INDAS 41 - AGRICULTURE

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Imp. Terms

1) Biological Transformation

- Growth → Improvement in quality of B.A.
- Degeneration → Deterioration in quality of B.A.
- Production → Producing Milk, Wool Tea leaf
- Procreation → Creation of additional living Animals & Plants

2) Agriculture Activity

Managing Biological Transformation of B.A. for
a) Sale
b) Conversion into Agri. product
c) Into additional B.A.

3) Biological Assets (B.A.)

- Animals
- Living Plants

4) Harvest

Detachment of agriculture produce from Biological Asset

5) Bearer Plant

Plant which bear Agriculture produce & expected to bear for more than 1 period

Scope (Applicability & Non Applicability)

Applicability

- B.A. relating to Agriculture Activity
- Agriculture Produce at point of Harvest
- GOVERNMENT GRANT relating to B.A. for Agriculture activity

Non- Applicability to

- Land
- Bearer Plants
- GG relating to Bearer plant
- I.A. associates with Agriculture Activity

Recognition Criteria

- Control
- FEB
- FV/Cost:- Reliably Measured

Measurment

- Initial → FV less cost to Sell
  - Gain → P&L
  - Loss (When cost to sale is higher than Fv) → P&L
- B/s date → Fair value less cost to sell → G/L - P&l

Government Grants relating to B.A. measured at fair value

- Condition complied → Recognise as Income immediately
- Condition yet to be complied → Liability first then Income after compliance

Disclosure

1) Basis of determining FV
2) Any change in FV due to
   i) Price effect
   ii) Age effect