

E-Forms, key extracts, elaborate disclosures on Prevention of Sexual Harassment, and disclosure on Maternity Compliance and Employee Demographics:

MCA's amendments to Accounts Rules

10 June 2025

Through a notification in the Official Gazette on 30 May 2025, the Ministry of Corporate Affairs, Government of India (MCA), has brought about the Companies (Accounts) Second Amendment Rules, 2025 (Amendment Rules). These amendments to the Companies (Accounts) Rules, 2014 (CAR 2014) will come into force on 14 July 2025.

Introduction of e-Forms

The MCA has introduced e-forms to replace some of the current forms. The new e-forms accordingly are:

- (a) e-Form AOC-1, for statement containing salient features of the financial statement of subsidiaries / associate companies / joint ventures;
- (b) e-Form AOC-2, for disclosure of particulars of contracts / arrangements entered into by the company with related parties;
- (c) e-Form AOC-4 and e-Form AOC-4 CFS, for filing of standalone and consolidated financial statements, respectively;
- (d) e-Form AOC-4-NBFC (Ind AS) and e-Form AOC-4 CFS NBFC (Ind AS), for filing of standalone and consolidated financial statements in case of non-banking financial companies, respectively; and
- (e) e-Form CSR-2, for filing of a report on corporate social responsibility by companies covered under Section 135(1) of the Companies Act, 2013.

Key extracts

The Amendment Rules have now introduced a new sub-rule (1C) to Rule 12 of CAR 2014, requiring all companies to also file Extract of Board Report, Extract of Auditor's Report (Standalone), and Extract of Auditor's Report (Consolidated). The additional filings are presumably intended to make analysis more efficient by authorities.

Elaborate disclosures on prevention of sexual harassment and new disclosure on maternity benefit compliance

Thus far, Rule 8 of CAR 2024 required companies to include, in their Board's Report, a statement regarding their compliance with Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (PoSH Act). The Amendment Rules would now require all companies to also mention in such report:

- (a) the number of complaints of sexual harassment received in the year;
- (b) the number of complaints disposed off during the year; and
- (c) the number of cases pending for more than 90 days (which is the stipulated timeline for completion of an inquiry into a complaint of sexual harassment under PoSH Act).

The Amendment Rules also mandate inclusion of a statement confirming the company's compliance with Maternity Benefit Act, 1961.

Data on employee demographics

Interestingly, the Amendment Rules do not require companies to include details regarding employee demographics, but the format of Extract of Board Report released by the MCA also requires companies to state the number of female employees, male employees, and transgender employees, respectively, as on the closure of the financial year.

Comments

The e-forms come against the backdrop of the MCA's announcement about the launch of the final set of 38 company forms in V3 MCA21 portal on 14 July 2025, in line with the government's efforts towards digitalisation. The elaborate disclosures on the number of complaints received and inquired into by companies under the PoSH Act are in line with the disclosures that companies are already required to make under the PoSH Act before the jurisdictional District Officer, although thus far, these disclosures would often not be available to the general public except in case of specific listed companies who are required to make Business Responsibility and Sustainability Reporting under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (BRSR Framework).

The enhanced disclosures, coupled with notifications from local authorities directing companies to register the details of their internal committees on the government-run SHe-box portal, appear to be aimed at better monitoring of compliance under PoSH Act especially after the Supreme Court of India's remarks in *Aureliano Fernandes v State of Goa and Others*, Civil Appeal Number 2482 of 2014 regarding poor implementation of the law.

A notable point about the Amendment Rules is the express disclosure of the number of transgender employees (besides disclosure of employees of other genders) – a disclosure that even the BRSR Framework does not cover at the moment. This will hopefully enable the government and the general public in assessing the efforts of India Inc. in promoting a diverse workplace. That said, the efficacy of this initiative would depend on several factors, including practices around collection of gender identity data as part of recruitment, and reluctance of employees / potential candidates in disclosing such data.

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