222-MAJOR CHANGES TO Ind AS vs AS

Applicable for Nov-17 Exams

BY

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GIST PROVIDED IN 3 SETS.

SET-1: No AS or GN AVAILABLE to New Ind-AS.

Ind AS -101	NO -AS/GN
Ind AS -104	NO -AS/GN
Ind AS -112	NO -AS/GN
Ind AS -113	NO -AS/GN
Ind AS -27	NO -AS/GN
Ind AS -29	NO -AS/GN
Ind AS -41	NO -AS/GN

SET-II: GN Available but no AS available to NEW Ind AS.

Ind AS -102	Guidance Note on Accounting for Employee Share-based Payments
Ind AS -106	Guidance Note on Accounting for Oil and Gas Producing Activities
Ind AS -114	GN on Accounting for Rate Regulated Activities

SET-III Ind AS compared with AS.

Ind AS	AS	TITLE CHANGED OR NOT	MAJOR CHANGES
1	1	✓	11
2	2	✓	10
7	3	✓	10
10	4	✓	4
8	5	✓	9
11	7	×	3
18	9	×	8
16	10	×	2
21	11	×	4
20	12	✓	7
40	13	✓	1
103	14	✓	9
19	15	×	11
23	16	×	7
108	17	✓	6
24	18	×	11
17	19	×	10
33	20	×	3
110	21	×	11
12	22	✓	10
28	23	✓	11
105	24	✓	9
34	25	×	13
38	26	×	21
111	27	✓	7
36	28	×	8
37	29	×	6

(✓) – Means changed (×) – Means not changed.

CHAPTER-6 OF STUDY MATERIAL

Ind AS-109	AS-30
Ind AS-32	AS-31
Ind AS-107	AS-32

11- Major Changes in Ind AS 1 vis-a-vis Notified AS 1

Change	Ind AS
Explicit Statement of Compliance	An enterprise shall make an explicit statement in the financial statements of compliance with all the Indian Accounting Standards. Further, Ind AS 1 allows deviation from a requirement of an accounting standard in case the management concludes that compliance with Ind ASs will be misleading and if the regulatory framework requires or does not prohibit such a departure.
Current and Non-current Classification	Ind AS 1 requires presentation and provides criteria for classification of Current / Non- Current assets / liabilities.
Extraordinary Items	Ind AS 1 prohibits presentation of any item as 'Extraordinary Item' in the statement of profit and loss or in the notes.
Disclosure of Judgements and Assumptions made	Ind AS 1 requires disclosure of judgments made by management while framing of accounting policies. Also, it requires disclosure of key assumptions about the future and other sources of measurement uncertainty that have significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within next financial year.
Classification of Expenses	Ind AS 1 requires classification of expenses to be presented based on nature of expenses.
Presentation of Balance Sheet	Ind AS 1 requires presentation of balance sheet as at the beginning of the earliest period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in the financial statements, or when it reclassifies items in its financial statements.
Disclosure of Reclassified of Items	In respect of reclassification of items, Ind AS 1 requires disclosure of nature, amount and reason for reclassification in the notes to financial statements.
Statement of Changes in Equity	Ind AS 1 requires the financial statements to include a Statement of Changes in Equity to be shown as a separate statement, which, inter alia, includes reconciliation between opening and closing balance for each component of equity.
Statement of Other Comprehensive Income	Ind AS 1 requires that an entity shall present a single statement of profit and loss, with profit or loss and other comp rehensive income presented in two sections. The sections shall be presented together, with the profit or loss section presented first followed directly by the other comprehensive income section.
Inclusion of Comparative Information	As per Ind AS 1, an entity shall include certain comparative information for understanding the current period's financial statements.
Classification of Long-term Loan Arrangement	Ind AS 1 clarifies that long term loan arrangement need not be classified as current on account of breach of a material provision, for which the lender has agreed to waive before the approval of financial statements for issue.

10 - Major Changes in Ind AS 2 vis-à-vis Notified AS 2

Change	Ind AS	AS
Subsequent Recognition	subsequent recognition of cost/carrying amount of inventories as an expense	does not provide the same.
Inventory of Service Provider	provides explanation with regard to inventories of service providers	does not contain such an explanation
Machinery Spares	does not contain specific explanation in respect of such spares as this aspect is covered under Ind AS 16.	explains that inventories do not include spare parts, servicing equipment and standby equipment which meet the definition of property, plant and equipment as per AS 10. Such items are accounted for in accordance with AS-10.

Inventory held by Commodity Broker-traders	does not apply to measurement of inventories held by commodity broker-traders, who measure their inventories at fair value less costs to sell.	this aspect is not there
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'	does not contain the definition of fair value and such explanation.
Subsequent Assessment of NRV	provides detailed guidance in case of subsequent assessment of net realisable value. It also deals with the reversal of the write-down of inventories to net realisable value to the extent of the amount of origin al write-down, and the recognition and disclosure thereof in the financial statements.	does not deal with such reversal
Inventories Acquired on Deferred Settlement Terms	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.	no
Exclusion from its Scope but Guidance given	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 types 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
Disclosures	more	Comparatively less

10 - Major Changes in Ind AS 7 vis-à-vis Notified AS 3

Change	Ind AS	AS
Bank Overdraft Repayable on Demand	specifically includes bank overdrafts which are repayable on demand as a part of cash and cash equivalents	is 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.
New Examples of Cash Flows arising from Financing Activities	New examples of cash flows arising from financing activities: 1. cash payments to owners to acquire or redeem the entity's shares 2.cash proceeds from mortgages. 3. cash payments by a lessee for the reduction of the outstanding liability relating to a finance lease.	No such new examples.
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.	No such specific adjustment.

