

**CIRCULAR**

CIR/IMD/DF1/69/2016

August 10, 2016

To

**All Listed Entities**

**All Recognized Stock Exchanges**

Dear Sir / Madam,

**Sub: Revised Formats for Financial Results and Implementation of Ind AS by listed entities which have listed their debt securities and/or non-cumulative redeemable preference shares**

1. SEBI vide Circular No. CIR/IMD/DF1/9/2015 dated November 27, 2015, had prescribed formats for publishing financial results for the entities which have listed their debt securities and/or non-cumulative redeemable preference shares ('**listed entities**').
2. In continuation to SEBI Circular No. "CIR/CFD/FAC/62/2016" dated July 05, 2016, the listed entities are advised to comply with the following:

**Formats for disclosure of financial results:**

- 2.1. This has reference to the disclosure of half yearly and annual financial results in terms of Regulation 52 (1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('**Listing Regulations**').
- 2.2. The existing formats prescribed in SEBI Circular dated November 27, 2015, for disclosure of half yearly and annual financial results, shall continue till the period ending on or before December 31, 2016.
- 2.3. For the period ending after December 31, 2016, the disclosure of half yearly and annual financial results, i.e. the Balance Sheet and the Statement of Profit and Loss, shall be as per the formats for Balance Sheet and Statement of Profit and Loss (excluding notes and detailed sub-classification) as prescribed in Schedule III to the Companies Act, 2013. However, Banking Companies and Insurance Companies shall follow the formats as prescribed under their respective Acts/Regulations as specified by their Regulators.
- 2.4. Until Companies (Indian Accounting Standards) Rules, 2015 ('**Ind AS Rules**') become applicable for a listed entity, the listed entity shall adopt Companies

(Accounting Standards) Rules, 2006 ('AS Rules') as prescribed by the Ministry of Corporate Affairs ('MCA').

2.5. While publishing the financial results as per Paragraph 2.3 above, the listed entities shall disclose the figures relating to the periods as mentioned below:

2.5.1. For the Statement of Profit and Loss, the figures for the following periods shall be disclosed:

Particulars	6 months (Current 6 months) ended (dd/mm/yyyy)	6 months (Corresponding 6 months in the previous year) ended (dd/mm/yyyy)	Year to Date figures ended (dd/mm/yyyy)	Previous year ended (dd/mm/yyyy)
		Audited/ Unaudited*	Audited/ Unaudited*	Audited / Unaudited*

\* Clearly specify whether the figures are audited or unaudited

2.5.2. For the Balance Sheet, the figures for the following periods shall be disclosed:

Particulars	As at (current half year end / year end date) (dd/mm/yyyy)	As at (Previous year end date) (dd/mm/yyyy)
		Audited / Unaudited*

\* Clearly specify whether the figures are audited or unaudited

### **Formats for publication of financial results:**

2.6. The financial results to be published in the newspapers, in terms of Regulation 52 (8) of the Listing Regulations, shall be in the format as prescribed in **Annexure I**.

### **Implementation of Ind AS:**

2.7. Listed entities, adopting the Indian Accounting Standards (hereinafter referred as 'Ind AS') in terms of Ind AS Rules, while publishing the half yearly/annual financial results under Regulation 52 (1) of the Listing Regulations, shall ensure that the comparative financial results, filed along with the said half yearly/annual financial results, are also Ind AS compliant.

2.8. In order to facilitate smooth transition, the following relaxations are being given for the first half year of the adoption of Ind AS:

- (i) The timeline for submitting the said financial results would be extended by one month (i.e. the said half yearly financial results can be submitted within 75 days from the end of the half year).

- (ii) With regard to the comparative financial results for the corresponding half year in the preceding year, the limited review or audit of such comparative half yearly results is not mandatory.
- (iii) With regard to the comparative financial results for the preceding full year, the submission of such comparative full year results is not mandatory. However, if the listed entity opts to submit such comparative full year results, then limited review or audit of such comparative full year results is not mandatory

In the aforementioned cases wherein the comparative half yearly results and/or comparative full year results are not subjected to limited review or audit, the listed entity shall disclose with due prominence that the said comparative results have not been subjected to limited review or audit. The listed entity shall further disclose that the management has exercised necessary due diligence to ensure that the said comparative results provide a true and fair view of its affairs.

**Clarifications with regard to implementation of Ind AS and other issues:**

2.9. The listed entities in order to comply with the requirements of paragraph 32 of Ind AS 101 - 'First time Adoption of Ind AS', shall provide a reconciliation of its equity and net profit / loss, in the following manner, for enabling the investors to understand the material adjustments to the Balance Sheet and Statement of Profit and Loss on account of transition from the previous Indian GAAP to Ind AS:

- (i) Reconciliation of Equity for the previous year (i.e. for the year immediately before Ind AS adoption), shall be provided while submitting the annual financial results for the first year of adoption.

