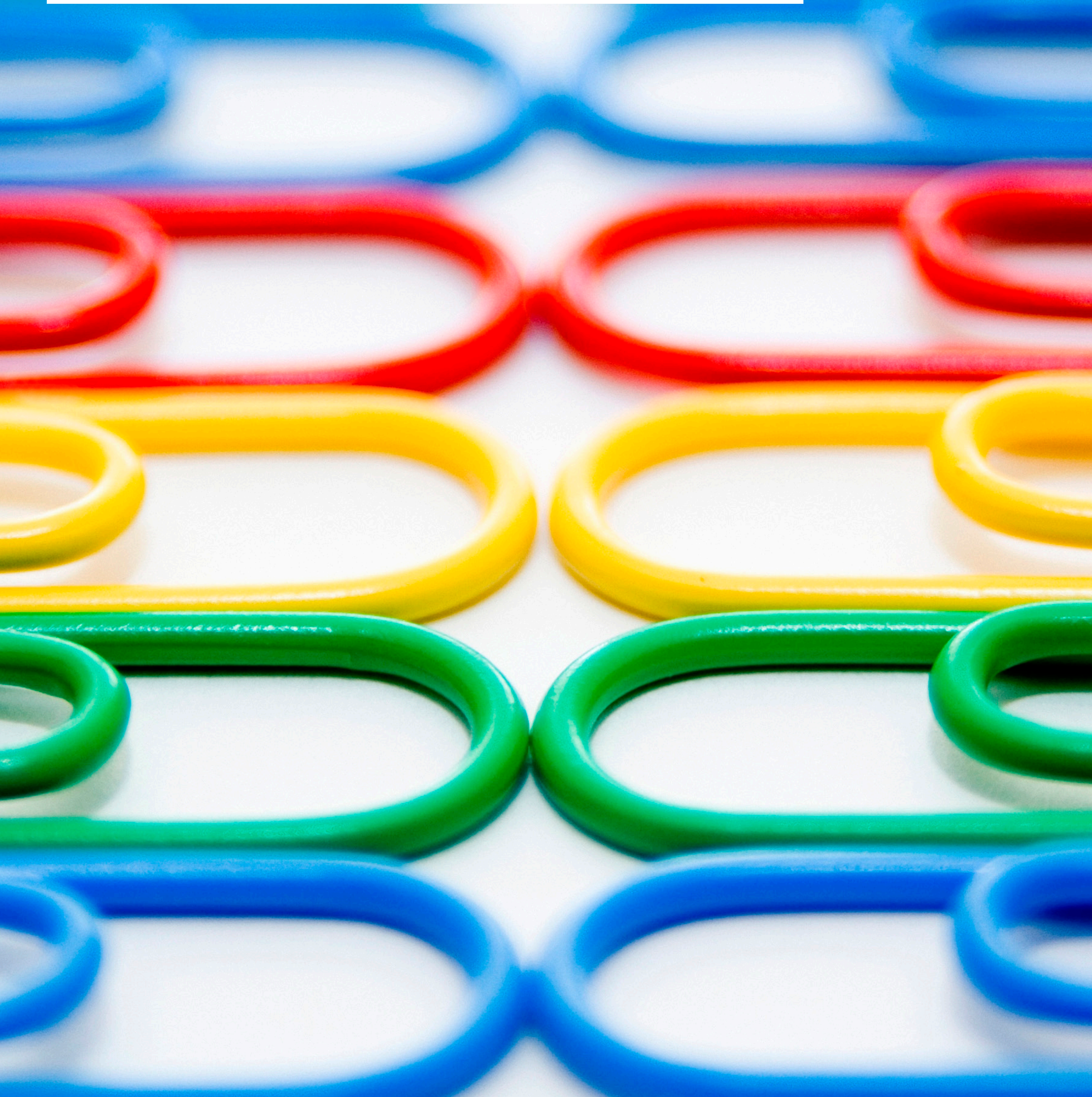
Indian GAAP, IFRS and Ind AS
A Comparison

26 February 2015



Contents

Updated for the Companies (Indian Accounting Standards) Rules, 2015

The Roadmap for Implementation of Ind AS

On 16 February 2015, the Ministry of Corporate Affairs (MCA) notified the Companies (Indian Accounting Standards) Rules, 2015 (the 'Rules') (pending publication in the Gazette of India). The Rules specify the Indian Accounting Standards (Ind AS) applicable to certain class of companies and set out the dates of applicability.

The key requirements of the Rules with regard to the class of companies that will be required to follow Ind AS and the date of adoption by such companies are as under:

Voluntary adoption

Companies may voluntarily adopt Ind AS for financial statements for accounting periods beginning on or after 1 April 2015, with the comparatives for the periods ending 31 March 2015 or thereafter. Once a company opts to follow the Ind AS, it will be required to follow the same for all the subsequent financial statements.

Mandatory adoption

For the accounting periods beginning on or after 1 April 2016	For the accounting periods beginning on or after 1 April 2017
• The following companies will have to adopt Ind AS for financial statements from the above mentioned date: - Companies whose equity and/or debt securities are listed or are in the process of listing on any stock exchange in India or outside India (listed companies) and having net worth of Rs. 500 crores or more. - Unlisted companies having a net worth of Rs. 500 crores or more. - Holding, subsidiary, joint venture or associate companies of the listed and unlisted companies covered above.	• The following companies will have to adopt Ind AS for financial statements from the above mentioned date: - Listed companies having net worth of less than Rs. 500 crore. - Unlisted companies having net worth of Rs. 250 crore or more but less than Rs. 500 crore. - Holding, subsidiary, joint venture or associate companies of the listed and unlisted companies covered above.
• Comparative for these financial statements will be periods ending 31 March 2016 or thereafter.	• Comparative for these financial statements will be periods ending 31 March 2017 or thereafter.

The roadmap will not be applicable to:
- Companies whose securities are listed or in the process of listing on SME exchanges.
- Companies not covered by the roadmap in the "Mandatory adoption" categories above.
- Insurance companies, banking companies and non-banking finance companies.

These companies should continue to apply existing Accounting Standards prescribed in the Annexure to the Companies (Accounting Standards) Rules, 2006, unless they opt for voluntary adoption. Insurance companies, banking companies and non-banking finance companies cannot voluntarily adopt the Ind ASs.

Comparison of Indian GAAP, IFRS and Ind AS

The table on the following pages sets out some of the key differences between Indian GAAP (including the provisions of Schedule III to the Companies Act, 2013, where considered necessary), IFRSs in issue as at 31 December 2014 and Ind ASs.

References to "Indian GAAP" are to the standards notified by the Central Government under the Companies (Accounting Standards) Rules, 2006 (applicable to all companies) vide notification G.S.R.739(E) dated 7 December 2006, as amended and to the relevant requirements of the Companies Act, 2013. IFRSs are Standards and Interpretations adopted by the International Accounting Standards Board. They comprise the International Financial Reporting Standards, International Accounting Standards, and Interpretations issued by the IFRS Interpretations Committee or the former Standing Interpretations Committee. Ind ASs refers to the accounting standards as specified in the Annexure to the Companies (Indian Accounting Standards) Rules, 2015.

The summary does not attempt to capture all of the differences that exist or that may be material to a particular entity's financial statements or all the provisions of Schedule III to the Companies Act, 2013 nor does it include differences relating to pronouncements by other regulators such as RBI, Income tax authorities, etc. Our focus is on differences that are commonly found in practice. Accordingly, we recommend that readers seek appropriate professional advice regarding any specific issues that they encounter. This publication should not be relied on as a substitute for such advice.

The significance of these differences – and others not included in this list – will vary with respect to individual entities depending on such factors as the nature of the entity's operations, the industry in which it operates and the accounting policy choices it has made. Reference to the underlying accounting standards and any relevant national regulations is essential in understanding the specific differences.

Abbreviations used in this publication are as follows:

AS	Notified Indian Accounting Standard(s)
AOCI	Accumulated other comprehensive income
EPS	Earnings per share
FASB	Financial Accounting Standards Board
FVTOCI	Fair value through other comprehensive income
FVTPL	Fair value through profit or loss
GAAP	Generally accepted accounting principles
IAS	International Accounting Standards
IASB	International Accounting Standards Board
ICAI	The Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
IFRIC	International Financial Reporting Interpretations Committee (now renamed as IFRS Interpretations Committee) and the Interpretations issued by that Committee
Ind AS	Indian Accounting Standards converged with IFRS
MCA	Ministry of Corporate Affairs
NBFC	Non-banking financial company
OCI	Other comprehensive income
RBI	Reserve Bank of India
Schedule III	Schedule III to the Companies Act, 2013
SIC	Standing Interpretations Committee of the International Accounting Standards Committee and the interpretations issued by that committee
SEBI	Securities and Exchange Board of India

Comparison

Topic	Indian GAAP	IFRS	Ind AS
Presentation of Financial Statements – primary literature	**AS 1 – Disclosure of Accounting Policies/Schedule III to the Companies Act, 2013** **AS 5 – Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies** **Note: An exposure draft of AS 1 (Revised), Presentation of Financial Statements has been issued by the ICAI. Pending finalisation, the discussion below is based on AS 1 as notified under the Companies (Accounting Standards) Rules, 2006.**	**IAS 1 – Presentation of Financial Statements**	**Ind AS 1 – Presentation of Financial Statements**
Presentation of Financial Statements – components of financial statements	The requirements for the presentation of financial statements are set out in Schedule III to the Companies Act, 2013, Schedule III to the Banking Regulation Act, 1949 (for banks), the regulations issued by the Insurance Regulatory and Development Authority (for insurance companies) and the SEBI Guidelines for Mutual Funds (for mutual funds) together with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006. As per the Companies Act, 2013 'financial statement' in relation to a company, includes (a) a balance sheet as at the end of the financial year; (b) a profit and loss account, or in the case of a company carrying on any activity not for profit, an income and expenditure account for the financial year; (c) cash flow statement for the financial year; (d) a statement of changes in equity, if applicable; and (e) any explanatory note annexed to, or forming part of, any document referred to above.	A complete set of financial statements under IFRS comprises a) a statement of financial position; b) a statement of profit or loss and other comprehensive income; c) a statement of changes in equity; d) a statement of cash flows; and e) notes comprising significant accounting policies and other explanatory information. Comparative figures are presented for one year. When a change in accounting policy has been applied retrospectively or items of financial statements have been restated/reclassified, a statement of financial position is required as at the beginning of the earliest comparative period. Additional comparative information may be presented, if it is in accordance with IFRS, but it need not comprise a complete set of financial statements.	A complete set of financial statements under Ind AS comprises a) a balance sheet as at the end of the period; b) statement of profit and loss; c) statement of changes in equity; d) a statement of cash flows; e) notes including summary of accounting policies and other explanatory information. Comparative figures are presented for one year. When a change in accounting policy has been applied retrospectively or items of financial statements have been restated/ reclassified, a balance sheet is required as at the beginning of the earliest period presented. Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Presentation of Financial Statements – components of financial statements (continued)	Comparative (corresponding) figures are presented for one year as per the requirements of Schedule III. Separate financial statements are required to be presented by all entities. The Companies Act 2013 requires a company having one or more subsidiaries, to prepare a consolidated financial statement of the company and of all the subsidiaries in the same form and manner as that of its own. The term 'subsidiary' includes an associate company and joint venture. Certain relaxations have been provided from the preparation of consolidated financial statements. Please refer to the topic 'Consolidated Financial Statements – scope' for the relaxations provided. Equity listed companies are required to present consolidated financial statements in addition to separate financial statements of the parent in terms of the Listing Agreement with the Stock Exchanges and the SEBI Guidelines.		

Topic	Indian GAAP	IFRS	Ind AS
Presentation of Financial Statements – formats	Schedule III prescribes the minimum requirements for disclosure on the face of the balance sheet and statement of profit and loss and notes. AS 3 provides guidance on line items to be presented in the statement of cash flows.	Specifies the line items to be presented in the statement of financial position, statement of profit or loss and other comprehensive income and statement of changes in equity. Recent amendments provide guidance for identifying additional line items and sub-totals, clarify aggregation or disaggregation of line-items, clarify method of presentation of other comprehensive income of equity-accounted associates and joint ventures, clarify that materiality considerations apply to all parts of financial statements including disclosures and provide additional examples of possible ways of ordering notes and remove some unhelpful examples of significant accounting policies. This amendment is effective for annual periods beginning on or after 1 January 2016 with early adoption permitted. IAS 7 provides guidance on line items to be presented in the statement of cash flows.	Ind AS 1 does not include any illustrative format for the presentation of financial statements. The ICAI has issued an exposure draft of the Ind AS-compliant Schedule III. The recent amendments to IAS 1 'Disclosure Initiatives' are yet to be made to Ind AS 1. Ind AS 7 provides guidance on line items to be presented in the statement of cash flows.

Topic	Indian GAAP	IFRS	Ind AS
Presentation of Financial Statements – definition of “material” and disclosure of material information	Financial statements should disclose all “material” items, i.e. items, the knowledge of which might influence the decisions of the user of the financial statements.	Omissions or misstatements are material if individually or collectively they could influence the economic decisions that users take on the basis of financial statements. Recent amendments to IAS 1 clarify that an entity should not reduce the understandability of its financial statements by obscuring material information with immaterial information or by aggregating material items that have different natures or functions. Where some IFRSs specify minimum information that is required to be included in the financial statements including the notes, such a specific disclosure is not required to be provided if the information resulting from that disclosure is not material.	While the definition of material is similar to that under IFRS, the recent amendments to IAS 1 'Disclosure Initiatives' are yet to be incorporated in Ind AS 1. Under Ind AS 1, a specific disclosure required by an Ind AS is not provided if the information is not material except when required by law.
Presentation of Financial Statements – fair presentation	Fair presentation requires compliance with the applicable requirements of the Companies Act, 2013 and the other regulatory requirements and the application of the qualitative characteristics of the Accounting Standards Framework. Departures from Accounting Standards or Companies Act, 2013 are prohibited unless permitted by other regulatory framework for example, the Insurance Regulatory and Development Authority.	Fair presentation requires faithful representation of the effects of the transactions, other events and conditions in accordance with the definitions of and recognition criteria for assets, liabilities, income and expenses set out in the Framework. In extremely rare circumstances in which management concludes that compliance with requirements of a Standard or Interpretation is so misleading, it may depart from the Standard or the Interpretation. Reasons for departure and why application of the Standard or the Interpretation would have been misleading and the financial impact of applying the standard are required to be disclosed.	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Presentation of Financial Statements – classification of financial liabilities under refinancing arrangements	There is no guidance in the existing standards. Schedule III specifies that financial liabilities where the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date will be classified as current liabilities.	Current, even if the agreement to refinance or reschedule payments on a long-term basis is completed after the end of the reporting period and before the financial statements are authorised for issue.	Similar to IFRS.
Presentation of Financial Statements – classification of financial liabilities upon breach of covenants	There is no guidance in the existing standards. Schedule III specifies that financial liabilities where the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date will be classified as current liabilities. The Guidance Note on Revised Schedule VI to the Companies Act, 1956 (Schedule VI has now been superseded by Schedule III under the Companies Act, 2013) issued by the ICAI states that "In the Indian context, the criteria of a loan becoming repayable on demand on breach of a covenant, is generally added in the terms and conditions as a matter of abundant caution. Also, banks generally do not demand repayment of loans on such minor defaults of debt covenants. Therefore, in such situations, the companies generally continue to repay the loan as per its original terms and conditions. Hence, considering that the practical implications of such minor breach are negligible in the Indian scenario, an entity could continue to classify the loan as "non-current" as on the Balance Sheet date since the loan is not actually demanded by the bank at any time prior to the date on which the Financial Statements are approved."	When an entity breaches a provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand, it classifies the liability as current, even if the lender agreed, after the reporting period and before the authorisation of the financial statements for issue, not to demand payment as a consequence of the breach. However the liability can be classified as non-current if the lender has agreed before the end of the reporting period to provide a grace period of minimum 12 months after the reporting period within which the breach can be rectified and the lender cannot demand immediate repayment.	Where there is a breach of a material provision of a long-term arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, if the lender has agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach, the loan will not be classified as current.

Topic	Indian GAAP	IFRS	Ind AS
Presentation of Financial Statements – presentation of income statement/statement of comprehensive income	Schedule III requires an analysis of expense by nature. Any item of income or expenditure which exceeds one per cent of the revenue from operations or Rs.100,000, whichever is higher, needs to be disclosed.	An analysis of expenses is presented using a classification based on either the nature of expenses or their function whichever provides information that is reliable and more relevant. If presented by function, specific disclosures by nature are provided in the notes. When items of income or expense are material, their nature and amount are separately disclosed.	Entities should present an analysis of expenses recognised in profit or loss using a classification based only on the nature of expense.
Presentation of Financial Statements – presentation of profit or loss attributable to non-controlling interests (minority interests)	Profit or loss attributable to minority interests is disclosed as deduction from the profit or loss for the period as an item of income or expense (as per AS 21).	Profit or loss attributable to non-controlling interests and equity holders of the parent are disclosed in the statement of profit or loss and other comprehensive income as allocations of profit or loss and total comprehensive income for the period.	Similar to IFRS.
Presentation of Financial Statements – statement of profit or loss and other comprehensive income (statement of comprehensive income)	Statement of profit and loss is the Indian GAAP equivalent of separate statement of profit or loss under IFRS. Some items such as revaluation surplus which are treated as 'other comprehensive income' under IFRS/ Ind AS are recognised directly in equity under Indian GAAP.	The statement of profit or loss and other comprehensive income includes all items of income and expense – (i.e. all 'non-owner' changes in equity) including (a) components of profit or loss and (b) other comprehensive income (i.e. items of income and expense that are not recognised in profit or loss as required or permitted by other IFRSs). These items may be presented either: • in a single statement of profit or loss and other comprehensive income (in which there is a sub-total for profit or loss); or • in a separate statement of profit or loss (displaying components of profit or loss) and a statement of profit or loss and other comprehensive income (beginning with profit or loss and displaying components of other comprehensive income).	An entity is required to present all items of income and expense including components of other comprehensive income in a period in a single statement of profit and loss.

