

## Tracking IFRS

# Ind AS vs. IFRS: Overview of key differences

### 1. Introduction

In 2010, ICAI had issued exposure drafts of Indian accounting standards (Ind AS) for convergence with International Financial Reporting Standards (IFRS). On 14 January 2011, ICAI posted revised exposure drafts on its website ([www.icai.org](http://www.icai.org)) which have been described as 'near final'. This edition of 'Tracking IFRS' highlights the significant differences between the previously issued Ind AS exposure drafts, revised Ind AS exposure drafts and IFRS (as effective for annual reporting periods beginning on or after 1 January 2011, considering earlier applications of IFRS, wherever permitted).



## 2. List of Ind AS and corresponding IFRS

### 2.A. List of IFRS-converged Indian accounting standards that are being adopted

Revised Ind AS	Title of Ind AS	Corresponding IFRS			Comparisons
		IAS/ IFRS	IFRIC	SIC	
Ind AS 101	First Time Adoption of Indian Accounting Standards	IFRS 1	-	-	Refer section 3.1 and Exhibit 1
Ind AS 102	Share-based Payments	IFRS 2	-	-	No significant difference observed
Ind AS 103	Business Combinations	IFRS 3	-	-	Refer section 3.2
Ind AS 104	Insurance Contracts	IFRS 4	-	-	No significant difference observed
Ind AS 105	Non-current Assets Held for Sale and Discontinued Operations	IFRS 5	-	-	No significant difference observed
Ind AS 106	Exploration for and Evaluation of Mineral Resources	IFRS 6	-	-	No significant difference observed
Ind AS 107	Financial Instruments: Disclosures	IFRS 7	-	-	Refer section 3.10
Ind AS 108	Operating Segments	IFRS 8	-	-	No significant difference observed
Ind AS 1	Presentation of Financial Statements	IAS 1	-	-	Refer section 3.3
Ind AS 2	Inventories	IAS 2	-	-	No significant difference observed
Ind AS 7	Statement of Cash Flows	IAS 7	-	-	Refer section 3.4
Ind AS 8	Accounting Policies, Changes in Accounting Estimates and Errors	IAS 8	-	-	No significant difference observed
Ind AS 10	Events after the Reporting Period	IAS 10	IFRIC 17	-	No significant difference observed
Ind AS 11	Construction Contracts	IAS 11	IFRIC 15	-	Refer section 3.5
Ind AS 12	Income Taxes	IAS 12	-	SIC 21, 25	No significant difference observed
Ind AS 16	Property, Plant and Equipment	IAS 16	IFRIC 1	-	No significant difference observed
Ind AS 17	Leases	IAS 17	IFRIC 4	SIC 15, 27	No significant difference observed
Ind AS 18	Revenue	IAS 18	IFRIC 12,13,18	SIC 29,31	No significant difference observed
Ind AS 19	Employee Benefits	IAS 19	IFRIC 14	-	Refer section 3.6
Ind AS 20	Accounting for Government Grants and Disclosure of Government Assistance	IAS 20	-	SIC 10	Refer section 3.7
Ind AS 21	The Effects of Changes in Foreign Exchange Rates	IAS 21	-	-	Refer section 3.1.v
Ind AS 23	Borrowing Costs	IAS 23	-	-	No significant difference observed
Ind AS 24	Related Party Disclosures	IAS 24	-	-	No significant difference observed
Ind AS 27	Consolidated and Separate Financial Statements	IAS 27	-	SIC 12	Refer section 3.8
Ind AS 28	Investments in Associates	IAS 28	-	-	Refer section 3.8 and section 3.9
Ind AS 29	Financial Reporting in Hyperinflationary Economies	IAS 29	IFRIC 7	-	No significant difference observed
Ind AS 31	Interests in Joint Ventures	IAS 31	-	SIC 13	Refer section 3.8
Ind AS 32	Financial Instruments: Presentation	IAS 32	-	-	Refer section 3.10
Ind AS 33	Earnings per Share	IAS 33	-	-	Refer section 3.11
Ind AS 34	Interim Financial Reporting	IAS 34	IFRIC 10	-	No significant difference observed
Ind AS 36	Impairment of Assets	IAS 36	-	-	No significant difference observed
Ind AS 37	Provisions, Contingent Liabilities and Contingent Assets	IAS 37	IFRIC 5, 6	-	No significant difference observed
Ind AS 38	Intangible Assets	IAS 38	-	SIC 32	No significant difference observed
Ind AS 39	Financial Instruments: Recognition and Measurement	IAS 39	IFRIC 9,16,19	-	Refer section 3.10
Ind AS 40	Investment Property	IAS 40	-	-	Refer section 3.12

