

ABSTRACT

Accounting is the tool through which one can communicate the financial information & financial health of a business or an organization to various stakeholders. Since 4000 B.C. till today the science of Accounting has evolved from merely book keeping exercise to reporting of financial information to the stakeholders. In this backdrop, a need was felt to standardize the entire process of classification, summarization and recording of transactions to ensure uniformity in the treatment across the board. This led to the evolution of Accounting Standards. In India, the exercise started in the year 1977 with the formation of Accounting Standards Board of The Institute of Chartered Accountants of India. As time progressed a number of Accounting Standards were issued by the Ministry of Corporate Affairs and as on 01-04-2023 we have 27 Accounting Standards in operation.

However, with globalization and the need for uniformity in accounting practices across borders, it was largely felt to have a uniform set of standards globally. While the International Financial Reporting Standards (IFRS) were in place, India decided to converge to the IFRS rather than complete adoption with some Carve Ins and Carve Outs. In the year 2015, the Ministry of Corporate Affairs notified the Indian Accounting Standards (Ind AS) to be applicable in a phased manner as per the roadmap prescribed. As on 01-04-2023, there are 39 Ind AS in operation.

Thus in India we have two set of Accounting Standards viz. AS and Ind AS. A lot of study has been done on the earlier set of accounting standards but a very few research being done on Ind AS, this being a new concept. Moreover, since the process of Ind AS implementation is executed in a phased manner, there are a large number of corporates, yet to implement the same. As such, there are a large number of Challenges and Opportunities in the implementation for the accounting professionals in the implementation of Ind AS.

The present study has been undertaken with the aim to examine the key differences between the two set of Accounting Standards and also to analyze the impact of Ind AS implementation on the financial statements of select Indian Companies. The study also attempts to examine the challenges and opportunities of accounting professionals in the light of Ind AS implementation in India.