Workshop on Companies Amendment Act & Ind-AS

Practical Insights on Companies Amendment Act 2017 and proposed Ind-AS 115 & Ind-AS 116

Delhi, Mumbai, Bangalore

March 2018
The enactment of the Companies Act, 2013 (the 2013 Act or the Act) was one of the most significant legal reforms in India, aimed at bringing Indian companies law in line with global standards. The Act introduced significant changes in the companies’ law in India, especially in relation to accountability, disclosures, investor protection and corporate governance. The 2017 Amendment Act addresses difficulties in implementation, facilitates ease of doing business, helps achieving better harmonisation with other statutes such as Reserve Bank of India Act, 1934 and regulations made thereunder, and rectifies inconsistencies in the 2013 Act.

During day one of the workshop EY senior professionals would share their perspective on Companies Amendment Act 2017 and give a holistic view on some of the key changes pertaining to:

- Related Party Transactions
- Corporate Governance
- Loans & Investments
- Financial Reporting
- Dividends
- Audit & Auditors
- Board Matters and managerial remuneration
- Corporate Social Responsibility
- Other matters

Instead of ‘total share capital’, control over more than one-half of ‘total voting power’ will be the criterion to identify subsidiary. This will align ‘subsidiary’ definition under the 2013 Act with AS 21 Consolidated Financial Statements. However, it will continue to be different from definition under Ind AS.

It is not absolutely clear whether amounts recognised in OCI/retained earnings on transition to Ind AS or subsequently will be included in the net worth. Also, it is not clear whether these amounts will be included in ‘net worth’ upfront or on realisation.

Determination of free reserves is extremely onerous and effectively requires companies to determine profits on cash basis of accounting, and losses on accrual basis.
India Inc. successfully transitioned to IND AS (the new accounting framework based on International Financial Reporting Standards (IFRS)) during the period 2016-2018. Globally, companies are grappling with another wave of accounting changes with respect to Revenue Recognition and Leases. New Revenue recognition standards have been issued both under IFRS (IFRS 15) and US GAAP (ASC 606) and is effective from annual periods starting January 1, 2018. New standard on Leasing have also been issued both under IFRS (IFRS 16) and US GAAP (ASC 842) and is effective from annual periods starting January 1, 2019 with an option to early adopt.

In line with this, Ministry of corporate affairs (MCA) is likely to notify the new standard on revenue recognition (Ind AS 115) and leases (Ind AS 116) in next few weeks. These standards are expected to be effective from 01 April 2018 and 01 April 2019 respectively. The Accounting Standards Board (ASB) of the Institute of Chartered Accountants of India (ICAI) has already issued an Exposure Drafts (ED) of Ind AS 115 and Ind AS 116 in 2017.

During day two of the program EY senior professionals would share their perspective on Ind-AS 115 & Ind-AS 116 and give a holistic view on some of the key impacts:

1. 5 step model under Ind AS 115
2. Contract Modification
3. Contracts with multiple performance obligations
4. Principal Vs agency arrangements
5. Variable consideration & Variable consideration constraint
6. Contract acquisition & fulfilment cost
7. Significantly enhanced disclosures under Ind AS 115
8. Significant amendment to lease Classification
9. Lease & non-lease component
10. Allocation of consideration
11. Determination of discount rate
12. Transition to Ind-AS 115 & Ind-AS 116
This Master Class will be delivered by senior professionals from EY and its member firms in India, who have extensive training experience, as well as experience of working on consulting assignments. Intertwining theoretical material with some case studies, the trainers will ensure that the class never runs out of an excuse to interact!

**Course Fee:**

The Fee is INR 25,000 (exclusive of applicable taxes) per attendee for the 2 day workshop and includes training material, lunch & refreshment.

*If you wish to register/nominate for one of the two days then the applicable fee will be INR 15,000/= (exclusive of applicable taxes).*

Corporate has the option to nominate different set of participants on each of the day.

**Program schedule and contact person**

<table>
<thead>
<tr>
<th>Location</th>
<th>Date</th>
<th>Contact person</th>
</tr>
</thead>
<tbody>
<tr>
<td>Delhi</td>
<td>21, 22 March 2018</td>
<td>Ashima Talwar&lt;br&gt;Email: <a href="mailto:Ashima.Talwar@in.ey.com">Ashima.Talwar@in.ey.com</a>&lt;br&gt;Ph: 99715 52561</td>
</tr>
<tr>
<td>Mumbai</td>
<td>20, 21 March, 2018</td>
<td>Asif Chowgule&lt;br&gt;Email: <a href="mailto:Asif.Chowgule@in.ey.com">Asif.Chowgule@in.ey.com</a>&lt;br&gt;Ph: 99200 40333</td>
</tr>
<tr>
<td>Bengaluru</td>
<td>21, 22 March, 2018</td>
<td>Yashika Aggarwal&lt;br&gt;Email: <a href="mailto:Yashika.Aggarwal@in.ey.com">Yashika.Aggarwal@in.ey.com</a>&lt;br&gt;Ph: 9999 034363</td>
</tr>
</tbody>
</table>

The training is subject to a minimum number of participants. If the training has less than the required number of participants then EY FAAS Learning Solution is entitled to cancel any of the training programs at its absolute discretion, without liability. In such instances, the EY FAAS learning solution team can offer the participants with alternative options.
In today’s testing business environment, with organizational transformation and regulatory change constant features, a flexible and cost-effective workforce is critical. High-quality training is a crucial element of innovative talent management, to improve performance and ensure your teams can respond to today’s challenges, and are equipped for career success.