## 2.B. Accounting standards that are not being adopted or allowed to be early adopted

Previous Ind AS	Title of Ind AS	Corresponding IFRS			References
		IAS/ IFRS	IFRIC	SIC	
Ind AS 36	Accounting and Reporting by Retirement Benefit Plans	IAS 26	-	-	Footnote 1
Ind AS 38	Agriculture	IAS 41	-	-	Footnote 2
Ind AS 40	Financial Instruments (corresponding to IFRS 9)	IFRS 9	-	-	Footnote 3

**Footnote 1** ICAI had previously issued Ind AS 36 converged with IAS 26 *Accounting and Reporting by Retirement Benefit Plans*; however, as this standard is not relevant to the companies governed by the Act, ICAI has not issued the revised Ind AS corresponding to IAS 26.

**Footnote 2** ICAI had previously issued Ind AS 38 converged with IAS 41 *Agriculture*; however, subsequently, ICAI and NACAS have prohibited adoption of IAS 41 principles due to concerns in assessing fair value in the agricultural sector in India.

**Footnote 3** ICAI had previously issued Ind AS 40 converged with IFRS 9 *Financial Instruments*. However, subsequently, ICAI and NACAS have prohibited early adoption of IFRS 9.

## 2.C. Framework for the preparation and presentation of financial statements

On 18 January 2011, ICAI has issued the exposure draft of *Framework for the Preparation and Presentation of Financial Statements*. The framework is consistent with IFRS.

### Key of terms used in this publication

- **Act:** The Companies Act, 1956
- **ICAI:** the Institute of Chartered Accountants of India
- **OCI:** Other comprehensive income
- **Previous Ind AS:** exposure drafts of Ind AS issued by ICAI in 2010
- **Revised Ind AS:** exposure drafts of Ind AS issued by ICAI in January 2011
- **SOCE:** Statement of changes in equity
- **SOCI:** Statement of comprehensive income



