

GRC BULLETIN

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MCA

Companies (Prospectus and Allotment of Securities)
Amendment Rules, 2025

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CORPORATE LAWS

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MCA NOTIFIES COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) AMENDMENT RULES, 2025

Applicability:

Applicable to all private companies, excluding Producer companies, which were not classified as small companies as of 31st March 2023.

The **Ministry of Corporate Affairs (MCA)** has issued a new amendment to the Companies (Prospectus and Allotment of Securities) Rules, 2014. The amendment introduces an important change that impacts private companies, offering them an extended compliance deadline. This update aims to provide flexibility in meeting certain regulatory requirements, particularly for companies that were not classified as small companies as of 31st March 2023.

Key Amendments:

1. Extension of Compliance Deadline for Private Companies:

A key provision in the amendment allows private companies, other than Producer companies, that are not small companies as of 31st March 2023, to comply with the requirements of rule 9B(2) by 30th June 2025.

2. Impact on Small Companies:

The amendment clarifies that small companies are not affected by this deadline extension, reinforcing the regulatory distinction between small and non-small companies.

3. Implementation Date:

The amendment will come into effect on the date of publication in the Official Gazette, signaling immediate attention required from affected private companies.

4. Regulatory Flexibility:

This adjustment offers companies additional time to align with regulatory frameworks, reducing the immediate compliance burden and providing room for businesses to adjust their internal processes.

5. Relevance for Corporate Governance:

The extension is particularly relevant for businesses seeking to optimize their corporate governance and securities allotment procedures within the stipulated timeframe.

SOURCE: [Click here for more details](#)

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