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Comparative Analysis of Indian GAAP, IFRS AND IND AS

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Abstract: *IFRS is not a monster which is going to gobble up the existing financial reporting system practices by corporate in India. Implementation of convergence with IFRS is not at all a complex exercise giving tension, stress and sleepless nights to CEOs and CFOs. It is the refined system of international financial reporting, which is going to be benefited to all the corporate in the world. For achieving this goal of convergence, there is a need to identify the key difference between IFRS and Indian Accounting Standards. This study makes an attempt to do comparative analysis of IFRS, IGAAP and Ind AS by highlighting the major differences which need immediate attention for successful convergence.*

Keywords: *I GAAP, Ind AS, IFRS, comparison, difference.*

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I. Introduction

To make the globe a world market International Accounting Standards Board (IASB) framed International monetary news Standards (IFRS) for making uniformity in Accounting everywhere the globe.International monetary news Standards (IFRS) adopted by International Accounting Standards Board (IASB) may be a standardized format of economic news that's gaining momentum worldwide and may be a single consistent accounting framework and is probably going to become predominant collection in times to return. In this world of globalisation during which Indian economy has conjointly flourished, adopting IFRS wouldn't solely build Indian firms at par with different world firms however shall conjointly**.** There are certain deviations in Ind AS from IFRS. However, few deviations are unavoidable due to the regulatory and legal framework as well as business practices which are peculiar to economic environment in India. In order to minimize the deviations, there is a need to discuss the deviations with IASB to see if IFRSs could incorporate the Indian concerns and thereby reduce the deviations. This paper thoroughly studied the various books, concept papers, and research papers to make a comparative analysis of I GAAP, IFRS and Ind AS.

II. Literature Review

Deming (2005) discussed the worldwide status of IFRS and widespread use of international accounting standards . prior to 2005, the use of IFRSs were generally viewed as aspirational in nature and not mandated in any jurisdiction. In 2005, 94 countries permit the use of IFRS in publicly traded companies. IFRS changed the status of worldwide accounting environment and being placed as accounting principles that govern the financial statements of businedd entities and its reporting instead of US GAAP. Ray (2011) examined the rationale behind IFRS adoption in accounting scenario and the divergence existed between IFRS and Indian GAAP. The study concluded that a common global reporting language will ensure that investors funds will be moved easily within the global market and IFRS implementation in India will enhance investors' confidence about investing in Indian economy and IFRS implementation will provide opportunity for comparability of financial statements prepared all over the world for cross border investment. Struharova et al (2012) evaluated the challenges & opportunities of IFRS & its impact on Czech co.s along with its best way of harmonization . the study concluded difference between IFRS & Cz GAAP , tax legislation and cost of IFRS as challenges and better understandability & comparability of financial statements, accurate information and better relationship with company stakeholders as benefits of IFRS, percentage of companies adopting IFRS was increasing but still it was very low. The study recommended permission as a best way of harmonization of Czech economy. Banji Fajonyomi & James S Kehinde (2013) evaluated the ability of IFRS to be able to redress the mistakes and also the difference addressed by the IFRS as compare to GAAP and its impact on Nigerian companies. The study used survey method by applying a questionnaire for data collection and used chi square for the analysis of data. The study revealed that IFRS will bring standardization and uniqueness in financial reports across the globe and suggested that not to be placed overreliance on standard without adequate measure to enforce compliance committee should be set up to ensure adequacy of standards across the nation . Sawani (2009) studied the changes in accounting environment at global level by implementing IAS as compared to US GAAP. The study showed that IFRS implementation proved as high quality financial reporting framework. The companies, lenders

and investors preferred convergence of domestic accounting standards with International Accounting Standards to create a high quality framework. There were some factors relating to worldwide convergence of IFRS i.e. social and cultural values, political system& legal laws, business activities, economic condition of a country, capital markets and cooperative efforts by a nation.
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Objectives of the study:
1. To theoretically compare the I GAAP, IFRS and Ind AS.
2. To suggest the measure to reduce the deviations in Ind AS as compare to IFRS.

III. Research Methodology

For this study the researcher thoroughly studied the various books, concept papers, and research papers to make a comparative analysis of I GAAP, IFRS and Ind AS. Theoretical analysis of various literature have been used to made the difference between three major forms of financial reporting standards in India.
Analysis:
This paper thoroughly studied the various books, concept papers, and research papers to make a comparative analysis of I GAAP, IFRS and Ind AS.Analysis:
Comparative analysis of I GAAP , IFRS And Ind AS has been made in table given below:

BASIS	INDIAN GAAP	IFRS	IND AS
Presentation of financial statements	AS 1 disclosure of accounting policies. AS 5 net profit / loss for the period, prior period items and change in accounting policies	IAS 1 presentation of financial statements	Ind AS 1 presentation of financial statements
Components of financial statements	(a) Balance sheet, (b) Statement of Profit & loss (c) Cash flow statement (d) Explanatory notes with significant accounting policies Comparative figures for one year are also to be presented.	(a) Statement of financial position . (b) Statement of income with profit / loss (c) Statement of cash flows (d) Statement of changes in equity (e) Notes with summary of significant accounting policies Comparative figures for one year are also to be presented.	(a) balance sheet at the end of the peiod including changes in equity (b) Statement of profit / loss (c) Cash flow statement (d) Explanatory notes with significant accounting policies Comparative figures for one year are also to be presented.
Formats of financial statements	Under Schedule VI of companies Act 1956 have provided	Only illustrative formats have been given.	No format prescribed .
Inventories	AS 2 valuation of inventories	IAS 2 inventories	Ind AS 2 inventories
Scope	No scope exemption for any inventories held by commodity traders	IAS 2 does not applies to stock of such material	Same as IFRS
Classification of inventories	Classification of inventories as per schedule VI : - Raw material, - Work in progress - Finished goods - Stock in trade - Stores and spares - Loose tools - Others	No specific requirements. Classification should be appropriate to entity.	Same as IFRS
Cash flow statements	AS 3 cash flow statements	IAS 7 statement of cash flows	Ind AS 7 statement of cash flows
Bank overdraft	Financing activities	Cash &cash equivalents	Same as IFRS
Cash flows from extra ordinary items	to be classified as operating, financing and investing activities.	Cash flow statements do not reflect any items as extraordinary	Same as IFRS
Interest and dividend	For financial entities: Interests paid/received are to be received as financing activities. Dividend paid to be classified as financing activities.	May be classified as operating/investing/financing activities in a manner consistent from time to time.	Same as indian GAAP
Events occuring	AS 4 – contingencies and events	IAS 10 – events after the reporting	Ind AS 10 – events after

after the reporting period- primary literature	occurring after the balance sheet date	period	the reporting period
Dividends	dividends declared or proposed after balance sheet date but before approval of financial statements will have to be recorded as a liability.	Declared dividend to be trrecognised in the period when it is declared	Same as IFRS
Accounting policies, changes in accounting estimates and errors- primary literature	AS 5- net profit or loss for the period, prior period items and changes in accounting policies	IAS 8 – Accounting policies, changes in accounting estimates and errors	Ind AS 8 – Accounting policies, changes in Accounting Estimates and Errors
changes in accounting policies	Changes in accounting policies should be made only if it is required by law for compliance with an AS or for appropriate presentation of the financial statements on a prospective basis.	Requires retrospective application of changes in accounting policies by adjusting the gap balance of every affected element of equity for the earliest previous amount given and therefore the different comparative amounts for each period presented as if the new accounting policy had always been applied, unless transitional provision of an AS requires otherwise.	Same as IFRS
Definition of prior period items	AS 5 covers only income and expenses in the definition of prior period items	IAS 8 covers all the items in financial statements as propr period items	Same as IFRS
Property , plant and equipment	AS 6- DEPRICIATION ACCOUNTING AS 10 - ACCOUNTING FOR FIXED ASSETS	IAS 16- Property, plant and equipment IFRIC 1 – changes in existing decommissioning, Restoration and Similar Liabilities	IND AS 16- Property, plant and equipment
Scope	There is No exemption from AS 10 for property under development for future use as property held for investment.	Property under development for future use as property held for investment is excluded from the scope of IAS 16 and covered by IAS 40, investment property.	Same as IFRS
Change in method of depreciation	Requires retrospective re-computation of depreciation and any excess or deficit is required to be adjusted in the period in which such change is affected. Such a change is treated as a change in accounting policy and its effect is quantified and dis Replacement costs closed.	It will be treated as change in accounting estimates and applied prospectively	Same as IFRS
Revaluation	No specific requirements on frequency of revaluation.	Revaluations are required to be made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.	Same as IFRS
Residual value	Estimates of residual value are not required to be updated at year end	Estimates of residual values are required to be updated at least once at year end	Same as IFRS
Construction contrcats- primary literature	AS 7 construction contracts	IAS 11 construction contracts	Ind AS 11 construction contracts
Measurement of construction revenue	AS 7 does not refer to fair value and states that con trcat revenue is measured at the consideration received	Under IAS 11 , construction revenue is measured at the fair value of the consideration received or receivable.	Same as IFRS
Revenue- primary literature	AS 9- Revenue recognition Guidance Note on accounting for	IAS 18 – Revenue	Ind AS 18 – Revenue Ind AS 18 – appendix A, B, C
Definition	Revenue is the gross inflow of cash, receivables or other consideration	Revenue is that the gross influx of economic advantages throughout the	Same as IFRS

