

COMMENTS ON EXPOSURE DRAFT OF ACCOUNTING STANDARD (AS) 110: CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

Sr. No.	Para of Exposure Draft	Comments	Suggested Wordings, if any
1	As per Para 5, Definitions: Control (of an entity) - The power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.	<p>The phrase 'so as to obtain benefits from its activities' need not be specified, as in some cases, subsidiaries are incorporated not necessarily for monetary benefits e.g. incorporating a subsidiary as a Section 8 company for charitable work.</p> <p>However, it is still preferred that the definition of control laid down in Ind AS 110 be specified, as it is comprehensive.</p>	<i>Business could be defined as: Control (of an entity) - The power to govern the financial and operating policies of an entity.</i>
2	Para 4 of Appendix 1	The treatment of change in stake parent's ownership interest in a subsidiary without loss of control over parent needs to be specified, as Non-controlling Interests and Other Equity will change.	Guidance as per Ind AS 110 could be used.