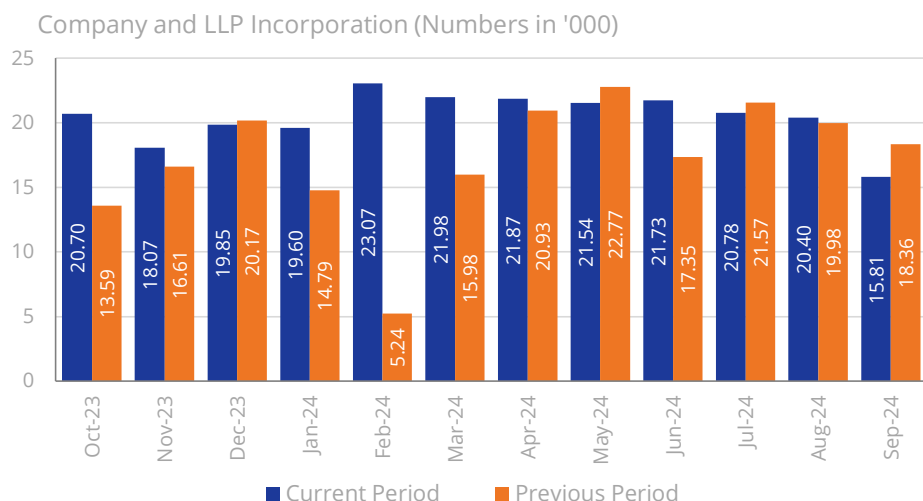
PIN Code	Area / District	No. of Active Companies	% of Total
700001	Kolkata	22,670	1.1%
110092	East - Delhi	22,165	1.0%
201301	Gautam Buddha Nagar	19,324	0.9%
122001	Gurugram	14,295	0.7%
110019	South East - Delhi	10,232	0.5%
110085	North West - Delhi	10,162	0.5%
110034	North West - Delhi	9,880	0.5%
110001	New Delhi	9,427	0.4%
400053	Mumbai Suburban	8,677	0.4%
452001	Indore	8,476	0.4%
Rest of India		20,01,576	93.7%
Total		21,36,884	100.0%

Source: Probe Data and analytics

21,36,884 entities were registered in 23,356 PIN Codes.

Top 10 PIN Codes counts for 6.3% of all the active incorporations across India.

New Company and LLP Incorporations



Source: Probe Data and analytics

There is a 22.5% Month-on-Month decrease in new registration of entities in India.

As compared to Sep-23, 13.9% fewer entities were registered in India in Sep-24.

18.3% more entites got incorporated in last 12 months with MCA, as compared to previous period.

Company and LLP Classification

Classification	Number of Active Entities	% of total
Private Limited Indian Non-Government Company	15,69,407	73.4%
Public Limited Indian Non-Government Company	59,956	2.8%
One Person Company	61,264	2.9%
Not For Profit Company	58,603	2.7%
Foreign Company Incorporated in India	17,091	0.8%
Nidhi Company	8,740	0.4%
Government Company	2,200	0.1%
Guarantee & Association	710	0.0%
Unlimited Liabilities	258	0.0%
Limited Liability Partnership	3,58,655	16.8%
Total	21,36,884	100.0%

Source: Probe Data and analytics

Entities are classified under various categories as shown.

There are 81 Government and 6,705 Non-Government listed companies in India.

Revenue Range of all Entities

Revenue Range	Number of Active Companies	% Of Total
Less than Rs 1 cr	17,86,057	83.6%
Rs 1 - Rs 5 cr	1,40,973	6.6%
Rs 5 cr - Rs 10 cr	55,499	2.6%
Rs 10 cr - Rs 50 cr	93,351	4.4%
Rs 50 cr - Rs 100 cr	24,523	1.1%
Rs 100 cr - Rs 1,000 cr	32,044	1.5%
Rs 1,000 cr - Rs 5,000 cr	3,606	0.2%
More than Rs 5,000 cr	831	0.0%
Total	21,36,884	100.0%

Source: Probe Data and analytics

1,54,355 entities have revenue more than Rs 10 cr.

21,00,403 entities have revenue up to Rs 100 cr.

There are 60,173 entities in India having revenue between Rs 50 cr and Rs 5,000 cr.

Nationwide Spread (All Entities)

State	Region	No. of Active Companies	% of Total
Maharashtra	West Region	4,46,571	20.9%
Delhi	Union Territory of India	2,85,954	13.4%
West Bengal	East Region	1,67,874	7.9%
Uttar Pradesh	North Region	1,67,163	7.8%
Karnataka	South Region	1,51,837	7.1%
Gujarat	West Region	1,32,383	6.2%
Tamil Nadu	South Region	1,31,986	6.2%
Telangana	South Region	1,22,992	5.8%
Haryana	North Region	80,308	3.8%
Kerala	South Region	75,218	3.5%
Rajasthan	West Region	72,672	3.4%
Madhya Pradesh	Central Region	50,126	2.3%
Bihar	East Region	47,118	2.2%
Andhra Pradesh	South Region	36,067	1.7%
Punjab	North Region	30,426	1.4%
Rest of India		1,38,189	6.5%
Total		21,36,884	100.0%

Source: Probe Data and analytics

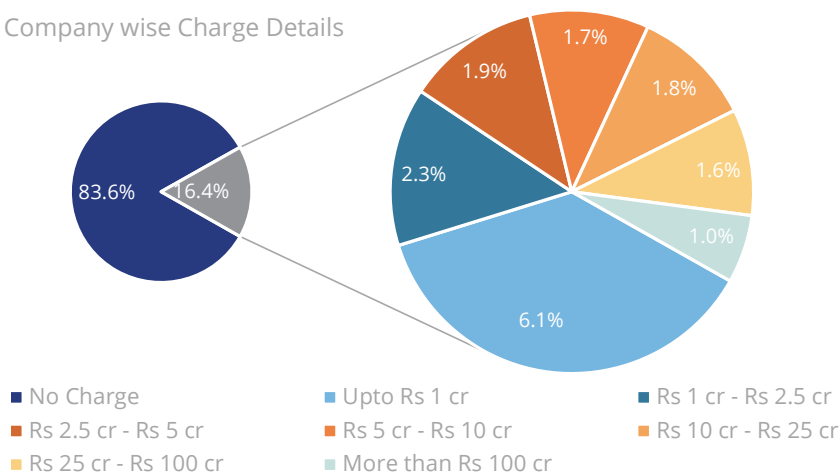
All active entities in India are classified as per different states as shown.

During the month, 74.5% of new entities were registered in major 9 States of India.

There are 2,64,654 active entities in East region of India covering 5 States (West Bengal, Bihar, Odisha, Jharkhand, Sikkim).

Number of Charges

Company wise Charge Details



3,49,647 (16.4%) active companies have secured loan with a Bank or NBFC.

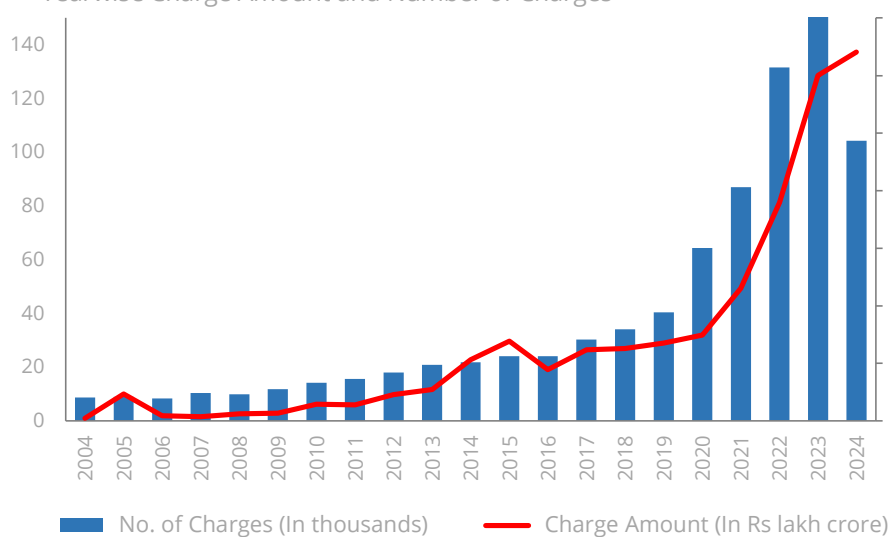
91,946 companies have charges of more than Rs 10 cr.

There are 1,65,749 companies in India having charge amount between Rs 1 cr and Rs 25 cr.

Source: Probe Data and analytics

Year wise Charges

Yearwise Charge Amount and Number of Charges



Rs. 27.9 cr is the average charge amount per charge ID created / modified between the year 2020 and 2022.

1,04,317 charges were created / modified during the CY2024, with total charge amount of Rs 64,09,121 cr.

During the year 2021, average charge amount per charge was Rs 26.5 cr.

Note: This Chart is based on the latest date of charge event i.e. "Created or Modified".

Source: Probe Data and analytics

Last 12 month Charges

Charge Range	Charge Amt (Amt in Rs cr)	No. of Charges	% of Total
Less Than Rs 1 lakh	1.2	227	0.1%
Rs 1 lakh - Rs 10 lakh	478.5	6,994	4.6%
Rs 10 lakh - Rs 1 cr	17,104.7	44,766	29.3%
Rs 1 cr - Rs 10 cr	1,96,141.1	52,399	34.3%
Rs 10 cr - Rs 25 cr	3,00,387.5	19,337	12.7%
Rs 25 cr - Rs 50 cr	4,02,607.1	11,778	7.7%
Rs 50 cr - Rs 100 cr	4,90,312.5	7,409	4.8%
Rs 100 cr - Rs 500 cr	15,10,454.5	7,442	4.9%
More than Rs 500 cr	52,20,051.2	2,471	1.6%
Total	81,37,538.3	1,52,823	100.0%

Charges with amount more than Rs 500 cr covered 64.1% portion of total charge amount.

Rs 262.0 cr is the average charge amount per charge with charge amount more than Rs 25 cr.

For charges between Rs 10 cr and Rs 100 cr, the average charge amount per charge ID was Rs 31.0 cr.

Source: Probe Data and analytics

Top 20 Charge Holders

Top 20 Charge Holders (Based on Number of Charges)	No. of Client	No. of Charges	Top 20 Charge Holders (Based on Charge Amount)	No. of Client	Amount (Rs Cr)
Hdfc Bank Limited	75,378	1,53,536	Sbicap Trustee Company Limited	2,054	42,11,722
State Bank Of India	47,872	70,810	State Bank Of India	47,872	33,65,211
Icici Bank Limited	30,996	53,817	Idbi Trusteeship Services Limited	2,071	30,07,889
Axis Bank Limited	30,652	52,939	Catalyst Trusteeship Limited	2,232	27,19,557
Punjab National Bank	26,130	49,405	Axis Trustee Services Limited	1,419	18,12,106
Canara Bank	21,819	42,112	Vistra Itcl India Limited	1,395	17,64,416
Bank Of Baroda	23,918	41,643	Hdfc Bank Limited	75,378	13,34,463
Union Bank Of India	21,347	37,213	Union Bank Of India	21,347	12,16,474
Kotak Mahindra Bank Limited	19,406	29,062	Standard Chartered Bank	3,497	10,13,940
Bank Of India	13,566	25,532	Punjab National Bank	26,130	7,87,319
Indusind Bank Limited	9,303	19,610	Axis Bank Limited	30,652	7,33,731
Indian Bank	10,748	17,731	Bank Of Baroda	23,918	7,19,773
Federal Bank Limited	7,431	14,658	Icici Bank Limited	30,996	7,00,113
Yes Bank Limited	8,856	13,461	Power Finance Corporation Limited	249	6,87,377
Small Industries Development Bank Of India	5,861	12,730	Janata Sahakari Bank Limited	598	6,04,829
Indian Overseas Bank	7,434	12,395	Rural Electrification Corporation Limited	126	5,59,218
Sundaram Finance Limited	2,856	10,843	Canara Bank	21,819	5,52,625
Bank Of Maharashtra	5,866	10,008	Bank Of India	13,566	5,10,355
Central Bank Of India	6,050	9,924	Kotak Mahindra Bank Limited	19,406	3,08,700
Tata Capital Financial Services Limited	3,865	8,181	Yes Bank Limited	8,856	3,01,579
Other Charge Holders	1,65,215	2,94,111	Other Charge Holders	2,10,988	67,09,467
Total	5,44,569	9,79,721	Total	5,44,569	3,36,20,863

Source: Probe Data and analytics

Charges Created/Modified in last 1 Year

Top 20 Charge Holders (Based on Number of Charges)	No. of Client	No. of Charges	Top 20 Charge Holders (Based on Charge Amount)	No. of Client	Amount (Rs Cr)
Hdfc Bank Limited	24,322	35,680	Catalyst Trusteeship Limited	1,171	13,09,223
Icici Bank Limited	11,227	14,652	Sbicap Trustee Company Limited	905	11,75,580
Axis Bank Limited	9,357	12,016	Idbi Trusteeship Services Limited	513	8,35,622
State Bank Of India	8,511	9,413	Hdfc Bank Limited	24,322	5,48,364
Kotak Mahindra Bank Limited	6,354	7,524	Axis Trustee Services Limited	600	4,78,637
Punjab National Bank	3,883	5,088	Vistra Itcl India Limited	361	4,71,446
Bank Of Baroda	3,536	4,639	State Bank Of India	8,511	4,70,950
Union Bank Of India	3,287	4,077	Axis Bank Limited	9,357	2,66,675
Canara Bank	3,080	3,744	Icici Bank Limited	11,227	2,46,626
Federal Bank Limited	2,292	3,215	Punjab National Bank	3,883	1,45,962
Indusind Bank Limited	2,198	3,139	Power Finance Corporation Limited	70	1,40,647
Yes Bank Limited	2,756	3,134	Kotak Mahindra Bank Limited	6,354	1,37,455
Small Industries Development Bank Of India	2,178	2,685	Bank Of Baroda	3,536	1,35,720
Bank Of India	1,901	2,456	Canara Bank	3,080	1,21,219
Catalyst Trusteeship Limited	1,171	2,405	Pnb Investment Services Limited	90	1,00,131
Indian Bank	1,845	2,336	Beacon Trusteeship Limited	168	94,541
Sundaram Finance Limited	629	1,939	Yes Bank Limited	2,756	94,428
Au Small Finance Bank Limited	1,582	1,781	Union Bank Of India	3,287	92,338
Idfc First Bank Limited	1,064	1,356	Indusind Bank Limited	2,198	71,675
Indian Overseas Bank	1,088	1,308	Indian Bank	1,845	65,733
Other Charge Holders	33,789	46,404	Other Charge Holders	41,816	13,13,226
Total	1,26,050	1,68,991	Total	1,26,050	83,16,199

