How to file Financial Statements / Annual Returns with ROC in XBRL Form?

The following class of companies have to file the Financial Statements in XBRL Form only from the year 2010-2011 as mandated by Ministry of Corporate Affairs vide its **GENERAL**

CIRCULAR 37/2011, DATED 7-6-2011

i) All companies listed in India and their Indian subsidiaries;

ii) All companies having a paid up capital of Rs.5 crore and above

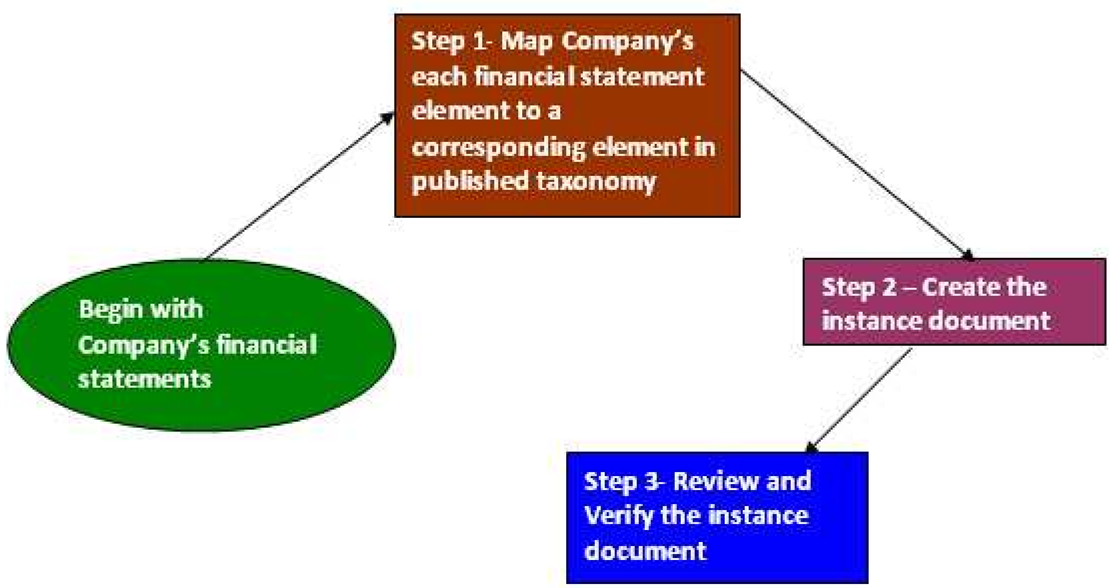
iii) All companies having a turnover of Rs.100 crore and above.

However banking companies, insurance companies, power companies and Non Banking Financial Companies (NBFCs) are exempted for XBRL filing, till further orders.

Now the question which arises is how to file Financial Statements in XBRL Form? In respect of this MCA has issued a step by step guide, which is as follows:-

Steps for filing financial statements in XBRL form in MCA21 system

Step 1 – Creation of XBRL instance document:



A.

Map Company's each financial statement element to a corresponding element in published taxonomy

Companies have the option to create their own XBRL documents in house or to engage a third party to convert their financial statements into XBRL form.

The first step in creation of an instance document is to do tagging of the XBRL taxonomy elements with the various accounting heads in the books of accounts of the company. This would create the mapping of the taxonomy elements with the accounting heads so that the accounting information can be converted into XBRL form.

Mapping is the process of comparing the concepts in the financial statements to the elements in the published taxonomy, assigning a taxonomy element to each financial statement concept.

Selecting the appropriate elements for some financial statement elements may require a significant amount of judgment. For that reason those in the company who are most familiar with the financial statements should be involved in matching financial statements concepts to taxonomy elements. The mapping should be reviewed before proceeding further as the complete reporting would be dependent on the mapping.

B. Create instance document for Balance sheet and Profit and loss Account-

Once the tagging of financial statement elements with the published taxonomy elements is done, the next step is to create the instance document. An instance document is a XML file that contains business reporting information and represents a collection of financial facts and report-specific information using tags from the XBRL taxonomy.

