

Chapter 1

Companies (Auditor's Report) Order, 2020

1.1 Authority

Section 143 (11) of the Companies Act, 2013, reads as under –

“In consultation with the National Financial Reporting Authority (NAFRA), the Central Government may order for the inclusion of a **Statement on specified matters** in the Auditor's Report for specified class or description of Companies.”

Accordingly, the Ministry of Corporate Affairs, in consultation with NAFRA constituted u/s 132 of the Companies Act, issued, Companies (Auditor's Report) Order–2020 [Vide Order number S.O. 849(E) dated 25th February 2020]. CARO 2020 was initially applicable for audits of financial year 2019-20 and onwards. Subsequently, as a COVID–19, relief measure its applicability was postponed for another Two years by MCA through its notifications dated 24th March 2020 and 17th December 2020. Due to this deferment of its applicability, CARO 2020 is applicable for audits of financial year 2021-22 and onwards. This Order supersedes the earlier issued CARO 2016, reporting requirements.

1.2 Applicability

Applicability of Companies (Auditor's Report) Order (CARO): CARO 2020, applies to **every** Companies including a Foreign Company as defined u/s 2(42)

Exceptions / Exemptions: CARO **does not apply** to the following classes of Companies –

- (a) Banking Company as defined u/s 5(c) of the Banking Regulation Act, 1949,
- (b) Insurance Company as defined Insurance Act, 1938.
- (c) Company licensed to operate u/s 8 of the Companies Act, 2013,

- (d) a One Person Company as defined u/s 2(62) of the Companies Act and a Small Company as defined u/s 2(85) of the Companies Act, 2013,
- (e) Private Limited Companies subject to all the following conditions –
- Should not be a Subsidiary or Holding Company of a Public Company
 - Paid Up Capital and Reserves & Surplus should not exceed ₹ 1 Crore as on the Balance Sheet date.
 - Total Borrowings from any Bank or Financial Institution at any point of time during the Financial Year should not exceed ₹ 1 Crore.
 - Total Revenue (including Revenue from Discontinuing Operations) as disclosed in the Financial Statements as per Schedule III of the Companies Act, should not exceed ₹ 10 Crores.

CARO 2020 reporting shall not apply to the Auditor's Report on Consolidated Financial Statements. However one has to consider the reporting requirements in the Holding Entity with regard to reporting under Clause 3(xxi).

Effect of earlier CARO, 2016: CARO 2020, supersedes the earlier order, viz., Companies (Auditor's Report) Order, 2016.

1.3 ICAI Guidance Note on CARO

1. **Additional Matters for reporting [Sec.143(11)]:** The Central Government may order for the inclusion of a Statement on specified matters in the Auditor's Report for specified class or description of Companies. Accordingly, CARO, 2020 is issued by the Central Government should be complied by the Statutory Auditor of the Company.
2. **Principle:** While complying such reporting requirement, member may take the guidance based on the Guidance Note on CARO issued by ICAI. The purpose of the Guidance Note is to enable the members to comply with the reporting requirements by providing clarifications and explanations for CARO. In addition, **Auditors should exercise their professional judgment and experience** on matters on which they are required to report under the Order.

3. **Nature of CARO Reporting:** CARO Reporting is **not intended to limit the duties and responsibilities** of Auditors, but only requires a Statement to be included in the Audit Report in respect of the matters specified therein. Hence CARO Reporting should not be construed as a separate reporting engagement.

1.4 Compliance with Standards on Auditing

1. As per Sec. 143(9) of the Companies Act, Every Auditor shall comply with the Auditing Standards prescribed u/s 143(10).
2. The Central Government may prescribe the Standards of Auditing, as recommended by the ICAI, in consultation with and after examination of the recommendations made by the National Financial Reporting Authority.
3. Hence, it should be noted that the Auditor's procedures for reporting on the Order u/s 143(11) of the Companies Act, should also be as that of the Financial Statements and Compliance of Standards on Auditing is mandatory.

1.5 Applicability of CARO to Government Companies

Government Companies: In case of Audit of Government Companies, CARO is **supplemental** to the Directions given by the C&AG of India. Therefore, in respect of such Companies, the matters specified in CARO will form part of the Auditor's Report.

1.6 Compliance Requirement u/s 143 vs CARO

Every report made by the auditor under section 143 of the Companies Act, on the accounts of every company **audited** by him to which this Order applies, shall contain the matters specified in paragraphs **3 and 4**.