Source: Probe Data and analytics

State-wise Charges

State	No. of Charges	Charge Amt (Rs lakh cr)	% of Total
Maharashtra	2,08,980	129.2	38.4%
Delhi	1,44,405	50.1	14.9%
Gujarat	74,527	26.3	7.8%
Telangana	55,480	21.1	6.3%
Tamil Nadu	80,772	19.5	5.8%
West Bengal	70,778	18.1	5.4%
Karnataka	53,022	14.8	4.4%
Haryana	29,643	10.3	3.1%
Uttar Pradesh	44,521	9.9	2.9%
Andhra Pradesh	19,385	9.1	2.7%
Rest of India	1,98,208	27.7	8.2%
Total	9,79,721	336.2	100.0%

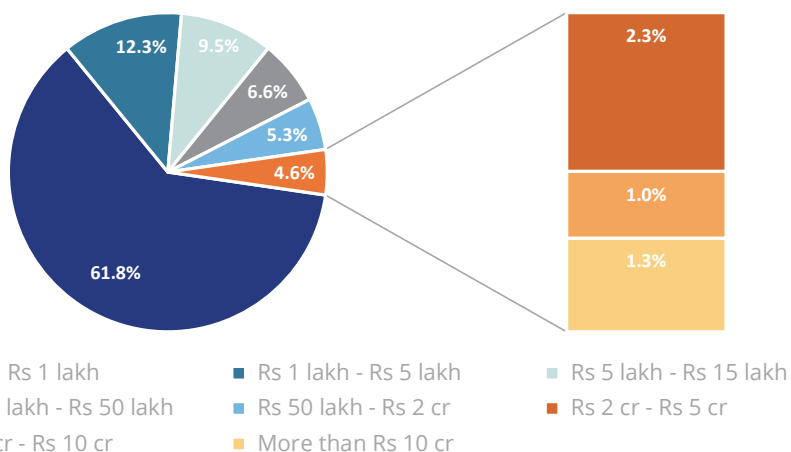
Source: Probe Data and analytics (Based on Probed Companies)

All States of India (28 States) excluding UTs, have 8,21,787 charges in total amounting to Rs 2,84,06,653.1 cr.

South Region in India, have 2,38,436 charges covering 5 States (Karnataka, Tamil Nadu, Telangana, Kerala, Andhra Pradesh) with total charges of Rs 68,74,158.5 cr.

Paid-Up Capital

Company wise Paid Up Capital



Source: Probe Data and analytics

28,672 (1.3%) companies have paid up capital of more than Rs 10 cr.

7,038 private companies have paid up capital of more than Rs 25 cr.

There are 3,02,290 companies in India, having paid up capital ranging between Rs 15 lakh and Rs 5 cr.

Probe Industry Spread

Probe Industry	Number of Entities based on Revenue Range				
	Upto Rs 5 cr	Rs 5 - Rs 50 cr	Rs 50 - Rs 250 cr	Rs 250 - Rs 1,000 cr	Above Rs 1,000 cr
Agro	34,567	7,456	2,487	855	376
Airline	1,445	383	138	40	34
Apparel	7,752	2,241	635	179	48
Automobiles	12,388	5,486	2,953	1,110	343
BFSI	73,986	9,573	2,828	1,056	555
Biotechnology	1,202	222	65	19	5
Business Services	10,428	2,732	713	198	76
Chemicals	13,530	5,014	1,919	648	236
Cleantech	9,262	2,769	1,006	323	181
Consumer Durables	17,910	5,549	1,355	414	200
Consumer Products	27,625	9,076	3,004	896	334
Consumer Services	39,307	6,689	1,475	409	176
Defence	441	114	68	26	17
Education	18,885	2,488	590	178	55
Engineering	14,784	4,323	1,151	361	155
Events and Entertainment	7,986	1,196	265	67	22
FMCG	4,334	1,111	383	127	68
Food and Beverages	31,580	8,746	3,905	1,318	480
Healthcare	26,452	6,527	1,411	369	116
Information Technology	83,919	16,823	4,075	1,255	553
Infrastructure	32,225	6,809	2,383	775	264
Internet	16,458	2,947	900	287	165
Machinery and Equipment	26,518	11,016	2,846	650	224
Manufacturing	38,135	15,995	6,008	1,301	452
Media and Publishing	22,930	4,591	1,022	278	101
Metals and Minerals	27,181	8,504	4,138	1,573	435
Oil and Gas	1,219	416	169	63	57
Outsourcing	48,644	7,338	1,829	532	198
Packaging	6,330	3,207	1,141	245	55
Pharma	18,684	5,042	1,603	487	194
Power	10,643	3,034	1,039	371	335
Real Estate	87,228	9,966	2,584	623	220
Shipping	2,262	740	214	42	21
Telecom	4,678	1,041	317	107	89
Transport and Logistics	29,088	8,209	2,231	569	224
Unclassified Industry	59,176	7,000	2,799	844	397
Utilities	196	17	10	5	4

Source: Probe Data and analytics (Based on Probed Companies)

Statewise Revenue Spread

States	Number of Entities based on Revenue Range				
	Upto Rs 5 cr	Rs 5 - Rs 50 cr	Rs 50 - Rs 250 cr	Rs 250 - Rs 1,000 cr	Above Rs 1,000 cr
Andaman and Nicobar Islands	113	31	3	1	0
Andhra Pradesh	7810	2069	824	257	121
Arunachal Pradesh	78	20	13	0	1
Assam	3242	978	268	54	11
Bihar	6478	1371	326	62	13
Chandigarh	3787	901	226	54	12
Chattisgarh	4180	1030	458	187	30
Dadra and Nagar Haveli	209	80	50	17	14
Daman and Diu	120	69	41	17	8
Delhi	115553	24630	7048	1965	686
Goa	2115	460	140	40	10
Gujarat	41443	14117	4715	1166	360
Haryana	21226	5336	1468	483	178
Himachal Pradesh	1265	353	147	37	8
Jammu and Kashmir	819	266	92	22	1
Jharkhand	3587	909	242	45	14
Karnataka	41868	10689	2978	915	379
Kerala	14426	3237	731	167	60
Ladakh	8	2	0	0	0
Lakshadweep	3	1	0	0	0
Madhya Pradesh	13104	3032	857	201	53
Maharashtra	139251	32736	10178	3219	1259
Manipur	154	38	12	1	0
Meghalaya	284	68	26	9	4
Mizoram	18	5	0	0	0
Nagaland	91	19	6	2	0
Odisha	6912	1564	433	111	40
Pondicherry	474	154	44	15	3
Punjab	8128	2625	925	213	71
Rajasthan	20224	4585	1206	276	73
Sikkim	7	2	0	0	0
Tamil Nadu	37810	11147	3477	1029	376
Telangana	31514	7751	2342	641	247
Tripura	116	26	7	2	2
Uttar Pradesh	33415	6599	1598	337	119
Uttarakhand	2620	582	154	33	16
West Bengal	64346	11368	3118	836	268
Total	626798	148850	44153	12414	4437

