



THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA  
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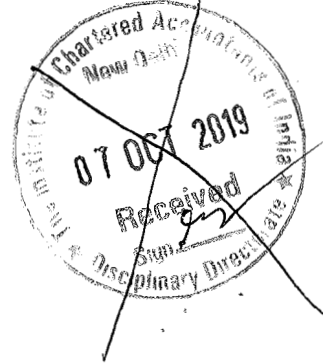
Ms. Nikita  
Pankaj  
9/10/19

Western India Regional Council

WIRC/ICAI/5535 /2019

30<sup>th</sup> September, 2019

CA. Vidhyadhar Kulkarni,  
Technical Consultant  
Secretary  
Accounting Standards Board  
The Institute of Chartered Accountants of India,  
ICAI Bhawan, Post Box No. 7100,  
Indraprastha Marg, New Delhi 110 002



Dear Sir,

**Sub.: Exposure Draft Issued by ASB for Comments**

We are enclosed herewith the Comments on Exposure Draft on **Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Proposed amendments to IAS 12.**

Kindly acknowledge the receipt of the same.

Thanking you,

Yours truly,

CA. Priti Savla  
Chairperson - WIRC of ICAI



## **Comments on Exposure Draft Deferred Tax related to Assets and Liabilities arising from a Single Transaction Proposed amendments to IAS 12**

Do you agree with the Board's proposal to amend IAS 12 in the manner described in the Exposure Draft? If not, why not, and what do you recommend instead?

1. The issue being addressed is related to asset and liability arising from single transaction and hence single transaction should be taken as a unit of measurement and not asset and liability separately;
2. The proposed amendment will not entirely address the diversity in practice in Accounting for Deferred Taxes;
3. Difference in initial recognition based on determination of whether the tax deductibility is related to lease asset or lease liability brings about a differential financial position for a similar economic transaction. This in fact would bring diverse reporting