

## Re: Exposure Drafts for Financial Statements of Non-Corporate Entities and Limited Liability Partnerships

pankaj bansal <pankajbansal1980@yahoo.co.in>

Wed 08-03-2023 21:14

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

Cc: chairmannirc@icai.in <chairmannirc@icai.in>;gaurav1@jgarg.com <gaurav1@jgarg.com>;CA.Gaurav Garg <cagarggaurav1981@gmail.com>;secretary-nirc@icai.in <secretary-nirc@icai.in>;abhi0808aga@gmail.com <abhi0808aga@gmail.com>;Ashish Bhansali- ICAI/NIRC-New Delhi/RVO-Sector-62, Noida <ashish.bhansali@icai.in>

Dear Ashish ji,

Please incorporate our below comments for Non Corporate Entities

In case of the Non-Corporate entities, considering the wide spectrum of role and responsibilities performed by them, undoubtedly there are wide users/stakeholders of the financial information of these Non-Corporate entities. The users could be present and potential investors, employees, lenders, suppliers, other trade creditors, customers.

Extent or size of economic and financial activities of the Non-Corporate entities have grown over the period of time. While there is push for higher private participation through 'Public-Private-Partnership' model, it has also led to substantial increase in the number of Non-Corporate entities in private sector as well as in government sector and increase in size of financial activities of these Non-Corporate entities.

Financial Statements form the backbone for financial planning, analysis, benchmarking and decision making. If Non-Corporate entities follow high quality reporting framework, its financial statements faithfully represent its transactions and are more reliable, complete and comparable.

In June 2022, the Accounting Standards Board of ICAI has issued the Technical Guide on Financial Statements of Non-corporate Entities to deal with applicability of Accounting Standards to the non-corporate entities and recommending formats of the financial statements for the Non-Corporate entities.

The Accounting Standards Board has now prescribed the formats for the presentation of the financial statements of Non-corporate Entities in the form of Guidance Note, which were earlier issued as a part of Technical Guide. The objective is to standardise the formats of financial statements for these entities and to enhance the quality and comprehensiveness of the financial reporting by these entities.

This Guidance Note shall be effective immediately from the date of its issuance. The Technical Guide on Financial Statements of Non-Corporate Entities shall be superseded by this Guidance Note.

It is important for all Non- Corporate entities to carefully consider the above standardise formats while preparing their financial statements as per new guidelines to ensure that their financial statements should reflect true, correct and fair view of their books of accounts as per applicable compliances and standard practices of disclosure and presentation requirements.

Thanks and Regards

**CA PANKAJ BANSAL**

**JMKP AND CO. LLP**

**CHARTERED ACCOUNTANTS**

309, Aggarwal Shopping Complex, Plot No 1,

Near Power House

CD Block, Pitam Pura,

New Delhi-110034

Mobile-9810174767

On Wednesday, 8 March, 2023 at 07:15:45 pm IST, nirc@icai.in <nirc@icai.in> wrote:

Thanks Sir, kindly also urgently send us the comments on the Guidance Note on "*Financial Statements of Non-Corporate Entities*" -

<https://www.icai.org/post/ed-guidance-note-fsnce>

Today is the last date.

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Thanks & Regards

Ashish Bhansali  
Deputy Secretary,  
**Northern India Regional Council of  
The Institute of Chartered Accountants of India  
(Setup by an Act of Parliament in 1949)**  
4th & 5th Floor, Annexe Building,  
ICAI Bhawan, Indraprastha Marg, Delhi-110002  
Phone: - 011-30100511 | Website:- [www.nirc.icai.org](http://www.nirc.icai.org)  
YouTube: - <http://www.youtube.com/c/NIRCOfICAI2020>



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**From:** pankaj bansal <pankajbansal1980@yahoo.co.in>  
**Sent:** Wednesday, March 8, 2023 11:48 AM  
**To:** nirc@icai.in <nirc@icai.in>; Comments ASB - ICAI <commentsasb@icai.in>  
**Cc:** chairmannirc@icai.in <chairmannirc@icai.in>; gaurav1@jgarg.com <gaurav1@jgarg.com>; CA.Gaurav Garg <cagarggaurav1981@gmail.com>; secretary-nirc@icai.in <secretary-nirc@icai.in>; abhi0808aga@gmail.com <abhi0808aga@gmail.com>; Ashish Bhansali- ICAI/NIRC-New Delhi/RVO-Sector-62, Noida <ashish.bhansali@icai.in>  
**Subject:** Re: Exposure Drafts for Financial Statements of Non-Corporate Entities and Limited Liability Partnerships

Dear Ashish ji,

Please incorporate our below comments for LLP.

