COMMENTS ON EXPOSURE DRAFT

Amendments to Ind AS 28 – Investments in Associates and Joint Ventures

Date: 24 October 2026

To
The Secretary
Accounting Standards Board
The Institute of Chartered Accountants of India

Subject: Comments on Exposure Draft – Amendments to Ind AS 28, Investments in Associates and Joint Ventures

Respected Sir/Madam,

We appreciate the opportunity to provide comments on the Exposure Draft issued by the Accounting Standards Board. We have reviewed the proposed amendments to paragraphs 18 and 19 and the proposed insertion of paragraph 45M of Ind AS 28. Our observations and recommendations are set out below.

1. Paragraph 18 – Eligibility for fair value measurement

Comment: We broadly agree with the proposed clarification concerning entities whose main business activity is investing in particular types of assets.

Recommendation: We suggest adding illustrative guidance to assist entities in assessing whether they qualify as “similar entities” for the fair value through profit or loss election, particularly where investment activities coexist with other operations.

2. Paragraph 19 – Investments held partly through eligible entities

Comment: We support the proposed wording permitting the fair value election for the eligible indirectly held portion of an investment, while the equity method applies to the remaining portion.

Recommendation: We suggest a practical illustration of accounting for the two portions, including the identification of the portion eligible for the election and the subsequent application of different measurement bases.

3. Reference to Ind AS 118

Comment: The draft refers to Ind AS 118, which the Exposure Draft notes has not yet been notified by the Ministry of Corporate Affairs.

Recommendation: We request that the final amendment clearly communicate its commencement and interaction with the notification and application of Ind AS 118 to minimise implementation uncertainty.

4. Paragraph 45M – Transition

Comment: We support the inclusion of a specific transition provision linking the amendments to paragraph C7 of Ind AS 118.

Recommendation: An illustrative transition example would assist preparers, particularly where Ind AS 118 is adopted for an earlier reporting period.

5. Disclosure implications

Comment: The availability of different measurement bases for investments in associates may affect the information users need to understand the entity's accounting policy.

Recommendation: We suggest clarifying how existing disclosure requirements under applicable Ind AS interact with this election, without introducing duplicative requirements.

Overall conclusion

We broadly support the proposed amendments and recommend that the Board consider the above implementation clarifications when finalising the requirements.

Regards,

THE ICAI

Vijayawada Branch