GKDJ & Associates
CHARTERED ACCOUNTANTS

Presented by :

CA Kusai Goawala

Present Filing Procedure

- Basic data captured in form 23AC and 23ACA

- PDF files of Audited BS and Audited P&L attached

- Size restrictions of 2.5 MB

- Difficulties in accessing website

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Filing of Audited Financial Statements with ROC

Mandatory filing of Audited Financial Statements of certain companies in XBRL format – Form 23AC and 23ACA.

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Phase I Applicability:

- Following categories of companies are covered under Phase I for Financial Year ending on or after 31st March 2011.

(a) Listed Companies

(b) Their Indian Subsidiaries

(c) Companies having turnover of Rs.100 cr or more

(d) Companies having paid up capital of Rs.5 crore or more.

Exclusions :

(a) Banks

(b) Insurance Companies

(c) Non Banking Financial Companies

(d) Power Companies

- However Subsidiaries of above will be covered if they are under Commercial and Industrial (C & I) category

- In this phase around 28000 companies are expected to be covered.

Phase II

- Although not yet notified, it is expected that all companies are likely to be covered in Phase II with effect from Financial Year ending on or after 31st March 2012.

- Around 850000 companies will be covered in this phase II

Revised due date for filing with ROC.

- Actual due date is 30 days from date of AGM

- The revised due date will be :

  - 31st December 2011 or

  - 60 days from the due date

  Whichever is later.

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People say it is complex

Is XBRL a monster that is going to hurt us?

No.

It is a very simple digital coding tool to make the data intelligent and capable for further processing

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What is XBRL ?

- It stands for eXtensible Business Reporting Language

- It is based on XML (eXtensible Markup Language) platform.

Difference between XML and XBRL

XBRL combines XML data with Relationships

Data – File Extension .xml

Scheme – File Extension .xsd

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History of XBRL

- XBRL's beginning can be traced to the initial efforts of one person, Charles Hoffman, a CPA from Tacoma, Washington

- The AICPA was also instrumental in pulling together what eventually became XBRL International

How does XBRL benefit

- The data is captured in uniform/standard manner

- Capable of further processing and analysis

  – Data Analysis

  – Automated data processing

  – Multi-language Capability

  – Reliability and Enhanced Quality

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How does XBRL benefit

- Comparatives across companies/sectors

- Highlight errors and violations

- Enable action for any qualifications in Auditors Report

- Minimum file size

Future usage of XBRL formats

(a) All statutory filings :

   a. Annual Return

   b. Service tax and VAT returns

   c. Fema returns

   d. SEBI reportings

Future usage of XBRL formats

(b) Commercial applications :

a. CMA data for banks

b. Internal MIS

c. Analysis

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XBRL comprises of two parts :

(a) Taxanomy

(a) Instance Document

Taxanomy	Instance Documents

Business reports / XBRL documents

Taxanomy
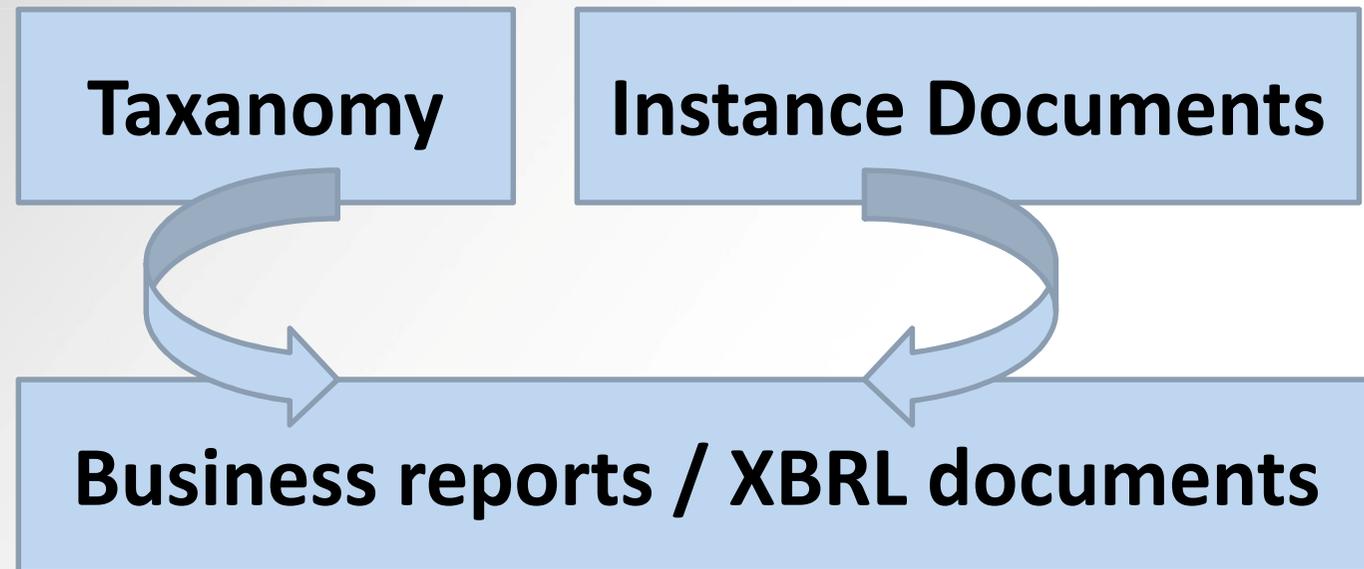
- A taxanomy is the directory of accounting and business related information in a harmonized hierarchy structure.

