MINISTRY OF LAW AND JUSTICE

(Department of Legal Affairs)

NOTIFICATION

New Delhi, the 21st June, 2022

G.S.R. 464 (E).— In exercise of the powers conferred by clause (f) of sub-section (2) of section 30 read with sub-section (1) of section 26 of the New Delhi International Arbitration Centre Act, 2019 (No. 17 of 2019) the Central Government hereby makes the following rules relating to the annual statement of accounts, including the balance sheet of the Centre, namely:—

1. **Short title and commencement.** – (1) These rules may be called the New Delhi International Arbitration Centre (Form of Annual Statement of Accounts) Rules, 2022.

(2) They shall come into force on the date of their publication in the Official Gazette.

2. **Definitions**- (1) In these rules unless the context otherwise requires,-

(a) 'Act' means the New Delhi International Arbitration Centre Act, 2019;

(b) "Centre" means the New Delhi International Arbitration Centre established and incorporated under section 3;

(c) 'Form' means form annexed to these rules;

(d) 'Fund' means the Fund of the Centre to be maintained under section 25 of the Act;

(e) 'Schedule' means the Schedule annexed to these rules;

(f) 'Year' means a financial year beginning on 1st day of April and ending on 31st day of March of the immediately following year.

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(2) All other words and expressions used herein but not defined shall have the same meanings respectively assigned to them in the Act.

3. **Maintenance of accounts and records.-** The Centre shall maintain its accounts and prepare its annual statement of accounts, balance sheet, receipt and payment account and income and expenditure statement in the Forms of financial statements as specified in Forms 'A', 'B' and 'C' and Schedules 1 to XXIII annexed to these rules.

4. **Incurring of Expenditure by the Centre.-** The Centre shall follow the provisions of General Financial Rules, 2017 while incurring or authorising any expenditure.

5. **Preparation and submission of annual statement of accounts of the Centre.-**

(1) At the end of every financial year, the Centre shall prepare its annual statement of accounts, balance sheet, receipt and payment account and income and expenditure statement in Forms 'A', 'B' and 'C' and the Schedules I to XXIII annexed to these rules.

(2) The annual statement of accounts balance sheet, receipt and payment account and income and expenditure statement of the Centre along with the Schedules I to XXIII shall be authenticated by the Chief Executive Officer of the Centre or the Chairperson of an Audit Committee constituted with the approval of Chairperson of the Centre for this purpose.

(3) The Accounts statements shall then be approved by the Chairperson of the Centre and forwarded to the Comptroller and Auditor General of India, for the purposes of audit, within three months of the end of the financial year.

(4) The duly audited annual statement of accounts and balance sheet of the Centre as certified by the Comptroller and Auditor General of India along with the audit report thereon for every financial year shall be forwarded by the Centre to the Central Government for laying before both the Houses of Parliament.

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Form –'A'

FINANCIAL STATEMENT

[see sub rule (1) of rule 5]

New Delhi International Arbitration Centre

Balance Sheet as at_____

(Amount in Rs.)

Sl. No.	**CORPUS/CAPITAL FUND AND LIABILITIES**	**Schedule**	**Current Year**	**Previous Year**
(1)	(2)	(3)	(4)	(5)
1.	Corpus/Capital Fund	I		
2.	Reserves and Surplus	II		
3.	Earmarked/Endowment Funds	III		
4.	Secured Loans and Borrowings	IV		
5.	Unsecured Loans and Borrowings	V		
6.	Deferred Credit Liabilities	VI		
7.	Current Liabilities and Provisions	VII		
8.	**TOTAL**			
9.	**ASSETS**			
10.	Fixed Assets	VIII		
11.	Investments - From Earmarked/Endowment Funds	IX		
12.	Investments - Others	X		
13.	Current Assets, Loans and Advances	XI		
14.	Miscellaneous Expenditure (to the extent not written of or adjusted)			
15.	**TOTAL**			
16.	Significant Accounting Policies	XXII		
17.	Contingent Liabilities and Notes on Accounts	XXIII		