The LLP is a corporate business form that gives the benefits of limited liability of a company and the flexibility of a partnership. Since LLP contains elements of both 'a corporate structure' as well as 'a partnership firm structure' LLP is called a hybrid of a company and a partnership

In accordance with the LLP Act 2008, the accounts of Limited Liability Partnership shall be audited in accordance with the Rules prescribed under LLP Rules 2009.

In June 2022, the Accounting Standards Board of ICAI has issued the Technical Guide on Financial Statements of Limited Liability Partnerships (LLPs) to deal with applicability of Accounting Standards to the LLPs and recommending formats of the financial statements for the LLPs.

The Accounting Standards Board has now prescribed the formats for the presentation of the financial statements of LLPs in the form of Guidance Note, which were earlier issued as a part of Technical Guide

The objective is to standardise the formats of financial statements for these entities and to enhance the quality and comprehensiveness of the financial reporting by these entities.

This Guidance Note shall be effective immediately from the date of its issuance. The Technical Guide on Financial Statements of Limited Liability Partnerships shall be superseded by this Guidance Note.

It is important for all LLP enterprises to carefully consider the above standardise formats while preparing their financial statements as per new guidelines to ensure that their financial statements should reflect true, correct and fair view of their books of accounts as per applicable compliances and standard practices of disclosure and presentation requirements.

Thanks and Regards  
**CA PANKAJ BANSAL**  
**JMKP AND CO. LLP**  
**CHARTERED ACCOUNTANTS**  
309, Aggarwal Shopping Complex, Plot No 1,  
Near Power House  
CD Block, Pitam Pura,  
New Delhi-110034  
Mobile-9810174767

On Tuesday, 7 March, 2023 at 08:09:10 pm IST, nirc@icai.in <nirc@icai.in> wrote:

Dear Sir,

As per telecon with CA. Abhinav Aggarwal, Secretary, NIRC of ICAI, refer the trail mail on the subject matter, request your goodself to send the comments by **08/03/2023** positively.

The Exposure Drafts of Guidance Notes can be assessed at the following links on the ICAI's website:

- Guidance Note on *Financial Statements of Non-Corporate Entities* - <https://www.icai.org/post/ed-guidance-note-fsnce>
- Guidance Note on *Financial Statements of Limited Liability Partnerships* - <https://www.icai.org/post/ed-guidance-note-fsllp>

Your kind cooperation is highly solicited.

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Thanks & Regards

Ashish Bhansali  
Deputy Secretary,  
**Northern India Regional Council of**  
**The Institute of Chartered Accountants of India**  
(Setup by act of parliament in 1949)  
4th & 5th Floor, Annexe Building,  
ICAI Bhawan, Indraprastha Marg, Delhi-110002  
Phone: - 011-30100511 | Website:- [www.nirc.icai.org](http://www.nirc.icai.org)  
YouTube: - <http://www.youtube.com/c/NIRCOFICAI2020>



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**From:** nirc@icai.in <nirc@icai.in>

**Sent:** Monday, February 27, 2023 8:41 PM

**To:** gaurav1@jgarg.com <gaurav1@jgarg.com>; CA.Gaurav Garg <cagarggaurav1981@gmail.com>

**Cc:** secretary-nirc@icai.in <secretary-nirc@icai.in>; abhi0808aga@gmail.com <abhi0808aga@gmail.com>; Ashish Bhansali- ICAI/NIRC-New Delhi/RVO-Sector-62, Noida <ashish.bhansali@icai.in>

**Subject:** Fw: Exposure Drafts for Financial Statements of Non-Corporate Entities and Limited Liability Partnerships

Dear Sir,

Trailing mail on subject matter, last date of comments being **March 8, 2023**.

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Thanks & Regards

Ashish Bhansali  
Deputy Secretary,  
**Northern India Regional Council of  
The Institute of Chartered Accountants of India**  
(Setup by act of parliament in 1949)  
4th & 5th Floor, Annexe Building,  
ICAI Bhawan, Indraprastha Marg, Delhi-110002  
Phone: - 011-30100511 | Website:- [www.nirc.icai.org](http://www.nirc.icai.org)  
YouTube: - <http://www.youtube.com/c/NIRCOFICAI2020>



वसुधैव कुटुम्बकम्

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**From:** asb@icai.in <asb@icai.in>

**Sent:** Tuesday, February 7, 2023 2:07 PM

**To:** WIRC OF ICAI <wirc@icai.in>; wro@icai.in <wro@icai.in>; Goa ICAI <goa@icai.org>; ahmedabad@icai.org <ahmedabad@icai.org>; akola@icai.org <akola@icai.org>; bharuch@icai.org <bharuch@icai.org>; bhavnagar@icai.org <bhavnagar@icai.org>; bhuj@icai.org <bhuj@icai.org>; gandhidham@icai.org <gandhidham@icai.org>; jamnagar@icai.org <jamnagar@icai.org>; rajkot@icai.org <rajkot@icai.org>; surat@icai.org <surat@icai.org>; baroda@icai.org <baroda@icai.org>; ahmednagar@icai.org <ahmednagar@icai.org>; amravati@icai.org <amravati@icai.org>; aurangabad@icai.org <aurangabad@icai.org>; dhule@icai.org <dhule@icai.org>; ichalkaranji@icai.org <ichalkaranji@icai.org>; Jalgaon@icai.org <Jalgaon@icai.org>; kalyan-dombivali@icai.org <kalyan-dombivali@icai.org>; kolhapur@icai.org <kolhapur@icai.org>; latur@icai.org <latur@icai.org>; nagpur@icai.org <nagpur@icai.org>; nanded@icai.org <nanded@icai.org>; NASHIK ICAI <nashik@icai.org>; navimumbai400705@gmail.com <navimumbai400705@gmail.com>; navsari@icai.org <navsari@icai.org>; pimpri.chinchwad@icai.org <pimpri.chinchwad@icai.org>; pune@icai.org <pune@icai.org>; ratnagiri@icai.org <ratnagiri@icai.org>; icaisangli@gmail.com <icaisangli@gmail.com>; satara@icai.org <satara@icai.org>; solapur@icai.org <solapur@icai.org>; thane@icai.org <thane@icai.org>; vapi@icai.org <vapi@icai.org>; vasaibranch@gmail.com <vasaibranch@gmail.com>; sirc@icai.in <sirc@icai.in>; sro@icai.in <sro@icai.in>; anantapur@icai.org <anantapur@icai.org>; guntur@icai.org <guntur@icai.org>; kadapa@icai.org <kadapa@icai.org>; kakinada@icai.org <kakinada@icai.org>; kurnool@icai.org <kurnool@icai.org>; nellore@icai.org <nellore@icai.org>; ongole@icai.org <ongole@icai.org>; rajamahendravaram@icai.org <rajamahendravaram@icai.org>; vjbranchofsircoficai@gmail.com <vjbranchofsircoficai@gmail.com>; tirupathi@icai.org <tirupathi@icai.org>; visakhapatnam@icai.org <visakhapatnam@icai.org>; eluru@icai.org <eluru@icai.org>; ICAI BANGALORE <bangalore@icai.org>; belgaum@icai.org <belgaum@icai.org>; bellary@icai.org <bellary@icai.org>; erode@icai.org <erode@icai.org>; icaihubli@gmail.com <icaihubli@gmail.com>; kalaburgi@icai.org <kalaburgi@icai.org>; mangalore@icai.org <mangalore@icai.org>; mysore.icai@gmail.com <mysore.icai@gmail.com>; udupibranch.icai@gmail.com <udupi@icai.org>; vellore@icai.org <vellore@icai.org>; alleppey@icai.org <alleppey@icai.org>; calicut@icai.org <calicut@icai.org>;