- Each application may have a different taxanomy.

- MCA has issued a taxanomy of 3076 items.

- Other countries have their own taxanomies. (US has taxanomy of about 50000 items).

Taxanomy

Definition: Derived from ancient Greek words *Taxis* meaning a**rrangement** and *nomia* meaning **method**.

That means methodological arrangement of data

Taxanomy

- Based on
  - Schedule VI, Companies Act
  - Accounting Standards
  - MCA specific requirements
  - Other regulatory requirements

	A	B	C	D
1055	Extended Link [100900] Schedule - Cash and bank balances		ScheduleCashAndBankBalances	
1056	Prefix	Element Label	Element Name	Weight
1057	in-gaap	Cash bank balance	CashBankBalance	
1058	in-gaap	Cash balance hand	CashBalanceHand	1.0
1059	in-gaap	Cash hand	CashHand	1.0
1060	in-gaap	Cheques hand	ChequesHand	1.0
1061	in-gaap	Bank balances	BankBalances	1.0
1062	in-gaap	Balance scheduled banks	BalanceScheduledBanks	1.0
1063	in-gaap	Balance scheduled banks current account	BalanceScheduledBanksCurrentAccount	1.0
1064	in-gaap	Balance scheduled banks deposit account	BalanceScheduledBanksDepositAccount	1.0
1065	in-gaap	Balance scheduled banks call account	BalanceScheduledBanksCallAccount	1.0
1066	in-gaap	Balance scheduled banks unclaimed amount account	BalanceScheduledBanksUnclaimedAmountA	1.0
1067	in-gaap	Balance scheduled banks other account	BalanceScheduledBanksOtherAccount	1.0
1068	in-gaap	Balance other banks	BalanceOtherBanks	1.0
1069	in-gaap	Balance other banks current account	BalanceOtherBanksCurrentAccount	1.0
1070	in-gaap	Balance other banks deposit account	BalanceOtherBanksDepositAccount	1.0
1071	in-gaap	Balance other banks call account	BalanceOtherBanksCallAccount	1.0
1072	in-gaap	Balance other banks other account	BalanceOtherBanksOtherAccount	1.0

Elements | ExtendedLinks | Presentation | Calculation | Labels

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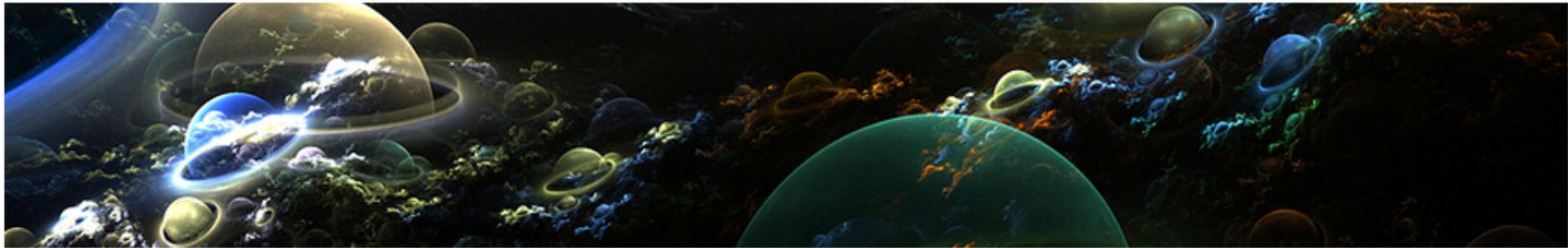
	A	B	C	D
1408	**Extended Link**	**[200100] Schedule - Income**	**ScheduleIncome**	
1409	Prefix	Element Label	Element Name	Weight
1468	in-gaap	Receipt interest long-term investments	ReceiptInterestLongTermInvestments	1.0
1469	in-gaap	Receipt interest long-term bank deposits	ReceiptInterestLongTermBankDeposits	1.0
1470	in-gaap	Receipt interest long-term intercorporate deposits	ReceiptInterestLongTermIntercorporateD	1.0
1471	in-gaap	Receipt interest long-term debt securities	ReceiptInterestLongTermDebtSecurities	1.0
1472	in-gaap	Receipt interest long-term government securities	ReceiptInterestLongTermGovernmentSec	1.0
1473	in-gaap	Receipt interest other long-term investments	ReceiptInterestOtherLongTermInvestmer	1.0
1474	in-gaap	Receipt dividend long-term investments	ReceiptDividendLongTermInvestments	1.0
1475	in-gaap	Receipt dividend long-term equity securities	ReceiptDividendLongTermEquitySecuriti	1.0
1476	in-gaap	Receipt dividend long-term mutual funds	ReceiptDividendLongTermMutualFunds	1.0
1477	in-gaap	Receipt dividend other long-term investments	ReceiptDividendOtherLongTermInvestme	1.0
1478	in-gaap	Receipt income current investments	ReceiptIncomeCurrentInvestments	1.0
1479	in-gaap	Receipt interest current investments	ReceiptInterestCurrentInvestments	1.0
1480	in-gaap	Receipt interest current bank deposits	ReceiptInterestCurrentBankDeposits	1.0
1481	in-gaap	Receipt interest current intercorporate deposits	ReceiptInterestCurrentIntercorporateDep	1.0
1482	in-gaap	Receipt interest current debt securities	ReceiptInterestCurrentDebtSecurities	1.0
1483	in-gaap	Receipt interest current government securities	ReceiptInterestCurrentGovernmentSecuri	1.0