### 3. Ind AS vs. IFRS: Overview of key differences

#### 3.1. First-time adoption

Particulars	Previous Ind AS	Revised Ind AS	IFRS
Title of Ind AS/ IFRS	Ind AS 41 <i>First-time adoption of Indian Accounting Standards</i>	Ind AS 101 <i>First-time adoption of Indian Accounting Standards</i>	IFRS 1 <i>First-time adoption of International Financial Reporting Standards</i>
i. Date of transition	Entities have the option of selecting the beginning date of financial year on or after 1 April 2011 as the date of transition (if they elect not to present comparative information); or beginning date of financial year on or after 1 April 2010 as the date of transition (if they voluntarily elect to present comparative information).	Entities have to mandatorily transition as of the beginning date of financial year on or after 1 April 2011 and are not required to present comparative information; however, entities have an option to present memorandum* comparative information based on deemed transition date as of the beginning date of immediately preceding financial year (on or after 1 April 2010).	Entities are required to present comparatives. The date of transition is the beginning of the earliest period for which an entity presents full comparative information under IFRS in its first IFRS financial statements.
<p><b>* Note</b> Considerations for compiling memorandum comparatives under revised Ind AS</p> <p>Entities electing to provide memorandum comparatives will effectively have two dates of transition. For example, for entities, with March 31 year-end, electing to provide memorandum comparatives will have 1 April 2010 as deemed date of transition and 1 April 2011 as the actual date of transition. For preparing memorandum comparative Ind AS financial statements, entities shall:</p> <ol style="list-style-type: none"> <li>apply consistent accounting policies for the first Ind AS financial statements and comparative period; and</li> <li>apply the optional exemptions consistently as at the date of transition, i.e. beginning date of the financial year for which an entity presents financial information under Ind AS and deemed date of transition, i.e. beginning date of the comparative financial year for which an entity presents financial information under Ind AS.</li> </ol>			
ii. Additional comparatives as per previous GAAP	There is no requirement to present additional comparatives under previous GAAP.	Irrespective of the option elected for presentation of memorandum Ind AS comparatives, the first time adopter shall present latest corresponding previous period's financial statements prepared as per the previous GAAP (existing Indian GAAP, also refer point iv. for choice of previous GAAP). Such previous GAAP financial statements shall be reclassified to the extent practicable, when presenting its first Ind AS financial statements.	There is no requirement to present additional comparatives under previous GAAP.
iii. Choice of previous GAAP, and option for entities already filing IFRS financial statements	It is not mandatory for entities to consider existing Indian GAAP as the previous GAAP for the purpose of transition to Ind AS and can use other GAAP financial statements being presented by them to transition to Ind AS.	It is mandatory for entities to consider existing Indian GAAP as the previous GAAP (except when the option to use IFRS financial statements is availed) for the purpose of transition to Ind AS.  Entities that have filed IFRS financial statements with regulatory authorities can elect to adopt, the balance sheet so filed as at the end of the immediately preceding financial year as the opening Ind AS balance sheet after making adjustments for differences between Ind AS and IFRS. Entities electing this option are not permitted to avail first-time adoption exemptions under Ind AS 101.	It is not mandatory for entities to consider existing Indian GAAP as the previous GAAP for the purpose of transition to Ind AS and can use other GAAP financial statements being presented by them to transition to Ind AS.

**Note** Consequent to different requirements for comparative information, date of transition and choice of previous GAAP, the contents of first Ind AS/ IFRS financial statements differ under the previous Ind AS, revised Ind AS and IFRS. Refer Exhibit 1 which illustrates the reporting requirements in the first financial statements under the previous Ind AS, revised Ind AS and IFRS.

Particulars	Previous Ind AS	Revised Ind AS	IFRS
iv. Exemption to consider previous GAAP carrying value of property, plant and equipment (PPE) as deemed cost	There is no exemption permitting previous GAAP carrying values of PPE as deemed cost (except for certain specific oil and gas assets).	Entities have an option to use previous GAAP carrying values of PPE as of 31 March 2007 (or relevant date immediately preceding date where it has a different financial year) as deemed cost under Ind AS. A similar exemption is available for intangible assets and investment properties.	There is no exemption permitting previous GAAP carrying value of PPE as deemed cost under IFRS (except for certain specific oil and gas assets, and rate regulated assets).
v. Exemption for unrealised foreign currency exchange differences on long-term monetary assets and liabilities	The unrealised exchange differences arising on long-term monetary assets and liabilities are recognised immediately in profit or loss.	Revised Ind AS 21 provides an option to recognise unrealised exchange differences arising on translation of long-term monetary assets and liabilities either in equity or in profit or loss. If recognised in equity, the amount so accumulated shall be transferred to profit or loss over the period of maturity of such long-term monetary items in an appropriate manner. The aforesaid option is irrevocable and, if elected, should be applied for all long-term monetary items.  Accordingly, an exemption on first-time adoption has been added to provide that the aforesaid option may be exercised prospectively and such unrealised exchange differences on said items may be deemed to be zero on the date of transition.	The unrealised exchange differences arising on long-term monetary assets and liabilities are recognised immediately in profit or loss.
vi. Exemption from retrospective application of effective interest method and impairment requirements	If it is impracticable to retrospectively apply the effective interest method or the impairment requirements for financial instruments, the fair value of the financial asset at the date of transition shall be the new amortised cost of that financial asset at the date of transition.	If it is impracticable to retrospectively apply the effective interest method or the impairment requirements for financial instruments, the fair value of the financial asset at the date of transition shall be the new amortised cost of that financial asset at the date of transition.	There is no exemption from retrospective application of effective interest method or the impairment requirements for financial instruments.

