

## Comment on Exposure Draft on Financial Instruments with Characteristics of Equity - Proposed amendments to IAS 32, IFRS 7 and IAS 1 issued by the IASB

Siliguri ICAI <siliguri@icai.org>

Tue 09-01-2024 19:27

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

Dear Sir

We appreciate the opportunity to provide feedback on the Exposure Draft for Financial Instruments with Characteristics of Equity. The proposed amendments have the potential to enhance the accounting standard and improve the transparency and consistency of financial reporting. We offer the following comments for your consideration:

- 1. Clarity and Consistency:** The proposed amendments to clarify the effects of relevant laws or regulations on the classification of financial instruments are a positive step towards achieving greater clarity and consistency in financial reporting. We encourage the IASB to provide additional guidance on the practical application of these clarifications to ensure consistent interpretation and implementation across entities and jurisdictions.
- 2. Stakeholder Engagement:** We commend the IASB for actively seeking input from stakeholders through the invitation to comment. We encourage continued engagement with a diverse range of stakeholders, including investors, preparers, auditors, and regulators, to ensure that the amendments address the needs of the global financial community.
- 3. Disclosure Requirements:** The proposed enhancements to disclosure requirements, particularly those related to the nature and priority of claims against an entity arising from financial liabilities and equity instruments, are welcomed. We recommend further consideration of the specific information needs of users of financial statements to ensure that the disclosures provide meaningful insights into an entity's financing and ownership structure.
- 4. Implementation Considerations:** As the amendments are finalized, we urge the IASB to consider the practical implications of implementation, particularly for entities with complex financial instruments. Clear implementation guidance and transition provisions will be essential to facilitate a smooth adoption of the amended accounting standard.

In conclusion, we believe that the proposed amendments have the potential to significantly improve the accounting standard for financial instruments with characteristics of equity. We look forward to the continued development of these proposals and remain committed to contributing to the enhancement of global accounting standards.

Thank you for the opportunity to provide feedback on this important initiative.

--

CA. Aadarsh Chandak  
(Secretary)  
Siliguri Branch of EIRC of ICAI

<http://www.siliguri-icai.org>

# 92334-25019

Disclaimer

:

The information contained in this electronic message and any attachments to this message are intended for the exclusive use of the addressee(s) and may contain proprietary, confidential or privileged information. If you are not the intended recipient, you should not disseminate, distribute or copy this e mail. Please notify the sender immediately and destroy all copies of this message and any attachments.