	arising in the course of the ordinary activities from sale of goods, from the rendering of services, and from the use by others of enterprise resources yielding interest, royalties and dividends.	amount arising within the course of the normal activities of associate degree entity once those inflows end in will increase in equity, apart from will increase about contributions from equity participants. Amounts collected on behalf of third parties such as sales and service taxes and value added taxes are excluded from revenues.	
Revenue recognition	AS 9 does not contain any such stipulation	Under IAS 18 revenue from sale of goods cannot be recognised where entity retains continuing managerial ownership or effective control over the goods	Same as IFRS
Revenue fron service rendering	AS 9 allows complete service contract method or proportionate completion method	IAS 18 allows only percentage of completion method	Same as IFRS
Interest income	AS 9 requires interest income to be recognised on a time at proportionate basis	IAS 18 requires effective interest method prescribed in IAS 39 to be followed for interest of financial gain recognition.	Same as IFRS
Foreign exchange --- primary literature	AS 11 - The Effects of Changes in Foreign Exchange Rates	IAS 21 - The Effects of Changes in Foreign Exchange Rates	Ind AS 21 - The Effects of Changes in Foreign Exchange Rates
functional and presentation currency	Foreign currency is a currency other than the reporting currency which is the currency in which financial statements are presented. There is no concept of functional currency	Functional currency is the currency of the primary economic environment in which the entity operates. Foreign currency could be a currency aside from the purposeful currency.	Same as IFRS
forward contracts	Forward contracts not intended for trading or speculation purposes.	Accounted for as a derivative.	Same as IFRS
Treatmnent for integral and non integral operations	AS 11 provides separate treatment for integral and non integral operations.	Makes no distinction between an integral foreign operation and non integral operation as done in AS 11.	Same as IFRS
Government Grants - primary literature	AS 12 - Accounting for Government Grants	IAS 20 - Accounting for Government Grants and Disclosure of Government Assistance	Ind AS 20 - Accounting for Government Grants and Disclosure of Government Assistance
Government assistance	Does not deal with disclosure of government assistance other than in the form of government grants.	IAS 20 Deals with government grants as well as disclosure of government assistance.	Same as IFRS
government loans with below market rate of interest	No specific guidance.	Benefit of government loans with below market rate of interest should be accounted for as government grant-measured as the difference between the initial carrying amount of the loan determined according to IAS 39 and the resultants proceedings received.	Same as IFRS
non-monetary government grants	If the asset is given by the government at a discounted price, the asset and the grant is accounted at the discounted purchase price..	The asset and the grant may be accounted at fair value. Alternatively, these can be recorded at nominal amount	The asset and the grant should be accounted at fair value.
Investment property: primary literature	AS 13 Accounting for investment	IAS 40 investment property	Ind AS 40 investment property
Measurement	Classified as long term investment and measured at cost less impairment. As per schedulr VI , they are classified as non current investments.	Investment property can be measured using the cost or the fair value model, with changes in fair value recognised in profit or loss.	Investment properties are measured using cost model only.
Business combinations-primary literature	AS 14 – Accounting for Amalgamations	IFRS 3 (2008) – Business Combinations	Ind AS 103 – Business Combinations
Business Combinations	There is no comprehensivestandard dealing with all	Applies to a transaction or otherevent in which an acquirer obtains control of	Similar to IFRS except that Ind AS103 contains

– scope	business combinations. Guidance for amalgamations is contained in AS 14. AS 21 deals with investments in subsidiaries and AS 10 deals with a demerged unit acquired in a slump sale.	one or more businesses.IFRS 3 does not apply to: i) The formation of a joint arrangement inthe financial statements of the joint arrangement itself ii) Combinations of entities or business under common control iii) Acquisition of an asset or group of assets that do not constitute a business.	guidance on common control transactions.
Valuation of assets and liabilities	Valuation at carrying value	Valuation at fair value	Same as IFRS
Employee benefits: primary literature	AS 15 (Revised 2005) – Employee Benefits	IAS 19 - Employee Benefits	Ind AS 19 - Employee Benefits
Definitions	The distinction between short-term and other long-term employee benefits depends on whether they fall wholly due within 12 after the end of the reporting period in which the employees provided the related service.	The distinction between short-term and other long-term employee benefits depends on whether they are due to be settled within 12 months after the end of the reporting period in which the employees render the related service.	Same as IFRS
Borrowing costs-primary literature	AS 16 - Borrowing Costs	IAS 23 - Borrowing Costs	Same as IFRS
Scope	No such scope exception similar to IFRS/ Ind AS is available.	Borrowing costs need not be capitalized in respect of i. qualifying assets measured at fair value (e.g. biological assets) ii. Inventories manufactured or produced, in large quantities on a repetitive basis This is an option	Same as IFRS
components of borrowing costs	No reference to effective interest rate. AS 16 requires amendment on AS 30 becoming mandatory.	Descriptions of specific components are linked to effective interest rate.	Ind AS 23 - Borrowing Costs
Disclosure of capitalisation rate	Does not require such disclosure	Requires disclosure of capitalization rate used to determine the amount of borrowing cost	Same as IFRS
Segments- primary literature	AS 17 segment reporting	IFRS 8 operating segments	Same as IFRS
Scope	Applicability of the standard is not linked to the listing status of an entity.	IFRS 8 is applicable to the separate and consolidated financial statements of an entity/groupwith a parent: • Whose debt or equity instruments are traded in a public market.	Same as IFRS
measurement	Segment information is prepared in conformity with the accounting policies adopted for preparing and presenting the financial statements of the enterprise as a whole. Segment revenue, segment expense, segment result, segment asset and segment liability have been defined.	Segment profit or loss is reported on the same measurement basis which is used by the chief operating decision maker. There is no definition for differential profits losses for individual segments.	Ind AS 108 operating segments
Related Party Disclosures - primary literature	AS 18 – Related Party Disclosures	IAS 24 – Related Party Disclosures	Ind AS 108 is applicable to companies to which Ind ASs notified under the Companies Act apply.
definition of related party	Parties are considered to be related if at any time during the reporting period one party has the ability to control the other party .	A related party is a person or entity that is related to the entity that is preparing its financial statements (reporting entity):	Same as IFRS
definition of close member of the family	There is no definition of close member of the family. Instead the term “relative” has been defined inrelation to an individual as thespouse, son, daughter, brother, sister, father, mother who may beexpected to influence, or be influenced by, that individual in	Close members of the family of a person are the family members who may be expected to influence, and be influenced by, that person in their dealings with the entity and include: a) that person’s children and spouse or domestic partner; b) children of that person’s spouse or	Same as IFRS

	his/her dealings with the reporting enterprise.	domestic partner; andc) dependents of that person or that person's spouse or domestic partner.	
items to be disclosed	If an entity has related party transactions during the period covered by the financial statements,the enterprise should disclose the volume of transactions either as an amount or as an appropriate proportion and amounts or appropriate proportions of outstanding items.	If an entity has related party transactions during the period covered by the financial statements, the amount of such transactions and the amount of outstanding balances including commitments need to be disclosed.	Similar to IFRS with the inclusion of father, mother, brother and sister in the definition of close members of the family
Leases – primary literature	AS 19 – Leases	IAS 17 – Leases	Ind AS 17 – Leases
interest in leasehold land	Leasehold land is recorded and classified as fixed assets.	Recognised as operational lease or finance lease as per definition and classification criteria. An important thought in such determination is that land has associate degree of indefinite economic life.	Similar to IFRS except that a property interest in an operating lease cannot be accounted for as investment property as the fair value model is not permissible by Ind AS 40.
operating lease rentals – recognition	Lease payments under an operating lease should be recognised as an expense in the statement of profit and loss on a straight-line basis out of lease term unless another systematic basis is the better representative of the time pattern of the user's benefit.Lease income from operational leases ought to be recognised with in the statement of profit and loss on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern within which profit derived from the employment of the leased asset is diminished.	Similar to Indian GAAP	Ind AS 17 contains a carve out for escalation of operating lease rentals that are in line with the expected general inflation. Since these are primarily to compensate the lessor for expected inflationary value will increase, these should not be straight-lined by the lessor as well as the lessee.
Earnings Per Share – primary literature	AS 20 – Earnings Per Share	IAS 33 – Earnings Per Share	Ind AS 33 – Earnings Per Share
Scope	Applicability of the standard is not linked to the listing status of an entity.	IAS 33 is applicable to the separate and consolidated financial statements of an entity/group with a parent: • Whose ordinary shares or potential ordinary shares are traded in a public market (a domestic or foreign stock exchange or an overthe-counter market, including local and regional markets); or • That files, or is in the process of filing, its financial statements with a securities commission or other regulative organisation for the aim of issuing stock in a public market.	Ind AS 33 is applicable to companies that have issued ordinary shares to which Ind ASs notified under the Companies Act apply.
disclosure in separate financial statements	AS 20 requires disclosure of basic and diluted EPS information both in the separate and consolidated financial statements of the parent.	When associate degree entity presents each separate and consolidated financial statements, EPS is required to be presented only in the consolidated financial statements. An entity could disclose EPS in its separate financial statements voluntarily.	EPS is needed to be presented in Each consolidated as well as separate financial statements.
disclosure of Earnings per Share from continuing and discontinued	There is No separate disclosure for EPS from continuing and discontinuing operations..	The statement of comprehensive income will present basic and diluted earnings per share from continuing operations and if applicable, basic and diluted	Same as IFRS

