



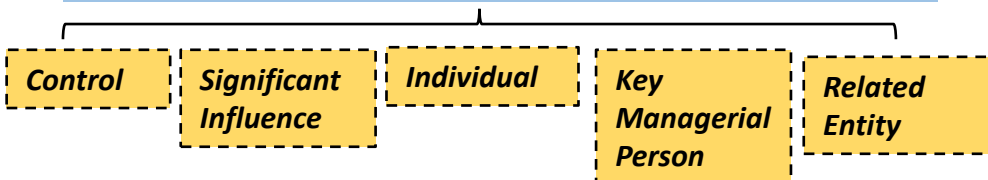
AS-18: RELATED PARTY DISCLOSURES

Relationships :- Disclosures

STUDENT
NOTES

RELATED PARTY RELATIONSHIPS

Arises because of these 5 scenarios:



1. CONTROL

- Entities, that directly or indirectly through one or more intermediaries, control, or ①
- ❖ are controlled by, or ②
- ❖ are under common control with the reporting entity. ③

CONTROL MEANING

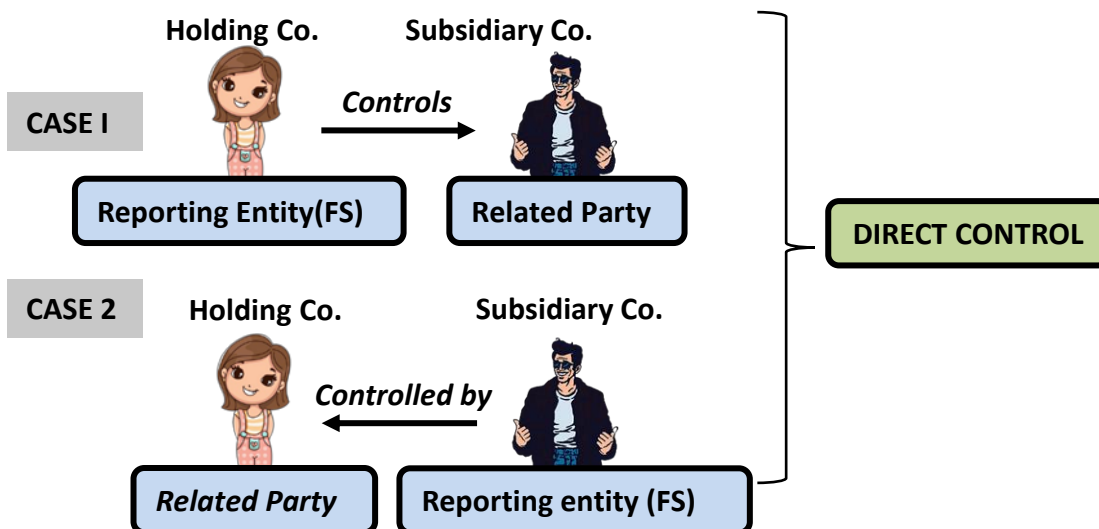
Power to decide financial or operating policies of an entity. Comes with:

- ❖ More than 50% voting power either directly or indirectly.
- ❖ Controlling the composition of the governing body of the entity.
- ❖ Substantial interest in the voting power & POWER TO DIRECT financial or operating policies of the entity either directly or indirectly.