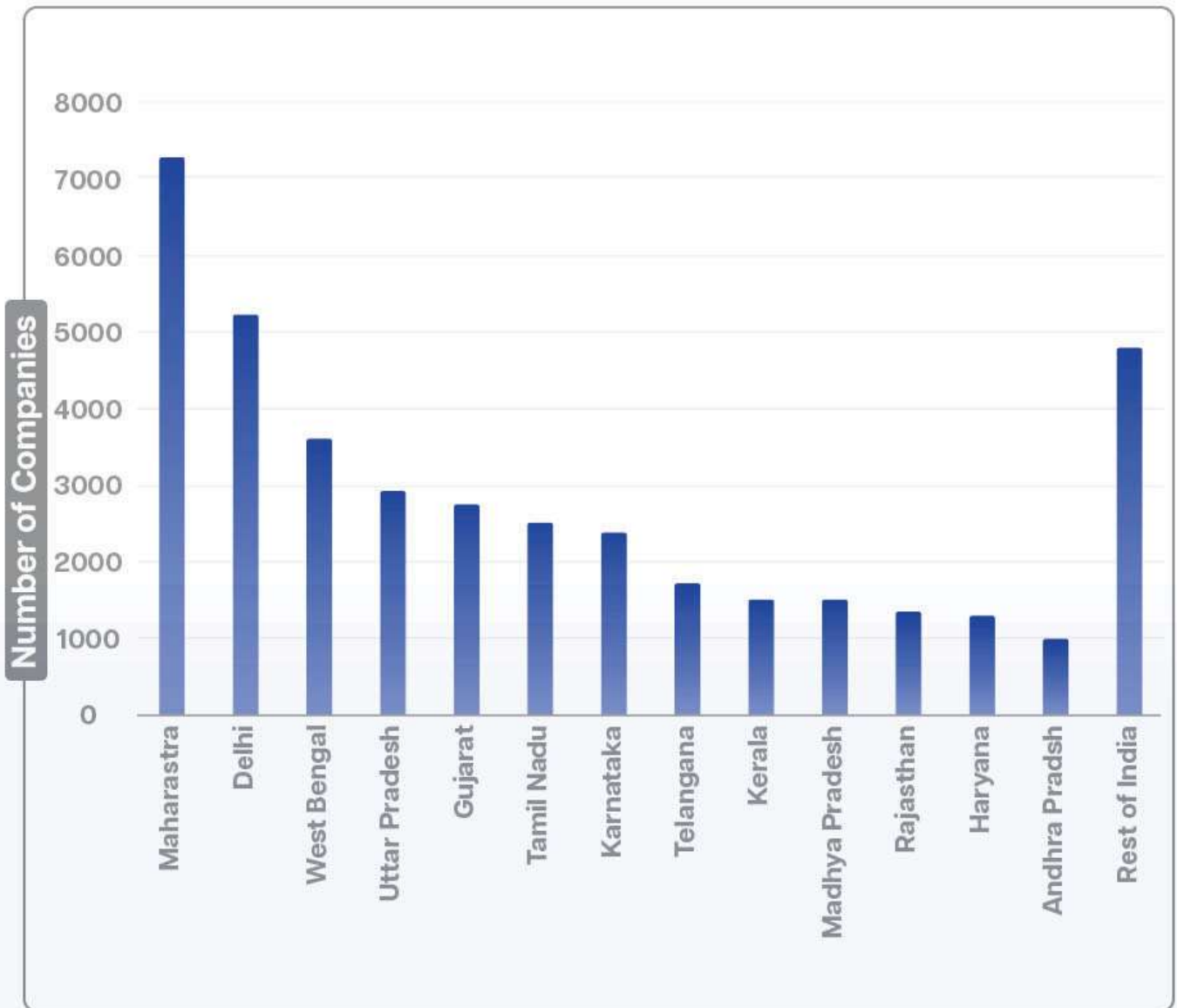
Source: Probe Data and analytics (Based on Probed Companies)

A LOOK AT THE **FOOD AND BEVERAGES INDUSTRY**

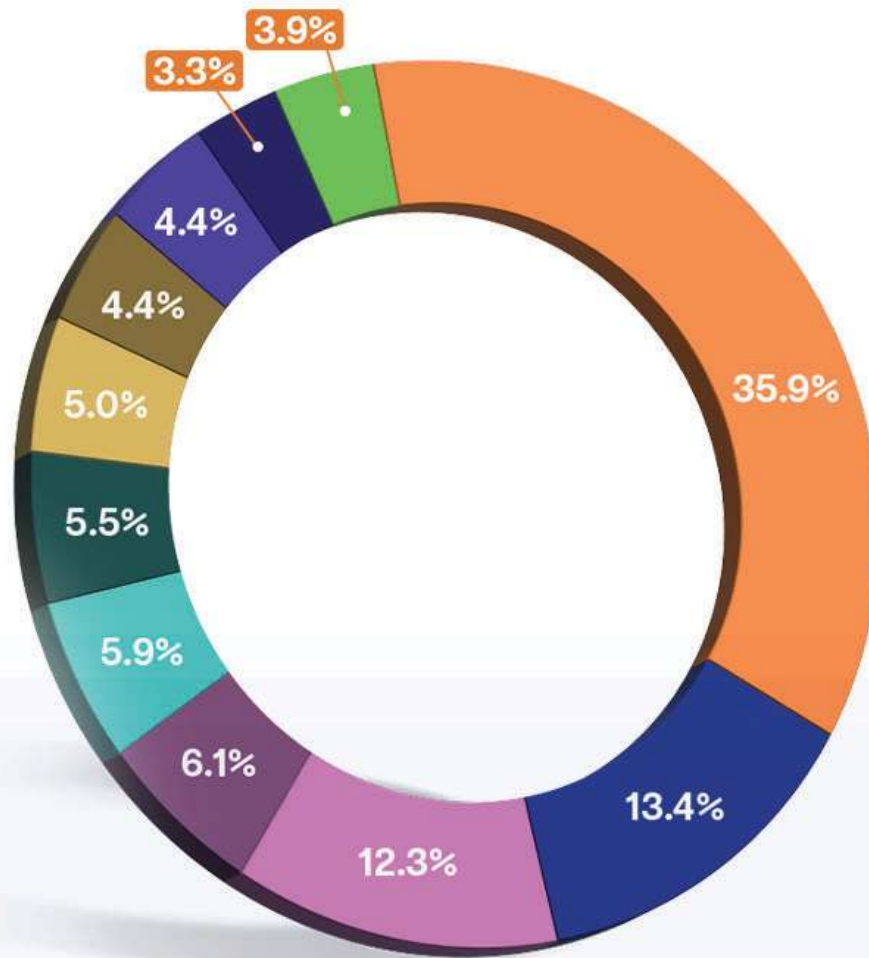


Geography, Segments, Vintage, Revenue, Secured Borrowings,
Income/Expense in Foreign Currency