ernakulam@icai.org <ernakulam@icai.org>; kkvijayancnr@gmail.com <kannur@icai.org>; kottayam@icai.org <kottayam@icai.org>; palghat@icai.org <palghat@icai.org>; quilon@icai.org <quilon@icai.org>; trichur@icai.org <trichur@icai.org>; trivandrum@icai.org <trivandrum@icai.org>; pondicherry@icai.org <pondicherry@icai.org>; coimbatore@icai.org <coimbatore@icai.org>; kanchipuram@icai.org <kanchipuram@icai.org>; kumbakonam@icai.org <kumbakonam@icai.org>; madurai@icai.org <madurai@icai.org>; salem icai <salem@icai.org>; sivakasi@icai.org <sivakasi@icai.org>; tiruchirapalli@icai.org <tiruchirapalli@icai.org>; tirunelveli@icai.org <tirunelveli@icai.org>; tirupur@icai.org <tirupur@icai.org>; tuticorin@icai.org <tuticorin@icai.org>; hyderabad@icai.org <hyderabad@icai.org>; karimnagar@icai.org <karimnagar@icai.org>; warangal@icai.org <warangal@icai.org>; EIRC of ICAI <eirc@icai.in>; ero@icai.in <ero@icai.in>; dibrugarh@icai.org <dibrugarh@icai.org>; guwahati@icai.org <guwahati@icai.org>; tinsukia@icai.org <tinsukia@icai.org>; bhubaneswar@icai.org <bhubaneswar@icai.org>; brahmapur@icai.org <brahmapur@icai.org>; cuttack@icai.org <cuttack@icai.org>; jharsuguda@icai.org <jharsuguda@icai.org>; icai.rourkela@gmail.com <icai.rourkela@gmail.com>; ICAI Sambalpur <sambalpur@icai.org>; asansol@icai.org <asansol@icai.org>; durgapur@icai.org <durgapur@icai.org>; raniganj@icai.org <raniganj@icai.org>; siliguri@icai.org <siliguri@icai.org>; nirc@icai.in <nirc@icai.in>; nro@icai.in <nro@icai.in>; chandigarh@icai.org <chandigarh@icai.org>; sanjeev sharma <ambala@icai.org>; bahadurgarh.icai@gmail.com <bahadurgarh.icai@gmail.com>; bhiwani@icai.org <bhiwani@icai.org>; sony fbd <faridabad@icai.org>; gurgaon@icai.org <gurgaon@icai.org>; hisar@icai.org <hisar@icai.org>; kaithal@icai.org <kaithal@icai.org>; karnal@icai.org <karnal@icai.org>; kurukshetra@icai.org <kurukshetra@icai.org>; panipat@icai.org <panipat@icai.org>; rewari@icai.org <rewari@icai.org>; rohtak@icai.org <rohtak@icai.org>; Sirsa Branch of ICAI <sirsa@icai.in>; sonapat@icai.org <sonapat@icai.org>; yamunanagar@icai.org <yamunanagar@icai.org>; himachal\_pradesh@icai.org <himachal\_pradesh@icai.org>; Nirmal Singh <jammu\_kashmir@icai.org>; amritsar@icai.org <amritsar@icai.org>; nirc\_btd@yahoo.co.in <nirc\_btd@yahoo.co.in>; jalandhar@icai.org <jalandhar@icai.org>; sandeep kaur <ludhiana@icai.org>; info@icaipatiala.org <info@icaipatiala.org>; sangrur@icai.org <sangrur@icai.org>; circ@icai.in <circ@icai.in>; cro@icai.in <cro@icai.in>; patna@icai.org <patna@icai.org>; CA. Mahavir Jain <bhilai@icai.org>; bilaspur@icai.org <bilaspur@icai.org>; raipur@icai.org <raipur@icai.org>; dhanbad@icai.org <dhanbad@icai.org>; jamshedpur@icai.org <jamshedpur@icai.org>; ranchi@icai.org <ranchi@icai.org>; ICAI Bhopal Branch <bhopal@icai.org>; gwalior@icai.org <gwalior@icai.org>; indore@icai.in <indore@icai.in>; jabalpur@icai.org <jabalpur@icai.org>; jhansi@icai.org <jhansi@icai.org>; ratlam@icai.org <ratlam@icai.org>; ujjain@icai.org <ujjain@icai.org>; ajmer.icai@gmail.com <ajmer.icai@gmail.com>; alwar@icai.org <alwar@icai.org>; beawar@icai.org <beawar@icai.org>; bharatpur@icai.org <bharatpur@icai.org>; Bhilwara@icai.org <Bhilwara@icai.org>; ganesh.daiya@gmail.com <bikaner@icai.org>; chittorgarh@icai.org <chittorgarh@icai.org>; jaipur@icai.org <jaipur@icai.org>; jodhpur@icai.org <jodhpur@icai.org>; kishangarh@icai.org <kishangarh@icai.org>; kota@icai.org <kota@icai.org>; icaipalibranch@gmail.com <icaipalibranch@gmail.com>; sikar@icai.org <sikar@icai.org>; sriganganagar@icai.org <sriganganagar@icai.org>; udaipur@icai.org <udaipur@icai.org>; agra@icai.org <agra@icai.org>; icaialigarh@gmail.com <icaialigarh@gmail.com>; prayagraj@icai.org <prayagraj@icai.org>; bareilly@icai.org <bareilly@icai.org>; bulandshahr@icai.org <bulandshahr@icai.org>; ghaziabad@icai.org <ghaziabad@icai.org>; icaigorakhpur@gmail.com <icaigorakhpur@gmail.com>; lucknow@icai.org <lucknow@icai.org>; mathura@icai.org <mathura@icai.org>; meerut@icai.org <meerut@icai.org>; MORADABAD ICAI <moradabad@icai.org>; muzaffarnagar@icai.org <muzaffarnagar@icai.org>; infoicainoida@gmail.com <infoicainoida@gmail.com>; saharanpur@icai.org <saharanpur@icai.org>; varanasi@icai.in <varanasi@icai.in>; dehradun@icai.org <dehradun@icai.org>; haldwaniicai@gmail.com <haldwaniicai@gmail.com>; haridwar.icai@gmail.com <haridwar.icai@gmail.com>

