



N.A.SHAH ASSOCIATES LLP
Chartered Accountants

BULLETIN

ACCOUNTING, AUDITING AND COMPANY LAW –
SEPTEMBER 2026

ACCOUNTING AND AUDITING UPDATES

○ Expert Advisory Committee Opinions

○ Presentation of Unbilled Revenue

The EAC has clarified that unbilled revenue for goods or services already delivered, where the right to consideration is unconditional, should be classified as Trade Receivables rather than Other Current Financial Assets, even if an invoice has not been issued. Such balances should be classified as current or non-current, as applicable, and separately disclosed under Schedule III. Where the right to consideration is conditional, the balance should be classified as a contract asset under Ind AS 115.

○ Accounting for Land and Building Purchased with Retained Floor Area Ratio (FAR) and Redevelopment Rights

The EAC has opined that where a built-up commercial property is acquired with an undivided share in land for a composite consideration, the land and building should be recognised separately under Ind AS 16. The purchase cost should be allocated on a reasonable basis, such as relative fair values, considering applicable FAR and redevelopment restrictions. The seller's retention of future FAR or redevelopment rights does not, by itself, affect the buyer's control over the existing property. Land is generally not depreciated, while the building is depreciated over its estimated useful life.

○ Classification of Leased Land Held for Rentals under Ind AS 116 and Ind AS 40

The EAC has clarified that land held under a head lease and subleased to third parties may be classified as investment property depending on the nature of the sublease and the entity's use of the property. A finance sublease requires derecognition of the right-of-use (ROU) asset and recognition of a net investment in the sublease. For an operating sublease, the ROU asset may qualify as investment property if held to earn rentals or for capital appreciation and significant ancillary services are not provided. Land used for own operations or involving significant ancillary services would generally not qualify as investment property.

For more information on all the three EAC opinions, [Click here](#)

ICAI UPDATES

○ Tool for MSME Verification

ICAI's Centre for Audit Quality launched a Tool for MSME Verification to help members verify suppliers' MSME status through the Udyam portal. The tool supports bulk verification through Excel/CSV uploads and provides registration status, enterprise classification and business activity details.

To access the tool, [Click here](#) and to watch the demo, [Click here](#)

NFRA UPDATES

○ Constitution of Advisory Committee

NFRA has constituted an Advisory Committee on Audit Quality, Assurance and Technology under Rules 15 and 16 of the NFRA Rules, 2018. The Committee comprises experts from the audit profession, industry, finance, technology and other relevant fields. It will provide strategic inputs and recommendations on matters having a significant bearing on audit quality, assurance and technology.

For more information, [Click here](#)

○ Going Concern Assessment – SA 570 (Revised)

NFRA has issued Series 6 of its Auditor–Audit Committee Interactions, focusing on going concern assessment under SA 570 (Revised). The publication discusses the respective responsibilities of management, audit committees and statutory auditors in assessing the going concern basis of accounting, identifying material uncertainties, ensuring appropriate financial statement disclosures and determining the implications for the auditor's report.

For more information, [Click here](#)

FEMA UPDATES

○ Export of Services – EDF and EDPMS Compliance

With effect from 1 October 2026, exporters of services are required to file a Common Export Declaration Form (EDF) within 30 days from the end of the month in which the invoice is raised. A single EDF may cover multiple exports during the month. Authorised Dealer (AD) Banks will monitor export reporting and realisation of proceeds through EDPMS.

For more information, [Click here](#)

○ Realisation and Repatriation of Export Proceeds

With effect from 1 October 2026, export proceeds must be realised and repatriated within 9 months, reduced from 15 months. For exports invoiced and/or settled in INR, the period is 12 months, reduced from 18 months. The time limit is calculated from the date of shipment for goods and the date of invoice for services.

For more information, [Click here](#)

Other UPDATES

○ Revised Wage Ceiling for Provident Fund Coverage

Following the bonus-related updates issued in August 2026, the Ministry of Labour and Employment, vide Notification S.O. 5109(E) dated 17 September 2026, has revised the wage ceiling for Employees' Provident Fund purposes under Chapter III of the Code on Social Security, 2020, from Rs. 15,000 to Rs. 25,000 per month, effective 17 September 2026.

For more information, [Click here](#)

Glossary:

AD Bank	Authorized Dealer Bank
EAC	Expert Advisory Committee
EDF	Export Declaration Form
EPF	Employees Provident Fund
EDPMS	Export Data Processing and Monitoring System
FEMA	Foreign Exchange Management Act
MCA	Ministry of Corporate Affairs
MSME	Micro, Small and Medium Enterprise
NCD	Non-Convertible Debentures
NFRA	National Financial Reporting Authority
SEBI	Securities Exchange Board of India

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