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
Disclosure of the Amount of Cash and Cash Equivalents in Specific Situations	requires an entity (except an investment entity) to disclose the amount of cash and cash equivalents and other assets and liabilities in the subsidiaries or other businesses over which control is obtained or lost. It also requires to report the aggregate amount of the cash paid or received as consideration for obtaining or losing control of subsidiaries or other businesses in the statement of cash flows, net of cash and cash equivalents acquired or disposed of as a part of such transactions, events or changes in circumstances.	does not contain such requirements.
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)	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	does not contain such requirements.
Use of Different Terminology and Translation of Cash Flows of a Foreign Subsidiary	uses the term 'functional currency' instead of 'reporting currency'. It also deals with translation of cash flows of a foreign subsidiary	it is not dealt with
Disclosures	more	Comparatively less

4 - Major Changes in Ind AS 10 vis-à-vis Notified AS 4

Change	Ind AS	AS
Non Adjusting Events if Material	material non-adjusting events are required to be disclosed in the financial statements	requires the same to be disclosed in the report of approving authority.
Accounting Treatment and Disclosure in case of Inappropriateness of Fundamental Accounting Assumption of Going Concern	If, after the reporting date, it is determined that the fundamental accounting assumption of going concern is no longer appropriate, Ind AS 10 requires a fundamental change in the basis of accounting. Ind AS 10 refers to Ind AS 1, which requires an entity to make the following disclosures: 1. disclose the fact that the financial statements are not prepared on a going concern basis together with the basis on which the financial statements are prepared. 2. state the reason why the entity is not regarded as a going concern.	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. AS 4 does not require any such disclosure. However, existing AS 1 requires the disclosure of the fact in case going concern assumption is not followed.
In case of breach of a material provision of a long-term loan arrangement	Consequent to changes made in Ind AS 1, it has been provided in the definition of 'Events after the reporting period' that in case of breach of a material provision of a long - term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, if the lender, before the approval of the financial statements for issue, agrees to waive the breach, it shall be considered as an adjusting event.	

Distribution of non-cash assets to owners	Includes an Appendix Distribution of Non-cash Assets to Owners which deals, inter alia, with when to recognise dividends payable to its owners.	

9 - Major Changes in Ind AS 8 vis-à-vis Notified AS 5

Change	Ind AS	AS
Objective	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.	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	in view that Ind AS 1, 'Presentation of Financial Statements', prohibits the presentation of any items of income or expense as extraordinary items, Ind AS 8 does not deal with the same	Here it deals.
Definition of Accounting Policies	broadens the definition to include bases, conventions, rules and practices (in addition to principles) applied by an entity in the preparation and presentation of financial statements.	restricts the definition of accounting policies to specific accounting principles and the methods of applying those principles
Change in Accounting Policies	In addition to the situations allowed under Ind AS 8 for changing an accounting policy	allows change in accounting policy if required by statute.
Accounting for Changes in Accounting Policies	specifically states that an entity shall select and apply its accounting policies consistently for similar transactions, other events and conditions, unless an Ind AS specifically requires or permits categorisation of items for which different policies may be appropriate.	Neither existing AS 5 nor any other existing Standard specifically requires accounting policies to be consistent for similar transactions, other events and conditions.
Exceptions in Retrospective Accounting of Changes in Accounting Policies	requires that changes in accounting policies should be accounted for 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.	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.	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. HERE FRAUDS ARE NOT COVERED.
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.
Disclosures	More detailed.	Comparatively less

3- Major Changes in Ind AS 11 vis-a-vis Notified AS 7

Change	Ind AS-11	AS-7

Inclusion of Borrowing costs	does not specifically make reference to Ind AS 23.	includes borrowing costs as per AS 16, Borrowing Costs, in the costs that may be attributable to contract activity in general and can be allocated to specific contracts
Fair Value	requires that contract revenue shall be measured at fair value of consideration received/receivable.	does not recognise fair value concept as contract revenue is measured at consideration received/receivable
Accounting for Service Concession Arrangements	Appendix A of Ind AS 11 deals with accounting aspects involved in such arrangements and Appendix B of Ind AS 11 deals with disclosures of such arrangements.	does not deal with accounting for Service Concession Arrangements, i.e., the arrangement where private sector entity (an operator) constructs or upgrades the infrastructure to be used to provide the public service and operates and maintains that infrastructure for a specified period of time.

