

Extension of deadline for submission of comments on Exposure Draft on proposed Amendments to Ind AS 1

nirc@icai.in <nirc@icai.in>

Mon 27-02-2023 20:13

To: Comments ASB - ICAI <commentsasb@icai.in>

Cc: chairmannirc@icai.in <chairmannirc@icai.in>; gaurav1@jgarg.com <gaurav1@jgarg.com>; CA.Gaurav Garg <cagarggaurav1981@gmail.com>; abhi0808aga@gmail.com <abhi0808aga@gmail.com>; secretary-nirc@icai.in <secretary-nirc@icai.in>; Ashish Bhansali- ICAI/NIRC-New Delhi/RVO-Sector-62, Noida <ashish.bhansali@icai.in>

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/ Madam,

Below are the Comments from **NIRC of ICAI**:

In March 2018, the Institute of Chartered Accountants of India (ICAI) issued amendments to Ind AS 1, Presentation of Financial Statements, which provide guidance on the classification of liabilities as current or non-current and non-current liabilities with covenants.

The amendments require that an entity should classify a liability as current when it expects to settle the liability in its normal operating cycle, which is generally one year, or when it holds the liability primarily for the purpose of trading. If neither of these conditions is met, the liability should be classified as non-current.

Additionally, the amendments require that non-current liabilities with covenants that are due to breach within twelve months of the reporting date should be classified as current liabilities. This is intended to reflect the fact that the breach of a covenant could result in the liability becoming due for payment before its contractual maturity date.

The amendments are effective for annual periods beginning on or after April 1, 2019, with earlier application permitted. Entities should apply the amendments retrospectively to each prior reporting period presented or, alternatively, apply the amendments prospectively from the date of initial application.

It is important for entities to carefully consider the classification of their liabilities under these new guidelines to ensure that their financial statements accurately reflect their financial position and performance.

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Kindly acknowledge.

Thanks & Regards

Ashish Bhansali
Deputy Secretary,
**Northern India Regional Council of
The Institute of Chartered Accountants of India
(Setup by act of parliament in 1949)**
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YouTube: - <http://www.youtube.com/c/NIRCOFICAI2020>



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From: secretary-nirc@icaai.in <secretary-nirc@icaai.in>
Sent: Sunday, February 26, 2023 10:37 PM
To: nirc@icaai.in <nirc@icaai.in>; chairmannirc@icaai.in <chairmannirc@icaai.in>; nvn_garg@yahoo.com <nvn_garg@yahoo.com>; Naveen Garg <naveen@dmrn.in>
Cc: Ashish Bhansali- ICAI/NIRC-New Delhi/RVO-Sector-62, Noida <ashish.bhansali@icaai.in>
Subject: Re: Extension of deadline for submission of comments on Exposure Draft on proposed Amendments to Ind AS 1

Dear Ashish Ji,

Kindly use below comment for trailing email:-

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