

**SUPPLEMENT  
ON  
REVISED  
SCHEDULE VI**



**THE INSTITUTE OF  
Company Secretaries of India**  
**IN PURSUIT OF PROFESSIONAL EXCELLENCE**

Statutory body under an Act of Parliament

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## INTRODUCTION TO REVISED SCHEDULE VI

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Every company registered under the Act shall prepare its Balance Sheet, Statement of Profit and Loss and notes thereto in accordance with the manner prescribed in Schedule VI to the Companies Act, 1956. To harmonise the disclosure requirements with the Accounting Standards and to converge with the new reforms, the Ministry of Corporate Affairs vide Notification No. S.O. 447(E), dated 28th February 2011 replaced the existing Schedule VI of the Companies Act, 1956 with the revised one.

Government vide Notification No. S.O. 653(E) dated 30th March 2011 made applicable the revised Schedule VI for the Balance Sheet and Profit and Loss Account to be prepared for the financial year commencing on or after 01st April 2011. The requirements of the Revised Schedule VI however, do not apply to companies as referred to in the proviso to Section 211 (1) and Section 211 (2) of the Act, i.e., any insurance or banking company, or any company engaged in the generation or supply of electricity or to any other class of company for which a form of Balance Sheet and Profit and Loss account has been specified in or under any other Act governing such class of company.

### **Key Features of Revised Schedule VI**

- The revised schedule contains General Instructions, Part I – Form of Balance Sheet; General Instructions for Preparation of Balance Sheet, Part II – Form of Statement of Profit and Loss; General Instructions for Preparation of Statement of Profit and Loss.
- The Revised Schedule VI has eliminated the concept of 'schedule' and such information is now to be furnished in the notes to accounts.
- The revised schedule gives prominence to Accounting Standards (AS) i.e. in case of any conflict between the AS and the Schedule, AS shall prevail.
- The revised schedule prescribes a vertical format for presentation of balance sheet therefore, no option is there to prepare the financial statement in horizontal format. It ensures application of uniform format.

### *Balance Sheet*

- All Assets and liabilities classified into current and non-current and presented separately on the face of the Balance Sheet.
  - Number of shares held by each shareholder holding more than 5% shares now needs to be disclosed.
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- Details pertaining to aggregate number and class of shares allotted for consideration other than cash, bonus shares and shares bought back will need to be disclosed only for a period of five years immediately preceding the Balance Sheet date.
- Any debit balance in the Statement of Profit and Loss will be disclosed under the head "Reserves and surplus." Earlier, any debit balance in Profit and Loss Account carried forward after deduction from uncommitted reserves was required to be shown as the last item on the asset side of the Balance Sheet.
- Specific disclosures are prescribed for Share Application money. The application money not exceeding the capital offered for issuance and to the extent not refundable will be shown separately on the face of the Balance Sheet. The amount in excess of subscription or if the requirements of minimum subscription are not met will be shown under "Other current liabilities."
- The term "sundry debtors" has been replaced with the term "trade receivables." 'Trade receivables' are defined as dues arising only from goods sold or services rendered in the normal course of business. Hence, amounts due on account of other contractual obligations can no longer be included in the trade receivables.
- The Old Schedule VI required separate presentation of debtors outstanding for a period exceeding six months based on date on which the bill/invoice was raised whereas, the Revised Schedule VI requires separate disclosure of "trade receivables outstanding for a period exceeding six months from the date the bill/invoice is due for payment."
- "Capital advances" are specifically required to be presented separately under the head "Loans & advances" rather than including elsewhere.
- Tangible assets under lease are required to be separately specified under each class of asset. In the absence of any further clarification, the term "under lease" should be taken to mean assets given on operating lease in the case of lessor and assets held under finance lease in the case of lessee.
- In the Old Schedule VI, details of only capital commitments were required to be disclosed. Under the Revised Schedule VI, other commitments also need to be disclosed.

#### *Statement of Profit and Loss*

- The name has been changed to "Statement of Profit and Loss" as against 'Profit and Loss Account' as contained in the Old Schedule VI.
- Unlike the Old Schedule VI, the Revised Schedule VI lays down a format for the presentation of Statement of Profit and Loss. This format of Statement of Profit and Loss does not mention any appropriation item on its face. Further, the Revised Schedule VI format prescribes such 'below the line' adjustments to be presented under "Reserves and Surplus" in the Balance Sheet.
- As per revised schedule VI, any item of income or expense which exceeds one

per cent of the revenue from operations or ₹100,000 (earlier 1 % of total revenue or ₹5,000), whichever is higher, needs to be disclosed separately.

- In respect of companies other than finance companies, revenue from operations need to be disclosed separately as revenue from (a) sale of products, (b) sale of services and (c) other operating revenues.
- Net exchange gain/loss on foreign currency borrowings to the extent considered as an adjustment to interest cost needs to be disclosed separately as finance cost.
- Break-up in terms of quantitative disclosures for significant items of Statement of Profit and Loss, such as raw material consumption, stocks, purchases and sales have been simplified and replaced with the disclosure of "broad heads" only. The broad heads need to be decided based on materiality and presentation of true and fair view of the financial statements.

**COMPARITIVE ANALYSIS BETWEEN OLD SCHEDULE VI  
AND REVISED SCHEDULE VI**

<i>Particulars</i>	<i>Old Schedule VI</i>	<i>Revised Schedule VI</i>
Parts	Part I (Balance Sheet), Part II (Profit and Loss Account), Part III (Interpretation) and Part IV (Balance sheet Abstract of company's general business profile)	Only two parts - Part I (Balance Sheet) and Part II (Statement of Profit and Loss) Part III (Interpretation) and Part IV (Balance sheet Abstract of company's general business profile) omitted.
Format of Balance Sheet	Horizontal and Vertical formats are prescribed.	Only vertical format is prescribed.
Rounding off (R/off) of Figures appearing in financial statement	(a) <i>Turnover of less than ₹ 100 Crs</i> - R/off to the nearest Hundreds, thousands or decimal thereof  (b) <i>Turnover of ₹ 100 Crs or more but less than ₹ 500 Crs</i> - R/off to the nearest Hundreds, thousands, lakhs or millions or decimal thereof  (c) <i>Turnover of ₹500 Crs or more</i> - R/off to the nearest Hundreds, thousands, lakhs, millions or crores, or decimal thereof.	(a) <i>Turnover of less than ₹100 Crs</i> - R/off to the nearest Hundreds, thousands, lakhs or millions or decimal thereof  (b) <i>Turnover of ₹100 Crs or more</i> - R/off to the nearest lakhs, millions or crores, or decimal thereof
Net Working Capital	Current Assets & Liabilities are shown together under application of funds. The net working capital appears on balance sheet.	Assets & Liabilities are to be bifurcated into current & Non-current and to be shown separately. Hence, net working capital will not be appearing on Balance sheet.
Fixed Assets	There was no bifurcation	Fixed assets to be shown under non-