It is to be noted that no extensions to the core Taxonomy will be allowed.

Separate instance documents need to be created for the following:

(i) Stand Alone Balance sheet of the company

(ii) Stand Alone Profit and Loss Account of the company

(iii) Consolidated Balance sheet of the company**$**(iv) Consolidated Profit and Loss Account of the company**$**

The instance document should contain the financial information for both the current as well as the previous financial year.

$Consolidated balance sheet and Profit and Loss instance documents to be created only in case the same is applicable to the company.

The following are the specifications to be followed while preparing the instance document –

- An XBRL instance document must be schema valid according to all schemas in the DTS
- The scheme element in the context must be http://www.mca.gov.in/CIN

The value of identity element in the context must all be x-equal and must be the CIN of the company.

- Context must not have segment or scenario element present
- An instance must not contain duplicate xbrli:context elements.
- Every xbrli:context element must appear in at least one contextRef attribute in the same instance.
- An instance must not have more than one fact having the same element name and equal contextRef attributes
- All monetary facts must have the same unitRef attribute.
- The facts corresponding to a single concept must not have contextRef attributes pointing to contexts with overlapping time period. In case of periodType=”instant”, it means to have same date, and in case of periodType=”duration”, it means to have a duration that overlap. For example: The following contexts have overlapping duration, this would not be allowed.

<xbrli:context id=”D2010″>
<xbrli:entity>
<xbrli:identifier
scheme=”http://www.mca.gov.in/CIN”>L24223MH1946PLC005434</xbrli:identifier>
</xbrli:entity>
<xbrli:period>

<xbrli:startDate>2009-04-01</xbrli:startDate>
<xbrli:endDate>2010-03-31</xbrli:endDate>
</xbrli:period>
</xbrli:context>
<xbrli:context id=”I2010″>
<xbrli:entity>
<xbrli:identifier
scheme=”http://www.mca.gov.in/CIN”>L24223MH1946PLC005434</xbrli:identifier>
</xbrli:entity>
<xbrli:period>
<xbrli:startDate>2009-08-01</xbrli:startDate>
<xbrli:endDate>2010-07-31</xbrli:endDate>
</xbrli:period>
</xbrli:context>

- A link: footnoteLink element must have no children other than link: loc, link: footnote, and link: footnoteArc.
- A link:footnoteLink link:loc xlink:href attribute must start with the sharp sign “#”.
- Every nonempty link:footnote element must be linked to at least one fact
- Non significant digits for values for numeric facts MUST be equal to “0″.
- An instance document must not contain unused units
- If the unescaped content of a fact with base type nonnum:escapedItemType contains the “<” character followed by a QName and whitespace, “/>” or “>”, then the un-escaped content must contain only a sequence of text and XML nodes. <eg:AcidityTextBlock> pH<1.0 </eg:AcidityTextBlock>
- The value of a fact must be in plain text. HTML/RTF are not allowed
- A fact is defined to have a footnote if it has an id attribute and a link:footnoteArc to a nonempty link:footnote in the same instance.
- A link:footnoteLink element must have no children other than link:loc, link:footnote, and link:footnoteArc.
- Every nonempty link:footnote element must be linked to at least one fact

