Outlook

Re: Exposure Draft of Amendments to Ind AS 28 for comments

From Bilaspur branch of CIRC of ICAI <bilaspur@icai.org>
Date Sat 11/14/2026 5:59 PM
To asb@icai.in <asb@icai.in>; Comments ASB - ICAI <commentsasb@icai.in>
Cc Manglesh Pandey <pandeymanglesh2@gmail.com>

Dear Sir/Madam,

Comment on exposure draft of Amendments to Ind AS 28 (Investments in Associates and Joint Ventures) issued by the Accounting Standards Board (ASB).

1. Re-evaluation of the removal of investment-linked insurance funds: While the exposure draft proposes removing explicit standalone references to investment-linked insurance funds from Paragraphs 18 and 19, further clarity is required on how specialized insurance portfolios or segregated unit-linked funds holding significant stakes in associates should be accounted for. Leaving this entirely generalized without specific transitional guidance could create practical ambiguities for composite auditors dealing with life insurance company audits.

2. Practical ambiguity on the "main business activity" threshold: The proposed addition to Paragraph 18 stating that "similar entities" include those whose main business activity is investing in particular types of assets (referencing Ind AS 118) is a welcome step. However, the ASB should provide an objective interpretive test or threshold to determine when an entity's operations qualify as primarily "investing in particular types of assets," as subjective interpretations often lead to friction during statutory branch audits.

3. Guidance on documentation and audit evidence for FVTPL election at initial recognition: Since the exemption under Paragraph 18 remains an irrevocable election made at initial recognition on an associate-by-associate basis, practical issues often arise during subsequent statutory audits regarding what constitutes sufficient audit evidence of this election. The ASB should include illustrative documentation guidelines (such as formal board resolutions or investment committee mandates) to ensure uniform practice and prevent post-facto classification disputes between management and statutory auditors.

Regards
Bilaspur Branch of CIRC of ICAI

On Thu, Oct 15, 2026 at 10:35 AM asb@icai.in <asb@icai.in> wrote:

> Dear Sir/Madam,
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> Indian Accounting Standards (Ind AS) are based on the IFRS Standards issued by the International Accounting Standards Board (IASB). In this regard, it may be noted that IFRS Standards are being issued/ revised by the IASB from time to time. As a part of convergence with IFRS Standards, Ind AS may be issued/revised corresponding to the IFRS Standards. Accordingly, whenever any amendments or new IFRS