<i>Particulars</i>	<i>Old Schedule VI</i>	<i>Revised Schedule VI</i>
	required into tangible & intangible assets.	current assets and it has to be bifurcated into Tangible & intangible assets.
Borrowings	Short term & long term borrowings are grouped together under the head Loan funds sub-head Secured / Unsecured.	Long term borrowings to be shown under non - current liabilities and short term borrowings to be shown under current liabilities with separate disclosure of secured / unsecured loans.  Period and amount of continuing default as on the balance sheet date in repayment of loans and interest to be separately specified.
Finance lease obligation	Finance lease obligations are included in current liabilities.	Finance lease obligations are to be grouped under the head non-current liabilities.
Deposits	Lease deposits are part of loans & advances.	Lease deposits to be disclosed as long term loans & advances under the head non-current assets.
Investments	Both current & non - current investments to be disclosed under the head investments.	Current and non - current investments are to be disclosed separately under current assets & non-current assets respectively.
Loans & Advances	Loans & Advance are disclosed along with current assets.	Loans & Advances to be broken up in long term & short term and to be disclosed under non-current & current assets respectively.
Deferred Tax Assets / Liabilities	Deferred Tax assets / liabilities to be disclosed separately.	Deferred Tax assets / liabilities to be disclosed under non-current assets/ liabilities as the case may be.
Cash & Bank Balances	Bank balance to be bifurcated in scheduled banks & others.	Bank balances in relation to earmarked balances, held as margin money against borrowings, deposits with more than 12 months maturity, each of these to be shown separately.
Profit & Loss (Dr Balance)	P & L debit balance to be shown under the head.	Debit balance of Profit and Loss Account to be shown as negative.

<i>Particulars</i>	<i>Old Schedule VI</i>	<i>Revised Schedule VI</i>
	Miscellaneous expenditure & losses.	figure under the head Surplus. Therefore, reserve & surplus balance can be negative.
Sundry Creditors	Creditors to be broken up in to micro & small suppliers and other creditors.	It is named as Trade payables and there is no mention of micro & small enterprise disclosure.
Other current liabilities	No specific mention for separate disclosure of Current maturities of long term debt.  No specific mention for separate disclosure of Current maturities of finance lease obligation.	Current maturities of long term debt to be disclosed under other current liabilities.  Current maturities of finance lease obligation to be disclosed.
Separate line item Disclosure criteria	Any item under which expense exceeds one per cent of the total revenue of the company or ₹5,000 whichever is higher; shall be disclosed separately.	Any item of income / expense which exceeds one per cent of the revenue from operations or ₹1,00,000, whichever is higher; to be disclosed separately.
Expense classification	Function wise & nature wise.	Expenses in Statement of Profit and Loss to be classified based on nature of expenses.
Finance Cost	Finance cost to be classified in fixed loans & other loans.	Finance cost shall be classified as interest expense, other borrowing costs & Gain / Loss on foreign currency transaction & translation.



## FORMAT OF REVISED SCHEDULE VI

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The Ministry of Corporates Affairs specified the format of Schedule VI vide Notification No. S.O. 447(E), dated 28th February 2011 as follows:

- General Instructions for preparation of Balance Sheet and Statement of Profit and Loss of a company
- Part I – Form of Balance Sheet
- General Instructions for Preparation of Balance Sheet
- Part II – Form of Statement of Profit and Loss
- General Instructions for Preparation of Statement of Profit and Loss

### **General Instructions for preparation of Balance Sheet and Statement of Profit and Loss of a Company**

1. Where compliance with the requirements of the Act, including the Accounting Standards as applicable to companies, require any change in treatment or disclosure including addition, amendment, substitution or deletion in the head / sub-head or any changes *inter se*, in the financial statements or statements forming part thereof, the same shall be made and the requirements of the Schedule VI shall stand modified accordingly.
2. The disclosure requirements specified in Parts I and II of this Schedule are in addition to and not in substitution of the disclosure requirements specified in the Accounting Standards prescribed under the Companies Act, 1956. Additional disclosures specified in the Accounting Standards shall be made in the notes to accounts or by way of additional statement unless required to be disclosed on the face of the Financial Statements. Similarly, all other disclosures as required by the Companies Act, 1956 shall be made in the notes to accounts in addition to the requirements set out in this Schedule.
3. Notes to accounts shall contain information in addition to that presented in the Financial Statements and shall provide where required :
  - (a) narrative descriptions or disaggregation of items recognised in those statements and
  - (b) information about items that do not qualify for recognition in those statements.

Each item on the face of the Balance Sheet and the Statement of Profit and Loss shall be cross-referenced to any related information in the notes to accounts. In preparing the Financial Statements including the notes to accounts, a balance shall be maintained between providing excessive detail that may not assist users of financial statements and not providing important information as a result of too much aggregation.

4. Depending upon the turnover of the company, the figures appearing in the Financial Statements may be rounded off as below:

<i>Turnover</i>	<i>Rounding off</i>
(i) less than one hundred crore rupees	To the nearest hundreds, thousands, lakhs or millions or decimals thereof.
(ii) one hundred crore rupees or more	To the nearest lakhs, millions or crores, or decimals thereof.
Once a unit of measurement is used, it should be used uniformly in the Financial Statements.	

5. Except in the case of the first Financial Statements laid before the Company (after its incorporation), the corresponding amounts (comparatives) for the immediately preceding reporting period for all items shown in the Financial Statements including notes shall also be given.
6. For the purpose of this Schedule, the terms used herein shall be as per the applicable Accounting Standards.

*Note :*

This part of Schedule sets out the minimum requirements for disclosure on the face of the Balance Sheet and the Statement of Profit and Loss (hereinafter referred to as "Financial Statements" for the purpose of this Schedule) and Notes. Line items, sub-line items and sub-totals shall be presented as an addition or substitution on the face of the Financial Statements when such presentation is relevant to an understanding of the Company's financial position or performance or to cater to industry / sector specific disclosure requirements or when required for compliance with the amendments to the Companies Act, 1956 or under the Accounting Standards.

