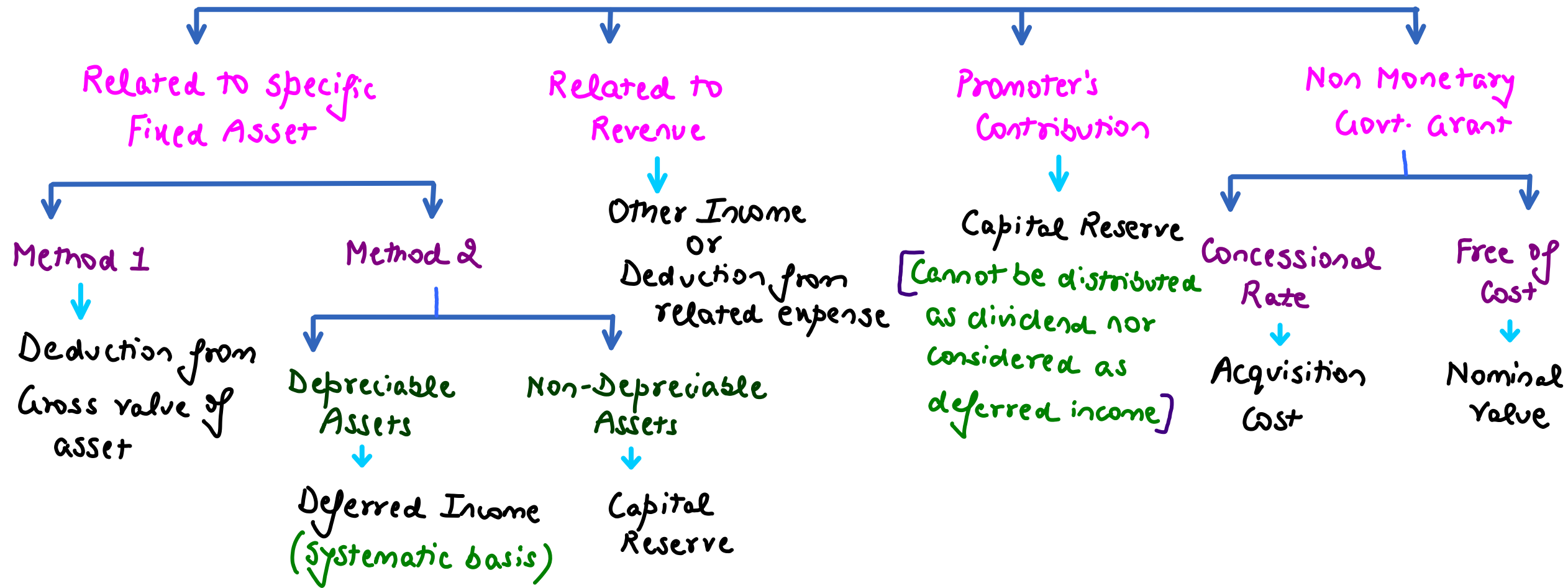


Accounting for Government Grant (AS-12)

[Assistance by Government in cash/kind to enterprise for compliance with certain conditions]



Refund of Grant

[To be treated as Extraordinary Item as per AS-5]

Related to Specific
Fixed Asset

Related to
Revenue

Promoter's
Contribution

If Method 1

If Method 2

First utilize unamortize
deferred credit.
Excess tpd. to P&L A/c

Reduce
Capital Reserve

- * Increase Book value of Asset
- * Provide Depreciation on Revised Book value prospectively

Depreciable
Assets

Non-Depreciable
Assets

First utilize
unamortize
deferred credit.
Excess tpd. to P&L A/c

Reduce
Capital Reserve