

IND AS 115 - REVENUE FROM CONTRACTS WITH CUSTOMER (Page 1)

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Customer

- Who Obtains G/S
- Such G/S are Output for Entity's ordinary Buss. Activities
- Against Consideration

Non- Applicability

- L I F E**
- Leases (L)
 - Insurance Enterprises (I)
 - Financial Instruments (F)
 - Non-Monetary Exchange Within same Business Entities(E)

Core Principle of INDAS 115

- Revenue is Recognised in such a way that
- Depict (To Show) Transfer of G&S at an Amt.
- For which Entity is Expected to be entitle for Consideration

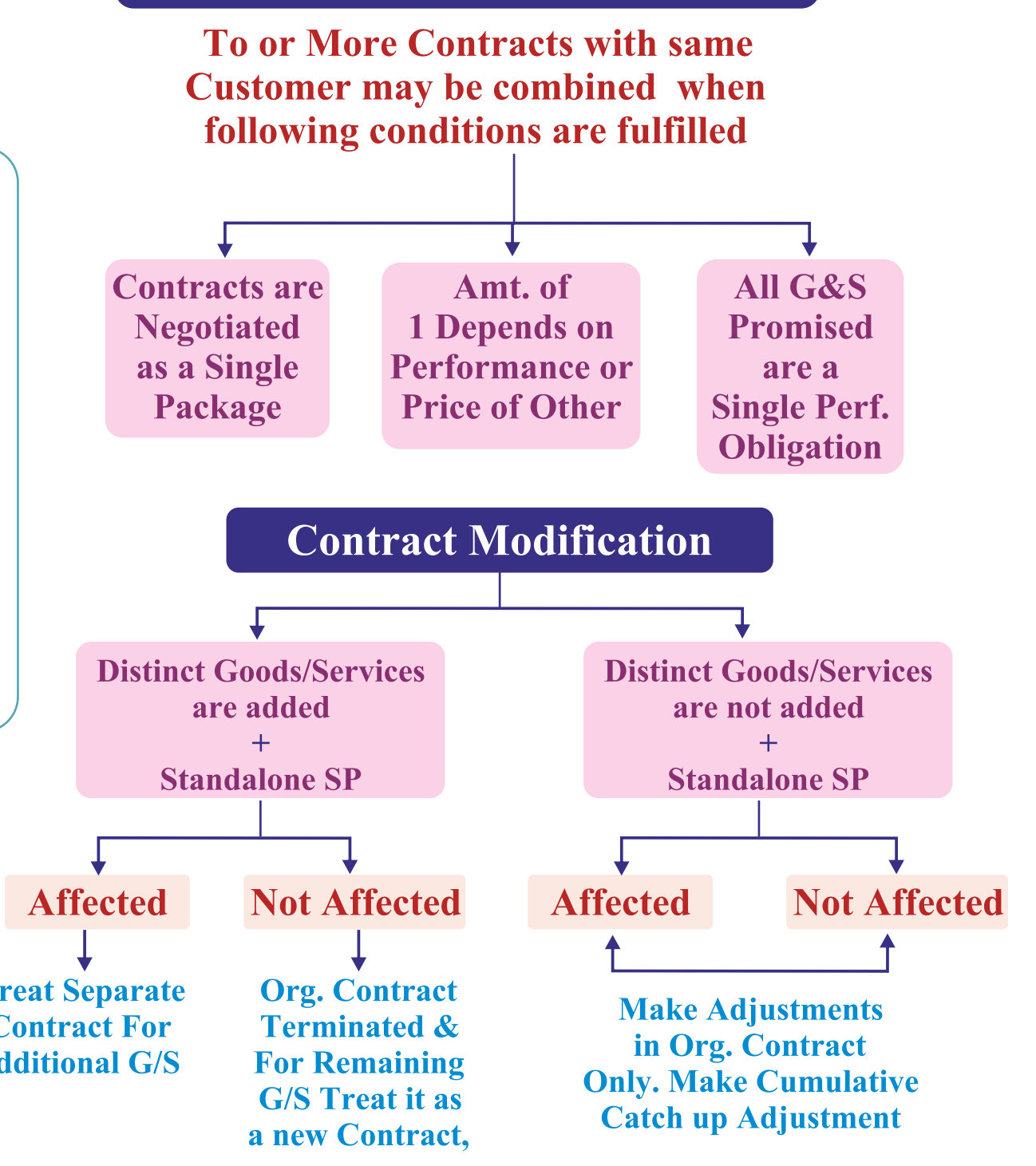
Five Steps Model of INDAS 115

- C P T - A R**
- Identify the Contract (C)
 - Identify the Performance Obligations (P)
 - Determine Transaction Price (T)
 - Allocation of TP into Performance Obligations (A)
 - Recognise Revenue (R)

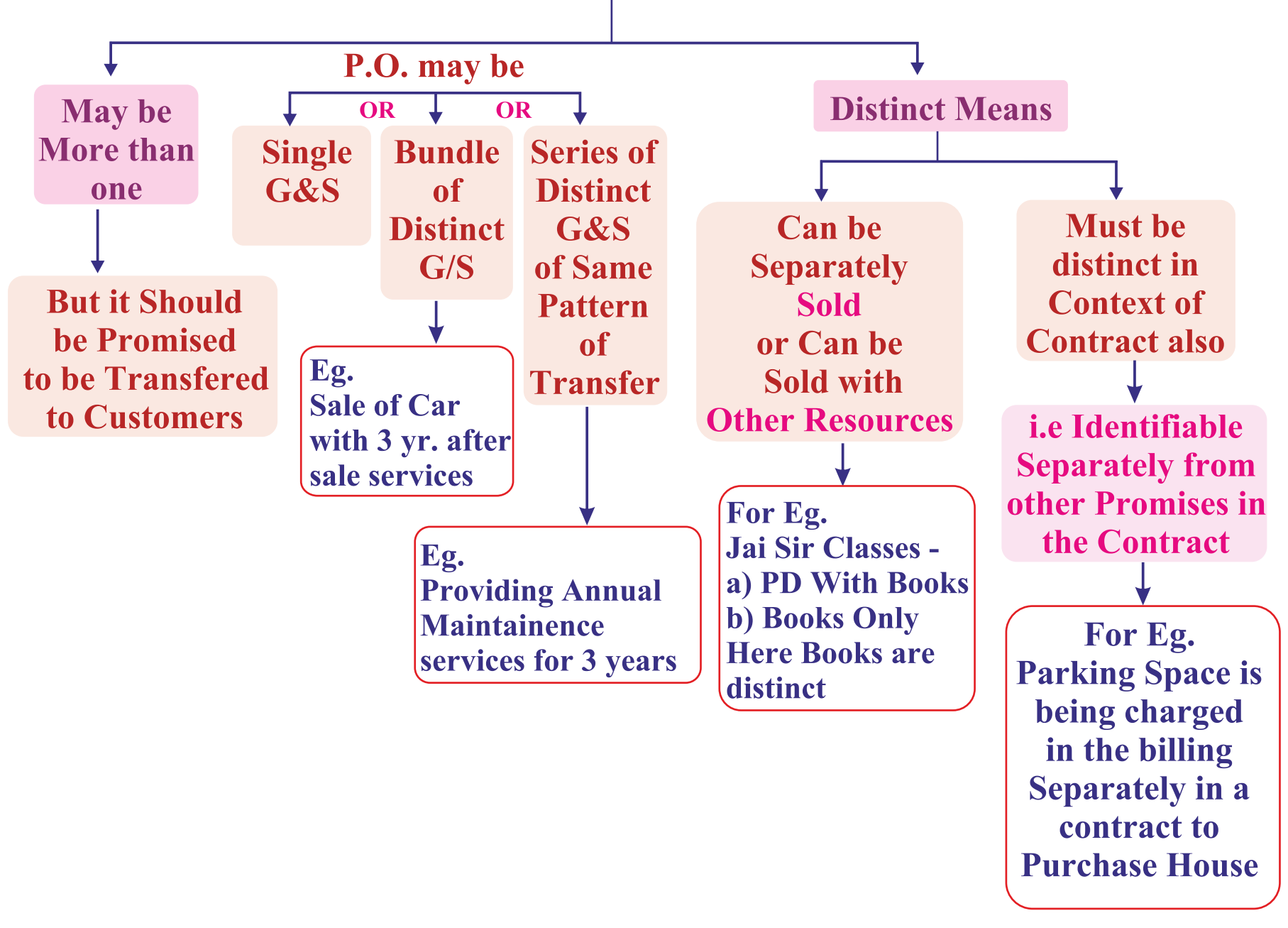
CONTRACT (STEP-1)