*Part I*

**Form of Balance Sheet**

Name of the Company .....

Balance Sheet as at .....

(Rupees in .....)

<i>Particulars</i>	<i>Note No.</i>	<i>Figures as at the end of current reporting period</i>	<i>Figures as at the end of current reporting period</i>
(1)	(2)	(3)	(4)
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' funds</b>			
(a) Share capital			
(b) Reserves and surplus			
(c) Money received against share Warrants			
<b>(2) Share application money pending allotment</b>			
<b>(3) Non-current liabilities</b>			
(a) Long-term borrowings			
(b) Deferred tax liabilities (Net)			
(c) Other long-term liabilities			
(d) Long-term provisions			
<b>(4) Current liabilities</b>			
(a) Short-term borrowings			
(b) Trade payables			
(c) Other current liabilities			
(d) Short-term provisions			
<b>TOTAL</b>			
<b>II. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets			
(ii) Intangible assets			
(iii) Capital work-in-progress			
(iv) Intangible assets under development			
(b) Non-current investments			
(c) Deferred tax assets (net)			

<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>
(d) Long-term loans and advances			
(e) Other non-current assets			
<b>(2) Current assets</b>			
(a) Current investments			
(b) Inventories			
(c) Trade receivables			
(d) Cash and cash equivalents			
(e) Short-term loans and advances			
(f) Other current assets			
TOTAL			

### **General Instructions for Preparation of Balance Sheet**

1. An asset shall be classified as current when it satisfies any of the following criteria:
  - (a) it is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;
  - (b) it is held primarily for the purpose of being traded;
  - (c) it is expected to be realised within twelve months after the reporting date; or
  - (d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other assets shall be classified as non-current.
2. An operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Where the normal operating cycle cannot be identified, it is assumed to have duration of 12 months.
3. A liability shall be classified as current when it satisfies any of the following criteria:
  - (a) it is expected to be settled in the company's normal operating cycle;
  - (b) it is held primarily for the purpose of being traded;
  - (c) it is due to be settled within twelve months after the reporting date; or
  - (d) the company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities shall be classified as non-current.
4. A receivable shall be classified as a 'trade receivable' if it is in respect of the amount due on account of goods sold or services rendered in the normal course of business.
5. A payable shall be classified as a 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business.

6. A company shall disclose the following in notes to accounts:

*A. Share capital*

For each class of share capital (different classes of preference shares to be treated separately) :

- (a) The number and amount of shares authorized;
- (b) The number of shares issued, subscribed and fully paid, and subscribed but not fully paid;
- (c) Par value per share;
- (d) A reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period;
- (e) The rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital;
- (f) Shares in respect of each class in the company held by its holding company or its ultimate holding company including shares held by or by subsidiaries or associates of the holding company or the ultimate holding company in aggregate;
- (g) Shares in the company held by each Shareholder holding more than 5 per cent shares specifying the number of shares held;
- (h) Shares reserved for issue under options and contracts/commitments for the sale of shares/disinvestment, including the terms and amounts;
- (i) For the period of five years immediately preceding the date as at which the balance sheet is prepared :
  - aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash.
  - aggregate number and class of shares allotted as fully paid up by way of bonus shares.
  - aggregate number and class of shares bought back.
- (j) Terms of any securities convertible into equity/preference shares issued along with the earliest date of conversion in descending order starting from the farthest such date;
- (k) Calls unpaid (showing aggregate value of calls unpaid by directors and officers);
- (l) Forfeited shares (amount originally paid up).

*B. Reserves and Surplus*

- (i) Reserve and surplus shall be classified as ;
    - (a) Capital Reserves;
    - (b) Capital Redemption Reserve;
    - (c) Securities Premium Reserve;
    - (d) Debenture Redemption Reserve;
    - (e) Revaluation Reserve;
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- (f) Share Options Outstanding Account;
- (g) Other Reserves (specify the nature and purpose of each reserve and the amount in respect thereof);
- (h) Surplus i.e. balance in Statement of Profit & Loss disclosing allocations and appropriations such as dividend, bonus shares and transfer to/from reserves, etc.

(Additions and deductions since the last Balance Sheet to be shown under each of the specified heads)

- (ii) A reserve specifically represented by earmarked investments shall be termed as a 'fund'.
- (iii) Debit balance of statement of profit and loss shall be shown as a negative figure under the head 'Surplus'. Similarly, the balance of 'Reserves and Surplus', after adjusting negative balance of surplus, if any, shall be shown under the head 'Reserves and Surplus' even if the resulting figure is in the negative.

*C. Long-term borrowings:*

- (i) Long-term borrowings shall be classified as:
    - (a) Bonds/debentures;
    - (b) Term loans;
      - from banks;
      - from other parties;
    - (c) Deferred payment liabilities;
    - (d) Deposits;
    - (e) Loans and advances from related parties;
    - (f) Long term maturities of finance lease obligations;
    - (g) Other loans and advances (specify nature).
  - (ii) Borrowings shall further be sub-classified as secured and unsecured. Nature of security shall be specified separately in each case.
  - (iii) Where loans have been guaranteed by directors or others, the aggregate amount of such loans under each head shall be disclosed.
  - (iv) Bonds/debentures (along with the rate of interest and particulars of redemption or conversion, as the case may be) shall be stated in descending order of maturity or conversion, starting from farthest redemption or conversion date, as the case may be. Where bonds/debentures are redeemable by installments, the date of maturity for this purpose must be reckoned as the date on which the first installment becomes due.
  - (v) Particulars of any redeemed bonds/ debentures which the company has power to reissue shall be disclosed.
  - (vi) Terms of repayment of term loans and other loans shall be stated.
  - (vii) Period and amount of continuing default as on the Balance Sheet date in repayment of loans and interest shall be specified separately in each case.
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*D. Other Long-term liabilities*

Other long term liabilities shall be classified as :

- (a) Trade payables; and
- (b) Others.

*E. Long-Term Provisions*

The amounts shall be classified as :

- (a) Provision for employee benefits;
- (b) Others (specify nature).

*F. Short-term borrowings*

(i) Short-term borrowings shall be classified as :

(a) Loans repayable on demand

- from banks;
- from other parties.

(b) Loans and advances from related parties.

(c) Deposits.

(d) Other loans and advances (specify nature).

(ii) Borrowings shall further be sub-classified as secured and unsecured. Nature of security shall be specified separately in each case.

