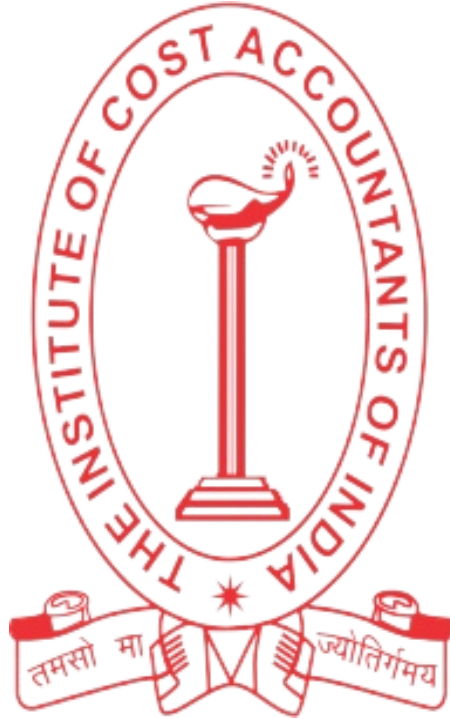




**SUPPLEMENTARY FOR
DECEMBER 2026 TERM
OF EXAMINATION**

PAPER - 6

FINANCIAL ACCOUNTING

SYLLABUS 2022

Note: The following changes in the respective paragraphs may be considered while reading the text available at point no. 9.2 of page no. 644 of Study Material Paper 6: Financial Management

Module 9 : Accounting Standards

9.2: Specified Accounting Standards with Comparative Provisions under Ind AS

- **Accounting for Taxes on Income (AS 22)**

As per GSR 169(E) dated 10.03.2026, the Companies (Accounting Standards) Amendment Rules, 2026 have been made the following changes:

2. In the Companies (Accounting Standards) Rules, 2021, in the Annexure, under the heading B. Accounting Standards, under the sub-heading Accounting Standard (AS) 22, —

(a) after paragraph 2, the following paragraph shall be inserted, namely: -

“2A. This Standard applies to taxes on income arising from tax law enacted or substantively enacted to implement the Pillar Two model rules published by the Organisation for Economic Co-operation and Development (OECD), including tax law that implements qualified domestic minimum top-up taxes described in those rules. Such tax law, and the taxes on income arising from it, are hereafter referred to as ‘Pillar Two legislation’ and ‘Pillar Two income taxes’. As an exception to the requirements in this Standard, an enterprise should neither recognise nor disclose information about deferred tax assets and liabilities related to Pillar Two income taxes.”;

(b) after paragraph 32, the following paragraphs shall be inserted, namely: -

“International tax reform—Pillar Two model rules

32A. *An enterprise should disclose that it has applied the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes (see paragraph 2A).*

32B. *An enterprise should disclose separately its current tax expense (income) related to Pillar Two income taxes.*

32C. *In periods in which Pillar Two legislation is enacted or substantively enacted but not yet in effect, an enterprise should disclose known or reasonably estimable information that helps users of financial statements understand the enterprise’s exposure to Pillar Two income taxes arising from that legislation.*

32D. To meet the disclosure objective in paragraph 32C, an enterprise should disclose qualitative and quantitative information about its exposure to Pillar Two income taxes at the end of the reporting period. This information does not have to reflect all the specific requirements of the Pillar Two legislation and can be provided in the form of an indicative range. To the extent information is not known or reasonably estimable, an enterprise should instead disclose a statement to that effect and disclose information about the enterprise's progress in assessing its exposure.

Provided that a Small and Medium-sized Company may not apply the disclosure requirements laid down in paragraphs 32C and 32D.”;

(c) after paragraph 34 and before Illustration I, the following paragraph shall be inserted, namely: — “Effective date

35. *International Tax Reform—Pillar Two Model Rules*, added paragraphs 2A and 32A–32D. An enterprise should:

(a) apply paragraphs 2A and 32A immediately upon the issue of these amendments and retrospectively; and

(b) apply paragraphs 32B–32D for annual reporting periods beginning on or after 1 April 2025. An enterprise is not required to disclose the information required by these paragraphs for any interim period ending on or before 31 March 2026.”.