Further, if the listed entity opts to submit comparative full year results along with the financial results for the first half year of the adoption of Ind AS in terms of Paragraph 2.8 (iii) above, then such Reconciliation of Equity for the previous year shall be provided while submitting the aforesaid half yearly financial results also.

- (ii) Reconciliation of net profit / loss shall be provided only for the corresponding half year in the preceding year.

2.10. In some circumstances, a listed entity may prepare financial statements for a period different from the normal 12 month period (For instance, a listed company may now be required to prepare financial statements for a period different from the normal 12 month period for coinciding with 31<sup>st</sup> day of March as prescribed under Section 2 (41) of the Companies Act, 2013).

In the aforementioned circumstances, the financial results may have comparative information for a shorter or longer period. The listed entity, in such cases, shall disclose a suitable note, with due prominence, that comparative figures presented in the half-yearly / annual financial results are not entirely comparable because of the above reasons.

- 2.11. In case of any technical difficulty in disclosure of any specific item in the formats or implementation of this circular while publishing the financial results, the listed entities, shall be guided by the relevant provisions of the Ind AS Rules / AS Rules, Schedule III to the Companies Act, 2013 and pertinent provisions/guidelines under the relevant Act/Statute under which the listed entity was created, and may make suitable modifications, as applicable. The listed entities shall also provide suitable explanations and clarifications, wherever felt necessary.
3. This Circular shall come into force with immediate effect and the contents of the Circular No. CIR/IMD/DF1/9/2015 dated November 27, 2015, shall stand modified to the extent stated under this Circular.
  4. The Stock Exchanges are advised to bring the provisions of this circular to the notice of listed entities and also to disseminate the same on its website.
  5. This Circular is being issued in exercise of powers conferred under Section 11 and Section 11A of the SEBI Act, 1992 read with Regulation 52, Regulation 101 (2) and Regulation 102 of the Listing Regulations.
  6. This circular is available on SEBI website at <http://www.sebi.gov.in> under the category "Circulars".

Yours faithfully,

**Richa Goel Agarwal**  
**Deputy General Manager**  
**Investment Management Department**  
[richag@sebi.gov.in](mailto:richag@sebi.gov.in)

### ANNEXURE I

#### **Format for publishing financial results in newspapers**

*[Regulation 52 (8), read with Regulation 52 (4), of the SEBI (LODR) Regulations, 2015]*

Sl. No.	Particulars	Half year ending / Current Year ended	Corresponding half year ended in the previous year (Applicable only in case of half yearly results)	Previous year ended
1.	Total Income from Operations			
2.	Net Profit / (Loss) for the period (before Tax, Exceptional and/or Extraordinary items <sup>#</sup> )			
3.	Net Profit / (Loss) for the period before tax (after Exceptional and/or Extraordinary items <sup>#</sup> )			
4.	Net Profit / (Loss) for the period after tax (after Exceptional and/or Extraordinary items <sup>#</sup> )			
5.	Total Comprehensive Income for the period [Comprising Profit / (Loss) for the period (after tax) and Other Comprehensive Income (after tax)]			
6.	Paid up Equity Share Capital			
7.	Reserves (excluding Revaluation Reserve)			
8.	Net worth			
9.	Paid up Debt Capital / Outstanding Debt			
10.	Outstanding Redeemable Preference Shares *			
11.	Debt Equity Ratio *			
12.	Earnings Per Share (of Rs. ___/- each) (for continuing and discontinued operations) - 1. Basic: 2. Diluted:			
13.	Capital Redemption Reserve *			
14.	Debenture Redemption Reserve *			
15.	Debt Service Coverage Ratio *			
16.	Interest Service Coverage Ratio *			

**Note:**

- a) The above is an extract of the detailed format of half yearly/annual financial results filed with the Stock Exchanges under Regulation 52 of the SEBI (Listing and Other Disclosure Requirements) Regulations, 2015. The full format of the half yearly/annual financial results are available on the websites of the Stock Exchange(s) and the listed entity. (URL of the filings).
- b) For the items referred in sub-clauses (a), (b), (d) and (e) of the Regulation 52 (4) of the SEBI (Listing and Other Disclosure Requirements) Regulations, 2015, the pertinent disclosures have been made to the Stock Exchange(s) (specify names of Stock Exchanges) and can be accessed on the URL (specify URL).
- c) The impact on net profit / loss, total comprehensive income or any other relevant financial item(s) due to change(s) in accounting policies shall be disclosed by means of a footnote.
- d) # - Exceptional and/or Extraordinary items adjusted in the Statement of Profit and Loss in accordance with Ind AS Rules / AS Rules, whichever is applicable.
- e) \* - The pertinent items need to be disclosed if the said disclosure is required as per Regulation 52 (4) of the SEBI (Listing and Other Disclosure Requirements) Regulations, 2015.