(iii) Where loans have been guaranteed by directors or others, the aggregate amount of such loans under each head shall be disclosed.

(iv) Period and amount of default as on the Balance Sheet date in repayment of loans and interest, shall be specified separately in each case.

*G. Othercurrent liabilities*

The amounts shall be classified as:

(a) Current maturities of long-term debt;

(b) Current maturities of finance lease obligations;

(c) Interest accrued but not due on borrowings;

(d) Interest accrued and due on borrowings;

(e) Income received in advance;

(f) Unpaid dividends;

(g) Application money received for allotment of securities and due for refund and interest accrued thereon. Share application money includes advances towards allotment of share capital. The terms and conditions including the number of shares proposed to be issued, the amount of premium, if any, and the period before which shares shall be allotted shall be disclosed. It shall also be disclosed whether the company has sufficient authorized capital to cover the share capital amount resulting from allotment of shares out of such share application money. Further, the period for which the share application money has been pending beyond the period for allotment as mentioned in the document inviting

application for shares along with the reason for such share application money being pending shall be disclosed. Share application money not exceeding the issued capital and to the extent not refundable shall be shown under the head Equity and share application money to the extent refundable i.e. the amount in excess of subscription or in case the requirements of minimum subscription are not met, shall be separately shown under 'Other current liabilities'.

- (h) Unpaid matured deposits and interest accrued thereon;
- (i) Unpaid matured debentures and interest accrued thereon;
- (j) Other payables (specify nature).

#### *H. Short-term provisions*

The amounts shall be classified as:

- (a) Provision for employee benefits;
- (b) Others (specify nature).

#### *I. Tangible assets*

- (i) Classification shall be given as:
  - (a) Land;
  - (b) Buildings;
  - (c) Plant and Equipment;
  - (d) Furniture and Fixtures;
  - (e) Vehicles;
  - (f) Office equipment;
  - (g) Others (specify nature).
- (ii) Assets under lease shall be separately specified under each class of asset.
- (iii) A reconciliation of the gross and net carrying amounts of each class of assets at the beginning and end of the reporting period showing additions, disposals, acquisitions through business combinations and other adjustments and the related depreciation and impairment losses/reversals shall be disclosed separately.
- (iv) Where sums have been written off on a reduction of capital or revaluation of assets or where sums have been added on revaluation of assets, every balance sheet subsequent to date of such write-off, or addition shall show the reduced or increased figures as applicable and shall by way of a note also show the amount of the reduction or increase as applicable together with the date thereof for the first five years subsequent to the date of such reduction or increase.

#### *J. Intangible assets*

- (i) Classification shall be given as:
  - (a) Goodwill.
  - (b) Brands /trademarks.
  - (c) Computer software.



- (d) Mastheads and publishing titles.
  - (e) Mining rights.
  - (f) Copyrights, and patents and other intellectual property rights, services and operating rights.
  - (g) Recipes, formulae, models, designs and prototypes.
  - (h) Licenses and franchise.
  - (i) Others (specify nature).
- (ii) A reconciliation of the gross and net carrying amounts of each class of assets at the beginning and end of the reporting period showing additions, disposals, acquisitions through business combinations and other adjustments and the related amortization and impairment losses/reversals shall be disclosed separately.
  - (iii) Where sums have been written off on a reduction of capital or revaluation of assets or where sums have been added on revaluation of assets, every balance sheet subsequent to date of such write-off, or addition shall show the reduced or increased figures as applicable and shall by way of a note also show the amount of the reduction or increase as applicable together with the date thereof for the first five years subsequent to the date of such reduction or increase.

*K. Non-current investments*

- (i) Non-current investments shall be classified as trade investments and other investments and further classified as:
  - (a) Investment property;
  - (b) Investments in Equity Instruments;
  - (c) Investments in preference shares
  - (d) Investments in Government or trust securities;
  - (e) Investments in debentures or bonds;
  - (f) Investments in Mutual Funds;
  - (g) Investments in partnership firms
  - (h) Other non-current investments (specify nature)

Under each classification, details shall be given of names of the bodies corporate (indicating separately whether such bodies are (i) subsidiaries, (ii) associates, (iii) joint ventures, or (iv) controlled special purpose entities) in whom investments have been made and the nature and extent of the investment so made in each such body corporate (showing separately investments which are partly paid). In regard to investments in the capital of partnership firms, the names of the firms (with the names of all their partners, total capital and the shares of each partner) shall be given.

- (ii) Investments carried at other than at cost should be separately stated specifying the basis for valuation thereof.
- (iii) The following shall also be disclosed:
  - (a) Aggregate amount of quoted investments and market value thereof;

- (b) Aggregate amount of unquoted investments;
- (c) Aggregate provision for diminution in value of investments

*L. Long-term loans and advances*

- (i) Long-term loans and advances shall be classified as:
  - (a) Capital Advances;
  - (b) Security Deposits;
  - (c) Loans and advances to related parties (giving details thereof);
  - (d) Other loans and advances (specify nature).
- (ii) The above shall also be separately sub-classified as:
  - (a) Secured, considered good;
  - (b) Unsecured, considered good;
  - (c) Doubtful.
- (iii) Allowance for bad and doubtful loans and advances shall be disclosed under the relevant heads separately.
- (iv) Loans and advances due by directors or other officers of the company or any of them either severally or jointly with any other persons or amounts due by firms or private companies respectively in which any director is a partner or a director or a member should be separately stated.

*M. Other non-current assets*

Other non-current assets shall be classified as:

- (i) Long Term Trade Receivables (including trade receivables on deferred credit terms);
- (ii) Others (specify nature);
- (iii) Long term Trade Receivables, shall be sub-classified as:
  - (i) (a) Secured, considered good;
  - (b) Unsecured considered good;
  - (c) Doubtful.
- (ii) Allowance for bad and doubtful debts shall be disclosed under the relevant heads separately.
- (iii) Debts due by directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member should be separately stated.

*N. Current Investment*

- (i) Current investments shall be classified as:
  - (a) Investments in Equity Instruments;
  - (b) Investment in Preference Shares

- (c) Investments in government or trust securities;
- (d) Investments in debentures or bonds;
- (e) Investments in Mutual Funds;
- (f) Investments in partnership firms;
- (g) Other investments (specify nature).

Under each classification, details shall be given of names of the bodies corporate (indicating separately whether such bodies are (i) subsidiaries, (ii) associates, (iii) joint ventures, or (iv) controlled special purpose entities) in whom investments have been made and the nature and extent of the investment so made in each such body corporate (showing separately investments which are partly-paid). In regard to investments in the capital of partnership firms, the names of the firms (with the names of all their partners, total capital and the shares of each partner) shall be given.

