

INTRODUCTION

As discussed in the introductory chapter of accounting for investment decisions, a company can invest in the current assets or fixed assets or shares/bonds of other companies. The current assets of company generally consist of the following:

- Cash
- Debtors
- Stock-in-trade or inventory of revenue goods

Table 12.1 shows the condensed balance sheet of all the companies forming a part of Nifty. CBC stands for Combined Balance Sheet of all companies forming a part of Nifty

Sources/Liabilities		Uses/ Assets	
Owners fund	54%	Fixed Assets	39%
Long Term Loans	13%	Investments	14%
Current Liabilities	33%	Current Assets	47%
Total	100%		100%
Cash	19%		
Debtors	58%		
Stock	23%		

One can see that quite a large percentage of the funds are invested in the current assets. However, actual composition of the total assets may differ from company to company as can be seen from the table 12.2

Bharat Heavy Electricals Ltd.	94%	Steel Authority Of India Ltd.	57%
Suzlon Energy Ltd.	86%	A C C Ltd.	27%
A B B Ltd.	85%	Bajaj Auto Ltd.	29%
Sun Pharmaceutical Inds. Ltd.	73%	Gujarat Ambuja Cements Ltd.	14%
Tata Motors Ltd.	60%	H C L Technologies Ltd.	15%