Top States based on Number of Food & Beverages Companies

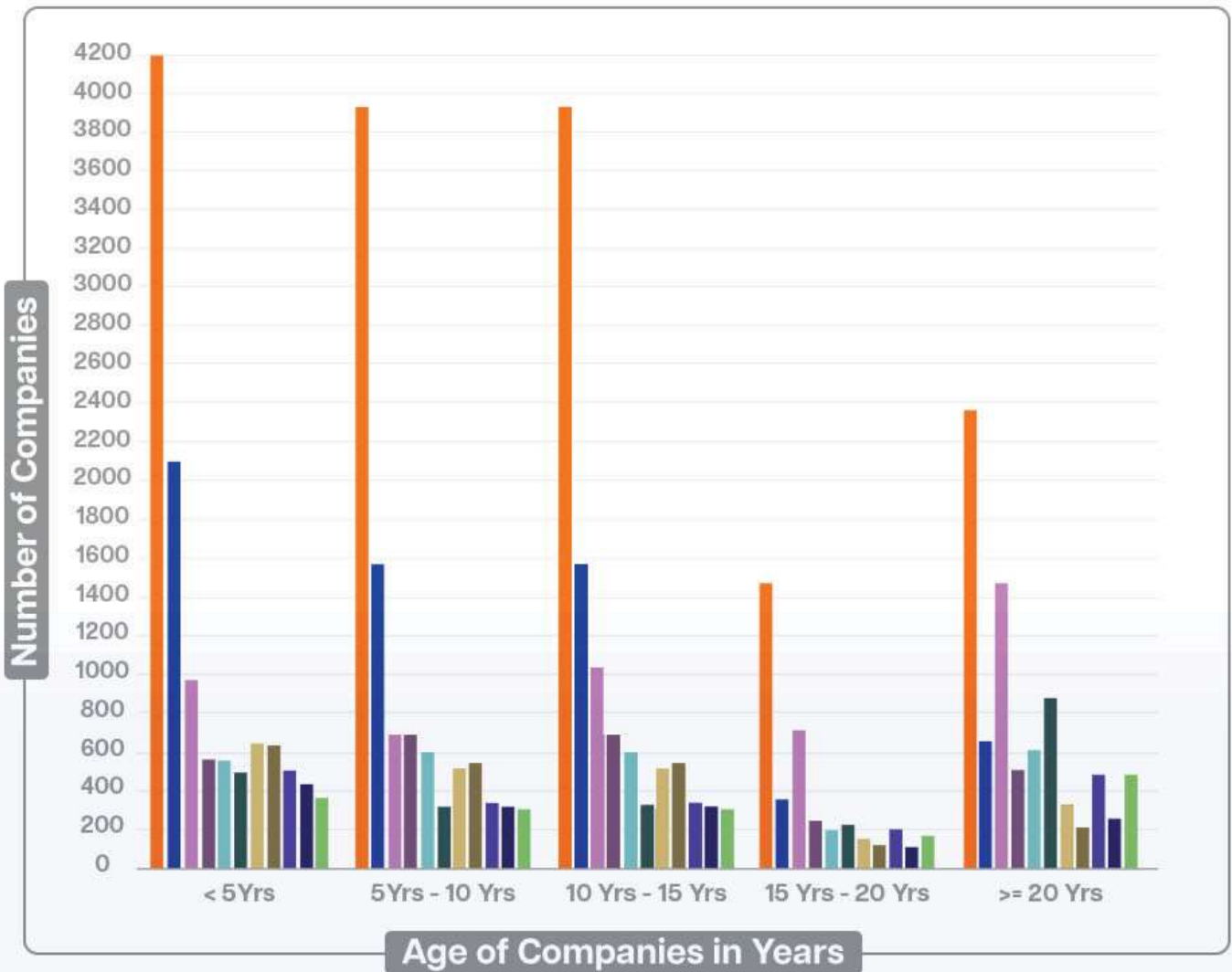


Food & Beverages Companies breakdown based on Segments



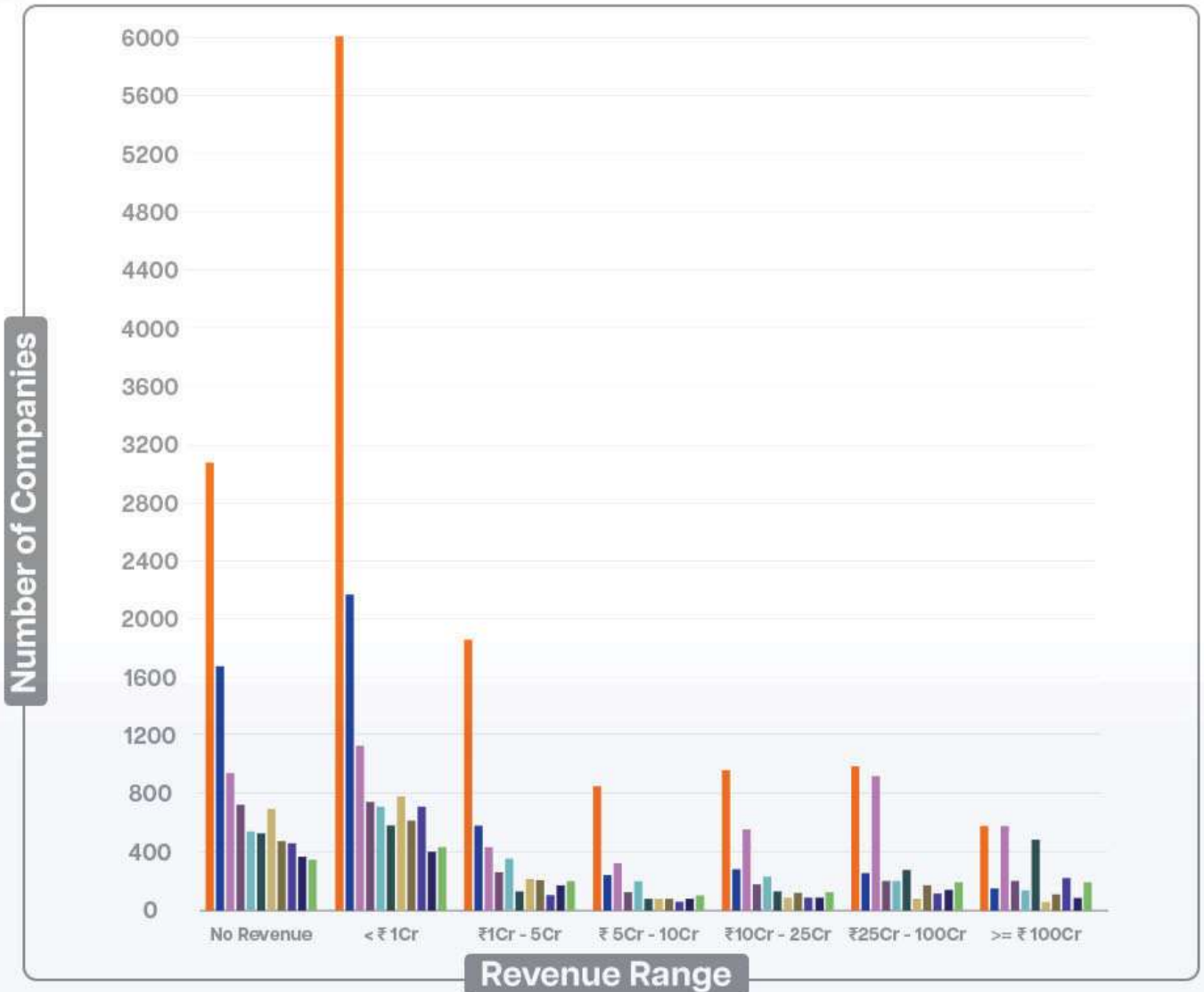
- Food & Beverages Retailers & Distributors
- Instant Foods
- Staple Foods
- Milk & Dairy Products
- Confectionery & Bakery Products
- Edible Oils
- Non Alcoholic Beverages
- Health & Organic Foods
- Alcoholic Beverages
- Spices
- Others

