

Profit and loss A/c

Income:

income is the money that an individual or organisation receives in return ~~of~~ for their services or goods.

1 Revenue from operations:

The total income generated from the company's core business activities such as sales of goods and services. This is the primary source of income.

2 Other income

Income earned from non-core business activities, this can include interest income, dividend income, gains from the sale of investments, rental income.

3. Total income:

The sum of revenue from operations and other income. This represents the total earnings of the company from all sources during a specific period.

Expenses:

The costs incurred by a business to generate revenue.

1. cost of material consumed:
The cost incurred to acquire materials used in production.
2. purchase of stock-in-trade
cost associated with purchasing goods intended for resale.
3. changes in inventories of finished goods stock-in-trade, and work-in-progress.
Adjustments in the value of inventories from one period to another, reflecting production and sales activities
4. Employee benefits expense:
costs related to employee compensation and benefits.
5. Finance costs.
Expenses incurred from borrowing money or financing activities.
6. Depreciation and amortization expenses:
Charges against earnings to allocate the cost of assets over their useful life
7. manufacturing and operating costs
Costs directly related to manufacturing and operational activities
8. Other expenses:
miscellaneous costs not categorized in the above items

9. Total expenses:

Sum of all expenses incurred during the period.

10. Profit before Share of loss from associate

Operating profit before considering equity interests in other companies

11. Share of loss from associate:

The entity's share of losses from investments in associates (companies where the investor has significant influence)

12. Profit before tax

Profit earned before accounting for income tax expenses

Tax expense:

1. Current tax:

The amount of income tax payable based on taxable income for the current financial year.

2. Tax under MAT (Minimum Alternate Tax)

Minimum Alternate Tax is a tax payable by companies that show a profit but have paid no or very low tax due to various deductions and exemptions under the regular tax laws.

3 mat credit utilization / entitlement:

mat credit is the difference between mat paid in the past over the regular tax liability and can be carried forward for adjustment against regular tax liability within the prescribed period.

4 Tax adjustments pertaining to previous year.

Adjustments made to tax expense for errors or changes in tax assessments from previous financial years.

5 Total tax expense:

The sum of current tax mat (if applicable), deferred tax, and adjustments related to previous years.

6 profit for the year:-

net income earned by the company after deducting all expenses including tax expenses for the financial year.

Delivered