

Name: Sounder Rajan SP

M no 237299

Place: Chennai

Mail: sounderrajansubramanian2709@gmail.com

Mobile: 9940153273

Subject: Comments on Exposure draft of Climate-related and Other Uncertainties in the Financial Statements

- 1) I welcome the opportunity provided for sending comments on exposure draft of Climate-related and Other Uncertainties in the Financial Statements
- 2) My view considering fact pattern.

Question	Comments
<p>The IASB is proposing to provide eight examples illustrating how an entity applies the requirements in IFRS Accounting Standards to report the effects of climate-related and other uncertainties in its financial statements. The IASB expects the examples will help to improve the reporting of these effects in the financial statements, including by helping to strengthen connections between an entity's general purpose financial reports.</p> <p>Paragraphs BC1–BC9 of the Basis for Conclusions further explain the IASB's rationale for this proposal.</p> <p>(a) Do you agree that providing examples would help improve the reporting of the effects of climate-related and other uncertainties in the financial statements? Why or why not? If you disagree, please explain what you would suggest instead and why.</p> <p>The IASB is proposing to include the examples as illustrative examples accompanying IFRS Accounting Standards instead of publishing them as educational materials or including them in the Standards.</p> <p>Paragraphs BC43–BC45 of the Basis for Conclusions further explain the IASB's rationale for this proposal.</p> <p>(b) Do you agree with including the examples as illustrative examples accompanying IFRS Accounting Standards? Why or why not? If you disagree, please explain what you would suggest instead and why.</p>	<p>Providing examples for this standard is not agreeable, as standards provide principles and application are subject to situation &amp; interpretation of basis of conclusion of applicable standards along with framework, law as applicable for the relevant situations.</p> <p>Including examples in all standards will lead to different interpretations, instead IFRS can publish some educational material covering examples for every standard including coverage of discussing the key requirements of the Standard and the Frequently Asked Questions (FAQs) covering the issues, which are expected to be encountered frequently while implementing this Standard.</p>

<p>Examples 1–8 in this Exposure Draft illustrate how an entity applies specific requirements in IFRS Accounting Standards. The IASB decided to focus the examples on requirements:</p> <p>(a) that are among the most relevant for reporting the effects of climate-related and other uncertainties in the financial statements; and</p> <p>(b) that are likely to address the concerns that information about the effects of climate-related risks in the financial statements is insufficient or appears to be inconsistent with information provided in general purpose financial reports outside the financial statements.</p> <p>Paragraphs BC10–BC42 of the Basis for Conclusions further explain the IASB’s overall considerations in developing the examples and the objective and rationale for each example. Do you agree with the IASB’s approach to developing the examples? Do you agree with the selection of requirements and fact patterns illustrated in the examples and the technical content of the examples? Please explain why or why not. If you disagree, please explain what you would suggest instead and why.</p>	<p>Providing examples for this standard is not agreeable, as standards provide principles and application are subject to situation &amp; interpretation of basis of conclusion of applicable standards along with framework, law as applicable for the relevant situations.</p> <p>Including these examples directly in the standards could lead to an overreliance on them or that it might make the standards more complex.</p>
<p>Do you have any other comments on the Exposure Draft?</p>	<p>These examples cover only few standards and not covering other standards like impact in segment reporting, impact in insurance industries as per IFRS 17 or proposed IFRS 19 or impact in MDNA disclosures etc.,</p> <p>Including examples in all standards will lead to different interpretations, instead IFRS can publish some educational material covering examples for every standard including coverage of discussing the key requirements of the Standard and the Frequently Asked Questions (FAQs) covering the issues, which are expected to be encountered frequently while implementing this Standard.</p> <p>Education material will cover basic concepts, principles of standards, functional understanding and its less technical where reader can understand it better than these examples covering technical aspects of standards leading to complexities of understanding/interpretations.</p> <p>IFRS can include examples within educational material to make it most effective for learning &amp; understanding of standards, application of knowledge.</p> <p>Covering aspects of review of selected samples of annual reports of large, listed entities across globe &amp; providing practical aspects of mistakes in annual reports by larger entities will provide greater insights to applicable to all standards.</p>

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

Souder Rajan

M No 237299