Food & Beverages Segments breakdown based on Vintage



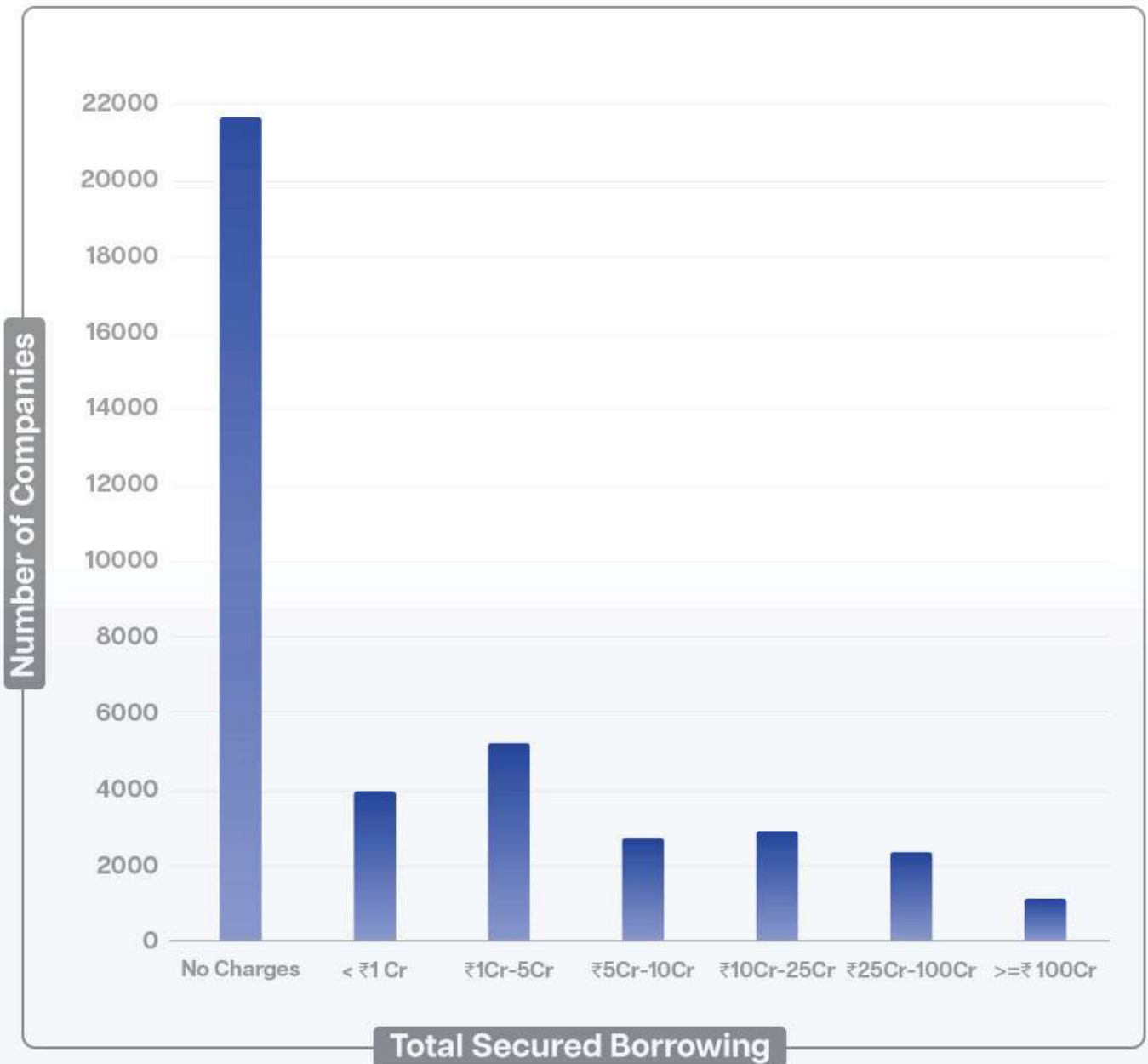
- Food & Beverages Retailers & Distributors
- Confectionery & Bakery Products
- Alcoholic Beverages
- Instant Foods
- Edible Oils
- Spices
- Staple Foods
- Non Alcoholic Beverages
- Others
- Milk & Dairy Products
- Health & Organic Foods

