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STATEMENT OF THE PROBLEM
OBJECTIVES
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RESEARCH METHODOLOGY
RESULTS & DISCUSSION
FINDINGS
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- Always indicate the date that the source was accessed, as online resources are frequently updated or removed.

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THE IMPACT OF IFRS ON FINANCIAL STATEMENTS WITH SPECIAL REFERENCE TO WIPRO LTD.

MOHAN KUMAR M.S.
ASST. PROFESSOR
DEPARTMENT OF COMMERCE
ST. CLARET COLLEGE
BENGALURU

VIJO JOSE VELLAKOTTIL
ASST. PROFESSOR
DEPARTMENT OF COMMERCE
ST. CLARET COLLEGE
BENGALURU

SEEMA JOSEPH
ASST. PROFESSOR
DEPARTMENT OF COMMERCE
ST. CLARET COLLEGE
BENGALURU

ABSTRACT

Accounting is the art of recording transactions in the most efficient manner. IFRS signifies the uniform accounting standard which brings in harmonisation of the business activities world-wide. Convergence with IFRS refers to the act of achieving harmony with IFRS and to design and maintain national accounting standards in line with the International Accounting Standards (IAS). The objective of this paper is to study the difference between IFRS and Ind AS, the opportunities and challenges faced by Indian companies in the process of convergence to IFRS, to study the measures taken to address the challenges faced by Indian companies and to study the impact of IFRS on financial statements of WIPRO LTD. The required secondary data was collected from the Annual Reports, Research articles from Journals, newspapers, Reports and official website of ICAI and IFRS. The study reveals that the adoption of IFRS has resulted in significant change in the values of Assets and Liabilities of the financial statements. The main cause for the variation in total assets and liabilities is due to the reclassification of the equity and liability and the difference in the concept of revenue recognition as well.

KEYWORDS

IFRS, accounting standard, ICAI, convergence, IGAAP.

ABBREVIATION

ASB	Accounting Standards Board
FDI	Foreign Direct Investment
FS	Financial Statements
GAAP	Generally Accepted Accounting Principles
IAS	International Accounting Standards
IFRS	International Financial Reporting Standards
IGAAP	IndianGenerally Accepted Accounting Principles
INDAS	Indian Accounting Standards
IT	Income Tax
JV	Joint Venture
NBFC	Non-banking Financial Company
OCI	other comprehensive income
SME	Small and Medium Enterprises
SOCE	Statement of Changes in Equity
SOFP	Statement of Financial Position
SOPL	Statement of Profit & Loss account

INTRODUCTION

Accounting is the art of recording transactions in the most efficient manner. Accounting standards are the set standards which guides the accurate application of the accounting principles in the preparation and presentation of accounts. The different nations in the world follow their own accounting standards which best suits to their economic, social and legal environment in general. But the advent of globalisation has drastically changed the face of business activities across the world. Globalisation has set forth the need to adopt a uniform standard in the financial reporting by the companies. IFRS signifies the uniform accounting standard which brings in harmonisation of the business activities world-wide.

The world has witnessed the transformation of the closed economies into open economies and to cater to this global scenario, the International Accounting Standards Board (IASB) framed the International Financial Reporting Standards (IFRS) to enable consistency, comparability and uniformity in Accounting all over the world. International Financial Reporting Standards (IFRS) introduced by International Accounting Standards Board (IASB) is a standard method of financial reporting that has gained momentum worldwide. Since its inception in April 2001, IASB which was originally known as IASC (International Accounting Standards Committee) adopted the principle-based standards, interpretations and frame work which is popularly known as IFRS. The IASC was formed in 1973 and till 2001, it has formulated 41 International Accounting Standards (IAS) and IASB has added 8 new standards which are collectively known as the current IFRS.

Many countries have already recognized the need to adopt the universal accounting standards and are in the path of implementation whilst a few nations are still reluctant to adopt the same. But the issues related to convergence of IFRS have not really reduced the importance of this approach.At the advent of globalization, an emerging economy like India also needs to flourish. In the present global scenario, India cannot afford to sustain in the world market in isolation from the developments and innovations taking place worldwide. By adopting IFRS, Indian companies will not only be at par with the other multinational companies but shall also improve India's position in the global market.

IFRS IN THE GLOBAL CONTEXT
Due to the globalisation and liberalisation, the world has shrunk into a single global village. Today, a huge number of business entities and multi- national companies are establishing their business in various other countries of the world. In the emerging economies, the corporate entities are entering the global markets with the sole intention of fulfilling their capital fund requirements. They achieve this goal by getting their securities listed in the stock exchanges of other nations. But the inconsistency associated with the use of different accounting practices and standards by different countries posed serious problems for the users of financial reports across the nations. These problems led to the inefficiency in the working of capital markets across the globe. The increasing rigidity in the business transactions need to be reduced which was made possible by the globalisation of capital markets with a single set of high quality accounting standards. This single set of globally accepted accounting standards has made many countries to pursue convergence of the national accounting standards with the international accounting standards.