operations		earnings per share from discontinued operations. EPS from discontinued operations may alternatively be disclosed in the notes.	
Consolidated Financial Statements – primary literature	AS 21 - Consolidated Financial Statements	IAS 27 (2008) - Consolidated and Separate Financial Statements IFRS 10 – Consolidated Financial Statements IFRS 12 – Disclosure of Interests in Other Entities	Ind AS 27 - Consolidated and Separate Financial Statements Ind AS 110 – Consolidated Financial Statements Ind AS 112 – Disclosure of Interests in Other Entities
Financial Statements – scope in which they consolidate their investments in subsidiaries in accordance with IAS 27.	Indian GAAP does not specify entities that are needed to present consolidated statements. if consolidated financial statements are presented then the financial statements must be presented. The Securities and Exchange Board of India requires entities listed and to be listed to present consolidated financial statements.	A parent is required to prepare consolidated financial statements A parent need not prepare consolidated financial statements only if all the following conditions are met: the entity is itself a wholly owned or a partially owned subsidiary and its other owners have not objected to the entity not presenting consolidated statements; the entity"s debt or equity instruments are not traded in a public market; the entity is not in a process of filing its financial statements for the purposes of issuing any class of instruments in a public market; and The ultimate or any intermediate parent of the entity produces consolidated financial statements available for public use that comply with IFRSs.	Ind AS does not mandate presentation of financial statements as these are regulated by governing statutes in India.
potential voting rights	Potential voting rights are not contemplated in assessing control.	The presence and effect of potential rights that are Presently in exercise and can be converted , including potential voting rights with another entity, are contemplated when assessing control	Same as IFRS
uniform accounting policies	If not practicable to use uniform accounting policies in the preparation of consolidated financial statements, that fact should be disclosed together with the proportions of the items in the consolidated statements in which different accounting policies have been applied. .	Consolidated financial statements should be prepared using common accounting policies. No exception is provided	Same as IFRS
reporting dates	The difference between the reporting date of the subsidiary and the parent company shallnot be more than six months.	The difference between the reporting date of the subsidiary and parentmust be three months or less than three months..	Same as IFRS
Income taxes - primary literature	AS 22: accounting for taxes on income	IAS 12: Income Taxes	Ind AS 12 income taxes
Deferred income taxes	Deferred tax arises in respect of recognition of items of profit or loss for the purpose of financial reporting and for income tax purpose	It is computed for temporary difference between the carrying amount of an asset or liability in the statement of financial position and its tax base.	Same as IFRS
Recognition of deferred tax assets and liabilities	Deferred taxes are generally recognized for all timing differences.	Deferred tax are recognized for all temporary difference between accounting and tax base of assets and liabilities except to the extent which arise from (a) initial recognition of goodwill (in case of deferred tax liability) or (b) asset or liability in a	Same as IFRS

		transaction which (i) is not a business combination; and (ii) at the time of the transaction, affects neither the accounting nor the tax profit	
Investments in Associates - primary literature	AS 23 - Accounting for Investments in Associates in Consolidated Financial Statements	IAS 28 - Investments in Associates	Ind AS 28 - Investments in Associates
Vital influence	It is the power to participate in the financial and/or operating policy decisions of the investee but not control over those policies	It is the power for participation in the financial and operating policy decisions taken by the investee but not having control over those policies.	Same as IFRS
Potential Voting rights	Potential voting rights are not considered in assessing significant influence.	The existence and effect of potential voting rights are considered when assessing significant influence .	Same as IFRS
scope	Currently there is no exemption for investments made by venture capital organizations, mutual funds, unit trusts and similar entities from applying the equity method. The limited revision to AS 23, on becoming effective, eliminates this difference between AS 23 and IAS 28.	Investments by venture capital organizations, mutual funds, unit trusts and similar entities including investment-linked insurance funds are exempted from applying equity method,	Investments by venture capital organizations are exempted from applying equity method, if an election is made to measure such investments at FVTPL under Ind AS 39
share of losses	Loss in excess of the carrying amount of investment is not recognized.	Losses recognized under the equity method in excess of the investor‟s investment in ordinary shares are applied to other components of the investor‟s interest such as long-term loans	Same as IFRS
disposals	No specific guidance.	On disposal resulting in loss of significant influence, the remaining investment is remeasured at fair value, with gain or loss recognized in profit or loss.	Same as IFRS
uniform accounting policies	If not practicable to use uniform accounting polices while applying the equity method, that fact should be disclosed together with a brief description of the differences between the accounting policies.	Uniform accounting policies must be followed while applying the equity method. No exception is provided.	Uniform accounting policies must be followed for like transactions and events in similar circumstances unless it is impracticable to do so
separate f inancial statements of the investor	At cost less impairment loss. The limited revision to AS 23, on becoming effective, eliminates this difference between AS 23 and IAS 28.	Either at cost or at fair value as available for sale with changes in fair value recognized in other comprehensive income. If measured at cost (less impairment), on classification as held for sale, IFRS 5 will apply.	Same as IFRS
Discontinuing operations- primary literature	AS 24 - Discontinuing Operations	IFRS 5 - Non-current Assets Held for Sale and Discontinued Operations	Ind AS 105 - Non-current Assets Held for Sale and Discontinued Operations
recognition and measurement	There is no standard dealing with non-current assets held for sale though AS 10 deals with assets held for disposal. Items of fixed assets which are retired from active use and be holded for disposal are stated at the lower of their net book value and net realisable value are shown separately in the financial statements.	Non-current assets to be disposed of are classified as held for sale when the asset is available for immediate sale and the sale is highly probable.	Same as IFRS
non-cash assets held for distribution to owners	AS 24 have no specific guidance related to non-cash assets held for distribution to owners.	Non-cash assets are to be classified as „held for distribution to owners‟ when the transaction is highly probable, taking into account probability of shareholders‟ approval, if required in	Same as IFRS