Topic	Indian GAAP	IFRS	Ind AS
Presentation of Financial Statements – statement of changes in equity	A statement of changes in equity is currently not presented. Movements in share capital, retained earnings and other reserves are to be presented in the notes to accounts.	The statement of changes in equity includes the following information: • total comprehensive income for the period; • the effects on each component of equity of retrospective application or retrospective restatement in accordance with IAS 8; and • for each component of equity, a reconciliation between the opening and closing balances, separately disclosing each change.	Similar to IFRS.
Presentation of Financial Statements – extraordinary items	Extraordinary items are disclosed separately in the statement of profit and loss and are included in the determination of net profit or loss for the period. Items of income or expense to be disclosed as extraordinary should be distinct from the ordinary activities and are determined by the nature of the event or transaction in relation to the business ordinarily carried out by an entity.	Presentation of any items of income or expense as extraordinary is prohibited.	Similar to IFRS.
Presentation of Financial Statements – reclassification	A disclosure is made in financial statements that comparative amounts have been reclassified to conform to the presentation in the current period without additional disclosures for the nature, amount and reason for reclassification.	When comparative amounts are reclassified, nature, amount and reason for reclassification are disclosed.	Similar to IFRS.
Presentation of Financial Statements – critical judgements	AS 1 does not specifically require disclosure of judgements that management has made in the summary of significant accounting policies or other notes.	Requires disclosure of critical judgements made by management in applying accounting policies.	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Presentation of Financial Statements – estimation uncertainty	AS 1 does not specifically require an entity to disclose information about the assumptions that it makes about the future and other major sources of estimation uncertainty at the end of the reporting period though other standards may require certain disclosures of the same.	Requires disclosure of key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. The nature of the uncertainty and the carrying amounts of such assets and liabilities at the end of the reporting period are required to be disclosed.	Similar to IFRS.
Presentation of Financial Statements – capital	AS 1 does not require an entity to disclose information that enables users of its financial statements to evaluate the entity's objectives, policies and processes of managing capital.	Requires disclosure of information about management of capital and compliance with externally imposed capital requirements, if any.	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Inventories – primary literature	**AS 2 – Valuation of Inventories**	**IAS 2 – Inventories**	**Ind AS 2 – Inventories**
Inventories – scope	There is no scope exemption in AS 2 for any inventories held by commodity traders. Further, AS 2 totally excludes from its scope (and not just measurement requirements) producers' inventories of livestock, agricultural and forest products, and mineral oils, ores and gases to the extent that they are measured at net realisable value in accordance with well-established practices in those industries. Work in progress arising under construction contracts, including directly related service contracts and work in progress arising in the ordinary course of business of service providers have been scoped out of AS 2.	Measurement requirements of IAS 2 do not apply to inventories held by commodity broker-traders who measure their inventories at fair value less costs to sell and producers of agricultural and forest products, agricultural produce after harvest and minerals and mineral products to the extent that they are measured at net realisable value in accordance with well-established practices in those industries. The standard also scopes out the biological assets related to agricultural activity and agricultural produce at the point of harvest Changes in fair value less costs to sell/changes in net realisable value are recognised in profit or loss in the period of the change.	Similar to IFRS.
Inventories – deferred settlement terms	Inventories purchased on deferred settlement terms are not explicitly dealt with in the accounting standard on inventories. The cost of inventories generally will be the purchase price for deferred credit terms unless the contract states the interest payable for deferred terms.	Difference between the purchase price of inventories for normal credit terms and the amount paid for deferred settlement terms is recognised as interest expense.	Similar to IFRS.
Inventories – cost formula	It is not expressly mandated to use the same cost formula consistently for all inventories that have a similar nature and use to the entity. The formula used should reflect the fairest possible approximation to the cost incurred in bringing the items of inventory to their present location and condition.	Requires an entity to use the same cost formula for all inventories having a similar nature and use to the entity. For inventories with a different nature or use, different cost formulas may be justified.	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Inventories – reversal of write-down of inventory	No specific guidance in AS 2 for reversal of write-down of inventories. However, reversals may be permitted as AS 5, Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies requires this to be disclosed as a separate line item in the statement of profit and loss.	Write-down of inventory is reversed if circumstances that previously caused inventories to be written down below cost no longer exist or when there is clear evidence of an increase in the net realisable value because of changes in economic circumstances. The amount of reversal is limited to the amount of the original write-down.	Similar to IFRS.
Inventories – classification	As per the requirements of Schedule III, inventories need to be classified as: • Raw materials; • Work-in-progress; • Finished goods; • Stock-in-trade (in respect of goods acquired for trading); • Stores and spares; • Loose tools; • Others.	No specific classification requirements – classification should be appropriate to the entity.	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Statement of Cash Flows – primary literature	**AS 3 – Cash Flow Statements**	**IAS 7 – Statement of Cash Flows**	**Ind AS 7 – Statement of Cash Flows**
Statement of Cash Flows – bank overdrafts	Bank overdrafts are considered as financing activities.	Included as cash and cash equivalents if they form an integral part of an entity's cash management.	Similar to IFRS.
Statement of Cash Flows – cash flows from extraordinary items	Cash flows from items disclosed as extraordinary are classified as arising from operating, investing or financing activities as appropriate, and separately disclosed.	As presentation of items as extraordinary is not permitted, the cash flow statement does not reflect any items of cash flow as extraordinary.	Similar to IFRS.
Statement of Cash Flows – interest and dividend	For Financial enterprises: Interest paid and interest and dividend received are to be classified as operating activities. Dividend paid is to be classified as financing activity. For other enterprises: Interest and dividends received are required to be classified as investing activities. Interest and dividends paid are required to be classified as financing activities.	May be classified as operating, investing or financing activities in a manner consistent from period to period.	Similar to Indian GAAP.
Statement of Cash Flows – acquisition and disposal of properties held for rental to others	No specific guidance.	Entities might routinely sell items of property, plant and equipment that they have previously held for rental to others. Cash payments/ receipts in respect of acquisition/ disposal of such assets are classified as operating activities.	Similar to IFRS.
Statement of Cash Flows – changes in ownership interest	No specific guidance.	Changes in ownership interest in a subsidiary without loss of control are treated as financing activities.	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
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** **Note: An exposure draft of AS 5 (Revised), Accounting Policies, Changes in Accounting Estimates and Errors has been issued by the ICAI. Pending finalisation, the discussion below is based on AS 5 as notified under the Companies (Accounting Standards) Rules, 2006.**	**IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors**	**Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors**
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 statute, for compliance with an Accounting Standard or for a more appropriate presentation of the financial statements on a prospective basis (unless transitional provisions, if any, of an accounting standard require otherwise) together with a disclosure of the impact of the same, if material. If a change in the accounting policy has no material effect on the financial statements for the current period, but is expected to have a material effect in the later periods, the same should be appropriately disclosed. However, change in depreciation method, though considered a change in accounting policy, is given retrospective effect. (See discussion on Property, Plant and Equipment below).	Requires retrospective application of changes in accounting policies by adjusting the opening balance of each affected component of equity for the earliest prior period presented and the other comparative amounts for each period presented as if the new accounting policy had always been applied, unless transitional provisions of an accounting standard require otherwise.	Similar to IFRS.
Accounting Policies, Changes in Accounting Estimates and Errors – errors	Prior period items are included in determination of net profit or loss of the period in which the error pertaining to a prior period is discovered and are separately disclosed in the statement of profit and loss in a manner that the impact on current profit or loss can be perceived.	Material prior period errors are corrected retrospectively by restating the comparative amounts for prior periods presented in which the error occurred or if the error occurred before the earliest period presented, by restating the opening statement of financial position.	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Accounting Policies, Changes in Accounting Estimates and Errors – new accounting pronouncements	Not required to be disclosed.	Non-application of new accounting pronouncements that have been issued but are not yet effective as at the end of the reporting period is disclosed. In such a case, known or reasonably estimable information relevant to assessing the possible impact that application of the new accounting pronouncements will have on the financial statements on initial application is also disclosed.	Similar to IFRS.
Accounting Policies, Changes in Accounting Estimates and Errors – absence of standard or interpretation that specifically applies to a transaction	No specific guidance.	Permits considering recent pronouncements by other standard-setting bodies that use a similar conceptual framework to IFRS to the extent these pronouncements do not conflict with IFRS.	In the absence of an Ind AS that specifically applies to a transaction, other event or condition, the management, while using judgment in developing and applying an accounting policy, should first consider the most recent pronouncements of the IASB and in absence thereof those of the other standard setting bodies that use a similar conceptual framework to develop accounting standards.

Topic	Indian GAAP	IFRS	Ind AS
Events after the Reporting Period – primary literature	**AS 4 – Contingencies and Events Occurring after the Balance Sheet Date** **Note: An exposure draft of AS 4 (Revised) Events Occurring After the Balance Sheet Date has been issued by the ICAI. Pending finalisation, the discussion below is based on AS 4 as notified under the Companies (Accounting Standards) Rules, 2006.**	**IAS 10 – Events After the Reporting Period**	**Ind AS 10 – Events After the Reporting Period**
Events after the Reporting Period – dividends	Schedule III requires disclosure of proposed dividend in the notes to accounts. However, as per the requirements of AS 4 which override the provisions of Schedule III, dividends stated to be in respect of the period covered by the financial statements, which are proposed or declared after the balance sheet date but before approval of the financial statements will have to be recorded as a provision.	Liability for dividends declared to holders of equity instruments are recognised in the period when declared. It is a non-adjusting event.	Similar to IFRS.
Events after the Reporting Period – adjusting event	No specific guidance.	When an entity breaches a provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand, an agreement by the lender after the reporting period and before the authorisation of the financial statements for issue not to demand payment is not considered as an adjusting event.	Where there is a breach of a long-term loan arrangement before the end of the reporting period whereby the liability becomes payable on demand on the reporting date, the agreement by lender before the approval of the financial statements for issue not to demand payment as a consequence of the breach, will be considered as an adjusting event.

Topic	Indian GAAP	IFRS	Ind AS
Income Taxes – primary literature	**AS 22 – Accounting for Taxes on Income**	**IAS 12 – Income Taxes** **SIC 25 – Income Taxes – Changes in the Tax Status of an Entity or its Shareholders**	**Ind AS 12 – Income Taxes** **Ind AS 12 – Appendix A – Income Taxes – Changes in the Tax Status of an Entity or its Shareholders**
Income Taxes – deferred income taxes	Deferred taxes are computed for timing differences in respect of recognition of items of profit or loss for the purposes of financial reporting and for income taxes.	Deferred taxes are computed for temporary differences between the carrying amount of an asset or liability in the statement of financial position and its tax base.	Similar to IFRS.
Income Taxes – recognition of deferred tax assets and liabilities	Deferred taxes are generally recognised for all timing differences.	Deferred income taxes are recognised for all temporary differences between accounting and tax base of assets and liabilities except to the extent which arise from a) initial recognition of goodwill or b) asset or liability in a transaction which i) is not a business combination; and ii) at the time of the transaction, affects neither the accounting nor the tax profit.	Similar to IFRS.
Income Taxes – recognition of taxes on items recognised in other comprehensive income or directly in equity	No specific guidance in AS 22. However, an announcement made by the ICAI requires any expense charged directly to reserves and/ or securities premium account to be net of tax benefits expected to arise from the admissibility of such expenses for tax purposes. Similarly, any income credited directly to a reserve account or a similar account should be net of its tax effect.	Current tax and deferred tax are recognised outside profit or loss if the tax relates to items that are recognised in the same or a different period, outside profit or loss. Therefore, the tax on items recognised in other comprehensive income or directly in equity, is also recorded in other comprehensive income or in equity, as appropriate.	Similar to IFRS.
Income Taxes – recognition of deferred tax assets for unused tax losses etc.	Deferred tax asset for unused tax losses and unabsorbed depreciation is recognised only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax asset for all other unused credits/timing differences is recognised only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.	Deferred tax asset is recognised for carry forward unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the deferred tax asset can be utilised. Where an entity has a history of tax losses, the entity recognises a deferred tax asset only to the extent that the entity has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available.	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Income Taxes – investments in subsidiaries, branches, and associates and interests in joint arrangements	No deferred tax liability is recognised. Deferred tax expense is an aggregation from separate financial statements of each group entity and no adjustment is made on consolidation.	Deferred tax liability for all taxable temporary differences are recognised except to the extent: • the parent, the investor, the venturer or joint operator is able to control timing of the reversal of the temporary difference, and • it is probable that the temporary difference will not reverse in the foreseeable future.	Similar to IFRS.
Income Taxes – deferred tax in respect of business combinations	No specific guidance.	If the potential benefit of the acquiree's income tax loss carry forwards or other deferred tax assets did not satisfy the criteria in IFRS 3 for separate recognition when the business combination was initially accounted but if such benefit is subsequently recognised, goodwill is reduced to record pre-acquisition deferred tax assets which are recognised within 12 months of the acquisition date as a result of new information on facts and circumstances that existed on the acquisition date. If the carrying amount of goodwill is zero, any remaining deferred tax benefit is recognised in profit or loss. All other deferred tax benefits are recognised in profit or loss (or if IAS 12 so requires, outside profit or loss).	Similar to IFRS, except that if the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognised in other comprehensive income and accumulated in equity as capital reserve or recognised directly in capital reserve depending on whether there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase as specified in Ind AS 103 – Business Combinations.
Income Taxes – deferred tax on unrealised intra-group profits	Deferred tax is not recognised. Deferred tax expense is an aggregation from separate financial statements of each group entity and no adjustment is made on consolidation.	Deferred tax on unrealised intra-group profits is recognised at the buyer's rate.	Similar to IFRS.
Income Taxes – classification of deferred tax assets and liabilities	Schedule III requires net deferred tax assets and net deferred tax liabilities to be presented as part of non-current assets and non-current liabilities respectively. A limited revision to AS 22 has been proposed by the ICAI to bring the presentation requirements specified in AS 22 in line with that in Schedule III.	Always classified as non-current, if current and non-current classification is presented.	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Income Taxes – disclosure	Certain additional disclosures like rate reconciliation, tax holidays and their expiry and unrecognised deferred tax liability on undistributed earnings of subsidiaries, branches, associates and joint ventures are not required.	Additional disclosures required under IFRS include: • A reconciliation between the income tax expense (income) reported and the product of accounting profit multiplied by the applicable tax rate. Either a numerical reconciliation or tax rate reconciliation is required to be presented. • Details of tax holidays and expiry. • Unrecognised deferred tax liability on undistributed earnings of subsidiaries, branches, associates and joint ventures.	Similar to IFRS.
Income Taxes – tax benefits related to share-based payments	No specific guidance.	Deferred tax benefit is calculated based on tax deduction for the share based payment under the applicable tax law (for example intrinsic value).	Similar to IFRS.
Income Taxes – recovery of revalued non-depreciable assets	Revaluation is treated as a permanent difference under Indian GAAP and, hence, the question of recognising deferred tax effects of the same does not arise at all.	Measurement of deferred tax liability or asset arising from revaluation is based on the tax consequences from the sale of asset rather than through use.	Similar to IFRS.
Income Taxes – recovery of investment property measured under fair value model	Not applicable as investment property cannot be measured using the fair value model.	In the case of investment property measured using fair value model, for measuring deferred taxes, there is a rebuttable presumption that the carrying amount will be recovered through sale.	Similar to Indian GAAP.
Deferred taxes – recognition on foreign currency denominated non-monetary assets/ liabilities when the tax reporting currency is not the functional currency	Not applicable as there is no concept of functional currency.	The non-monetary assets and liabilities of an entity are measured in its functional currency. If the entity's taxable profit or tax loss (and, hence, the tax base of its non-monetary assets and liabilities) is determined in a different currency, changes in the exchange rate give rise to temporary differences that result in a recognised deferred tax liability or asset.	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Changes in Tax Status of an Entity or its Shareholders	No specific guidance.	Current and deferred tax consequences are included in the profit or loss of the period of change unless the consequences relate to transactions or events recognised outside profit or loss either in other comprehensive income or directly in equity in the same or a different period.	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Property, Plant and Equipment – primary literature	**AS 6 – Depreciation Accounting** **AS 10 – Accounting for Fixed Assets** **Note: An exposure draft of AS 10 (Revised), Property, Plant and Equipment has been issued by the ICAI. The discussion below is based on AS 10 as notified under the Companies (Accounting Standards) Rules, 2006.**	**IAS 16 – Property, Plant and Equipment** **IFRIC 1 – Changes in Existing Decommissioning, Restoration and Similar Liabilities** **IFRIC 20 – Stripping Costs in the Production Phase of a Surface Mine**	**Ind AS 16 – Property, Plant and Equipment** **Ind AS 16 – Appendix A – Changes in Existing Decommissioning, Restoration and Similar Liabilities** **Ind AS 16 – Appendix B – Stripping Costs in the Production Phase of a Surface Mine**
Property, Plant and Equipment – scope	There is no exemption in AS 10 for property under development for future use as investment property.	Property under construction or development for future use as investment property is excluded from the scope of IAS 16 and is within the scope of IAS 40, Investment Property. Biological assets that meet the definition of a bearer plant i.e. a living plant that is used in the production or supply of agricultural produce, is expected to bear produce for more than one period and which will not be sold as agricultural produce are included in property, plant and equipment (effective from 1 January 2016 with earlier application permitted).	Similar to IFRS.
Property, plant and equipment – major spare parts	Machinery spares are usually charged to the profit and loss statement as and when consumed. However, if such spares can be used only in connection with an item of fixed asset and their use is expected to be irregular, it may be appropriate to allocate the total cost on a systematic basis over a period not exceeding the useful life of the principal item.	Spare parts are recognised in accordance with IAS 16 when they meet the definition of property, plant and equipment. Otherwise, such items are classified as inventory.	Similar to IFRS.
Property, Plant and Equipment – estimated costs of dismantling, removing or restoring items of property, plant and equipment	No such specific requirement.	The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is required to be included in the cost of the respective item of property plant and equipment.	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Property, Plant and Equipment – replacement costs	Replacement cost of an item of property, plant and equipment is generally expensed when incurred. Only expenditure that increases the future benefits from the existing asset beyond its previously assessed standard of performance is capitalised. From financial years commencing on or after 1 April 2015, Schedule II mandates fixed assets to be componentised and therefore, the position will be similar to that under IFRS.	Replacement cost of an item of property, plant and equipment is capitalised if replacement meets the recognition criteria. Carrying amount of items replaced is derecognised.	Similar to IFRS.
Property, Plant and Equipment – cost of major inspections	Costs of major inspections are generally expensed when incurred.	Cost of major inspections is recognised in the carrying amount of property, plant and equipment as a replacement, if recognition criteria are satisfied and any remaining carrying amount of the cost of previous inspection is derecognised.	Similar to IFRS.
Property, Plant and Equipment – revaluation	No specific requirement on frequency of revaluation.	If an entity adopts the revaluation model, 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.	Similar to IFRS.
Property, Plant and Equipment – depreciation	AS10 does are not require assets to be componentised and depreciated separately, although it states that such an approach may improve the accounting for an item of fixed asset.	Property, plant and equipment are componentised and are depreciated separately. There is no concept of minimum statutory depreciation under IFRS.	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Property, Plant and Equipment – depreciation (continued)	Schedule II to the Companies Act, 2013 sets out the useful lives based on the nature of assets and the useful life should not ordinarily be different from the life specified in the Schedule. However, a different useful life may be used if such difference is disclosed and a justification, backed by technical advice, is provided in this behalf. Schedule II also mandates fixed assets to be componentised for depreciation purposes (componentisation is mandatory in respect of financial years commencing on or after 1 April 2015).		
Property, Plant and Equipment – compensation for impairment	No specific requirement. In practice, compensation is offset against replaced items of property, plant and equipment.	Compensation from third parties for impairment or loss of items of property, plant and equipment are included in profit or loss when the compensation becomes receivable.	Similar to IFRS.
Property, Plant and Equipment – transfers from revaluation reserve	The Companies Act, 2013 precludes transfers from the revaluation reserve to the statement of profit and loss.	Transfers from revaluation reserve to retained earnings are made directly and not through profit or loss.	Similar to IFRS.
Property, Plant and Equipment – residual value	Estimates of residual value are not required to be updated.	Estimates of residual value need to be reviewed at least at each year end.	Similar to IFRS.
Property, Plant and Equipment – reassessment of useful life and depreciation method	Not specifically stated.	Requires annual reassessment of useful life and depreciation method.	Similar to IFRS.
Property, Plant and Equipment – acceptable methods of depreciation	Depreciation methods include the straight-line method, the diminishing balance method and the units of production method.	A variety of depreciation methods can be used to allocate based on a systematic basis over its useful life. These methods include the straight-line method, the diminishing balance method and the units of production method. Depreciation method that is based on revenue is not appropriate (effective for annual reporting periods beginning on or after 1 January 2016).	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Property, Plant and Equipment – change in method of depreciation	Requires retrospective re-computation of depreciation and any excess or deficit on such re-computation is required to be adjusted in the period in which such change is effected. Such a change is treated as a change in accounting policy and its effect is quantified and disclosed.	Changes in depreciation method are considered as change in accounting estimate and applied prospectively.	Similar to IFRS.
Property, Plant and Equipment – presentation of capital advances	Schedule III requires capital advances to be presented separately under the head 'Long-term loans and advances', as part of non-current assets.	No specific guidance though usually included in capital-work-in-progress.	Similar to IFRS.
Property, Plant and Equipment – routine sale of some properties	No specific guidance.	Entities might routinely sell items of property, plant and equipment that they have previously held for rental to others. The proceeds from the sale of such assets should be recognised as revenue in accordance with IAS 18/IFRS 15 (for annual period beginning 1 January 2017).	Similar to IFRS.
Changes in Existing Decommissioning, Restoration and Similar Liabilities	No specific guidance.	Provisions for decommissioning, restoration and similar liabilities that have previously been recognised as part of the cost of an item of property, plant and equipment are adjusted for changes in the amount or timing of future costs and for changes in market-based discount rates.	Similar to IFRS.
Stripping Costs in the Production phase of a surface mine	No specific guidance	IFRIC 21 applies to waste removal costs that are incurred in surface mining activity during the production phase of the mine ('production stripping costs'). It addresses recognition of production stripping costs as an asset and measurement (initial and subsequent) of that stripping activity asset.	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Leases – primary literature	**AS 19 – Leases**	**IAS 17 – Leases** **(The IASB is currently working on a revised standard on Leases which is proposed to be issued in the latter of the year 2015)** **IFRIC 4 – Determining Whether an Arrangement Contains a Lease** **SIC 15 – Operating Leases – Incentives** **SIC 27 – Evaluating the Substance of Transactions Involving the Legal Form of a Lease**	**Ind AS 17 – Leases** **Ind AS 17– Appendix A – Operating Leases Incentives** **Ind AS 17 – Appendix B – Evaluating the Substance of Transactions Involving the Legal Form of a Lease** **Ind AS 17 – Appendix C – Determining Whether an Arrangement Contains a Lease**
Leases – interest in leasehold land	Leasehold land is recorded and classified as fixed assets.	Recognised as operating lease or finance lease as per definition and classification criteria. An important consideration in such determination is that land has an indefinite economic life. A property interest in an operating lease may be classified as investment property in which case it should be accounted for as a finance lease and the fair value model should be applied for the asset recognised.	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.
Leases – 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 over the lease term unless another systematic basis is more representative of the time pattern of the user's benefit. Lease income from operating leases should be recognised 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 in which benefit derived from the use 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 essentially to compensate the lessor for expected inflationary cost increases, these should not be straight-lined by the lessor as well as the lessee.

Topic	Indian GAAP	IFRS	Ind AS
Leases – initial direct costs of lessors for assets under a finance lease	Initial direct costs are either recognised immediately in the statement of profit and loss or allocated against the finance income over the lease term. Initial lease costs incurred by manufacturer or dealer lessors are recognised as expense at the inception of the lease.	For finance leases other than those involving manufacturer or dealer lessors, initial direct costs are included in the measurement of the finance lease receivable and reduce the amount of income recognised over the lease term. Initial lease costs incurred by manufacturer or dealer lessors are recognised as expense when selling profit is recognised, which is normally at the commencement of the lease term.	Similar to IFRS.
Leases – initial direct costs of lessors for assets under operating leases	Initial direct costs incurred by lessors are either deferred and allocated to income over the lease term in proportion to the recognition of lease income, or are recognised as an expense in the statement of profit and loss in the period in which they are incurred.	Initial direct costs incurred by lessors are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as lease income.	Similar to IFRS.
Determining whether an arrangement contains a lease	No specific guidance. Payments under such arrangements are recognised in accordance with the nature of expense incurred.	Arrangements that do not take the legal form of a lease but fulfilment of which is dependent on the use of specific assets and which convey the right to use the assets are accounted for as lease.	Similar to IFRS.
Operating Leases – incentives	No specific guidance.	Lease incentives (such as rent-free period) for operating leases are recognised by both the lessor and the lessee as a reduction of rental income and expense, respectively, over the lease term. These are recognised on a straight-line basis unless another systematic basis is more representative of the time pattern over which the benefit of the leased asset is diminished for the lessor/time pattern of the lessee's benefit from the use of the leased asset (for the lessee).	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Evaluating the Substance of Transactions Involving the Legal Form of a Lease	No specific guidance.	If a series of transactions involves the legal form of a lease and the economic effect can only be understood with reference to the series as a whole, then the series is accounted for as a single transaction.	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Employee Benefits – primary literature	**AS 15 (Revised 2005) – Employee Benefits**	**IAS 19 – Employee Benefits (2011)** **IFRIC 14 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction**	**Ind AS 19 – Employee Benefits** **Ind AS 19 – Appendix B – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction**
Employee benefits – short-term and other long-term employee benefits	The distinction between short-term and other long-term employee benefits depends on whether they fall wholly due within 12 months after the end of the period in which the employees render the related service. There is an inconsistency in the definition of short-term employee benefits and the current/non-current classification in Schedule III. While the definition of short-term employee benefits as per AS 15 refers to benefits "which fall due wholly within 12 months after the end of the period in which the employees render the related service", as per Schedule III requirements, for classification as current liabilities, the benefits should be "due to be settled within 12 months after the reporting date". However, the Guidance Note to the Revised Schedule VI to the Companies Act, 1956 (Schedule VI has been superseded by Schedule III under the Companies Act, 2013), issued by ICAI, has clarified that while AS 15 governs the measurement requirements, Schedule VI (now Schedule III) governs the presentation requirements. Therefore, each company will need to apply these criteria to its facts and circumstances and decide an appropriate classification of its employee benefit obligations.	The distinction between short-term and other long-term employee benefits depends on whether those benefits are expected to be settled wholly before twelve months after the end of the annual reporting period. Short-term employee benefits are recognised as an expense in the period in which the employee renders the related service. Unpaid short-term benefit liability is measured at an undiscounted amount.	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Employee benefits – short-term compensated absences	Short-term employee benefits include short-term compensated absences where the absences are expected to occur within 12 months after the end of the period in which the employees render the related service. There is an inconsistency in the description of short-term compensated absences and the current/non-current classification in Schedule III. While the description of short-term employee compensated absences as per AS 15 refers to absences that "are expected to occur within 12 months after the end of the period in which the employees render the related service", as per Schedule III requirements, for classification as current liabilities, the absences should be "due to be settled within 12 months after the reporting date". However, the Guidance Note to the Revised Schedule VI to the Companies Act, 1956 (Schedule VI has been superseded by Schedule III under the Companies Act, 2013), issued by ICAI, has clarified that while AS 15 governs the measurement requirements, Schedule VI (now Schedule III) governs the presentation requirements. Therefore, to the extent the employee has an unconditional right to avail the leave, the same needs to be classified as current even though a portion of the same may have to be measured as other long-term employee benefits as per AS 15.	Short-term employee benefits include paid annual leave and paid sick leave if it is expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related services.	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Employee benefits – actuarial valuation	Similar to IFRS, except that detailed actuarial valuation to determine present value of the benefit obligation is carried out at least once every three years and fair value of plan assets are determined at each balance sheet date.	Detailed actuarial valuation to determine the present value of the net defined benefit liability (asset) is performed with sufficient regularity so that the amounts recognised in the financial statements do not differ materially from the amounts that would have been determined at the end of the reporting period. IAS 19 does not specify sufficient regularity.	Similar to IFRS.
Employee benefits – actuarial gains and losses	All actuarial gains and losses should be recognised immediately in the statement of profit and loss.	Actuarial gains and losses representing changes in the present value of the defined benefit obligation resulting from experience adjustment and effects of changes in actuarial assumptions are recognised in other comprehensive income and not reclassified to profit or loss in a subsequent period.	Similar to IFRS.
Employee benefits – discount rate	Market yields at the balance sheet date on government bonds are used as discount rates. The currency and term of the government bonds should be consistent with the currency and estimated term of the post-employment benefit obligations.	Post-employment benefit obligations (both funded and unfunded) are discounted using a discount rate determined by reference to market yields at the end of the reporting period on high quality corporate bonds. In countries where there is no deep market in such bonds, the market yields on government bonds denominated in that currency should be used.	Post-employment benefit obligations (both funded and unfunded) should be discounted using a discount rate determined by reference to market yields at the end of the reporting period on government bonds. However, subsidiaries, associates, joint ventures and branches domiciled outside India should use a rate determined by reference to market yields on high quality corporate bonds at the end of the reporting period. In case, such subsidiaries, associates, joint ventures and branches are domiciled in countries where there is no deep market in such bonds, the market yields (at the end of the reporting period) on government bonds of that country should be used. The currency and term of the government bonds or corporate bonds should be consistent with the currency and estimated term of the post-employment benefit obligations.

Topic	Indian GAAP	IFRS	Ind AS
Employee benefits – defined benefit plans	The changes in defined benefit liability (surplus) has the following components: a) Service cost – recognised in profit or loss; b) Interest cost – recognised in profit or loss; c) The expected return on any plan assets – recognised in profit or loss; d) Net actuarial gains and losses – recognised in profit or loss.	The change in the defined benefit liability (asset) has the following components: a) Service cost – recognised in profit or loss; b) Net interest cost (i.e. time value) on the net defined benefit deficit/(asset) – recognised in profit or loss; c) Remeasurement including i) changes in fair value of plan assets that arise from factors other than time value and ii) actuarial gains and losses on obligations – recognised in other comprehensive income.	Similar to IFRS.
Employee benefits – termination benefits	Termination benefits are recognised as a liability and an expense when, and only when: • the enterprise has a present obligation as a result of a past event; • it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and • a reliable estimate can be made of the amount of the obligation.	A termination benefit liability is recognised at the earlier of the following dates: • when the entity can no longer withdraw the offer of those benefits – additional guidance is provided on when this occurs in relation to an employee's decision to accept an offer of benefits on termination and as a result of an entity's decision to terminate an employee's employment; • when the entity recognises costs for a restructuring under IAS 37 Provisions, Contingent Liabilities and Contingent Assets which involves the payment of termination benefits.	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Employee benefits – past service cost and curtailments	Past service cost is recognised as under: • As an expense on a straight-line basis over the average period until the benefits become vested. • If benefits already vested, recognised as an expense immediately. Entities recognise a curtailment when it occurs. However when a curtailment is linked with a restructuring, it is accounted for at the same time as the related restructuring.	Past service cost (includes curtailments) is recognised as an expense at the earlier of the following dates: • when the plan amendment or curtailment occurs; and • when the entity recognises related restructuring costs or termination benefits.	Similar to IFRS.
Employee benefits – actuarial assumptions – administration costs	The expected and actual return on plan assets is arrived at after deducting expected administrative costs, other than those included in the actuarial assumptions used to measure the defined benefit obligation. But AS 15 does not specify which costs should be included in those actuarial assumptions.	In determining the return on plan assets, an entity deducts the costs of managing the plan assets and any tax payable by the plan itself, other than tax included in the actuarial assumptions used to measure the defined benefit obligation. Other administration costs are not deducted from the return on plan assets.	Similar to IFRS.
Employee benefits – contributions from employees or third parties to defined benefit plans	No specific guidance.	Provides guidance on accounting for contributions from employees or third parties to defined benefit plans, which are linked to service- both dependent and independent of the number of years of service.	Similar to IFRS.
The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	No specific guidance.	Addresses when refunds or reductions in future contributions are regarded as available for recognition of an asset; how minimum funding requirements may affect the availability of reductions in future contributions and when minimum funding requirement may give rise to a liability. It also deals with prepayments of a minimum funding requirement.	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Government Grants – primary literature	**AS 12 – Accounting for Government Grants**	**IAS 20 – Accounting for Government Grants and Disclosure of Government Assistance** **SIC 10 – Government Assistance-No Specific Relation to Operating Activities**	**Ind AS 20 – Accounting for Government Grants and Disclosure of Government Assistance** **Ind AS 20 – Appendix A – Government Assistance – No Specific Relation to Operating Activities**
Government Grants – government assistance	Does not deal with disclosure of government assistance other than in the form of government grants.	Deals with both government grants and disclosure of government assistance.	Similar to IFRS.
Government Grants – forgivable loans	No specific guidance.	Forgivable loans are treated as government grants when there is a reasonable assurance that the entity will meet the terms for forgiveness of the loan.	Similar to IFRS.
Government Grants – 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 in accordance with IFRS 9 and the proceeds received.	Similar to IFRS.
Government Grants – recognition	Two broad approaches may be followed – the capital approach or the income approach. Government grants in the nature of promoters' contribution i.e. they are given with reference to the total investment in an undertaking or by way of contribution towards its total capital outlay and no repayment is ordinarily expected, are credited directly to shareholders' funds. Grants related to revenue are recognised in the statement of profit and loss on a systematic and rational basis over the periods necessary to match them with the related costs.	Government grants are recognised as income to match them with expenses in respect of the related costs for which they are intended to compensate on a systematic basis. Government grants are not directly credited to shareholders' interests. Government grants related to assets are presented in the statement of financial position either by setting up the grant as deferred income or by deducting the grant in arriving at the carrying amount of the asset.	Similar to IFRS. However, grants related to assets, including non-monetary grants at fair value, should be presented in the balance sheet only by setting up the grant as deferred income.

Topic	Indian GAAP	IFRS	Ind AS
Government Grants – recognition (continued)	Grants relating to non-depreciable assets are credited to capital reserve. If such grants require fulfilment of some obligation, such grants should be credited to income over the period over which the cost of meeting the obligation is charged to income. Grants related to depreciable assets are either treated as deferred income and transferred to the statement of profit and loss in proportion to depreciation, or deducted from the cost of the asset.		
Government Grants – 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. Non-monetary grants free of cost are accounted for at nominal values.	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.
Government Grants – repayment of grants relating to fixed assets	Recognised either by increasing the carrying amount of the asset or reducing the deferred income or capital reserve, as appropriate, by the amount repayable. If the carrying amount of the asset is increased, depreciation on the revised carrying amount is provided prospectively over the residual useful life of the asset. Classified as an extraordinary item.	Recognised either by increasing the carrying amount of the asset or reducing the deferred income by the amount repayable. Cumulative depreciation that would have been recognised in profit or loss to date in the absence of grant should be recognised immediately in profit or loss. Prohibited to be classified as an extraordinary item.	Recognised by reducing the deferred income balance by the amount repayable. Prohibited to be classified as an extraordinary item.

Topic	Indian GAAP	IFRS	Ind AS
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**
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 is a currency other than the functional currency. Presentation currency is the currency in which the financial statements are presented.	Similar to IFRS.
Effects of Changes in Foreign Exchange Rates – exchange differences	Similar to IFRS except that there is a limited period irrevocable option for corporate entities to capitalise exchange differences on long-term foreign currency monetary items incurred for acquisition of depreciable capital assets and to amortise exchange differences on other long-term foreign currency monetary items over the life of such items but not beyond the stipulated date. Exchange differences on monetary items that in substance, form part of net investment in a non-integral foreign operation, are recognised in 'Foreign Currency Translation Reserve' both in the separate and consolidated financial statements and recognised as income or expense at the time of disposal of that operation.	Exchange differences arising on translation or settlement of foreign currency monetary items are recognised in profit or loss in the period in which they arise. Exchange differences on monetary items, that in substance, form part of net investment in a foreign operation, are recognised in profit or loss in the period in which they arise in the separate financial statements and in other comprehensive income in the consolidated financial statements and reclassified from equity to profit or loss on disposal of the net investment.	Similar to IFRS. However, an entity may continue the policy adopted for exchange differences arising from translation of long-term foreign currency monetary items recognised in the financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period as per previous GAAP.

Topic	Indian GAAP	IFRS	Ind AS
Effects of Changes in Foreign Exchange Rates – translation in the consolidated financial statements	Translation of financial statements of a foreign operation to the reporting currency of the parent/investor depends on the classification of that operation as integral or non-integral. In the case of an integral foreign operation, monetary assets are translated at closing rate. Non-monetary items are translated at historical rate if they are valued at cost. Non-monetary items which are carried at fair value or other similar valuation are reported using the exchange rates that existed when the values were determined. Income and expense items are translated at historical/average rate. Exchange differences are taken to the statement of profit and loss. For non-integral foreign operations, closing rate method should be followed (i.e. all assets and liabilities are to be translated at closing rate while profit and loss account items are translated at actual/average rates). The resulting exchange difference is taken to reserve and is recycled to profit and loss on the disposal of the non-integral foreign operation. Treatment for disposal does not depend on whether control over a foreign subsidiary is lost or not. Even if control is lost, only proportionate amount of the reserve is recycled to statement of profit and loss.	Assets and liabilities should be translated from functional currency to presentation currency at the closing rate at the date of the statement of financial position; income and expenses at actual/average rates for the period; exchange differences are recognised in other comprehensive income and accumulated in a separate component of equity. These are reclassified from equity to profit or loss (as a reclassification adjustment) when the gain or loss on disposal is recognised. Treatment of disposal depends on whether control is lost or not. Thus, if control is lost, the exchange difference attributable to the parent is reclassified to profit or loss from foreign currency translation reserve in other comprehensive income.	Similar to IFRS.
Effects of Changes in Foreign Exchange Rates – scoping for derivatives	AS 11 is applicable to exchange differences on all forward exchange contracts including those entered into to hedge the foreign currency risk of existing assets and liabilities and is not applicable to the exchange difference arising on forward exchange contracts entered into to hedge the foreign currency risks of future transactions in respect of which firm commitments are made or which are highly probable forecast transactions.	Foreign currency derivatives that are not within the scope of IAS 39 (e.g. some foreign currency derivatives that are embedded in other contracts) are within the scope of IAS 21. In addition, IAS 21 applies when an entity translates amounts relating to derivatives from its functional currency to its presentation currency.	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Effects of Changes in Foreign Exchange Rates – forward exchange contracts	• Forward exchange contracts not intended for trading or speculation purposes: i) Any premium or discount arising at the inception of a forward exchange contract is amortised as expense or income over the life of the contract. ii) Exchange differences on such a contract are recognised in the statement of profit and loss in the reporting period in which the exchange rates change. Exchange difference on a forward exchange contract is the difference between (a) the foreign currency amount of the contract translated at the exchange rate at the reporting date, or the settlement date where the transaction is settled during the reporting period, and (b) the same foreign currency amount translated at the latter of the date of inception of the forward exchange contract and the last reporting date. • Forward exchange contract intended for trading or speculation purposes: The premium or discount on the contract is ignored and at each balance sheet date, the value of the contract is marked to its current market value and the gain or loss on the contract is recognised.	Accounted for as a derivative.	Similar to IFRS.
Effects of Changes in Foreign Exchange Rates – change in functional currency	Change in reporting currency is not dealt with in AS 11, though reason for change is required to be disclosed.	Change in functional currency is applied prospectively. The fact of change in functional currency and the reason for the change in functional currency should be disclosed.	Similar to IFRS. Additionally, the date of change in functional currency is also required to be disclosed.

Topic	Indian GAAP	IFRS	Ind AS
Borrowing Costs – primary literature	**AS 16 – Borrowing Costs**	**IAS 23 – Borrowing Costs**	**Ind AS 23 – Borrowing Costs**
Borrowing Costs – scope	No such scope exception similar to IFRS/Ind AS is available.	Borrowing costs need not be capitalised in respect of i) qualifying assets measured at fair value (e.g. biological assets) ii) inventories that are manufactured, or otherwise produced, in large quantities on a repetitive basis (even if they are otherwise qualifying assets). This is an option.	Similar to IFRS.
Borrowing Costs – components of borrowing costs	No reference to effective interest rate.	Description of specific components are linked to effective interest rate.	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Related Party Disclosures – primary literature	**AS 18 – Related Party Disclosures**	**IAS 24 – Related Party Disclosures**	**Ind AS 24 – Related Party Disclosures**
Related Party Disclosures – 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 or exercise significant influence over the other party in making financial and/or operating decisions.	A related party is a person or entity that is related to the entity that is preparing its financial statements (reporting entity): a) A person or a close member of that person's family is related to a reporting entity if that person: i) has control or joint control of the reporting entity; ii) has significant influence over the reporting entity; or iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity. b) An entity is related to a reporting entity if any of the following conditions apply: i) The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others). ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member). iii) Both entities are joint ventures of the same third party. iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Related Party Disclosures – definition of related party (continued)		v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity. vi) The entity is controlled or jointly controlled by a person identified in a). vii) A person identified in a) i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity). viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity (this is effective for annual periods beginning on or after 1 July 2014).	
Related Party – definition of close member of the family	No definition of close member of the family. Instead the term "relative" has been defined in relation to an individual as the spouse, son, daughter, brother, sister, father, mother who may be expected to influence, or be influenced by, that individual in his/her dealings with the reporting enterprise.	Close members of the family of a person are those family members who may be expected to influence, or 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 domestic partner; and c) dependants of that person or that person's spouse or domestic partner.	Similar to IFRS with the inclusion of father, mother, brother and sister in the definition of close members of the family.
Related Party Disclosures – post-employment benefit plans	Post-employment benefit plans are not included as related parties.	Related party includes post-employment benefit plans for the benefit of employees of the reporting entity or any entity that is related to the reporting entity.	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Related Party Disclosures – exemptions	Disclosure requirements do not apply if providing such disclosures would conflict with an enterprise's duties of confidentiality as specifically required in terms of a statute or by any regulator or similar competent authority. Also, no disclosure is required in the financial statements of a state-controlled enterprise as regards related party relationships with other state-controlled enterprises and transactions with such enterprises.	Some minimum disclosures should be made by government-related entities.	Disclosures which conflict with confidentiality requirements of statute/regulations are not required to be made.
Related Party Disclosures – 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.
Related Party Disclosures – key management personnel	Compensation of key management personnel is disclosed in total as an aggregate of all items of compensation except when a separate disclosure is necessary for the understanding of the effects of related party transactions on the financial statements.	Compensation of key management personnel is disclosed in total and separately for a) short-term employee benefits; b) post-employment benefits; c) other long-term benefits; d) termination benefits; and e) share-based payments.	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Investments in Associates and Joint Ventures – primary literature	**AS 23 – Accounting for Investments in Associates in Consolidated Financial Statements**	**IAS 28 (Revised 2011) – Investments in Associates and Joint Ventures**	**Ind AS 28 – Investments in Associates and Joint Ventures**
Investments in Associates and Joint Ventures – significant influence	Significant influence is the power to participate in the financial and/ or operating policy decisions of the investee but not control over those policies.	Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.	Similar to IFRS.
Investments in Associates and Joint Ventures – potential voting rights	Potential voting rights are not considered in assessing significant influence.	The existence and effect of potential voting rights that are currently exercisable or convertible, including potential voting rights held by another entity, are considered when assessing significant influence.	Similar to IFRS.
Investments in Associates and Joint Ventures – equity method	As per AS 23, equity method is applicable only when the entity has subsidiaries and prepares consolidated financial statements. However, as per Companies Act, 2013, consolidated financial statements should be prepared, even if an entity has only associates and/or joint ventures but has no subsidiaries. For financial year ending 31 March 2015, if a company does not have any subsidiaries, but only has associates and/or joint ventures, then the company would not have to prepare consolidated financial statements in respect of such associates and/ or joint ventures. (Refer the topic 'Consolidated Financial Statements - scope').	Even if consolidated financial statements are not prepared (e.g. because the investor has no subsidiaries) equity accounting is used. IFRS 5 is applied to an investment, or a portion of an investment in an associate that meets the criteria to be classified as held for sale.	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Investments in Associates and Joint Ventures – scope	Currently there is no exemption for investments made by venture capital organisations, mutual funds, unit trusts and similar entities from applying the equity method.	Investments by venture capital organisations, mutual funds, unit trusts and similar entities including investment-linked insurance funds are exempted from applying equity method, if an election is made to measure such investments at FVTPL in accordance with IFRS 9 or IAS 39 where the entity is yet to apply IFRS 9. If this election is made, certain disclosure requirements have to be complied with. IAS 28 provides exemptions from applying the equity method similar to exemptions provided in IFRS 10 – Consolidated Financial Statements (Refer the topic 'Consolidated Financial Statements - scope')	Similar to IFRS.
Investments in Associates and Joint Ventures – share of losses	Loss in excess of the carrying amount of investment is not recognised, unless the investor has incurred obligations or made payments on behalf of the associate to satisfy obligations of the associate that the investor has guaranteed or to which the investor is otherwise committed.	Losses recognised in excess of the interest in the investment are not recognised. The 'interest' is the carrying amount of investment determined using the equity method together with any long-term interest that, in substance, form part of the entity's net investment in the associate. Losses recognised using the equity method in excess of the entity's investment in ordinary shares are applied to the other components of the entity's interest in an associate in the reverse order of their seniority (i.e. priority in liquidation). After the entity's interest is reduced to zero, additional losses are provided for, and a liability is recognised, only to the extent that the entity has incurred legal or constructive obligations or made payments on behalf of the associate.	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Investments in Associates and Joint Ventures – transactions between investor and the associate	Unrealised profits and losses resulting from transactions between the investor (or its consolidated subsidiaries) are eliminated to the extent of the investor's interest in the associate. Unrealised losses should not be eliminated if and to the extent the cost of the transferred asset cannot be recovered.	Investor's share in the gains or losses resulting from upstream and downstream transactions involving assets that do not constitute a 'business' as defined in IFRS 3 between the investor (including its consolidated subsidiaries) and its associate are eliminated. When downstream transactions provide evidence of impairment, the losses are recognised in full. When upstream transactions provide evidence of impairment, the investor should recognise its share of loss. Gain or loss resulting from a downstream transaction involving assets that constitute a 'business' as defined in IFRS 3 between the investor (including its consolidated subsidiaries) and its associate is recognised in full in the investor's financial statements.	Similar to IFRS.
Investments in Associates and Joint Ventures – disposals	No specific guidance.	When an investor discontinues the use of the equity method (for example, as a result of a change in ownership), the investment retained is remeasured to its fair value, with the gain or loss recognised in profit or loss. Thereafter, IFRS 9 or IAS 39 is applied to the remaining holding unless the investment becomes a subsidiary in which case the investment is accounted for in accordance with IFRS 3.	Similar to IFRS.
Investments in Associates and Joint Ventures – goodwill	Goodwill arising on the acquisition of an associate by an investor should be included in the carrying amount of investment in the associate but should be disclosed separately.	Goodwill (i.e. excess of the cost of the investment over the investor's share of the net fair value of the associate's identifiable assets and liabilities) is included in the carrying amount of the investment.	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Investments in Associates and Joint Ventures – capital reserve/negative goodwill	Capital reserve arising on the acquisition of an associate by an investor should be included in the carrying amount of investment in the associate but should be disclosed separately.	Any excess of the investor's share of net fair value of the associate's identifiable assets and liabilities over the cost of investments is included as income in the determination of the investor's share of associate's profit or loss in the period in which the investment is acquired.	Any excess of the investor's share of the net fair value of the associate's identifiable assets and liabilities over the cost of the investment is recognised directly in equity as capital reserve in the period in which the investment is acquired.
Investments in Associates and Joint Ventures – 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 should be followed while applying the equity method. No exception is provided.	Uniform accounting policies to be followed unless impracticable to do so.
Investments in Associates and Joint Ventures – reporting date	The maximum difference between the reporting date of the associate and that of the parent is not specified.	The difference between the reporting date of the associate and that of the investor should be no more than three months.	Similar to IFRS.
Investments in Associates and Joint Ventures – separate financial statements of the investor	At cost less impairment loss, if any, as per AS 13 – Accounting for Investments.	Either at cost or as an investment in accordance with IFRS 9 or IAS 39 (if the entity is yet to apply IFRS 9) or using the equity method as described in IAS 28, Investments in Associates and Joint Ventures. (The option to use the equity method will be applicable for annual periods beginning on or after 1 January 2016.)	Similar to IFRS, except that equity method is not permitted in the separate financial statements.

Topic	Indian GAAP	IFRS	Ind AS
Reporting in Hyperinflationary Economies – primary literature	**There is no equivalent standard.**	**IAS 29 – Financial Reporting in Hyperinflationary Economies** **IFRIC 7 – Applying the Restatement Approach under IAS 29**	**Ind AS 29 – Financial Reporting in Hyperinflationary Economies** **Ind AS 29 – Appendix A – Applying the Restatement Approach under 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%.	Similar to IFRS.
Financial Reporting in Hyperinflationary Economies – 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. Comparative figures for prior period(s) should be restated into the same current measuring unit.	Similar to IFRS.
Financial Reporting in Hyperinflationary Economies – disclosure	There is no equivalent standard.	The following disclosures are required: - the fact that the financial statements and the corresponding figures for previous periods have been restated for the changes in the general purchasing power of the functional currency and, as a result, are stated in terms of the measuring unit current at the end of the reporting period; - whether the financial statements are based on a historical cost approach or a current cost approach; and - the identity and level of the price index at the end of the reporting period and the movement in the index during the current and the previous reporting period.	Similar to IFRS. However there is an additional disclosure required regarding duration of the hyperinflationary situation existing in the economy.

Topic	Indian GAAP	IFRS	Ind AS
Financial Reporting in Hyperinflationary Economies – restatements	There is no equivalent standard.	Restatements are made by applying a general price index. Items such as monetary items that are already stated at the measuring unit at the end of the reporting period are not restated. Other items are restated based on the change in the general price index between the date those items were acquired or incurred and the end of the reporting period. A gain or loss on the net monetary position is included in net income. It should be disclosed separately.	Similar to IFRS.
Applying the Restatement approach under IAS 29	There is no equivalent standard.	When the economy of an entity's functional currency becomes hyperinflationary, IAS 29 is applied as if the economy was always hyperinflationary.	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Financial Instruments: Presentation – primary literature	**AS 31 – Financial Instruments: Presentation** **Note that this standard has not been notified under the Companies (Accounting Standards) Rules, 2006. For the current status on the applicability of AS 31, see the caption 'Financial Instruments – primary literature'.** **Since the above mentioned standard is not yet mandatory, the differences discussed below are based on the existing Indian Standards and generally accepted accounting practices.**	**IAS 32 – Financial Instruments: Presentation**	**Ind AS 32 – Financial Instruments: Presentation**
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 recognised similar to equity dividend and are never treated as interest expense.	Financial instruments are classified as a liability or equity according to the substance of 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 recognised as an interest expense in the statement of profit or loss and other comprehensive income. Hence if preference shares meet the definition of financial liability, the dividend is treated as an interest expense.	Similar to IFRS.
Financial Instruments: Presentation – treasury shares	Acquiring own shares is permitted only in limited circumstances. Shares repurchased should be cancelled immediately and cannot be held as treasury shares.	Cost of treasury shares is deducted from equity and resales of treasury shares are equity transactions. Costs of issuing or reacquiring equity instruments are accounted for as a deduction from equity, net of any related income tax benefit.	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Financial Instruments: Presentation – offsetting	There are no offset rules. However, in practice the rules under IFRS are applied.	A financial asset and financial liability can only be offset if the entity currently has a legally enforceable right to set off the recognised amounts and intends to either settle on a net basis, or to realise the asset and settle the liability simultaneously.	Similar to IFRS.
Financial Instruments: Presentation – classification of convertible debts	Currently, the entire instrument is classified as debt based on its legal form and any interest expense is recognised based on the coupon rate. Premium on redemption of the debt is recognised in securities premium to the extent available.	Split the instrument into liability and equity component/conversion option as an embedded derivative depending on the contractual terms of the financial instrument at issuance.	Similar to IFRS except for conversion option embedded in a foreign currency convertible bond under certain situations.
Financial Instruments: Presentation – conversion option embedded in foreign currency convertible bonds	Currently there is no specific guidance.	Conversion option to acquire fixed number of equity shares for fixed amount of cash in entity's functional currency only is treated as equity. Thus, a conversion option embedded in foreign currency convertible bonds is treated as embedded derivative, and accordingly fair valued through profit or loss at every reporting period end.	Conversion option to acquire fixed number of equity shares for fixed amount of cash in any currency (entity's functional currency or foreign currency) is treated as equity and accordingly is not required to be remeasured at fair value at every reporting date.
Financial Instruments: Presentation – puttable instruments etc.	Currently there is no specific guidance.	Puttable instruments and instruments that impose an obligation to deliver pro rata share of net assets only on liquidation, that a) are subordinate to all other class of instruments and b) meet additional criteria as laid down in the standard, should be classified as equity instruments. This also triggers some disclosures to be made as required by IAS 1.	Similar to IFRS.
Financial Instruments: Presentation – classification of rights issue	Currently there is no specific guidance.	Rights, options or warrants to acquire a fixed number of an entity's own equity instruments for a fixed amount of any currency are equity instruments, if the entity offers such options, etc. pro rata to all of its existing owners of the same class of its non-derivative equity instruments.	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Earnings Per Share – primary literature	**AS 20 – Earnings Per Share**	**IAS 33 – Earnings Per Share**	**Ind AS 33 – Earnings Per Share**
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 over-the-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 regulatory organisation for the purpose of issuing ordinary shares 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.
Earnings Per Share – 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 an entity presents both separate and consolidated financial statements, EPS is required to be presented only in the consolidated financial statements. An entity may disclose EPS in its separate financial statements voluntarily.	EPS is required to be presented in both, consolidated as well as separate financial statements.
Earnings Per Share – disclosure of EPS from continuing and discontinued operations	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 earnings per share from discontinued operations. EPS from discontinued operations may alternatively be disclosed in the notes.	Similar to IFRS.
Earnings Per Share – additional disclosures	Certain additional disclosures required under IFRS not required.	Disclosure is required for instruments (including contingently issuable shares) that could potentially dilute basic earnings per share in the future, but were not included in the calculation of diluted earnings per share because they are anti-dilutive for the periods presented.	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Earnings Per Share – extraordinary items	EPS with and without extraordinary items is to be presented.	Since IAS 1 prohibits the disclosure of items as extraordinary, no separate consideration is given to such items while calculating EPS.	Similar to IFRS.
Earnings Per Share – mandatorily convertible instrument	No specific requirement as in IFRS.	Ordinary shares to be issued upon conversion of a mandatorily convertible instrument are included in the calculation of basic EPS from the date the contract is entered into.	Similar to IFRS.
Earnings Per Share – shares issuable after a passage of time	No specific guidance.	Ordinary shares that are issuable solely after a passage of time are not treated as contingently issuable shares because passage of time is a certainty.	Similar to IFRS.
Earnings Per Share – contingently returnable shares	No guidance on contingently returnable shares.	Outstanding ordinary shares that are contingently returnable are not treated as outstanding and are ignored in the calculation of basic EPS until the shares are no longer subject to recall.	Similar to IFRS.
Earnings Per Share – items of income or expense debited or credited to securities premium account/ other reserves	No specific guidance. The ICAI has proposed a limited revision to AS 20 which will require that for purpose of calculating basic earnings per share, the net profit or loss for the period attributable to equity shareholders should be the net profit or loss for the period after adjusting the amount in respect of an item of income or expense which is debited or credited to share premium account/reserves, that is otherwise required to be recognised in the statement of profit and loss in accordance with Accounting Standards.	No specific guidance.	Where any item of income or expense which is otherwise required to be recognised in profit or loss in accordance with Indian Accounting Standards is debited or credited to securities premium account/ other reserves, profit or loss from continuing operations should be adjusted by the amount in respect thereof for the purpose of calculating basic earnings per share.

Topic	Indian GAAP	IFRS	Ind AS
Interim Financial Reporting – primary literature	**AS 25 – Interim Financial Reporting**	**IAS 34 – Interim Financial Reporting** **IFRIC 10 – Interim Financial Reporting and Impairment**	**Ind AS 34 – Interim Financial Reporting** **Ind AS 34 – Appendix A – Interim Financial Reporting and Impairment**
Interim Financial Reporting – statute requiring an enterprise to prepare and present certain information at an interim date	A statute governing an enterprise or a regulator may require an enterprise to prepare and present certain information at an interim date which may be different in form and/or content as required by AS 25 for e.g. Clause 41 of the Listing Agreement requires companies to publish quarterly financial information in a specific format. In such a case, the recognition and measurement principles as laid down in AS 25 are applied in respect of such information, unless otherwise specified in the statute or by the regulator.	No specific guidance when a statute requires an enterprise to prepare and present certain information at an interim date in a specific format.	Similar to IFRS.
Interim Reporting and Impairment	There is no corresponding pronouncement to IFRIC 10. However, AS 28 does permit the reversal of goodwill in certain circumstances. This would be equally applicable to the interim financial statements. Reversal of impairment of investments is permitted in AS 13 and hence the same is equally applicable for interim financial statements.	Where an entity has recognised an impairment loss in an interim period in respect of goodwill, that impairment loss is not reversed in subsequent interim financial statements nor in annual financial statements.	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Impairment of Assets – primary literature	**AS 28 – Impairment of Assets** **AS 26 – Intangible Assets**	**IAS 36 – Impairment of Assets**	**Ind AS 36 – Impairment of Assets**
Impairment of Assets – goodwill	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 cash generating units that are expected to benefit from the synergies of business combination. 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.	Similar to IFRS.
Impairment of Assets – annual impairment test for goodwill and intangibles	Goodwill and other intangibles are tested for impairment only when there is an indication that they may be impaired. AS 26, Intangible Assets requires intangible assets that are not available for use and intangible assets that are amortised over a period exceeding ten years to be assessed for impairment at least at each financial year end even if there is no indication that the asset is impaired.	Goodwill, intangible assets not yet available for use and indefinite life intangible assets are required to be tested for impairment at least on an annual basis or earlier if there is an impairment indication.	Similar to IFRS.
Impairment of Assets – 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 to recur and subsequent external events have occurred that reverse 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.	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Provisions, Contingent Assets and Contingent Liabilities – primary literature	**AS 29 – Provisions, Contingent Liabilities and Contingent Assets**	**IAS 37 – Provisions, Contingent Liabilities and Contingent Assets** **IFRIC 5 – Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds** **IFRIC 6 – Liabilities arising from Participating in a Specific Market – Waste Electrical and Electronic Equipment** **IFRIC 21 – Levies**	**Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets** **Ind AS 37 – Appendix A – Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds** **Ind AS 37 – Appendix B – Liabilities arising from Participating in a Specific Market – Waste Electrical and Electronic Equipment** **Ind AS 37 – Appendix C – Levies**
Provisions, Contingent Liabilities and Contingent Assets – recognition of provisions	Provisions are not recognised based on constructive obligations though some provisions may be needed in respect of obligations arising from normal practice, custom and a desire to maintain good business relations or to act in an equitable manner.	A provision is recognised only when a past event has created a legal or constructive obligation, an outflow of resources is probable, and the amount of the obligation can be estimated reliably. A constructive obligation is an obligation that derives from an entity's actions where, by an established pattern of past practice, published policies or a sufficiently specific current statement, the entity has indicated to other parties that it will accept certain responsibilities; and as a result, the entity has created a valid expectation on the part of those other parties that it will discharge those responsibilities.	Similar to IFRS.
Provisions, Contingent Liabilities and Contingent Assets – discounting	Discounting of liabilities is not permitted and provisions are carried at their full values.	When the effect of time value of money is material, the amount of provision is the present value of the expenditure expected to be required to settle the obligation. The discount rate is a pre-tax rate that reflects the current market assessment of the time value of money and risks specific to the liability.	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Rights to Interests arising from Decommissioning, Restoration and Environmental Funds	No specific guidance.	IFRIC 5 deals with the accounting in the financial statements of the contributor for interests in decommissioning, restoration and environmental rehabilitation funds established to fund some or all of the costs of decommissioning assets or to undertake environmental rehabilitation.	Similar to IFRS.
Liabilities arising from Participating in a Specific Market – Waste Electrical and Electronic Equipment	No specific guidance.	IFRIC 6 provides guidance on the accounting for liabilities for waste management costs and requires recognition of an obligation to contribute to the costs of disposing of waste equipment based on the entity's share of market in the measurement period. The liability for such obligation arises when an entity participates in the market during the measurement period.	Similar to IFRS.
Levies	No specific guidance.	IFRIC 21 provides guidance on when to recognise a liability for a levy imposed by a government, both for levies that are accounted for in accordance with IAS 37 – Provisions, Contingent Liabilities and Contingent Assets and those where the timing and amount of the levy is certain: • The obligating event that gives rise to a liability to pay a levy is the activity that triggers the payment of the levy, as identified by the legislation. • The liability is recognised progressively if the obligating event occurs over a period of time. • If an obligating event is triggered on reaching a minimum threshold, the liability is recognised when that minimum activity threshold is reached.	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Provisions, Contingent Liabilities and Contingent Assets – contingent assets	Contingent assets are neither recognised nor disclosed in the financial statements. They are usually disclosed as part of the report of the approving authority (e.g. Board of Directors report).	Contingent assets are not recognised but disclosed in the financial statements when an inflow of economic benefits is probable.	Similar to IFRS.
Provisions, Contingent Liabilities and Contingent Assets – restructuring cost	Requires recognition based on general recognition criteria for provisions i.e. when the entity has a present obligation as a result of past event and the liability is considered probable and can be reliably estimated.	IAS 37 requires provisions on the basis of constructive obligations. A constructive obligation to restructure arises only when an entity has a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Intangible Assets – primary literature	**AS 26 – Intangible Assets**	**IAS 38 – Intangible Assets** **SIC 32 – Intangible Assets – Web Site Costs**	**Ind AS 38 – Intangible Assets** **Ind AS 38 – Appendix A – Intangible Assets – Web Site Costs**
Intangible Assets – measurement	Measured only at cost.	Intangible assets can be measured at either cost or revalued amounts.	Similar to IFRS.
Intangible Assets – useful life	The useful life may not be indefinite. There is a rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use.	Useful life may be finite or indefinite.	Similar to IFRS.
Intangible Assets – goodwill	Goodwill arising on amalgamation in the nature of purchase is amortised over a period not exceeding five years (as per AS 14).	Not amortised but subject to annual impairment test or more frequently whenever there is an impairment indication.	Similar to IFRS.
Intangible Assets – prepayments for advertising and promotional activities	Payment for the delivery of goods or rendering of services made in advance of the delivery of goods or the rendering of services are considered as prepayment assets.	Recognition of a prepayment asset for advertising or promotional expenditure would be permitted only up to the point at which the entity has the right to access the goods or up to the receipt of services. Mail order catalogues specifically identified as a form of advertising and promotional activity to be expensed.	Similar to IFRS.
Intangible Assets – revenue based amortisation model	AS 26 is silent on revenue based amortisation of intangible assets. Schedule II to the Companies Act, 2013 requires that the provisions of the accounting standards for the time being in force should apply except in the case of intangible assets (toll roads) created under “Build, operate and transfer" or any other form of public private partnership route in case of road projects. A revenue based amortisation method has been prescribed for the same. Where a company arrives at the amortisation amount in respect of the said intangible assets in accordance with any method as per the applicable accounting standards, it should disclose the same.	An amendment to IAS 38 which will be applicable prospectively for annual periods beginning on or after 1 January 2016, introduces a rebuttable presumption that revenue is not an appropriate basis for amortisation of an intangible asset. This presumption can be rebutted only in two limited circumstances: a) the intangible asset is expressed as a measure of revenue; and b) revenue and consumption of the intangible asset are highly correlated.	Similar to IFRS. However, a carve-out has been made in Ind AS 101 and Ind AS 38, which will allow entities to continue using the accounting policy adopted for amortisation of intangible assets arising from service concession arrangements related to toll roads recognised in the financial statements for the period ending immediately before the beginning of the first Ind AS reporting period.

Topic	Indian GAAP	IFRS	Ind AS
Investment Property – primary literature	**There is no equivalent standard on investment property. At present, covered by AS 13 – Accounting for Investments.**	**IAS 40 – Investment Property**	**Ind AS 40 – Investment Property**
Investment Property – definition and scope	AS 13 defines investment property as an investment in land or buildings that are not intended to be occupied substantially for use by, or in the operations of, the investing enterprise.	Investment property is land or building (or part thereof) or both held (whether by owner or by a lessee under a finance lease) to earn rentals or for capital appreciation or both. IAS 40 does not apply to owner-occupied property or property that is being constructed or developed on behalf of third parties or property held for sale in the ordinary course of business, or property that is leased to another entity under a finance lease.	Similar to IFRS.
Investment Property – measurement	Classified as long-term investments and measured at cost less impairment. As per Schedule III to the Companies Act, 2013, they are classified as non-current investments.	Investment property is measured initially at cost. Transaction costs are included in the initial measurement. Investment properties can subsequently 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 the cost model. Fair value model is not permitted. Detailed disclosures pertaining to fair value have to be given.

Topic	Indian GAAP	IFRS	Ind AS
Agriculture – primary literature	**There is no equivalent standard.**	**IAS 41 – Agriculture**	**Ind AS 41 – Agriculture**
Agriculture – scope	There is no equivalent standard.	Applies to biological assets with the 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. It does not apply to land related to agricultural activity, intangible assets related to agricultural activity, and government grants related to bearer plants. However, it does apply to produce growing on bearer plants.	Similar to IFRS.
Agriculture – measurement	There is no equivalent standard.	All biological assets are measured at fair value less costs to sell, unless fair value cannot be reliably measured. Any change in the fair value of biological assets during a period is reported in profit or loss. Exception to fair value model for biological assets: if there is no active market at the time of recognition in the financial statements, and no other reliable measurement method, then the cost model is used for the specific biological asset only. The biological asset is measured at depreciated cost less any accumulated impairment losses. Fair value measurement stops at harvest. IAS 2 applies after harvest. Agricultural produce is measured at fair value less estimated costs to sell at the point of harvest. Because harvested produce is a marketable commodity, there is no 'measurement reliability' exception for produce.	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
First Time Adoption – Primary Literature	**There is no equivalent standard under Indian GAAP. A first time preparer will have to comply with the measurement and disclosure requirements of all the Indian standards that are applicable to the enterprise.**	**IFRS 1 – First Time Adoption of International Financial Reporting Standards**	**Ind AS 101 – First Time Adoption of Indian Accounting Standards**
First Time Adoption – 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 in its first IFRS financial statements. Entities are required to present at least one year comparatives.	Similar to IFRS. The date of transition is given in the MCA Notification for different classes of companies.
First Time Adoption – choice of previous GAAP	Not applicable.	Previous GAAP is the basis of accounting that a first-time adopter used immediately before adopting IFRS.	Previous GAAP is the basis of accounting that a first-time adopter used for its reporting requirement in India immediately before adopting Ind AS. For instance, companies required to prepare their financial statements in accordance with Section 133 of the Companies Act, 2013, will have to consider those financial statements as previous GAAP financial statements.
First Time Adoption – exemption to consider previous GAAP carrying value of property, plant and equipment as deemed cost	Not applicable.	There is no exemption permitting previous GAAP carrying value of property, plant and equipment as deemed cost under IFRS (except for certain specific oil and gas assets, and rate regulated assets).	Entities have an option to use previous GAAP carrying values of property, plant and equipment as on the date of transition as deemed cost under Ind AS. A similar exemption is available for intangible assets and investment properties.
First Time Adoption – non-current assets held for sale and discontinued operations	Not applicable.	No exemption in respect of non-current assets held for sale and discontinued operations.	Ind AS 101 provides transitional relief while applying Ind AS 105 – Non-current Assets Held for Sale and Discontinued Operations. Under Ind AS 101, an entity may use the transitional date circumstances to measure such assets or operations at the lower of carrying value and fair value less cost to sell.

Topic	Indian GAAP	IFRS	Ind AS
First Time Adoption – lease classification	Not applicable.	No exemption.	Ind AS 101 provides transitional relief to use transition date facts and circumstances for lease arrangements which includes both land and building elements to assess the classification of each element as finance or an operating lease. Also, if there is any land lease newly classified as finance lease then the first time adopter may recognise assets and liability at fair value on the transition date; any difference between those fair values is recognised in retained earnings.
First Time Adoption – business combinations	Not applicable.	A first time adopter can claim exemption by not applying IFRS 3 retrospectively to past business combinations. If such exemption is availed, any intangible asset recognised under previous GAAP that does not qualify for recognition under IAS 38 – Intangible Assets, should be reclassified as part of goodwill.	Similar to IFRS, except that Ind AS provides that such amounts could be adjusted against capital reserve to the extent such adjustment amount does not exceed the balance available in capital reserve.
First Time Adoption – treatment of exchange differences	Not applicable.	No such additional exemption.	An additional exemption has been provided with regard to exchange differences arising from translation of long-term foreign currency monetary items. An entity may continue the policy adopted for accounting for exchange differences arising from translation of such long-term foreign currency monetary items recognised in the financial statements for the period ending immediately before beginning of the first Ind AS financial reporting period as per the previous GAAP.

Topic	Indian GAAP	IFRS	Ind AS
First Time Adoption – amortisation of intangible assets arising from service concession arrangements	Not applicable.	No exemption	An exemption has been provided which will allow entities to continue using the accounting policy adopted for amortisation of intangible assets arising from service concession arrangements related to toll roads recognised in the financial statements for the period ending immediately before the beginning of the first Ind AS reporting period.

Topic	Indian GAAP	IFRS	Ind AS
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. This guidance note deals only with employee share-based payments.** **The SEBI has also issued the SEBI (Share Based Employee Benefits) Regulations, 2014 which requires that the Guidance Note on Accounting for Employee Share-based Payments or Accounting Standards as may be prescribed by the ICAI, including the disclosure requirements prescribed therein, should be followed while accounting for share based schemes.**	**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)**
Share-based Payment – recognition	Similar to IFRS.	Recognise as an expense over the vesting period. Goods and services in a share-based payment transaction are recognised when goods are received or as services are rendered. A corresponding increase in equity is recognised if goods and services were received in an equity-settled share-based payment transaction or a liability if these were received in a cash-settled share-based payment transaction.	Similar to IFRS.
Share-based Payment – measurement	The guidance note permits the use of either the intrinsic value method or the fair value method for determining the costs of benefits arising from employee share-based compensation plans. The guidance note recommends the use of the fair value method.	For equity settled share-based transactions with non-employees, goods and services received and the corresponding increase in equity is measured at the fair value of the goods and services received. If the fair value of the goods and services cannot be estimated reliably, then the value is measured with reference	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Share-based Payment – measurement (continued)	Under the intrinsic value method, the cost is the difference between the market price of the underlying share on the grant date and the exercise price of the option. The fair value method is based on the fair value of the option at the date of grant. The fair value is estimated using an option-pricing model (for example, the Black-Scholes or a binomial model) that takes into account as of the grant date the exercise price and expected life of the option, the current price in the market of the underlying stock and its expected volatility, expected dividends on the stock, and the risk-free interest rate for the expected term of the option. Where an enterprise uses the intrinsic value method, it should also disclose the impact on the net results and EPS – both basic and diluted – for the accounting period, had the fair value method been used.	to the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service. In case of equity settled transactions with employees and others providing similar services, grant date fair value of the equity instrument should be used. Different valuation techniques may be applied.	
Share-based Payment – group entities	The Guidance Note on Accounting for Employee Share-based Payments applies to transfers of shares or stock options of the parent of an entity or shares or stock options of another entity in the same group to the employees of the entity.	IFRS 2 provides guidance on accounting for share-based payment transactions among group entities.	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Business Combinations – primary literature	**AS 14 – Accounting for Amalgamations**	**IFRS 3 (2008) – Business Combinations**	**Ind AS 103 – Business Combinations** **Ind AS 103 – Business Combinations – Appendix C – Business combinations of entities under common control**
Business Combinations – scope	There is no comprehensive standard dealing with all 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.	Applies to a transaction or other event in which an acquirer obtains control of one or more businesses. IFRS 3 does not apply to: i) The formation of a joint arrangement in the 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.	Similar to IFRS except that Ind AS 103 contains guidance on common control transactions.
Business Combinations – acquisition date	With respect to legal mergers under AS 14 involving merger of one or more entities into another entity, the appointed date may be defined under the Scheme of Amalgamation, which can be any date as determined by the Transferor / Transferee Company. The effective date as per scheme of amalgamation will be the date of filing of Court order sanctioning the scheme with statutory authorities. In case the appointed date is prior to the effective date, the amalgamation is accounted on the effective date with effect from the appointed date as per scheme of amalgamation.	The date on which the acquirer obtains control of the acquired entity is the acquisition date.	Similar to IFRS.
Business Combinations – the pooling of interests and purchase method	Amalgamations in the nature of purchase are accounted for by recording the identifiable assets and liabilities of the acquiree either at the fair values or at book values.	All business combinations, other than those between entities under common control, are accounted for using the purchase method. An acquirer is identified for all business combinations, which is the entity that obtains control of the other combining entity. Pooling of interests method to record business combinations within the scope of IFRS 3 is prohibited.	Common control transactions are included in the scope; and additional guidance is provided. The additional guidance provides that business combination transactions between entities under common control should be accounted for using the 'pooling of interests' method.

Topic	Indian GAAP	IFRS	Ind AS
Business Combinations – the pooling of interests and purchase method (continued)	Amalgamations in the nature of merger are accounted under the pooling of interests method. Under the pooling of interests method, the assets, liabilities and reserves of the transferor company are recorded by the transferee company at their existing carrying amounts (after making the adjustments required for conflicting accounting policies). Identifiable assets and liabilities of subsidiaries acquired by purchase of shares which are not amalgamations are recorded in the consolidated financial statements at the carrying amounts stated in the acquired subsidiary's financial statements on the date of acquisition.		
Business Combinations – combination of entities under common control	Not applicable.	IFRS 3 does not apply to combination of entities or businesses under common control.	Ind AS 103 includes accounting for combination of entities or businesses under common control. Common control business combinations will include transactions, such as transfer of subsidiaries or businesses, between entities within a group. Businesses combinations involving entities or businesses under common control should be accounted for using the pooling of interests method. This involves the following: • The assets and liabilities of the combining entities are reflected at their carrying amounts. • No adjustments are made to reflect fair values, or recognise any new assets or liabilities. The only adjustments that are made are to harmonise accounting policies.

Topic	Indian GAAP	IFRS	Ind AS
Business Combinations – combination of entities under common control (continued)			• The financial information in the financial statements in respect of prior periods should be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, if business combination had occurred after that date, the prior period information should be restated only from that date. • The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee. Alternatively, it is transferred to General Reserve, if any. • The identity of the reserves should be preserved and should appear in the financial statements of the transferee in the same form in which they appeared in the financial statements of the transferor. • Difference, if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor should be transferred to capital reserve and should be presented separately from other capital reserves with disclosure of its nature and purpose in the notes.
Business Combinations – non-controlling interest	At the time of acquisition, minority interests in the net assets consist of the amount of equity attributable to minorities at the date on which investment in the acquiree is made. This is determined on the basis of information contained in the financial statements of the acquiree as on the date of investment.	At the date of acquisition, an entity may elect to measure, on a transaction by transaction basis, the non-controlling interest at (a) fair value or (b) the non-controlling interest's proportionate share of the fair value of the identifiable net assets of the acquiree.	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Business Combinations – goodwill measurement	Any excess of the amount of the consideration over the value of the net assets of the transferor company acquired by the transferee company is recognised in the transferee company's financial statements as goodwill arising on amalgamation. If the amount of the consideration is lower than the value of the net assets acquired, the difference is recognised as capital reserve, a component of shareholders' equity.	Goodwill is measured as the difference between: • the aggregate of a) the acquisition-date fair value of the consideration transferred; b) the amount of any non-controlling interest and c) in a business combination achieved in stages, the acquisition-date fair value of the acquirer's previously held equity interest in the acquiree; and • the net of the acquisition-date fair values of the identifiable assets acquired and the liabilities assumed. If the above difference is negative, the resulting gain is recognised as a bargain purchase in profit or loss.	Similar to IFRS. However, any gain on bargain purchase is recognised in other comprehensive income and accumulated in equity as capital reserve. If there is no clear evidence of the underlying reason for classification of the business combination as a bargain purchase, the resulting gain is recognised directly in equity as capital reserve.
Business Combinations – subsequent measurement of goodwill	Goodwill arising on amalgamation in the nature of purchase is amortised over a period not exceeding five years.	Goodwill is not amortised but tested for impairment on an annual basis or more frequently if events or changes in circumstances indicate impairment.	Similar to IFRS.
Business Combinations – business combinations achieved in stages	Dealt with in AS 21. If two or more investments are made over a period of time, the equity of the subsidiary at the date of investment is generally determined on a step-by-step basis; however, if small investments are made over a period of time and then an investment is made that results in control, the date of the latest investment, as a practicable measure, may be considered as the date of investment.	For business combinations achieved in stages, if the acquirer increases an existing equity interest so as to achieve control of the acquiree, the previously-held equity interest is remeasured at acquisition-date fair value and any resulting gain or loss is recognised in profit or loss.	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Business Combinations – contingent consideration	Where the scheme of amalgamation provides for an adjustment to the consideration contingent on one or more future events, the amount of the additional payment should be included in the consideration if payment is probable and a reasonable estimate of the amount can be made. In all other cases, the adjustment should be recognised as soon as the amount is determinable.	Consideration for the acquisition includes the acquisition-date fair value of contingent consideration. The obligation to pay contingent consideration should be classified as a liability or as equity, as appropriate. The right to return of previously transferred consideration should be classified as an asset, if specified conditions are met. Changes in contingent consideration which are measurement period adjustments are recognised as an adjustment against the original accounting for the acquisition (and so may impact goodwill or bargain purchase gain). Contingent consideration classified as equity is not subsequently remeasured and its subsequent settlement is accounted within equity. Contingent consideration that is classified as an asset or a liability (whether financial asset/ financial liability or non-financial asset/non-financial liability) should be measured at fair value at each reporting date with changes in fair value recognised in profit or loss. Changes to contingent consideration resulting from events after the acquisition date are recognised in profit or loss.	Similar to IFRS.
Business Combinations – acquisition related costs	No specific guidance.	Acquisition related costs such as finder's fee, due diligence costs, etc. are accounted for as expenses in the period in which the costs are incurred and the services are received.	Similar to IFRS.
Business Combinations – initial accounting for a business combination determined provisionally	No specific guidance.	If the initial accounting for a business combination can be determined only provisionally by the end of the first reporting period, the combination is accounted for using provisional values. Adjustments to provisional values relating to new information about facts and circumstances that existed at the acquisition date are permitted within one year of the acquisition date. Such adjustments are made retrospectively as if those adjustments had been made at the acquisition date. No adjustments can be made after one year except to correct an error in accordance with IAS 8.	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Insurance Contracts – primary literature	**No equivalent standard.**	**IFRS 4 – Insurance Contracts.** **The IASB is developing a comprehensive IFRS for insurance contracts to replace IFRS 4 – Insurance Contracts.**	**Ind AS 104 – Insurance Contracts**
Insurance Contracts – general	No equivalent standard.	Applicable to insurance and reinsurance contracts and to discretionary participation features in insurance contracts. The insurer is required at the end of each reporting period to make a liability adequacy test to assess whether its recognised insurance liabilities are adequate. If test shows carrying amount of its liabilities are inadequate, the deficiency is recognised in profit or loss. Reinsurance assets are tested for impairment. Insurance liabilities may not be offset against related reinsurance assets.	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Non-current Assets Held for Sale and Discontinued Operations – primary literature	**AS 24 – Discontinuing Operations** **AS 10 – Accounting for Fixed Assets**	**IFRS 5 – Non-current Assets Held for Sale and Discontinued Operations** **IFRIC 17 – Distributions of Non-cash Assets to Owners**	**Ind AS 105 – Non-current Assets Held for Sale and Discontinued Operations** **Ind AS 10 – Appendix A – Distributions of Non-cash Assets to Owners**
Non-current Assets Held for Sale and Discontinued Operations – recognition, measurement and presentation	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 that have been retired from active use and are held for disposal are stated at the lower of their net book value and net realisable value and are shown separately in the financial statements. Any expected loss is recognised immediately in the statement of profit and loss.	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. Depreciation ceases on the date when the assets (individually or as part of a disposal group) are classified as held for sale. Non-current assets classified as held for sale are measured at the lower of its carrying value and fair value less costs to sell. Non-current assets classified as held for sale, and the assets and liabilities in a disposal group classified as held for sale, are presented separately in the statement of financial position.	Similar to IFRS.
Non-current Assets Held for Sale and Discontinued Operations – non-cash assets held for distribution to owners	AS 24 has 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 the jurisdiction. Such assets are measured at the lower of carrying amount and fair value less costs to distribute.	Similar to IFRS.
Non-current Assets Held for Sale and Discontinued Operations – 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 directors of a detailed formal plan and announcement of the plan.	An operation is classified as discontinued when it has either been disposed of or is classified as held for sale.	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Distributions of Non-cash Assets to Owners	No specific guidance.	An entity should measure the dividend payable at the fair value of the net assets to be distributed. The liability should be remeasured at each reporting date and at settlement, with changes recognised directly in equity. The difference between the dividend paid and the carrying amount of the net assets distributed should be recognised in profit or loss and should be disclosed separately. Additional disclosures should be made, if the net assets being held for distribution to owners meet the definition of a discontinued operation. If shareholders have a choice of receiving either a non-cash asset or a cash alternative, the liability should be measured considering both the fair value of each alternative and management's assessment of the probabilities of each outcome. IFRIC 17 applies to pro rata distributions of non-cash assets (all owners are treated equally) but does not apply to common control transactions.	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Discontinued Operations – presentation	Under AS 24, the profit and loss before tax is presented as a single section which includes continuing and discontinuing operation. The presentation provides separate disclosure for continuing operation before tax, income tax related to continuing operations, profit or loss from continuing operations after tax. A similar disclosure is made for discontinuing operations. The requirement under Schedule III to the Companies Act, 2013 is different, with the statement of profit and loss being effectively divided into two sections – continuing operations and discontinuing operations. The following details are required to be presented on the face of the statement of profit and loss as per Schedule III for discontinuing operations: • Profit/(loss) from discontinuing operations • Tax expense of discontinuing operations • Profit/(loss) from discontinuing operations (after tax)	The statement of comprehensive income is effectively divided into two sections – continuing operations and discontinued operations, with the entity presenting as a single amount in the statement of comprehensive income, the sum of the post- tax profit or loss from discontinued operations for the period and the post-tax gain or loss arising on the disposal of discontinued operations (or on the reclassification of the assets and liabilities of discontinued operations as held for sale). Detailed disclosure of revenue, expenses, pre-tax profit or loss and related income taxes is required either in the notes or in the statement of comprehensive income in a section distinct from continuing operations.	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
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**
Exploration for and Evaluation of Mineral Resources – general, impairment and disclosures	As per the guidance note, there are two alternative methods for accounting for acquisition, exploration and development costs, viz. the Successful Efforts Method or the Full Cost Method. The guidance note recommends the Successful Efforts Method, though full cost method is also permitted. AS 28, Impairment of Assets is applicable irrespective of the method of accounting used.	Exploration and evaluation assets are measured at cost or revaluation less accumulated amortisation and impairment loss. An entity determines the policy specifying which expenditure is recognised as exploration and evaluation assets. IAS 36 – Impairment of Assets is applicable. However an entity should determine an accounting policy for allocating exploration and evaluation assets to cash-generating units or groups of cash-generating units for the purpose of assessing such assets for impairment. Each cash-generating unit or group of units to which an exploration and evaluation asset is allocated should not be larger than an operating segment determined in accordance with IFRS 8 – Operating Segments. The standard requires disclosure of information that identifies and explains the amounts recognised in the financial statements arising from the exploration for and evaluation of mineral resources.	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Financial Instruments: Disclosures – primary literature	**AS 32 – Financial Instruments: Disclosures** **Note that this standard has not been notified under the Companies (Accounting Standards) Rules, 2006. For the current status on the applicability of AS 32, see the caption 'Financial Instruments – primary literature'.** **Since the above mentioned standard is not yet mandatory, the differences discussed below are based on the existing Indian Standards and generally accepted accounting practices.**	**IFRS 7 – Financial Instruments:**	**Ind AS 107 – Financial Instruments: Disclosures**
Financial Instruments: Disclosures – some improved disclosures	Currently there are no detailed disclosure requirements for financial instruments. However, the ICAI has issued an Announcement in December 2005 requiring the following disclosures to be made in respect of derivative instruments in the financial statements: • Category-wise quantitative data about derivative instruments that are outstanding at the balance sheet date; • The purpose, viz., hedging or speculation, for which such derivative instruments have been acquired; and • The foreign currency exposures that are not hedged by a derivative instrument or otherwise.	Requires disclosure of information about the significance of financial instruments on financial information and performance. These include: Disclosure relating to financial assets and financial liabilities by category; special disclosures when the fair value option is used. Fair value disclosures must be made separately for each class of financial assets and financial liabilities in way that permits it to be compared with its carrying amount. Requires enhanced disclosures when an asset is transferred but not derecognised and requires some disclosures for assets that are derecognised but the entity continues to have a continuing exposure to the assets after the derecognition. Requires disclosures on offsetting of financial assets and liabilities to evaluate the effect or potential effect of netting arrangements on the entity's financial position.	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Financial Instruments: Disclosures – some improved disclosures (continued)		Requires disclosure of information about the nature and extent of risks arising from financial instruments: • qualitative disclosures about exposures to each type of risk and how those risks are managed; and • quantitative disclosures about exposures to each type of risk, separately for credit risk, liquidity risk and market risk (including sensitivity analysis). Requires disclosures relating to performance in the period, including information about recognised income, expenses, gains and losses, interest income and expenses, fee income and impairment losses. Requires disclosures on reclassifications, allowance of credit losses, defaults and breaches, pledges of assets, collaterals and information on hedge accounting, including risk management strategy.	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Segments – primary literature	**AS 17 – Segment Reporting**	**IFRS 8 – Operating Segments**	**Ind AS 108 – Operating Segments**
Operating Segments – 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/group with a parent: • Whose debt or equity instruments are traded in a public market (a domestic or foreign stock exchange or an over-the-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 regulatory organisation for the purpose of issuing any class of instruments in a public market.	Ind AS 108 is applicable to companies to which Ind ASs notified under the Companies Act apply.
Operating Segments – determination of segments	AS 17 requires an enterprise to identify two sets of segments (business and geographical), using a risks and rewards approach, with the enterprise's system of internal financial reporting to key management personnel serving only as the starting point for the identification of such segments.	Operating segments are identified based on the financial information that is regularly reviewed by the chief operating decision maker in deciding how to allocate resources and in assessing performance.	Similar to IFRS.
Operating Segments – 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. A reconciliation is presented between the information disclosed for reportable segments and the aggregated information in the enterprise's financial statements.	Segment profit or loss is reported on the same measurement basis as that used by the chief operating decision maker. There is no definition of segment revenue, segment expense, segment result, and segment asset or segment liability nor does it require segment information to be prepared in conformity with the accounting policies adopted for the entity's financial statement.	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Operating Segments – measurement (continued)		Requires reconciliation of segment performance measures with the corresponding amounts reported in the financial statements. A reconciliation of the total of the segments' assets and total of the segments' liabilities to the entity's assets and the entity's liabilities respectively should only be provided if the segment assets and segment liabilities are regularly provided to the chief operating decision-maker.	
Operating Segments – aggregation criteria	No specific guidance in AS 17.	Two or more operating segments may be aggregated into a single operating segment if the aggregation is consistent with the principles laid down in the standard. Management need to disclose the judgements made in applying the aggregation criteria for operating segments.	Similar to IFRS.
Operating Segments – entity wide disclosures	Disclosures are required based on the classification of segments as primary or secondary. Disclosure requirements for secondary reporting format are less detailed than those required for primary reporting formats.	Requires disclosure of a) external revenues from each product or service; b) revenues from customers in the country of domicile and from foreign countries; c) geographical information on non-current assets located in the country of domicile and foreign countries. Information on major customers including total revenues from each major customer is disclosed if revenue from each customer is 10% or more of total segment revenues. The entity need not disclose the identity of such customers.	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Financial Instruments – primary literature	AS 13 – Accounting for Investments AS 30 – Financial Instruments: Recognition and Measurement. Though AS 30 (not yet notified) was to become mandatory for certain enterprises for accounting periods commencing on or after 1 April 2011 with earlier adoption permitted, the ICAI has reconsidered the status of AS 30 and has issued a clarification on the applicability of the same. As per the clarification, to the extent of accounting treatments covered by any of the existing notified accounting standards (for e.g. AS 11, AS 13, etc.) or in cases where relevant regulatory authority has prescribed specific regulatory requirements, the existing accounting standards/ prescribed regulatory requirements would continue to prevail over AS 30. Subject to the above, in other cases, preparers of financial statements are encouraged to follow the principles enunciated in the accounting treatments contained in AS 30. This announcement is applicable to accounting periods commencing on or after 1 April 2011 and is also valid for AS 31 and AS 32. The ICAI has also issued an exposure draft of Guidance Note on Accounting for Derivative Contracts, which will supersede AS 30 to the extent of guidance covered for accounting for derivatives within the scope of the Guidance Note. Pending finalisation, the discussion below does not include contents of the aforesaid exposure draft of the Guidance Note.	IFRS 9 (2014) – Financial Instruments issued in July 2014, is IASB's replacement of IAS 39 Financial Instruments: Recognition and Measurement. The version of IFRS 9 issued in July 2014 supersedes all previous versions and is mandatory for periods beginning on or after 1 January 2018 with early adoption permitted. IFRIC 16 – Hedges of a Net Investment in a Foreign Operation. IFRIC 19 – Extinguishing Financial Liabilities with Equity Instruments	Ind AS 109 – Financial Instruments Ind AS 109 – Appendix C – Hedges of a Net Investment in a Foreign Operation Ind AS 109 – Appendix D – Extinguishing Financial Liabilities with Equity Instruments Ind AS 109 will be applicable as at the date of transition to Ind AS.

Topic	Indian GAAP	IFRS	Ind AS
Financial Instruments – general recognition principle	There is no definition of financial instrument.	An entity should recognise a financial asset or a financial liability in its statement of financial position when, and only when, the entity becomes party to the contractual provisions of the instrument. A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.	Similar to IFRS.
Financial Instruments – initial measurement	No specific guidance.	All financial instruments are initially measured at fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. Trade receivables that do not have a significant financing component should initially be measured at transaction price as defined in IFRS 15.	Similar to IFRS.
Financial Instruments – classification and subsequent measurement of financial assets	Per AS 13, investments are classified as long-term or current. A current investment is an investment that is by its nature readily realisable and is intended to be held for not more than one year from the date on which such investment is made. A long-term investment is an investment other than a current investment. Accordingly, the assessment of whether an investment is long-term has to be made on the date the investment is made. Long-term investments are carried at cost less provision for diminution in value, which is other than temporary. Current investments are carried at lower of cost and fair value. Loans are measured at cost less valuation allowance.	All financial assets are classified as measured at amortised cost or measured at fair value. Where assets are measured at fair value, gains and losses are either recognised entirely in profit or loss, (FVTPL), or recognised in other comprehensive income (FVTOCI). A debt instrument that is held within a business model to collect contractual cash flows and the contractual terms of which give rise on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding must be measured at amortised cost. However if the debt instrument is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, it must be measured at FVTOCI.	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Financial Instruments – classification and subsequent measurement of financial assets (continued)		IFRS 9 provides an option to irrevocably designate, at initial recognition, financial assets as measured at FVTPL if doing so eliminates an accounting mismatch. Equity instruments should be classified as FVTPL. IFRS 9 provides an option to irrevocably designate, at initial recognition, equity instruments which are neither held for trading nor are contingent consideration arising from business combination, to measure subsequent changes in fair value in other comprehensive income. The dividend from such investments is recognised in profit or loss.	
Financial Instruments – classification and subsequent measurement of financial liabilities	No specific guidance.	There are two measurement categories for financial liabilities – FVTPL and amortised cost. Financial liabilities held for trading are subsequently measured at FVTPL and all other financial liabilities are measured at amortised cost using the effective interest method. An entity may, at initial recognition, irrevocably designate a financial liability as measured at FVTPL if doing so eliminates an accounting mismatch, or a group of financial liabilities or financial assets and financial liabilities is managed and its performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy.	Similar to IFRS.
Financial Instruments – changes in fair value of financial liabilities due to changes in credit risk	No specific guidance.	Gains and losses on financial liabilities designated as at FVTPL are required to be split into the amount of change in fair value attributable to changes in credit risk of the liability, presented in other comprehensive income, and the remaining amount presented in profit or loss.	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Financial Instruments – changes in fair value of financial liabilities due to changes in credit risk (continued)		Amounts presented in other comprehensive income should not be subsequently transferred to profit or loss, the entity may only transfer the cumulative gain or loss within equity.	
Financial Instruments – reclassification	Investments can be reclassified from long-term to current; such transfers are made at the lower of cost and carrying value at the date of transfer. In case of current Investments reclassified as long-term, the transfers are made at lower of cost and fair value as at the date of transfer.	Reclassification is required when an entity changes its business model for managing financial assets. An entity should not reclassify any financial liability. IFRS 9 does not allow reclassification: • For equity investments measured at FVTOCI, or • Where the fair value option has been exercised in any circumstance for a financial assets or financial liability.	Similar to IFRS.
Financial Instruments – derecognition of financial assets and securitisation	There is no current equivalent standard.	Derecognition of financial assets is permitted only upon: • expiry of the contractual rights to the cash flows from the financial assets; • transfer the financial assets. An asset is transferred if either the entity has transferred the contractual rights to receive the cash flows, or the entity has retained the contractual rights to receive the cash flows from the asset, but has assumed a contractual obligation to pass those cash flows under an arrangement that meets certain specified conditions.	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Financial Instruments – derecognition of financial assets and securitisation (continued)		Once an entity has determined that the asset has been transferred, it would need to evaluate the extent to which it retains the risks and rewards of ownership of the financial asset. If substantially all the risks and rewards have been retained, derecognition of the asset is precluded. If risks and rewards have neither been substantially transferred nor retained, an assessment is made whether control has been retained by the transferor. If the entity does not control the asset then derecognition is appropriate; however if the entity has retained control of the asset, then the assets continue to be recognised to the extent of continuing involvement.	
Financial Instruments – derecognition of financial liabilities	There is no current equivalent standard.	A financial liability should be removed from the balance sheet when it is extinguished, that is when the obligation specified in the contract is discharged or cancelled or has expired.	Similar to IFRS.
Financial Instruments – modification	There is not current equivalent standard.	When contractual cash flows of financial assets are renegotiated/ modified, and such renegotiation/ modification does not result in derecognition, the gross carrying amount of the financial asset is recalculated as the present value of the renegotiated or modified contractual cash flows discounted at the financial asset's original effective interest rate and a modification gain or loss is recognised in profit or loss. Any costs or fees incurred are adjusted to the carrying amount of the modified financial asset and are amortised over the remaining term of the modified financial asset.	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Financial Instruments – modification (continued)		In case of financial liabilities, a substantial modification of the terms should be accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of a financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, should be recognised in profit or loss.	
Financial Instruments – impairment of financial assets	An enterprise should assess the provision for doubtful debts at each period end which, in practice, is based on relevant information such as • past experience, • actual financial position and • cash flows of the debtors. Different methods are used for making provisions for bad debts, including: • the ageing analysis, • an individual assessment of recoverability. Impairment losses recognised in profit or loss for equity investments are reversed through profit or loss (as per AS 13). For banks and financial service entities, the Reserve Bank of India has laid down specific provisioning norms based on the age of the outstanding.	The impairment model in IFRS 9 is based on expected credit losses and it applies equally to debt instruments measured at amortised cost or FVTOCI (the loss allowance is recognised in other comprehensive income and not reduced from the carrying amount of the financial asset), lease receivables, contract assets within the scope of IFRS 15 and certain written loan commitments and financial guarantee contracts. Expected credit losses (with the exception of purchased or original credit-impaired financial assets) are required to be measured through a loss allowance at an amount equal to: i) the12 month expected credit losses or ii) lifetime expected credit losses if credit risk has increased significantly since initial recognition of the financial instrument. With respect to trade receivables or contract assets within the scope of IFRS 15, loss allowance is measured at lifetime expected credit losses. For lease receivables within the scope of IAS 17, an entity can elect to always measure loss allowances at an amount equal to lifetime expected credit losses.	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Financial Instruments – impairment of financial assets (continued)		Interest revenue is calculated by applying the effective interest rate to the amortised cost (which is the gross carrying amount minus loss allowance) for credit – impaired financial assets while for all other instruments, it is calculated based on the gross carrying amount.	
Financial Instruments – derivatives and embedded derivative	Currently there is no equivalent standard on derivatives except for certain forward exchange contracts within the scope of AS 11. For entities not following AS 30, an ICAI announcement requires such entities to recognise losses in respect of all outstanding derivative contracts not covered by AS 11 by marking them to market as at the balance sheet date. Under AS 30, embedded derivatives would be separately accounted for at FVTPL if it is not closely related to the host financial asset.	All derivatives are measured at fair value. An embedded derivative is a component of a hybrid contract that also includes a non-derivative host, with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. A derivative that is attached to a financial instrument but is contractually transferable independently of that instrument, or has a different counterparty, is not an embedded derivative, but a separate financial instrument. If the host is an asset within the scope of IFRS 9, the embedded derivative is not separated from the host and classification and measurement principles as applicable to the financial asset is applied to the entire hybrid contract.	Similar to IFRS.
Financial Instruments – hedged accounting	Currently, there is no notified Accounting Standard on hedge accounting. Based on an ICAI clarification, to the extent there are no accounting treatments covered by any of the existing notified accounting standards, entities are encouraged to follow the principles enunciated in the accounting treatments contained in AS 30. Hedge accounting principles included in AS 30 are similar to IAS 39 principles.	Application of hedge accounting is a choice. If certain eligibility and qualification criteria are met, hedge accounting allows an entity to reflect risk management activities in the financial statements by matching gains or losses on financial hedging instruments with losses or gains on the risk exposures they hedge.	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Financial Instruments – designation of hedging instruments	AS 30 permits entities to designate derivative instruments (or portions thereof) as hedging instruments, except for certain written options. In addition, exclusively for hedges of foreign currency risk, AS 30 permits entities to designate non-derivative financial instruments as hedging instruments.	Under IFRS 9, a financial instrument's eligibility as a hedging instrument depends on whether the financial instrument is measured at FVTPL, not on whether it is a derivative instrument. Therefore, the IFRS 9 hedge accounting model permits entities to designate a derivative instrument (except for certain written options), as well as a non-derivative financial instrument that is measured at FVTPL, as a hedging instrument for all types of risks, not just foreign-currency risk.	Similar to IFRS.
Financial Instruments – qualifying hedged items	AS 30 permits entities to designate recognised assets or liabilities, firm commitments, highly probable forecast transactions, and net investments in foreign operations as hedged items. In addition, for financial assets and financial liabilities, entities may designate certain risk components of the asset or liability (e.g. interest-rate risk, foreign-currency risk) as the hedged item, provided that the risk is separately identifiable and reliably measurable. However, for non-financial assets and non-financial liabilities, AS 30 prohibits the designation of risk components (other than foreign-currency risk).	IFRS 9 hedge accounting model permits entities to also designate risk components of non-financial assets and liabilities as hedged items as long as certain criteria are met (e.g. the risk component is separately identifiable and can be reliably measured). IFRS 9 also expands the list of eligible hedged items by allowing entities to designate as a hedged item an aggregated exposure (i.e. the combination of an eligible hedged item and a derivative instrument) as well as certain group and net exposures (e.g. a net interest rate exposure), which were generally not eligible as hedged items under IAS 39.	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Financial Instruments – hedge accounting – accounting for options, forwards, and foreign currency derivatives	Under AS 30, an entity can exclude the time value of an option contract and the forward element of a forward contract when designating such contracts as hedging instruments. AS 30 requires that changes in the excluded components (i.e. the time value component of the option and the forward element of the forward) always be recognised in profit or loss.	Under the IFRS 9 hedge accounting model, the appropriate accounting for the time value component of an option that has been excluded from the designated hedging relationship depends on whether the hedged item is transaction-based (e.g. a hedge of a forecast transaction) or time-period-based (e.g. a hedge of changes in the fair value of a recognised asset, such as inventory, over a period). For hedges of transaction-based items, the time value of the option contract, to the extent that it is related to the hedged item, would initially be deferred in OCI. Subsequently, the amount deferred in accumulated other comprehensive income (AOCI) would be 1) included in the initial cost or carrying amount of a recognised nonfinancial asset or nonfinancial liability arising from the hedged transaction or 2) reclassified into earnings as the hedged item affects earnings if the hedged transaction does not result in recognition of a nonfinancial asset or liability. For hedges of time-period-based items, the time value of the option contract is also initially deferred in OCI to the extent that it is related to the hedged item. However, instead of recognising the option cost at the time the hedged item is recognised in the statement of comprehensive income, an entity releases the time value component from AOCI into earnings by using a systematic and rational basis (possibly a straight-line approach) over the period during which the hedging relationship could affect earnings. This approach is consistent with certain constituents' views that the time value of an option is a cost of hedging (i.e. a cost incurred to protect against unfavorable changes).	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Financial Instruments – hedge accounting forward contracts and foreign currency derivatives	AS 30 requires changes in the fair value of the excluded forward element to be recognised in profit or loss. Entities not applying hedge accounting under AS 30, as per AS 11, premium/discount on a forward exchange contract meant for hedging foreign currency risk of existing monetary items will be recognised in the statement of profit and loss over the life of the forward exchange contract. The foreign exchange gain/loss on the forward exchange contracts as well as on the existing monetary items will be recognised in the statement of profit and loss in the period in which they arise.	Under the IFRS 9 hedge accounting model, an entity may elect to account for the forward element of a forward contract that is excluded from the designated hedging relationship similarly to how the time value component of an option contract that is excluded from a hedging relationship is accounted for (see above). Alternatively, an entity can elect to account for changes in the excluded forward element in profit or loss in a manner consistent with the approach under IAS 39.	Similar to IFRS.
Financial Instruments – qualifying criteria for applying hedge accounting	To qualify for hedge accounting under AS 30, the hedging instrument must be highly effective at achieving offsetting changes in fair value or cash flows attributable to the hedged risk both prospectively and retrospectively. To be highly effective, the level of offset must be between 80 percent and 125 percent. Entities must perform quantitative effectiveness tests on an ongoing basis to demonstrate that the hedging relationship qualifies for hedge accounting.	In order to qualify for hedge accounting, the hedge relationship must meet the following effectiveness criteria at the beginning of each hedged period: • There is an economic relationship between the hedged item and the hedging instrument • The effect of credit risk [from either the hedged item or hedging instrument] does not dominate the value changes that result from that economic relationship. • The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the entity actually hedges and the quantity of the hedging instrument that the entity actually uses to hedge that quantity of hedged item [(unless the weightings of the hedged item and hedging instrument would create hedge ineffectiveness that would be inconsistent with the purpose of hedge accounting)].	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Financial Instruments – qualifying criteria for applying hedge accounting (continued)		The IFRS 9 hedge accounting model requires entities to perform a hedge effectiveness assessment only prospectively. However, entities must still measure and recognise hedge ineffectiveness at the end of each reporting period.	
Financial Instruments – hedge accounting – basis adjustments	Under AS 30, if an entity's hedge of a forecast transaction results in the recognition of a non-financial asset or liability, the entity could choose to 1) reclassify the effective portion of the cash flow hedge recorded in an appropriate equity account to profit or loss when the hedged item affects earnings or 2) include the amount recorded in the equity account in the initial cost or carrying amount of the non-financial item.	Under IFRS 9, an entity must remove the amount from OCI and include it in the initial cost or carrying amount of the non-financial item.	Similar to IFRS.
Financial Instruments – hedge accounting – modifying a hedging relationship	Under AS 30, when an entity changes a hedging relationship, it would generally have to discontinue hedge accounting for the existing hedging relationship and redesignate a new hedging relationship that reflects the desired change.	Under IFRS 9, when an entity's hedging relationship no longer satisfies the hedge ratio criterion but its risk management objective remains the same for that hedging relationship, the entity must adjust the hedge ratio so that it meets the hedging criteria prospectively. Such a "rebalancing" would not trigger discontinuation of the entire hedging relationship.	Similar to IFRS.
Financial Instruments – hedge accounting - discontinuing a hedging relationship	Under AS 30, a hedging relationship is discontinued when 1) the hedging instrument expires or is sold or terminated, 2) the hedging relationship no longer meets the qualifying criteria, 3) the entity revokes the hedge designation, or (4) the forecast transaction in a cash flow hedge is no longer expected to occur.	An entity discontinues hedge accounting prospectively only when the hedging relationship (or a part of a hedging relationship) ceases to meet the qualifying criteria (after any rebalancing). This includes instances when the hedging instrument expires or is sold, terminated or exercised.	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Hedges of a net investment in a foreign operation	No specific guidance.	A parent may designate as a hedged risk, only the foreign exchange differences arising from a difference between its own functional currency and that of its foreign operation. The hedging instrument for the hedge of a net investment in a foreign operation may be held by any entity or entities within the group. On derecognition of a foreign operation, IFRS 9 must be applied to determine the amount that needs to be reclassified to profit or loss from the foreign currency translation reserve in respect of the hedging instrument, while IAS 21 must be applied in respect of the hedged item.	Similar to IFRS.
Extinguishing financial liabilities with equity Instruments	No specific guidance.	If a debtor issues equity instruments to a creditor to extinguish all or part of a financial liability, those equity instruments are 'consideration paid'. This is accounted for as an extinguishment of the financial liability, and accordingly the debtor should derecognise the financial liability fully or partly. The debtor should measure the equity instruments issued to the creditor at fair value, unless fair value is not reliably determinable, in which case the equity instruments issued are measured at the fair value of the liability extinguished. The debtor recognises in profit or loss the difference between the carrying amount of the financial liability (or part) extinguished and the fair value of the equity instruments issued.	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Separate and Consolidated Financial Statements – primary literature	**AS 21 – Consolidated Financial Statements**	**IAS 27 – Separate Financial Statements** **IFRS 10 – Consolidated Financial Statements** **IFRS 12 – Disclosure of Interests in Other Entities**	**Ind AS 27 – Separate Financial Statements** **Ind AS 110 – Consolidated Financial Statements** **Ind AS 112 – Disclosure of Interests in Other Entities**
Consolidated Financial Statements – scope	AS 21 does not specify entities that are required to present consolidated financial statements. The accounting standard is required to be followed if consolidated financial statements are presented. The Companies Act 2013 requires a company having one or more subsidiaries, to prepare a consolidated financial statement of the company and of all the subsidiaries in the same form and manner as that of its own. The term 'subsidiary' includes an associate company and joint venture. For financial year ending 31 March 2015, if a company does not have any subsidiaries, but only has associates and/or joint ventures, then the company would not have to prepare consolidated financial statements in respect of such associates and/or joint ventures. Preparation of consolidated financial statements will not be applicable to an intermediate wholly owned subsidiary, except if its immediate parent is a company incorporated outside India. Further if a company has subsidiary or subsidiaries incorporated outside India only, it need not present consolidated financial statements for the financial year beginning on or after 1 April 2014.	A parent is required to prepare consolidated financial statements in which they consolidate their investments in subsidiaries in accordance with IFRS 10. A subsidiary is an entity that is controlled by another entity (known as the parent). A parent need not prepare consolidated financial statements if it meets all the following conditions: a) it is a wholly-owned subsidiary or a partially-owned subsidiary and all its other owners have not objected to the entity not presenting consolidated financial statements; b) its debt or equity instruments are not traded in a public market c) it did not file, nor is it in the process of filing, its financial statements for the purpose of issuing any class of instruments in a public market; and d) its ultimate or any intermediate parent produces consolidated financial statements that are available for public use and comply with IFRSs	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Consolidated Financial Statements – scope (continued)	Equity listed companies are required to present consolidated financial statements in addition to separate financial statements of the parent in terms of the Listing Agreement with the Stock Exchanges and the SEBI Guidelines.	The Standard contains an exemption for an entity that meets the definition of investment entity to measure all its subsidiaries at fair value through profit and loss except that a subsidiary that provides services that relate to the investment entity's investment activities should be consolidated.	Similar to IFRS.
Consolidated Financial Statements – investment entity	Not applicable.	A parent should determine whether it is an investment entity. An investment entity is an entity that i) obtains funds from one or more investors for the purpose of providing those investor(s) with investment management services; ii) commits to its investor(s) that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and iii) measures and evaluates the performance of substantially all of its investments on a fair value basis.	Similar to IFRS.
Consolidated Financial Statements – investment property measurement by investment entities	No specific guidance.	One of the criteria to qualify as an investment entity is to measure and evaluate the performance of substantially all of its investments on a fair value basis. Accordingly, an investment entity would need to account for any investment property using the fair value model in IAS 40 – Investment Property.	Similar to IFRS, except that since Ind AS 40 – Investment Property requires all investment properties to be measured at cost initially and cost less depreciation subsequently, the requirement for investment entities to measure investment property using the fair value model has been deleted.