We, at EY FAAS, realized this need and accordingly we have set up a dedicated “Learning Solution” practice to help corporate and practicing professionals to deal with new requirements. FAAS Learning Solutions supplements EY’s primary range of services and provide business-specific training solutions for our clients and business communities throughout India, Europe, the Middle East and Africa. This is done with the help of a multidisciplinary team of trainers from around the world. As a globally integrated firm, we bring global insight to our training programs. All training programs are regularly updated to reflect changing trends and guidance. Our practical, relevant and stimulating courses are facilitated by highly competent trainers who have first-hand knowledge of the subject matter. We recognize that each client will have a different history, size, location and sector; therefore, programs can be tailored to specific needs of your business.

### Presenters

<table>
<thead>
<tr>
<th>Name</th>
<th>Title</th>
<th>Email</th>
<th>Mobile</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sandip Khetan</td>
<td>Partner</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jigar Parikh</td>
<td>Partner</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Charanjit Attra</td>
<td>Partner</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Devesh Prakash</td>
<td>Associate Partner</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Anand Banka</td>
<td>Director</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ayush Agarwal</td>
<td>Director</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jalpa Sonchhatra</td>
<td>Director</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Veenit Surana</td>
<td>Director</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shashi Tadwalkar</td>
<td>Director</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pradeep Mysore Suresh</td>
<td>Director</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Manish Rathi</td>
<td>Director</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Furqan Warsi</td>
<td>Director</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jennifer Rangwalai</td>
<td>Director</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ramakrishnan Harihara</td>
<td>Director</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amit Lodha</td>
<td>Director</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sandeep Gupta</td>
<td>Director</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### About Learning Solutions

In today's testing business environment, with organizational transformation and regulatory change constant features, a flexible and cost-effective workforce is critical. High-quality training is a crucial element of innovative talent management, to improve performance and ensure your teams can respond to today's challenges, and are equipped for career success.

We, at EY FAAS, realized this need and accordingly we have set up a dedicated “Learning Solution” practice to help corporate and practicing professionals to deal with new requirements. FAAS Learning Solutions supplements EY’s primary range of services and provide business-specific training solutions for our clients and business communities throughout India, Europe, the Middle East and Africa. This is done with the help of a multidisciplinary team of trainers from around the world. As a globally integrated firm, we bring global insight to our training programs. All training programs are regularly updated to reflect changing trends and guidance. Our practical, relevant and stimulating courses are facilitated by highly competent trainers who have first-hand knowledge of the subject matter. We recognize that each client will have a different history, size, location and sector; therefore, programs can be tailored to specific needs of your business.

---

**Mohd. Furqan Warsi**  
Director  
Assurance | FAAS  
Ernst & Young Associates LLP  
Email: Furqan.Warsi@in.ey.com  
Mobile: +91 96504 44344

**Anand Akhouri**  
Senior Manager  
Assurance | FAAS  
Ernst & Young Associate LLP  
Email: Anand.Akhouri@in.ey.com  
Mobile: +91 88004 10303
About EY
EY is a global leader in assurance, tax, transaction and advisory services. The insights and quality services we deliver help build trust and confidence in the capital markets and in economies the world over. We develop outstanding leaders who team to deliver on our promises to all of our stakeholders. In so doing, we play a critical role in building a better working world for our people, for our clients and for our communities.

EY refers to the global organization, and may refer to one or more, of the member firms of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. For more information about our organization, please visit ey.com.

Ernst & Young Associates LLP is one of the Indian client serving member firms of EYGM Limited. For more information about our organization, please visit www.ey.com/in.

Ernst & Young Associates LLP is a Limited Liability Partnership, registered under the Limited Liability Partnership Act, 2008 in India, having its registered office at 22 Camac Street, 3rd Floor, Block C, Kolkata – 700016

© 2018 Ernst & Young Associates LLP. Published in India. All Rights Reserved.

EYIN1802-004
ED None

This publication contains information in summary form and is therefore intended for general guidance only. It is not intended to be a substitute for detailed research or the exercise of professional judgment. Neither EYGM Ltd. nor any other member of the global Ernst & Young organization can accept any responsibility for loss occasioned to any person acting or refraining from action as a result of any material in this publication. On any specific matter, reference should be made to the appropriate advisor.

JG