New Delhi International Arbitration Centre

Chief Executive Officer, NDIAC	Chairperson Audit Committee , NDIAC	Chairperson, NDIAC

Place: New Delhi

Date:

Form 'B'

INCOME AND EXPENDITURE ACCOUNT FOR THE PERIOD/YEAR ENDED

[see sub rule (1) of rule 5]

Sl. No.	INCOME	Schedule	Current Year	Previous Year
(1)	(2)	(3)	(4)	(5)
1.	Grants/Subsidies	XII		
2.	Fees/Subscriptions	XIII		
3.	Income from Investments (Income on investment, from earmarked/endowment funds transferred to funds)	XIV		
4.	Income from Royalty, Publications etc.	XV		
5.	Interest Earned	XVI		
6.	Other Income	XVII		
7.	Total (A)			
8.	**EXPENDITURE**	Schedule	Current Year	Previous Year
9.	Establishment Expenses	XVIII		
10.	Other Administrative Expenses etc.	XIX		
11.	Expenditure on Grants, subsidies etc.	XX		
12.	Interest	XXI		
13.	Depreciation (Net Total at the year end corresponding to Schedule VIII)	XXII		
14.	Total (B)			
15.	Balance being excess of Income over Expenditure (A-B) Transfer to Special Reserve (Specify each) Transfer to/from General Reserve			
16.	Balance Being Surplus (Deficit) Carried to Corpus/Capital Fund			
17.	Significant Accounting Policies	XXII		
18.	Contingent Liabilities and Notes on Accounts	XXIII		

New Delhi International Arbitration Centre

Chief Executive Officer, NDIAC	Chairperson Audit Committee, NDIAC	Chairperson, NDIAC

Place: New Delhi

Date:

Form 'C'

RECEIPT AND PAYMENT ACCOUNTS FOR THE PERIOD/YEAR ENDED

[see sub rule (1) of rule 5]

(Amount in Rs.)

Sl. No.	RECEIPTS	CURRENT YEAR	PREVIOUS YEAR	PAYMENTS	CURRENT YEAR	PREVIOUS YEAR
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1.	I. Opening Balances			I. Expenses		

2.	(a) Cash in Hand			a) Establishment expenses		
3.	(b) Bank Balance			b) Administrative Expenses		
4.	(i) In current Accounts					
5.	(ii) In Deposit Accounts					
6.	(iii) Saving Accounts					
7.	II. Grants Received			II. Payment made against funds for various Projects (Name of the fund or project should be shown along with the particulars of payment made for each project)		
8.	(a) From Government of India					
9.	(b) From Other Sources (Details) (Grants for Capital and Revenue Expenditure to be shown separately					
10.	III. Income on Investment from			III. Investments and Deposits Made		
11.	(a) Earmarked / Endowment funds			a) Out of Earmarked /Endowment funds		
12.	(b) Own funds (Investment - others)			b) Out of own funds (Investment - others)		
(1)	(2)	(3)	(4)	(5)	(6)	(7)
13.	IV. Interest Received			IV. Expenditure on Fixed Assets & Capital Work-in-Progress		
14.	(i) On Bank Deposits			a) Purchase of fixed Assets		
15.	(ii) Loans, advances etc.			b) Expenditure on Capital Work-in-progress		
16.	V. Other Income (Specify)			V. Refund of surplus money/loans		
				a) To the Government of India		
				b) To other providers of funds		
17.	VI. Amount Borrowed			VI. Finance Charges (Interest)		
18.	VII. Any other			VII. Other		

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	receipts (give details)			Payments (Specify)		
				VIII. Closing Balances		
				a) Cash in Hand		
				b) Bank Balances		
				(i) In current Accounts		
				(ii) In Deposit Accounts		
				(iii) Savings Accounts		
19.	**TOTAL**			**TOTAL**		

New Delhi International Arbitration Centre

Chief Executive Officer, NDIAC	Chairperson Audit Committee , NDIAC	Chairperson, NDIAC

Place: New Delhi

Date:

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SCHEDULE - I

[see sub rule (1) of rule 5]

CORPUS/CAPITAL FUND

(Amount in Rs.)