Topic	Indian GAAP	IFRS	Ind AS
Consolidated Financial Statements – definition of control	Control is: a) the ownership, directly or indirectly through subsidiary(ies), of more than one-half of the voting power of an enterprise; or b) control of the composition of the board of directors in the case of a company or of the composition of the corresponding governing body in case of any other enterprise so as to obtain economic benefits from its activities. Therefore a mere ownership of more than 50% of equity shares is sufficient to constitute control under Indian GAAP, whereas this is not necessarily so under IFRS.	Control is based on whether an investor has 1) power over the investee 2) exposure, or rights, to variable return from its involvement with the investee; and 3) the ability to use its power over the investee to affect the amounts of the returns.	Similar to IFRS.
Consolidated Financial Statements – dual control	In a rare situation, when an enterprise is controlled by two enterprises – one which controls by virtue of ownership of majority of the voting power and the other which controls, by virtue of an agreement or otherwise, the composition of the board of directors, the first mentioned enterprise will be considered as subsidiary of both the controlling enterprises and therefore, both the enterprises will need to consolidate the financial statements of that enterprise.	Only one entity can have control (as distinct from joint control) over another entity. Therefore, when two or more entities each hold significant power, and exposure, or rights to variable returns, certain factors are reassessed to determine which party has control. IFRS 10 includes guidance on assessment of control, including protective rights; delegated power; de facto control; and de facto agency arrangements.	Similar to IFRS.
Consolidated Financial Statements – potential voting rights	Potential voting rights are not considered in assessing control.	Potential voting rights are considered only if the rights are substantive. For a right to be substantive, the holder must have the practical ability to exercise that right.	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Consolidated Financial Statements – exclusion of subsidiaries, associates and joint ventures	Excluded from consolidation, equity accounting or proportionate consolidation if the subsidiary/ investment/ interest was acquired with intent to dispose of in the near future (which, ordinarily means not more than 12 months, unless a longer period can be justified based on facts and circumstances of the case) or if it operates under severe long-term restrictions which significantly impair its ability to transfer funds to the parent/ investor/venturer.	Consolidated financial statements include all subsidiaries and equity-accounted associates and joint ventures. No exemption for 'temporary control', 'different lines of business' or 'subsidiary/associate/ joint venture that operates under severe long-term funds transfer restrictions'.	Similar to IFRS.
Consolidated Financial Statements – 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 financial statements to which different accounting policies have been applied.	Consolidated financial statements should be prepared using uniform accounting policies.	Similar to IFRS.
Consolidated Financial Statements – reporting dates	The difference between the reporting date of the subsidiary and that of the parent should be no more than six months.	The difference between the reporting date of the subsidiary and that of the parent should be no more than three months.	Similar to IFRS.
Consolidated Financial Statements – non-controlling interests	Minority interests are presented in the consolidated balance sheet separately from liabilities and the equity of the parent's shareholders.	Non-controlling interests are presented in the consolidated statement of financial position within equity, separately from the equity of the owners of the parent.	Similar to IFRS.
Consolidated Financial Statements – allocation of losses to non-controlling interests	Excess of loss applicable to minority over the minority interest in the equity of the subsidiary and any further losses applicable to minority are adjusted against majority interest except to the extent that the minority has a binding obligation to, and is able to, make good the losses.	Profit or loss and each component of other comprehensive income should be attributable to the owners of the parent and to the non-controlling interests. The total comprehensive income should be attributable to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Consolidated Financial Statements – disposals	No specific guidance.	If a parent loses control of a subsidiary, the parent: • derecognises the assets and liabilities of the former subsidiary from the consolidated statement of financial position; • recognises any investment retained in the former subsidiary at its fair value when control is lost and subsequently accounts for it and for any amounts owed by or to the former subsidiary in accordance with relevant IFRSs. That fair value is regarded as the fair value on initial recognition of a financial asset in accordance with IFRS 9/IAS 39 or, when appropriate, the cost on initial recognition of an investment in an associate or joint venture. • recognises the gain or loss associated with the loss of control attributable to the former controlling interest. If a parent loses control of a subsidiary that does not contain a business in a transaction with an associate or a joint venture, gains or losses resulting from those transactions are recognised in the parent's profit or loss only to the extent of the unrelated investors' interests in that associate or joint venture. (Added by Sale or Contribution of Assets between an Investor and its Associate or Joint Venture amendments, effective 1 January 2016).	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Separate Financial Statements – accounting for investments in subsidiaries in separate financial statements of the parent	Accounted for at cost less impairment loss.	Accounted for either at cost or in accordance with IFRS 9 or IAS 39 where the entity is yet to apply IFRS 9 or using the equity method as described in IAS 28, investments in Associates and Joint Ventures (The option to use the equity method will be applicable for annual periods beginning on or after 1 January 2016 retrospectively in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors. Earlier application is permitted.)	Equity method is not permitted in separate financial statements.
Consolidated Financial Statements – disclosure of nature and risk associated with interest in other entities	There is no equivalent standard. AS 21, AS 23 and AS 27 require certain minimum disclosures in respect of subsidiaries, investments in associates and investments in joint ventures respectively.	IFRS 12 requires disclosures for the following broad categories: • significant judgements and assumptions such as how control, joint control and significant influence has been determined; • when a parent determines that it is an investment entity, the significant judgements and assumptions made in such determination; • interests in subsidiaries including details of the structure of the group, risk associated with consolidated structured entities, restrictions on use of assets and settlement of liabilities, changes in ownership levels, non-controlling interests in the group, etc.; • interest in joint arrangements and associates – the nature, extent and financial effects of interest in joint arrangements and associates (including names, details and summarised financial information) and risks associated with such entities;	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Consolidated Financial Statements – disclosure of nature and risk associated with interest in other entities (continued)		• interest in unconsolidated subsidiaries (in the case of investment entity parent)-name, principal place of business (and country of incorporation, if different from principal place of business, proportion of ownership interest held and, if different, proportion of voting rights held, nature of significant restrictions on the ability of the unconsolidated subsidiary to transfer funds to the investment entity parent etc. • interest in unconsolidated structured entities (other than unconsolidated subsidiaries controlled by an investment entity parent)-the nature and extent of interest in unconsolidated structured entities and the nature of, and changes in, the risk associated with its interest in unconsolidated structured entities.	

Topic	Indian GAAP	IFRS	Ind AS
Interests in Joint Arrangements – primary literature	**AS 27 – Financial Reporting of Interests in Joint Ventures**	**IFRS 11 – Joint Arrangements** **IAS 28 – Investments in Associates and Joint Ventures**	**Ind AS 111 – Joint Arrangements** **Ind AS 28 – Investments in Associates and Joint Ventures**
Interests in Joint Arrangements – joint control	Joint control is the contractually agreed sharing of control over an economic activity. However, where an enterprise by a contractual arrangement establishes joint control over an entity which is a subsidiary of that enterprise within the meaning of AS 21, the entity is consolidated under AS 21 by the said enterprise, and is not treated as a joint venture.	Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.	Similar to IFRS.
Interests in Joint Arrangements – classification	AS 27 identifies three broad types of joint ventures – jointly controlled operations, jointly controlled assets and jointly controlled entities.	IFRS 11 classifies joint arrangements into two types – joint operations and joint ventures depending upon the rights and obligations of the parties to the arrangement. An entity assesses its rights and obligations by considering the structure and legal form of the arrangement, the terms agreed by the parties in the contractual arrangement and, when relevant, other facts and circumstances. A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement (i.e. joint operators) have rights to the assets, and obligations for the liabilities, relating to the arrangement. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement (i.e. joint venturers) have rights to the net assets of the arrangement.	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Interests in Joint Arrangements – scope	There is no exemption for investments made by venture capital organisations, mutual funds, unit trusts and similar entities from applying the proportionate consolidation method.	The scope exemption applicable for investments in associates under IAS 28 is equally applicable for a venturer's interest in a joint venture. (Refer the topic 'Investments in Associates and Joint Ventures – scope').	Similar to IFRS.
Interests in Joint Arrangements – unit of account	No specific guidance.	IFRS 11 acknowledges that the framework agreement governing the parties might set out that the parties establish different joint arrangements to deal with specific activities that form part of the agreement and the rights and obligations differ when undertaking the different activities dealt with in the framework agreement. Consequently, joint operations and joint ventures can coexist when the parties undertake different activities that form part of the same framework agreement.	Similar to IFRS.
Interests in Joint Arrangements – separate financial statements of the venturer	Interest in a jointly controlled entity should be accounted for as an investment in accordance with AS 13 – Accounting for Investments. For jointly controlled operations, the venturer should recognise the assets that it controls and liabilities that it incurs and the expenses it incurs and its share of income that it earns from the joint venture in separate (as well as consolidated) financial statements. For jointly controlled assets, a venturer recognises its share of jointly controlled assets, liabilities, expenses, any liabilities it has incurred, any income from the sale or use of its share of output of the joint venture and any expenses which it has incurred in respect of its interest in the joint venture, in separate (as well as consolidated) financial statements.	Joint operations: a joint operator recognises the assets it controls, and expenses and liabilities it incurs, and its share of income earned, in both its separate and consolidated financial statements. In the separate financial statements, interests in joint ventures are accounted for either at cost or as investments in accordance with IFRS 9 or IAS 39 or using the equity method. (The option to use the equity method will be applicable for annual periods beginning on or after 1 January 2016).	Similar to IFRS, except that the equity method is not permitted in the separate financial statements.