### 3.2. Business combinations

Particulars	Previous Ind AS	Revised Ind AS	IFRS
Title of Ind AS/ IFRS	Ind AS 14 <i>Business Combinations</i>	Ind AS 103 <i>Business Combinations</i>	IFRS 3 <i>Business Combinations</i>
i. Common control transactions	Common control transactions are excluded from the scope.	Common control transactions are included in the scope; and additional guidance is provided. The additional guidance provides that business combination transactions between entities under common control should be accounted for using the 'pooling of interest' method.	Common control transactions are excluded from the scope.
ii. Gain on bargain purchase	Gain on bargain purchase is recognised in profit or loss after reassessment of the fair value of assets acquired and liabilities assumed.	Gain on bargain purchase is recognised in OCI and accumulated in equity as capital reserve if there is a clear evidence of the underlying reason for classification of the business combination as a bargain purchase; otherwise, the resulting gain is recognised directly in equity as capital reserve.	Gain on bargain purchase is recognised in profit or loss after reassessment of the fair value of assets acquired and liabilities assumed.

### 3.3. Presentation of financial statements

Particulars	Previous Ind AS	Revised Ind AS	IFRS
Title of Ind AS/ IFRS	Ind AS 1 <i>Presentation of Financial Statements</i>	Ind AS 1 <i>Presentation of Financial Statements</i>	IAS 1 <i>Presentation of Financial Statements</i>
i. Classification of expenses recognised in profit or loss	Entities can present an analysis of expenses recognised in profit or loss using either nature, or functional classification, whichever provides information that is reliable and more relevant.	Entities should present an analysis of expenses recognised in profit or loss using a classification based only on the nature of expense.	Entities can present an analysis of expenses recognised in profit or loss using either nature, or functional classification, whichever provides information that is reliable and more relevant.
ii. Presentation of SOCI	SOCI can be presented either in a single statement or two separate statements.	SOCI is presented only in a single statement.	SOCI can be presented either in a single statement or two separate statements.

### 3.4. Statement of cash flows

Particulars	Previous Ind AS	Revised Ind AS	IFRS
Title of Ind AS/ IFRS	Ind AS 3 <i>Statement of Cash Flows</i>	Ind AS 7 <i>Statement of Cash Flows</i>	IAS 7 <i>Statement of Cash Flows</i>
i. Classification of interest and dividends paid and received for entities other than financial institution	Interest and dividends paid is classified as financing cash flows and interest and dividends received is classified as investing cash flows.	Interest and dividends paid is classified as financing cash flows and interest and dividends received is classified as investing cash flows.	Interest and dividends paid and received shall be disclosed separately, and each shall be classified in a consistent manner from period to period as operating cash flows, investing cash flows or financing cash flows.

### 3.5. Construction contracts

Particulars	Previous Ind AS	Revised Ind AS	IFRS
Title of Ind AS/ IFRS	Ind AS 7 <i>Construction Contracts</i>	Ind AS 11 <i>Construction Contracts</i>	IAS 11 <i>Construction Contracts</i> ; IFRIC 15 <i>Agreements for Construction of real Estate</i>
i. Construction of real estate	Revenue from agreements for construction of real-estate will generally be recognised on completion of the contract. Percentage of completion method to recognise revenue is applied for such contracts only if such contracts meet the specified criteria.	Revenue from agreements for construction of real-estate is recognised using percentage of completion without further evaluation.	Revenue from agreements for construction of real-estate will generally be recognised on completion of the contract. Percentage of completion method to recognise revenue is applied for such contracts only if such contracts meet the specified criteria.



