SUMMARY OF DIFFERENCES OF OTHER ACCOUNTING STANDARDS

The Tables below give out the major differences between AS and IND AS along with differences between IND AS and IFRS which do not result in a carve-out.

Sr. No.	IND AS	AS
1	IND AS 2 – Inventories	AS 2 – Valuation of Inventories
2	IND AS 7 – Statement of Cash flows	AS 3 – Cash flow Statements
3	IND AS 10 – Events after the reporting period	AS 4 – Contingencies and Events occurring after the Balance sheet date
4	IND AS 8 – Accounting policies, changes in accounting estimates and errors	AS 5 – Net Profit or Loss for the period, Prior period items and changes in accounting policies
5	IND AS 16 – Property, Plant and Equipment	AS 6 – Depreciation accounting AS 10 – Accounting for Fixed Assets
6	IND AS 115 – Revenue from Contracts with customers	AS 7 – Construction contracts AS 9 – Revenue Recognition
7	IND AS 21 – Effects of changes in Foreign exchange rates	AS 11 – Effects of changes in foreign exchange rates
8	IND AS 20 – Accounting for Government Grants and Disclosure of Government Assistance	AS 12 – Accounting for Government Grants
9	IND AS 40 – Investment Property	AS 13 – Accounting for Investments
10	IND AS 103 – Business Combinations	AS 14 – Accounting for Amalgamations
11	IND AS 19 – Employee Benefits	AS 15 – Employee benefits
12	IND AS 102 – Share based payments	Guidance note on Accounting for Employee Share based payments
13	IND AS 23 – Borrowing costs	AS 16 – Borrowing costs
14	IND AS 108 – Operating segments	AS 17 – Segment Reporting
15	IND AS 24 – Related party disclosures	AS 18 – Related party disclosures

16	IND AS 17 – Leases	AS 19 - Leases
17	IND AS 33 – Earnings per share	AS 20 – Earnings per share
18	IND AS 110 – Consolidated Financial Statements IND AS 27 – Separate Financial Statements IND AS 112 – Disclosure of Interests in Other Entities	AS 21 – Consolidated Financial Statements
19	IND AS 12 – Income Taxes	AS 22 – Accounting for Taxes on Income
20	IND AS 28 – Investment in Associates and Joint ventures	AS 23 – Accounting for Investment in Associates in Consolidated Financial Statements
21	IND AS 105 – Non-current assets held for sale and Discontinued Operations	AS 24 – Discontinuing Operations
22	IND AS 34 – Interim Financial Reporting	AS 25 – Interim Financial Reporting
23	IND AS 38 – Intangible assets	AS 26 – Intangible assets
24	IND AS 111 – Joint arrangements IND AS 28 – Investments in Associates and Joint ventures	AS 27 – Financial Reporting of Interests in Joint ventures
25	IND AS 36 – Impairment of Assets	AS 28 – Impairment of assets
26	IND AS 37 - Provisions, Contingent Liabilities and Contingent assets	AS 29 – Provisions, Contingent Liabilities and Contingent assets
27	IND AS 109 – Financial Instruments Recognition and Measurement	AS 30 - Financial Instruments: Recognition and Measurement
28	IND AS 32- Financial instruments presentation	AS 31- Financial Instruments presentation
29	IND AS 107 – Financial Instruments Disclosures	AS 32 - Financial Instruments Disclosures
30	IND AS 104 – Insurance Contracts	-
31	IND AS 106 – Exploration for and Evaluation of Mineral resources	Guidance note on Accounting for Oil and Gas Producing activities

32	IND AS 29 – Financial reporting in Hyperinflationary economies	-
33	IND AS 41 – Agriculture	-

Summary of differences between IND AS 2 and AS 2 - Inventories

	IND AS 2	**AS 2**
Subsequent recognition	Deals with the subsequent recognition of cost/carrying amount of inventories as an expense	Does not deal with the same
Inventory of Service Provider	Requires that inventory of service provider may be described as "work-in-progress"	Silent on this matter
Machinery spares	Does not contain specific explanation in respect of such spares as this aspect is covered under Ind AS 16.	Inventories do not include machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular; such machinery spares are accounted for in accordance with AS 10, Accounting for Fixed Assets'.
Inventory held by Commodity Broker-trader	Does not apply to measurement of inventories held by commodity broker-traders, who measure their inventories at fair value less costs to sell.	Not covered
Definition of Fair value and distinction between NRV and Fair value	**Defines fair value and provides an explanation in respect of distinction between 'net realisable value' and 'fair value'. NRV is an entity specific value whereas fair value is not an entity specific value**	**Does not contain the definition of fair value and such explanation.**
Subsequent assessment of NRV	Provides guidance on subsequent assessment of NRV. It states that amount of reversal of any write-down of inventories arising from any increase in NRV, shall be recognized	Does not deal with such reversal

	as a reduction in the amount of inventories recognized as an expense in the period in which the reversal occurs	
Inventories acquired on Deferred Settlement basis	**An entity may purchase inventories on deferred settlement terms. When the arrangement effectively contains a financing element, that element, for example a difference between the purchase price for normal credit terms and the amount paid, is recognised as interest expense over the period of the financing.**	**Contains no such provision**
Scope exclusion	Excludes from its scope only the measurement of inventories held by producers of agricultural and forest products, agricultural produce after harvest, and minerals and mineral products though it provides guidance on measurement of such inventories	Excludes from its scope such type of inventories
Cost formulae	Does not specifically state so and requires the use of consistent cost formulas for all inventories having a similar nature and use to the entity.	Specifically provides that the formula used in determining the cost of an item of inventory should reflect the fairest possible approximation to the cost incurred in bringing the items of inventory to their present location and condition

	IND AS 2	**IAS 2**
Classification of expenses	This option has been removed and IND AS 1 provides only for nature-wise classification of expenses	Provides option to present an analysis of expenses recognized in profit or loss using a classification based on their function within the entity.

Summary of Differences between IND AS 7 and AS 3 – Cash Flow

	IND AS 7	AS 3
Bank overdrafts payable on demand	Specifically includes bank overdrafts which are repayable on demand as a part of cash and cash equivalents	Silent on this aspect
Treatment of cash payments in specific cases	Provides the treatment of cash payments to manufacture or acquire assets held for rental to others and subsequently held for sale in the ordinary course of business as cash flows from operating activities. Further, treatment of cash receipts from rent and subsequent sale of such assets as cash flow from operating activity is also provided.	Does not contain such requirements
Adjustment of the Profit or Loss for the Effects of Undistributed Profits of Associates and Non-controlling Interests	Specifically requires adjustment of the profit or loss for the effects of undistributed profits of associates and non-controlling interests while determining the net cash flow from operating activities using the indirect method	Not included in AS 3
Cash Flows associated with Extraordinary Activities	Does not contain this requirement	Requires cash flows associated with extraordinary activities to be separately classified as arising from operating, investing and financing activities
Cash Flows arising from Changes in Ownership Interests in a Subsidiary	Requires to classify cash flows arising from changes in ownership interests in a subsidiary that do not result in a loss of control as cash flows from financing activities	Does not contain such a requirement
Investment in Subsidiaries, Associates and Joint Ventures (Investees)	Ind AS 7 mentions the use of equity or cost method while accounting for an investment in an associate, joint venture or a subsidiary. It also specifically deals with the reporting of interest in an associate or a joint venture using equity method.	AS 3 does not contain such requirements

	IND AS 7	IAS 7
Interest	Does not provide such an option and requires these items to be classified as items of financing activity and investing activity, respectively	Gives an option to classify the interest paid and interest and dividends received as item of operating cash flows
Dividend	Requires it to be classified as a part of financing activity only	Gives an option to classify the dividend paid as an item of operating activity

Summary of differences between IND AS 10 and AS 4- Events after the reporting period

	IND AS 10	AS 4
Non Adjusting Events if Material	Requires material non-adjusting events to be disclosed in the financial statements	Requires the material non-adjusting events to be disclosed in the report of approving authority
Proposed dividend	**Dividend proposed or declared after the reporting period, cannot be recognised as a liability in the financial statements because it does not meet the criteria of a present obligation as per Ind AS 37. Such dividend is required to be disclosed in the notes in the financial statements as per Ind AS 1**	**Proposed dividend is required to be adjusted in the financial statements**
Inappropriateness of fundamental accounting assumption of going concern	Requires a fundamental change in the basis of accounting (and not merely adjustment to assets and liabilities within the original basis of accounting), if after the reporting date, it is determined that the fundamental accounting assumption of going concern is no longer appropriate	Requires assets and liabilities to be adjusted for events occurring after the balance sheet date that indicate that the fundamental accounting assumption of going concern is not appropriate.