Elements | ExtendedLinks | Presentation | **Calculation** | Labels

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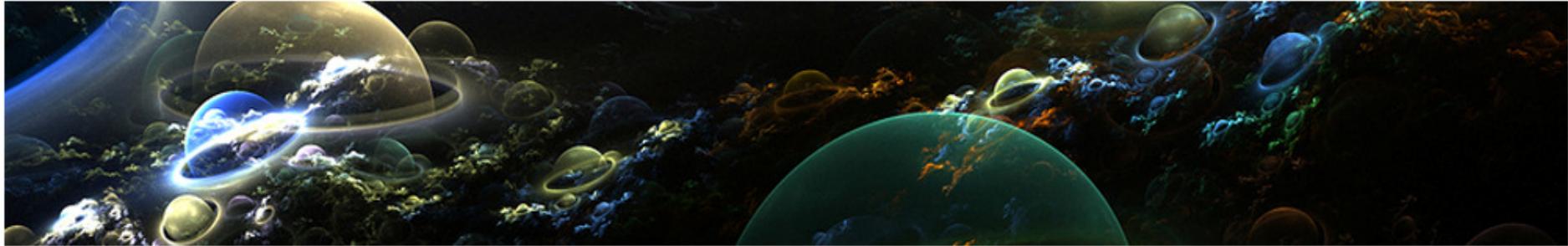
#	Element Name
527	CashBankBalance
528	CashBalanceHand
529	CashHand
530	ChequesHand
531	BankBalances
532	BalanceScheduledBanks
533	BalanceScheduledBanksCurrentAccount
534	BalanceScheduledBanksDepositAccount
535	BalanceScheduledBanksCallAccount
536	BalanceScheduledBanksUnclaimedAmountAccount
537	BalanceScheduledBanksOtherAccount
538	BalanceOtherBanks
539	BalanceOtherBanksCurrentAccount
540	BalanceOtherBanksDepositAccount
541	BalanceOtherBanksCallAccount
542	BalanceOtherBanksOtherAccount

Elements ExtendedLinks Presentation Calculation Labels

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Taxanomies - Options

(a) Balance Sheet as per Vertical and "T" format

(b) Profit and Loss as per Function or Nature of Expenses

(c) Cash Flow – Direct or Indirect Method

Instance Documents

- The file where data is captured as per above structure is called Instance Document.

- The instance document file is prepared for the following documents separately for,