Food & Beverages Segments breakdown based on Revenue

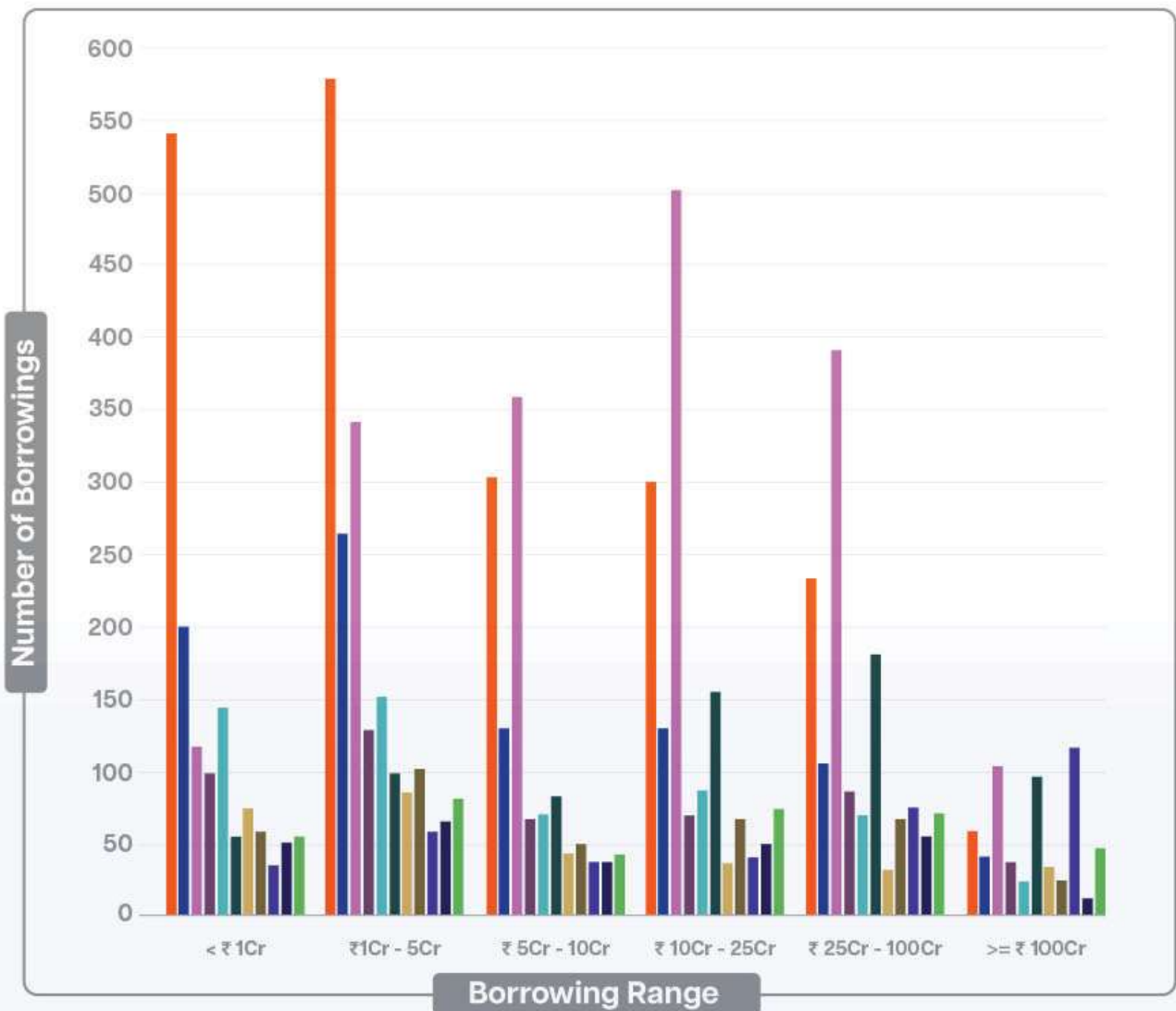


- Food & Beverages Retailers & Distributors
- Instant Foods
- Confectionery & Bakery Products
- Edible Oils
- Alcoholic Beverages
- Spices
- Staple Foods
- Non Alcoholic Beverages
- Others
- Milk & Dairy Products
- Health & Organic Foods

Food & Beverages Companies across Total Secured Borrowings

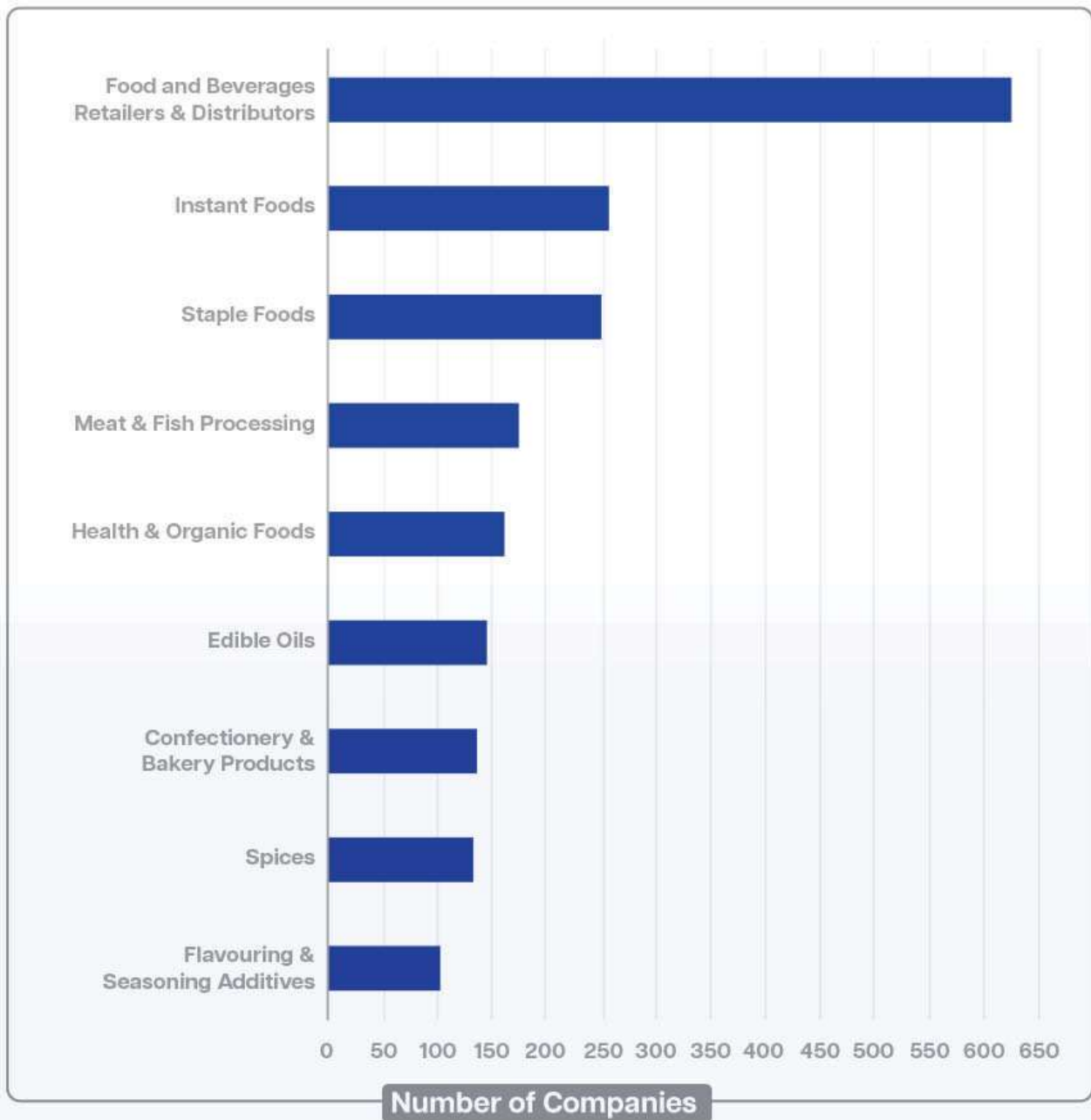


Number of Borrowings Secured in 2023 & 2024 across ranges



- Food & Beverages Retailers & Distributors
- Confectionery & Bakery Products
- Alcoholic Beverages
- Instant Foods
- Edible Oils
- Spices
- Staple Foods
- Non Alcoholic Beverages
- Health & Organic Foods
- Others

Top Segments Based on Number of Companies with Income/Expense in Foreign Currency



