



SUPPLEMENTARY_PAPER 18_SYLLABUS 2022

Supplementary on Study Material of Paper 18: Corporate Financial Reporting for December, 2024 Term of Examination

Section - A : Indian Accounting Standards

Module 1: Specific Accounting Standards

The students must follow the amendments introduced in the Companies (Indian Accounting Standards) Rules, 2015 through Companies (Indian Accounting Standards) Amendment Rules, 2023 with respect to the following Ind ASs:

- (i) Ind AS 101
- (ii) Ind AS 102
- (iii) Ind AS 8
- (iv) Ind AS 12

The link is given below:

<https://www.mca.gov.in/bin/ebook/dms/getdocument?doc=MzE0MDA5NzE4&docCategory=Notifications&type=open>

Section - B : Valuation of Shares, Accounting and Reporting of Financial Instruments and NBFCs

Module 3: Accounting for Financial Instruments

The students must follow the amendments introduced in the Companies (Indian Accounting Standards) Rules, 2015 through Companies (Indian Accounting Standards) Amendment Rules, 2023 with respect to the following Ind ASs:

- (i) Ind AS 107
- (ii) Ind AS 109

The link is given below:

<https://www.mca.gov.in/bin/ebook/dms/getdocument?doc=MzE0MDA5NzE4&docCategory=Notifications&type=open>



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Section – E: Recent Developments in Financial Reporting

Module 7: Recent Developments in Financial Reporting

Module 7.3 Business Responsibility and Sustainability Report

It will be included after the last point of ‘Recent Developments’ in Page no 359

SEBI vide its circular SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated 12.07.2023, introduced BRSR Core as a sub-set of the BRSR, consisting of a set of Key Performance Indicators (KPIs) / metrics under 9 ESG attributes. Keeping in view the relevance to the Indian / Emerging market context, few new KPIs have been identified for assurance such as job creation in small towns, openness of business, gross wages paid to women etc.

Further, for better global comparability intensity ratios based on revenue adjusted for Purchasing Power Parity (PPP) have been included. The format of BRSR Core for reasonable assurance is placed at **Annexure I** of the circular. The BRSR format after incorporating new KPIs of BRSR Core is placed as **Annexure II**. Accordingly, the BRSR format as prescribed in Annexure 16 of the Master Circular no. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023 stands revised.

For ease of reference, the BRSR Core contains a cross-reference to the disclosures contained in the BRSR.

Applicability:

Listed entities shall mandatorily undertake reasonable assurance of the BRSR Core, as per the glide path specified in the following table:

Financial Year	Applicability of BRSR Core to top listed entities (by market capitalization)
2023 – 24	Top 150 listed entities
2024 – 25	Top 250 listed entities
2025 – 26	Top 500 listed entities
2026 – 27	Top 1000 listed entities

The link is given below:

https://www.sebi.gov.in/legal/circulars/jul-2023/brsr-core-framework-for-assurance-and-esg-disclosures-for-value-chain_73854.html

Point No. 7.5 Corporate Social Responsibility Reporting in India

Entire point to be replaced by the following:

CSR Reporting

- (1) The Board's Report of a company covered under these rules pertaining to any financial year shall include an annual report on CSR containing particulars specified in Annexure I or Annexure II, as applicable. As per Annexure I, the report shall include -



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1. A brief outline of the company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs.
2. The Composition of the CSR Committee.
3. Average net profit of the company for last three financial years
4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)
5. Details of CSR spent during the financial year.
 - (a) Total amount to be spent for the financial year;
 - (b) Amount unspent, if any;
 - (c) Manner in which the amount spent during the financial year.
6. In case the company has failed to spend the two per cent of the average [net profit](#) of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.
7. A responsibility statement of the [CSR Committee](#) that the implementation and monitoring of [CSR Policy](#), is in compliance with CSR objectives and Policy of the company.
Annexure II provides a further detailed format and additional disclosure requirements such as –
 - (i) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years;
 - (ii) Amount required to be set-off for the financial year, if any;
 - (iii) Amount spent in Administrative overheads;
 - (iv) Amount spent on Impact Assessment, if applicable;
 - (v) Details of Unspent [Corporate Social Responsibility](#) amount for the preceding three Financial Years;
 - (vi) Whether any capital assets have been created or acquired through [Corporate Social Responsibility](#) amount spent in the Financial Year;
 - (vii) Reason for such failure.

Point No. 7.10 Reporting Through XBRL (eXtensible Business Reporting Language)

The following amendments has been made in Page no. 380

Companies exempt from XBRL Reporting

As per the Companies (Filing of Documents and Forms in Extensible Business Reporting Language) Rules, 2015 the following companies are exempt from XBRL filing of their financial statement and other documents:

- (i) Banking companies
- (ii) Insurance companies
- (iii) Non-Banking Financial companies.

Power Sector Companies are excluded from exemption list vide Companies (Filing of Documents and Forms in Extensible Business Reporting Language), Amendment, Rules, 2017 Dated 6th November 2017. So all Power Sector companies are now required to file their financials and other documents as per XBRL Taxonomy.



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Section – F: Government Accounting in India

Module 8: Government Accounting in India

Module 8.2 Role of Comptroller and Auditor General of India

In page no 406, point 10 shall be replaced by the following:

10. Audit of Government companies and corporations:

The duties and powers of the Comptroller and Auditor General in relation to the audit of the accounts of the Government companies shall be performed and exercised by him in accordance with the provisions of the Companies Act, 2013.