

Re: Exposure Draft of Revised Accounting Standard 105 for Public Comments

Agra ICAI <agra@icai.org>

Mon 06-09-2021 17:33

To: asb@icai.in <asb@icai.in>

Dear Sir,

Agra Branch of CIRC is pleased to respond to the Accounting Standards Board (ASB) of the Institute of Chartered Accountants of India (the ICAI) exposure draft of revised AS 105, Non-current Assets Held for Sale and Discontinued Operations.

We appreciate the efforts of the ICAI Accounting Standards Board (ASB) on the Non-current assets held for sale and discontinued operations project and welcome the opportunity to provide comments on the Exposure Draft.

Below is our comment in respect of the exposure draft:

"With regard to the disclosure requirement of paragraph 37, the Exposure Draft (ED) is silent as to whether components of an entity could be aggregated. We consider that it should be clarified that an entity is allowed to aggregate its components in some cases. Paragraph 39(b) of the ED proposes that an entity shall disclose information as to whether the profit or loss of components of an entity that have been disposed of or are classified as held for sale is presented in continuing operations or in discontinued operations. Considering this requirement, our understanding is that an entity is required to separate related components based on whether its profit or loss is presented in continuing operations or in discontinued operations, although the ED does not state clearly. We consider it necessary to add some guidance about the unit of disclosures required by paragraph 37, even though detailed criteria for aggregation are not necessary."

Kind Regards,

CA. Yash Jain

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