8- Major Changes in Ind AS 18 vis-a-vis Notified AS 9

Change	Ind AS-18	AS-9
Definition of 'Revenue	is broad, because it covers all economic benefits that arise in the ordinary course of activities of an entity which result in increases in equity, other than increases relating to contributions from equity participants.	revenue is gross inflow of cash, receivables or other consideration arising in the course of the ordinary activities of an enterprise from the sale of goods, from the rendering of services, and from the use by others of enterprise resources yielding interest, royalties and dividends.
Measurement of Revenue	deals separately in detail with measurement of revenue. requires the revenue to be measured at fair value of the consideration received or receivable	Measurement of revenue is briefly covered in the definition of revenue. revenue is recognized at the nominal amount of consideration receivable.
Barter Transactions	specifically deals with the exchange of goods and services with goods and services of similar and dissimilar nature. In this regard, specific guidance is given regarding barter transactions involving advertising services.	aspect is not dealt with in the existing AS 9.
Recognition of Separately Identifiable Components	provides guidance on application of recognition criteria to the separately identifiable components of a single transaction in order to reflect the substance of the transaction.	does not specifically deal with the same.
Recognition of Interest	requires interest to be recognised using effective interest rate method as set out in Ind AS 109, Financial Instruments.	requires the recognition of revenue from interest on time proportion basis
Guidance Regarding Revenue Recognition in Specific Cases	specifically provides guidance regarding revenue recognition in case the entity is under any obligation to provide free or discounted goods or services or award credits to its customers due to any customer loyalty programme.	does not deal with this aspect.

Disclosure of Excise Duty	does not specifically deal with the same.	specifically deals with disclosure of excise duty as a deduction from revenue from sales transactions.
Disclosure Requirements	more detailed	Less detailed

2 - Major Changes in Ind AS 16 vis-à-vis Notified AS 10

Change	Ind AS	AS-10
Fixed Assets retired from Active Use and Held for Sale	does not deal with the assets 'held for sale' because the treatment of such assets is covered in Ind AS 105, Non-current Assets Held for Sale and Discontinued Operations	deals with accounting for items of fixed assets retired from active use and held for sale.
Stripping Costs in the Production Phase of a Surface Mine	provides guidance on measuring 'Stripping Costs in the Production Phase of a Surface Mine	does not contain this guidance.

4 - Major Changes in Ind AS 21 vis-à-vis Notified AS 11

Change	Ind AS	AS
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 such exclude accounting for such contracts.
Exchange Differences arising on Translation of Certain Long-term Monetary Items from Foreign Currency to Functional Currency	does not give the above option. However, Ind AS 21 does not apply to long - term foreign currency monetary items recognised in the financial statements before the beginning of the first Ind AS financial reporting period as per the previous GAAP, i.e. AS 11. However, as provided in Ind AS 101, such an entity may continue to apply the accounting policy so opted for such long-term foreign currency monetary items as per the previous GAAP.	gives an option to recognise exchange differences arising on translation of certain long -term monetary items from foreign currency to functional currency directly in equity, to be transferred to profit or loss over the life of the relevant liability/asset if such items are not related to acquisition of fixed assets. Where such items are related to acquisition of fixed assets, the foreign exchange differences can be recognised as part of the cost of the asset.
Approach for Translation	is based on the functional currency approach. However, in Ind AS 21 the factors to be considered in determining an entity's functional currency are similar to the indicators in existing AS 11 to determine the foreign operations as non -integral foreign operations. As a result, despite the difference in the term, there are no substantive differences in respect of accounting of a foreign operation.	is based on integral foreign operations and non-integral foreign operations approach for accounting for a foreign operation,
Presentation Currency	presentation currency can be different from local currency and it gives detailed guidance in this regard	does not explicitly state so

7 - Major Changes in Ind AS 20 vis-à-vis Notified AS 12

Change	Ind AS	AS
Government Assistance which does not fall within	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	does not deal with the same.

the Definition of Government Grants	the entity has directly benefited should be disclosed in the financial statements.	
Grant in respect of Non Depreciable Assets	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 .	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. It 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 at (2nd change) 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.	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.
Valuation of Non-monetary Grants given Free or at a 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.	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.	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.
Government Assistance	Ind AS 20 includes Appendix A which deals with Government Assistance—No Specific Relation to Operating Activities.	No such appendix provided.
Loans at Concessional Rate	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)	does not require so.

1 - Major Changes in Ind AS 40 vis-a-vis Notified AS 13

Change	Ind AS	AS
Investment property	Provides detailed standard dealing with various aspects of investment property accounting.	provides limited guidance on investment properties, as per the existing standard enterprise holding investment properties should account for them as per cost model prescribed in AS 10.

9 - Major Changes in Ind AS 103 vis-à-vis Notified AS 14

Change	Ind AS	AS
Scope	defines a business combination which has a wider scope	deals only with amalgamation
Methods for Accounting	prescribes only the acquisition method for every business combination	there are two methods of accounting for amalgamation viz - the pooling of interest method and the purchase method.
Assets and Liabilities	requires the acquired identifiable assets liabilities and non -controlling interest to be recognised at fair value under acquisition method.	the acquired assets and liabilities are recognised at their existing book values or at fair values under the purchase method.
Minority / Non–controlling	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.	that the 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.
Amortisation of Goodwill	the goodwill is not amortised but tested for impairment on annual basis in accordance with Ind AS 36.	requires that the goodwill arising on amalgamation in the nature of purchase is amortised over a period not exceeding five years.
Reverse Acquisitions	deals with reverse acquisitions	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 specific guidance on this aspect.
Bargain Purchase Gain	requires bargain purchase gain arising on business combination to be recognised in other comprehensive income and accumulated in equity as capital reserve, unless there is no clear evidence for the underlying reason for classification of the business combination as a bargain purchase, in which case, it shall be recognised directly in equity as capital reserve.	excess amount is treated as capital reserve.
Accounting for Common Control Transactions	Appendix C of Ind AS 103 deals with accounting for common control transactions, which prescribes a method of accounting different from Ind AS 103.	does not prescribe accounting for such transactions different from other amalgamations.