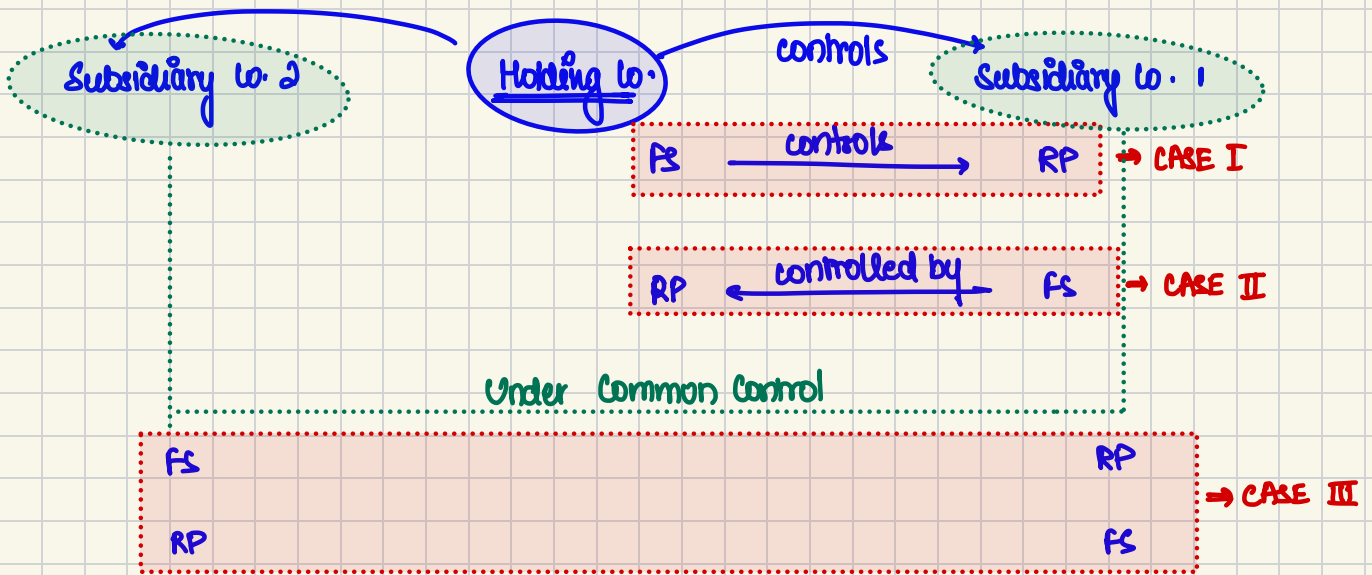
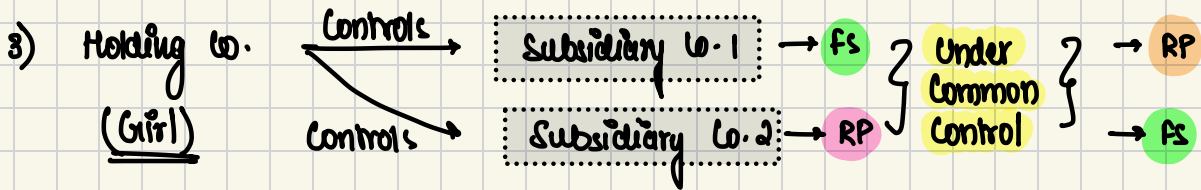
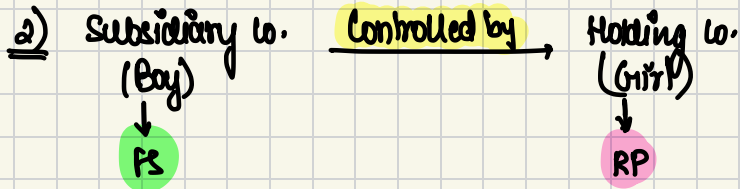
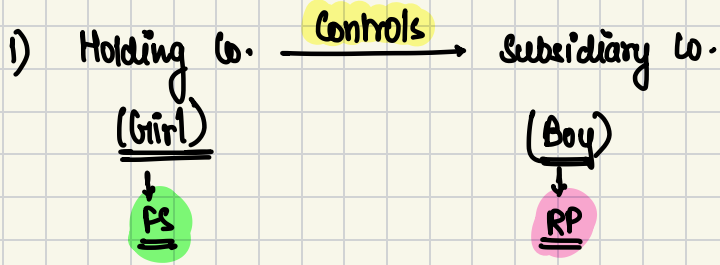
DIRECT CONTROL

