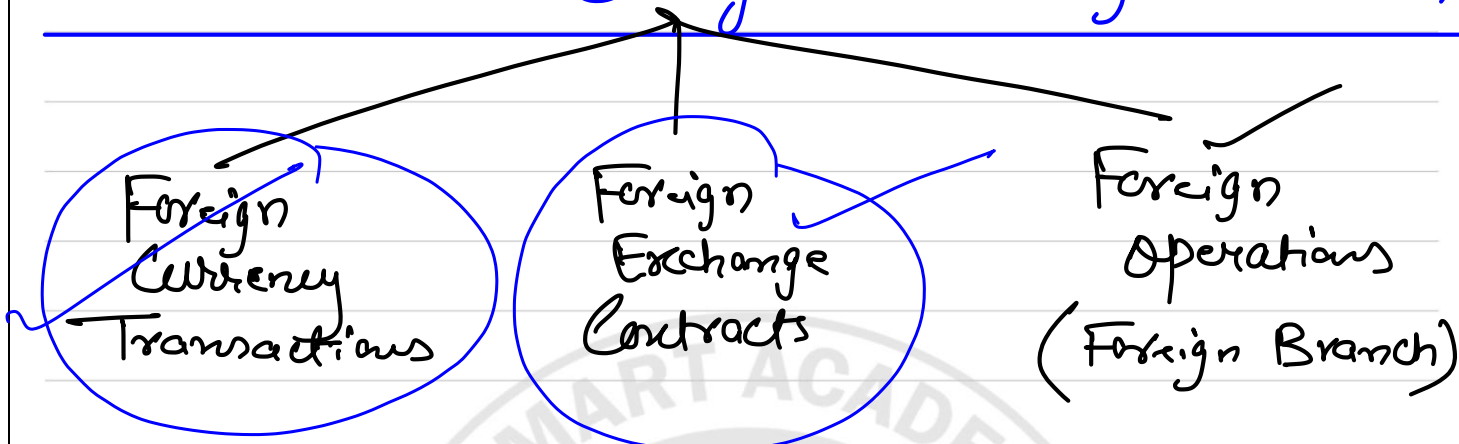
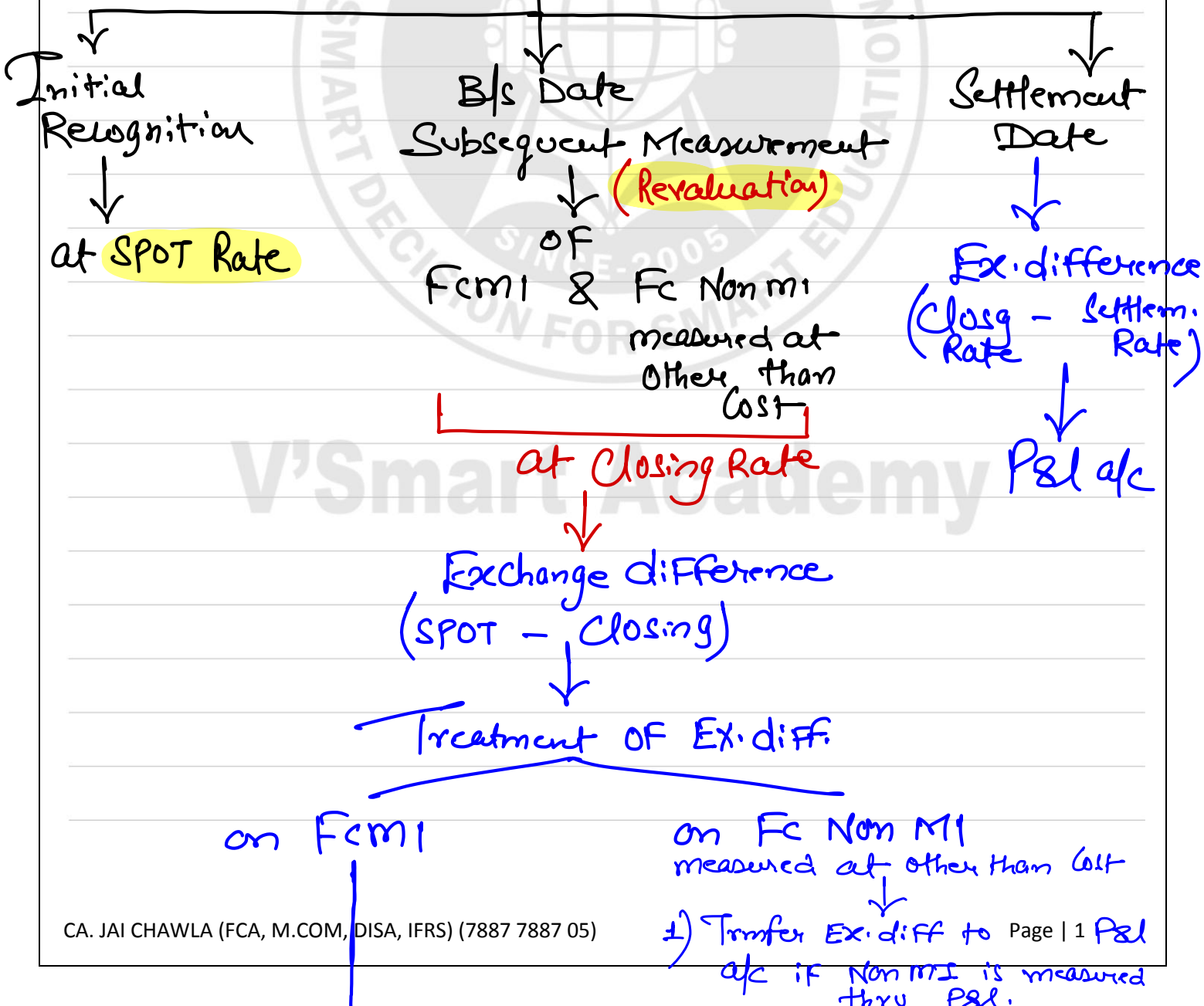