Summary of Differences between IND AS 8 and AS 5 – Accounting policies, Changes in Accounting estimates and Errors

	IND AS 8	AS 5
Objective	Objective of Ind AS 8 is to prescribe the criteria for selecting and changing accounting policies, together with the accounting treatment and disclosure of changes in accounting policies, changes in accounting estimates and corrections of errors. Ind AS 8 intends to enhance the relevance and reliability of an entity's financial statements and the comparability of those financial statements over time and with the financial statements of other entities.	Objective of existing AS 5 is to prescribe the classification and disclosure of certain items in the statement of profit and loss for uniform preparation and presentation of financial statements
Extraordinary items	Prohibits presentation of items of income or expense as extraordinary items linked to IND AS1 Presentation of Financial statement	Deals with presentation of items of incomes/expenses as extraordinary items
Definition of Accounting policies	Definition of accounting policies is wider and includes bases, conventions, rules and practices (in addition to principles) applied by an entity in the preparation and presentation of financial statements	Definition of accounting policies is restricted to specific accounting principles and methods to apply them
Change in accounting policy	Requires that change in accounting policy should be accounted for with retrospective effect subject to situation where it is impracticable to determine period specific effects or cumulative effect of applying a new accounting policy	Does not specify how change in accounting policy should be accounted for
Prior period items	Uses the term 'errors' and relates it to errors or omissions arising from a failure to use or misuse of reliable information (in addition to mathematical mistakes, mistakes in application of accounting policies etc.) that was available when the financial statements of the prior periods were approved for issuance and could reasonably be expected to have been obtained and taken into account in the preparation and presentation of those financial statements. Specifically states errors include frauds	Defines prior period items as incomes or expenses which arise in the current period as a result of errors or omissions in the preparation of financial statements of one or more prior periods. Does not specifically mention errors includes frauds

Rectification of Material Prior Period Errors	Requires rectification of material prior period errors with retrospective effect subject to limited exceptions viz., where it is impracticable to determine the period specific effects or the cumulative effect of applying a new accounting policy.	Requires the rectification of prior period items with prospective effect

Summary of differences between IND AS 16 and AS10 & 6 – Property, Plant & Equipment

	IND AS 16	**AS 10/6**
Accounting for Real Estate Developers	IND AS 16 includes accounting of PPE by real estate developers in its scope	AS 10 specifically excludes accounting for real estate developers from its scope
Criteria for Initial Recognition	PPE should be recognised if:- (a) It is probable that future economic benefits associated with the item will flow to the entity and (b) Cost of item can be measured reliably	Does not lay any specific criteria for recognition of FA. If it meets the definition of FA it is recognised as FA.
Subsequent expenditure	Initial costs as well as subsequent costs are evaluated based on recognition principle to determine whether they need to be recognised as item of PPE or expensed.	As 10 prescribes separate recognition principle for subsequent expenditure. Such expenditures are capitalised only if they increase the future benefits from existing asset beyond its previously assessed standard of performance.
Major spare parts capitalisation	They are capitalised when entity expects to use them during more than one period and when they can be used only in connection with an item of PPE	Only those spares are capitalised which can be used only in connection with a fixed asset and whose use is expected to be irregular.
Component approach	Each major part of an item of PPE with a cost that is significant in relation to the total cost is depreciated separately. As a result cost of replacing such parts is capitalised with consequent derecognition of carrying amount of replaced part. Cost of replacing those	It is not mandatory to adopt component approach. But the standard states that accounting for a tangible FA may be improved if total cost is allocated to its various component parts. AS 10 nor AS 6 deals with aspects such as separate

	parts which have not been depreciated separately is also capitalised with consequent derecognition of replaced parts.	depreciation of components, capitalising cost of replacement, etc.
Cost of major inspection	They should be capitalised with consequent decognition of any remaining carrying amount if the cost of previous inspection	Does not deal with this aspect
Costs of dismantling and removing item of PPE and restoring the site	Initial estimate of such costs to be included in cost of PPE	Does not contain such a requirement. But Guidance note on Accounting for Oil and Gas producing activities requires capitalisation of such costs
Cost model or revaluation model	Entity can choose Cost model or Revaluation model as its accounting policy and apply that policy to entire class of PPE. Under revaluation model, revaluation is made with reference to Fair value of PPE with sufficient regularity (may be every year for some and once in 3 to 5 years for others depending upon changes in fair value)	Allows revaluation of FA. However revaluation approach adopted is ad hoc and does not require adoption of fair value as its accounting policy or require revaluation to be done with regularity. It also provides an option for selection of assets within a class for revaluation on systematic basis.
Transfers from Revaluation Surplus	Revaluation surplus included in Equity may be transferred to Retained earnings when the asset is derecognised or such transfers are made on excess depreciation portion	Guidance note on Revaluation of FA states that transfer from revaluation surplus to P&L may be done on excess depreciation or when asset is sold the loss on sale can be adjusted with Revaluation reserve. If asset is disposed then any balance of Revaluation reserve is transferred to General Reserve
Self constructed assets	Cost of abnormal amounts of wasted material, labour or other resources incurred in construction of an asset is not included in cost of assets	It does not mention the same
Deferred payment beyond normal credit terms	Cost of an item of PPE is the cash price equivalent at the recognition date. If payment is deferred beyond normal credit terms the difference between cash price equivalent and total payment is recognised as	Does not contain this reuqiremnet

	interest over the period of credit unless such interest is capitalised in accordance with IND AS 23. Similarly cash price equivalent has been followed in case of disposal of assets also.	
Fixed assets jointly owned	It does not specifically deal with aspect as these would basically be covered under IND AS 31 as jointly controlled assets	Specifically deals with the same and states that the extent of its share in such assets and the proportion in the original cost, accumulated depreciation and written down value are stated in the balance sheet
Several assets purchased for a consolidated price	Does not deal with this situation	Provides that consideration should be apportioned to various assets on fair basis as determined by competent valuers
Review of residual value and useful life	Residual value and useful life of an asset be reviewed at least at each financial year end and if expectations differ from previous estimates the change should be accounted for as a change in an accounting estimate	Such review is not obligatory as it simply provides useful life of an asset may be reviewed periodically.
Review of Depreciation method	Depreciation method applied to an asset should be reviewed at least at each financial year end and if there has been a significant change in the expected pattern of consumption of future economic benefits embodied in the asset, the method should be changed. Such a change should be considered as change in accounting estimate.	Depreciation method can be changed only if the adoption of new method is required by statute or for compliance with an accounting standard or if it is considered that the change would result in a more appropriate preparation or presentation of financial statements. Such a change is considered as change in accounting policy
Compensation from third parties for items of PPE that were impaired, lost or given up	Requires that compensation from third parties for items of PPE that were impaired, lost or given up should be included in the Statement of Profit and Loss when compensation becomes receivable.	Does not deal with this aspect
Gains on derecognition of PPE	Gains arising on derecognition of an item of PPE should not be treated as revenue as defined in IND AS 115	Silent on this aspect

Subsequent sale of PPE held for rental to others, in ordinary course of business	Deals with the situation	No such provision
Accounting for items of Fixed assets held for sale	IND AS 16 does not deal with assets 'held for sale' as treatment is covered under IND AS 105	Deals with accounting for items of fixed assets retired from active use and held for sale.
PPE acquired in exchange of non-monetary asset	Recognised at its Fair value unless (a) exchange transaction lacks commercial substance or (b) fair value of neither the asset received nor the asset given up is reliably measured	Recognised at fair market value of consideration given or fair market value of asset acquired if it is more clearly evident. Alternative accounting is also prescribed, where assets are similar, record at net book value of asset given up