- ARCTC**
 Contract Must be Enforceable by Law
- Contract must be Approved by Both Parties (A)
 - Each Party's Rights must be Identified (R)
 - Contract must have Commercial Substance (C)
 - Payment Terms are Identified (T)
 - Probability of Collecting the Consideration (C)
- Step-1 if Failed - No Recognition of Revenue Until & Unless the Received Consideration is Non-Refundable & All P.O. are Full Filled or Contract is Terminated.**

Contract Combination



PERFORMANCE OBLIGATIONS (P.O.) (STEP - 2)



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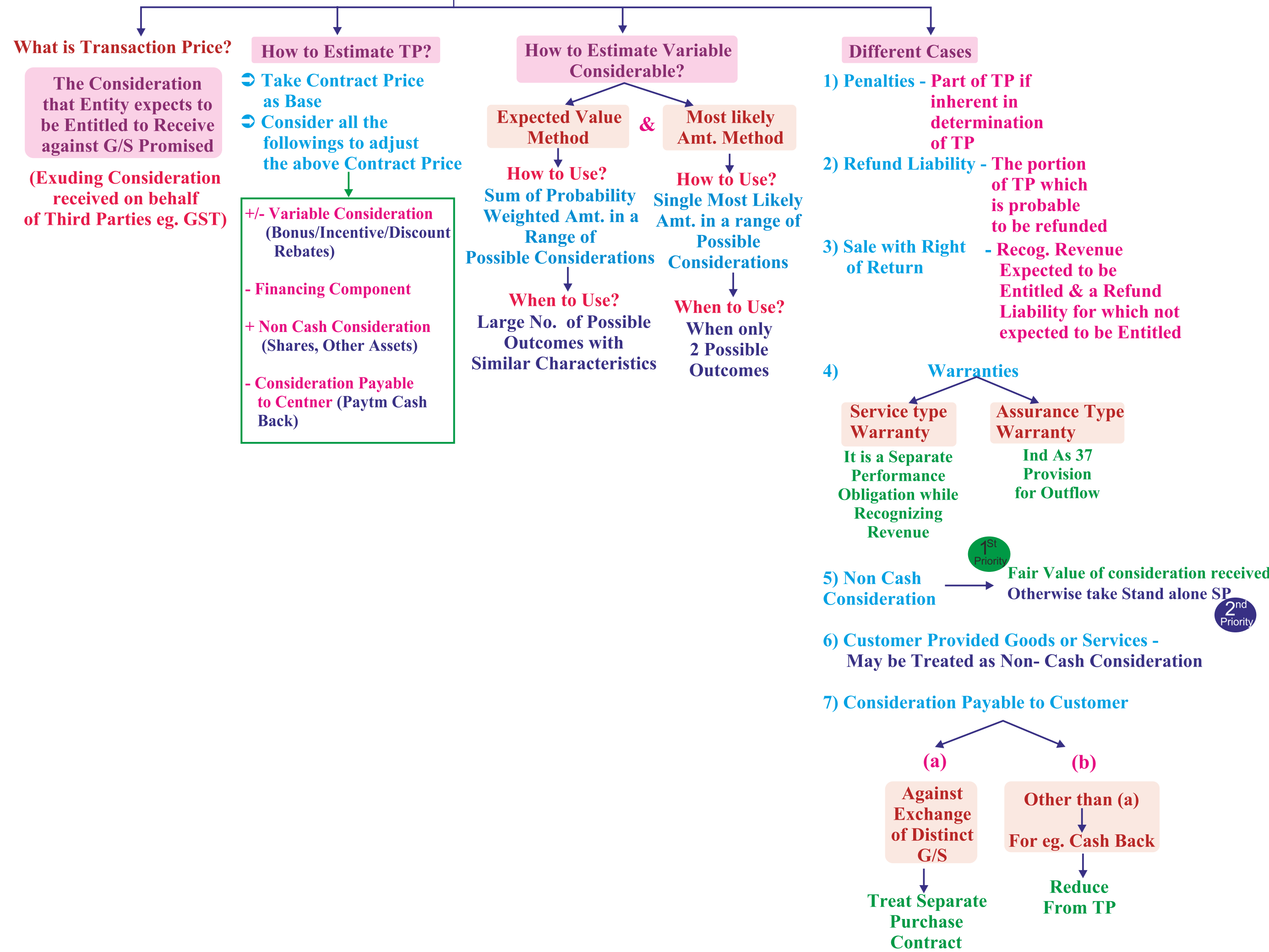
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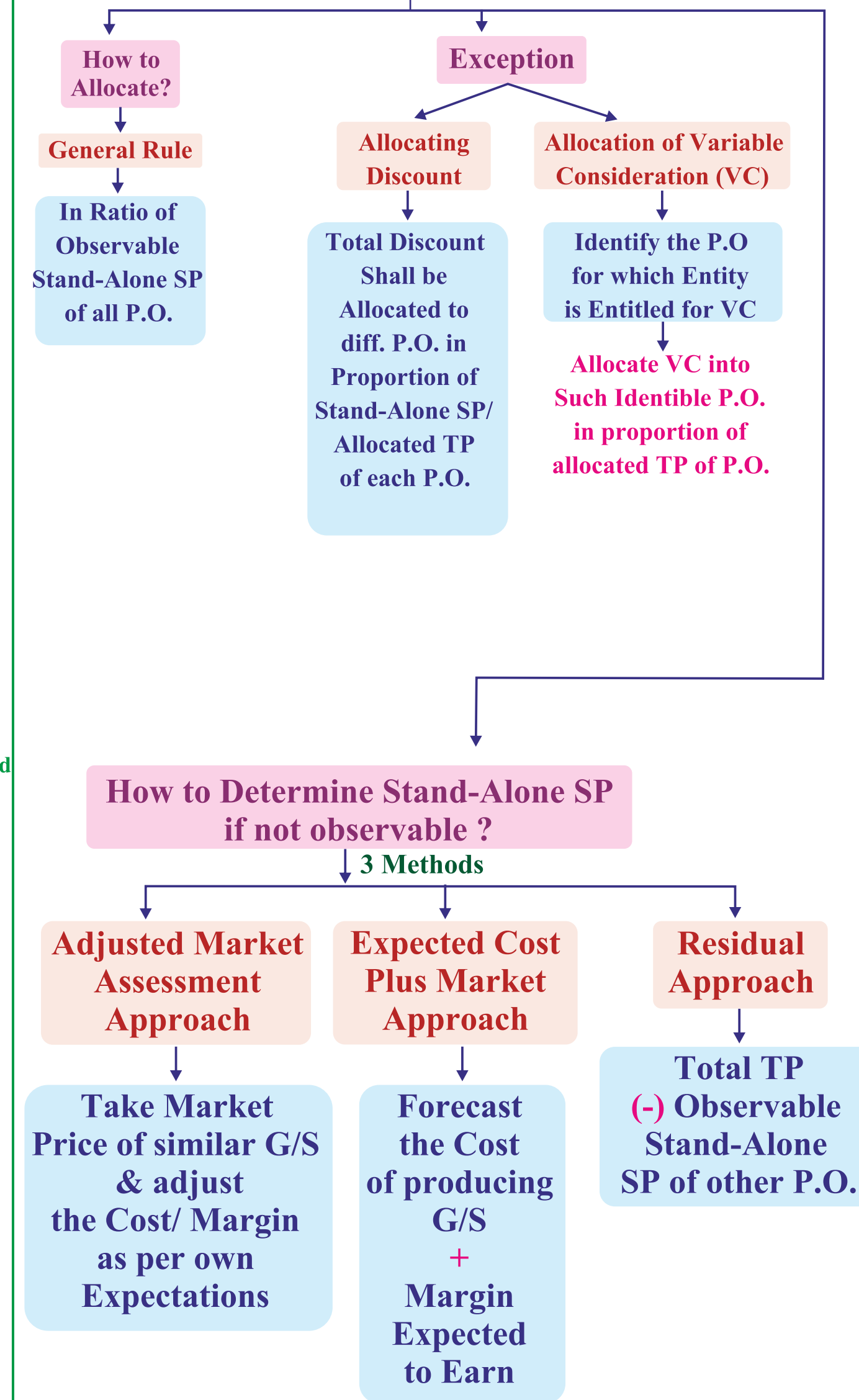
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TRANSACTION PRICE (TP) (STEP -3)



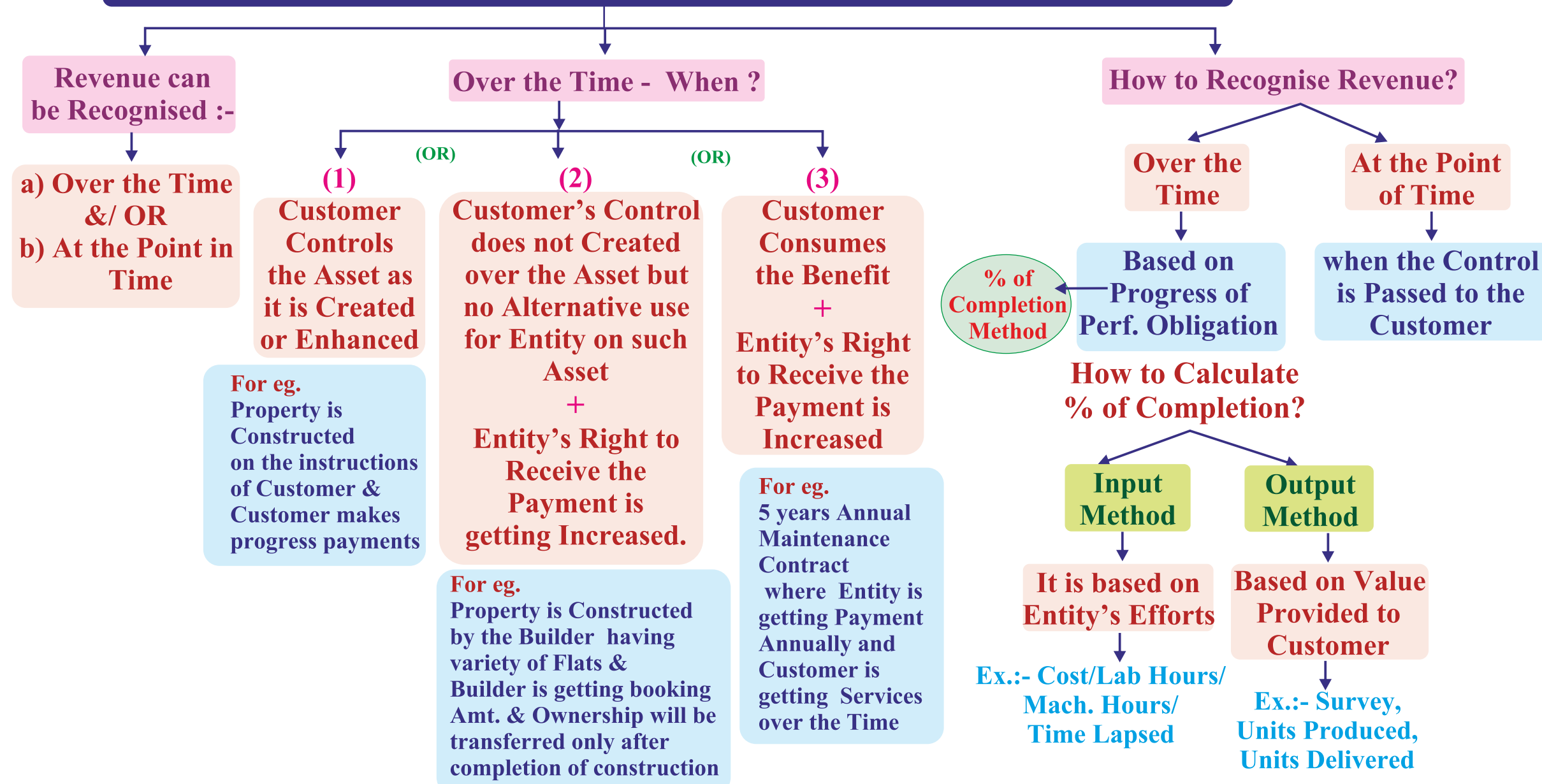
ALLOCATION OF TP to P.O. (STEP-4)