Sl. No.		**Current Year**		**Previous Year**	
(1)	(2)	(3)		(4)	
1.	Balance as at the beginning of the year				
2.	Add: Contributions towards fund				
3.	Add/(Deduct): Balance of net income/ (expenditure) transferred from the Income and Expenditure Account				
4.	BALANCE AS AT THE YEAR –END				

SCHEDULE – II

[see sub rule (1) of rule 5]

RESERVES AND SURPLUS

(Amount in Rs.)

Sl. No.		**Current Year**		**Previous Year**	
(1)	(2)	(3)		(4)	
1.	1.Capital Reserve As per last Account Addition during the year Less: Deductions during the year				

2.	2.Revaluation Reserve As per last Account Addition during the year Less: Deductions during the year				
3.	3.Special Reserves As per last Account Addition during the year Less: Deductions during the year				
4.	4.General Reserve As per last Account Addition during the year Less: Deductions during the year				
5.	**TOTAL**				

SCHEDULE – III

[see sub rule (1) of rule 5]

EARMARKED/ENDOWMENT FUNDS

Sl. No.		**Fund Wise Break up**				**Totals**	
		Fund WW	**Fund XX**	**Fund YY**	**Fund ZZ**	**Current Year**	**Previous Year**
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1.	**(a)** Opening balance of the funds						
	(b) Additions to the Funds:						
	(i) Donations/grants						
	(ii) Income from investments made on account of funds						
	(iii) Other additions (specify nature)						
2.	Total **(a + b)**						
3.	**(c)** Utilisation/Expenditure towards objectives of funds						
	(i) Capital Expenditure						
	- Fixed Assets						
	- Others						
	Total						
	(ii) Revenue Expenditure						
	- Salaries, Wages and allowances etc.						
	- Rent						
	- Other Administrative Expenses						
	Total						
4.	Total **(c)**						
5.	NET BALANCE AS AT THE YEAR END **(a + b - c)**						

1. Disclosures shall be made under relevant heads based on conditions attaching to the grants.

2. Plan Funds received from the Central Government are to be shown as separate Funds and not to be mixed up with any other funds.

SCHEDULE – IV

[see sub-rule (1) of rule 5]

SECURED LOANS AND BORROWINGS

(Amount in Rs.)

Sl. No.		Current Year		Previous Year	
(1)	(2)	(3)		(4)	
1.	1. Central Government				
2.	2. Financial Institutions				
3.	(a) Terms Loans				
4.	(b) Interest accrued and due				
5.	3. Banks				
6.	(a) Term Loans Interest accrued				
7.	(b) Term Loans Interest due				
8.	(c) Other Loans (specify) – Interest accrued				
9.	(d) Other Loans (specify) – Interest due				
10.	4. Other Institutions and Agencies				
11.	5. Debentures and bonds				
12.	6. Others (Specify)				
13.	**TOTAL**				
	Note: Amounts due within one year				

SCHEDULE – V

[see sub-rule (1) of rule 5]

UNSECURED LOANS AND BORROWINGS

(Amount in Rs.)

Sl. No.		Current Year		Previous Year	
(1)	(2)	(3)		(4)	
1.	Central Government				
2.	Financial Institutions				
3.	Banks				
	(a) Term Loans				
	(b) Other Loans (specify)				
4.	Other Institutions and Agencies				
5.	Debentures and bonds				
6.	Fixed Deposits				
7.	Others (Specify)				
8.	**TOTAL**				
	Note: Amounts due within one year				

SCHEDULE – VI

[see sub-rule (1) of rule 5]

DEFERRED CREDIT LIABILITIES

(Amount in Rs.)

Sl. No.		Current Year	Previous Year
(1)	(2)	(3)	(4)
1.	Acceptances secured by hypothecation of capital equipment and other assets		
2.	Others		
3.	**TOTAL**		
	Note: Amounts due within one year		

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SCHEDULE – VII

[see sub-rule (1) of rule 5]

CURRENT LIABILITIES AND PROVISIONS

(Amount in Rs.)

