

## **Updates on 263<sup>rd</sup> Accounting Standards Board (the Board) Meeting**

### **263<sup>rd</sup> Accounting Standards Board Meeting held on June 12, 2020 through video conferencing**

#### **(I) IFRS Standards and Ind AS:**

The Board considered the 12 comments received on the Exposure Draft on Covid-19-Related Rent Concessions (Proposed amendment to Ind AS 116, *Leases*) corresponding to Amendment to IFRS 16, *Leases*, (Covid-19-Related Rent Concessions) issued by the International Accounting Standards Board (IASB). In particular, the Board discussed the need for early application provision contained in paragraph C1A of the Exposure Draft. The Board was of the view that early adoption option to entities is not generally permitted in India. However, in this particular instance this may be required for two reasons:

- i) In order to enable the timely adoption benefit to companies with accounting year other than April to March.
- ii) To facilitate companies with accounting year April to March 2020 to adopt these in the 2019-20 financial statements itself if the financial statements are not yet issued.

The Board authorised the Chairman, ASB, to finalise the amendments to Ind AS 116 on the basis of deliberations at the meeting and take necessary steps to take approval of the Council so that same shall be submitted to MCA.

#### **(II) Revised Accounting Standards**

The Board considered the Revised AS 37, *Provisions, Contingent Liabilities and Contingent Assets*, formulated on the basis of Revised Approach Paper 2020. Key deliberations were regarding pros and cons of measuring all the provisions, where time value of money is material, on present value (discounted) basis and decided to present the same to the Council.

#### **(III) Ind AS Implementation Initiatives**

The Board considered the additional questions drafted by the office for inclusion in draft Educational Material on Ind AS 38, *Intangible Assets*, and suggested certain changes. The Board authorised the Chairman to finalise the Educational Material on Ind AS 38.

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