### 3.6. Employee benefits

Particulars	Previous Ind AS	Revised Ind AS	IFRS
Title of Ind AS/ IFRS	Ind AS 15 <i>Employee Benefits</i>	Ind AS 19 <i>Employee Benefits</i>	IAS 19 <i>Employee Benefits</i>
i. Actuarial gains and losses for post-employment defined benefit plans and other long-term employee benefit plans	All actuarial gains and losses for post-employment defined benefit plans and other-long term employment benefit plans are recognised in profit or loss.	All actuarial gains and losses for post-employment defined benefit plans and other-long term employment benefit plans are recognised in OCI.	Actuarial gains and losses for defined benefit plans can be recognised using one of the following three alternatives: in profit or loss; or in OCI or using corridor approach. Actuarial gains and losses for other-long term employment benefit plans are recognised in profit or loss.
ii. Discount rate for employee benefit obligations	Discount rate used to discount employee benefit obligations shall be determined by reference to market yields at the end of the reporting period on government bonds only.	Discount rate used to discount employee benefit obligations shall be determined by reference to market yields at the end of the reporting period on government bonds only.	Discount rate used to discount employee benefit obligations shall be determined by reference to market yields at the end of the reporting period on high quality corporate bonds. In countries, where there is no deep market in such bonds, the market yields (at the end of the reporting period) on government bonds shall be used.

### 3.7. Government grants

Particulars	Previous Ind AS	Revised Ind AS	IFRS
Title of Ind AS/ IFRS	Ind AS 12 <i>Accounting for Government Grants and Disclosure of Government Assistance</i>	Ind AS 20 <i>Accounting for Government Grants and Disclosure of Government Assistance</i>	IAS 20 <i>Accounting for Government Grants and Disclosure of Government Assistance</i>
i. Loan from Government at nil or low interest rates	Benefit resulting from government loan at nil or low rate of interest is not required to be computed by imputation of interest.	Benefit resulting from government loan at nil or low rate of interest is recognised and measured in accordance with revised Ind AS 39 and the difference between the proceeds from the loan and the initial carrying value of the loan is recognised as government grant.	Benefit resulting from government loan at nil or low rate of interest is recognised and measured in accordance with revised IAS 39 <i>Financial Instruments: Recognition and Measurement</i> and the difference between the proceeds from the loan and the initial carrying value of the loan is recognised as government grant.
ii. Non-monetary grants	Grants can be recognised either at their fair value or at nominal value.	Grants are recognised only at their fair value.	Grants can be recognised either at their fair value or at nominal value.
iii. Presentation of grant related assets	Grant related assets can be presented either by setting up the grant as deferred income or by deducting the grant in arriving at the carrying amount of the asset.	Grant related assets are presented only by setting up the grant as deferred income.	Grant related assets can be presented either by setting up the grant as deferred income or by deducting the grant in arriving at the carrying amount of the asset.

### 3.8. Consolidation, proportionate consolidation and equity method of accounting

Particulars	Previous Ind AS	Revised Ind AS	IFRS
Title of Ind AS/ IFRS	Ind AS 21 <i>Consolidated and Separate Financial Statements</i> Ind AS 23 <i>Investments in Associates</i> Ind AS 27 <i>Investments in Joint Ventures</i>	Ind AS 27 <i>Consolidated and Separate Financial Statements</i> Ind AS 28 <i>Investments in Associates</i> * Ind AS 31 <i>Investments in Joint Ventures</i> *	IAS 27 <i>Consolidated and Separate Financial Statements</i> IAS 28 <i>Investments in Associates</i> IAS 31 <i>Investments in Joint Ventures</i>
i. Presentation of consolidated financial statements	Presentation of consolidated financial statements is mandatory subject to limited exceptions.	Revised Ind AS does not mandate presentation of consolidated financial statements as requirements to present consolidated or separate financial statements is regulated by governing statutes in India.	Presentation of consolidated financial statements is mandatory subject to limited exceptions.

