Final Course
Study Material
(Modules 1 to 5)

Paper 1

Financial Reporting

Module – 3

(Relevant for May, 2027 and onward examinations)

BOARD OF STUDIES(ACADEMIC)

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

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SIGNIFICANT CHANGES

Significant changes in this Module 3 *vis-à-vis* Module 3 of November, 2024 edition of the Study Material ***(The amendments made in the respective chapters / units have been highlighted in bold and italics for easy reference except newly added illustrations)***		
Chapter/Unit	**Chapter name (Ind AS)**	**Details**
7 Unit 1	Ind AS 12 "Income Taxes"	A para has been added in para '1.2 Scope' due to amendment in Ind AS 12. Para 1.9 'Pillar Two Legislation and Pillar Two Income Taxes' have been newly added based on the amendment in Ind AS 12 Questions 8 and 9 have been newly added to the "Practice Questions" section.
7 Unit 2	Ind AS 21 "The Effects of Changes in Foreign Exchange Rates"	Para 2.4.6 'Lack of Exchangeability" for Foreign Currencies' has been added due to amendment in Ind AS 21 Questions 5, 6, 7 and 8 have been newly added to the "Practice Questions" section.
8 Unit 1	Ind AS 24 "Related Party Disclosures"	Questions 4, 5 and 6 have been newly added to the "Practice Questions" section.

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Statement showing the topic-wise distribution of Questions and Marks in Part II (Descriptive Questions) of Past Examination Question Papers under the existing scheme, with reference to the chapters covered in Module 3 of Financial Reporting

Section	Section weightage	Syllabus Content Area	Chapter-wise content	May, 2024		Nov., 2024		May, 2025		September, 2025		January, 2026		May, 2026	
				Q. No.	Marks	Q. No.	Marks	Q. No.	Marks	Q. No.	Marks	Q. No.	Marks	Q. No.	Marks
III	15%-25%*	(iv) Ind AS on Assets and Liabilities of the Financial Statements	**Chapter 6:** **Unit 1:** Ind AS 19 "Employee Benefits"	4(a)	8					3(a)	8	6(b)	5	4(a)	6
IV	15%-20%#	(v) Ind AS on Items impacting the Financial Statements	**Unit 2:** Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets"												
			Chapter 7: **Unit 1:** Ind AS 12 "Income Taxes"			3(b)	6					3(b)	6		
			Unit 2: Ind AS 21 "The Effects of Changes in Foreign Exchange Rates"							4(b)	8				

** This weightage of 15%-25% includes chapters on Assets based Ind AS i.e. Ind AS 2, Ind AS 16, Ind AS 23, Ind AS 36, Ind AS 38, Ind AS 40, Ind AS 105 and Ind AS 116. These Ind AS are covered in Module 2 of FR Study Material.*

 # Section IV covers three topics: 'Ind AS on Items Impacting the Financial Statements' (i.e., Ind AS 12 and Ind AS 21), 'Ind AS on Disclosures in the Financial Statements' (i.e., Ind AS 24, Ind AS 33 and Ind AS 108) and 'Other Ind AS' (I.e., Ind AS 41, Ind AS 20 and Ind AS 102). Accordingly, the weightage of 15%–20% is collectively applicable to all three topics. The last topic is covered in Module 4 of the FR Study Material.

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Section	Section weightage	Syllabus Content Area	Chapter-wise content	May, 2024		Nov., 2024		May, 2025		September, 2025		January, 2026		May, 2026	
				Q. No.	Marks	Q. No.	Marks	Q. No.	Marks	Q. No.	Marks	Q. No.	Marks	Q. No.	Marks
		(vi) Ind AS on Disclosures in the Financial Statements	**Chapter 8:** **Unit 1:** Ind AS 24 "Related Party Disclosures"												
			Unit 2: Ind AS 33 "Earnings per Share""					3(b)	6	3(b)	6				
			Unit 3: Ind AS 108 "Operating Segments											3(b)	4

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CROSSWORD - ANSWER-KEY

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