1.CONTROL

INDIRECT CONTROL

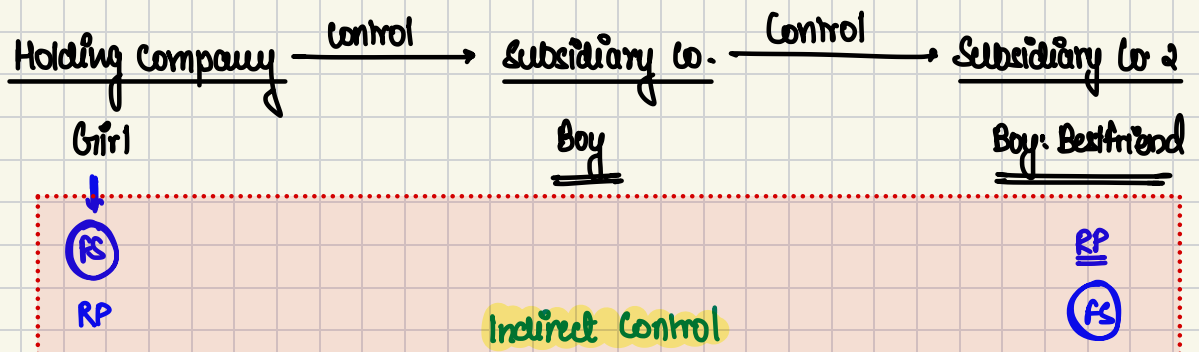


Control : Direct

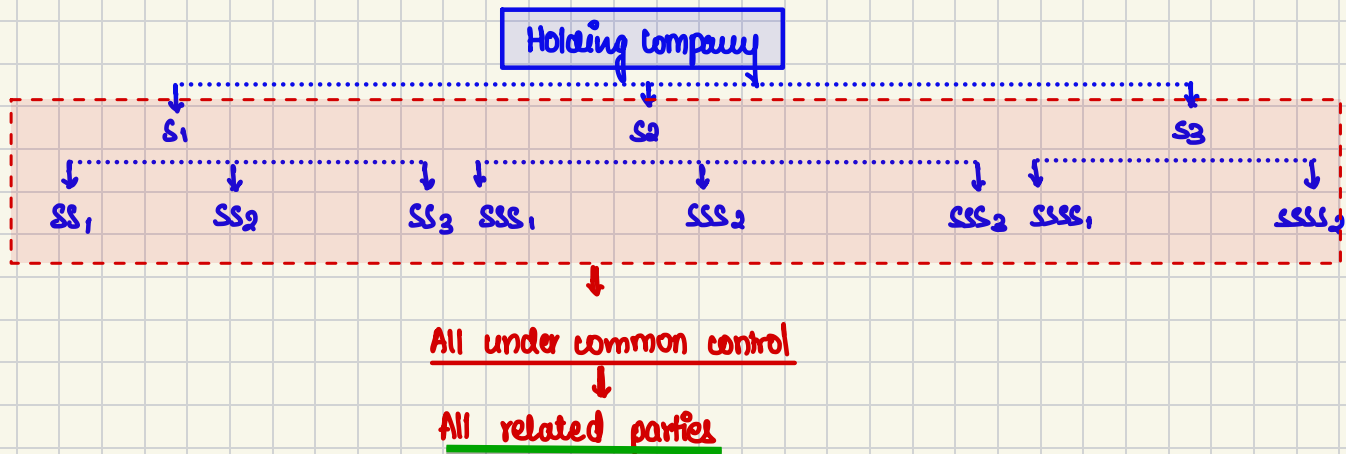


DIRECT CONTROL

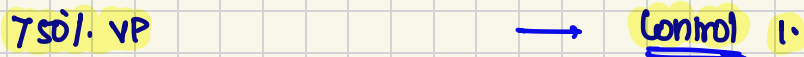
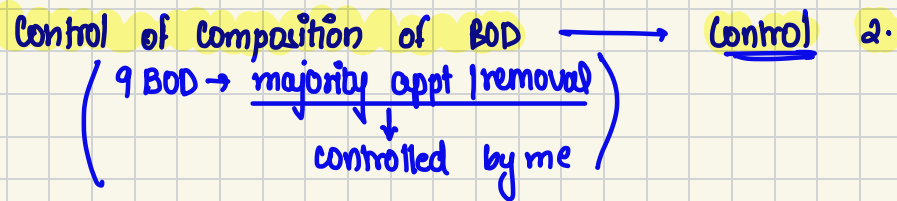
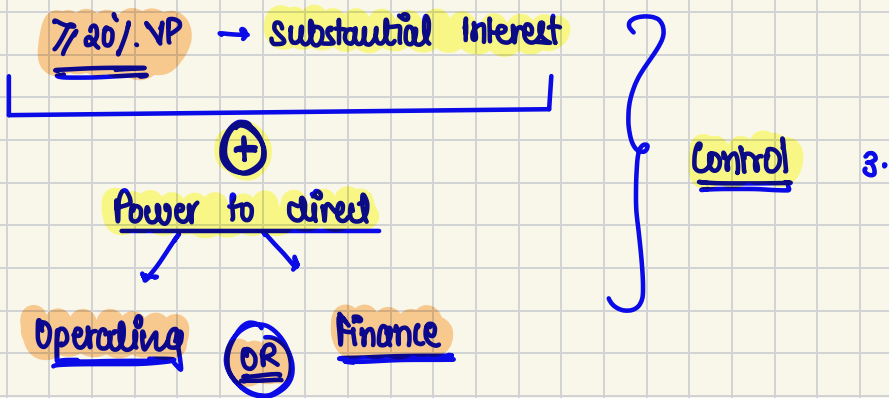
INDIRECT CONTROL



Subsidiary of a subsidiary is a subsidiary of the holding company.



CONTROL IS ACQUIRED IN 3 WAYS :-



Once control is acquired, Holding Subsidiary relationship exists.