11 - Major Changes in Ind AS 19 vis-à-vis Notified AS 15

Change	Ind AS	AS
Constructive Obligations	employee benefits arising from constructive obligations are also covered	does not deal with the same.
Definition of Employee	Ind AS 19 the term includes directors.	'employee' includes whole-time directors
Other Definitions	Definitions of short-term employee benefits, other long-term employee benefits, and past service cost as per the existing AS 15 have been changed in Ind AS 19.	
Contractual Agreement between	deals with situations where there is a contractual agreement between a multi - employer plan and its	does not deal with it.

a Multi-employer Plan and its Participants	participants that determines how the surplus in the plan will be distributed to the participants (or the deficit funded).	
Participation in a Defined Benefit Plan Sharing Risks Between Various Entities under Common Control	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.
Qualified Actuary	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.
Recognition of Actuarial Gains and Losses	requires that the same shall be recognised in other comprehensive income and should not be recognised in profit or loss.	recognition of actuarial gains and losses immediately in the profit and loss
Financial Assumptions	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	does not clarify the same.
Discounting of Post-employment Benefit Obligations	subsidiaries, associates, joint ventures and branches domiciled outside India shall discount post-employment benefit obligations arising on account of post-employment benefit plans 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 balanc e sheet date on government bond.
Timing of Recognition of Termination Benefits	more guidance has been given for timing of recognition of termination benefits	Recognition criteria for termination benefits under the revised standard differ from the criteria prescribed in the existing standard.
Guidance on Interaction of Ceiling of Asset Recognition and Minimum Funding Requirement	gives guidance on the interaction of ceiling of asset recognition and minimum funding requirement in the case of defined benefit obligations	guidance is not available.

7 - Major Changes in Ind AS 23 vis-à-vis Notified AS 16

Change	Ind AS	AS
Qualifying Asset measured at Fair Value	does not require an entity to apply this standard to borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset measured at fair value, for example, a biological asset	oes not provide for such scope relaxation.
Applicability to Inventories	excludes the application of this Standard to borrowing costs directly attributable to the acquisition, construction or production of inventories that are manufactured, or	does not provide for such scope relaxation and is applicable to borrowing costs related to all inventories that require substantial

	otherwise produced, in large quantities on a repetitive basis	period of time to bring them in saleable condition.
Inclusion as Borrowing Costs	requires to calculate the interest expense using the effective interest rate method(EIRM) as described in Ind AS 109 Certain items therein have been deleted, as some of those components of borrowing costs are considered as the components of interest expense calculated using the EIRM.	Borrowing Costs, inter alia, include the following -interest and commitment charges -discounts or premiums -ancillary costs
Explanation of Substantial Period of Time	explanation is not included in Ind AS 23.	gives explanation for meaning of 'substantial period of time' appearing in the definition of the term 'qualifying asset'.
Reporting in Hyperinflationary Economies	provides that when Ind AS 29, ‗Financial Reporting in Hyperinflationary Economies', is applied, part of the borrowing costs that compensates for inflation should be expensed as required by that Standard (and not capitalized in respect of qualifying assets).	does not contain a similar clarification because at present, in India, there is no Standard on 'Financial Reporting in Hyperinflationary Economies'.
Borrowings of the Parent and its Subsidiaries for Computing Weighted Average	specifically provides that in some circumstances, it is appropriate to include all borrowings of the parent and its subsidiaries when computing a weighted average of the borrowing costs. while in other circumstances, it is appropriate for each subsidiary to use a weighted average of the borrowing costs applicable to its own borrowings.	specific provision is not there
Disclosure of Capitalisation Rate	requires disclosure of capitalization rate used to determine the amount of borrowing costs eligible for capitalization	does not have this disclosure requirement

6- Major Changes in Ind AS 108 vis a vis Notified AS 17

Change	Ind AS	AS
Identification of Segments	is 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 Amounts to be Reported in Segments	requires that the 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.	requires 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 specifically with this aspect.
Single Reportable 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.	An explanation has been given in the existing AS 17 that 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, non-current assets in the country of domicile and all foreign countries. It also requires disclosure of information about major customers.	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.

11 - Major Changes in Ind AS 24 vis-à-vis Notified AS 18

Change	Ind AS	AS
Definition of Relative	a close member of the family of a person. definition as per Ind AS 24 is much wider THAN AS-18.	relatives of an individual
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".	Defines state-controlled enterprise as "an enterprise which is under the control of the Central Government and/or any State Government(s)"
KMP	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	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.	co-venturers or co-associates are not related to each other.
Effect of influences which do not lead to transactions	does not specifically mention this.	mentions that where there is an inherent difficulty for management to determine the effect of influences which do not lead to transactions, disclosure of such effects is not required

Post-employment Benefits	specifically includes post-employment benefit plans for the benefit of employees of an entity or its related entity as related parties.	does not specifically cover entities that are post-employment benefit plans, as related parties.
Next Most Senior Parent	requires an additional disclosure as to the name of the next most senior parent which produces consolidated financial statements for public use	has no such requirement
Disclosure for Compensation	requires extended disclosures for compensation of KMP under different categories	does not specifically require.
Disclosure of 'Amount of the Transactions' vs 'Volume of the Transactions	requires 'the amount of the transactions' need to be disclosed,	gives an option to disclose the 'Volume of the transactions either as an amount or as an appropriate proportion'.
Government Related Entities	requires disclosures of certain information by the government related entities.	presently exempts the disclosure of such information.
Clarification of Control, Substantial Interest and Significant Influence	neither defines these terms nor it includes such clarificatory text and allows respective standards to deal with the same.	includes definition and clarificatory text, primarily with regard to control, substantial interest (including 20% threshold), significant influence (including 20% threshold).