As 11

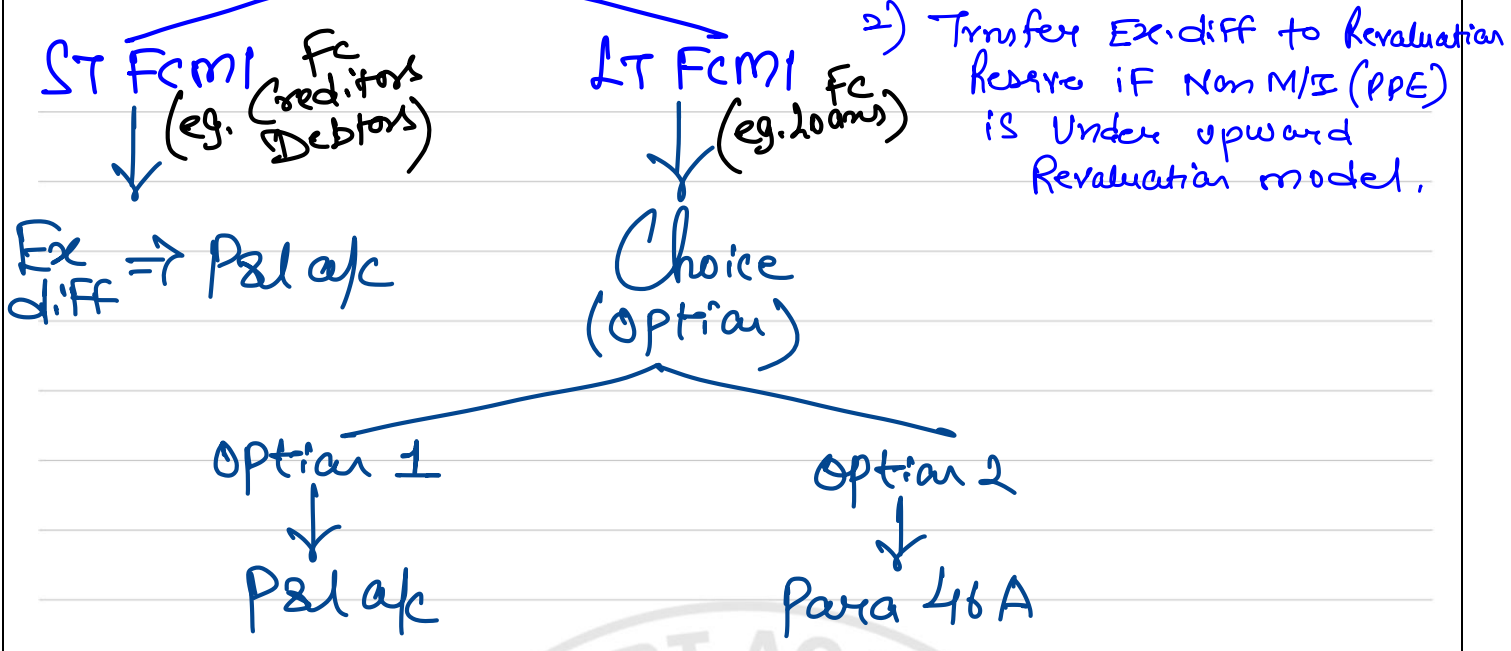
The effects of Changes in Foreign Ex. Rates



