COMPARITIVE STUDY OF SCHEDULE VI – OLD & REVISED

1. Bring out the structural change that has been made to the format of Sch VI (Rev), compared to the Sch VI (Old).

Schedule VI (Revised)	Schedule VI (Old)
1. Vertical form of Financial Statements aloneis allowed	1. Vertical and Horizontal form of Financial Statements allowed
2. Liabilities and Assets are termed as "Equity & Liabilities" and Assets respectively	2. Liabilities and Assets are termed as "Source of Funds" and "Application of Funds" respectively.
3. "Trade Receivables", "Cash and Cash Equivalents" are the terms used.	3. "Sundry Debtors" and "Cash &Bank" are the terms used.
4. Assets & Liabilities are to be bifurcated in to Current & Non-Current and to be shown separately. Hence, Net Working Capital will not be appearing in Balance Sheet.	4. Current Assets &Liabilities are shown together under Application of Funds. The Net Working Capital appears on Balance Sheet.
5. Loans (Liability) are sub-classified into Long Term and Short Term Borrowings and further to Secured & Unsecured Portion	5. Loans are sub-classified into Secured and Unsecured Portion.
6. Other Liabilities and Provisions are classified into Other LT Liabilities, LT Provisions, Other Current Liabilities, ST Provisions	6. Classified into Current Liabilities and Provisions
7. Fixed Assets are classified into Tangible and Intangible Assets separately	7. All Tangible and Intangible Assets are shown as Fixed Assets
8. Investments are classified into Non-Current and Current Investments. Under each classification, details shall be given of the Name of the Body Corporate viz., Subsidiaries, Associates, Joint Ventures, Controlled Special Purpose Entities separately.	8. Investments are classified into LT and Current Investments. Investment in Shares, debentures and bonds of Subsidiary Company / Body Corporate under same Management shall be disclosed.
9. Part III and Part IV, which were earlier available in Sch VI (Old) has been dispensed with.	9. Part III to Sch VI deals with interpretation and Part IV deals with Balance Sheet Abstract.

2. Bring out the additions in the reporting requirements under Sch VI (Rev).

The following disclosure requirements were added in the Schedule VI (Revised) which were not available in erstwhile Schedule VI (Old)

1. **Share Capital:**
   (a) Reconciliation of Number of Shares issued at the beginning and at the end of the reporting period is required.
   (b) Disclosure of Shares held by each Shareholder holding more than 5% shares specifying the Number of Shares held.

2. **Share application money pending allotment:** Detailed disclosure as regards to Number of Shares issued, the Amount of Premium, etc., shall be disclosed.

3. **Loan Funds:** Period and amount of continuing default as on the Balance Sheet date in repayment of loans and interest shall be specified separately.

4. **Other Liabilities and Provisions:** The amount of Dividend Proposed to be distributed to Equity and Preference Shareholders for the period and the related amount per share shall be disclosed separately in the Notes on Accounts.

5. **Other Assets, Loans and Advances:**
   (a) Repatriation restrictions, if any, in respect of cash and bank balances shall be separately stated.
   (b) Bank Deposits with more than 12 months maturity shall be disclosed separately.

6. **Employee Benefit Expenses:** Information about expense on ESOP and Employee Stock Purchase Plan to be disclosed.

3. Briefly discuss the reporting requirements in Sch VI (Old) which has been dispensed with in Sch VI (Rev).

The following disclosure requirements were dispensed with in the Sch VI (rev) which were available in Sch VI (Old)

1. **Investments:** Details of Investments purchased and sold within the reporting period is required to given.
2. **Other Assets, Loans & Advances:** Separate disclosure is required for Bank balance lying with Schedule banks, Non – Scheduled banks and maximum amount outstanding.
3. **Managerial Remuneration:** Separate & detailed disclosure of amount paid to MD or Managers is required.
4. **TDS:** Information about TDS on operating income, interest income, etc, if any, to be disclosed.
5. **Capacity:** The information about licensed, installed capacity and actual production for Manufacturing Companies to be disclosed by way of Note.
6. **Part III & IV:** Part III on Interpretation and Part IV on Balance Sheet Abstract has been dispensed with in the Sch VI (Rev)

4. Bring out the areas of reclassification of line items in the Financial Statements as per Sch VI, Old and Revised.

The following are the areas, where is a change in classification of a Financial Statement item:

Schedule VI (Revised)	Schedule VI (Old)
1. Application Money received for Allotment of Securities & due for refund and Interest Accrued thereon is disclosed as Other Current Liabilities. Share Application Money not exceeding Issued Capital and to the extent Non-refundable shall be shown as Equity.	1. Disclosed as part of Shareholder's Fund
2. Debit balance in P&L A/c shall be shown as a Negative Figure under the head "Surplus". The balance shall be shown in Reserves & Surplus even if it's a Negative after the adjustment.	2. Debit balance in P&L A/c is shown on the Asset side if Negative (Miscellaneous Expenditure) or as a deduction from Uncommitted Reserves, if any.
3. Surplus balance in P&L A/c shall disclose allocations and appropriations such as Dividend and Transfer to/ from Reserves. Hence there is no P&L Appropriation A/c. Proposed dividend shall be disclosed by way of a Note.	3. Allocations and Appropriations such as dividend and transfer to General Reserves are shown "below the line" in P&L A/c (i.e., in P&L Appropriation A/c)
4. Interest accrued & due and Interest accrued but not due on loans is shown as Other Current Liabilities	4. Interest accrued but not due on loans is shown as Current Liabilities. Interest accrued and due is shown as a part of the respective Loan A/c.
5. Term Loan repayable within 1 year to be shown under the head "Other Current Liabilities"	5. There is no separate disclosure requirement for term loans repayable within 1 year. However the same is disclosed by the way of a Note.
6. Capital Advances are to be disclosed under LT Loans and Advances	6. Disclosed as part of Capital WIP or Fixed Assets
7. Finance Lease Obligations are to be grouped under the head Non-Current Liabilities	7. Finance Lease Obligations are included in Current Liabilities
8. Lease Deposits to be disclosed as Long Term Loans &Advances under the head Non-Current Assets	8. Lease deposits are part of Loans &Advances
9. Finance Cost shall be classified as – Interest Expense, Other Borrowing Costs and Gain / Loss on Foreign Currency Transaction &Translation.	9. Finance Cost to be classified in Fixed Loans &Other Loans
10. DTA / DTL to be disclosed under Non-Current Assets / Liabilities as the case may be	10. DTA / DTL to be disclosed separately

5. Describe the miscellaneous areas of changes that have been made in Sch VI (Revised).

S No	Area of	Schedule VI (Revised)	Schedule VI (Old)
1	Share Capital	Rights, Preferences & Restrictions attaching to each class of Shares including restrictions on the distribution of Dividends and the Repayment of Capital to be disclosed.	Option on un-issued share capital to be specified.
2	Share Capital	For the period of 5 years immediately preceding the date as at which the BS is prepared, the following are to be disclosed: 1. Aggregate Number & Class of Shares allotted as Fully Paid up pursuant to Contract(s) without payment being received in Cash. 2. Aggregate Number and Class of Shares allotted as fully Paid Up as Bonus Shares. 3. Number & Class of Shares bought back.	1. Disclosure of details for point 1 & 2 are required but not limited to 5 years. 2. The Schedule VI (Old) also requires disclosure of the Source of Bonus Share Issue which is not emphasized in Schedule VI (Revised).
4	Loan Funds	1. Loans and Advances from Related Parties are to be shown separately. 2. Loans guaranteed by Directors and Othersshall be disclosed.	1. Loans and Advances from Subsidiaries are to be shown separately. 2. Loans from / guaranteed by Directors and Managers shall be disclosed.
5	Other Liabilities and Provisions	Trade Payables – Amounts payable in respect of Goods purchased or services received in the normal course of business. No more classification into MSME & non- MSME dues.	No such specific requirements. Sundry Creditors dues are classified into MSME and non-MSME with detailed disclosures about amount outstanding, interest paid, interest accrued but not paid, etc
6	Other Assets, Loans and Advances	Debts due by Directors or other Officers of the Company or any of them severally or jointly & due by Firm or Pvt Company where Director is a Partner or Director or Member should be separately stated in all cases.	Apart from Revised Schedule VI Norms, Debts due from other Companies under same Management and the maximum amount due by Directors or other Officers of the Company at any time during the year shall be disclosed.
7	Other Assets, Loans and Advances	Loans and Advances to Related Parties giving the details thereof shall be disclosed separately.	Loans &Advances to Subsidiaries & to Partnership Firms in which any of the Company or its Subsidiaries is a Partner to be disclosed.
8	Debtors	Debtors outstanding for more than 6 months from the date they became due to be shown separately.	Debtors outstanding for more than 6 months from invoice date to be shown separately.
9	Materiality	Any item of Income or Expenditure which exceeds 1% of revenue from operations or ₹ 1,00,000/-, whichever is higher shall be disclosed separately.	Any item of expense which exceeds 1% of total revenue or ₹ 5,000/-, whichever is higher shall be disclosed separately and not clubbed with Miscellaneous Expense.
10	Quantitative Disclosures	1. In case of Manufacturing Companies: (1) Raw materials under broad heads. (2) Goods Purchased under broad heads. 2. In the case of Trading Companies, Purchases in respect of goods traded in by the Company under broad heads.	1. In case of Manufacturing Companies, • RM Consumed(giving item wise break up and indicating quantities thereof). • Opening &C/sof goods produced (giving break up of each class or goods and indicating the quantities thereof) • All RMwhich account for 10% or more RMconsumed shall be disclosed separately. 2. ForTrading Companies– the Purchases,O/s &C/s(giving break up of each class of goods traded & the quantities thereof).
11	Rounding Off	1. Turnover <100 Crores – to the nearest Hundreds, Thousands, Lakh or Millions, or Decimals thereof. 2. Turnover ≥ 100 Crores – to the nearest Lakh, Millions or Crores or Decimals thereof.	1. Turnover < 100 Crores – to the nearest Hundreds or Thousands or Decimals thereof. 2. Turnover > 100 Crores &< 500 Crores – as per Pt.1 orLakh / Millions / Decimals thereof. 3. Turnover > 500 Crores – as per Pt. 2or Crores, or Decimals thereof