\* **Note** *Investments in associates and joint ventures*

Similar to amendments in revised Ind AS 27, revised Ind AS 28 and revised Ind AS 31 do not discuss the applicability/exemption of/from requirements of the said accounting standards, respectively, as the same is regulated by the governing statutes in India.

### 3.9. Investments in associates

Particulars	Previous Ind AS	Revised Ind AS	IFRS
Title of Ind AS/ IFRS	Ind AS 23 <i>Investments in Associates</i>	Ind AS 28 <i>Investments in Associates</i>	IAS 28 <i>Investments in Associates</i>
i. Uniform accounting policies	The investor's financial statements should be prepared using uniform accounting policies for like transactions and events in similar circumstances.	Revised Ind AS provides an exemption from the use of uniform accounting policies for like transactions and events in similar circumstance if it is impracticable to do so.	The investor's financial statements should be prepared using uniform accounting policies for like transactions and events in similar circumstances.
ii. Gain on bargain purchase	Gain on bargain purchase on acquisition of investment in associates should be recognised in profit or loss.	Gain on bargain purchase on acquisition of investment in associates should be recognised in capital reserve.	Gain on bargain purchase on acquisition of investment in associates should be recognised in profit or loss.



### 3.10. Financial instruments

Particulars	Previous Ind AS	Revised Ind AS	IFRS
Title of Ind AS/ IFRS	Ind AS 30 <i>Financial Instruments: Recognition and Measurement</i> ; Ind AS 31 <i>Financial Instruments: Presentation</i> ; Ind AS 32 <i>Financial Instruments: Disclosures</i>	Ind AS 39 <i>Financial Instruments: Recognition and Measurement</i> ; Ind AS 32 <i>Financial Instruments: Presentation</i> ; Ind AS 107 <i>Financial Instruments: Disclosures</i>	IAS 39 <i>Financial Instruments: Recognition and Measurement</i> ; IAS 32 <i>Financial Instruments: Presentation</i> ; IFRS 7 <i>Financial Instruments: Disclosures</i>
i. Conversion option embedded in foreign currency convertible bonds	Conversion option to acquire fixed number of equity shares for fixed amount of cash in entity's functional currency only is treated as equity. Thus, a conversion option embedded in foreign currency convertible bonds is treated as embedded derivative, and accordingly fair valued through profit or loss at every reporting period end.	Conversion option to acquire fixed number of equity shares for fixed amount of cash in any currency (entity's functional currency or foreign currency) is treated as equity and accordingly is not required to be remeasured at fair value at every reporting date.	Conversion option to acquire fixed number of equity shares for fixed amount of cash in entity's functional currency only is treated as equity. Thus, a conversion option embedded in foreign currency convertible bonds is treated as embedded derivative, and accordingly fair valued through profit or loss at every reporting period end.
ii. Changes in fair value of financial liabilities due to changes in credit risk	In determining the fair value of the financial liabilities designated at fair value through profit or loss upon initial recognition, any change in fair value due to changes in the entity's own credit risk are considered.	In determining the fair value of the financial liabilities designated at fair value through profit or loss upon initial recognition, any change in fair value due to changes in the entity's own credit risk are ignored.	In determining the fair value of the financial liabilities designated at fair value through profit or loss upon initial recognition, any change in fair value due to changes in the entity's own credit risk are considered.

### 3.11. Earnings per share

Particulars	Previous Ind AS	Revised Ind AS	IFRS
Title of Ind AS/ IFRS	Ind AS 20 <i>Earnings per Share</i>	Ind AS 33 <i>Earnings per Share</i>	IAS 33 <i>Earnings per Share</i>
i. Presentation of earnings per share (EPS)	EPS is required to be presented in both, consolidated as well as separate financial statements.	EPS is required to be presented in both, consolidated as well as separate financial statements.	When an entity presents both consolidated financial statements and separate financial statements, EPS is required to be presented only in the consolidated financial statements. An entity may disclose EPS in its separate financial statements voluntarily.

