Record note of the 24th Meeting of the National Financial Reporting Authority held on 10 July 2026

The 24th Meeting of the National Financial Reporting Authority was held on 10 July 2026. The meeting was chaired by Shri Nitin Gupta, Chairperson, NFRA. The meeting was attended by:

I. Full-Time Members:
   a) Ms. Smita Jhingran
   b) Shri P Daniel
   c) Shri Sushil Kumar Jaiswal

II. Part-Time Members:
   a) Shri A M Bajaj, Deputy Comptroller and Auditor General (Commercial and Central Receipt Audit), O/o CAG of India
   b) Shri Jeevan Sonparote, Executive Director, SEBI
   c) Ms. Sudha Balakrishnan, Chief Financial Officer, RBI (joined online)
   d) Professor R. Narayanaswamy, Ex-Faculty, Finance & Accounting, IIM Bangalore (joined online)
   e) Professor Sanjay Kallapur, Professor of Accounting at ISB, Hyderabad
   f) CA. (Dr.) Sanjeev Kumar Singhal, Chairman, ASB, ICAI
   g) CA. Sripriya Kumar, Chairperson, AASB, ICAI

III. Officials
   a) Ms. Vidhu Sood, Secretary, NFRA
   b) Shri Sunil Chand Jindal, General Manager, NFRA
   c) Ms Madhuri Shahapure, Principal Consultant, NFRA
   d) CA Parminder Kaur, Secretary, ASB, ICAI

IV. Invitees
   a) CA Vidhyadhar Kulkarni – Special Invitee (joined online)

a) The quorum for the meeting of the Authority was met in accordance with para 3 (9) of the National Financial Reporting Authority (Meeting for Transaction of Business) Rules, 2019. Part-Time Members, Shri Balamurugan D, JS, MCA and CA. Prasanna Kumar D, President, ICAI were granted leave of absence.

b) At the outset, all members were welcomed to the Meeting. A presentation on the proposal was made covering key aspects of the amendments to Ind AS 21. The presentation covered the following technical aspects:

   i. The proposed amendments to Ind AS 21, *The Effects of Changes in Foreign Exchange Rates - Translation to a Hyperinflationary Presentation Currency* along with consequential Ind AS 29, *Financial Reporting in Hyperinflationary Economies* and Miscellaneous Editorial Changes in the text of other Ind ASs, were discussed. The primary amendment relating to IAS 21, titled "*Translation to a Hyperinflationary Presentation Currency*," was issued by IASB to address issues that arose when an entity with a stable (non-hyperinflationary) functional currency translated its financial results into a hyperinflationary presentation currency.

   ii. The timelines of exposure drafts and issuance of standard by IASB and the corresponding timelines of exposure draft issued by ICAI.

   iii. A detailed background of the genesis of the issues being resolved by the amendment was presented which included the initial representation received by IFRIC, the existing provisions of IAS 21 and IAS 29 and the specific fact pattern which was not adequately addressed in the current standards. This was elaborated by presenting illustration of the fact pattern.

iv. Summary of the issues addressed by IASB and the manner in which the amendment addressed the issues.

v. The presentation also included the proposals from ICAI along with a summary of the public consultation responses received by the ICAI.

vi. Additionally, miscellaneous editorial changes to other standards (Ind AS 101, Ind AS 1 and Ind AS 28) that are also required to be carried out, were discussed.

c) On conclusion of the presentation, the Chairperson, NFRA invited comments from all members.

d) With respect to agenda 1, Members deliberated on the proposals and noted the rationale behind the limited scope amendments to Ind AS 21 were to address the accounting challenges as referred above. While these amendments would not be relevant to the Indian economy, but for global alignment it was necessary to consider the proposed amendments. It was discussed that the amendments would be relevant to industries which may have a presence in an hyperinflationary economy.

e) With reference to Agenda No. 2- "*Miscellaneous Editorial Changes in the text of other Ind ASs,*" Chairman, ASB stated that editorial changes are a routine exercise that arise from periodical reviews of the standards undertaken by the IASB as well as ICAI.

f) In the meeting, it was discussed that most of commentators had asked for further guidance in the application of proposed Ind AS. In response, Chairman, ASB apprised the Authority that sufficient educational material is available on ICAI website in this regard. It was discussed that at the time of public consultation if the ICAI were to include the papers of IASB, such as the Basis of Conclusions, Illustrative Examples or Staff Papers, as relevant to the amendments carried out by them, it may help the public consultation process in the country as several issued raised by the commentators include matters already dealt with by the IASB at the time of issue of the standards/amendments. Chairman, ASB, ICAI, agreed with the suggestion and stated that links to such relevant documents will be made available with the Exposure Drafts issued by ICAI in future.

g) At the close of the meeting, the following were the decision points:

(i) The Authority decided to recommend the ICAI proposal to NFRA on Ind AS 21 along with corresponding changes to other standards, and the editorial changes in other standards, to the Central Government for consideration of notification. These amendments would be made effective for the annual financial reporting period beginning on or after 01.04.2027.

h) The meeting was concluded with the approval of Chairperson, NFRA. The formal vote of thanks was given by Secretary, NFRA.

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Secretary, NFRA