RELEVANT CIRCULARS

[Chat with Probe42 AI](#) to for easy-to-understand insights into the Circulars

Date	Circular	Subject	Description
20-Aug	SEBI	Cyber Security & Cyber Resilience Framework	The Securities & Exchange Board of India (SEBI) has established the Cybersecurity & Cyber Resilience Framework (CSCRF) to safeguard India's financial markets against cyber threats. This comprehensive framework categorizes regulated entities (REs) based on their market influence & operational complexity into Market Infrastructure Institutions (MIIs), Qualified REs, Mid-size REs, Small-size REs, & Self-Certification REs. Each category must adhere to tailored cybersecurity measures to protect their digital infrastructure & ensure continuous operation even during cyber incidents. The CSCRF outlines five Cyber Resilience Goals: Anticipate, Withstand, Contain, Recover, & Evolve, which guide REs in preparing for, managing, & recovering from cyber threats while continuously improving their cybersecurity posture. The framework incorporates global standards like ISO 27001, CIS Controls, & NIST, emphasizing strong governance, risk assessment, identity & access management, data security, & the operation of Security Operations Centers (SOCs). SEBI mandates regular Vulnerability Assessment & Penetration Testing (VAPT), compliance audits, & robust incident response mechanisms. It also encourages futureproofing against emerging technologies like quantum computing through Post-Quantum Cryptography. The framework's adaptability ensures that REs can withstand current & future cyber challenges, maintaining trust & integrity within India's financial markets.
29-Aug	RBI	Sovereign Green Bonds	RBI introduces the Scheme for Trading & Settlement of Sovereign Green Bonds in the IFSC, enabling foreign investors to trade green bonds in India. This initiative supports sustainable finance while ensuring compliance with global regulations & operational guidelines.
06-Sep	RBI	Discontinued Monthly return - LRS	The RBI has discontinued the requirement for AD Category-I banks to submit monthly LRS returns. From September 2024, banks must provide transaction-wise daily reports under LRS. Several previous circulars have been withdrawn, & the reporting guidelines under FEMA are updated.
10-Sep	MCA	Secondary Amendment Rules IEPFA	The Investor Education & Protection Fund Authority (Accounting, Audit, Transfer & Refund) Second Amendment Rules, 2024, introduced by the Ministry of Corporate Affairs, bring significant updates to the existing regulations. Key changes include the substitution of the term "shares" with "securities" across various sections, enhancing the scope of financial instruments covered under the rules. The amendment also raises the financial threshold for certain transactions from Rs. 5,00,000 to Rs. 15,00,000, reflecting an adjustment for market conditions & inflation. A notable modification is the inclusion of legal heir certificates issued by a Tahsildar as a valid document for the transmission of securities, simplifying the process for legal heirs. This is complemented by the requirement for a notarized indemnity bond & a no-objection certificate from non-claimant heirs, ensuring all parties' rights are considered. The valuation of securities, both listed & unlisted, must now be based on specific criteria set forth in the amendment, such as the closing price a day prior to the application for listed securities, & face or maturity value for unlisted securities. Additionally, the rules now mandate a special contingency insurance policy for companies to cover risks associated with claims on securities, enhancing protection for both investors & companies.
10-Sep	MCA	Companies Secondary Amendment Rules	The Companies (Indian Accounting Standards) Second Amendment Rules, 2024, introduced significant updates to Ind AS 116, focusing on the accounting of leases, particularly sale & leaseback transactions. Issued by the Ministry of Corporate Affairs on 9th September 2024, these amendments aim to enhance transparency, compliance, & global integration of financial reporting. Key changes include the insertion of Paragraph 102A, which provides specific guidance on handling lease liabilities in sale & leaseback situations, ensuring that gains or losses from such transactions are recognized accurately without distorting profit or loss figures. Additionally, modifications in Appendix C clarify the application dates & demand retrospective application of the rules to ensure consistency & comparability in financial statements. New illustrative examples in Appendix D help elucidate the practical application of these rules, demonstrating the accounting treatments for different scenarios in sale & leaseback transactions. These amendments not only increase the transparency of financial reporting but also align Ind AS 116 more closely with the international IFRS 16 standard, facilitating easier comparison & understanding for global stakeholders. The changes have significant implications for corporates & auditors, necessitating a thorough review of lease contracts & financial reporting practices to ensure compliance with the updated standards.

RELEVANT CIRCULARS

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Date	Circular	Subject	Description
10-Sep	MCA	Companies Amendment Rules	The 2024 amendment to the Companies (Compromises, Arrangements & Amalgamations) Rules, introduced by the MCA, primarily targets the enhancement of procedural clarity & compliance for cross-border mergers & amalgamations. Effective from 17th September 2024, these amendments under Sections 233, 234, & 469 of the Companies Act, 2013, focus on transactions between foreign holding companies & their wholly-owned Indian subsidiaries. A significant addition is Sub-rule (5) under Rule 25A, which mandates that both the foreign & Indian companies involved in such mergers obtain prior approval from the RBI. This is to ensure adherence to India's foreign exchange regulations & to maintain financial oversight. Furthermore, the Indian transferee company must comply with Section 233, which facilitates fast-track mergers, thus streamlining the process & reducing the need for lengthy court procedures. They must also apply to the Central Government under the same section, following procedural guidelines set out in Rule 25. Additionally, a compliance declaration is required at the time of application, enhancing transparency & regulatory adherence. These amendments aim to simplify corporate restructuring within multinational groups, making it easier for foreign companies to merge with Indian entities, thereby fostering a more business-friendly environment for foreign investments in India.
22-Sep	MCA	Companies Amendment Rules,2024	The G.S.R. 583(E) notification, issued by the Ministry of Corporate Affairs on 20th September 2024, amends the Companies (Prospectus & Allotment of Securities) Rules, 2014, specifically targeting producer companies. These amendments provide a five-year compliance window for producer companies to meet their obligations under Rule 9B concerning the allotment of securities. This adjustment acknowledges the unique challenges faced by producer companies, primarily operating in agriculture, dairy, & handicrafts sectors, which are prone to financial volatility & operational hurdles distinct from other corporate entities. Producer companies are designed to enable farmers & producers to leverage a corporate structure for better market access, resource pooling, & improved governance. The extended compliance period is intended to assist these companies in organizing the necessary documentation & management structures to adhere to regulatory requirements without compromising their operational effectiveness. The amendment is immediately enforceable, reflecting the government's commitment to supporting rural & agricultural enterprises, crucial for India's economic & social development. It aims to promote sustainable corporate governance practices & enhance the overall quality of governance within these companies, ensuring they have adequate time & resources to comply with the regulatory framework.
30-Sep	RBI	Gold Loans - Irregular Practices	The RBI has identified irregular practices in gold loans, including inadequate valuations, weak monitoring, lack of transparency in auctions, improper LTV tracking, & governance issues. SEs must review & address these gaps or face regulatory action.
30-Sep	MCA	Companies Third Amendment Rues,2024	The Companies (Indian Accounting Standards) Third Amendment Rules, 2024, introduced changes to the accounting practices for insurance contracts under Ind AS 104. This amendment allows insurers to continue using Ind AS 104 for financial reporting in consolidated statements until the Insurance Regulatory & Development Authority notifies Ind AS 117. Ind AS 104 focuses on enhancing the transparency & understanding of the financial impact of insurance contracts. It applies to insurance & reinsurance contracts, including those with discretionary participation features, but excludes other financial instruments & obligations. Key aspects of Ind AS 104 include the unbundling of deposit components in insurance contracts, where separation is required if measurable & not fully recognized by the insurer's policies. The standard mandates a liability adequacy test to ensure sufficient coverage of future liabilities with current assets, & it details the treatment of insurance contracts in business combinations, requiring fair value measurement of assumed liabilities. Changes in accounting policies under Ind AS 104 are permissible only if they improve the relevance & reliability of financial information. The standard also requires detailed disclosures about the insurance contracts, including the nature & extent of risks, assumptions used, & their impact on financial statements. This aims to provide stakeholders with a clear view of the insurer's financial health & risk management.

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- Probe is an independent information services company focused on providing comprehensive financial information on unlisted companies in India.
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- The Probe42 application is extensively used by the credit, sales, compliance, and risk teams.
- Our customers continue to find value in using Probe42 to make more informed decisions through accurate, high-quality data on companies.
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