Summary of differences between AS 9 & 7 and IND AS 115 – Revenue from Contracts with Customers

	IND AS 115	**AS 9/7**
Revenue Recognition	Entity shall recognise revenue when the entity satisfies a performance obligation by transferring a promised good or service to a customer. An asset is transferred when or as customer obtains control of that asset.	AS 9- Revenue is recognised when significant risks and rewards of ownership is transferred to buyer. AS 7 – revenue is recognised when outcome of a construction contract can be estimated reliably, contract revenue should be recognised by reference to stage of completion of contract activity at the reporting date
Coverage	Comprehensively deals with all types of performance obligation contract with customer. However it does not deal with revenue from 'interest' or 'dividend' which are covered in financial instruments standard	AS 7 covers only revenue from construction contracts which is measured at consideration received/receivable. AS 9 deals only with recognition of revenue from sale of goods, rendering of services, interest, royalties and dividends
Measurement of Revenue	Revenue is measured at Transaction price i.e. amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer excluding amounts collected on behalf of third parties.	AS 9 – Revenue is gross inflow of cash, receivables or other consideration arising in the course of ordinary activities. Revenue is measured by charges made to customers or clients for goods

		supplied and services rendered to then and by the charges and rewards arising from the use of resources by them. AS 7 – Measured at consideration received/receivable and to be recognised as revenue as construction progresses if certain conditions are met.
Capitalisation of costs	Provides guidance on recognition of costs to obtain and fulfil a contract as an asset	AS 7 & 9 do not deal with this aspect.

	IND AS 115	**IFRS 15**
Excise duty	Paragraph has been added to require an entity to present separately amount of excise duty included in revenue recognized in the statement of profit and loss	Does not include such a requirement
Reconciliation	Paragraph has been added to present reconciliation of amount of revenue recognized in statement of profit and loss with contracted price showing separately each of the adjustments made to contract price specifying nature and amount of each adjustment separately.	Does not include such a requirement

Summary of differences between IND AS 21 and AS 11 – Effects of changes in Foreign exchange rates

	IND AS 21	**AS 11**
Forward exchange contracts and other similar Financial Instruments	Excludes from its scope forward exchange contracts and other similar financial instruments which are treated in accordance with IND AS 109	Does not exclude accounting for such contracts
Presentation currency	Presentation currency can be different from local currency and it gives detailed guidance in this regard	AS 11 does not state so. In general home currency (i.e. local currency) is the reporting currency.

Summary of differences between IND AS 20 and AS 12 – Accounting for Government Grants

	IND AS 20	**AS 12**
Government assistance	Deals with the other forms of government assistance which do not fall within the definition of government grants. It requires that an indication of other forms of government assistance from which the entity has directly benefited should be disclosed in the financial statements.	AS 12 does not deal with such government assistance
Grant in respect of Non-depreciable assets	Ind AS 20, is based on the principle that all government grants would normally have certain obligations attached to them and these grants should be recognised as income over the periods which bear the cost of meeting the obligation. It, therefore, specifically prohibits recognition of grants directly in the shareholders‘ funds.	AS 12 requires that in case the grant is in respect of non-depreciable assets, the amount of the grant should be shown as capital reserve which is a part of shareholders‘ funds. It further requires that if a grant related to a non-depreciable asset requires the fulfilment of certain obligations, the grant should be credited to income over the same period over which the cost of meeting such obligations is charged to income. AS 12 also gives an alternative to treat such grants as a deduction from the cost of such asset.
Government grants in the nature of promoters contribution	Does not recognise government grants of the nature of promoters‘ contribution. As stated above, Ind AS 20 is based on the principle that all government grants would normally have certain obligations attached to them and it, accordingly, requires all grants to be recognised as income over the periods which bear the cost of meeting the obligation	AS 12 recognises that some government grants have the characteristics similar to those of promoters‘ contribution. It requires that such grants should be credited directly to capital reserve and treated as a part of shareholders‘ funds.
Non-monetary grants given free or at concessional rate	Requires to value non-monetary grants at their fair value, since it results into presentation of more relevant information and is conceptually superior as compared to valuation at a nominal amount.	AS 12 requires that government grants in the form of non-monetary assets, given at a concessional rate, should be accounted for on the basis of their acquisition cost. In case a non-monetary asset is given free of cost, it should be recorded at a nominal value.

Accounting for Grant Related to Assets including Non-monetary Grant	Requires presentation of such grants in balance sheet only by setting up the grant as deferred income. Thus, the option to present such grants by deduction of the grant in arriving at its book value is not available under Ind AS 20.	AS 12 gives an option to present the grants related to assets, including non-monetary grants at fair value in the balance sheet either by setting up the grant as deferred income or by deducting the grant from the gross value of asset concerned in arriving at its book value.
Loans at concessional rate	Ind AS 20 requires that loans received from a government that have a below-market rate of interest should be recognised and measured in accordance with Ind AS 109 (which requires all loans to be recognised at fair value, thus requiring interest to be imputed to loans with a below-market rate of interest)	No such requirement

	IND AS 20	IAS 20
Non-monetary grant	Requires measurement of such grants only at their fair value.	IAS 20 gives an option to measure non-monetary government grants either at their fair value or at nominal value.
Grant related to assets	Ind AS 20 requires presentation of such grants in balance sheet only by setting up the grant as deferred income. Thus, the option to present such grants by deduction of the grant in arriving at the carrying amount of the asset is not available under Ind AS 20.	Gives an option to present the grants related to assets, including non-monetary grants at fair value in the balance sheet either by setting up the grant as deferred income or by deducting the grant in arriving at the carrying amount of the asset.

Investment Property – IND AS 40

- Standard shall be applicable to
    - Owner – Lessee under Financial Lease & Lessor under Operating lease
    - Holds land or Building or a part of Building for earning rentals or capital appreciation or both rather than for
        - Use in the production or supply of goods or services or for administrative purposes or
        - Sale in the ordinary course of business
- Recognition:- IP to be recognized as an asset when and only when

  (a) it is probable that future economic benefits that are associated with the investment property will flow to the entity

(b) costs can be measured reliably. Costs shall include Purchase price plus any directly attributable expenditure to bring the property to condition necessary for it to be capable of operating in the manner intended by management

- Measurement after recognition: An entity shall adopt as its accounting policy the cost model to all of its investment property.
- Disposal:- Investment property to be derecognized
    - On disposal or
    - When investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal

    Disposal of an investment property may be achieved
        - By sale or
        - By entering into finance lease
- Gains or losses arising from the retirement or disposal of investment property shall be determined as the difference between the net disposal proceeds and the carrying amount of the asset and shall be recognised in profit or loss (unless Ind AS 17 requires otherwise on a sale and leaseback) in the period of the retirement or disposal

Summary of differences between IND AS 40 and AS 13

	IND AS 40	AS 13
Scope	Ind AS 40 is a detailed standard dealing with various aspects of investment property accounting.	AS 13 provides limited guidance on investment properties, as per the existing standard enterprise holding investment properties should account for them as long term investments at cost.
	IND AS 40	**IAS 40**
Valuation models	Ind AS 40 permits only the cost model. Fair value model is not permitted because the unrealised gain and losses would have been required to be recognised in the statement of profit and loss. The fair value of investment property in India is not reliable and also using fair value model may lead to recognition and distribution of unrealised gains	Permits both cost model and fair value model (except in some situations) for measurement of investment properties after initial recognition.

Summary of differences between IND AS 103 and AS 14 - Amalgamations

	IND AS 103	AS 14
Amalgamation vs Business Combination	Ind AS 103 defines a business combination which has a wider scope	AS 14 deals only with amalgamation
Method	Ind AS 103 prescribes only the acquisition method for every business combination	There are two methods of accounting for amalgamation. The pooling of interest method and the purchase method.