### 3.12. Investment property

Particulars	Previous Ind AS	Revised Ind AS	IFRS
Title of Ind AS/ IFRS	Ind AS 37 <i>Investment Property</i>	Ind AS 40 <i>Investment Property</i>	IAS 40 <i>Investment Property</i>
i. Measurement after initial recognition	Investment properties can be measured using either cost model or fair value model.	Investment properties are measured using only cost model.	Investment properties can be measured using either cost model or fair value model.

## Exhibit 1

List of reporting requirements for Indian entities for the year 2011-12 (assuming year ends 31 March)

Particulars	Under previous Ind AS		Under revised Ind AS		Under IFRS**
	Entities adopting Ind AS without comparatives	Entities adopting Ind AS with comparatives	Entities adopting Ind AS without memorandum Ind AS comparatives*	Entities adopting Ind AS with memorandum Ind AS comparatives*	Entities adopting IFRS
Comparative option elected for Ind AS	(i.e. transition date 1 April 2011)	(i.e. transition date 1 April 2010)	(i.e. transition date 1 April 2011)	(i.e. transition date 1 April 2011 and deemed transition date 1 April 2010)	(i.e. transition date 1 April 2010)

### 1. Financial statements requirements

Ind AS/ IFRS\*\* financial statements for 2011-12 comprising of:

1. Balance sheet as at and SOCE for the year ended 31 March 2012	✓	✓ (with comparatives)	✓	✓ (with memorandum comparatives*)	✓ (with comparatives)
2. Statement of profit and loss (total comprehensive income) for the year ended 31 March 2012	✓	✓ (with comparatives)	✓	✓ (with memorandum comparatives*)	✓ (with comparatives)
3. Statement of cash flows for the year ended 31 March 2012	✓	✓ (with comparatives)	✓	✓ (with memorandum comparatives*)	✓ (with comparatives)
4. Related notes to accounts for the year ended 31 March 2012	✓	✓ (with comparatives)	✓	✓ (with memorandum comparatives*)	✓ (with comparatives)
5. Opening Ind AS/ IFRS** balance sheet on the date of transition	✓ (as of 1 April 2011)	✓ (as of 1 April 2010)	✓ (as of 1 April 2011)	✓ (as of 1 April 2011)	✓ (as of 1 April 2010)
6. Memorandum* opening Ind AS balance sheet on the deemed date of transition i.e. 1 April 2010	n/a	n/a	n/a	✓	n/a
7. Reclassified, to the extent practicable, financial statements as per previous GAAP for the previous year (i.e. balance sheet, SOCE, statement of profit and loss, statement of cash flows and related notes for the year ended 31 March 2011)	<b>x</b>	<b>x</b>	✓	✓	<b>x</b>

Particulars	Under previous Ind AS		Under revised Ind AS		Under IFRS**
	Entities adopting Ind AS without comparatives	Entities adopting Ind AS with comparatives	Entities adopting Ind AS without memorandum Ind AS comparatives*	Entities adopting Ind AS with memorandum Ind AS comparatives*	Entities adopting IFRS
Comparative option elected for Ind AS	(i.e. transition date 1 April 2011)	(i.e. transition date 1 April 2010)	(i.e. transition date 1 April 2011)	(i.e. transition date 1 April 2011 and deemed transition date 1 April 2010)	(i.e. transition date 1 April 2010)

## 2. Reconciliations requirements/ explanation of transition to Ind AS/ IFRS\*\*

### 2.1. Equity reconciliations

1. Reconciliation of equity reported in accordance with Ind AS/ IFRS** to equity under previous GAAP on the date of transition	✓ (as of 1 April 2011)	✓ (as of 1 April 2010)	✓ (as of 1 April 2011)	✓ (as of 1 April 2011)	✓ (as of 1 April 2010)
2. Reconciliation of equity in accordance with Ind AS/ IFRS** as at the end of the comparative period presented (i.e. as at 31 March 2011) to its equity reported in accordance with previous GAAP	x	x	x	✓ (based on memorandum comparatives*)	✓
3. Reconciliation of equity as at 31 March 2012 as determined under Ind AS to equity under previous GAAP as at 31 March 2012	✓	✓	x	x	x