Foreign Currency Transactions (FCT)



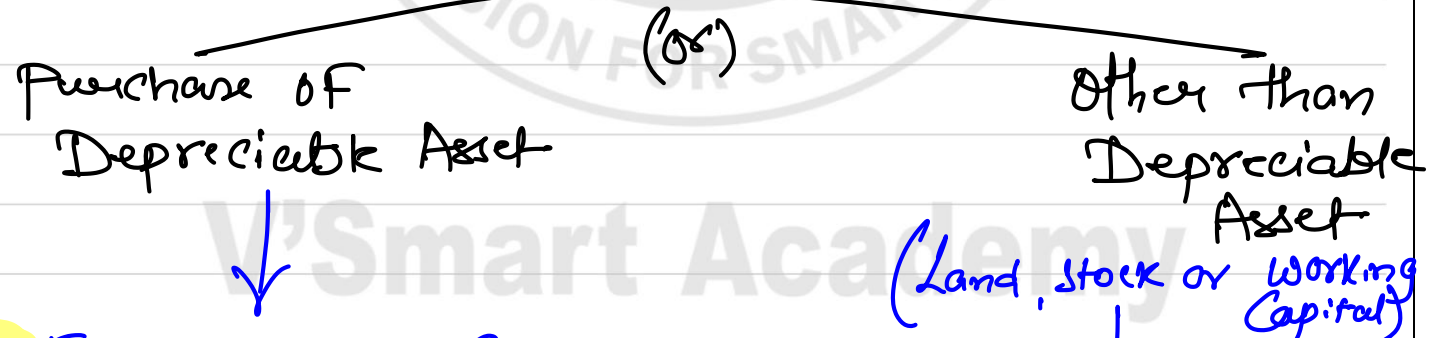
(or)



Para 46A on LTFcMI

Exchange difference → Treatment

IF LTFcMI (Loan) is related to



Add Ex Loss to the Carrying Amt. of Asset

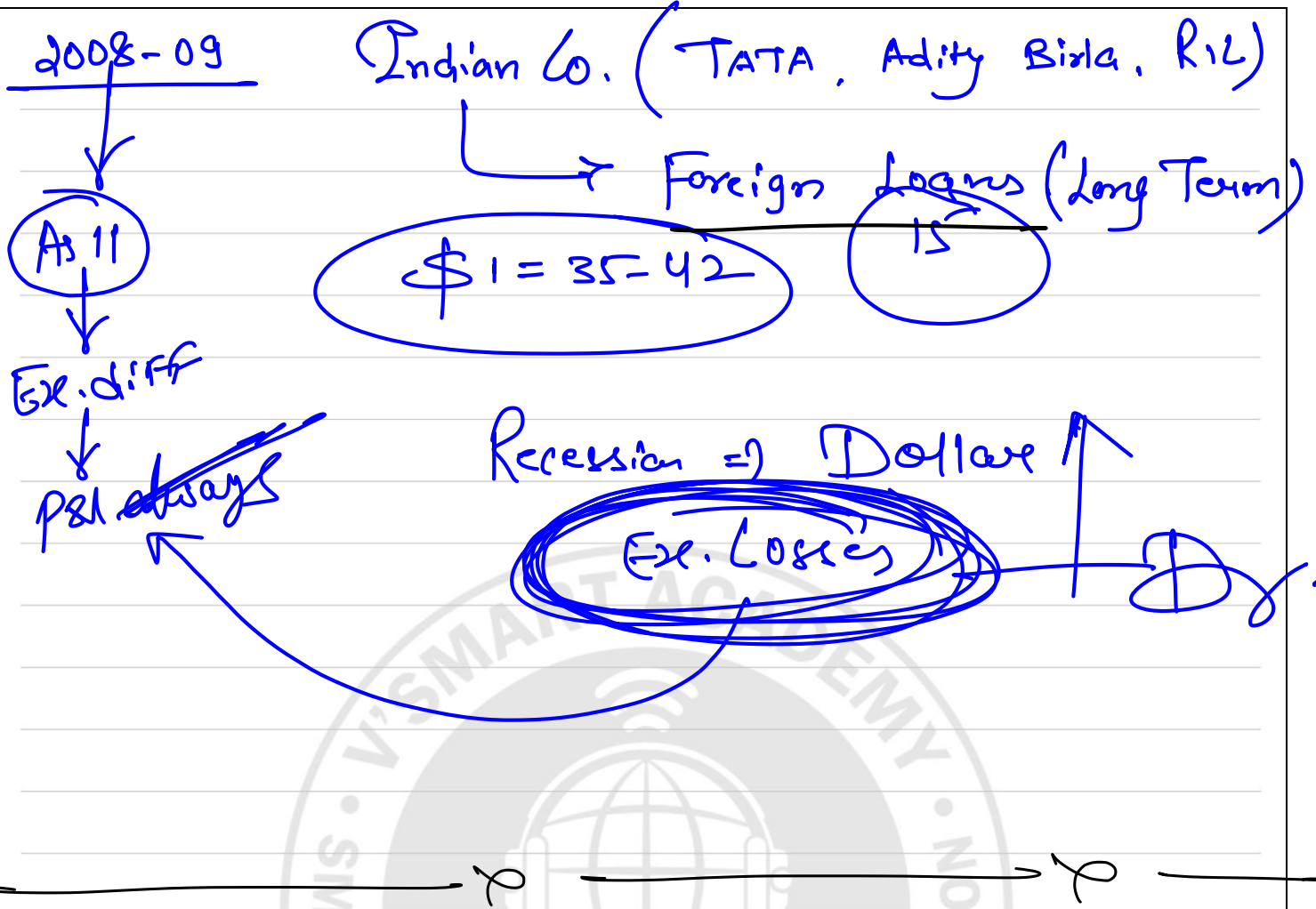
Transfer Ex. difference to a Special A/c