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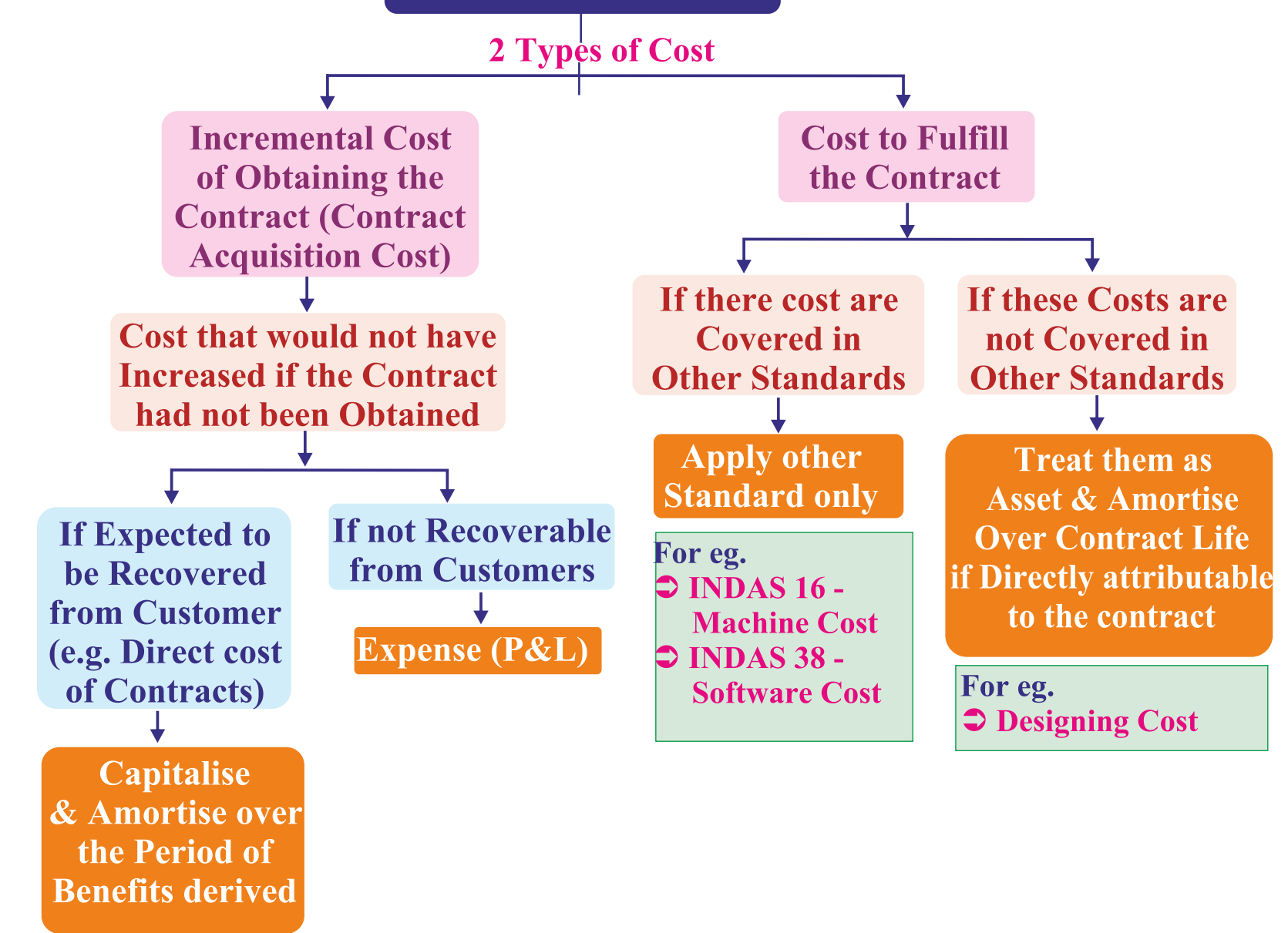
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RECOGNISE REVENUE AS OR WHEN ENTITY SATISFIES P.O. (STEP-5)

