



THE INSTITUTE OF Company Secretaries of India

भारतीय कम्पनी सचिव संस्थान

IN PURSUIT OF PROFESSIONAL EXCELLENCE

Statutory body under an Act of Parliament

(Under the jurisdiction of Ministry of Corporate Affairs)

o/c

MCA: 2022

10th June, 2022

Shri Rajesh Verma, IAS
Secretary
Ministry of Corporate Affairs
Government of India
Shastri Bhawan,
Dr. Rajendra Prasad Road
New Delhi -110001



Subject: To suggest changes in Form AOC-4 i.e. Form for filing financial statement and other documents with the Registrar- reg.

Respected Sir,

We wish to draw your kind attention towards provisions of section 137 of the Companies Act, 2013 and sub-rule (1) of Rule 12 of Companies (Accounts) Rules, 2014, which require every company to file the financial statements with Registrar in Form AOC -4. In regard to AOC-4, we wish to state as under:

1) MCA vide its notification no. G.S.R. 207(E) dated 24.03.2021 has made amendments to Schedule III to the Companies Act, 2013 (effective from 01st April, 2021). One of the amendment is as under:

“in Division I, under the heading General instructions for preparation of Balance Sheet and statement of Profit and Loss of a company, under sub-heading General instructions, in paragraph 4, in clause (i), for the word, “may”, the words “shall” and for the word “Turnover”, at both the places where it occurs, the words “Total Income” shall be substituted”. The revised provision is as under:

4. (i) Depending upon the Total Income of the company, the figures appearing in the Financial Statements **shall** be rounded off as given below:—

Total Income	Rounding off
(a) less than one hundred crore rupees	To the nearest hundreds, thousands, lakhs or millions, or decimals thereof.
(b) one hundred crore rupees or more	To the nearest lakhs, millions or crores, or decimals thereof.

Accordingly, now it is mandatory to round off the figures appearing in the Financial Statements as given in the Schedule III to the nearest lakhs, millions or crores, hundreds, thousands, lakhs or millions, or decimals thereof depending upon the Total Income of the company.

File

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“To be a global leader in promoting good corporate governance”

Motto

सत्यं वद। धर्मं चर। इष्टं कुरु। तृप्तं भव।

Mission

“To develop high calibre professionals facilitating good corporate governance”



In this regard, we wish to state that due to this amendment the absolute figure of the financial statement has to be filed in Form AOC-4 and as per above mentioned particular provision of amendment, it is mandatory to round off their figure appearing in the Financial Statements on the basis of their 'Total Income'. Therefore, it is submitted to harmonise the Schedule III and Form AOC-4 and provide in the Form AOC-4, the option to enter the values in other than actual form too i.e. in millions or thousands as the case maybe.

2) MCA vide order no. MCA S.O. 849(E) dated 25th February, 2020, in supersession of the Companies (Auditor's Report) Order, 2016 has made the Companies (Auditor's Report) Order, 2020.

In this regard, we wish to state that in Form AOC-4, heads from CARO, 2016 are appearing. It is submitted that the heads from CARO, 2020 be inserted in place of the previous version. The comparative heads are as under for ready reference please:

Old Heads (Under CARO 2016)	New Heads (Under CARO 2020)
Fixed Assets	Details of tangible and intangible assets
Inventory	Details of inventory and working capital
Loans given by Company	Details of investment, any guarantee or security or advances or loans given
Acceptance of Public Deposits	Compliance in respect of deposits accepted
Statutory dues	Deposit of statutory liabilities
Fraud noticed	Fraud and whistle blower complaints

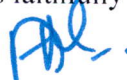
3) In XBRL financial statement which is required to be attached with AOC-4 XBRL, we have to first choose whether the figures to be filled are in hundreds and millions. However, a pop-up message comes that share capital should be in actual form only. Further, there is a drop down menu from which the user has to select any one option out of actual/hundreds/million. It is suggested to not to provide any drop down with this field of share capital as it is mandatory to fill the actual paid up capital in this field. This holds importance as MCA Master Data w.r.t. paid up capital also gets updated through this field.

We hope that the above submission would be considered favorably.

We shall be pleased to provide any further information in this regard on hearing from your goodself.

Thanking You,

Yours faithfully


(CS Asish Mohan)
Secretary