S.l. No.		Current Year		Previous Year	
(1)	(2)	(3)		(4)	
1.	**A. CURRENT LIABILITIES**				
2.	Acceptances				
3.	Sundry creditors:-				
	(a). For Goods				
	(b). Others				
4.	Advances Received				
5.	Interest accrued but not due on:				
	(a) Secured Loans/borrowings				
	(b) Unsecured Loans/borrowings				
6.	Statutory Liabilities:				
	(a) Overdue				
	(b) Others				
7.	Other Current Liabilities				
8.	**TOTAL (A)**				
9.	**B. PROVISIONS**				
10.	For Taxation				
11.	Gratuity				
12.	Superannuation/Pension				
13.	Accumulated Leave Encashment				
14.	Trade Warranties/Claims				
15.	Others (Specify)				
16.	**TOTAL (B)**				
17.	**TOTAL (A +B)**				

Cost of assets on hire purchase basis included above

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SCHEDULE – VIII

[see sub-rule (1) of rule 5)

FIXED ASSETS

(Amount in Rs.)

Sl. No.		GROSS BLOCK				DEPRECIATION FOR THE YEAR				NET BLOCK	
	Description	Cost at the beginning of the year	Additions during the year	Deductions/ adjustments during the year	Cost at the year end	As at the beginning of the year	During the year	Deductions/ adjustments during the year	Total up to the year end	As at the current year end	As at the previous year end
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
1.	A. fixed Assets										
2.	Land										
3.	(a) Freehold										
	(b) Leasehold										
4.	Buildings										
5.	(a) On Freehold Land										
	(b) On Leasehold Land										
	(c) Ownership Flat/ Premises										
	(d) Superstructures on Land not belonging to the entity										

6.	Plant Machinery & Equipment										
7.	Vehicles										
8.	Furniture & Fixture										
9.	Office Equipment										
10.	Computers/ Peripherals										
11.	Electrical Installations										
12.	Library Books										
13.	Tube wells & Water Supply										
14.	Other Fixed Assets										
15.	Total of Current year										
16.	Total of previous year										
17.	B. Capital work in progress										
18.	TOTAL										

Note: To be given as to cost of assets on hire purchase basis included above

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SCHEDULE – IX

[See sub-rule (1) of rule 5]

INVESTMENTS FROM EARMARKED/ENDOWMENT FUNDS

(Amount in Rs.)

Sl. No.		**Current Year**	**Previous Year**
(1)	(2)	(3)	(4)
1.	In Government Securities		
2.	Other approved Securities		
3.	Shares		
4.	Debentures and Bonds		
5.	Subsidiaries and Joint Ventures		
6.	Others (to be specified)		
7.	**TOTAL**		

SCHEDULE – X

[See sub-rule (1) of rule 5]

INVESTMENTS – OTHERS

(Amount in Rs.)

Sl. No.		**Current Year**	**Previous Year**
(1)	(2)	(3)	(4)
1.	In Government Securities		

2.	Other approved Securities		
3.	Shares		
4.	Debentures and Bonds		
5.	Subsidiaries and Joint Ventures		
6.	Others (to be specified)		
7.	**TOTAL**		

SCHEDULE – XI

[See sub-rule (1) of rule 5]

CURRENT ASSETS, LOANS, ADVANCES ETC.

(Amount in Rs.)

Sl. No.		**Current Year**		**Previous Year**	
(1)	(2)	(3)		(4)	
	CURRENT ASSETS, LOANS, ADVANCES ETC.				
A	**Current Assets:**				
1	Debts:				
	(a) Debts Outstanding for a period exceeding six months				
	(b) Others				
2.	Cash balances in hand (including cheques/ drafts and imprest)				
3.	Bank Balances:				
	(a) With Scheduled Banks:				
	(i) In current accounts				
	(ii) In deposit accounts				
	(iii)In savings accounts				
	(b) With Non-Scheduled Banks:				
	(i) In current accounts				
	(ii) In deposit accounts				
	(iii) In savings accounts				
4.	Post Office - Savings Accounts				
5.	**TOTAL (A)**				
B	**LOANS, ADVANCES AND OTHER ASSETS**				
6.	**Loans to:**				
	(a) Staff				
	(b) Other Entities engaged in activities/ objectives similar to that of the entity				
	(c) Other (specify)				
7.	**Advances and other amount recoverable in cash or in kind or for value to be received:**				
	(a) On capital account				
	(b) Prepayments				
	(c) Others				
8.	**Income Accrued**				
	(a) On investments from Earmarked/ Endowment fund				
	(b) On investment - others				
	(c) On loans and advances				
9.	Others (includes income due unrealized Rs. .....)				
10.	**Inventories** (may include Stationery, Stores etc.)				
11.	**Claims Receivable**				
12.	**TOTAL (B)**				
13.	**TOTAL (A+ B)**				