CARO Requirements are **supplemental** to the existing provisions of Sec.143 regarding the Auditor's Report. However, certain points of distinction between CARO and Sec.143 requirements are –

Requirements of Sec 143	Requirements of CARO
1. The provisions of sub-sections (1), (2), (3) and (4) of Sec.143 are applicable to all Companies.	1. Certain classes of Companies are exempt from CARO. (Refer Para 1.2).
2. Sec.143 (1) requires the Auditor to make certain specific enquiries during the course of his audit. The Auditor is, however, not required to report on any of the matters specified in the sub-clauses, unless he has any special comments to make on the said matters, i.e. if he is satisfied with the results of his enquiries, he has no further duty to report that he is so satisfied.	2. CARO requires a statement on each of the matters specified therein, even if the Auditor has no comments to make on any of the matter(s) contained therein.

1.7 Applicability of the Order

Due to the extension of its applicability by MCA, now this order shall be applicable for the **financial year commencing on or after 1st April, 2021.**

1.8 Aspects for Reporting

Auditor shall report on the matters specified in **Para 3** of the Order.

Auditor's report to contain matters specified in paragraphs 3 and 4 of the Order. Every report made by the Auditor under Sec.143 of the Companies Act, 2013 on the accounts of every Company audited by him, to which this order applies, for the Financial Years commencing on or after 1st April 2021, **shall in addition**, contain the matters specified in paragraphs 3 and 4, **as may be applicable.**

Reporting on the matters specified in paragraph 3 and 4 of the order are to be made **only on those matters which are applicable to the Company.** However, for matters that is not applicable for the Company, If the auditor, for the purpose of documentation / compliances, may report as "Reporting under this clause is not applicable".

1.9 Format of Inclusion of CARO in Main Audit Report

1. Standards on Auditing, **SA 700, Forming an Opinion and Reporting on Financial Statements (Revised)**, deals with the Auditor's responsibility to form an opinion on the Financial Statements. It also deals with the form and content of the Auditor's Report issued as a result of an audit of Financial Statements.
2. As per SA 700, Report on Legal and Other Regulatory Matters are to be positioned after Auditors Responsibility for the Audit of Financial Statements Para. **[Refer Appendix -2, for entire provisions of SA - 700]**
3. While reporting on the requirements of CARO, 2020, main audit report issued by the Auditor, it is to be reported under **"Report on Legal and Other Regulatory Matters"** paragraph. The Reporting shall be made as follows:

"Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143 (3) of the Act, we report that:

....."

**TO BE PUBLISHED IN THE GAZETTE OF INDIA,
EXTRAORDINARY, PART II, SECTION 3, SUB-
SECTION (ii)**

**MINISTRY OF CORPORATE AFFAIRS ORDER
New Delhi, the 25th February, 2020**

[As modified / updated with MCA Notification dated 24th March 2020]

S.O (E).—In exercise of the powers conferred by sub-section (11) of section 143 of the Companies Act, 2013 (18 of 2013) and in supersession of the Companies (Auditor's Report) Order, 2016, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (ii), vide number S.O. 1228 (E), dated the 29th March, 2016, except as respects things done or omitted to be done before such supersession, the Central Government, after consultation with the National Financial Reporting Authority constituted under section 132 of the Companies Act, 2013, hereby makes the following Order, namely:—

1. Short title, application and commencement. –

(1) This Order may be called the **Companies (Auditor's Report) Order, 2020**.

(2) **Applicability:** CARO 2020 to every company including a foreign company as defined u/s 2 (42) of the Companies Act, 2013 [hereinafter referred to as the Companies Act], **except—**

(i) a Banking company as defined in u/s 5(c) of the Banking Regulation Act, 1949,

(ii) an Insurance company as defined under the Insurance Act, 1938,

(iii) a Company licensed to operate u/s 8 of the Companies Act,

(iv) a One Person Company as defined u/s 2(62) of the Companies Act and a Small Company as defined u/s (85) of the Companies Act, **and**

(v) a Private Limited Company, not being a subsidiary or holding company of a Public Company, having a paid up capital and reserves and surplus not more than one crore rupees as on the balance sheet date and which does not have total borrowings exceeding one crore rupees from any bank or financial institution at any point of time during the financial year and which does not have a total revenue as disclosed in Scheduled III to the Companies Act (including revenue from discontinuing operations) exceeding ten crore rupees during the financial year as per the financial statements.

(3) **Effective Date:** It shall come into force on the date of its publication in the Official Gazette.