		the jurisdiction..	
classification	An operation is classified as discontinuing at the earlier of (a) binding sale agreement for sale of the operation and (b) on approval by the board of an in depth formal arrangements and announcement of the arrangements	An operation is classified as discontinued when it has been disposed of or classified as item for sale.	Same as IFRS
Interim Financial Reporting - primary literature	AS 25 - Interim Financial Reporting	IAS 34 - Interim Financial Reporting	Ind AS 34 - Interim Financial Reporting
Minimum components	No disclosure is required	Minimum components of interim financial report includes- statement showing changes in equity	Same as IFRS
Change in accounting policy	Requires statement of figures of prior interim periods of the current financial year only	Figures of prior interim periods of the current financial year and comparable figures of corresponding previous period to be restated.	Same as IFRS
Treatment for provision	AS 25 does not address such issues specifically	Separate guidance is available for treatment of provision for leave encashment, interim period manufacturing cost variances, foreign currency translation gains & losses.	Same as IFRS
Intangible assets – primary literature	AS 26 - Intangible Assets	IAS 38 - Intangible Assets	Ind AS 38 - Intangible Assets
measurement	Measured only at cost.	Intangible assets may be measured at either price or revalued amounts.	Same as IFRS
useful life	The useful life may not be indefinite.	Useful life may be finite or indefinite	Same as IFRS
goodwill	Goodwill arising on amalgamation in the nature of purchase is amortized over five years (as per AS 14). Goodwill arising on consolidation is not amortised but is tested for impairment.	Not amortised but subject to annual impairment test or more frequently whenever there is an impairment indication	Same as IFRS
Interests in Joint Ventures - primary literature	AS 27 - Financial Reporting of Interests in Joint Ventures	IAS 31 - Interests in Joint Ventures IFRS 11 – Joint Arrangements	Ind AS 31 - Append ix A - Jointly Controlled Entities -Non-Monetary Contributions by Venturers Ind AS 111 – Joint Arrangements
joint control	Joint control is the contractually in agreementsharing of control over an economic activity.	Joint control is the mutually agreed sharing of control of an economic activity, and exists only if there is strategic financial and operating decisions relating to the activity needed.	Same as IFRS
scope	Currently, there is no exemption as in IFRS. The limited revision to AS 27, on becoming effective, eliminates this difference between AS 27 and IAS 31	IAS 31 is not applicable for investments made by venture capital organizations, mutual funds, unit trusts and similar entities including investment-linked insurance funds that upon initial recognition are classified as at FVTPL under IAS 39.	Ind AS 31 is not applicable for investments made by venture capital organizations that upon initial recognition are classified as at FVTPL under Ind AS 39.
separate financial statement of The venturer	At cost less impairment loss.	Either at cost or at fair value as held for sale investment with changes in fair value recognized as a component of comprehensive income.	Same as IFRS
consolidated financial statements	At cost less impairment if consolidated financial statements are not prepared.	Even if there is no consolidated financial statements (e.g. because the venturer has no subsidiaries) proportionate consolidation/equity accounting is used for jointly controlled entities.	presentation of consolidated or separate financial statements is regulated by governing statutes in India.
Impairment of	AS 28 impairment of assets	IAS 36 impairment of assets	Ind AS 36 impairment of