- (ii) The following shall also be disclosed:
  - (a) The basis of valuation of individual investments;
  - (b) Aggregate amount of quoted investments and market value thereof;
  - (c) Aggregate amount of unquoted investments;
  - (d) Aggregate provision made for diminution in value of investments.

#### *O. Inventories*

- (i) Inventories shall be classified as:
  - (a) Raw materials;
  - (b) Work-in-progress;
  - (c) Finished goods;
  - (d) Stock-in-trade (in respect of goods acquired for trading);
  - (e) Stores and spares;
  - (f) Loose tools;
  - (g) Others (specify nature).
- (ii) Goods-in-transit shall be disclosed under the relevant sub-head of inventories.
- (iii) Mode of valuation shall be stated.

#### *P. Trade Receivables*

- (i) Aggregate amount of Trade Receivables outstanding for a period exceeding six months from the date they are due for payment should be separately stated.
- (ii) Trade receivables shall be sub-classified as:
  - (a) Secured, considered good;
  - (b) Unsecured considered good;
  - (c) Doubtful.
- (iii) Allowance for bad and doubtful debts shall be disclosed under the relevant heads separately.

- (iv) Debts due by directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member should be separately stated.

*Q. Cash and cash equivalents*

- (i) Cash and cash equivalents shall be classified as:
  - (a) Balances with banks;
  - (b) Cheques, drafts on hand;
  - (c) Cash on hand;
  - (d) Others (specify nature).
- (ii) Earmarked balances with banks (for example, for unpaid dividend) shall be separately stated.
- (iii) Balances with banks to the extent held as margin money or security against the borrowings, guarantees, other commitments shall be disclosed separately.
- (iv) Repatriation restrictions, if any, in respect of cash and bank balances shall be separately stated.
- (v) Bank deposits with more than 12 months maturity shall be disclosed separately.

*R. Short-term loans and advances*

- (i) Short-term loans and advances shall be classified as:
  - (a) Loans and advances to related parties (giving details thereof);
  - (b) Others (specify nature).
- (ii) The above shall also be sub-classified as:
  - (a) Secured, considered good;
  - (b) Unsecured, considered good;
  - (c) Doubtful.
- (iii) Allowance for bad and doubtful loans and advances shall be disclosed under the relevant heads separately.
- (iv) Loans and advances due by directors or other officers of the company or any of them either severally or jointly with any other person or amounts due by firms or private companies respectively in which any director is a partner or a director or a member shall be separately stated.

*S. Other current assets (specify nature)*

This is an all-inclusive heading, which incorporates current assets that do not fit into any other asset categories.

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T. *Contingent liabilities and commitments (to the extent not provided for)*

(i) Contingent liabilities shall be classified as:

- (a) Claims against the company not acknowledged as debt;
- (b) Guarantees;
- (c) Other money for which the company is contingently liable.

(ii) Commitments shall be classified as:

- (a) Estimated amount of contracts remaining to be executed on capital account and not provided for;
- (b) Uncalled liability on shares and other investments partly paid;
- (c) Other commitments (specify nature).

U. The amount of dividends proposed to be distributed to equity and preference shareholders for the period and the related amount per share shall be disclosed separately. Arrears of fixed cumulative dividends on preference shares shall also be disclosed separately.

V. Where in respect of an issue of securities made for a specific purpose, the whole or part of the amount has not been used for the specific purpose at the balance sheet date, there shall be indicated by way of note how such unutilized amounts have been used or invested.

W. If, in the opinion of the Board, any of the assets other than fixed assets and non-current investments do not have a value on realization in the ordinary course of business at least equal to the amount at which they are stated, the fact that the Board is of that opinion, shall be stated.

*Part II*

**Form of Statement of Profit And Loss**

*Name of the Company* .....

*Balance Sheet as at* .....

*(Rupees in .....)*

<i>Particulars</i>	<i>Note No.</i>	<i>Figures as at the end of current reporting period</i>	<i>Figures as at the end of previous reporting period</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>
I Revenue from operations			
II Other income			
III <b>Total revenue (I+II)</b>			
IV <b>Expenses</b>			
(a) Cost of materials consumed			

(1)	(2)	(3)	(4)
(b) Purchases of stock-in-trade			
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade			
(d) Employee benefits expense			
(e) Finance costs			
(f) Depreciation and amortisation expense			
(g) Other expenses			
<b>Total expenses</b>			
V Profit / (Loss) before exceptional and extraordinary items and tax (III - IV)			
VI Exceptional items			
VII Profit / (Loss) before extraordinary items and tax (V – VI)			
VIII Extraordinary items			
IX Profit / (Loss) before tax (VII – VIII)			
X Tax expense:			
(1) Current tax			
(2) Deferred tax			
XI Profit / (Loss) for the period from continuing operations (IX - X- XIV)			
XII Profit / (Loss) from discontinuing operations			
XIII Tax expense of discontinuing operations			
XIV Profit / (Loss) from discontinuing operations (after tax) (XII - XIII)			
XV Profit / (Loss) for the year (XI + XIV)			
XVI Earnings per equity share:			
(1) Basic			
(2) Diluted			

**General Instructions for Preparation of Statement of Profit and Loss**

1. The provisions of this Part shall apply to the income and expenditure account referred

to in sub-section (2) of Section 210 of the Act, in like manner as they apply to a statement of profit and loss.

2. (A) In respect of a company other than finance company revenue from operations shall disclose separately in the notes revenue from

- (a) sale of products;
- (b) sale of services;
- (c) other operating revenues;

Less:

- (d) Excise duty.

- (B) In respect of a finance company, revenue from operations shall include revenue from

- (a) Interest; and
- (b) Other financial services

Revenue under each of the above heads shall be disclosed separately by way of notes to accounts to the extent applicable.

3. *Finance Costs*

Finance costs shall be classified as:

- (a) Interest expense;
- (b) Other borrowing costs;
- (c) Applicable net gain/loss on foreign currency transactions and translation.

4. *Other Income*

Other income shall be classified as:

- (a) Interest Income (in case of a company other than a finance company);
- (b) Dividend Income;
- (c) Net gain/loss on sale of investments;
- (d) Other non-operating income (net of expenses directly attributable to such income).