2. **Auditor's report to contain matters specified in paragraphs 3 and 4 –**

Every report made by the auditor u/s 143 of the Companies Act on the accounts of every company audited by him, to which this Order applies, for the financial years commencing on or after the **1st April, 2021**, shall in addition, contain the matters specified in paragraphs 3 and 4, as may be applicable:

Provided this Order shall not apply to the auditor's report on consolidated financial statements except clause (xxi) of paragraph 3.

3. **Matters to be included in auditor's report –** The auditor's report on the accounts of a company to which this Order applies shall include a statement on the following matters, namely:–

(i) Reporting on Properties Plant and Equipment:

(a) Details of Properties, Plant and Equipment & Intangible Assets:

(A) whether the company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment,

(B) whether the company is maintaining proper records showing full particulars of intangible assets,

- (b) **Physical Verification:** whether these Property, Plant and Equipment have been physically verified by the management at reasonable intervals, whether any material discrepancies were noticed on such verification and if so, whether the same have been properly dealt with in the books of account,
- (c) **Details of Title Deeds:** whether the title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company, if not, provide the details thereof in the format below:–

Description of property	Gross carrying value	Held in name of	Whether promoter, director or their relative or employee	Period held indicate range, where appropriate	Reason for not being held in name of company*
					*also indicate if in dispute

- (d) **Revaluation Details:** whether the company has revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year and, if so, whether the revaluation is based on the valuation by a Registered Valuer, specify the amount of change, if change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment or intangible assets,
- (e) **Proceeding as per Benami Transactions:** whether any proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder, if so, whether the company has appropriately disclosed the details in its financial statements,

(ii) Reporting on Physical Verification of Inventory:

(a) whether physical verification of inventory has been conducted at reasonable intervals by the management and whether, in the opinion of the auditor, the coverage and procedure of such verification by the management is appropriate, whether any discrepancies of 10% or more in the aggregate for each class of inventory were noticed and if so, whether they have been properly dealt with in the books of account,

(b) **Reporting on Stock / Debtor Statements submitted to Bank:** whether during any point of time of the year, the company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets, whether the quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company, if not, give details,

(iii) Reporting on Investments made, Guarantee given:

whether during the year the company has made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties, if so,—

(a) whether during the year the company has provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to any other entity [not applicable to companies whose principal business is to give loans], if so, indicate—

(A) **Reporting on Loan to Subsidiaries / Joint Ventures / Associates:** the aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans or advances and guarantees or security to subsidiaries, joint ventures and associates,

(B) **Reporting on Outstanding amount:** Amount of the aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans or advances and guarantees or security to parties other than subsidiaries, joint ventures and associates,

- (b) **Reporting on Investments:** whether the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the company's interest,
- (c) **Reporting on Loan Repayment:** in respect of loans and advances in the nature of loans, whether the schedule of repayment of principal and payment of interest has been stipulated and whether the repayments or receipts are regular,
- (d) **Reporting overdues beyond 90 days :** if the amount is overdue, state the total amount overdue for more than ninety days, and whether reasonable steps have been taken by the company for recovery of the principal and interest,
- (e) **Reporting on Settlement of Existing Loans:** whether any loan or advance in the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties, if so, specify the aggregate amount of such dues renewed or extended or settled by fresh loans and the percentage of the aggregate to the total loans or advances in the nature of loans granted during the year [not applicable to companies whose principal business is to give loans],
- (f) **Reporting Loans to Related Parties:** whether the company has granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment, if so, specify the aggregate amount, percentage thereof to the total loans granted, aggregate amount of loans granted to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013,

(iv) Reporting on Compliances Sec.185 / Sec.186:

in respect of loans, investments, guarantees, and security, whether provisions of sections 185 and 186 of the Companies Act have been complied with, if not, provide the details thereof,

(v) Reporting on Public Deposit:

In respect of deposits accepted by the company or amounts which are deemed to be deposits, whether the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules made thereunder, where applicable, have been complied with, if not, the nature of such contraventions be stated, if an order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal, whether the same has been complied with or not,

(vi) Reporting on Cost Records:

whether maintenance of cost records has been specified by the Central Government u/s 148 (1) of the Companies Act and whether such accounts and records have been so made and maintained,

(vii) Reporting on Remittances of Statutory Dues:

(a) **Un-disputed Statutory Dues:** whether the company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities and if not, the extent of the arrears of outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable, shall be indicated,