**Subject:** Exposure Drafts for Financial Statements of Non-Corporate Entities and Limited Liability Partnerships

February 07, 2023

Dear Sir/Madam,

Namaste!

***Sub: Exposure Drafts for Financial Statements of Non-Corporate Entities and Limited Liability Partnerships***

The Accounting Standards Board (ASB) of the ICAI in June 2022 had issued Technical Guides on “*Financial Statements of Non-Corporate Entities*” and “*Financial Statements of Limited Liability Partnerships*” to deal with applicability of Accounting Standards and recommending formats of the financial statements to these entities. The ASB has now proposed to prescribe the formats for presentation of financial statements of these entities in the form of Guidance Notes. The objective of proposed Guidance Notes is to further ensure that these formats of financial statements are followed to achieve standardisation and enhance the quality of the financial reporting by these entities.

The Exposure Drafts of Guidance Notes can be assessed at the following links on the ICAI’s website:

- Guidance Note on *Financial Statements of Non-Corporate Entities* - <https://www.icaai.org/post/ed-guidance-note-fsnce>
- Guidance Note on *Financial Statements of Limited Liability Partnerships* - <https://www.icaai.org/post/ed-guidance-note-fsllp>

It may be noted that the Guidance Notes are relevant for the purpose of preparation of the financial statements of the Non-Corporate Entities and Limited Liability Partnerships unless any formats/principles are specifically prescribed by the relevant Statute or Regulator or any Authority.

The Exposure Draft has been hosted on the website of the Institute of Chartered Accountants of India ([www.icaai.org](http://www.icaai.org)) for public comments with last date of comments being **March 8, 2023**.

#### **How to comment:**

Comments on the abovementioned Exposure Drafts may be submitted through any of the following modes:

1. Electronically: Click on <http://www.icaai.org/comments/asb/> to submit comment online (Preferred method)
2. Email: Comments can be sent to: [commentsasb@icaai.in](mailto:commentsasb@icaai.in)  
Secretary, Accounting Standards Board,
3. Postal: The Institute of Chartered Accountants of India,  
ICAI Bhawan, Post Box No. 7100,  
Indraprastha Marg, New Delhi 110 002

Further clarifications on the Exposure Draft may be sought by e-mail to [asb@icaai.in](mailto:asb@icaai.in).

With kind regards,

Chairman  
Accounting Standards Board

The Institute of Chartered Accountants of India  
भारतीय सनदी लेखाकार संस्थान  
ICAI Bhawan  
आई सी ए आई भवन,  
Indraprastha Marg, Po.Box.No - 7100

इंद्रपस्थ मार्ग, डाक बॉक्सा सं० ७१००,  
New Delhi -110002  
नई दिल्ली - ११० ००२  
E-mail (ईमेल): [asb@icai.in](mailto:asb@icai.in)



For help/query use e-Sahaayataa – <https://help.icai.org/>

“Follow ICAI on Social Media - <http://www.icai.org/followus/>”