  - Stand Alone

  - CFS for listed companies only
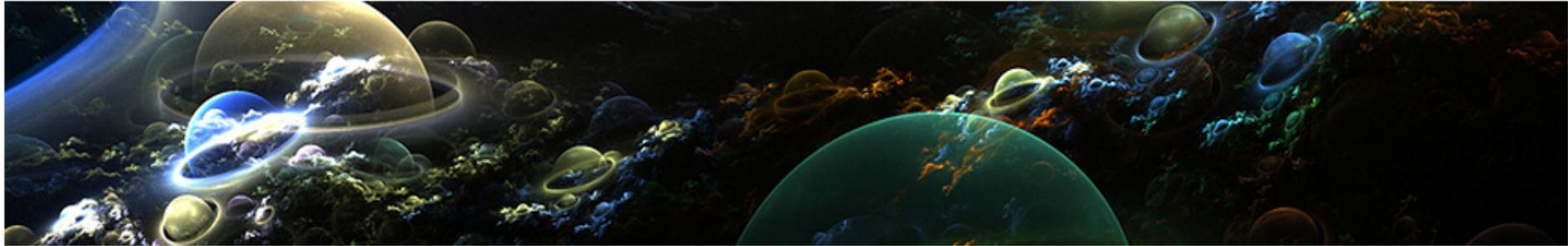
gaap:IncreaseDecreaseInventories>
<in-gaap:IncreaseDecreaseInventories id="TAG54" decimals="0" contextRef="D2010" unitRef="INR">-11606972</in-gaap:IncreaseDecreaseInventories>
<in-gaap:TotalExpenditure id="TAG55" decimals="0" contextRef="D2011" unitRef="INR">1845249594</in-gaap:TotalExpenditure>
<in-gaap:TotalExpenditure id="TAG56" decimals="0" contextRef="D2010" unitRef="INR">2375836332</in-gaap:TotalExpenditure>
<in-gaap:NetProfitLossbeforeTax id="TAG61" decimals="0" contextRef="D2011" unitRef="INR">-520011202</in-gaap:NetProfitLossbeforeTax>
<in-gaap:NetProfitLossbeforeTax id="TAG62" decimals="0" contextRef="D2010" unitRef="INR">39206286</in-gaap:NetProfitLossbeforeTax>
<in-gaap:ProvisionCurrentTax id="TAG63" decimals="0" contextRef="D2011" unitRef="INR">805000000</in-gaap:ProvisionCurrentTax>
<in-gaap:ProvisionCurrentTax id="TAG64" decimals="0" contextRef="D2010" unitRef="INR">7675000</in-gaap:ProvisionCurrentTax>
<in-gaap:ProvisionDeferredTax id="TAG65" decimals="0" contextRef="D2011" unitRef="INR">-4049554</in-gaap:ProvisionDeferredTax>
<in-gaap:ProvisionDeferredTax id="TAG66" decimals="0" contextRef="D2010" unitRef="INR">2873842</in-gaap:ProvisionDeferredTax>
<in-gaap:ProvisionWealthTax id="TAG67" decimals="0" contextRef="D2011" unitRef="INR">306144</in-gaap:ProvisionWealthTax>
<in-gaap:ProvisionWealthTax id="TAG68" decimals="0" contextRef="D2010" unitRef="INR">42134</in-gaap:ProvisionWealthTax>
<in-gaap:NetProfitLoss id="TAG73" decimals="0" contextRef="D2011" unitRef="INR">2634838645</in-gaap:NetProfitLoss>
<in-gaap:OperatingRevenueGross id="TAG74" decimals="0" contextRef="D2011" unitRef="INR">1226388726</in-gaap:OperatingRevenueGross>
<in-gaap:NetProfitLoss id="TAG75" decimals="0" contextRef="D2010" unitRef="INR">28515878</in-gaap:NetProfitLoss>
<in-gaap:ProfitLossBalance id="TAG76" decimals="0" contextRef="I2010" unitRef="INR">32900106</in-gaap:ProfitLossBalance>

XBRL elements

XBRL Supply chain

Define Data

Taxonomy & Tagging

Create Data

Instance Documents

Consume Data

Render Document

Attributes of XBRL Schema

Balance Sheet Data

XYZ Company Limited	
Balance Sheet	31st March 2011 (figures in Thousand)
Cash	14000
Debtor	6000
Current Asset	20000

The power of XBRL

Application of Attribute

XBRL Attributes
- Element name/id
- Abstract
- Data Type
- Balance Type
- Period Type
- Substitu--tion Group
- Nillable

Cash in Balance Sheet- Current Assets

Cash = Cash in hand + Cash in Bank

Cash > 0

Cash defined as per Accounting Standard 3, Part 2

नक़द रुपया

XYZ Company Ltd.

In Thousand ₹

140 0

Lang English Hindi:

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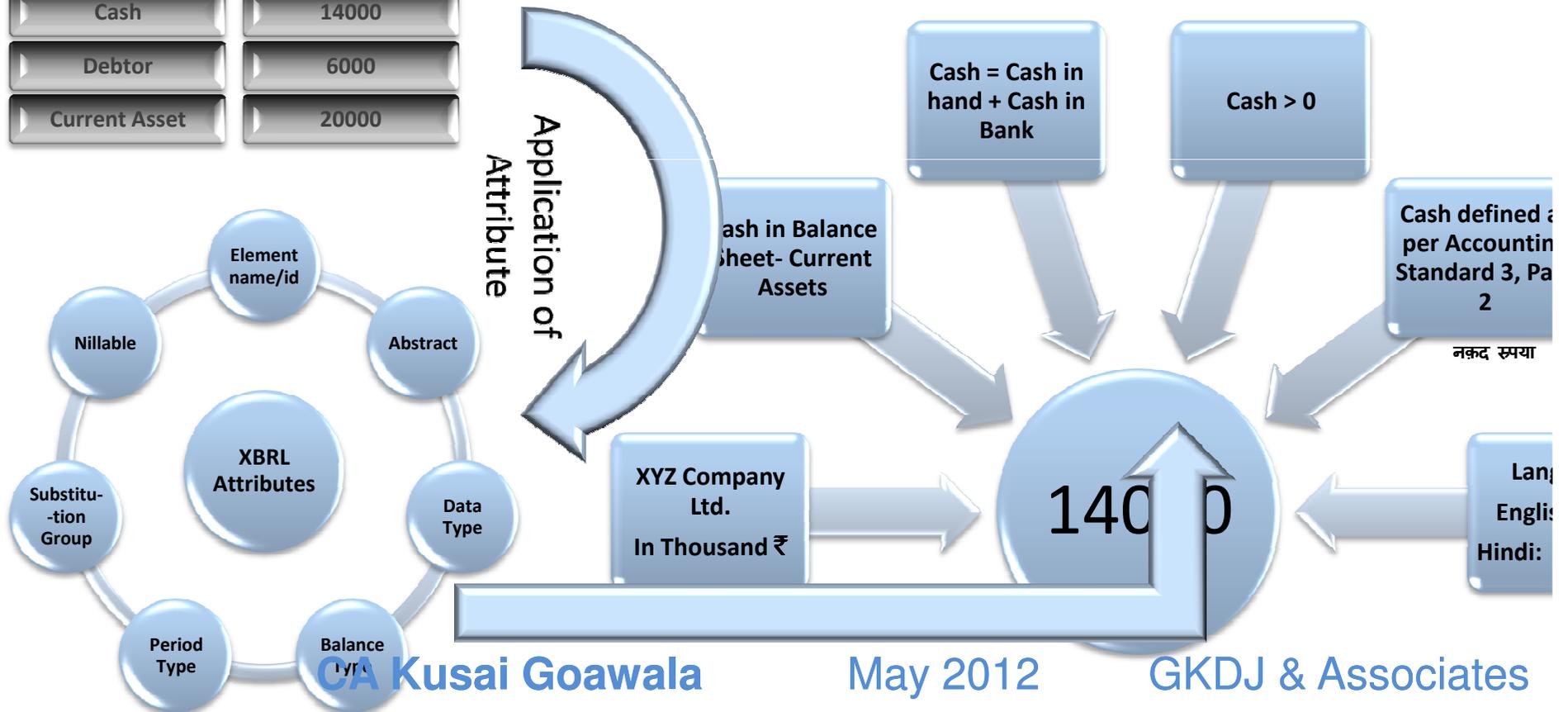
Attributes

- Linkbase
  - Presentation
  - Calculation
- Field
  - Abstract – Only Title No Data
  - Non Abstract – Data Field
- Period
  - Duration
  - Instant

Example of an element: Net Investments

Name	InvestmentsNet
Element ID	in-gaap_InvestmentsNet
Abstract	false
Data Type	xbrli:monetaryItemType
Balance Type	debit
Period Type	instant
Substitution Group	xbrli:item
Nillable	true

What is Tuple

• A tuple is a data structure that has a specific number and sequence of elements

• Like details of :

- Directors
- Subsidiaries
- Investments
- Principal Products

Mandatory Tuples

- Principal Products of Turnover

- Directors signing the Board Report

- Every class of share capital

Instance Documents

The Instance Documents will be prepared for the followings items :

To be attached to 23ACA - XBRL

— Profit and Loss, its schedules and relevant notes

To be attached to 23AC - XBRL

— Balance Sheet, its schedules and relevant notes

— Cash flow (although not mentioned in the form)

— Directors Report, Auditors Report and other information.

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Practical Aspects on Tagging

- Start from Schedules

- Child and Parent elements both should be present

- Most important aspect is to study the Taxonomy

- Take care of Decimals and rounding

- Values should be in one format

Materials

- The XSD file containing Taxanomy from MCA XBRL can be downloaded from http://www.mca.gov.in/XBRL/index.html site and also from MCA http://www.mca.gov.in/ site