5. *Additional Information*

A Company shall disclose by way of notes additional information regarding aggregate expenditure and income on the following items:-

- (i) (a) Employee Benefits Expense [showing separately (i) salaries and wages, (ii) contribution to provident and other funds, (iii) expense on Employee Stock Option Scheme (ESOP) and Employee Stock Purchase Plan (ESPP), (iv) staff welfare expenses];

- (b) Depreciation and amortization expense;
  - (c) Any item of income or expenditure which exceeds one per cent of the revenue from operations or ₹1,00,000, whichever is higher;
  - (d) Interest Income;
  - (e) Interest Expense;
  - (f) Dividend Income;
  - (g) Net gain/ loss on sale of investments;
  - (h) Adjustments to the carrying amount of investments;
  - (i) Net gain or loss on foreign currency transaction and translation (other than considered as finance cost);
  - (j) Payments to the auditor as (a) auditor, (b) for taxation matters, (c) for company law matters, (d) for management services, (e) for other services, (f) for reimbursement of expenses;
  - (k) Details of items of exceptional and extraordinary nature;
  - (l) Prior period items;
- (ii) (a) In the case of manufacturing companies -
- (1) Raw materials under broad heads;
  - (2) Goods purchased under broad heads.
- (b) In the case of trading companies, purchases in respect of goods traded in by the company under broad heads.
- (c) In the case of companies rendering or supplying services, gross income derived from services rendered or supplied under broad heads.
- (d) In the case of a company, which falls under more than one of the categories mentioned in (a), (b) and (c) above, it shall be sufficient compliance with the requirements herein if purchases, sales and consumption of raw material and the gross income from services rendered is shown under broad heads.
- (e) In the case of other companies, gross income derived under broad heads.
- (iii) In the case of all concerns having works in progress, works-in progress under broad heads.
- (iv) (a) The aggregate, if material, of any amounts set aside or proposed to be set aside, to reserve, but not including provisions made to meet any specific liability, contingency or commitment known to exist at the date as to which the balance-sheet is made up.



- (b) The aggregate, if material, of any amounts withdrawn from such reserves.
- (v) (a) The aggregate, if material, of the amounts set aside to provisions made for meeting specific liabilities, contingencies or commitments.
- (b) The aggregate, if material, of the amounts withdrawn from such provisions, as no longer required.
- (vi) Expenditure incurred on each of the following items, separately for each item:-
  - (a) Consumption of stores and spare parts;
  - (b) Power and fuel;
  - (c) Rent;
  - (d) Repairs to buildings;
  - (e) Repairs to machinery;
  - (f) Insurance;
  - (g) Rates and taxes, excluding, taxes on income;
  - (h) Miscellaneous expenses.
- (vii) (a) Dividends from subsidiary companies;
- (b) Provisions for losses of subsidiary companies.
- (viii) The profit and loss account shall also contain by way of a note the following information, namely:-
  - (a) Value of imports calculated on C.I.F basis by the company during the financial year in respect of –
    - I. Raw materials;
    - II. Components and spare parts;
    - III. Capital goods.
  - (b) Expenditure in foreign currency during the financial year on account of royalty, know-how, professional and consultation fees, interest, and other matters;
  - (c) Total value if all imported raw materials, spare parts and components consumed during the financial year and the total value of all indigenous raw materials, spare parts and components similarly consumed and the percentage of each to the total consumption;
  - (d) The amount remitted during the year in foreign currencies on account of dividends with a specific mention of the total number of non-resident shareholders, the total number of shares held by them on which the dividends were due and the year to which the dividends related;
  - (e) Earnings in foreign exchange classified under the following heads, namely:-
    - I. Export of goods calculated on F.O.B. basis;

- II. Royalty, know-how, professional and consultation fees;
- III. Interest and dividend;
- IV. Other income, indicating the nature thereofe.

*Note :*

*Broad heads shall be decided taking into account the concept of materiality and presentation of true and fair view of financial statements.*

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## PROBLEMS SOLVED AS PER THE REVISED SCHEDULE VI

### Illustration 1

Given is the Trial Balance of Marathon Limited as on 31st March, 2012. You are required to prepare the Profit and loss Account and Balance Sheet on 31st March, 2012

	<i>Dr.</i>	<i>Cr.</i>
Authorised Share capital divided into 8,000, 6% preference shares of ₹100 each and 20,000 equity shares of ₹100 each		28,00,000
<b>Subscribed Capital</b>		
5,000 6% preference shares of ₹100 each		5,00,000
Equity Share Capital		8,00,000
Capital Reserve		5,000
Purchases - Coco, Tea, Coffee	58,800	
- Bakery products	36,200	
Wages and Salary	15,300	
Rent, Rates and Taxes	8,900	
Laundry	750	
Sales - Coco, Tea and Coffee		82,000
- Bakery products		44,000
Coal and Firewood	3,290	
Carriage	810	
Sundry Expenses	5,840	
Advertising	8,360	
Repair	4,250	
Rent of Rooms		48,000
Receipt from Billiards		5,700
Miscellaneous Receipts		2,800
Discount Received		3,300
Transfer Fee		700
Freehold Land and Building	8,50,000	
Furniture and Fittings	86,300	
Stock on hand, 1st April, 2011		
Coco, Tea, Coffee	12,800	
Bakery products	5,260	
Cash in Hand	2,200	
Cash with Bank	76,380	

	<i>Dr.</i>	<i>Cr.</i>
Preliminary and Formation Expenses	8,000	
2000, 8% debentures of ₹100 each		2,00,000
Profit and Loss Account		41,500
Sundry Creditors		42,000
Sundry Debtors	19,260	
Investment	2,72,300	
Goodwill at Cost	5,00,000	
General Reserve		2,00,000
	<b>19,75,000</b>	<b>19,75,000</b>

***Additional Information:***

- Wages and Salaries outstanding 4,280
- Stock as on 31st march, 2012
  - Coco, Tea, Coffee 22,500
  - Bakery Products 16,400
- Provide 5% depreciation on Furniture and Fittings and 2% on Land and Building.

The equity capital on 1st April, 2011 stood at ₹7, 20,000, that is 6,000 shares fully paid and 2,000 shares of ₹60 paid. The directors made a call of ₹ 40 per share on 1st October, 2011. A shareholder could not pay the call on 100 shares and his shares were then forfeited and reissued at ₹90 per share as fully paid. The director proposes a dividend of 8% on equity shares, transferring any amount that may be required from general reserve. Ignore taxation.

