

**FORM NO. 101**

[See rule 171(2)]

**Inventory Valuation report under section 268(5)**

I ..... having Permanent Account Number .....have examined the books of account and other documents with respect to inventory and inventory valuation of the assessee mentioned in the annexure for the tax year.....as at .....

I have conducted Inventory Valuation in compliance with the requirements under the relevant provisions of the Act and Income-tax Rules, 2026. As per the Inventory Valuation carried out by me, the opening inventory has been valued at ₹ ..... (in words.....) and the closing inventory has been valued at ₹..... (in words.....) for the relevant period ..... to .....

I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of the Inventory Valuation

In my opinion, from my examination of the books of account and other documents, it appears that proper books of account and other documents with respect to inventory \* have been kept/have not been kept by the head office, other premises and the branches of the assessee visited by me, and proper data adequate for the purposes of inventory valuation \* have been/have not been received from branches not visited by me subject to the comments given below:

(a)

(b)

.....

In my opinion and to the best of my information and according to explanations given to me, the Inventory Valuation presented herein below in my report is true and correct subject to comments given below:

(a)

(b)

.....

The prescribed particulars and such other particulars as were required by the Assessing Officer by order No. .... dated ..... are annexed hereto. In my opinion and to the best of my information and according to explanations given to me, these are true and correct.

Any variations observed in the Inventory Valuation Report compared to the disclosures made in Form No. 26 (or if no Form No. 26 has been furnished, then value as per audited accounts) have been adequately explained along with the reasons and justifications thereof.

Place  
Date

*Signature*

Name of the Accountant:  
Member Registration Number:  
Permanent Account Number:  
Unique Document Identification Number (UDIN), if any:  
Name of the proprietorship/ firm:  
Firm Registration Number:

**Notes:**

1. \*Delete whichever is not applicable
2. \*\*This report has to be given by the Cost Accountant nominated by the Principal Chief Commissioner or Chief Commissioner or Principal Commissioner or Commissioner of Income-tax under section 268(5)(ii).
3. Where any of the matters stated in this report is answered in the negative or with a qualification, the report shall state the reasons therefor.
4. The opening values have been taken from the books of account and other documents as produced by the assessee.
5. Relevant period shall be the period specified by the Assessing Officer.

**ANNEXURE**

Row No.	PART A: Particulars of the assessee		
1.	Name	<i>(refer Note 1)</i>	
2.	Address (Head office/ other premises and branches):	<i>(refer Note 2)</i>	
	(a)		
	(b)		
	...		
3.	Permanent Account Number		
4.	Date of incorporation/Date of formation/Date of birth		
5.	Nature of business activity		
6.	Details of principal products / services	<i>(refer Note 3)</i>	
7.	Email id		
8.	Contact number	Country Code	Number
9.	Tax Year		

Row no.	PART B: Inventory Valuation Report of Cost Accountant		
1	Details of books of account and other documents maintained with respect to inventory		
2	(a) Method of accounting employed with respect to inventory maintained.		
	(b) Indicate whether there is any change from the method of accounting employed with respect to inventory maintained in the immediately two preceding previous years		
	(c) Is there any inventory management system software in place?	<i>Yes/No</i>	
	(d) If answer to (c) above is yes, provide details of the inventory management system software.		
3	(a) Method of valuation of opening and closing stock of following inventory items used by the Assessee: (i) Finished Goods (manufactured) (ii) Stock-in-trade		