10 - Major Changes in Ind AS 17 vis-à-vis Notified AS 19

Change	Ind AS	AS
Land	does not have such scope exclusion. It has specific provisions dealing with leases of land and building applicable.	excludes leases of land from its scope
Definition of Residual Value	Deleted	defined
Initial Direct Costs	Consequent upon the difference between the existing standard and Ind AS 17 in respect of treatment of initial direct costs incurred by a non- manufacturer/non-dealer-lessor in respect of a finance lease, the term 'initial direct costs' has been specifically defined in Ind AS 17 and definition of the term 'interest rate implicit in the lease' as per the existing standard has been modified in Ind AS 17.	
Inception of Lease and Commencement of Lease	makes a distinction between inception of lease and commencement of lease. In the existing standard, though both the terms are used at some places, these terms have not been defined and distinguished. Further, Ind AS 17 deals with adjustment of le ase payments during the period between inception of the lease and the commencement of the lease term. This aspect is not dealt with in the existing standard. Also, as per Ind AS 17, the lessee shall recognise finance leases as assets and liabilities in balance sheet at the commencement of the lease term	such recognition is at the inception of the lease.
Treatment of Initial Direct Costs	initial direct costs under Ind AS 17 differs.	differs
Current/Non-current Classification of Lease Liabilities	requires current/non-current classification of lease Liabilities if such classification is made for other liabilities. Also, it makes reference to Ind AS 105, 'Non-current Assets Held for Sale and Discontinued Operations'.	These matters are not addressed in the existing standard
Sale and Leaseback Transaction	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.

Accounting for Incentives in the Case of Operating Leases	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.
Recognition of Lease Payments	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 increases shall not be straight lined.	does not provide for the same.
Disclosures Requirements	There are some differences in disclosure requirements as per the existing standard and disclosure requirements as per Ind AS 17.	

3 - Major Changes in Ind AS 33 vis a vis Notified AS 20

Change	Ind AS	AS
Options held by the Entity on its Shares	deals with the same.	does not specifically deal with options held by the entity on its shares, e.g., purchased options, written put option etc.
Presentation of Basic and Diluted EPS from Continuing and Discontinued Operations	requires presentation of basic and diluted EPS from continuing and discontinued operations separately.	does not require any such disclosure.
Disclosure of EPS with and without Extraordinary Items	'Presentation of Financial Statements', no item can be presented as extraordinary item, Ind AS 33 does not require the aforesaid disclosure.	requires the disclosure of EPS with and without extraordinary items.

11- Major Changes in Ind AS 110 vis-a-vis Notified AS 21

Change	Ind AS	AS
Mandatory preparation of Consolidated Financial Statements	makes the preparation of Consolidated Financial Statements mandatory for a parent.	does not mandate the preparation of Consolidated Financial Statements by a parent.
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 the board of directors or governing body. However, unlike rule based definition given in AS 21
Clarification regarding inclusion of Notes	does not provide any clarification in this regard.	provides clarification regarding inclusion of notes appearing in the separate financial statements of the parent and its subsidiaries in the consolidated financial statements.
Clarification on more than one Parent of a Subsidiary	No clarification has been provided in this regard in Ind AS 110, keeping in view that as per the 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 two entities.
Difference in Reporting Dates	the difference shall not be more than 3 months.	difference between the date of the subsidiary's financial statements and

		that of the consolidated financial statements shall not exceed 6 months.
Loss of Control	Ind AS 110 provides detailed guidance as compared to existing AS 21 regarding accounting in case of loss of control over subsidiary.	
Uniform Accounting Policies	does not recognise the situation of impracticability.	specifically states that if it is not practicable to use uniform accounting policies in preparing the consolidated financial statements, that fact should be disclosed together with the proportions of the items in the consolidated financial statements to which the different accounting policies have been applied.
Presentation of Non-controlling Interest in CFS	non-controlling interests shall be presented in the consolidated balance sheet within equity separately from the parent shareholders' equity.	minority interest should be presented in the consolidated balance sheet separately from liabilities and equity of the parent's shareholders.
Potential Equity Shares	potential voting rights that are substantive are al so considered when assessing whether an entity has control over the subsidiary.	For considering share ownership, potential equity shares of the investee held by investor are not taken into account
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.
Explanations	does not explain the same, as these are not relevant.	explains where an entity owns majority of voting power because of ownership and all the shares are held as stock-in-trade, whether this amounts to temporary control. It also explains the term 'near future'.