(b) **Reporting on Dispute in Statutory dues:** where statutory dues referred to in sub-clause (a) have not been deposited on account of any dispute, then the amounts involved and the forum where dispute is pending shall be mentioned (a mere representation to the concerned Department shall not be treated as a dispute),

(viii) Reporting on Undisclosed Income:

whether any transactions not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961), if so, whether the previously unrecorded income has been properly recorded in the books of account during the year,

(ix) Reporting in default of Repayment of Loans or Advances:

(a) whether the company has defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender, if yes, the period and the amount of default to be reported as per the format below:–

Nature of borrowing, including debt securities	Name of lender*	Amount not paid on due date	Whether principal or interest	No. of days delay or unpaid	Remarks, if any
	*lender wise details to be provided in case of defaults to				
	banks, financial institutions and Government.				

- (b) **Reporting on wilful defaulter:** whether the company is a declared wilful defaulter by any bank or financial institution or other lender,
- (c) **Reporting on Term Loan:** whether term loans were applied for the purpose for which the loans were obtained, if not, the amount of loan so diverted and the purpose for which it is used may be reported,
- (d) **Reporting on Use of Short Term Funds:** whether funds raised on short term basis have been utilised for long term purposes, if yes, the nature and amount to be indicated,
- (e) **Reporting on funds taken for benefit of Subsidiaries / Joint Ventures / Associates:** whether the company has taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures, if so, details thereof with nature of such transactions and the amount in each case,

- (f) **Reporting on Loan against Pledge of securities in Subsidiaries / Joint Ventures:** whether the company has raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies, if so, give details thereof and also report if the company has defaulted in repayment of such loans raised,

(x) Reporting on Public Offer / Private Placement during the year:

- a) **Reporting on IPO:** whether moneys raised by way of initial public offer or further public offer (including debt instruments) during the year were applied for the purposes for which those are raised, if not, the details together with delays or default and subsequent rectification, if any, as may be applicable, be reported,
- b) **Reporting on Preferential Allotment / Private Placement:** whether the company has made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and if so, whether the requirements of Section 42 and Section 62 of the Companies Act, 2013 have been complied with and the funds raised have been used for the purposes for which the funds were raised, if not, provide details in respect of amount involved and nature of non-compliance,

(xi) Reporting on Frauds:

- a) **Frauds on the Company / by the Company:** whether any fraud by the company or any fraud on the company has been noticed or reported during the year, if yes, the nature and the amount involved is to be indicated,
- b) **Reporting on Fraud u/s 143(12):** whether any report u/s143(12) of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government,
- c) **Reporting whistle-blower Complaints:** whether the auditor has considered whistle-blower complaints, if any, received during the year by the company,

(xii) Report on Nidhi Company:

- (a) **Net Owned Funds:** whether the Nidhi Company has complied with the Net Owned Funds to Deposits in the ratio of 1: 20 to meet out the liability,
- (b) **Unencumbered Deposits:** whether the Nidhi Company is maintaining ten per cent. unencumbered term deposits as specified in the Nidhi Rules, 2014 to meet out the liability,
- (c) **Default in Repayment:** whether there has been any default in payment of interest on deposits or repayment thereof for any period and if so, the details thereof,

(xiii) Reporting Related party transactions:

whether all transactions with the related parties are in compliance with Sections 177 and 188 of Companies Act where applicable and the details have been disclosed in the financial statements, etc. as required by the applicable accounting standards,

(xiv) Reporting on Internal Audit:

- (a) **Internal Audit System:** whether the company has an internal audit system commensurate with the size and nature of its business,
- (b) **Reports of Internal Auditor:** whether the reports of the Internal Auditors for the period under audit were considered by the statutory auditor,

(xv) Reporting on non-cash transactions with Directors:

whether the company has entered into any non-cash transactions with directors or persons connected with him and if so, whether the provisions of section 192 of Companies Act have been complied with,

(xvi) Report by NBFC Companies:

- (a) **RBI Registration:** whether the company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) and if so, whether the registration has been obtained,
- (b) **Certificate of Registration:** whether the company has conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934,
- (c) **Core Investment Company:** whether the company is a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, if so, whether it continues to fulfil the criteria of a CIC, and in case the company is an exempted or unregistered CIC, whether it continues to fulfil such criteria,
- (d) **Group Company Reporting:** whether the Group has more than one CIC as part of the Group, if yes, indicate the number of CICs which are part of the Group,

(xvii) Reporting Cash Losses:

whether the company has incurred cash losses in the financial year and in the immediately preceding financial year, if so, state the amount of cash losses,