(iii) Work-in-progress (WIP)													
(iv) Raw materials													
(v) By-products													
(vi) Intermediate Products													
(vii) Jigs, Tools, and Dies													
(viii) Stores, Spares and Consumables													
(ix) Scrap													
(x) Any other item													
(b) State whether there is any change in the method of valuation of any of the items mentioned in (a) above, as compared to the method employed in the immediately two preceding tax years.		<i>Yes/No</i>											
(c) If answer to (b) above is yes, specify the amount by which the profit or loss for the relevant period has been affected by such change													
(d) During the relevant period, has there been any insurance claim relating to inventory due to fire or accident or any other reason.		<i>Yes/No</i>											
(e) If answer to (d) above is yes, give details of insurance claim relating to inventory due to fire or accident or any other reason													
4 Give summarized details of Financial Results (as per the Audited Accounts of the Assessee)													
<b>S. No.</b>	<b>Particulars</b>	<b>Year under reporting</b>	<b>Year 1 preceding to Year under reporting</b>	<b>Year 2 preceding to Year under reporting</b>									
1	Turnover												
2	Profit (Loss) before tax												
3	Less: Taxes paid												
4	Profit (Loss) after tax												
5	Raw Materials Consumed												
6	Opening Inventory												
7	Closing Inventory												
8	Average Inventory Holding Period (days) = {365/(Turnover [1]/Average Inventory)} Average Inventory = {[6]+[7]}/2												
9	Average Raw Material Stock to Consumption (days)												
10	Average. Stores and Spares Stock to Consumption (days)												
5 In respect of items manufactured, full quantitative details of raw materials and finished products as indicated below (consolidated at entity level):													
(a) Details of Raw Material (RM) for the relevant period under reporting ( <i>refer Note 4</i> ) :-													
S. No.	Details	Raw Material description	Unit of Measurement (UOM)	Opening stock	Purchases during the relevant period	Consumption of Raw Material during the relevant period	Raw Material sold during the relevant period	Closing stock	Other adjustments				
1.	RM1												
2.	RM2												
3.	RM3												
	.....												
	Others												
(b) (i) Quantitative details in respect of items manufactured / traded by the Assessee for the relevant period under reporting ( <i>refer Note 5</i> ):													
S. No.	Finished products/ Work-in-	Descrip-	Item Code	Unit of Measure	Opening stock	Quantity (Qty) manufac-	Quantity purchased	Quantity sold	Quantity re-	Quantitative adjust-	Closing stock	Open-	Clos-



2	Product 2												
3	Product 3												
	.....												
	Total												
(b) Valuation of Work-in-Progress (WIP) (refer Note 7):													
Sl.	Description	Item Code	UOM	Opening Stock					Closing Stock				
				Qty	COP	NRV	Lower of (6) or (7)	Value (5) x (8)	Qty	COP	NRV	Lower of (11) or (12)	Value (10) x (13)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
1	WIP 1												
2	WIP 2												
3	WIP 3												
	.....												
	Total												
(c) Valuation of Raw Materials													
Sl.	Description	Item Code	UOM	Opening Stock					Closing Stock				
				Qty	Purchase cost	Replacement rate	Lower of (6) or (7)	Value (5) x (8)	Qty	Purchase cost	Replacement rate	Lower of (11) or (12)	Value (10) x (13)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
1	RM 1												
2	RM 2												
3	RM 3												
	.....												
	Total												
(d) Valuation of By-Products													
Sl.	Description	Item Code	UOM	Opening Stock			Closing Stock						
				Quantity	NRV	Value (5)x(6)	Quantity	NRV	Value (8)x(9)				
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)				
1	By-Product 1												
2	By-Product 2												
3	By-Product 3												
	.....												
	Total												
(e) Valuation of Intermediate Products (IMP) (refer Note 8)													
Sr.	Description	Item Code	UOM	Opening Stock					Closing Stock				
				Qty	COP	NRV	Lower of (6) or (7)	Value (5) x (8)	Qty	COP	NRV	Lower of (11) or (12)	Value (10) x (13)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
1	IMP 1												
2	IMP 2												
3	IMP 3												
	.....												
	Total												
(f) Valuation of Others													
Description		Opening Value						Closing Value					
Jigs, Tools, and Dies													
Stores, Spares and Consumables													
Scrap													
Others													
Total													
(g) Summary of Inventory Valuation as on .....													
Sl.	Particulars	Value as per Form No. 26 (If Form No. 26 not furnished, then value as per audited accounts)		Value as per Cost Accountant		Variation if any							
		Opening	Closing	Opening	Closing	Opening	Closing						
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)						
						(5) - (3)	(6) - (4)						
1	Finished Goods												
2	Stock- in-Trade												
3	Work-in-Progress												
4	Raw Material												
5	By-Products												
6	Intermediate products												
7	Jigs, Tools, and Dies												
8	Stores, Spares and Consumables												
9	Scrap												
10	Others												
11	Total												
12	Impact on Profit or Loss												
13	Impact on Income Tax												
(h) (viii) Details of inventory valuation carried out by the Cost Accountant:													
	Inventory Items	Method of valuation used by the Cost Accountant				In case of variation in the method adopted by the assessee, state reasons for variations in quantity, rates and value along with method adopted by the Cost Accountant for various items of inventory giving full justification.							
		Opening stock		Closing stock									
a.	Finished Goods (manufactured)												
b.	Stock-in-trade												
c.	Work-in-progress (WIP)												