### 2.2. Income reconciliations

1. Significant differences between previous GAAP and Ind AS in respect of total comprehensive income/ profit or loss for the year ended 31 March 2012 (for this purpose, the entity assumes that the previous GAAP would have continued to be applied for year ended 31 March 2012)	x	x	✓ (for the year ended 31 March 2012)	x	x
2. Reconciliation of total comprehensive income in accordance with Ind AS compiled on a memorandum basis to total comprehensive income/ profit or loss in accordance with previous GAAP for the comparative period (i.e. for the year ended 31 March 2011)	x	x	x	✓ (for the year ended 31 March 2011)	x

Particulars	Under previous Ind AS		Under revised Ind AS		Under IFRS**
	Entities adopting Ind AS without comparatives  (i.e. transition date 1 April 2011)	Entities adopting Ind AS with comparatives  (i.e. transition date 1 April 2010)	Entities adopting Ind AS without memorandum Ind AS comparatives*  (i.e. transition date 1 April 2011)	Entities adopting Ind AS with memorandum Ind AS comparatives*  (i.e. transition date 1 April 2011 and deemed transition date 1 April 2010)	Entities adopting IFRS  (i.e. transition date 1 April 2010)
3. Reconciliation of total comprehensive income for the year ended 31 March 2011 under Ind AS/ IFRS** with the total comprehensive income/ profit and loss for the year ended 31 March 2011 under the previous GAAP	x	✓ (for the year ended 31 March 2011)	x	x	✓ (for the year ended 31 March 2011)
4. Reconciliation of total comprehensive income for the year ended 31 March 2012 under Ind AS/ IFRS** with the total comprehensive income / profit and loss for the year ended 31 March 2012 under the previous GAAP (for this purpose, the entity assumes that the previous GAAP would have continued to be applied for year ended 31 March 2012)	✓ (for the year ended 31 March 2012)	✓ (for the year ended 31 March 2012)	x	x	x

### 2.3. Others

1. Balance sheet as at 31 March 2011 under previous GAAP	x	✓	x	x	x
--	---	---	---	---	---

\* Memorandum previous year comparatives under Ind AS would mean memorandum financial statements for the year ended 31 March 2011, with deemed transition date of 1 April 2010. The memorandum comparatives are only for presentation purpose and the actual transition date to converged accounting standards should be 1 April 2011.

\*\* Considering if the reporting entity adopts IFRS as issued by IASB as its financial reporting framework from 1 April 2010.



# Contacts

For more information, please contact:

**Ritesh Sanyal**

Senior Director  
Deloitte Touche Tohmatsu India  
Private Limited  
+91 80 6627 6111  
rsanyal@deloitte.com

**Yogesh Sharma**

Director  
Deloitte Touche Tohmatsu India  
Private Limited  
+91 80 6627 6120  
yogsharma@deloitte.com

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee, and its network of member firms, each of which is a legally separate and independent entity. Please see [www.deloitte.com/about](http://www.deloitte.com/about) for a detailed description of the legal structure of Deloitte Touche Tohmatsu Limited and its member firms

This material and the information contained herein prepared by Deloitte Touche Tohmatsu India Private Limited (DTTIPL) is intended to provide general information on a particular subject or subjects and is not an exhaustive treatment of such subject(s). None of DTTIPL, Deloitte Touche Tohmatsu Limited, its member firms, or their related entities (collectively, the "Deloitte Network") is, by means of this material, rendering professional advice or services. The information is not intended to be relied upon as the sole basis for any decision which may affect you or your business. Before making any decision or taking any action that might affect your personal finances or business, you should consult a qualified professional adviser.

No entity in the Deloitte Network shall be responsible for any loss whatsoever sustained by any person who relies on this material.