(xviii) Reporting on Resignation of Auditors:

whether there has been any resignation of the statutory auditors during the year, if so, whether the auditor has taken into consideration the issues, objections or concerns raised by the outgoing auditors,

(xix) Reporting on Financial Ability and Material Uncertainty:

On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, whether the auditor is of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date,

(xx) Reporting on CSR:

- (a) **Unspent CSR Amount– Other than Ongoing Projects:** whether, in respect of other than ongoing projects, the company has transferred unspent amount to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act,
- (b) **Unspent CSR Amount – Ongoing Projects:** whether any amount remaining unspent under sub-section (5) of section 135 of the Companies Act, pursuant to any ongoing project, has been transferred to special account in compliance with the provision of sub-section (6) of section 135 of the said Act,

(xxi) Reporting on CARO Remarks on CFS:

whether there have been any qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements, if yes, indicate the details of the companies and the paragraph numbers of the CARO report containing the qualifications or adverse remarks.

4. Reports on reason for Reasons to be stated for unfavourable or qualified answers.– (1) Where, in the auditor's report, the answer to any of the questions referred to in paragraph 3 is unfavourable or qualified, the auditor's report shall also state the basis for such unfavourable or qualified answer, as the case may be.

1.10 Reasons for unfavourable or qualified answers

As per Para 4 of the order,

1. Where the answer to any of the above questions is unfavourable or qualified, the Auditor's Report shall state the basis for such unfavourable or qualified answer, as the case may be.
2. If the Auditor is unable to express any opinion on any specified matter, his Report shall indicate such fact, together with reasons as to why it is not possible for him to give his opinion on the same.

READERS' NOTES

Chapter 2

Applicability

2.1 Applicability of CARO

Applicability of Companies (Auditor's Report) Order (CARO): CARO 2020, applies to all Companies including a Foreign Company as defined u/s 2(42) of Companies Act, 2013.

Exceptions / Exemptions: CARO **does not apply** to the following classes of Companies –

1. Banking Company as defined u/s 5(c) of the Banking Regulation Act, 1949,
2. Insurance Company as defined Insurance Act, 1938.
3. Company licensed to operate u/s 8 of the Companies Act, 2013,
4. a One Person Company as defined u/s 2(62) of the Companies Act and a Small Company as defined u/s 2(85) of the Companies Act, 2013,
5. Private Limited Companies subject to **all** the following conditions –
 - (a) Should not be a Subsidiary or Holding Company of a Public Company,
 - (b) Paid Up Capital and Reserves & Surplus should not exceed ₹ 1 Crore as on the Balance Sheet date,
 - (c) Total Borrowings from any Bank or Financial Institution at any point of time during the Financial Year should not exceed ₹ 1 Crore,
 - (d) Total Revenue (including Revenue from Discontinuing Operations) as disclosed in the Financial Statements as per Schedule III of the Companies Act, should not exceed ₹ 10 Crores.

CARO 2020 reporting shall not apply to the Auditor's Report on Consolidated Financial Statements, except reporting under Clause (xxi).

2.2 Foreign Company

1. **Foreign Company:** CARO applies to all companies including a Foreign Company.
Note: Foreign Company, wherever under any of the provisions of the Act, an audit of financial statements under Chapter X of the Act is required to be carried out, the Order would be applicable.

2. **Definition of Foreign Company as per Companies Act, 2013 [Sec.2(42)]:**
“Foreign Company” means any Company or body corporate incorporated outside India which –
 - (a) Has a place of business in India whether by itself or through an agent, physically or through **electronic mode**, and
 - (b) Conducts any business activity in India in any other manner.

3. **Meaning of the term Electronic Mode:** For this purpose, “**Electronic Mode**” means, carrying out electronically based, whether Main Server is installed in India or not, including, but not limited to –
 - (a) B2B and B2C transactions, Data Interchange and other Digital Supply Transactions,
 - (b) offering to accept deposits or inviting deposits or accepting deposits or subscriptions in securities, in India or from citizens of India,
 - (c) Financial Settlements, Web Based Marketing, Advisory and Transactional Services, Database Services and Products, Supply Chain Management,
 - (d) Online Services such as Telemarketing, Telecommuting, Telemedicine, Education and Information Research, and
 - (e) all related Data Communication Services, whether conducted by e-mail, mobile devices, social media, cloud computing, document management, voice or data transmission or otherwise.

4. In respect of Foreign Companies, an established place of business in India would include a Liaison Office.