**Solution****Profit and Loss Account of Marathon and Limited  
for the year ended on 31st March, 2012**

	<i>Particulars</i>	<i>Notes</i>	<i>Amount (₹)</i>
<b>I</b>	Revenue from Operations	10	1,79,700
<b>II</b>	Other Receipts	11	6,800
<b>III</b>	<b>Total Revenue (I + II)</b>		<b>1,86,500</b>
<b>IV</b>	<b>Expenses</b>		
	Purchase of Stock in Trade	12	95,000
	Change in Inventories of Finished Goods	13	(20,840)
	Employee Benefit Expenses	14	19,580
	Other Operating Expenses	15	23,840
	Selling and Administrative Expenses	16	8,360
	Finance Costs	17	16,000
	Depreciation and Amortization Expenses	18	21,315
	Total expenses		1,63,255
<b>V</b>	<b>Profit(Loss) for the period (III-IV)</b>		<b>23,245</b>
	Balance from Previous Years		41,500
	Transfer from General Reserve		29,255
	<i>Less: Proposed Dividend</i>		
	- Preference Share Capital @6%		30,000
	- Equity Share Capital @ 8%		64,000
	<b>Profit (Loss) carried to Balance Sheet</b>		<b>0</b>

**Balance Sheet of Marathon Limited  
as on 31st March, 2012**

<i>Particulars</i>	<i>Notes</i>	<i>Amount (₹)</i>
<b>I Equity and Liabilities</b>		
1. <i>Shareholders' Fund</i>		
(a) Share Capital	1	13,00,000
(b) Reserve and Surplus	2	1,75,745
2. <i>Non-current liabilities</i>		
(a) Long term liabilities	3	2,00,000
3. <i>Current liabilities</i>		
(a) Trade Payables	4	46,280
(b) Short Term Provisions	5	1,10,000
<b>TOTAL</b>		<b>18,32,025</b>
<b>II Assets</b>		
1. <i>Non-Current Assets</i>		
(a) Fixed assets		
(i) Tangible Fixed Assets	6	9,14,985
(ii) Intangible Assets (Goodwill)		5,00,000
(b) Non – Current Investments		2,72,300
2. <i>Current Assets</i>		
(a) Inventories	7	38,900
(b) Trade Receivables		19,260
(c) Cash and Cash Equivalents	8	78,580
(d) Other Current Assets	9	8,000
<b>TOTAL</b>		<b>18,32,025</b>

**Notes to the Financial Statements**

**1. Share Capital**

*Equity Share Capital*

- Authorised Equity Share Capital : 20,000 Equity Shares of ₹100 each	20,00,000
- Issued and Subscribed 8,000 Equity Shares of ₹100 each	8,00,000
<i>Preference share capital</i>	
<i>Authorised Preference Share Capital</i>	
- 8,000, 6% Preference Shares of ₹100 each	8,00,000
- Issued and Subscribed 5,000 6% Preference Shares of ₹100 each	5,00,000
	<b>13,00,000</b>

<b>2. Reserve and Surplus</b>		
- Capital Reserve		5,000
- General Reserve	2,00,000	
<i>Less : Amount used to pay dividend on Equity and Preference Share Capital</i>	<u>29,255</u>	<u>1,70,745</u>
		<u>1,75,745</u>
<b>3. Long Term Borrowings</b>		
- 2000, 8% Debentures of ₹100 each		2,00,000
<b>4. Trade Payables</b>		
- Sundry Creditors		42,000
- Wages and Salaries Outstanding		4,280
		<u>46,280</u>
<b>5. Short term Provisions</b>		
- Interest on Debentures		16,000
- Proposed Preference Dividend		30,000
- Proposed Equity Dividend		64,000
		<u>1,10,000</u>
<b>6. Tangible Assets</b>		
- Freehold Land and Building	8,50,000	
<i>Less : Depreciation @2%</i>	<u>17,000</u>	8,33,000
- Furniture and Fitting	86,300	
<i>Less : Depreciation @5%</i>	<u>4,315</u>	81,985
		<u>9,14,985</u>
<b>7. Inventories</b>		
- Coco, Tea, Coffee		22,500
- Bakery Products		16,400
		<u>38,900</u>
<b>8. Cash and Cash Equivalentents</b>		
- Cash at Bank		76,380
- Cash in Hand		2,200
		<u>78,580</u>
<b>9. Other Current Assets</b>		
- Preliminary and Formation Expenses		8,000

<b>10. Revenue from Operations</b>		
<i>Sale of products</i>		
- Coco, Tea and Coffee	82,000	
- Bakery Products	<u>44,000</u>	1,26,000
<i>Sale of services</i>		
- Rent of Rooms	48,000	
- Receipt from Billiards	<u>5,700</u>	<u>53,700</u>
		<u>1,79,700</u>
<b>11. Other Receipts</b>		
- Miscellaneous Receipts		2,800
- Discount Received		3,300
- Transfer Fee		<u>700</u>
		<u>6,800</u>
<b>12. Purchases of Stock in Trade</b>		
- Coco, Tea and Coffee		58,800
- Bakery Products		36,200
		95,000
<b>13. Change in Inventories of Finished Goods</b>		
- Coco, Tea, Coffee		
Opening Stock	12,800	
<i>Less: Closing Stock</i>	<u>22,500</u>	<u>(9,700)</u>
- Bakery Products		
Opening Stock	5,260	
<i>Less : Closing Stock</i>	<u>16,400</u>	<u>(11,140)</u>
		<u>(20,840)</u>
<b>14. Employee Benefit Expenses</b>		
Wages and Salaries		15,300
<i>Add: Outstanding Wages and Salaries</i>		<u>4,280</u>
		<u>19,580</u>
<b>15. Other Operating Expenses</b>		
- Rent Rates and Taxes		8,900
- Coal and Firewood		3,290
- Laundry		750
- Carriage		810
- Repair		4,250
- Sundry Expenses		<u>5,840</u>
		<u>23,840</u>



<b>16. Selling and Distribution Expenses</b>	
- Advertising	8,360
<b>17. Finance Cost</b>	
- Interest on Debentures	16,000
<b>18. Depreciation and Amortization Expenses</b>	
- Land and Building	17,000
- Furniture and Fittings	4,315
	<u>21,315</u>

**Problem 2**

You are required to prepare financial statements from the following trial balance of Mehul Company Ltd. for the year ended 31st March, 2012

