

Companies (Accounts) Fourth Amendment Rules, 2022

The Ministry of Corporate Affairs has recently amended the Companies (Accounts) Rules, 2014.

Pursuant to the amendments, the books of account and other books and papers of a company maintained in electronic mode, must remain accessible in India at all times and their back-up must be kept in servers physically located in India on a daily basis.

Where the service provider (maintaining the company's books of accounts in electronic mode) is located outside India, companies will be required to intimate the registrar of companies, the name and address of the person in control of the books of accounts in India, annually at the time of filing of financial statements.

These amendments along with the requirement to maintain audit trail in the accounting softwares with effect from April 1, 2023 will considerably increase the degree of compliance in the maintenance of books of accounts going forward.

These amendments seems to have been undertaken by the government in light of recent whistle-blower revelations concerning multinational corporations intending to block the access to data stored in foreign servers in case of any coercive actions by the Indian authorities. Through these amendments, the government seeks to ensure access to up-to-date books of accounts in case of scrutiny by any Indian authority.

Corporate Practice

JSA's corporate practice is centered around transactional and legal advisory services including day-to-day business, regulatory issues, corporate and governance affairs. We have an expert team of attorneys who advise on legal issues concerning inbound and outbound investments, strategic alliances, collaborations and corporate restructurings. We advise clients through all stages of complex and marquee assignments including restructuring, mergers and acquisitions (including those in the public space) to private equity and joint ventures. Our vast clientele includes multinational corporations and large Indian businesses in private, public and joint sector. We work closely with in-house counsel teams, investment banks, consulting and accounting firms along with multilateral agencies and policy making institutions on development of policy and legal frameworks. We provide assistance and counsel to start-ups and venture backed companies by drawing upon our in-depth understanding of how companies are incorporated, financed and grown. With an in-depth understanding of the industry combined with years of expertise, our attorneys provide innovative and constructive solutions to clients in complex transactional engagements. We emphasize teamwork across our wide network of offices across India. This allows us to benefit from the various specialisations available for the ultimate benefit of our clients. We also provide assistance in dealing with diverse corporate governance and compliance issues including FCPA /Anti-Bribery/Anti-Corruption matters and investigations.

This Prism has been prepared by:



Kumarmanglam Vijay
Partner and Head of Practice -
Direct Tax



Shiv Singhal
Associate



14 Practices and
23 Ranked Lawyers



15 Practices and
18 Ranked Lawyers



7 Practices and
2 Ranked Lawyers



IFLR1000 India Awards 2021

10 Practices and
34 Ranked Partners

Banking & Finance Team
of the Year

Fintech Team of the Year

Restructuring & Insolvency
Team of the Year



Among Top 7 Best Overall
Law Firms in India and
10 Ranked Practices

13 winning Deals in
IBLJ Deals of the Year

6 A List Lawyers in
IBLJ Top 100 Lawyer List



Banking & Financial Services
Law Firm of the Year 2022

Dispute Resolution Law
Firm of the Year 2022

Equity Market Deal of the
Year (Premium) 2022

Energy Law Firm of the Year 2021

For more details, please contact km@jsalaw.com

www.jsalaw.com



Ahmedabad | Bengaluru | Chennai | Gurugram | Hyderabad | Mumbai | New Delhi



This prism is not an advertisement or any form of solicitation and should not be construed as such. This prism has been prepared for general information purposes only. Nothing in this prism constitutes professional advice or a legal opinion. You should obtain appropriate professional advice before making any business, legal or other decisions. JSA and the authors of this prism disclaim all and any liability to any person who takes any decision based on this publication.