Topic	Indian GAAP	IFRS	Ind AS
Interests in Joint Arrangements - consolidated financial statements of the venturer	As per AS 27, proportionate consolidation method is applicable only when the entity has subsidiaries and prepares consolidated financial statements. However, as per the Companies Act, 2013, consolidated financial statements should be prepared even if an entity has only associates and/or joint ventures but has no subsidiaries. For financial year ending 31 March 2015, if a company does not have any subsidiaries, but only has associates and/or joint ventures, then the company would not have to prepare consolidated financial statements in respect of such associates and/ or joint ventures. (Refer the topic 'Consolidated Financial Statements – scope'). In the consolidated financial statements, interests in jointly controlled entities to be accounted using proportionate consolidation only. Equity method is not permitted.	Joint operations: a joint operator recognises the assets it controls, and expenses and liabilities it incurs, and its share of income earned, in both its separate and consolidated financial statements. A joint venturer applies the equity method, as described in IAS 28. Even if consolidated financial statements are not prepared (e.g. because the venturer has no subsidiaries), the equity method is used to account for joint ventures. IFRS 5 is applied to an investment, or a portion of an investment in a joint venture that meets the criteria to be classified as held for sale.	Similar to IFRS.
Interests in Joint Arrangements – share of losses	Loss pertaining to one or more investors in a jointly controlled entity may exceed their interests in the equity of the jointly controlled entity. Such excess, and further losses are recognised by the venturers in proportion of their shares in the venture, except to the extent that the investors have a binding obligation to, and are able to, make good the losses.	The treatment applicable for an entity's share of losses of an associate is equally applicable to an entity's share of losses of a joint venture. (Refer the topic 'Investments in Associates and Joint Ventures – share of losses').	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Interests in Joint Arrangements – disposals	On the date of discontinuation of use of proportionate consolidation, the cost of investments is the venture share of net assets of the jointly controlled entity as at the date of discontinuation adjusted with carrying value of the relevant goodwill/capital reserve. Such investments are accounted in accordance with AS 13 – Accounting for Investments.	When the investment ceases to be a joint venture and becomes a financial asset, the retained interest in the former joint venture is measured at fair value in accordance with IFRS 9 or IAS 39 (if the entity is yet to apply IFRS 9). The difference between the fair value of retained interest together with any proceeds from disposing of a part interest in the joint venture and the carrying amount of the investment at the date the equity method was discontinued is recognised in profit or loss. When an entity discontinues the use of the equity method, it should account for all amounts previously recognised in other comprehensive income in relation to that investment on the same basis as would have been required if the investee had directly disposed of the related assets or liabilities. If an investment in a joint venture becomes an investment in an associate, the entity continues to apply equity method and does not remeasure the retained interest.	Similar to IFRS.
Interests in Joint Arrangements – goodwill	Goodwill arising on the proportionate consolidation of the jointly controlled entity (i.e. excess of the cost to the venturer of its interest in the jointly controlled entity over its share of net assets of the jointly controlled entity) is separately disclosed in the consolidated financial statements.	Goodwill (i.e. excess of the cost of the investment over the entity's share of the net fair value of the joint venture's identifiable assets and liabilities) is included in the carrying amount of the investment.	Similar to IFRS.
Interests in Joint Arrangements – capital reserve/negative goodwill	When the cost to the venturer of its interest in a jointly controlled entity is less than its share of the net assets of the jointly controlled entity, at the date of acquisition the difference is treated as capital reserve in the consolidated financial statements.	Any excess of the entity's share of net fair value of the joint venture's identifiable assets and liabilities over the cost of investments is included as income in the determination of the investor's share of joint venture's profit or loss in the period in which the investment is acquired.	Any excess of the entity's share of the net fair value of the joint venture's identifiable assets and liabilities over the cost of the investment is recognised directly in equity as capital reserve in the period in which the investment is acquired.

Topic	Indian GAAP	IFRS	Ind AS
Interests in Joint Arrangements – uniform accounting policies	If not practicable to use uniform accounting polices while applying the proportionate consolidation method, that fact should be disclosed together with proportions of items in the consolidated financial statements to which different accounting policies have been applied.	Uniform accounting policies should be followed while applying the equity method. No exception is provided.	Similar to IFRS.
Investments in Joint Arrangements – reporting date	The difference between the reporting date of the jointly controlled entity and that of the venturer should be no more than six months.	The difference between the reporting date of the joint venture and that of the venturer should be no more than three months.	Similar to IFRS.
Investments in Joint Arrangements – accounting for acquisitions of interest in joint operations	No specific guidance.	The acquisition of an interest in a joint operation in which the activity constitutes a business should be accounted for using the principles of IFRS 3 – Business Combination. This requirement applies to annual periods beginning on or after 1 January 2016 on a prospective basis to acquisitions of interests in joint operations occurring from the beginning of the first period in which the amendments are applied.	Similar to IFRS.
Interests in Joint Arrangements – accounting for acquisitions of interests in joint operations in the case of common control transactions	No specific guidance.	Similar to IFRS 3 – Business Combinations, IFRS 11 scopes out business combinations.	Acquisition accounting does not apply to acquisition of interest in a joint operation in which the activity of the joint operation constitutes a business as defined in Ind AS 103, when the parties sharing joint control, including the entity acquiring the interest in the joint operation, are under the common control of the same ultimate controlling party or parties both before and after the acquisition. For such transactions, refer to the topic 'Business Combinations – combination of entities under common control'.

Topic	Indian GAAP	IFRS	Ind AS
Fair value – primary literature	**No equivalent standard**	**IFRS 13 – Fair value measurements**	**Ind AS 113 – Fair value measurements**
Fair value – 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).	Similar to IFRS.
Fair value – definition	No equivalent standard. Fair value is defined in the context of each accounting standard, wherever applicable.	Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.	Similar to IFRS.
Fair value – classification and disclosure	No equivalent standard.	Requires with some exceptions, classification of these measurements into a 'fair value hierarchy' based on the nature of inputs: Level 1 – quoted prices in active markets for identical assets and liabilities that the entity can access at the measurement date; Level 2 – inputs other than quoted market prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; Level 3 – unobservable inputs for the asset or liability. Requires various disclosures depending on the nature of the fair value measurement (e.g. whether it is recognised in the financial statements or merely disclosed) and the level in which it is classified.	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
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 (effective for annual periods beginning on or after 1 January 2016. Earlier application is permitted)**	**Ind AS – 114 Regulatory Deferral Accounts**
Regulatory Deferral Accounts - scope, recognition and presentation	The Guidance Note should be applied by an entity to its operating activities (all or only a portion) that meet the following criteria: • the regulator establishes the price the entity must charge its customers for the goods or services the entity provides and that price binds the customers; and • the price established by regulation is designed to recover the specific costs the entity incurs in providing the regulated goods or services and to earn a specified return (which could be a minimum or range and need not be a fixed or guaranteed return). A determination should be made at the end of each reporting period whether the operating activities during the reporting period meet the criteria specified above. A regulatory asset is recognised when it is probable that the future economic benefits associated with it will flow to the entity as a result of the actual or expected actions of the regulator under the applicable regulatory framework and the amount can be measured reliably.	IFRS 14 – Regulatory Deferral Accounts is designed as a limited scope Standard to provide an interim, short-term solution for rate-regulated entities which are first-time adopters of IFRS to continue to account, with some limited changes, for 'regulatory deferral account balances' in accordance with its previous GAAP, both on initial adoption of IFRS and in subsequent financial statements, until such time as the IASB completes its comprehensive project on rate regulated activities. Regulatory deferral account balances arise when an entity provides goods or services to customers at a price or rate that is subject to rate regulation. Entities which are eligible to apply IFRS 14 are not required to do so, and so can choose to apply only the requirements of IFRS 1 – First-time Adoption of International Financial Reporting Standards when first applying IFRSs. The election to adopt IFRS 14 is only available on the initial adoption of IFRSs, meaning an entity cannot apply IFRS 14 for the first time in financial statements subsequent to those prepared on the initial adoption of IFRSs. However, an entity that elects to apply IFRS 14 in its first IFRS financial statements must continue to apply it in subsequent financial statements.	Similar to IFRS. However, a clarification is provided in Ind AS 114 that the Guidance Note on Accounting for Rate Regulated Activities issued by ICAI would be considered as previous GAAP. A clarification is included in Ind AS 114 that an entity subject to rate regulation coming into existence after Ind AS coming into force or an entity whose activities become subject to rate regulation subsequent to preparation and presentation of first Ind AS financial statements should be permitted to apply the requirements of previous GAAP in respect of such rate regulated activities.

Topic	Indian GAAP	IFRS	Ind AS
Regulatory Deferral Accounts - scope, recognition and presentation (continued)	A regulatory liability is recognised when: • an entity has a present obligation as a result of a past event; • it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and • a reliable estimate can be made of the amount of the obligation. On initial recognition and at the end of each subsequent reporting period, an entity should measure a regulatory asset or regulatory liability at the best estimate of the amount expected to be recovered or refunded or adjusted as future cash flows under the regulatory framework, with changes in the expectation being recorded as a change in an accounting estimate. A regulatory asset or regulatory liability should not be discounted to its present value. An entity should present regulatory assets and regulatory liabilities as current/non-current, as the case may be, in the balance sheet, separately from other assets and liabilities. No offsetting is permitted and separate line items should be presented in the balance sheet for the total of all regulatory assets and the total of all regulatory liabilities. A separate line item is also required to be presented under tax expense for the deferred tax expense/saving related to regulatory account balances. Additional specific disclosures are also required.	IFRS 14 provides an exemption from paragraph 11 of IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors, which requires an entity to consider the requirements of IFRSs dealing with similar matters and the requirements of the Conceptual Framework when setting its accounting policies. The effect of the exemption is that eligible entities can continue to apply the accounting policies used for regulatory deferral account balances under the basis of accounting used immediately before adopting IFRS ('previous GAAP') when applying IFRSs, subject to the presentation requirements of IFRS 14. Regulatory deferral account balances, and movements in them, are presented separately in the statement of financial position and statement of profit or loss and other comprehensive income, and specific disclosures are required. Regulatory deferral account balances are not classified between current and non-current, but are separately disclosed using subtotals.	

Topic	Indian GAAP	IFRS	Ind AS
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** **Guidance Note on Accounting for Real Estate Transactions (Revised 2012)** **Guidance Note on Accounting for Dot-com Companies**	**IFRS 15- Revenue from Contracts with Customers (effective from Annual period beginning on or after 1 January 2017 with earlier application permitted)** **IFRIC 12 – Service Concession Arrangements** **SIC 29 – Service Concession Arrangements: Disclosures** **IFRS 15 supersedes the following standards and interpretations:** • **IAS 11 – Construction Contracts** • **IAS 18 – Revenue,** • **IFRIC 13 – Customer Loyalty Programmes,** • **IFRIC 15 – Agreements for the construction of Real Estate,** • **IFRIC 18 – Transfer of Assets from Customers** • **SIC-31 – Barter Transactions Involving Advertising Services**	**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**
Revenue – 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. AS 9 scopes out revenue from lease agreements, insurance contracts, revenue arising from government grants, and other similar subsidies.	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. A contract is an agreement between two or more parties that creates enforceable rights and obligations, and can be either written, oral or implied by an entity's customary business practices.	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Revenue – scope (continued)		IFRS 15 scopes out lease contracts, insurance contracts, financial instruments and other contractual rights or obligations within the scope of IFRS 9/IAS39, IFRS 10, IFRS 11, IAS 27 and IAS 28. It also scopes out non-monetary exchanges between entities in the same line of business to facilitate sales to customers or potential customers.	
Revenue – definition	As per AS 9, revenue is the gross inflow of cash, receivables or other consideration arising in the course of the ordinary activities from the sale of goods, from the rendering of services, and from the use by others of enterprise resources yielding interest, royalties and dividends.	Revenue is defined as income arising in the course of an entity's ordinary activities. Income is defined as increases in economic benefits during the accounting period in the form of inflows or enhancements of assets or decreases of liabilities that result in an increase in equity, other than those relating to contributions from equity participants.	Similar to IFRS.
Revenue – recognition	AS 9 requires recognition of revenue when (i) there is transfer significant risks and rewards of ownership (ii) no significant uncertainty exists regarding the amount of consideration and (iii) at the time of performance, it is not unreasonable to expect ultimate collection. Revenue from sale of goods is recognised when seller has transferred the property in goods to the buyer for a consideration – which in most cases results in or coincides with transfer of significant risks and rewards of ownership. Revenue from service transactions is usually recognised as the services are performed either by the proportionate completion method or by the completed service contract method.	The core principle under IFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to 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 to the performance obligations in the contract. 5) Recognise revenue when the entity satisfies a performance obligation.	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Revenue – recognition (continued)	Under AS 7, contract revenue and contract costs are recognised by reference to the percentage of completion method if the outcome of the contract can be estimated reliably; else, revenue is recognised only to the extent of contract costs incurred of which recovery is probable.		
Revenue – identification of contracts	Under AS 7, a construction contract specifically negotiated for the construction of the asset or a combination of assets that are closely interrelated or interdependent in terms of design, technology, and function of their ultimate purpose or use. AS 9 does not have similar guidance.	A contract falls within the scope of IFRS 15, when all the following conditions are met: a) The contract has commercial substance (that is, the risk, timing, or amount of future cash flows is expected to change as a result of the contract) b) The parties to the contract have approved the contract c) Each party's rights regarding the goods or services to be transferred can be identified d) Payment terms can be identified for the goods or services to be transferred e) The parties are committed to perform their respective obligations and they intend to enforce their respective contractual rights f) It is probable that the entity will collect the consideration to which it expects to be entitled.	Similar to IFRS.
Revenue – contract combination	Under AS 7, a group of contracts (whether with a single customer or group of customers) are treated as a single construction contract when these are negotiated together, contracts are closely interrelated and contracts are performed concurrently or in a continuous sequence. No similar guidance is available in AS 9.	Guidance provided as part of the standard for combining the contract entered into, at or around the same time with the same customer (negotiated as a package, consideration to be paid in one contract depends on the price and performance of the other contract, the goods or services promised in the contracts are a single performance obligation).	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Revenue – contract modification	Under AS 7, construction of an additional asset is treated as a separate contract if the asset differs significantly in design, technology, or function, or the price of the asset is negotiated without regard to the original contract price. Variation and claims are part of the original contract revenue, unless the above treatment of construction of the additional asset as a separate contract applies. Claims, variations are included in contract revenue only when the probability of customer accepting/ approving the claim or variation is established and amount of revenue can be reliably measured. Similar guidance not available in AS 9.	Contract modification is treated as a separate contract if the modification results in 1) addition of 'distinct goods or services' and 2) a change in consideration that reflects the entity's stand-alone selling price for such additional promised goods or services. If modification does not meet the criteria to be accounted for as a separate contract, determination needs to be made on whether to account for modification as 1) termination of the original contract and creation of a new contract (i.e. allocate the amount of consideration not yet recognised to the remaining performance obligation) or 2) as if it were part of the original contract (i.e. update the transaction price, measure progress toward complete satisfaction of the performance obligation, and record a cumulative catch-up adjustment to revenue). Accordingly change orders and claims (price adjustments, or changes in scope) need to be assessed if 1) customer has approved any change in scope or price, or 2) it has enforceable rights to considerations, and accordingly apply contract modification guidance.	Similar to IFRS.
Revenue – unilateral right of termination	No guidance included.	A contract does not exist if the contract provides for a unilateral enforceable right to terminate a wholly unperformed contract without compensating the other party (or parties). Any considerations received on such arrangements from the customer are recorded as a liability and recognised as revenue only when there is no remaining obligation to the customer and the amount is not refundable or the contract has been terminated and the consideration received from the customer is non-refundable.	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Revenue – identify the performance obligation	Under AS 7, if a contract covers a number of assets, the construction of each asset is treated as a separate construction contract when separate proposals have been submitted, each asset is subject to separate negotiations and costs and revenues of each asset can be identified. Similar guidance does not exist in AS 9.	IFRS 15 requires evaluation of performance obligations – to account for 'distinct' goods or services (or a bundle of distinct goods or services, or a series of distinct goods or services – i.e. a separate unit of account) based on the following criteria: a) The customer can benefit from the goods or services either on its own or together with other resources that are readily available to the customer, b) Promise to transfer the good or services to the customer is separately identifiable from other promises in the contract (that is, the goods or services is distinct within the context of the contract). A good or service that does not meet these criteria would be combined with other goods or services in the contract until the criteria are met.	Similar to IFRS.
Revenue – variable considerations, contingent considerations	Under AS 7, incentive payments are included in contract revenue when the contract is sufficiently advanced that it is probable the specified performance standards will be met or exceeded and the amount of the incentive payments can be measured reliability. No similar guidance in AS 9.	Variable considerations (including potentially contingent considerations) are only included in the transaction price to the extent that it is probable that the amount of cumulative revenue recognised would not be subject to a significant future revenue reversal when such estimates are revised. Variable considerations are estimated using either 1) an expected value which is a sum of probability-weighted amounts in a range of possible consideration amounts. An expected value may be appropriate if there are a large number of contracts with similar characteristics, or 2) most likely amount in a range of possible consideration amounts. Most likely amount is appropriate when the contract has only two possible outcomes (for example, an entity either achieves a performance bonus or does not).	Similar to IFRS. However under Ind AS 115, penalties should be accounted for as per the substance of the contract. Where the penalty is inherent in the determination of transaction price, it should form part of variable consideration, otherwise the same should not be considered for determining the consideration and the transaction price should be considered as fixed.

Topic	Indian GAAP	IFRS	Ind AS
Revenue – time value of money	Revenue is not adjusted for the time value.	Transaction price is adjusted for the time value of money when a significant financing component exists.	Similar to IFRS.
Revenue – allocating the transaction price	No guidance provided.	The transaction price is allocated to each performance obligation identified in the contract on the basis of a relative stand-alone selling price determined at contract inception. The stand-alone selling price is the price at which an entity would sell a promised good or service separately to a customer (the best evidence being the observable price at which the good or service is separately sold in similar circumstances and to similar customers. If not directly observable, estimation methods are used e.g. cost plus margin method, residual approach, competitor pricing).	Similar to IFRS.
Revenue – satisfaction of performance obligation	Under AS 9, revenue from sale of goods is recognised when seller has transferred the property in goods to the buyer for a consideration – which in most coincides with transfer of significant risks and rewards of ownership. Revenue from service transactions is usually recognised as the services are performed either by the proportionate completion method or by the completed service contract method. Under AS 7, contract revenue and contract costs to be recognised as revenue or expenses by reference to the percentage of completion method if the outcome of the contract can be estimated reliably; else, revenue should be recognised only to the extent of contract costs incurred of which recovery is probable.	Revenue is recognised as 'control' of the goods or services underlying the performance obligation is transferred to the customer. The control-based model differs from the risk-and-rewards model. Entities need to determine whether control is transferred over time. If not, it is transferred at a point in time. For each performance obligation satisfied over time, revenue is recognised by measuring the progress towards complete satisfaction (by using either output or input methods) and only if it can reasonably measure its progress towards completion; else, revenue should be recognised only to the extent of contract costs incurred of which recovery is probable.	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Revenue – contract costs	Capitalisation of contract cost is not permitted.	IFRS 15 contains criteria for determining when to capitalise costs associated with obtaining and fulfilling a contract. Specifically entities are required to capitalise recoverable incremental costs of obtaining a contract (e.g. sales commissions). Such costs capitalised would be amortised in a manner consistent with the pattern of transfer of the goods or services to which the asset is related (i.e. as the related revenue is recognised). All capitalised costs assets would be subject to impairment testing if any impairment indicator exists.	Similar to IFRS.
Revenue – 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.	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Revenue – non-cash considerations	No specific guidance.	If a customer promises consideration in a form other than cash, the non-cash consideration is measured at fair value; if fair value cannot be estimated, by reference to the stand-alone selling price of the goods or services.	Similar to IFRS.
Revenue – application guidance	No specific guidance.	The standard includes application guidance for specific transactions such as i) sale with a right of return ii) warranties, iii) principal versus agent considerations, iv) customer options for additional goods or services, v) non-refundable upfront fees, vi) bill and hold arrangements, and viii) customer unexercised rights ix) Licensing, x) Repurchase agreements.	Similar to 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.	Similar to IFRS.

Topic	Indian GAAP	IFRS	Ind AS
Service Concession Arrangements – recognition	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.	Depending on the terms of the arrangement: • a financial asset is recognised where an operator has the unconditional right to receive cash or other financial asset from the grantor over the life of the arrangement; or • an intangible asset is recognised where the operator receives cash directly from the public and where future cash flows vary depending on the usage of the infrastructure; or • both a financial asset and an intangible asset are recognised where the operator's return is provided partly by a financial asset and partly by an intangible asset.	Similar to IFRS.