- XBRL filing manual from MCA

- Guidance Note on Certification of XBRL Financial Statements
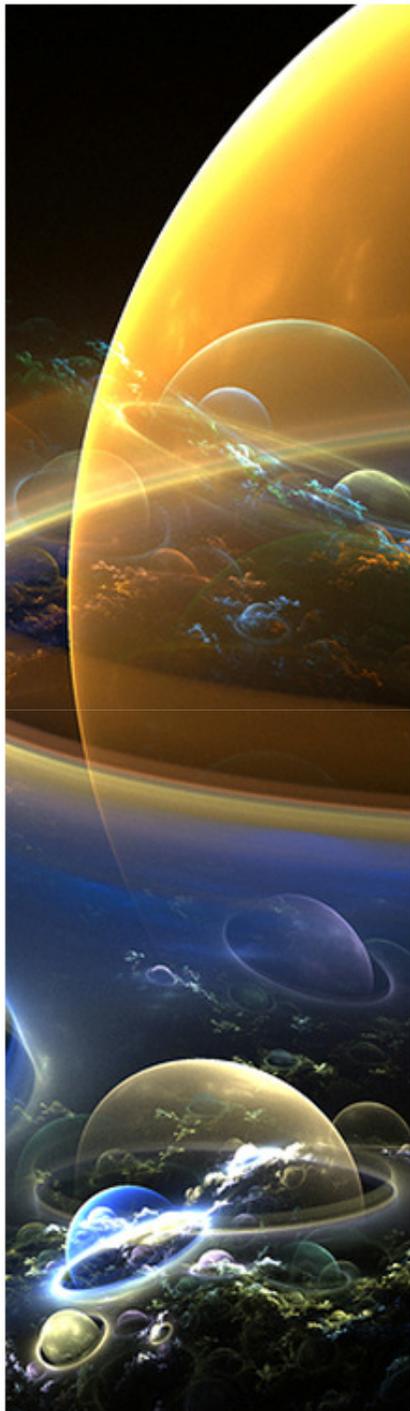
How to file?

1. File Compliance Certificate wherever applicable and obtain SRN

2. File Form 23B and obtain SRN.

3. Take the file containing Financial Statements in excel format.

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How to file?

4. Use software to Map/Tag the taxanomies with the items in Financial Statements

- Automated tagging

- Manual tagging (Template based software)

  Types of tagging:

  - Text block tagging for notes etc

  - Detailed tagging for financials

5. The program will convert the mapped Financial Statements to XBRL Instance Documents

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How to file?

6. The program will ask for certain information not provided in the Financial Statement but required by taxanomies.

- Directors particulars like DOB/DIN/Qualification

- Related parties – CIN etc

- MSME parties – CIN etc

7. Ensure Minimum data required is tagged

8. Validate by using validation tool of MCA

How to file?

9. Read the output file in XBRL Viewer/Validation Tool (PDF file)

10. Approve the conversion by comparing with the original document

11. Attach the xml files with Form 23AC and 23ACA – XBRL version.

12. Digitally sign the document by Director and CA/CS/CW. Certification from Statutory Auditors not required

13. Upload the file with ROC.

Validation Rules :

a) Parent – Child relationship

b) Group Items completeness

c) No images, charts maps etc will be allowed

d) Maximum 2 decimals for monetary items

e) Reporting currency will be INR.

Validation Rules :

f) Date Validation e.g. Directors Age cannot be less than 18 years.

    Auditor's Report date cannot precede date of signing of Balance Sheet by Directors

g) Previous years data is mandatory except in case of first year

h) SRN of filing of Subsidiary forms required

Validation Rules :

i)   Level of rounding should be consistent in the entire document.

j)   Particulars of DIN and CIN are case sensitive and name should be exactly as per MCA records

k)   Auditors Membership Number and name should be as per ICAI records.

l)   Share Capital details and rounding up

Business Rules Analysis

Elements must have value > or = 0	
✓ AuthorisedEquityShareCapital	Should be greater than equal to zero.
✓ TangibleAssetsNet	Should be greater than or equal to zero.
Elements must have value > or = 0 with other requisites	
✓ EquityShareCapitalIssued	Should be greater than equal to zero. Should be less than or equal to Authorized Equity Share Capital
✓ PercentageOfShareHoldingInSubsidiary	Should be greater than or equal to zero. Should not be greater than 100%
Elements must be having value > 0 for current period with other requisites	
✓ LoansSubsidiariesSecured	If this is greater than zero for the current period; then at least one subsidiary details should be entered.
✓ ProportionOfOwnershipInterestInAssociate	If this is greater than zero for the current period; then at least one associate details should be entered. Should not be greater than 100%

...ements must be present only for consolidated ...nancials.	
GoodwillonConsolidation	This can be entered only in case of Consolidated instance document.
CapitalReserveConsolidation	These can be entered only in case of Consolidated instance document
...ements must be present only for consolidated ...nancials with other requisites	
ShareLoansAdvancesJointVentures	This can be entered only in case of Consolidated instance document. Should be greater than equal to zero.
...umber of mandatory elements	
NetProfitLoss	This is a mandatory field.
CashBankBalance	It is a mandatory field.

|	
Number of mandatory tags must have value > or = 0	
✓ LoanFunds	It is a mandatory field. Total loan funds should be greater than equal to zero.
✓ SundryDebtors	This is a mandatory field. Total Sundry debtors should be greater than equal to zero.
Number of mandatory elements having other requisites	
✓ CorporateIdentityNumber	This is a mandatory field. Valid CIN. Should be same as entered in the Form.
✓ NameOfCompany	This is a mandatory field. Name should be based on CIN.
Number of mandatory tags must have value for corresponding GROSS element	
✓ AccumulatedDepreciationTangibleAssets	Mandatory if Corresponding Gross value is entered.
✓ AccumulatedAmortisationIntangibleAssets	Mandatory if Corresponding Gross value is entered.

Elements dependent on CIN	
✓ NameCompanyBeingMicroSmallMediumEnterprises	Name should be based on CIN if CIN is entered.
✓ PermanentAccountNumberOfRelatedParty	Either 'PermanentAccountNumberOfRelatedParty' or 'CINOfRelatedParty' is mandatory if country is India. PAN entered in repetitive tuple should be unique. Should be different from PAN of the company. Should be valid PAN as per Income_tax_PAN format.
Elements having date dependent rules.	
✓ StartDateOfAccountingPeriodOfSubsidiary	Should be less than or equal to system date. This can be less than the date of incorporation of the filing company
✓ DateOfSigningOfBalanceSheetByDirector	Should be less than or equal to system date. Should be greater than or equal to DateOfBoardMeetingWhenFinalAccountsWereApproved

| Others (which cannot be categorized above)	
✓ PaidupShareCapital	It is a mandatory field. Should be less than or equal to Subscribed Share Capital. Should be >= 1 lakh in case of Private company (other than Sec. 25 co.) having share capital Should be >= 5 lakh in case of Public company (other than Sec. 25 co.) having share capital Should be > 0 in case of Section 25 company having share capital. Should be equal to zero in case of company not having share capital Status of the company (Pvt/Public/Section 25) to be checked as on date of balance sheet i.e. Date of end of reporting period
✓ NameofDirector	Name should be based on DIN in any order

Certification

- Revised Form 23AC XBRL and 23ACA XBRL

- Certification of Form 23AC and 23ACA

- Guidance Note issued by ICAI

- Compliance with SA 720 – Analytical Review

- Formatted data should be consistent with Source Document

- Profit/Loss figure cannot change
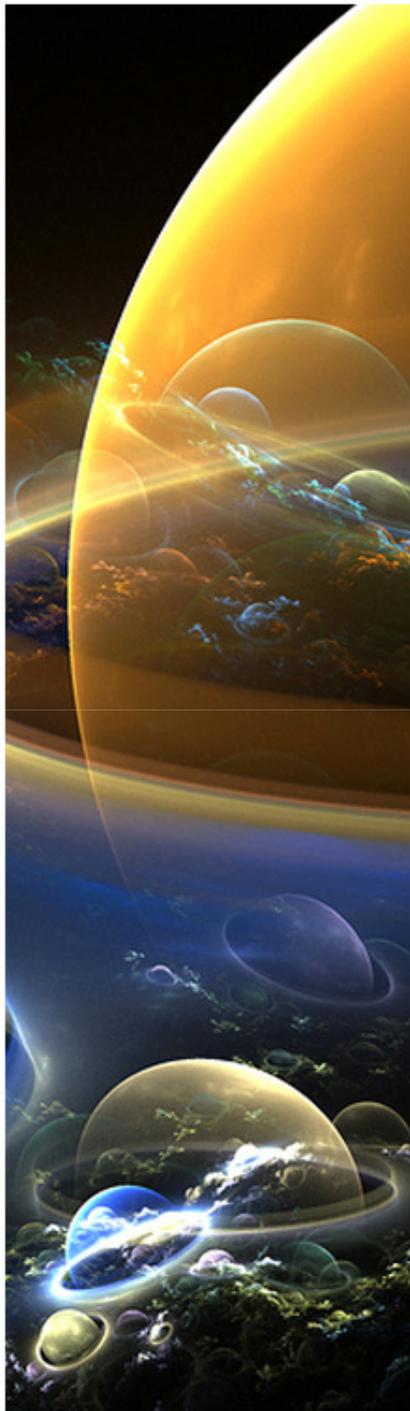
Certification

- Exceptions to be reported in XBRL

  – In footnotes for financials

  – In Other Notes for Notes

- Cash flow controversy – Guidance Note vs MCA Circular

- What Can Go Wrong (WCGW) technique

- Differences in XBRL and Audited Financials

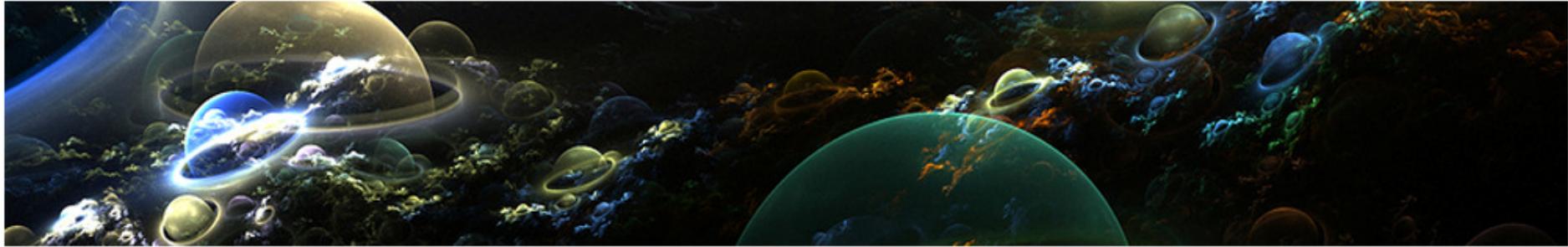- No provision for comments in Forms
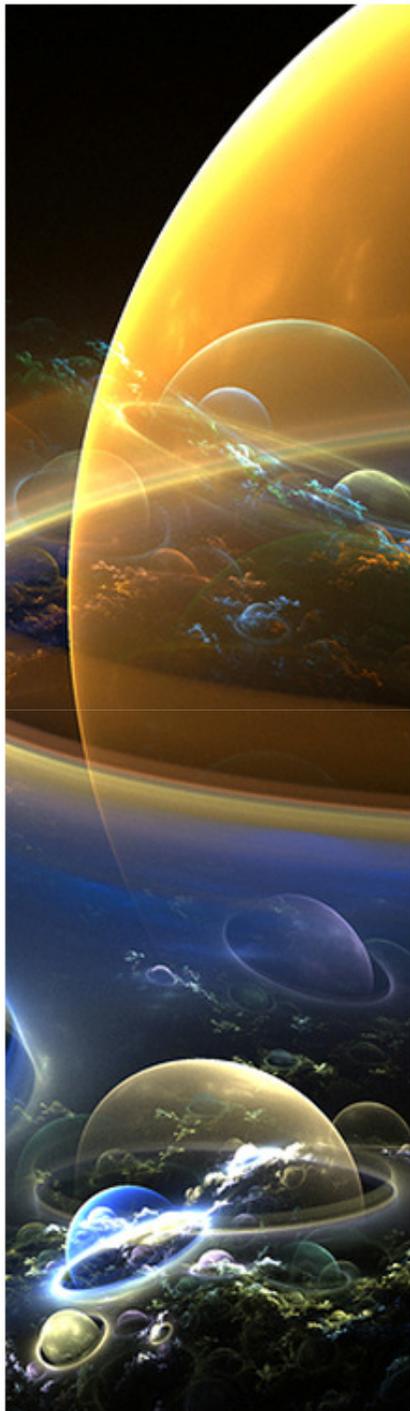
Posers

- Contingent Liabilities and Taxanomy

- Attesting professional vs Statutory Auditor

- Due Professional Care – What Can Go Wrong

Contingent

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Certification

- Errors in Audited Financials

- Separate Certificate to be issued by CA

- Certificate to contain exception report

Any Questions?

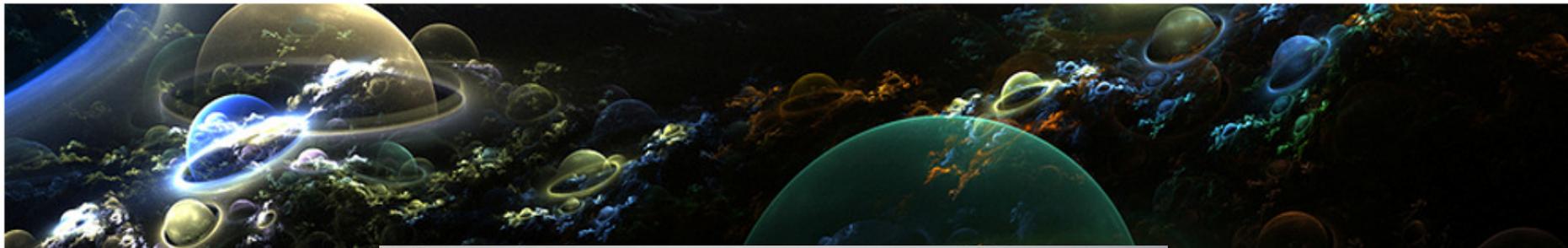**CA Kusai Goawala**   May 2012   GKDJ & Associates

THANK YOU...