10 - Major Changes in Ind AS 12 vis-à-vis Notified AS 22

Change	Ind AS	AS
Approach for creating Deferred Tax	is based on balance sheet approach. It requires recognition of tax consequences of differences between the carrying amounts of assets and liabilities and their tax base.	is based on income statement approach. It requires recognition of tax consequences of differences between taxable income and accounting income. For this purpose differences between taxable income
Limited Exceptions for Recognition of Deferred Tax Asset	subject to limited exceptions, deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. The criteria for recognising deferred tax assets arising from the carry forward of unused tax losses and tax credits are the same that for recognising deferred tax assets arising from deductible temporary differences. However, the existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, when an entity has a history of recent losses, the entity recognises a deferred tax asset arising from unused tax losses or tax credits only to the extent that the entity has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which the unused tax losses or unused tax credits can be utilised by the entity	
Recognition of Current and Deferred Tax	current and deferred tax are recognised as income or an expense and included in profit or loss for the period, except to the extent that the	deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be

	tax arises from a transaction or event which is recognised outside profit or loss, either in other comprehensive income or directly in equity, in those cases tax is also recognised in other comprehensive income or in equity, as appropriate.	realised. Where deferred tax asset is recognised agains t unabsorbed depreciation or carry forward of losses under tax laws, it is recognised only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred ta x assets can be realised.
Disclosure of DTA and DTL in Balance Sheet	does not deal with this aspect except that it requires that income tax relating to each component of other comprehensive income shall be disclosed as current or non -current asset/liability in accordance with the requirements of Ind AS 1.	deals with disclosure of deferred tax assets and deferred tax liabilities in the balance sheet.
DTA/DTL arising out of Revaluation of Assets	requires that deferred tax asset/liability arising from revaluation of non-depreciable assets shall be measured on the basis of tax consequences from the sale of asset rather than through use.	does not deal with this aspect.
Changes in Entities Tax Status or that of its Shareholders	provides guidance as to how an entity should account for the tax consequences of a change in its tax status or that of its shareholders.	does not deal with this aspect.
Virtual Certainty	Since the concept of virtual certainty does not exist in Ind AS 12, this explanation is not included.	explains virtual certainty supported by convincing evidence.
Guidance for Recognition of Deferred Tax in a Tax Holiday Period	does not specifically deal with these situations.	specifically provides guidance regarding recognition of deferred tax in the situations of Tax Holiday under Sections 80-IA and 80-IB and Tax Holiday under Sections 10A and 10B of the Income Tax Act, 1961. Similarly, existing AS 22 provides guidance regarding recognition of deferred tax asset in case of loss under the head ‗capital gains'
Guidance on Certain Issues	does not specifically deal with this aspect.	specifically provides guidance regarding tax rates to be applied in measuring deferred tax assets/liabilities in a situation where a company pays tax under section 115JB.
Disclosures	More detailed.	Comparatively less

11 - Major Changes in Ind AS 28 vis-à-vis Notified AS 23

Change	Ind AS	AS
Definition of Significant Influence	the same has been defined as 'power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies'. Ind AS 28 defines joint control also.	Significant Influence' has been defined as 'power to participate in the financial and/or operating policy decisions of the 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 the investee held by investor are not taken into account
Equity Method	requires application of equity method in financial statements other than separate financial	requires application of the equity method only when the entity has

	statements even if the investor does not have any subsidiary.	subsidiaries and prepares Consolidated Financial Statements.
Exemption	No such exemption is provided	One of the exemptions from applying equity method in the existing AS 23 is where the associate operates under severe long-term restrictions that significantly impair its ability to transfer funds to the investee.
Explanation regarding the term 'Near Future'	This explanation has not been given in the Ind AS 28 as such situations are covered by Ind AS 105, ‗Non-current Assets Held for Sale and Discontinued Operations'.	An explanation has been given in existing AS 23 regarding the term 'near future' used in another exemption from applying equity method, i.e., where the investment is acquired and held exclusively with a view to its subsequent disposal in the near future.
Measurement of Investment	Ind AS 28 now permits an entity that has an investment in an associate, a portion of which is held 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 the investment.	
Investment Classified as Held for Sale	requires a portion of an investment in an associate or a joint venture to be classified as held for sale if the disposal of that portion of the interest would fulfill the criteria to be classified as held for sale in accordance with Ind AS 105.	does not specifically deal with this aspect.
Application of Equity Method in Separate Financial Statements	the same is to be accounted for at cost or in accordance with Ind AS 109, 'Financial Instruments'.	in separate financial statements, investment in an associate is not accounted for as per the equity method, the same is accounted for in accordance with existing AS 13, 'Accounting for Investments'.
Difference in Reporting Dates	length of difference in the reporting dates of the associate or joint venture should not be more than three months unless.	permits the use of financial statements of the associate drawn upto a date different from the date of financial statements of the investor when it is impracticable to draw the financial statements of the associate upto the date of the financial statements of the investor. There is no limit on the length of difference in the reporting dates of the investor and the associate.
Accounting Policies	provides that the 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 to this that if it is not possible to make adjustments to the accounting policies of the associate, the fact shall be disclosed along with a brief description of the differences between the accounting policies.
Share in Losses	carrying amount of investment in the associate or joint venture determined using the equity method together with any long term interests that, in substance form part of the entity‗s net investment in the associate or joint venture shall be considered for recognising entity‗s share of losses in the associate or joint venture.	investor‗s share of losses in the associate is recognised to the extent of carrying amount of investment in the associate.
Impairment Loss	requires that after application of equity method, including recognising the associate‗s or joint venture‗s losses, the requirements of Ind AS 109 shall be applied to determine	requires that the carrying amount of investment in an associate should be reduced to recognise a decline, other

	whether it is necessary to recognise any additional impairment loss.	than temporary, in the value of the investment.

9 - Major Difference between Ind AS 105 vis a vis Notified AS 24

Change	Ind AS	AS
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'.
Cash Flow Statement	does not mention so.	requirements related to cash flow statement are applicable when the enterprise presents a cash flow statement.
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 so as it relates to discontinued operation.	specifies about the initial disclosure event in respect to a discontinuing operation.
Measurement	non-current assets (disposal groups) held for sale are measured at the lower of carrying amount and fair value less costs to sell, and are presented separately in the balance sheet.	requires to apply the principles set out in other relevant Accounting Standards, e.g., the existing AS 10 requires that the fixed assets retired from active use and held for disposal should be stated at the lower of their net 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.
Guidance Regarding Measurement of Changes to a Plan of Change	provides guidance regarding changes to the plan to sell non -current assets (or disposal groups) which are classified as held for sale.	does not give any specific guidance regarding this aspect.
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.

13 - Major Differences between Ind AS 34 vis a vis Notified AS 25

Change	Ind AS	AS
Scope	applies only if an entity is required or elects to prepare and present an interim financial report in accordance with Accounting Standards.	if an entity is required or elects to prepare and present an interim financial report, it should comply with that standard.
Complete set of Financial Statements	In Ind AS 34, the term "complete set of financial statements" appearing in the definition of interim financial report has been expanded as compared to AS 25.	
Contents of Interim Report	Same as AS but in addition to the AS, a condensed statement of changes in equity is required.	the contents of an interim financial report include, at a minimum, a condensed balance sheet, a condensed statement of profit and loss, a condensed cash flow statement and selected explanatory notes.
Reversal of Impairment Loss	prohibits reversal of impairment loss recognised in a previous interim period in respect of goodwill or an investment in either an equity instrument or a financial asset carried at cost.	no such specific prohibition
Inclusion of the Parent's Separate Statements and The Consolidated Financial Statements in the Entity's Interim Report	states that 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.
Accounting Policies	additionally requires the above information in respect of me thods of computation followed.	requires the Notes to interim financial statements, (if material and not disclosed elsewhere in the interim financial report), to contain a statement that the same accounting policies are followed in the interim financial statements as those followed in the most recent annual financial statements or, in case of change in those policies, a description of the nature and effect of the change.
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.	While the existing standard requires furnishing of information on contingent liabilities only
Extraordinary Items	reference to extraordinary items (in the context of materiality) is deleted in Ind AS 34 in line with the Ind AS 1.	Here exist.
Interim Financial Statements prepared on Complete Basis	Ind AS 34 requires that, 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	Ind AS 34 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.
Impact of Convergence	Since the concept of extraordinary items is no longer valid in the context of Ind AS 1 the question of EPS with and without extraordinary items does not arise in the context of Ind AS 33. This changed requirement of Ind AS 33 is equally applicable to interim fin ancial reporting under Ind AS 34.	requires EPS with and without extraordinary items
Transitional Provision	does not have this transitional provision.	Under the existing standard, when an interim financial report is presented for the first time in accordance with that Standard, an entity need not present, in respect of all the interim periods of the current financial year, comparative statements of profit and loss for the comparable interim periods (current and year-to-date) of the immediately preceding financial year and comparative cash flow statement for the comparable year-to-date period of the immediately preceding financial year.

21 - Major Changes in Ind AS 38 vis a vis Notified AS 26

Change	Ind AS	AS
Exclusions	does not include any such exclusion specifically as these are covered by other accounting standards. But it contains a scope exclusion with regard to the amortisation method for intangible assets arising from service concession arrangements in respect of toll roads recognised in the financial statements before the beginning of the first Ind AS financial reporting period as per the previous GAAP, i.e., Schedule II to the Companies Act, 2013.	does not apply to accounting issues of specialized 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 Assets	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 pur poses has been removed from the definition of an intangible asset.	defines an intangible asset as an identifiable non-monetary asset without physical substance held for use in the producti on or supply of goods or services, for rental to others, or for administrative purposes
Identifiability	detailed guidance in respect of identifiability.	does not define 'identifiability'. but states that an intangible asset could be distinguished clearly from goodwill if the asset was separable, but that separability was not a necessary condition for identifiability
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 Amortisation Method	there is a rebuttable presumption that an amortisation method that is based on the revenue generated by an activ ity 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 amortisation 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.	there is no such provision
Intangible Assets acquired in Business Combination	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.
Subsequent Expenditure on in Process Research and Development Project	gives guidance for the treatment of such expenditure	is silent regarding the treatment of subsequent expenditure on an in - process research and development project acquired in a business combination
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.	requires the principles of existing AS 10 to be followed which 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 in tangible 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	rebuttable presumption is not there in Ind AS 38.Ind AS 38 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.	based on the 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.
Guidance on Certain Issues	guidance is available on cessation of capitalisation of expenditure, de-recognition of a part of an intangible asset and useful life of a reacquired right in a business combination.	no such guidance
Valuation Model as Accounting Policy	permits an entity to choose either the cost model or the revaluation model as its accounting policy	revaluation model is not permitted.
Intangible Assets recognised as an Expense	provides more guidance on recognition of intangible items recognised as expense. It clarifies that in respect of prepaid expenses, recognition of an asset would be permitted only up to the point at which the entity has the	unlike the existing standard, mail order catalogues have been specifically identified as a form of advertising and promotional activities which are required to be expensed.