d.	Raw materials										
e.	By-products										
f.	Intermediate Products										
g.	Jigs, Tools, and Dies										
h.	Stores, Spares and Consumables										
i.	Scrap										
j.	Any other item										
(i) Any other relevant comment, observation or qualification of the Cost Accountant:											
9 Details of inventory valuation for the relevant period under reporting by the Cost Accountant (wherever ICDS II is not applicable) (refer Note 9):											
A. Inventory valuation for Assessee engaged in the Construction Contracts which are dealt with by the ICDS III:											
(i) Valuation of Completed Units Ready for Sale (refer Note 10)											
Sl.	Description	Type of Completed units	Subtype if any	Closing Stock				Opening Stock			
				Qty	Cost of the unit for each type	NRV	Value [(5) X lesser of ((6) or (7))]	Qty	Cost of the unit for each type	NRV	Value [(9) X lesser of ((10) or (11))]
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
1	Project 1										
2	Project 2										
3	Project 3										
	.....										
	Total										
(ii) Valuation of Construction Work-in-progress											
Sl.	Description	Closing Stock				Opening Stock					
		%age Completion	Total to-date construction cost	Cost as per recognised revenue	Value of Work-in-progress [(4)-(5)]	%age Completion	Total to-date construction cost	Cost as per recognised revenue	Value of Work-in-progress [(8)-(9)]		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)		
1	Project 1										
2	Project 2										
3	Project 3										
	.....										
	Total										
(iii) Valuation of construction materials											

Sl.	Description	Item Code	UOM	Opening Stock					Closing Stock				
				Qty	Purchase cost	Replacement rate	Lower of (6) or (7)	Value (5) x (8)	Qty	Purchase cost	Replacement rate	Lower of (11) or (12)	Value (10) x (13)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
1	Material 1												
2	Material 2												
3	Material 3												
	.....												
	Total												

(iv) Valuation of construction fittings, supporting equipment and others

Sl.	Description	Item Code	UOM	Opening Stock					Closing Stock				
				Qty	Purchase cost	Replacement rate	Lower of (6) or (7)	Value (5) x (8)	Qty	Purchase cost	Replacement rate	Lower of (11) or (12)	Value (10) x (13)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
1	Item 1												
2	Item 2												
3	Item 3												
	.....												
	Total												

(v) Summary of Inventory Valuation for Construction Contracts as on .....

Sl.	Particulars	Value as per Form No. 26 (If Form No. 26] not furnished, then value as per audited accounts)		Value as per Cost Accountant		Variation if any	
		Opening	Closing	Opening	Closing	Opening	Closing
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
						(5)-(3)	(6)-(4)
1	Completed units ready for sale						
2	Construction Work-in-progress						
3	Construction Materials						
4	Construction Fittings, sup-						