Assets - primary literature			assets
goodwill Allocated to cash generating units that are expected to benefit from the synergies of business combination	AS 28 requires goodwill to be tested for impairment using the "bottom-up/top-down" approach under which the goodwill is, in effect, tested for impairment by allocating its carrying amount to each cash-generating unit or smallest group of cash-generating units to which a portion of that carrying amount can be allocated on a reasonable and consistent basis.	Allocated to the lowest level at which goodwill is internally monitored by management which should not be larger than an operating segment before aggregation of segments as defined in IFRS 8.	Same as IFRS
reversal of impairment loss for goodwill	Impairment loss for goodwill is reversed if the impairment loss was caused by a specific external event of an exceptional nature that is not expected tooccuring again and subsequent external events that occurred and reversed the effect of that event.	Impairment loss recognised for goodwill is prohibited from reversal in a subsequent period. Goodwill impaired in an interim period is not subsequently reversed in subsequent interim or annual financial statements.	Same as IFRS
Provisions, Contingent Assets and Contingent Liabilities – primary literature	AS 29 – Provisions, Contingent Liabilities and Contingent Assets	IAS 37 – Provisions, Contingent Liabilities and Contingent Assets	Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets
recognition of provisions	Provisions are not recognised based on constructive obligations.	A provision is recognised only if a past event has created alegal or constructive obligation.	Same as IFRS
Financial Instruments – primary literature	AS 30 – Financial Instruments: Recognition and Measurement.	IFRS 9 (2014) – Financial Instruments	Ind AS 109 – Financial Instruments
general recognition principle	There is no definition of financial instrument.	An entity ought to recognise a financial asset or liability in its statement of financial position when, the entity becomes party for the contractual provisions of the instrument. .	Same asIFRS
initial measurement	No specific guidance.	All financial instruments are Compared at fair value in the case of a financial asset or financial liability not atfair value through profit or loss.Trade receivables that do not have a significant financing component should initially be measured at transaction price as defined in IFRS 15.	Same as IFRS
Financial Instruments: Presentation - primary literature	AS 31 - Financial Instruments: Presentation	IAS 32 - Financial Instruments : Presentation	Ind AS 32 - Financial Instruments : Presentation
classification of financial liabilities	Financial instruments are classified based on legal form – redeemable preference shares will be classified as equity. Preference dividends are always recognized similar to equity dividend and are never treated as interest expense.	Financial instruments are classified as a liability or equity according to the contractual arrangement, (and not its legal form), and the definition of financial liabilities and equity instruments. Dividends on financial instruments classified as financial liability is recognized as an interest expense in the statement of comprehensive income/income statement (if presented separately).	Same as IFRS
treasury shares	Acquiring own shares is permitted only in limited circumstances.	If an entity acquired its own shares again (treasury shares), these are	Same as IFRS

	Shares repurchased ought to be cancelled instantly and cannot be controlled as treasury shares.	shown as a deduction from equity	
Financial Instruments: Disclosures – primary literature	AS 32 – Financial Instruments: Disclosures	IFRS 7 – Financial Instruments:	Ind AS 107 – Financial Instruments: Disclosures
some improved disclosures	Currently there are no detailed disclosure requirements for financial instruments.	Requires disclosure of information about the significance of financial instruments on financial information and performance.	Same as IFRS
Reporting in Hyperinflationary Economies – primary literature	There is no equivalent standard.	IAS 29 – Financial Reporting in Hyperinflationary Economies	Ind AS 29 – Financial Reporting in Hyperinflationary Economies
hyperinflationary	There is no equivalent standard	Generally an economy is hyperinflationary when the cumulative inflation rate over 3 years is approaching or exceeds 100%.	Same as IFRS
basic principle	There is no equivalent standard	Financial statements should be stated in terms of the measuring unit current at the end of the reporting period.	Same as IFRS
Applying the Restatement approach under IAS 29	There is no equivalent standard.	When the economy of an entity's functional currency becomes hyperinflationary. .	Same as IFRS
Agriculture – primary literature	There is no equivalent standard	IAS 41 – Agriculture	Ind AS 41 – Agriculture
scope	There is no equivalent standard	Applies to biological assets withthe exception of bearer plants that are used in the production or supply of agricultural produce and which will not be sold as agriculture produce and government grants related to these biological assets.	Same as IFRS
measurement	There is no equivalent standard	All biological assets are measuredat fair value less costs to sell, unless fair value cannot be reliably measured.	Same as IFRS
First Time Adoption – Primary Literature	There is no equivalent standard under Indian GAAP.	IFRS 1 – First Time Adoption of International Financial Reporting Standards	Ind AS 101 – First Time Adoption of Indian Accounting Standards
date of transition	Not applicable.	The date of transition is the beginning of the earliest period for which an entity presents full comparative information under IFRS	Similar to IFRS.
Share-based Payment – primary literature	There is no equivalent standard. However, the ICAI has issued a Guidance Note on Accounting for Employee Share-based Payments. .	IFRS 2 – Share-based Payment (covers share-based payments both for employees and non-employees and transactions involving receipt of goods and services)	Ind AS 102 – Share-based Payment (covers share-based payments both for employees and non-employees and transactions involving receipt of goods and services)
recognition	Similar to IFRS.	Recognise as an expense over the vesting period.	Same as IFRS
Insurance Contracts – primary literature	No equivalent standard.	IFRS 4 – Insurance Contracts.	Ind AS 104 – Insurance Contracts
general	No equivalent standard.	Applicable to insurance and reinsurance contracts and to	Same as IFRS