Book value vs Fair value	Ind AS 103 requires the acquired identifiable assets liabilities and non-controlling interest to be recognised at fair value under acquisition method.	Under the existing AS 14, the acquired assets and liabilities are recognised at their existing book values or at fair values under the purchase method.
Non-controlling interest	Ind AS 103 requires that for each business combination, the acquirer shall measure any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.	Minority interest is the amount of equity attributable to minorities at the date on which investment in a subsidiary is made and it is shown outside shareholders' equity. (AS 21)
Amortisation of Goodwill	Ind AS 103, the goodwill is not amortised but tested for impairment on annual basis in accordance with Ind AS 36	AS 14 requires that the goodwill arising on amalgamation in the nature of purchase is amortised over a period not exceeding five years.
Reverse acquisitions	Ind AS 103 deals with reverse acquisitions where legal acquirer is treated as acquire and acquire is treated as acquirer for accounting.	Does not deal with the same
Contingent consideration	Deals with the contingent consideration in case of business combination, i.e., an obligation of the acquirer to transfer additional assets or equity interests to the former owners of an acquiree as part of the exchange for control of the acquiree if specified future events occur or conditions are met.	Does not provide guidance on this aspect. It only says that contingent consideration to be recognized when it is probable.
Bargain purchase gain	Requires bargain purchase gain arising on business combination to be recognized in Other Comprehensive Income and accumulated in equity as capital reserve, unless there is no clear evidence for the underlying reason for classification of business combination as a bargain purchase, in which case, it shall be recognized directly in equity as capital reserve.	The excess is treated as capital reserve.
Common control transactions	Appendix C of Ind AS 103 deals with accounting for common control transactions, which prescribes a pooling of interest method.	Does not prescribe accounting for such transactions different from other amalgamations.

Summary of differences between IND AS 19 and AS 15 – Employee Benefits

	IND AS 19	AS 15
Constructive obligation	Employee benefits arising from constructive obligations are also covered.	AS 15 does not deal with the same
Coverage of employees	Employee includes Directors of all categories	Employee includes whole time directors
Multi-employer plans	Deals with situations where there is a contractual agreement between a multi employer plan and its participants that determines how the surplus in the plan will be distributed to the participants (or the deficit funded).	AS 15 does not deal with the same
Related party transaction	As per Ind AS 19, participation in a defined benefit plan sharing risks between various entities under common control is a related party transaction for each group entity and some disclosures are required in the separate or individual financial statements of an entity	Does not contain similar provisions
Actuary requirement	Encourages, but does not require, an entity to involve a qualified actuary in the measurement of all material post-employment benefit obligations	Though does not require involvement of a qualified actuary, does not specifically encourage the same.
P&L or SOCI	Ind AS 19 requires that the actuarial gains and losses shall be recognised in other comprehensive income and should not be recognised in profit or loss	Requires recognition of actuarial gains and losses immediately in the profit and loss
Financial assumptions	Ind AS 19 makes it clear that financial assumptions shall be based on market expectations, at the end of the reporting period, for the period over which the obligations are to be settled	No such clarification made
Discount rate	Rate to be used to discount PEB obligation shall be determined by reference to market yields on government bonds. However, subsidiaries, associates, joint ventures and branches domiciled outside India shall discount using the rate determined by reference to market yields at the end of the reporting period on high quality corporate bonds. 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 shall be used.	The rate used to discount post-employment benefit obligations should always be determined by reference to market yields at the balance sheet date on government bond

Appendix A	Gives guidance on the interaction of ceiling of asset recognition and minimum funding requirement in the case of defined benefit obligations – Appendix A	No guidance available

	IND AS 19	IAS 19
Discount rate	Rate to be used to discount PEB obligation shall be determined by reference to market yields on government bonds. However, subsidiaries, associates, joint ventures and branches domiciled outside India shall discount using the rate determined by reference to market yields at the end of the reporting period on high quality corporate bonds. 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 shall be used.	Discount rate for post employment benefit is determined by reference to market yields on high quality corporate bonds at the end of the reporting period. Where there is no deep market in such bonds, market yields on government bonds is referred.

Summary of differences between IND AS 23 and AS 16 – Borrowing costs

	IND AS 23	AS 16
Biological assets	Borrowing costs on qualifying assets which are basically measured at fair value will not be capitalized. E.g. Biological assets	Not mentioned in AS 16
Inventories	IND AS specifically states that borrowing costs should not be capitalized on Inventories manufactured in large quantities on repetitive basis.	If inventories take substantial period of time to bring them to saleable condition, this standard is applicable and borrowing costs can be capitalized on such inventory
Effective Interest Rate method	IND AS requires interest costs to be worked out using the effective Interest rate method	Borrowing costs include: a) interest and commitment charges b) amortization of discounts or premiums c) ancillary costs in connection with arrangement of borrowings
Substantial period of time	Does not provide explanation of substantial period of time	Explains substantial period of time to be 12 months

Hyperinflationary	Borrowing costs that compensates for inflation should be expensed and not capitalized as per IND AS 29 Financial Reporting in Hyperinflationary Economies	Since there is no AS on this aspect, such treatment is not used.
Borrowings of Parent and its subsidiaries	Borrowings of Parent and its subsidiaries can be used to find the weighted average borrowing costs	There is no provision regarding this in AS
Disclosure	Disclosure of capitalization rate used to determine borrowing costs needs to be done	There is no such disclosure requirement
Gains against adjustment to interest cost	Where there is an unrealized exchange loss which is treated as an adjustment to interest cost and subsequently any gains in respect of same borrowings, the gain to the extent of loss previously recognized as adjustment should also be adjusted	No such requirement under AS

	IND AS 23	**IAS 23**
Exchange differences from principal component of foreign currency borrowings	The adjustment should be of an amount which is equivalent to the extent to which the exchange loss does not exceed the difference between cost of borrowing in home currency when compared to cost of borrowing in foreign currency. (Similar to AS 16)	No such Para included in IAS 23

Summary of differences between IND AS 108 and AS 17 – Segment Reporting

	IND AS 108	**AS 17**
Identification of Segments	Based on 'management approach' i.e. operating segments are identified based on the internal reports regularly reviewed by the entity's chief operating decision maker.	Requires identification of two sets of segments; one based on related products and services, and the other on geographical areas based on the risks and returns approach. One set is regarded as primary segments and the other as secondary segments.
Basis of measurement for amount to be reported in segments	Amounts reported for each operating segment shall be measured on the same basis as that used by the chief operating decision maker for the purposes of allocating resources to the segments and assessing its performance.	Segment information to be prepared in conformity with the accounting policies adopted for preparing and presenting the financial statements. Accordingly, existing AS 17 also defines segment revenue, segment expense, segment result, segment assets and segment liabilities.

Aggregation criteria	Specifies aggregation criteria for aggregation of two or more segments and also requires the related disclosures in this regard	Does not deal with this aspect
Single reporting segment	Requires certain disclosures even in case of entities having single reportable segment.	An explanation has been given in the existing AS 17 that in case there is neither more than one business segment nor more than one geographical segment, segment information as per this standard is not required to be disclosed. However, this fact shall be disclosed by way of footnote
Interest expense	Requires the separate disclosures about interest revenue and interest expense of each reportable segment, therefore, these aspects have not been specifically dealt with.	Interest expense relating to overdrafts and other operating liabilities identified to a particular segment should not be included as a part of the segment expense. It also provides that in case interest is included as a part of the cost of inventories and those inventories are part of segment assets of a particular segment, such interest should be considered as a segment expense. These aspects are specifically dealt with keeping in view that the definition of 'segment expense' given in AS 17 excludes interest.
Disclosures	Requires disclosures of revenues from external customers for each product and service. With regard to geographical information, it requires the disclosure of revenues from customers in the country of domicile and in all foreign countries, noncurrent assets in the country of domicile and all foreign countries. It also requires disclosure of information about major customers.	Disclosures in existing AS 17 are based on the classification of the segments as primary or secondary segments. Disclosure requirements for primary segments are more detailed as compared to secondary segments.