	right to access the goods or up to the receipt of services.	
Contractual or Legal Rights may be Shorter than Legal Life	acknowledges that the useful life of an intangible asset arising from contractual or legal rights maybe shorter than the legal life.	does not include such a provision.
Amortisation Lower than under SLM	does not contain any such 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 Changes in Prices or Value	the residual value is reviewed at least at each financial year -end. If it increases to an amount equal to or 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.	specifically requires that the residual value is not subsequently increased for changes in prices or value.
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
Annual Impairment Testing	no such requirement	requires annual impairment testing of an intangible asset not yet available for use.
Disclosures	Ind AS 38 also requires certain additional disclosures as compared to existing AS 26.	
Intangible Assets Retired from Use and Held for Sale	does not include such intangible assets since they would be covered by Ind AS 105.	Intangible assets retired from use and held for sale are covered by the existing standard

7- Major Differences between Ind AS 111 vis-a-vis Notified AS 27

Change	Ind AS	AS
Types of Joint Arrangement/Joint Venture	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.	recognises 3 forms of joint venture namely: a) jointly controlled operations, b) jointly controlled assets and c) jointly controlled entities.
Joint Control	does not recognise such cases keeping in view the definition of control given in Ind AS 110.	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, 'Consolidated Financial Statements'. In those cases, the entity is consolidated under AS 21 by the said enterprise, and is not treated as a joint venture.
Equity Method	provides that a venturer can recognise its interest in joint venture using only equity method as per Ind AS 28	prescribes the use of proportionate consolidation method only.
Interest in Jointly Controlled Entity	requires that the joint operator shall recognise its interest in joint operation and a joint venture in accordance with Ind AS 28, 'Investments in Associates and Joint Ventures'.	In case of separate financial statements under existing AS 27, interest in jointly controlled entity is accounted for as per AS 13, Accounting for Investments, i.e., at cost less provision for other than temporary decline in the value of investment.
Near Future	This explanation has not been given in the Ind AS 111, as such situations are now covered by Ind AS 105, 'Non-	An explanation has been given in existing AS 27 regarding the term 'near future' used in an exemption given from applying proportionate

	current Assets Held for Sale and Discontinued Operations'.	consolidation method, i.e., where the investment is acquired and held exclusively with a view to its subsequent disposal in the near future.
Application of the Proportionate Consolidation Method	requires application of equity method in financial statements other than separate financial statements in case of a joint venture, even if the venturer does not have any subsidiary in the financial statements	requires application of the proportionate consolidation method only when the entity has subsidiaries and prepares Consolidated Financial Statements.
Disclosure of Venturer's Share in Post-acquisition Reserves	same has not been dealt	provides clarification regarding disclosure of venturer's share in post - acquisition reserves of a jointly controlled entity.

8 - Major Differences between Ind AS 36 vis a vis Notified AS 28

Change	Ind AS	AS
Financial Assets	applies to financial assets classified as subsidiaries, as defined in Ind AS 110, associates as defined in Ind AS 28, joint ventures as defined in Ind AS 111.	does not apply to these.
Biological Assets	specifically excludes biological assets related to agricultural activity.	does not specifically exclude biological assets.
Impairment Testing for an Intangible Asset with an Indefinite Useful Life	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.	does not require the annual impairment testing for the goodwill unless there is an indication of impairment.
Additional Guidance	gives additional guidance	No such additional guidance
Reversal of Goodwill	prohibits the recognition of reversals of impairment loss for goodwill.	requires that the 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 ex pected to recur and subsequent external events that have occurred that reverse the effect of that event
Bottom up and Top Down Test	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.
Disclosures	Ind AS 36 requires certain extra disclosures as compared to the existing AS 28.	

6 - Major Differences between Ind AS 37 vis a vis Notified AS 29

Change	Ind AS	AS
Constructive obligations and Change in the Definition of Provision and Obligating Event	requires creation of provisions in respect of constructive obligations also.	requires creation of provisions arising out of normal business practices, custom and a desire to maintain good business relations or to act in an equitable manner

Discounting Provisions	requires discounting the amounts of provisions, if effect of the time value of money is material.	prohibits discounting the amounts of provisions except in case of decommissioning, restoration and similar liabilities that are recognised as cost of Property, Plant and Equipment.
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.	notes the practice of disclosure of contingent assets in the report of the approving authority but prohibits disclosure of the same in the financial statements.
Onerous Contracts	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 in accordance with Ind AS 36	There is no such specific provision in the existing standard.
Future Operating Losses	gives an exception to this principle viz. such losses related to an onerous contract.	states that identifiable future operating losses up to the date of restructuring are not included in a provision.
Appendix	gives guidance on: (a) Rights to Interests arising from Decommissioning, Restoration and Environmenta l Rehabilitation Funds (b) Liabilities arising from Participating in a Specific Market— Waste Electrical and Electronic Equipment (c) Levies (imposed by government).	Existing AS 29 does not give such guidance.