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SCHEDULE – XII

[See sub-rule (1) of rule 5]

GRANTS/SUBSIDIES

(Irrevocable Grants & Subsidies Received)

(Amount in Rs.)

Sl. No.		Current Year	Previous Year
(1)	(2)	(3)	(4)
1.	Central Government		
2.	Government Agencies		
3.	Institutions/ Welfare Bodies		
4.	International Organisations		
5.	Others (Specify)		
6.	**TOTAL**		

SCHEDULE – XIII

(See sub-rule(1) of rule 5)

FEES / SUBSCRIPTIONS

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(Amount in Rs.)

Sl. No.		Current Year	Previous Year
(1)	(2)	(3)	(4)
1.	Entrance Fees		
2.	Filing Fees		
3.	Seminar/ Program Fees		
4.	Consultancy Fees		
5.	Others (Specify)		
6.	**TOTAL**		
	Note - Accounting Policies towards each item are to be disclosed		

SCHEDULE – XIV

[See sub-rule (1) of rule 5]

INCOME FROM INVESTMENTS

(Income on Invest. From Earmarked/ Endowment Funds transferred to Funds)

(Amount in Rs.)

Sl. No.		Investment from Earmarked Fund		Investment - Others	
		Current Year	Previous Year	Current Year	Previous Year
(1)	(2)	(3)	(4)	(5)	(6)
1.	Interest				
	a) On Government Securities				
	b) Other Bonds/ Debentures				
2.	2. Dividends				
	a) On Shares				
	b) On Mutual Fund Securities				
3.	Rents				
4.	Others (Specify)				
5.	**TOTAL**				

SCHEDULE XV

[See sub-rule (1) of rule 5]

INCOME FROM ROYALTY, PUBLICATION ETC.

(Amount in Rs.)

Sl. NO.		Current Year	Previous Year
(1)	(2)	(3)	(4)
1.	Income from Royalty		
2.	Income from Publications		
3.	Others (Specify)		
4.	**TOTAL**		

SCHEDULE XVI

[See sub-rule (1) of rule 5]

INTEREST EARNED

(Amount in Rs.)

Sl. No.		Current Year	Previous Year
(1)	(2)	(3)	(4)
1.	On Term Deposits		
	(a) With Scheduled Banks		
	(b) With Non - Scheduled Banks		
	(c) With Institutions		
	(d) Others		
2.	On Savings Accounts		
	(a) With Scheduled Banks		
	(b) With Non - Scheduled Banks		
	(c) Post Office Savings Accounts		
	(d) Others		
3.	On Loans		
	(a) Employees/Staff		
	(b) Others		
4.	Interest on Debtors and Other Receivables		
5.	**TOTAL**		
	Note - Tax deducted at source to be indicated		

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SCHEDULE – XVII

[See sub-rule (1) of rule 5]

OTHER INCOME

(Amount in Rs.)

Sl. No.		Current Year	Previous Year
(1)	(2)	(3)	(4)
1.	Profit on Sale/disposal of Assets		
	(a) Owned Assets		
	(b) Assets acquired out of grants, or received free of cost		
2.	Fees for Miscellaneous Services		
3.	Miscellaneous Income		
4.	**TOTAL**		

SCHEDULE XVIII

[See sub-rule (1) of rule 5]

ESTABLISHMENT EXPENSES

(Amount in Rs.)