Summary of differences between IND AS 24 and AS 18 – Related party

	IND AS 24	AS 18
Definition of relative	Ind AS 24 uses the term 'a close member' of the family of a person. definition of close members of family as per Ind AS 24 includes those family members, who may be expected to influence, or be influenced by, that person in their dealings with the entity, including: (a) that person's children, spouse or domestic partner, brother, sister, father and mother; (b) children of that person's spouse or domestic partner; and (c) dependants of that person or that person's spouse or domestic partner. Hence, the definition as per Ind AS 24 is much wider.	Existing AS 18 uses the term 'relatives' of an individual. Covers the spouse, son, daughter, brother, sister, father and mother who may be expected to influence, or be influenced by, that individual in his/her dealings with the reporting enterprise.
State controlled enterprise	There is extended coverage of Government Enterprises, as it defines a government-related entity as 'an entity that is controlled, jointly controlled or significantly influenced by a government'. Further, Government refers to government, government agencies and similar bodies whether local, national or international	AS-18 defines state-controlled enterprise as "an enterprise which is under the control of the Central Government and/or any State Government(s)
Key management personnel	Ind AS 24 covers KMP of the parent as well. Ind AS 24 also covers the entity, or any member of a group of which it is a part, providing key management personnel services to the reporting entity or to the parent of the reporting entity	AS 18 covers key management personnel (KMP) of the entity only
Related parties in case of joint venture	There is extended coverage in case of joint ventures. Two entities are related to each other in both their financial statements, if they are either co-venturers or one is a venturer and the other is an associate	Whereas as per existing AS 18, co-venturers or co-associates are not related to each other.
Post employment benefits	Ind AS 24 specifically includes post-employment benefit plans for the benefit of employees of an entity or its related entity as related parties.	Existing AS 18 does not specifically cover entities that are post-employment benefit plans, as related parties.

Next most senior parent	Ind AS 24 requires an additional disclosure as to the name of the next most senior parent which produces consolidated financial statements for public use	No such requirement
Disclosure of compensation	Ind AS 24 requires extended disclosures for compensation of KMP under different categories such as Short term employee benefit, Post Employment benefit, Other Long term benefit, Termination benefit and Share based payments, etc.	Does not specially require this disclosure
Disclosure of 'Amount of the Transactions' vs 'Volume of the Transactions	Ind AS 24 requires —the amount of the transactions need to be disclosed	AS 18 gives an option to disclose the —Volume of the transactions either as an amount or as an appropriate proportion

	IND AS 24	IAS 24
Confidentiality	Disclosures which conflict with confidentiality requirements of statute/regulations are not required to be made since standards cannot override statute/regulatory requirements	No such provision made
Additional guidance for aggregation of transaction	Disclosure of details of particular transactions with individual related parties would frequently be too voluminous and hence items of similar nature may be disclosed in aggregate by type of related party.	

Summary of differences between IND AS 17 and AS 19 – Leases

	IND AS 17	AS 19
Land Leases	It specifically provides for such Land leases and explains how the same needs to be treated.	AS 19 does not include Leases of Land in its scope
Initial direct costs – Finance Lease (Lessor)	Included in Cash flow and implicit rate is worked by considering the same	Either recognized as expense immediately or allocated against finance income over the lease term

Initial direct costs – Operating Lease (Lessor)	Added to carrying amount of Leased asset and recognized as expense over lease term on the same basis as lease income	Either deferred and allocated to income over the lease term in proportion to recognition of lease rentals or recognized as an expense in the period in which incurred
Inception vs. Commencement of Lease	Distinction has been made between "Inception of Lease" and "Commencement of Lease. Lease payments to be adjusted during the period of inception of lease and commencement of lease. Lessee to recognize Finance lease asset and liabilities at the commencement of Lease and not at the inception.	The 2 terms have been used synonymously
Current/Non-current classification	Requires current/non-current classification of lease Liabilities if such classification is made for other liabilities. Also, it makes reference to Ind AS 105, Noncurrent Assets Held for Sale and Discontinued Operations.	These matters are not addressed in the existing standard Classification of Current & Non-current in accordance with Schedule III.
Sale and Finance Lease	Retains the deferral and amortisation principle, it does not specify any method of amortisation.	If a sale and leaseback transaction results in a finance lease, excess, if any, of the sale proceeds over the carrying amount shall be deferred and amortised by the seller-lessee over the lease term in proportion to depreciation of the leased asset.
Extra Guidance	Provides guidance on accounting for incentives in the case of operating leases, evaluating the substance of transactions involving the legal form of a lease and determining whether an arrangement contains a lease.	Does not contain such guidance
Straight lining in case of inflation	Requires straight lining of Operating leases	Ind AS 17 requires that in case of operating lease, where escalation of lease rentals is in

		line with the expected general inflation so as to compensate the lessor for expected inflationary cost, such increases shall not be straight lined
	IND AS 17	**IAS 17**
Investment Property	Since IND AS 40 Investment property prohibits the use of fair value model, these provisions of IAS 17 have not been included in IND AS 17	Separate measurement of land and building elements is not required when lessee's interest in both land and buildings is classified as an investment property in accordance with IND AS 40 and fair value model is adopted. IAS 17 also permits property interest held under an operating lease as an investment property, if definition of investment property is otherwise met and fair value model is applied.

Summary of differences between IND AS 33 and AS 20 – Earnings per share

	IND AS 33	**AS 20**
Options held by entity on its shares	Deals with options held by the entity on its shares e.g. purchase options, written put option, etc.	Not dealt with in AS 20
Continuing and discontinuing operations	Basic and diluted EPS from continuing and discontinued operations needs to be presented separately	AS 20 does not require such disclosure
Extraordinary item	As per Schedule III alongwith IND AS 1 Presentation of Financial Statements, no item can be presented as an extraordinary item in the P&L. Hence such disclosure is not required.	Requires disclosure of EPS with and without extraordinary items
CFS & SFS	In IND AS, EPS related information needs to be disclosed in both CFS and SFS.	AS 20 requires presentation of EPS on the basis of CFS and SFS

	IND AS 33	IAS 33
CFS & SFS	In IND AS, EPS related information needs to be disclosed in both CFS and SFS.	When entity presents both CFS and SFS, it may give EPS related information in CFS only

Summary of differences between IND AS 110 and AS 21 – CFS

	IND AS 110	AS 21
Mandatory preparation of CFS	Preparation of CFS mandatory for parent.	Does not make it mandatory for preparation of CFS by a parent
Control	Definition of control is principle based which states that an investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.	Control is the ownership of more than one-half of the voting power of an enterprise or control of the composition of BOD or governing body
Clarification regarding inclusion of notes	Does not provide any clarification in this regard	Provides clarification regarding inclusion of notes appearing in the SFS of parent and its subsidiaries in the CFS.
More than one parent of a subsidiary	No clarification provided in this regard keeping in view that as per definition of control given in IND AS 110, control of an entity could be with one entity only	There can be more than one parent of a subsidiary therefore existing AS 21 provides clarification regarding consolidation in case an entity is controlled by 2 entities.
Difference in reporting dates	Difference shall not be more than 3 months	Difference between date of subsidiary's financial statements and that of CFS shall not exceed 6 months
Uniform accounting policies	Does not recognize the situation of impracticability	Specifically states that if it is not practicable to use uniform accounting policies in preparing CFS, that fact should be disclosed together with the proportions of the items in the CFS to which different accounting policies have been applied

Presentation of NCI in CFS	NCI shall be presented in CBS within equity separately from parent's shareholders equity.	Should be presented in CBS separately from liabilities and equity of parent's shareholders.
Potential equity shares	Potential voting rights that are substantive are also considered when assessing whether an entity has control over the subsidiary	For considering share ownership potential equity shares of investee held by investor are not taken into account as per AS 21
Exclusion from consolidation	Does not give any such exemption from consolidation	Subsidiary is excluded from consolidation when control is intended to be temporary or when subsidiary operates under severe long term restrictions.