Less Ex. Gain to the Carrying Amt. of Asset

FcMI D A/c 100000 Dr.

Further Depreciation will be affected in P&A.

Deferred & Amortised over the Life of LTFcMI



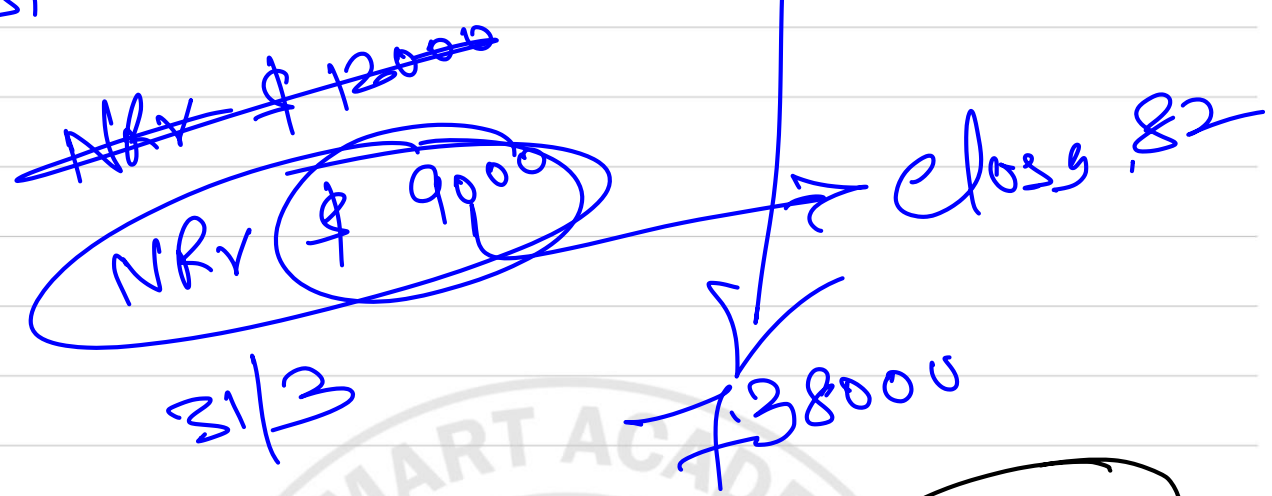
Non monetary items

(Assets / Liab.)
at Cost

at other than
Cost

	AS	at Cost	at other than Cost
Investments	AS 13	Long Term	Cost (or) MV
Capital		✓	X
PPE	AS 10	Cost model	Revaluation model
Stock	AS 2	✓	NRV
Intangible Assets	AS 26	✓	X
Land	AS 10	Cost model	Revaluation model

1/3 June
 Cost spot = $\$10000 \times 80 = 800000$



FC Debtors		Foreign Count		Foreign Inv
FCM1	PPE (Cost)	Invest (MV)	FC Loan	
AS11	Non M1 AS11	Non M1 AS11	FCM1	

V'Smart Academy

For. Debt → femi
To ~~sale~~

~~Debtors Indian~~
To ~~sale~~

Foreign Investment (Non femi)
To ~~Bank~~

Foreign Invest Div. (Non femi)
To Foreign Creditors (femi)

V'Smart Academy