	porting equipment and Others										
	Total										
	Impact on Profit or Loss ( <i>Specify the amount by which profit or loss would be affected by the changed valuation</i> )										
	Impact on Income Tax										
(vi) Details of inventory valuation carried out by the Cost Accountant ( <i>refer Note 10</i> ):											
	Inventory Items	Method of valuation used by the Cost Accountant					In case of variation in the method adopted by the assessee, state reasons for variations in quantity, rates and value along with method adopted by the Cost Accountant for various items of inventory giving full justification.				
		Opening stock			Closing stock						
a.	Completed units ready for sale										
b.	Construction Work-in-progress										
c.	Construction Materials										
d.	Construction Fittings, supporting equipment and Others										
(vii) Any other relevant comment, observation or qualification of the Cost Accountant											
<b>B. Inventory valuation for Assessee engaged in the trading of Securities which are dealt with by the ICDS VIII</b>											
<b>(i)(a) Valuation of Listed Shares held as Stock-in-trade</b>											
Sr.	Description	Opening Stock					Closing Stock				
		Qty	AC	NRV	Lower of (4) or (5)	Value (3)X (6)	Qty	A C	NRV	Lower of (9) or (10)	Value (8)X (11)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
1	Share 1										
2	Share 2										
3	Share 3										
	.....										
	<b>Total</b>										
(i)(b) Valuation of Unlisted Shares held as Stock-in-trade											



3	Any other Security 3									
	.....									
	<b>Total</b>									
(v) Summary of Inventory Valuation for Shares, Debentures and other Financial Instruments held as stock- in-trade as on .....										
Sl.	Category	Value as per Form No. 26 (If Form No. 26 not furnished, then value as per audited accounts)		Value as per Cost Accountant		Variation if any				
		Opening	Closing	Opening	Closing	Opening	Closing			
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)			
						(5) – (3)	(6) – (4)			
1	Listed Shares									
2	Unlisted Shares									
3	Debt Securities									
4	Convertible Securities									
5	Any other Security									
	<b>Total</b>									
	<b>Impact on Profit or Loss</b> (Specify the amount by which profit or loss would be affected by the changed valuation)									
	<b>Impact on Income Tax</b>									
(vi) Details of inventory valuation carried out by the Cost Accountant (refer Note 12)										
	Inventory Items	Method of valuation used by the Cost Accountant			In case of variation in the method adopted by the assessee, state reasons for variations in quantity, rates and value along with method adopted by the Cost Accountant for various items of inventory giving full justification.					
		Opening stock		Closing stock						
a.	Listed Shares									
b.	Unlisted Shares									
c.	Debt Securities									
d.	Convertible Securities									
e.	Any other Security									
(vii) Any other relevant comment, observation or qualification of the Cost Accountant										
C. Inventory valuation of livestock, agriculture and forest products, mineral oils, ores and gases, except those held by the trader of such inventories (refer Note 13)										
(i) Valuation of Inventory of Livestock										
Sl.	Description	UOM	Closing Stock			Opening Stock				
			Quantity	NRV	Value (4)X(5)	Quantity	NRV	Value (7)X(8)		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)		
1	Livestock 1									
2	Livestock 2									

3	Livestock 3							
	.....							
	Total							
(ii) Valuation of Inventory of Agriculture and Forest Produce								
Sl.	Description	UOM	Closing Stock			Opening Stock		
			Quantity	NRV	Value (4)X(5)	Quantity	NRV	Value (7)X(8)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1	Produce 1							
2	Produce 2							
3	Produce 3							
	.....							
	Total							
(iii) Valuation of Inventory of Mineral Oils, Ores and Gases								
Sl.	Description	UOM	Closing Stock			Opening Stock		
			Quantity	NRV	Value (4)X(5)	Quantity	NRV	Value (7)X(8)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1	Product 1							
2	Product 2							
3	Product 3							
	.....							
	Total							
(iv) Summary of Comparison as on .....								
Sl.	Category	Value as per Form No. 26 (If Form No. 26 not furnished, then value as per audited accounts)		Value as per Cost Accountant		Variation if any		
		Opening	Closing	Opening	Closing	Opening	Closing	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
						(5) – (3)	(6) – (4)	
1	Livestock							
2	Agriculture and Forest Produce							
3	Mineral oils, Ores and Gases							
	Total							
	Impact on Profit or Loss (Specify the amount by which profit or loss would be affected by the changed valuation)							
	Impact on Income Tax							
(v) Details of inventory valuation carried out by the Cost Accountant								
	Inventory Items			Method of valuation used by the Cost Accountant		In case of variation in the method adopted by the assessee, state reasons for variations in quantity, rates and value along with method		

				adopted by the Cost Accountant for various items of inventory giving full justification.
			Opening stock	Closing stock
a.	Livestock			
b.	Agriculture and Forest Produce			
c.	Mineral oils, Ores and Gases			
(vi) Any other relevant comment, observation or qualification of the Cost Accountant				

