

BULLETIN

ACCOUNTING, AUDITING AND COMPANY LAW – APRIL, 2024

ACCOUNTING AND AUDITING UPDATES

- EAC of ICAI has given opinion on Presentation in the Statement of Profit and Loss of standby, stoppage and allied costs incurred during force majeure on stoppage of the project of exploration and production (E&P) of oil and gas and other hydrocarbon related activities:
 - In case of stoppage and standby expenditure incurred during force majeure events, the Committee acknowledged the company's global presence in the oil and gas sector, where force majeure events are common. To classify any cost as exceptional item, the Company need to evaluate materiality as well as frequency of occurrence, considering factors like past experiences and industry specifics.
 - In regard to above matter, EAC is of the view that such cost incurred are not exceptional items. Further, it is advised for giving separate disclosure of these costs, along with disaggregating them under relevant headings in the Statement of Profit and Loss, according to paragraph 97 of Ind AS 1, along with appropriate disclosures in the notes to financial statements, as per the requirements of paragraph 85 of Ind AS 1.
 - Additionally, EAC recommended that borrowing costs, despite arising from the suspension
 of construction activities due to force majeure, should be presented as part of 'Finance
 costs' rather than exceptional items, adhering to Schedule III and Ind AS 1 & IND AS 23
 requirements.

For more information, click here

Issuance of Revised IND AS Disclosures Checklist

The ICAI has released Revised comprehensive and detailed disclosures checklist to enhance the quality and transparency of financial statements.

For more information, click here

 Issuance of Background Material on Sustainability and Business Responsibility and Sustainability Reporting (BRSR)

The ICAI has released revised edition of Background Material on Sustainability and Business Responsibility and Sustainability Reporting (BRSR).

For more information, click here

Glossary:

EAC	Expert Advisory Committee
ICAI	Institute of Chartered Accountants of India
Ind AS	Indian Accounting Standards

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