

XBRL Filing to Ministry of Corporate Affairs



The MCA Mandate

The Approach

The Mandate

The Ministry of Corporate Affairs introduces a mandate to file balance sheets and profit and loss account alongwith Director's and Auditor's Report for the year 2010-11 onwards by using eXtensible Business Reporting Language (XBRL) format. The following companies are covered in Phase I;

- All Companies listed in India and their subsidiaries, including overseas subsidiaries
- All Companies having a paid up capital ` 5 crore or above or a turnover of ` 100 crore or above
- However banking companies, insurance companies, power companies, non-banking financial companies (NBFCs) are exempt for XBRL filing, till further orders

All companies falling in Phase I whose Balance Sheets are adopted in the Annual General Meeting (AGM) held before 30.09.2011 are permitted to file upto 30.09.2011 without any additional fee. However, where companies hold the AGM in the month of September 2011, they will file the Balance Sheet within 30 days from the date of adoption in the General Meeting as per Section 220 of the Companies Act, 1956.

This has prompted many companies to analyze their situation and ask:

How will XBRL implementation impact my company, including financial reporting systems and internal controls?

What are my options for implementing XBRL?

How difficult is the process of mapping my chart of accounts with MCA Taxonomy?

What would be my action points to achieve the XBRL mandates of MCA?

How do I identify appropriate XBRL data tags and determine whether I need to create company-specific tags?

What XBRL tools are best suited for my process and environment?

Deloitte has developed resources and in-depth technical knowledge and skills required to help address your questions and prepare your organization for XBRL reporting. We will work with you to develop a roadmap for XBRL reporting and support development of XBRL integration solutions for your organization.

Why are Regulators, standard setters, and companies considering XBRL?

For a number of years, momentum has been building toward a fundamental shift in business reporting. Regulators, investors, capital markets, and companies have all been part of the movement. Enabling technologies including information standards and the Internet

have already had a dramatic impact on business. Key to bringing this vision to life is the adoption of information standards such as XBRL which provides a framework to support the effective exchange of documents and data across applications platforms, and the Internet.

What is XBRL?

XBRL (Extensible Business Reporting Language) is a language for the electronic communication of business and financial data which is revolutionizing business reporting around the world.

Instead of treating financial information as a block of text - as in a standard Internet page or a printed document - XBRL provides an identifying tag for each individual item of data. The introduction of XBRL tags enable automated processing of business information by computer software, allowing the data to be treated "intelligently."

This greatly increases the speed of handling of financial data, reduces the chance of error, and permits automatic checking of information.

Some of the benefits of XBRL are:

- Creates a standards-based method with which users can prepare, publish in a variety of formats, exchange, and analyze financial statements and business information.
- It offers cost savings, greater efficiency, and improved accuracy and reliability to all those involved in supplying or using financial data.

The business value possible from XBRL can be realized by regulators and standard setters, as well as by investors and other external users of business reporting information. XBRL standards allow for the development of interoperable, reusable, and scalable applications, software tools and processes resulting in more efficient production, consumption and exchange of data. XBRL is already being leveraged in the public and private sector to achieve real benefits, including improved efficiency, and enhanced quality and comparability of data.

Risks Involved in Adoption of XBRL

Reliability of data - XBRL ensures data consistency and integrity. The data loaded in XBRL system has to be accurate so as to reduce the re-mapping exercise. Insufficient scalability of information system - The scalability is considered from the perspective of handling the increased volume of data as well as a flexible and scalable taxonomy to incorporate addition to new elements and relationships in future. Insufficient focus on XBRL awareness to stakeholders across organization - For a successful rollout, it is critical to have the support from all involved support groups within your organization.

The Deloitte Approach

Revolutionize financial and business reporting

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XBRL readiness assessment

We can assess your organization's readiness and develop a roadmap for sustainable XBRL financial reporting process.

We can also assist in identifying the gap between the MCA taxonomy and the taxonomy required by your organization given the mandate and the organization's XBRL rollout vision (Figure 1: Deloitte Approach to XBRL Readiness Assessment)



	Step 1 Identify Requirements	Step 2 Perform Analysis	Step 3 Prepare for XBRL
Objectives	Identify requirements and areas of impact for implementing XBRL and preparing financials	Perform analysis to understand organization's readiness and identify areas of focus for implementing XBRL	Present and execute plan for implementing XBRL
Deliverables /Outcomes	<ul style="list-style-type: none"> Review of <ul style="list-style-type: none"> Current corporate financial reporting processes and controls Supporting technology Other interdependencies (if any) 	<ul style="list-style-type: none"> Draft Analysis and XBRL implementation plan document 	<ul style="list-style-type: none"> XBRL Training Final XBRL implementation plan document

XBRL filing

We can help you implement XBRL in your organization to comply with the MCA mandate. Our approach includes assistance with planning for and establishing the process of conversion of financial information to XBRL, including creating the appropriate XBRL tags and compiling the XBRL Package for filing with the MCA. Our approach focuses on providing you with the knowledge for sustainable process for ongoing XBRL reporting (Figure 2: Deloitte Approach for creating XBRL Financials)

XBRL training

We can assist you with your educational needs from awareness to in-depth technical training. Using a robust educational development methodology. Our subject matter specialists can customize these programs to meet your specific needs.

The Deloitte Difference

As a multidisciplinary organization and one of the founding members of the XBRL International Consortium, Deloitte (with member firms of Deloitte Touche Tohmatsu) actively participates in XBRL development around the world. Our teams are experienced with a wide range of software tools and third-party service providers and understand their unique strengths and challenges.

Deloitte has structured and established methodologies to aid and fast track the XBRL adoption as per your organizational needs for XBRL adoption.



	Initiate and Plan	Set Up	Mark-Up and Tag	Review and Validate	Sustain
Description	Plan and Design solution based on your need	Set up solution in selected XBRL tool	Create XBRL Mapping of financials	Review and validate XBRL financials	Establish repeatable and sustainable process
Deliverables	Completed Templates for Set up	<ul style="list-style-type: none"> Validated Extension taxonomy Completed entity set up in tool 	XBRL Instance documents / files	<ul style="list-style-type: none"> Validated taxonomy and Instance Document Validated XBRL Financial Report 	<ul style="list-style-type: none"> Documented roles and responsibilities Completed knowledge transfer

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