

[TO BE PUBLISHED IN THE GAZETTE OF INDIA, EXTRAORDINARY PART II,  
SECTION 3, SUB-SECTION (i)]

**Ministry of Corporate Affairs**  
**NOTIFICATION**

New Delhi, the 18/6 2018

**G.S.R..... (E).** – In exercise of the powers conferred by clause (a) of sub-section (1) of section 642 of the Companies Act, 1956 (1 of 1956) read with section 210A and sub-section (3C) of section 211 and of the said Act, the Central Government, in consultation with National Advisory Committee on Accounting Standards, hereby makes the following rules to amend the Companies (Accounting Standards) Rules, 2006, namely:-

1. Short title and commencement.- (1) These rules may be called the Companies (Accounting Standards) Amendment Rules, 2018.

(2) They shall come into force on the 1<sup>st</sup> day of April, 2018.

2. In the Companies (Accounting Standards) Rules, 2006, in the “ANNEXURE”, under the heading “ACCOUNTING STANDARDS” under “Accounting Standard (AS) 11”, for the paragraph 32, the following paragraph shall be substituted, namely :-

“32. An enterprise may dispose of its interest in a non-integral foreign operation through sale, liquidation, repayment of share capital, or abandonment of all, or part of, that operation. The payment of a dividend forms part of a disposal only when it constitutes a return of the investment. Remittance from a non-integral foreign operation by way of repatriation of accumulated profits does not form part of a disposal unless it constitutes return of the investment. In the case of a partial disposal, only the proportionate share of the related accumulated exchange differences is included in the gain or loss. A write-down of the carrying amount of a non-integral foreign operation does not constitute a partial disposal. Accordingly, no part of the deferred foreign exchange gain or loss is recognised at the time of a write-down”.

[F.No. 17/151/2013-CL-V]

  
K.V.R. MURTY

JOINT SECRETARY TO THE GOVERNMENT OF INDIA

NOTE:- Principal rules were published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), dated the 7<sup>th</sup> December, 2006, vide G.S.R.734 (E), dated the 7<sup>th</sup> December, 2006, vide G.S.R.914 (E), dated the 29<sup>th</sup> December, 2011 and vide G.S.R.364(E), dated the 30<sup>th</sup> March, 2016.