



N.A.SHAH ASSOCIATES LLP
Chartered Accountants

BULLETIN

ACCOUNTING, AUDITING AND COMPANY LAW –
MARCH, 2024

ACCOUNTING AND AUDITING UPDATES

- EAC of ICAI has given opinion on timing of recognition of liability / provision in respect of pre-project expenses incurred by the Company in absence of a fund source or for which fund approval is pending from shareholders of the Company under Ind AS framework:
 - The present accounting treatment followed by the Company of not recognising the liability in respect of expenses incurred (but not approved) in the financial statements is not correct.
 - The Company should have recognised a liability in respect of the pre-project expenses when the pre-project activities are executed by the supplier of goods or services and as a result of which, a present obligation arises on the Company to pay cash to the supplier. Since the Company did not follow the above-mentioned accounting treatment, the same, if material, should be rectified in the current reporting period, considering it as an error, as per the requirements of Ind AS 8.

For more information, [click here](#)

- Issuance of Educational Material on Ind AS 12, Income Taxes

The ICAI has released educational material on Ind AS 12 which offers clarity in navigating the complexities of income taxes, from elucidating fundamental concepts to exploring the nuances of deferred tax assets and liabilities. It addresses all relevant aspects envisaged in the Standard by way of brief summary of the Standard and FAQs on practical issues that the preparers of the financial statements face while applying this Ind AS.

For more information, [click here](#)

- Implementation Guide on Maintenance of Property, Plant and Equipment (PPE) Register - Best Practices

Corporate Laws & Corporate Governance Committee of ICAI has notified 'Implementation Guide on Maintenance of PPE Register- Best Practices'. This implementation guide offers guidance on creating a comprehensive PPE register for an entity. It outlines the essential details to include in the register, serving as user guidance to strengthen financial controls and governance within the organization.

For more information, [click here](#)

♦ RBI Updates

- The RBI has issued an advisory to RE's regarding investment in AIF to ensure uniformity and concerns flagged by the representations of various stakeholders.


For more information, [click here](#)

- The RBI has amended Master Direction and FAQs on "Credit Card and Debit Card – Issuance and Conduct Directions, 2022." The amended provisions, effective 7th from March, 2024, establishes responsible practices and thereby, safeguarding consumer interests.

For more information, [click here](#)

Glossary:

EAC	Expert Advisory Committee
ICAI	Institute of Chartered Accountants of India
Ind AS	Indian Accounting Standards
RBI	Reserve Bank of India
AIF	Alternative Investment Fund
RE	Regulated Entity
FAQs	Frequently Asked Questions



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