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BRIEF SUMMARY OF INTRODUCTION OF IND-AS

- Indian Accounting Standards (abbreviated as India AS) are a set of accounting standards **notified by the Ministry of Corporate Affairs** which are converged with International Financial Reporting Standards (IFRS). These accounting standards are **formulated by Accounting Standards Board of Institute of Chartered Accountants of India. NACAS recommend these standards to the Ministry of Corporate Affairs (MCA).**
- Now India will have two set of Accounting Standards:-
 - Existing Accounting Standards issued by Companies (Accounting Standards) Rules, 2006.
 - IFRS converged Indian Accounting Standards (Ind AS).
- The Ind AS are named and numbered in the same way as the corresponding IFRS.

APPLICABILITY OF INDIAN ACCOUNTING STANDARDS (Ind AS) ALONG WITH EXISTING ACCOUNTING STANDARDS

- The Indian Accounting Standards (Ind AS) shall be the accounting standards applicable to classes of companies specified in **rule 4 of Companies (Indian Accounting Standards) Rules, 2015** and such type of companies shall follow such standards only i.e. which is notified Companies (Indian Accounting Standards) Rules, 2015.
- The Accounting Standards issued by Companies (Accounting Standards) Rules, 2006 shall be the Accounting Standards applicable to the companies other than the classes of companies specified in rule 4 such type of companies shall follow such standards only i.e. which is notified by Companies (Accounting Standards) Rules, 2006.
- The Companies and their auditors shall comply with the Ind AS specified to Companies (Indian Accounting Standards) Rules, 2015 in preparation of their financial statements and audit respectively, in the following manner, namely:-
 - (i) Any company may apply with the Indian Accounting Standards (Ind AS) for financial statements for the accounting periods beginning on or after 01st April, 2015 with the comparatives for periods ending on 31st March, 2015, or thereafter.
 - (ii) As per Rule 4 of Companies (Indian Accounting Standards) Rules, 2015, the following company shall comply with the Indian Accounting Standards (Ind AS):-

S.N o.	Conditions	Net Worth of Rs. 500 crore or more	Net Worth less than Rs. 500 crore
1	Companies whose equity or debt securities are listed or are in the process of being listed in India or outside India.	Apply accounting periods beginning on or after 01 st April, 2016 with the comparatives for periods ending on 31 st March, 2016, or thereafter.	Apply accounting periods beginning on or after 01 st April, 2017 with the comparatives for periods ending on 31 st March, 2017, or thereafter.
2	Company whose equity or debt securities are not listed on any stock exchange in India or outside India	Apply accounting periods beginning on or after 01 st April, 2016 with the comparatives for periods ending on 31 st March, 2016, or thereafter.	Apply accounting periods beginning on or after 01 st April, 2017 with the comparatives for periods ending on 31 st March, 2017, or thereafter, but net worth should be more than 250 Cr.
3	Holding, Subsidiary, Joint venture or associates companies of companies covered in point 1 & 2 of this table.		
4	The above shall not apply in case of companies whose securities are listed or are in process of being listed on SME exchange without initial public offering.		

List of Ind AS with objective and scope

Ind AS No.	Title	Objective
Ind AS 1	Presentation of Financial Statements	This Standard prescribes the basis for presentation of general purpose financial statements to ensure comparability both with the entity's financial statements of previous periods and with the financial statements of other entities. Its sets out overall requirements for the presentation of financial statements, guidelines for their structure and minimum requirements for their contents.
Ind AS 2	Inventories	The objective of this standard is to prescribe the accounting treatments for inventories. This standards deal with the determination of cost and its subsequent recognition as expenses, including any write-down to NRV. It's also deal with the costs

		formulas that are used to assign cost to inventories.
Ind AS 7	Statement of Cash Flows	The objectives of this standard is to require the provision of information about the historical changes is cash and cash equivalents of an entity by means of a statement of cash flows which classify cash flows during the period from operating, investing and financing activities.
Ind AS 8	Accounting Policies, Changes in Accounting Estimates and Errors	The objective of this standard is to prescribe the criteria for selecting and changing accounting policies, changes in accounting estimates and correction of errors.
Ind AS 10	Events after the Reporting Period	The objective of this standards is to prescribe: <ul style="list-style-type: none"> • When an entity should adjust its financial statements for events after the reporting period; and • The disclosures that an entity should give about the date when the financial statements were approved for issue and events after the reporting period. • This standards also requires that an entity should not prepare its financial statements on a going concerns basis if events after the reporting period indicate that the going concern assumption in not appropriates.
Ind AS 12	Income Tax	The objective of this standard is to prescribe the accounting treatment for income taxes and also deal with recognition of deferred tax assets and deferred tax liability.
Ind AS 16	Property, Plant and Equipments	The objective of this standard is to prescribe the accounting treatment for property, plant and equipment so that users of the financial statements can discern information about an entity's investment in its property, plant and equipment and the changes in such investments.
Ind AS 17	Leases	The objective of this standard is to prescribe, for lessees and lessors, the appropriate accounting policies and disclosure to apply in relation to leases.
Ind AS 19	Employees Benefits	The objective of this standard is to prescribe the accounting and disclosure for employee benefits i.e. when liability should book and when expenses should book.
Ind AS 20	Accounting for Government Grants and Disclosure of Government Assistance	This Standard shall be applied in accounting for, and in the disclosure of, government grants and in the disclosure of other forms of government assistance.