		discretionary participation features in insurance contracts.	
Exploration for and Evaluation of Mineral Resources – primary literature	No equivalent standard. However there is a Guidance Note on Accounting for Oil and Gas Producing Activities (Revised 2013).	IFRS 6 – Exploration for and Evaluation of Mineral Resources	Ind AS 106 – Exploration for and Evaluation of Mineral Resources
general, impairment and disclosures	As per the guidance note, there are two methods of Accounting for acquisition,exploration and development costs, i.e. the Successful Efforts Method and the Full Cost Method.	Exploration and evaluation assets are measured at cost or revaluation less accumulated amortisation and impairment loss	Same as IFRS
Fair value – primary literature	No equivalent standard	IFRS 13 – Fair value Measurements	Ind AS 113 – Fair value Measurements
Scope	No equivalent standard.	Applies when another IFRS requires or permits fair value measurements or disclosures about fair value measurements (and measurements such as fair value less cost to sell).	Same as IFRS
definition	No equivalent standard. Fair value is defined in the context accounting standard,if needed.	Fair value is the price that to be received for selling an asset and paid for the transfer a liability in an orderly transaction between market participants at the measurement date.	Same as IFRS
classification and disclosure	No equivalent standard.	Requires with some exceptions, classification of these measurements into a ‘fair value hierarchy’ based on the nature ofinputs: .	Same as IFRS
Regulatory Deferral Accounts- Primary literature	Guidance Note on Accounting for Rate Regulated Activities (revised)* (effective for accounting periods beginning on or after 1 April 2015)	IFRS 14 – Regulatory Deferral accounts	Ind AS – 114 Regulatory Deferral Accounts
scope, recognition and presentation	The Guidance Note should be applied by an entity to its operating activities .	IFRS 14 – Regulatory Deferral Accounts is limited scope Standard to provide an interim, solution for rate-regulated entities which are first-time adopters of IFRS.	Similar to IFRS.
Revenue from Contract with customers – primary literature	No comprehensive equivalent standard. The following deal with revenue recognition: AS 9 – Revenue Recognition AS 7 – Construction Contracts	IFRS 15- Revenue from Contracts with Customers (effective from Annual period beginning on or after 1 January 2017 with earlier application permitted)	Ind AS 115 – Revenue from Contracts with Customers Ind AS 115 – Appendix C – Service Concession Arrangements Ind AS 115 – Appendix D – Service Concession Arrangements: Disclosures
Scope	AS 7 deals with construction contracts and AS 9 deals with the recognition of revenue arising in the course of ordinary activities of the entity – sale of goods, rendering of services and use by others of entity resources yielding interest, royalties and dividend.	IFRS 15 applies to contract with a customer and establishes principles on reporting the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with customer	Same as IFRS
recognition	AS 9 requires recognition of revenue when (i) there is transfer significant risks and rewards of ownership (ii) no significant	The core principle under IFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to	Same as IFRS

	uncertainty exists regarding the amount of consideration and (iii) at the time of performance,	customers in an amount that reflects the considerations to which the entity expects to be entitled in exchange for those goods or services. To achieve that core principles, the following steps are applied: 1) Identify the contract(s) with a customer. 2) Identify the performance obligations in the contract (account for a 'distinct' good or service). 3) Determine the transaction price. 4) Allocate the transaction price . 5) Recognisition of revenue	
time value of money	Revenue is not adjusted for the time value.	Transaction price is price adjusted for the time value of money during the existence of financing component	Same as IFRS
disclosure	AS 7 requires disclosure of contract revenue recognised, methods used to recognise revenue, methods used to determine stage of completion, aggregate amount of cost incurred and recognised profits, amount of advances received and amount of retentions. AS 9 requires disclosure of circumstances when revenue recognition has been postponed pending resolution of significant uncertainties. As per Schedule III, in the case of a company other than a finance company, revenue from operations should disclose separately in the notes to accounts the following: • sale of products • sale of services • other operating revenues Less: Excise Duty Turnover (Net) In the case of a finance company, revenue from operations should include revenue from: • interest; and • other financial services	Cohesive set of disclosure requirements including both qualitative and quantitative information about the nature, amount, timing and uncertainty of revenue and cash flows from contracts with customers. Specifically, information about: • Revenue recognised from contracts with customers, including the disaggregation of revenue into appropriate categories • Contract balances, including the opening and closing balances of receivables, contract assets and contract liabilities; • Performance obligations, including when the entity typically satisfies its performance obligations and the transaction price that is allocated to the remaining performance obligations in a contract; • Significant judgements, and changes in judgements, made in applying the requirements to those contracts; and • Assets recognised from the costs to obtain or fulfil a contract with a customer.	Same as IFRS
Service Concession Arrangements – Scope	No specific guidance. The ICAI has issued an exposure draft of Guidance Note on Accounting for Service Concession Arrangements, which is similar to IFRIC 12.	Prescribes accounting by private sector operators involved in provision of public sector infrastructure assets and services. Under service concession arrangements, the grantor specifies the services to be provided to the public, controls the infrastructure and the price to be charged to the public by the operator.	Same as IFRS

Summary and conclusion:

Newly framed Indian AS are the converged form of IFRS and ICAI and MCA has accepted most of the provisions of IFRS as it is. The table of difference shows that except few items almost all the provisions are same as IFRS. So it is a good thing about Indian AS that we have not any major changes in India GAAP. There are significant differences between IFRS and Indian-GAAP. In fact, Indian Accounting Standards have not kept pace with changes in IFRS. This is because Indian Standards remain sensitive to local conditions, including the legal and economic environment.

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