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Comparative Analysis of as 10, Ind as 16 and Ias 16 A Study of Selected Indian Companies Listed in Nyse

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Abstract

Globalization has laid down a path for all the countries to adopt a single set of accounting standards. In the recent year's continuous adoption of IFRS worldwide has become very popular due which financial reporting has seen many changes. Around the world more than hundred nations have either converged or adopted to IFRS. IFRS are single set of high quality, understandable and enforceable global accounting standards that need high quality, transparent and comparable data in financial statements and other financial reporting to help the stakeholders around the globe to make economic decisions. India has decided to converge to IFRS as it is an upcoming economy in the world and is insisting on cross border trade.Ind AS are issued under the supervision of Accounting Standards Board (ASB). ASB declared that all the Indian companies should follow Ind-AS either voluntarily or mandatorily. Companies main concern is to understand the extent to which accounting differences between National GAAP and Ind-AS/ (Converged IFRS) could affect their financial statements as converging to IFRS is not just considered to be a change in accounting rules. The purpose of this paper is to provide evidence of the nature and quantum of the differences between Indian GAAP and IFRS as well as Ind-AS and IFRS in respect to AS 10, IAS 16 and Ind-AS 16. The findings have indicated a more relevant impact of such a transition on the carrying amounts and depreciation. The componentization and depreciationhave shown a discrepancy between the standards in the accounting treatment of Property, Plant and Equipment and its impact on the Net Income. This paper produces some differences in accounting rules among the Indian GAAP, Ind-ASand IFRS in respect to Property, Plant and Equipment by making a case study of Dr. Reddy's Laboratories, Wipro and, Tata Motors and which are Indian multinational companies.

***Keywords**: Property, Plant, Equipment, Componentization, Depreciation*

Introduction

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