Ind AS 21	The Effects of Changes in Foreign exchange rates	The objective of this Standard is to prescribe how to include foreign currency transactions and foreign operations in the financial statements of an entity and how to translate financial statements into a presentation currency.
Ind AS 23	Borrowing Cost	This standard deal with borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset form part of the cost of that asset.
Ind AS 24	Related Party Disclosures	The objective of this Standard is to ensure that an entity's financial statements contain the disclosures necessary to draw attention to the possibility that its financial position and profit or loss may have been affected by the existence of related parties and by transactions and outstanding balances, including commitments, with such parties
Ind AS 27	Separate Financial Statements	This Standard shall be applied in the preparation and presentation of separate financial statements.
Ind AS 28	Investments in Associates and Joint Ventures	This Standard shall be applied in accounting for investments in associates but does not apply to investments in associates held by venture capital organizations.
Ind AS 29	Financial Reporting in Hyperinflationary Economics	This Standard shall be applied to the financial statements, including the consolidated financial statements, of any entity whose functional currency is the currency of a hyperinflationary economy.
Ind AS 32	Financial Instruments: Presentation	The objective of this Standard is to establish principles for presenting financial instruments as liabilities or equity and for offsetting financial assets and financial liabilities. It applies to the classification of financial instruments, from the perspective of the issuer, into financial assets, financial liabilities and equity instruments; the classification of related interest, dividends, losses and gains; and the circumstances in which financial assets and financial liabilities should be offset.
Ind AS 33	Earnings per Share	The objective of this Standard is to prescribe principles for the determination and presentation of earnings per share. The focus of this Standard is on the denominator of the earnings per share calculation.
Ind AS 34	Interim Financial Reporting	The objective of this Standard is to prescribe the minimum content of an interim financial report and to prescribe the principles for recognition and measurement in complete or condensed financial

		statements for an interim period
Ind AS 36	Impairment of Assets	The objective of this Standard is to prescribe the procedures that an entity applies to ensure that its assets are carried at no more than their recoverable amount. The Standard also specifies when an entity should reverse an impairment loss and prescribes disclosures.
Ind AS 37	Provisions, Contingent Liabilities and Contingent Assets	The objective of this Standard is to ensure that appropriate recognition criteria and measurement bases are applied to provisions, contingent liabilities and contingent assets and that sufficient information is disclosed in the notes to enable users to understand their nature, timing and amount.
Ind AS 38	Intangible Assets	The objective of this Standard is to prescribe the accounting treatment for intangible assets that are not dealt with specifically in another Standard. This Standard requires an entity to recognize an intangible asset if, and only if, specified criteria are met. The Standard also specifies how to measure the carrying amount of intangible assets and requires specified disclosures about intangible assets.
Ind AS 40	Investment Property	The objective of this Standard is to prescribe the accounting treatment for investment property and related disclosure requirements.
Ind AS 41	Agriculture	The objective of this Standard is to prescribe the accounting treatment and disclosures related to agricultural activity.
Ind AS 101	First-time adoption of Indian Accounting Standards	The objective of this Standard is to ensure that an entity's first Ind-AS financial statements, and its interim financial reports for part of the period covered by those financial statements, contain high quality information that: <ul style="list-style-type: none"> • is transparent for users and comparable over all periods presented; • provides a suitable starting point for accounting in accordance with Ind-ASs; and • can be generated at a cost that does not exceed the benefits.
Ind AS 102	Share based payments	The objective of this Standard is to specify the financial reporting by an entity when it undertakes a share-based payment transaction. In particular, it requires an entity to reflect in its profit or loss and financial position the effects of share-based payment transactions, including expenses associated with transactions in which share options

		are granted to employees.
Ind AS 103	Business Combinations	The objective of this Indian Accounting Standard is to improve the relevance, reliability and comparability of the information that a reporting entity provides in its financial statements about a business combination and its effects.
Ind AS 104	Insurance Contracts	The objective of this Indian Accounting Standard is to specify the financial reporting for insurance contracts by any entity that issues such contracts.
Ind AS 105	Noncurrent Assets held for Sale and Discontinued Operations	The objective of this Indian Accounting Standard is to specify the accounting for assets held for sale, and the presentation and disclosure of discontinued operations.
Ind AS 106	Exploration for and evaluation of Mineral Resources	The objective of this Indian Accounting Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources.
Ind AS 107	Financial Instruments: Disclosures	The principles in this Indian Accounting Standard complement the principles for recognising, measuring and presenting financial assets and financial liabilities.
Ind AS 108	Operating Segments	An entity shall disclose information to enable users of its financial statements to evaluate the nature and financial effects of the business activities in which it engages and the economic environments in which it operates.
Ind AS 109	Financial Instruments	The objective of this Standard is to establish principles for the financial reporting of financial assets and financial liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of an entity's future cash flows.
Ind AS 110	Consolidated Financial Instruments	The objective of this standard is to establish principles for the presentation and preparation of consolidated financial statements when an entity controls one or more other entities.
Ind AS 111	Joint Arrangements	The objective of this Standard is to establish principles for financial reporting by entities that have an interest in arrangements that are controlled jointly (i.e. joint arrangements).
Ind AS 112	Disclosure of Interests in Other Entities	The objective of this Standard is to require an entity to disclose information that enables users of its financial statements to evaluate: <ul style="list-style-type: none"> • the nature of, and risks associated with, its interests in other entities; and • The effects of those interests on its financial position, financial performance and cash

		flows.
Ind AS 113	Fair Value Measurement	This Ind AS: <ul style="list-style-type: none"> • defines fair value; • sets out in a single Ind AS a framework for measuring fair value; and • requires disclosures about fair value measurements.
Ind AS 114	Regulatory Deferral Accounts	The objective of this Standard is to specify the financial reporting requirements for regulatory deferral account balances that arise when an entity provides goods or services to customers at a price or rate that is subject to rate regulation.
Ind AS 115	Revenue from Contracts with Customers	The objective of this Standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer.