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Subject: Comments on Exposure draft on Accounting Standard (AS) 102 share-based Payments

- 1) I welcome the opportunity provided for sending comments on Exposure draft on Accounting Standard (AS) 102 share-based Payments
- 2) My view

Existing	Proposed change	Comments	Rational
Amendments to Guidance Note on Accounting for Derivative Contracts (IBOR Phase 2 Replacement Issues)	If given it would be better considering the amendment is approaching by Dec 2021	There is no discussion about this change in AS 102	It would give better clarity for people in the industry and practicing CAs
Guidance Note on Accounting for Share-based Payments	Presently everyone is following guidance note and would be appropriate to have a difference analysis document and impact analysis examples	If would be better if an appendix is included discussing difference between AS 102 and Guidance note	It would give better clarity for people in the industry and practicing CAs
Graded vesting is available in Guidance Note on Accounting for Share-based Payments	The same is not there in AS 102, it would be appropriate to include the para 74 and Appendix VI of guidance note	At present as per AS 102 graded vesting is not allowed	It will have an impact on plans of the Organisation which is running and which is proposed in graded manner
Earnings per share implication is available in Guidance Note on Accounting for Share-based Payments	The same is not there in AS 102, it would be appropriate to include the para 77, 78 and Appendix VII of guidance note	It will bring in easy transition to people following guidance note	It will bring in easy transition to people following guidance note
Foot note 6 is placed under para If the fair value of the equity instruments cannot be estimated reliably	It would be appropriate to place under Para 26	It is leading to confusion	It would be better placed under After vesting date para
At present guidance note allows for accounting either on intrinsic value basis or fair value basis as per para 14	The same is not there in AS 102, it would be appropriate to include the para 14 and 72	Accounting method is not clear Otherwise transition provision is required for people following intrinsic value method	It leads to ambiguity in basis of accounting

	Tax implications can be included in the standards	Provides more clarity on tax accounting and impact on EPS	It would be better placed under After vesting date para
Para 29 An entity might modify the terms and conditions on which the equity instruments were granted. For example, it might reduce the exercise price of options granted to employees (i.e. re-price the options), which increases the fair value of those options.	An enterprise might modify the terms and conditions on which the shares or stock options were granted. For example, it might reduce the exercise price of options granted to employees (i.e., reprice the options), which increases the fair value of those options.	Presently GN covers share or stock option to cover preference share, if equity alone is worded then other options are excluded	It will have an impact on plans of the Organisation which is running as per Guidance note
Para 63b the number and weighted average exercise prices of share options for each of the following groups of options	the number and weighted average exercise prices of Stock/share options for each of the following groups of options	Stock can include group shares as well, but share will include Companies Share and not holding/subsidiary companies share which can be issued across group So stock and shares covers everything	Stock covers all Companies in the group
Number of places shares are used	It would be appropriate to use stock and shares	Stock can include group shares as well, but share will include Companies Share and not holding/subsidiary companies share which can be issued across group So stock and shares covers everything	Stock covers all Companies in the group
Number of places equity instrument wording is used	It would be appropriate to use stock and shares	Presently GN covers share or stock option to cover preference share, if equity alone is worded then other options are excluded	It will have an impact on plans of the Organisation which is running as per Guidance note

I concur that views stated above are my individual opinion and not of any organization where I am working or not of any committee or organization I am connected with.

Regards

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