Sl. No.		Current Year	Previous Year
(1)	(2)	(3)	(4)
a)	Salaries and Wages		
b)	Allowances and Bonus		
c)	Contribution to Provident Fund		
d)	Contribution to Other Fund (specify)		
e)	Staff Welfare Expenses		
f)	Expenses on Employees' Retirement and Terminal Benefits		
g)	Others (Specify)		
	TOTAL		

SCHEDULE XIX

[See sub-rule (1) of rule 5]

OTHER ADNIMISTRATIVE EXPENSES

(Amount in Rs.)

Sl. No.		Current Year	Previous Year
(1)	(2)	(3)	(4)
(a)	(a) Purchases		
(b)	(b) Labour and processing expenses		
(c)	(c) Cartage and Carriage Inwards		
(d)	(d) Electricity and power		
(e)	(e) Water charges		
(f)	(f) Insurance		
(g)	(g) Repairs and Maintenance		
(h)	(h) Rent, Rates and Taxes		
(i)	(i) Vehicles Running, Maintenance or Hiring charges		
(j)	(j) Postage, Telephone and Communication charges		
(k)	(k) Printing and Stationery		
(l)	(l) Travelling and Conveyance Expenses		
(m)	(m) Expenses on Seminar/ Workshops		
(n)	(n) Subscription Expenses		
(o)	(o) Expenses of fee		
(p)	(p) Auditors Remuneration/ Legal fee		
(q)	(q) Hospitality Expenses		
(r)	(r) Professional Charges		
(s)	(s) Provision for Bad and Doubtful Debts/ Advances		
(t)	(t) Irrecoverable Balances written -off		
(u)	(u) Packing Charges		
(v)	(v) Freight and Forwarding Expenses		
(w)	(w) Distribution Expenses		
(x)	(x) Advertisement and Publicity		
(y)	(y) Others (to be specified)		
	TOTAL		

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SCHEDULE XX

[See sub-rule (1) of rule 5]

EXPENDITURE ON GRANTS, SUBSIDIES ETC.

(Amount in Rs.)

Sl. No.		Current Year	Previous Year
(1)	(2)	(3)	(4)
(a)	Grants given to Institutions/ Organisations		
(b)	Subsidies given to Institutions/ Organisations		
	TOTAL		

Note: Name of the Entities, their Activities along with the amount of Grants/ subsidies are to be disclosed.

SCHEDULE XXI

[See sub-rule (1) of rule 5]

INTEREST

(Amount in Rs.)

Sl. No.		Current Year	Previous Year
(1)	(2)	(3)	(4)
	(a) On Fixed Loans		
	(b) On Other Loans (including Bank Charges)		
	(c) Others (specify)		
	TOTAL		

SCHEDULE – XXII

[See sub-rule (1) of rule 5]

SIGNIFICANT ACCOUNTING POLICIES (Illustrative)

1. ACCOUNTING CONVENTION

The financial statements are prepared on the basis of historical cost convention, unless otherwise stated and on the accrual method of accounting.

2. INVESTMENTS

2.1 Investments classified as "long term investments" are carried at cost. Provision for decline, other than temporary, is made in carrying cost of such investments.

2.2 Investments classified as "Current" are carried at lower of cost and fair value. Provision for shortfall on the value of such investments is made for each investment considered individually and not on a global basis.

2.3 Cost includes acquisition expenses like brokerage, transfer stamps.

3. FIXED ASSETS

3.1 Fixed Assets are stated at cost of acquisition inclusive of inward freight, duties and taxes and incidental and direct expenses related to acquisition. In respect of projects involving construction, related pre-operational expenses (including interest on loans for specific project prior to its completion), form part of the value of the assets capitalized.

3.2 Fixed Assets received by way of non-monetary grants, (other than towards the Corpus Fund), are capitalized at values stated, by corresponding credit to Capital Reserve.

4. DEPRECIATION

4.1 Depreciation is provided on straight-line method as per rates specified in the Income-tax Act, 1961 except depreciation on cost adjustments arising on account of conversion of foreign currency liabilities for acquisition of fixed assets, which is amortized over the residual life of the respective assets.