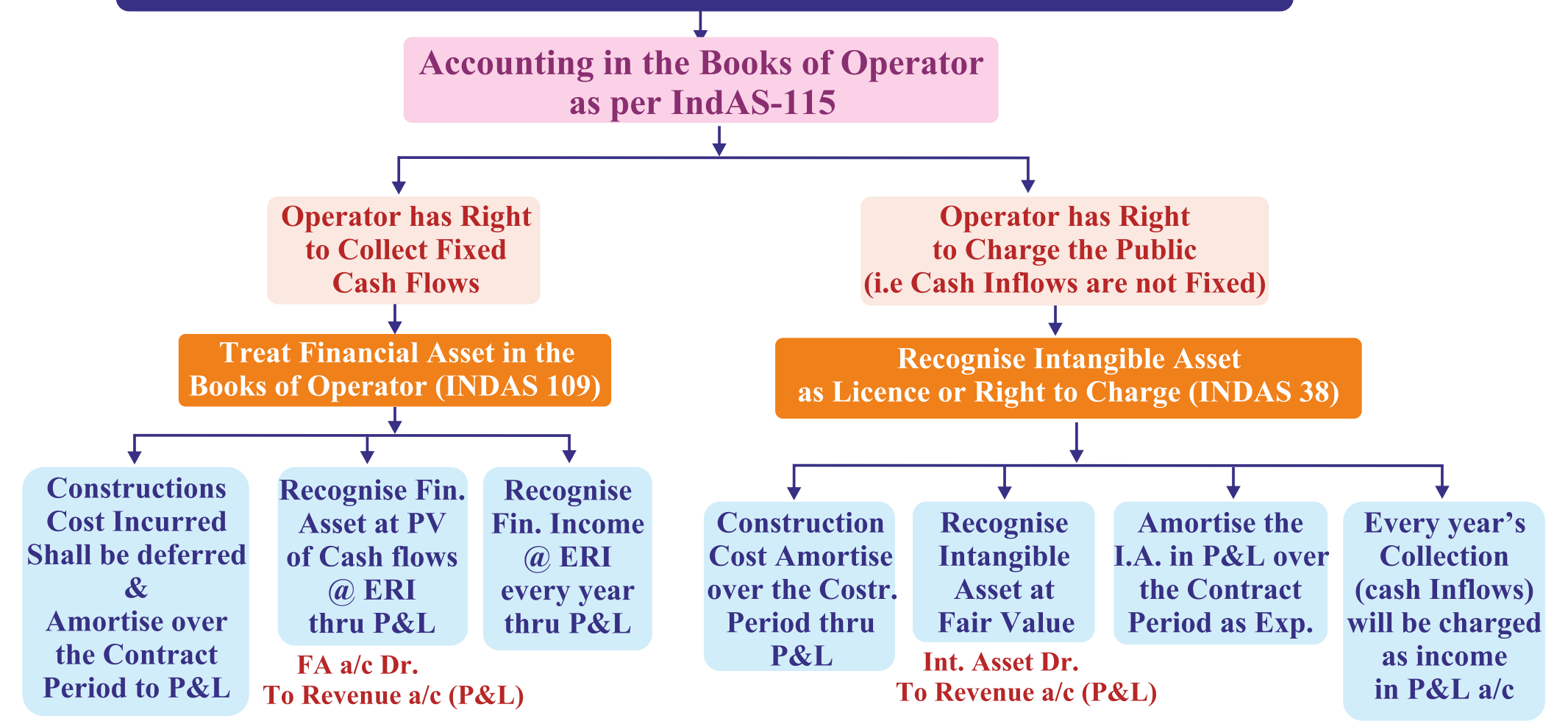


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CONTRACT COST



SERVICE CONCESSION ARRANGEMENTS



REPURCHASE AGREEMENT