- The filing is required to reference certain recognized schemas and linkbase. Filings must always refer to recognized files at the specified URI locations. A reference to a local copy will not be allowed.
- In an instance, the sub-elements of a tuple must have the contextRef attribute with values x-equal to each other.
- The xsi:nil=”true” attribute must be used only to convey a value that is different from both “zero” and different from not reporting the fact at all, or to identify a fact detailed only by a link:footnote.
- The value of the decimals/precision attribute of a fact must correspond to the accuracy of the corresponding amount as reported in the financial statements.
- The content of a numeric fact never has a scale factor
- When choosing the most appropriate element for facts in one or more periods, the element’s xbrli:periodType attribute takes precedence over the type attribute, which takes precedence over the element’s documentation string, which in turn takes precedence over the label string, which in turn takes precedence over link:reference elements.
- Do not define or use units that imply a scale factor on a currency.
- Text that is shown in the financial statements at the bottom of a page or at the bottom of a table preceded by a superscript must appear in the instance as the text of a link:footnote element.
- Each unit should appear with only one scale factor in a given instance.
- Every numeric fact (such as ‘Number of shares’) must also have an associated unit (e.g. xbrli:shares) and the unit must be declared.
- XBRL document names must be unique in the disclosure system
- Filers must use one of the taxonomies as specified in the disclosure system as their standard taxonomy.
- Encoding of all XBRL documents must be “UTF8“
- The xbrli:xbrl element must not have any facts with the precision attribute.
- Priority for selection of element must be in following order, Period type, data type, documentation, label and reference.

C. Review and verify the instance document

Once the instance document is prepared, it needs to be ensured that the instance document is a valid instance document and all the information has been correctly captured in the instance document.

Step 2 – Download XBRL validation tool from MCA portal

There shall be a tool provided at the MCA portal for validating the generated XBRL instance document. Validating the instance document is a pre requisite before filing the balance sheet and profit & loss account on MCA portal. You are required to download the tool from the MCA website and validate the instance document before uploading. There shall also be a facility to view and search the taxonomy.

Step 3 – Use the tool to validate the instance document

Once the tool has been downloaded, the next step is to validate the instance document. The following validations shall be performed by the tool-

- Validating that the instance document is as per the latest and correct version of taxonomy prescribed by MCA
- All mandatory elements have been entered
- Other validations as per taxonomy

Step 4: Perform pre-scrutiny of the validated instance document through the tool

Once the instance document is successfully validated from the tool, the next step is to pre-scrutinize the validated instance document with the help of the same tool. For pre-scrutinizing the instance document, a working internet connection shall be required. In the Pre-scrutiny, the server side validations (i.e. validations which are to be validated from the MCA21 system) shall be performed.

Also, there shall be a feature provided in the tool to verify the appearance of the generated XBRL instance document using the built in Viewer. It is imperative that the company should use this feature to verify the accuracy of the instance document.

Step 5: Attach instance document to the Form 23AC and Form 23ACA

There shall be a separate set of Form 23AC and Form 23ACA available on the MCA portal for filing in XBRL form. First fill up the Form 23AC and Form 23ACA. Thereafter, attach the validated and pre-scrutinized instance document for Balance sheet to Form 23AC. Similarly, the instance document for Profit and Loss account is to be attached to Form 23ACA. Separate instance documents need to be attached w.r.t. Standalone financial statements and consolidated financial statements.

Step 6: Submitting the Form 23ACA and Form 23ACA on the MCA portal

After the forms are filled, you are required to perform pre-scrutiny of the form, sign the form and then upload the same as per the normal eForm filing process. It shall be validated that the attached instance documents are validated and pre-scrutinized from the XBRL validation tool.

Viewing of balance sheet and profit and loss submitted in XBRL form on MCA portal: The XBRL instance documents submitted along with Form 23AC and 23ACA are in machine readable format. Therefore, for viewing the same in a human readable format, these shall be converted into human readable format by the MCA21 system. For viewing the same on MCA21 portal and for taking certified copies of the same, these converted documents shall be made available.

Filename:	How to file Financial Statements_XBRL.docx
Directory:	C:\Documents and Settings\Administrator
Template:	C:\Documents and Settings\Administrator\Application Data\Microsoft\Templates\Normal.dotm
Title:	
Subject:	
Author:	admin
Keywords:	
Comments:	
Creation Date:	6/11/2011 8:03:00 PM
Change Number:	1
Last Saved On:	6/11/2011 8:10:00 PM
Last Saved By:	admin
Total Editing Time:	7 Minutes
Last Printed On:	6/11/2011 8:11:00 PM

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Number of Characters: 9,482 (approx.)