	IND AS 110	**IFRS 10**
Investment properties	IND AS 40 requires all investment properties to be measured at cost initially and cost less depreciation subsequently. Accordingly the para of IFRS 10 has been deleted in IND AS 110	Requires all investments to be measured at fair value to qualify for the exemption from consolidation available to an investment entity

	IND AS 27	**IAS 27**
SFS	In India since Companies Act mandated the preparation of SFS, such requirement has been removed in IND AS 27	Requires to disclose the reason for preparing SFS of not required by law.
Option to use Equity method	This option is not given in IND AS 27 as equity method is not a measurement basis like cost and fair value but is a manner of consolidation and therefore would lead to inconsistent accounting conceptually.	Allows entities to use equity method to account for investments in subsidiaries, JVs and associates in their SFS.

Summary of differences between IND AS 12 and AS 22 – Income Taxes

	IND AS 12	**AS 22**
Balance Sheet approach vis-à-vis	Balance Sheet approach	Income statement approach

Income Statement Approach	(recognition of tax consequences of differences between the carrying amounts of assets and liabilities and their tax base)	(recognition of tax consequences of differences between taxable income and accounting income – differences between taxable income and accounting income are classified into permanent and timing differences)
Virtual certainty vs. Reasonable certainty	Reasonable certainty for recognising DTA on account of tax losses	Virtual certainty supported by evidence that future taxable profit will be available
P&L or SOCI	Deferred tax is recognised as income or expense and included in P&L. However if the tax arises from a transaction outside P&L, either in OCI or directly in equity such tax is recognised in OCI or in equity	Deferred tax is recognised in the P&L
Tax Holiday	Not covered in the standard	Guidance is given regarding recognition of deferred tax in situations of Tax holiday
Loss under Capital Gains	Not covered in the standard	Guidance is given regarding recognition of deferred tax asset in case of loss under the head capital gains
MAT	Not covered in the standard	Guidance is given regarding tax rates to be applied in measuring DTA/DTL in a situation when company pays MAT
Sale of asset not use	Requires deferred tax arising from revaluation of assets shall be measured on the basis of tax consequence from the sale of asset' rather than through use	Not dealt with in AS 22

	IND AS 12	**IAS 12**
Deferred tax benefits related to business combination	As a consequence of different accounting treatment of bargain purchase gain prescribed in IND AS 103 in comparison to IFRS 3, IND AS 12 provides that if the carrying amount of such goodwill is zero, any remaining deferred tax	Acquired deferred tax benefits recognized within the measurement period that results from new information about facts

	benefits shall be recognized in OCI and accumulated in equity as capital reserve or recognized directly in capital reserve.	and circumstances existed at acquisition date shall be applied to reduce the carrying amount of goodwill related to that acquisition. If carrying amount of that goodwill is zero, any remaining deferred tax benefits shall be recognized in profit and loss

Summary of differences between IND AS 28 and AS 23 – Investment in Associates and JVs

	IND AS 28	AS 23
Significant influence	Defined as 'power to participate in the financial and operating policy decisions of investee but is not control or joint control over those policies. IND AS defines joint control also	Defined as 'power to participate in the financial and/or operating policy decisions of investee but is not control over those policies
Potential equity shares	Existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether an entity has significant influence or not	For considering share ownership for the purpose of significant influence, potential equity shares of investee held by investor are not taken into account as per existing AS 23
Equity method	Requires application of equity method in financial statements other than SFS even if the investor does not have any subsidiary.	Requires application of equity method only when an entity has subsidiaries and prepares CFS
Exemption	No such exemption in IND AS 28	One of the exemptions from applying equity method is where the associate operates under severe long-term restrictions that significantly impair its ability to transfer funds to investee.
Measurement of Investment	Pemits an entity that has an investment in an associate, a portion of which is held	No such option available

	indirectly through venture capital organisations, or a mutual fund, unit trust and similar entities including investment-linked insurance funds, to elect to measure that portion of the investment in the associate at fair value through profit or loss in accordance with IND AS 109 regardless of whether these entities have significant influence over that portion of investment	
Application of Equity method in SFS	The same is accounted for at cost or in accordance with IND AS 109 Financial Instruments	In SFS, investment in associate is not accounted for as per equity method, the same is accounted for in accordance with existing AS 13
Difference in Reporting dates	Length of difference in reporting dates of associate or joint venture should not be more than 3 months	Permits use of financial statements of associate drawn upto a date different from date of financial statements of investor when it is impracticable to draw the financial statements of the associate upto the date of financial statements of investor. Thus no limit on the length of difference in reporting dates of investor and associate.
Accounting policies	Provides that entity's financial statements shall be prepared using uniform accounting policies for like transactions and events in similar circumstances unless, in case of an associate, it is impracticable to do so.	Provides exemption that if it is not possible to make adjustments to accounting policies of associate, the fact shall be disclosed alongwith a brief description of differences between the accounting policies.
Share in losses	Carrying amount of investment in associate or JV determined using equity method together with any long term interests that in substance form part of entity's net investment in the associate or JV shall be considered for recognizing entity's share of losses in associate or JV.	Investor's share of losses in the associate is recognized to the extent of carrying amount of investment in the associate

Impairment loss	Requires that after application of equity method, including recognizing associate's or joint venture's losses, the requirements of IND AS 109 shall be applied to determine whether it is necessary to recognize any additional impairment loss.	Carrying amount of investment in an associate should be reduced to recognize a decline other than temporary in the value of investment

Summary of differences between IND AS 105 and AS 24 – Non-current assets held for sale and Discontinued Operations

	IND AS 105	AS 24
Scope and objective	Specifies the accounting for non-current assets held for sale, and the presentation and disclosure of discontinued operations	Establishes principles for reporting information about discontinuing operations. It does not deal with the non-current assets held for sale; fixed assets retired from active used and held for sale, are dealt in existing AS 10, 'Accounting for Fixed Assets'.
Definition	A discontinued operation is a component of an entity that represents a separate major line of business or geographical area, or is a subsidiary acquired exclusively with a view to resale.	A discontinuing operation is a component of an entity that represents the major line of business or geographical area of operations and that can be distinguished operationally and for financial reporting purposes.
Discontinued vs Discontinuing operations	A discontinued operation is a component of an entity that either has been disposed of or is classified as held for sale.	There is no concept of discontinued operations but it deals with discontinuing operations.
Time period	The sale should be expected to qualify for recognition as a completed sale within one year from the date of classification with certain exceptions.	Does not specify any time period in this regard as it relates to discontinuing operations
Initial Disclosure Event	Does not mention as it relates to discontinued operation	Specifies IDE
Measurement	Non-current assets (disposal groups) held for sale are measured at the lower of carrying amount and fair value less costs to	AS 10 requires that the fixed assets retired from active use and held for disposal should be stated at the lower of their net

	sell, and are presented separately in the balance sheet.	book value and net realisable value and shown separately in the financial statements.
Abandonment of assets	Specifically mentions that abandonment of assets should not be classified as held for sale.	Abandonment of assets is classified as a discontinuing operation; however, changing the scope of an operations or the manner in which it is conducted is not abandonment and hence not a discontinuing operation.

Summary of differences between IND AS 34 and AS 25 – Interim Financial Reporting

	IND AS 34	AS 25
Contents of Interim report	In addition requires condensed statement of changes in equity	At a minimum condensed B/S, condensed statement of profit and loss, condensed cash flow and selected explanatory notes
Inclusion of parent's separate statements and Consolidated financial statements in Entity's Interim report	It neither requires nor prohibits the inclusion of the parent's separate statements in the entity's interim report prepared on a consolidated basis.	If an entity's annual financial report included the consolidated financial statements in addition to the separate financial statements, the interim financial report should include both the consolidated financial statements and separate financial statements, complete or condensed.
Dividends	Requires furnishing of information, in interim financial report, on dividends paid, aggregate or per share separately for equity and other shares.	Requires furnishing information, in interim financial report, of dividends, aggregate or per share (in absolute or percentage terms), for equity and other shares.
Contingent Liabilities and Contingent assets	Requires furnishing of information on both contingent liabilities and contingent assets, if they are significant	Requires furnishing of information on contingent liabilities only

Extraordinary items	In comparison to AS 25, reference to extraordinary items (in the context of materiality) is deleted in Ind AS 34 in line with the Ind AS 1.	Reference to extraordinary items is there.
Interim Financial Statements prepared on Complete basis	Where an interim financial report has been prepared in accordance with the requirements of Ind AS 34, that fact should be disclosed. Further, an interim financial report should not be described as complying with Ind AS unless it complies with all of the requirements of Ind ASs. (The latter statement is applicable when interim financial statements are prepared on complete basis instead of 'condensed basis').	Does not contain these requirements
Change in Accounting policy	Additionally requires restatement of the comparable interim periods of prior financial years that will be restated in annual financial statements in accordance with Ind AS 8, subject to specific provisions when such restatement is impracticable.	A change in accounting policy, other than the one for which the transitional provisions are specified by a new Standard, should be reflected by restating the financial statements of prior interim periods of the current financial year.

