

Re: Exposure Draft of Revised Accounting Standards (AS 12, Income Taxes) for Public Comments

Vikas Chaturvedi <vikas@valuecent.com>

Thu 10-06-2021 10:07

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

Dear Sir,

Please find the comments below :

- We suggest that Revised AS 12 shall provide the guidance on recognising the deferred tax liability for taxable temporary differences associated with investments in subsidiaries, associates and joint ventures, if certain conditions are satisfied, given that based on the income statement approach as well there will be a timing difference between the accounting income and the taxable income on account of undistributed earnings of the subsidiaries.
- We suggest that Revised AS 12 shall provide guidance on recognition of deferred tax asset/liability arising from revaluation of non-depreciable assets and shall clarify that the such deferred tax asset/liabilities shall be measured on the basis of tax consequences from the sale of asset rather than through use.
- We suggest that Revised AS 12 shall provide guidance as to how an entity should account for the tax consequences of a change in its tax status

Request you to please acknowledge the receipt of the email.

Best Regards,

Dr. Vikas S. Chaturvedi

Founder Chairman, ASSOCHAM Europe

Founder Chairman, ICAI Netherlands

Chairman, India-Dutch Financial Corridor (IDFC)

Founder, Valuecent Group

+ 91 9999292228/+ 31 620 83 9904

www.valuecent.com

www.vikaschaturvedi.com



Valuecent

Note: My email address has been changed to vikas@valuecent.com. Please make the necessary changes in your records.

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

Sent: Thursday, May 13, 2021 1:02 PM

To: chairman.sydney <chairman.sydney@icai.in>; chairman@icai.melbourne <chairman@icai.melbourne>; chairman.botswana <chairman.botswana@icai.in>; chairman.toronto <chairman.toronto@icai.in>; chairman.vancouver <chairman.vancouver@icai.in>; chairman.hk@icai.in <chairman.hk@icai.in>; hgkochar@yahoo.com <hgkochar@yahoo.com>; sachin004@yahoo.com <sachin004@yahoo.com>; malkani_ca@yahoo.co.in <malkani_ca@yahoo.co.in>; kamal.shah@ke.gt.com <kamal.shah@ke.gt.com>; chairman.kuwait <chairman.kuwait@icai.in>; icailuxembourg@gmail.com <icailuxembourg@gmail.com>;

chairman@icaimalaysia.org <chairman@icaimalaysia.org>; prabhatfa@allianceifa.com.my <prabhatfa@allianceifa.com.my>; Vikas Chaturvedi <vikas@valuecent.com>; sanjayrenujain@yahoo.co.in <sanjayrenujain@yahoo.co.in>; president.papuanewguinea <president.papuanewguinea@icai.in>; scsandy@gmail.com <scsandy@gmail.com>; chairman.jeddah <chairman.jeddah@icai.in>; madhur.nir@gmail.com <madhur.nir@gmail.com>; chairman.saudiarabia@icai.in <chairman.saudiarabia@icai.in>; chairman.singapore <chairman.singapore@icai.in>; chairman@icaitanzania.org <chairman@icaitanzania.org>; chairman.bangkok <chairman.bangkok@icai.in>; manumehra1@hotmail.com <manumehra1@hotmail.com>; chairman@icai-fujairah.org <chairman@icai-fujairah.org>; Rajiv Shah <chairman@icaiuh.org>; chairman.london <chairman.london@icai.in>; chair@icaifso.org <chair@icaifso.org>; chairman@icaihouston.us <chairman@icaihouston.us>; chairman.newyork <chairman.newyork@icai.in>; team@icainy.us <team@icainy.us>; sandeep_dey65@yahoo.com <sandeep_dey65@yahoo.com>; chairman@icai.org.nz <chairman@icai.org.nz>; chairman.brisbane <chairman.brisbane@icai.in>; icaibahrain@gmail.com <icaibahrain@gmail.com>; info@icaitoronto.com <info@icaitoronto.com>; chairman.indonesia <chairman.indonesia@icai.in>; muscat@icai.org <muscat@icai.org>; chairman@icaidubai.org <chairman@icaidubai.org>; chairman@icaiug.org <chairman@icaiug.org>; Vijay Gupta <info@icaivancouver.com>
Subject: Exposure Draft of Revised Accounting Standards (AS 12, Income Taxes) for Public Comments

Dear Sir/ Madam,

Sub: Exposure Draft of Revised Accounting Standards for Public Comments

The Indian Accounting Standards (Ind AS), as notified by the Ministry of Corporate Affairs in February, 2015, and as amended from time to time are applicable to the specified class of companies as per Ind AS Roadmap. Accounting Standards notified under Companies (Accounting Standards) Rules 2006 and those issued by the ICAI are applicable to entities to whom Ind AS are not applicable. However, on the basis of the discussions held at various standard setting forums, such as, NACAS (now replaced by NFRA), Ministry of Corporate Affairs, and Accounting Standards Board (ASB) of ICAI, it has been decided to revise Accounting Standards (AS). Accordingly, ASB is working on the project of revision of these standards which will be applicable to entities to whom Ind AS are not applicable. While formulating these Accounting Standards, the ASB decided to maintain the consistency with the numbering of Standards of Ind AS numbering.

In this direction, the Exposure Draft of revised AS 12, *Income Taxes*, has been issued by the ASB for comments with the last date being **June 10, 2021**, which can be assessed at the link: <https://www.icai.org/post/exposure-draft-of-revised-as-12-income-taxes>

Further, comments on the abovementioned Exposure Draft issued by the ASB may be submitted through any of the following modes.

1. Electronically: Click on <http://www.icai.org/comments/asb/> to submit comment online (Preferred method)
2. Email: Comments can be sent to: commentsasb@icai.in
3. Postal: Secretary, Accounting Standards Board,
The Institute of Chartered Accountants of India,
ICAI Bhawan, Post Box No. 7100,
Indraprastha Marg, New Delhi 110 002

Further clarifications on any aspect of this Exposure Draft may be sought by e-mail to asb@icai.in.

Thanking you,
Yours Sincerely,

Chairman

Accounting Standards Board

The Institute of Chartered Accountants of India

ICAI Bhawan
Indraprastha Marg
Po.Box.No - 7100
I.T.O. New Delhi -110002
E-mail: asb@icai.in
website: www.icai.org

For help/query use e-Sahaayataa – <https://help.icai.org/>
"Follow ICAI on Social Media - <http://www.icai.org/followus/>"

    