**Mehul Company Ltd.**  
**Trial Balance as at 31st March, 2012**

<i>Particulars</i>	₹	<i>Particulars</i>	₹
Stock	68,000	Equity Shares Capital (Shares of ₹10 each)	2,50,000
Furniture & Fixtures	50,000	11% Debentures	50,000
Discount	4,000	Bank Loans	64,500
Loan to Directors	8,000	Bills Payable	12,500
Advertisement	2,000	Creditors	15,600
Bad Debts	3,500	Sales	4,26,800
Commission	12,000	Rent Received	4,600
Purchases	231,900	Transfer Fees	1,000
Plant and Machinery	86,000	Profit & Loss Appropriation Account	13,900
Rentals	2,500	Provision for Depreciation on Plant & Machinery	14,600
Current Account	4,500		
Cash	800		
Interest on Bank Loan	11,600		
Preliminary Expenses	1,000		
Wages	90,000		
Consumables	8,400		
Freehold Land	1,54,600		
Tools and Equipments	24,500		
Goodwill	26,500		
Debtors	28,700		
Bills Receivables	15,300		
Dealer Aids	2,100		
Transit Insurance	3,000		
Trade Expenses	7,200		
Distribution Freight	5,400		
Debentures Interest	2,000		
	<u>8,53,500</u>		<u>8,53,500</u>

**Additional Information :**

- Closing stock as on 31st march, 2012, ₹82,300
- Depreciation on furniture & fixtures @5%, Freehold land @2% and Tools and Equipments @5% to be provided.

**Solution**

**Profit and Loss Account of Mehul Company Ltd.  
for the year ended on 31st March, 2012**

	<i>Particulars</i>	<i>Notes</i>	<i>Amount (₹)</i>
<b>I</b>	Revenue from Operations		4,26,800
<b>II</b>	Other Receipts	8	5,600
<b>III</b>	<b>Total Revenue (I + II)</b>		<b>4,32,400</b>
<b>IV</b>	<b>Expenses</b>		
	Purchase of Stock in Trade	9	2,31,900
	Change in Inventories of Finished Goods	10	(14,300)
	Employee Benefit Expenses	11	90,000
	Other Operating Expenses	12	48,100
	Selling and Administrative Expenses	13	2,000
	Finance Costs	14	13,600
	Depreciation and Amortization Expenses	15	6,817
	Total Expenses		3,78,117
<b>V</b>	<b>Profit (Loss) for the Period (III-IV)</b>		<b>54,283</b>
	Balance from Previous Years		13,900
	<b>Profit (Loss) carried to Balance Sheet</b>		<b>68,183</b>

**Balance Sheet of Mehul Company Ltd.**  
**as on 31st March, 2012**

<i>Particulars</i>	<i>Notes</i>	<i>Amount (₹)</i>
<b>I Equity and Liabilities</b>		
1. <i>Shareholders' Fund</i>		
(a) Share Capital	1	2,50,000
(b) Reserve and Surplus	2	68,183
2. <i>Non-Current Liabilities</i>		
(a) Long Term Liabilities	3	1,14,500
3. <i>Current liabilities</i>		
(a) Trade Payables	4	28,100
<b>TOTAL</b>		<b><u>4,60,783</u></b>
<b>II Assets</b>		
1. <i>Non-Current Assets</i>		
(a) Fixed Assets		
(i) Tangible Fixed Assets	5	2,93,683
(ii) Intangible Assets (Goodwill)		26,500
2. <i>Current Assets</i>		
(a) Inventories		82,300
(b) Trade Receivables		28,700
(c) Cash and Cash Equivalents	6	5,300
(d) Short Term Loan and Advances	7	23,300
(e) Other Current Assets		1,000
<b>TOTAL</b>		<b><u>4,60,783</u></b>

**Notes to the Financial Statements**

1. *Share Capital*

- Equity Share Capital

Authorised Share Capital

25,000 equity shares of ₹10 each 2,50,000

Issued and Subscribed

25,000 equity shares of ₹10 each 2,50,000

**2,50,000**

2. <i>Reserve and Surplus</i>			
- Balance as per last Balance Sheet			13,900
Add : Balance in Current Year Profit			54,283
			<u>68,183</u>
3. <i>Long Term Borrowings</i>			
11% Debentures of ₹100 each			50,000
Bank Loan			64,500
			<u>1,14,500</u>
4. <i>Trade Payables</i>			
Sundry Creditors			15,600
Bills Payables			12,500
			<u>28,100</u>
5. <i>Tangible Assets</i>			
	<i>Book Value</i>	<i>Depreciation</i>	<i>Net value</i>
Freehold Land and Building	1,54,600	3,092	1,51,508
Furniture and Fixtures	50,000	2,500	47,500
Plant and Machinery	86,000	14,600	71,400
Tools and Equipments	24,500	1,225	23,275
Total	<u>3,15,100</u>	<u>14,600</u>	<u>2,93,683</u>
6. <i>Cash and Cash Equivalentents</i>			
Cash at Bank			4,500
Cash in Hand			800
			<u>5,300</u>
7. <i>Short Term Loans and Advances</i>			
Loan to Directors			8,000
Bills Receivables			15,300
			<u>23,300</u>
8. <i>Other Income</i>			
Rent Received			4,600
Transfer Fee			1,000
			<u>5,600</u>
9. <i>Purchase of Stock in Trade</i>			
Purchases			2,31,900
10. <i>Change in Inventories of Finished Goods</i>			
Closing Stock			82,300
Less : Opening Stock			68,000
			<u>14,300</u>

11.	<i>Employee Benefit Expenses</i>	
	Wages	90,000
12.	<i>Other Operating Expenses</i>	
	Consumables	8,400
	Bad Debts	3,500
	Discount	4,000
	Rentals	2,500
	Commissions	12,000
	Dealer's Aid	2,100
	Transit Insurance	3,000
	Trade Expenses	7,200
	Distribution Freight	5,400
		<u>48,100</u>
13.	<i>Selling and Administrative Expenses</i>	
	Advertisements	2,000
14.	<i>Finance Costs</i>	
	Interest on Bank Charges	11,600
	Debenture Interest	2,000
		<u>13,600</u>
15.	<i>Depreciation and Amortization Expenses</i>	
	Freehold Land and Building	3,092
	Furniture and Fixtures	2,500
	Tools and Equipments	1,225
		<u>6,817</u>

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*\*Disclaimer*

The Supplement on Revised Schedule VI has been prepared purely for academics purposes only and it does not necessarily reflect the views of ICSI. Any person wishing to act on the basis of this Supplement should do so only after cross checking with the original source.