Summary of differences between IND AS 38 and AS 26 – Intangible assets

	IND AS 38	**AS 26**
Exclusions	Does not include any such exclusion specifically as these are covered by other accounting standards.	Does not apply to accounting issues of specialised nature that arise in respect of accounting for discount or premium relating to borrowings and ancillary costs incurred in connection with the arrangement of borrowings, share issue expenses and discount allowed on the issue of shares

Definition of Intangible asset	The requirement for the asset to be held for use in the production or supply of goods or services, for rental to others, or for administrative purposes has been removed from the definition of an intangible asset. IND AS includes indentifiability in the definition. Identifiability:- Asset is identifiable if it is (a) separable i.e. capable of being separated or divided from the entity and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, indentifiable asset or liability, regardless of whether the entity intended to do so; or (b) arises from contractual or other legal rights, regardless of whether those rights are transferable or separable from the entity or from other rights and obligations.	Defines an intangible asset as an identifiable non-monetary asset without physical substance held for use in the production or supply of goods or services, for rental to others, or for administrative purposes
Separately acquired Intangible assets	In the case of separately acquired intangibles, the criterion of probable inflow of expected future economic benefits is always considered satisfied, even if there is uncertainty about the timing or the amount of the inflow.	No such provision
Revenue based amortization method	There is a rebuttable presumption that an amortisation method that is based on the revenue generated by an activity that includes the use of an intangible asset is inappropriate. Ind AS 38 allows use of revenue based method of amortisation of intangible asset, in a limited way	Does not specifically deal with revenue based amortization method
Payment deferred beyond normal credit terms	if payment for an intangible asset is deferred beyond normal credit terms, the difference between this amount and the total payments is recognised as interest expense over the period of credit unless it is capitalised as per Ind AS 23	No such provision

Acquired in Business combination	Ind AS 38 deals in detail in respect of intangible assets acquired in a business combination.	Refers only to intangible assets acquired in an amalgamation in the nature of purchase and does not refer to business combinations as a whole
Intangible assets acquired in exchange	Requires that if an intangible asset is acquired in exchange of a non-monetary asset, it should be recognised at the fair value of the asset given up unless (a) the exchange transaction lacks commercial substance or (b) the fair value of neither the asset received nor the asset given up is reliably measurable.	Require that when an asset is acquired in exchange for another asset, its cost is usually determined by reference to the fair market value of the consideration given. It may be appropriate to consider also the fair market value of the asset acquired if this is more clearly evident. An alternative accounting treatment to record the asset acquired at the net book value of the asset given up; in each case an adjustment is made for any balancing receipt or payment of cash or other consideration also.
Intangible Assets acquired Free of Charge or for a Nominal Consideration by way of Government Grant	When intangible assets are acquired free of charge or for nominal consideration by way of government grant, an entity should, in accordance with Ind AS 20, record both the grant and the intangible asset at fair value.	Intangible assets acquired free of charge or for nominal consideration by way of government grant is recognised at nominal value or at acquisition cost, as appropriate plus any expenditure that is attributable to making the asset ready for intended use.
Useful life of an intangible asset	Recognizes that the useful life of an intangible asset can even be indefinite subject to fulfillment of certain conditions, in which case it should not be amortised but should be tested for impairment.	Assumption that the useful life of an intangible asset is always finite, and includes a rebuttable presumption that the useful life cannot exceed ten years from the date the asset is available for use.
Valuation model	Permits an entity to choose either the cost model or the revaluation model as its accounting policy	Revaluation model is not permitted
Amortisation lower than under SLM	Does not contain such a provision	There will rarely, if ever, be persuasive evidence to support an amortisation method for intangible assets that results in a lower amount of accumulated amortisation than under straight-line method.
Subsequent Increase of Residual Value for	The residual value is reviewed at least at each financial year-end. If it increases to an amount equal to or	Requires that the residual value is not subsequently increased for changes in prices or value

Changes in Prices or Value	greater than the asset‟s carrying amount, amortisation charge is zero unless the residual value subsequently decreases to an amount below the asset‟s carrying amount	
Change in method of amortization	This would be a change in accounting estimate	Change in the method of amortisation is a change in accounting policy

	IND AS 38	IAS 38
Intangible assets acquired by way of government grant	Allows only fair value for recognizing intangible asset and grant in accordance with IND AS 20	Provides option to recognize both asset and grant initially at fair value or at nominal amount plus any expenditure that is directly attributable to preparing the asset for its intended use.

Summary of differences between IND AS 111 and AS 27 – Joint Ventures

	IND AS 111	AS 27
Types of Joint Arrangement/Joint venture	As per IND AS 111, a joint arrangement is either a joint operation or a joint venture. Such classification of joint arrangement depends upon the rights and obligations of the parties to the arrangement and disregards the legal structure	AS 27 recognises 3 forms joint venture namely a) jointly controlled operations b) jointly controlled assets and c) jointly controlled entities.
Joint Control	IND AS 111 does not recognize such cases keeping in view the definition of control given in IND AS 110.	AS 27 provides that in some exceptional cases, 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 CFS. In those cases, the entity is consolidated under AS 21 by the said enterprise, and is not treated as a joint venture.
Equity method	IND AS 111 provides that a venturer can recognize its interest in joint venture using only equity method as per IND AS 28.	AS 27 prescribes the use of proportionate consolidation only.
Interest in Jointly Controlled Entity	IND AS 111 requires that the joint operator shall recognize its interest in	In case of SFS under existing AS 27, interest in jointly controlled entity

	joint operation and a joint venture in accordance with IND AS 28	is accounted for as per AS 13 i.e. cost less provision for other than temporary decline in the value of investment.
Application of Proportionate Consolidation method	IND AS 111 requires application of equity method in financial statements other than SFS in case of a joint venture, even if the venture does not have any subsidiary in the financial statements.	Requires application of proportionate consolidation method only when the entity has subsidiaries and prepares CFS

	IND AS	IFRS 11
Business Combinations under Common Control	IND AS 103 specifies accounting for acquisition of an interest in a joint operation 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, and that control is not transitory.	IFRS 11 scopes out the same as IFRS 3 Business Combinations does not deal with business combinations under common control.

Summary of differences between IND AS 36 and AS 28 – Impairment

	IND AS 36	AS 28
Applicability	Ind AS 36 applies to financial assets classified as: (a) subsidiaries, as defined in Ind AS 110,(b) associates as defined in Ind AS 28, (c) joint ventures as defined in Ind AS 111	AS 28 does not apply to such assets
Biological assets	Ind AS 36 specifically excludes biological assets related to agricultural activity	Does not exclude biological assets
Frequency of testing	Ind AS 36 requires annual impairment testing for an intangible asset with an indefinite useful life or not yet available for use and goodwill acquired in a business combination	AS 28 does not require the annual impairment testing for the goodwill unless there is an indication of impairment
Reversal of impairment	AS 36 prohibits the recognition of reversals of impairment loss for goodwill.	Impairment loss recognised for goodwill should be reversed in a subsequent period when it was caused by a specific external event of an exceptional nature that is not expected to recur and subsequent external events that have occurred that reverse the effect of that event.

Top down & Bottom up	Goodwill is allocated to cash-generating units (CGUs) or groups of CGUs that are expected to benefit from the synergies of the business combination from which it arose. There is no bottom-up or top-down approach for allocation of goodwill.	Goodwill is allocated to CGUs only when the allocation can be done on a reasonable and consistent basis. If that requirement is not met for a specific CGU under review, the smallest CGU to which the carrying amount of goodwill can be allocated on a reasonable and consistent basis must be identified and the impairment test carried out at this level. Thus, when all or a portion of goodwill cannot be allocated reasonably and consistently to the CGU being tested for impairment, two levels of impairment tests are carried out, viz., bottom-up test and top-down test.

