

1. Summary of the balance sheet (All values in crores):

Assets	As at 31 st March 2015	As at 31 st March 2014	Liabilities	As at 31 st March 2015	As at 31 st March 2014
Current Assets	367.09	0.03	Current Liabilities	321.64	0.001
Inventories	188.10	-	Short-Term Borrowings	93.03	-
Trade Receivables	118.08	-	Trade Payables	176.46	0.001
Cash & Bank Balances	2.90	0.03	Other Current Liabilities	50.35	0.00
Short Term Loans & Advances	57.88	-	Short-Term Provisions	1.80	-
Other Current Assets	0.13	0.003			
Non-current Assets	346.69	0.01	Non-current Liabilities	165.09	-
Fixed Assets			Long-Term Borrowings	141.82	-
Tangible Assets	307.93	-	Deferred Tax Liabilities(Net)	14.45	-
Intangible Assets	3.46	-	Other Long Term Liabilities	1.37	-
Capital Work-In-Progress	9.21	-	Long-Term Provisions	7.45	-
Non-current Investments	17.45	-	Shareholders' Funds	227.06	0.04
Long Term Loans & Advances	8.27	-	Share Capital	12.07	0.05
Other Non-current Assets	0.37	0.01	Reserves & Surplus	214.99	(0.008)
Total	713.79	0.04	Total	713.79	0.04

We see that **Total Liabilities + Owner's Equity = Total Assets**

Hence balance sheet equation is followed.

2. Five biggest items:

S. No.	Item	Category	Amount (Rs. In Lakhs)	Proportion of the Total value
1	Tangible Assets	Assets	30793.33	43.14%
2	Reserves and Surplus	Shareholders' funds	21499.02	30.12%
3	Inventories	Assets	18810.01	26.35%
4	Trade Payables	Liabilities	17646.39	24.72%
5	Long-term borrowings	Liabilities	14182.25	19.87%

Tangible assets and inventories together account for about 70% of Greenlam Industries' assets. On the other hand – Reserves and surplus, trade payables and long-term borrowings together account for about 75% of the Liabilities side of its Balance sheet.

3. **Capital Reserves under Shareholder's equity and Intangible Assets Under Development** are the only portions missing from the balance sheet.

An interesting point is that there is a significant increase in the assets and liabilities of the company from March 31st, 2014 to March 31st, 2015 and the reserves and surplus is in negative in the balance sheet as at 31st March, 2014.

4. a) If the bank invests in corporate debentures, then part of the Investments section of Bank of India will show reflection in the balance sheet of Reliance Industries. Similarly, loans taken by Reliance from Bank of India will show in long term borrowings of Reliance and deposits of Bank of India. Money deposited in Bank of India by Reliance Industries will show up in the Cash part of Reliance and borrowings part of Bank of India.

b) For Infosys and BlueDart, both companies have a large amount of Reserves and Surplus and very little or no inventory since they are service sector companies. Raymond and Colgate-Palmolive have large inventories and lower Reserves and Surplus since they are manufacturing companies. The service sector companies have large percentage of intangible assets and the manufacturing ones have larger share of tangible assets. BlueDart has no 'Deferred Tax Assets' and Colgate-Palmolive has no 'Accumulated Amortization' or 'Long Term Borrowings'.

c) Infosys, Raymond's and Colgate-Palmolive can use BlueDart's services in which case the Trade Payable of the first 3 will reflect in the Trade Receivable of BlueDart. Similarly, Infosys may have software solution projects with the other 3 companies. Here, Infosys's Trade Receivables will match transactions in the Trade Payables of other companies. If Raymond's provides clothing merchandise to BlueDart, then a similar

transaction will reflect in the books of the two. Colgate-Palmolive may supply cleaning goods to Infosys, Raymond and BlueDart offices.

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