Place  
Date

*Signature*

Name of the Accountant:

Member Registration Number:

Permanent Account Number:

Unique Document Identification Number (UDIN), if any:

Name of the proprietorship/ firm:

Firm Registration Number:

**Notes:**

1. In case of individual, the first, middle and last name shall be provided in full without any abbreviations. In any other case also, name shall be provided in full.
2. The address shall contain Country/Region, ii. Flat/Door/Block number iii. Road/Street/Block/Sector, iv. PIN/ZIP Code, v. Post Office, vi. Area/locality, vii. District, viii. State.
3. In case available, details of HSN codes and SAC code for services should be provided for principal products/ services.
4. While filing details in Part B, Row No. 4, please note the following:
  - (i) Inventory of all such raw materials that constitute top 80% of the total inventory value of raw materials should be reported item-wise separately. Inventory of all other raw materials constituting balance may be clubbed under "Others".
  - (ii) Add number of rows depending on the number of raw materials
  - (iii) Other adjustments include Shortage/ Wastages / Rejects, etc.
5. While filing details in Part B, Row No. 5, please note the following:
  - (i) Add number of rows depending on the number of items
  - (ii) Separate quantitative details on the above lines should be given in respect of by-products, if any.
  - (iii) Where the assessee is trading in goods, quantitative details on the above lines should be given in respect of the goods traded in.
  - (iv) Inventory of all such manufactured goods / traded goods / work-in-progress items that constitute top 80% of the value of total manufactured goods / traded goods / work-in-progress items respectively should be reported item-wise separately. Inventory of all other manufactured goods / traded goods / work-in-progress items constituting balance may be clubbed under "Others"
6. While filing details in Part B, Row No. 8, please note the following:

- (i) COP: Cost of Production
- (ii) PV: Purchase Value
- (iii) NRV: Net Realisable Value
- (iv) Add or delete rows as per the number of items
- (v) The item level details shall be maintained by the Assessee and the Cost Accountant and produced if required by the Assessing Officer.
- (vi) Income Computation and Disclosure Standard II shall be applied for valuation of inventories, except:
  - a. Work-in-progress arising under 'construction contract' including directly related service contract which is
  - b. dealt with by the Income Computation and Disclosure Standard on construction contracts;
  - c. Work-in-progress which is dealt with by other Income Computation and Disclosure Standard;
  - d. Shares, debentures and other financial instruments held as stock-in-trade which are dealt with by the Income Computation and Disclosure Standard on securities;
  - e. Producers' inventories of livestock, agriculture and forest products, mineral oils, ores and gases to the extent that they are measured at net realisable value;

7. For Row No. 8(b), NRV here means NRV of relevant finished product less estimated completion cost

8. For Row No. 8(e), intermediate products include only such products which are at intermediate stage and not included elsewhere

9. Add number of rows depending on the number of Projects

10. While filing details in Part B, Row No. 9(A)(i), please note the following:

- (i) Type means BHK size/Affordable/ Premium/Commercial etc. which is identifiable as different sale unit
- (ii) Completed Units mean Plots/Flats/commercial units/Villas/Floors which are ready for sale and have been included in inventory as such
- (iii) The valuation of Land (Shown separately in Inventory Valuation in financials) and Development Rights can be shown here, if required.

11. While filing details in Part B, Row No. 9(A)(vi), specify the method used to determine the stage of completion of contracts in progress.

12. While filing details in Part B, Row No. 9(B), please note the following:

- (i) AC: Actual Cost
- (ii) NRV: Net Realisable Value
- (iii) Note: Add number of rows depending on the number of shares/securities
- (iv) With respect to 9(B)(vi), specify the method used to determine the Actual Cost and Net Realisable Value for each category of financial instruments.

13. While filing details in Part B, Row No. 9(C), please note the following:

- (i) NRV: Net Realisable Value
- (ii) Add number of rows depending on the number of Livestock/Produce/ Products

14. Amounts to be filled in ₹ unless otherwise provided.