Summary of differences between IND AS 37 and AS 29 – Provisions, Contingent liabilities and Contingent assets

	IND AS 37	**AS 29**
Constructive obligations	A provision is recognized only when a past event has created a legal or constructive obligation, an outflow of resources is probable and the amount of obligation can be estimated reliably.	Provisions are not recognized 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
Discounting the amounts of provision	Requires discounting the amounts of provisions, in effect of the time value of money is material	Prohibits discounting the amounts of provisions
Disclosure of Contingent Assets	Requires disclosure of contingent assets in the financial statements when the inflow of economic benefits is probable. The disclosure, however, should avoid misleading indications of the likelihood of income arising.	Contingent assets are neither recognized 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)
Restructuring cost	Requires provision on constructive obligations also. Hence when an entity has a detailed formal plan for	Requires recognition based on general recognition criteria for provisions i.e. when the entity has a present obligation as a result of

	restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it will be provided for.	past event and the liability is considered probable and can be reliably estimated.
Onerous contract	Makes it clear that before a separate provision for an onerous contract is established, an entity should recognise any impairment loss that has occurred on assets dedicated to that contract	There is no specific provision in the existing standard
Future Operating losses	Gives an exception to this principle viz., such losses related to an onerous contract.	It states that identifiable future operating losses up to the date of restructuring are not included in a provision.

IND AS 29 – Financial Reporting in Hyperinflationary Economies

- Standard to be applied to SFS and CFS of an entity whose functional currency is currency of a hyperinflationary economy
- Such an entity, whether their financial statements are based on historical cost approach or current cost approach, shall restate their financial statements in terms of the measuring unit current at the end of the reporting period. Previous year figures also to be restated.

Restatement of Historical cost financial statements

- ✓ Monetary items are not restated as they are already expressed in terms of monetary unit current at the end of reporting period
- ✓ Non-monetary items carried at NRV and Fair value are nor restated
- ✓ All other non-monetary items are restated by applying a general price index. Restated items are reduced if it exceeds its recoverable amount.
- ✓ P&L items to be restated by applying the change in general price index from the dates when the items of income and expenses were initially recorded in the financial statements
- ✓ Gain/loss on net monetary position i.e. difference resulting from restatement of non-monetary assets, owner's equity and items in the P&L and the adjustment of index linked assets and liabilities is included in P&L. Gain or loss may be estimated by applying the change in general price index to the weighted average for the period of difference between monetary assets and monetary liabilities
- ✓ Adjustment to those assets and liabilities linked by agreement to changes in prices is offset against the gain or loss on net monetary position.
- ✓ Other income and expense items such as interest expense/income and forex differences

related to invested/borrowed funds are also associated with net monetary items. Although such items are separately disclosed, it may be helpful if they are presented together with the gain or loss on net monetary position in the statement of profit and loss.

Restatement of Current cost financial statements

- ✓ Balance Sheet items stated at current cost are not restated. All other items are restated using the same principles mentioned above
- ✓ Statement of Profit and loss are restated into the measuring unit current at the end of the reporting period by applying a general price index
- ✓ Gains or loss on net monetary position to be accounted as mentioned above.

- Restatement of financial statements in accordance with this Standard may give rise to differences between the carrying amount of individual assets and liabilities in the balance sheet and their tax bases. They are accounted as per IND AS 12
- All items in the statement of cash flows are expressed in terms of the measuring unit current at the end of the reporting period.
- If subsidiary also reports in currency of hyperinflationary economy, financial statements of any such subsidiary need to be restated by applying a general price index of the country in whose currency it reports before they are included in the consolidated financial statements
- When an economy ceases to be hyperinflationary and an entity shall treat the amounts expressed in the measuring unit current at the end of the previous reporting period as the basis for the carrying amounts in its subsequent financial statements.

IND AS 41: Agriculture

- Standard shall apply to
    - Biological assets
    - Agricultural Produce
    - Products that are the result of processing after harvest
- Biological asset is a living animal or plant. A group of biological assets is an aggregation of similar living animals or plants
- Agricultural produce is the harvested product of entity's biological assets. Harvest is the detachment of produce from a biological asset or cessation of a biological asset's life processes
- Entity shall recognize a biological asset or agricultural produce when and only when:
    - Entity controls the asset as a result of past events
    - It is probable that future economic benefits associated will flow to entity
    - Fair value or cost of asset can be measured reliably

      Fair value is 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
- A biological asset shall be measured on initial recognition and at the end of each reporting

period at its fair value less costs to sell, except for the case where the fair value cannot be measured reliably.

- Agricultural produce harvested from an entity's biological assets shall be measured at its fair value less costs to sell at the point of harvest. Such measurement is the cost at that date when applying Ind AS 2 'Inventories' or another applicable Standard.
- Gain or loss on initial recognition:- To be included in profit and loss for the period
    - On Biological asset:-
      A loss may arise on initial recognition of a biological asset, because costs to sell are deducted in determining fair value less costs to sell of a biological asset.

      A gain may arise on initial recognition of a biological asset, such as when a calf is born.

    - On Agricultural Produce:-
      A gain or loss may arise on initial recognition of agricultural produce as a result of harvesting
- Government Grant:-
    - Biological asset measured at its fair value less costs to sell
        - Unconditional: When grant is receivable
        - Conditional: When conditions are met
    - Biological asset measured at cost less any accumulated depreciation and any accumulated impairment loss – IND AS 20 shall apply

IND AS 104: Insurance Contracts

- Applicable to Insurers and an entity shall apply to
    - Insurance contracts (including reinsurance contracts) that it issues and reinsurance contracts that it holds
    - Financial instruments that it issues with a discretionary participation feature
- Recognition and Measurement:- An insurer
    - shall not recognise as a liability any provisions for possible future claims, if those claims arise under insurance contracts that are not in existence at the end of the reporting period (such as catastrophe provisions and equalisation provisions).
    - shall carry out the liability adequacy test.
    - shall remove an insurance liability (or a part of an insurance liability) from its balance sheet when, and only when, it is extinguished — i.e. when the obligation specified in the contract is discharged or cancelled or expires.
    - shall not offset:
        - reinsurance assets against the related insurance liabilities; or
        - income or expense from reinsurance contracts against the expense or income from the related insurance contracts.
    - shall consider whether its reinsurance assets are impaired
- Liability Assessment Test:- If carrying amount of Insurance liabilities is inadequate in the light of estimated future cash flows, the deficiency shall be recognized in profit or loss.
- Impairment of Reinsurance assets:-
    - If a cedant's reinsurance asset is impaired, the cedant shall reduce its carrying amount

accordingly and recognise that impairment loss in profit or loss.

- A reinsurance asset is impaired if, and only if:
    - (a) there is objective evidence, as a result of an event that occurred after initial recognition of the reinsurance asset, that the cedant may not receive all amounts due to it under the terms of the contract; and
    - (b) that event has a reliably measurable impact on the amounts that the cedant will receive from the reinsurer.

IND AS 106 – Exploration for and Evaluation of Mineral Resources

- IND AS 106 does not cover the following activities
    - Pre-exploration:- Expenditures incurred before the entity has obtained the legal rights to explore a specific area
    - Development:- After the technical feasibility and commercial viability of extracting a mineral resource are demonstrable
- IND AS 106 – Applicable for exploration and evaluation expenditures that it incurs
- Measurement at recognition: Exploration and evaluation assets shall be measured at cost
- An entity shall determine an accounting policy specifying which expenditures are recognised as exploration and evaluation assets and apply the policy consistently.
- After recognition, an entity shall apply either the cost model or the revaluation model to the exploration and evaluation assets.
- Exploration and Evaluation assets can be tangible (e.g. vehicles, drilling rigs) or intangible (e.g. drilling rights)
- Such assets shall be assessed for impairment.