4.2 In respect of additions to/deductions from fixed assets during the year, depreciation is considered on pro-rata basis.

4.3 Assets consisting Rs. 5,000 or less each are fully provided.

5. MISCELLANEOUS EXPENDITURE

Deferred revenue expenditure is written off over a period of 5 years from the year it is incurred.

6. ACCOUNTING FOR SALES

Sales include excise duty and are net of sales returns, rebate and trade discount.

7. GOVERNMENT GRANTS/SUBSIDIES

7.1 Government grants of the nature of contribution towards capital cost of setting up projects are treated as Capital Reserve.

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7.2 Grants in respect of specific fixed assets acquired are shown as a deduction from the cost of the related assets.

7.3 Government grants/subsidy are accounted on realization basis.

8. FOREIGN CURRENCY TRANSACTIONS

8.1 Transactions denominated in foreign currency are accounted at the exchange rate prevailing at the date of the transaction.

8.2 Current assets, foreign currency loans and current liabilities are converted at the exchange rate prevailing as at the year end and the resultant gain/loss is adjusted to cost of fixed assets, if the foreign currency liability related to fixed assets, and in other cases is considered to revenue.

9. LEASE

Lease rentals are expensed with reference to lease terms.

10. RETIREMENT BENEFITS

10.1 Liability towards gratuity payable on death/retirement of employees is accrued based on actuarial valuation.

10.2 Provision for accumulated leave encashment benefit to the employees is accrued and computed on the assumption that employees are entitled to receive the benefit as at each year end.

SCHEDULE – XXIII

[See sub-rule (1) of rule 5]

CONTINGENT LIABILITIES AND NOTES ON ACCOUNTS (Illustrative)

1. CONTINGENT LIABILITIES

1.1 Claims against the Entity not acknowledged as debts - Rs._____ (Previous year Rs._____)

1.2 In respect of:

- Bank guarantees given by/on behalf of the Entity -Rs._____(Previous year Rs._____).
- Letters of Credit opened by Bank on behalf of the Entity -Rs._____(Previous year Rs._____).
- Bills discounted with banks Rs._____(Previous year Rs._____).

1.3 Disputed demands in respect of:

Income-tax Rs. _____(Previous Year Rs. _____)

G.S.T. Rs. _____(Previous Year Rs._____)

Municipal Taxes Rs. _____(Previous Year Rs._____)

1.4 In respect of claims from parties for non-execution of orders, but contested by the Entity - Rs._____(Previous year Rs._____).

2. CAPITAL COMMITMENTS

Estimated value of contracts remaining to be executed on capital account and not provided for (net of advances) Rs.

(Previous year Rs._____).

3. LEASE OBLIGATONS

Future obligations for rentals under finance lease arrangements for plant and machinery amount to Rs._____(Previous year Rs._____).

4. CURRENT ASSETS, LOANS AND ADVANCES

In the opinion of the Management, the current assets, loans and advances have a value on realization in the ordinary course of business, equal at least to the aggregate amount shown in the Balance Sheet.

5. TAXATION

In view of there being no taxable income under Income-tax Act 1961, no provision for Income tax has been considered necessary.

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6. FOREIGN CURRENCY TRANSACTIONS

6.1 Value of Imports calculated on C.I.F Basis:

- Purchase of finished Goods
- Raw Materials & Components (Including in transit)
- Capital Goods
- Stores, Spares and Consumables

6.2 Expenditure in foreign currency:

- Travel
- Remittances and Interest payment to Financial Institutions/ Banks in Foreign Currency
- Other Expenditure:
    - Commission on Sales
    - Legal and Professional Expenses
    - Miscellaneous Expenses

6.3 Earnings:

6.4 Remuneration to auditors: As auditors:

- Taxation matters
- For management services
- For certification
- Others

7. Corresponding figures for the previous year have to be regrouped/ rearranged, wherever necessary.

8. Schedules I to XXXIII are annexed to and form an integral part of the Balance Sheet as at _____ and the Income and Expenditure Account for the year ended on that date.

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SUNITA ANAND, Jt. Secy. & Legal Adviser

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