IFRS IN THE INDIAN CONTEXT
The drastic economic development in India since the industrial policy, 1991 has led to the increased attention towards accounting standards to ensure consistency and transparency in the financial reporting by the Indian companies. In India, the Institute of Chartered Accountants of India (ICAI) is the premier accounting body which established the Accounting Standard Board (ASB) in April, 1977. ICAI act as the accounting standard setting body in the country which has been successful in formulating high quality accounting standards for the maintenance of accounts and preparation of financial statements. In the present global scenario in India, ASB of ICAI is formulating accounting standards based on the International Financial Reporting Standards. This will be done by modifying the present accounting standards on par with the IFRS with a view to ensure consistency and compatibility with the economic and legal environment in the country.

CONVERGENCE WITH IFRS
The continued globalization has significantly increased the need for convergence of various national accounting standards with the IFRS. At its 269th meeting, the Council of ICAI decided that public sector entities such as stock listed firms, banking institutions, insurance sectors and large-sized organizations have to converge with IFRS for accounting period commencing on or after 1 April, 2011. Convergence with IFRS refers to the act of achieving harmony with IFRS and to design and maintain national accounting standards in accordance with the IAS. This transition will enable the Indian companies to comply with the International Financial Reporting Standards in the preparation of their financial statements.

MANDATORY IMPLEMENTATION IN INDIA
As per the Ministry of Corporate Affairs notification on 16th Feb 2015, the following are the companies' mandatory implementation in India:

- For accounting periods beginning on or after 1st April 2016 (with comparatives as on 31st March 2016)
  - Listed companies with net worth of Rs. 500 Cr. or more
  - Companies in the process of listing with net worth of Rs. 500 Cr. or more
  - Holding, Subsidiary, Joint Venture or Associate of the above companies
- For accounting periods beginning on or after 1st April 2017 (with comparatives as on 31st March 2017)
  - Listed companies having net worth of less than Rs. 500 Cr.
  - Unlisted companies having net worth of Rs. 250 Cr. or more but less than Rs. 500 Cr.
  - Holding, Subsidiary, JV or associate of the above companies
- The above norms do not apply to the following companies:
  - Companies listed or in the process of listing on SME exchanges
  - Insurance, banking and NBFCs

LITERATURE REVIEW
Ali & Ustundag (2009) in their work examined the development process of Financial Reporting Standards across the globe and its practical outcome in a developing country. They highlighted that Turkey has experienced several limitations in adoption of IFRS such as complexity in structure of the International standards, lack of potential knowledge and other adverse effects in application and enforcement issues.

Dr. Mahender K. Sharma & Jignesh R. Vaja (2013) examined the information available on IFRS adoption process in India. It also focuses on the adoption procedure of IFRS in India and the benefit for India in adopting IFRS. The paper discusses the difficulties faced by the shareholders in the process of adoption of IFRS in India. The study reveals that the regulatory authorities and judiciary must implement efficient monitoring system of regulatory compliance withIFRS. With the help of this system, the professionals and regulators should ensure necessary changes in the existing laws for IFRS implementation process.

Dr. Titto Varghese (2014) analyzed the information in adopting IFRS in India. It also highlighted the IFRS adoption procedure in India and the benefits for India in adopting IFRS. The study discusses the problems faced by the major players of the corporate world in the process of adoption of IFRS in India. Lastly, the study brings out the ways through which these problems can be solved.

Dr. U.V. Panchal (2012) studied on challenges in the convergence with IFRS faced by India.

Ms. Archana Patro and Dr. V.K. Gupta (2012) examined the awareness of IFRS among the Indian students in management discipline and went through the level of planning for adoption of the standards. The study reveals that it would help the business schools and universities in deciding the adoption of IFRS in Indian accounting syllabus.

Pawan Jain (2011) discussed the stakeholder's problems in the process of adoption of IFRS in India.

Rakesh H M (2013) in their work examined the relationship between adoption of IFRS and FDI and its effect in the economy of India. It reveals that the adoption of IFRS is a positive step with positive direction. Although it is facing implementation issues and challenges, the benefits are going to outweigh the challenges. With adoption, Indian companies will produce more credible financial statements that will not only be uniform but also provide a basis for better comparison and interpretation. They invariably boost the investors' trust and attract an international financial transaction which is the basis for economic growth of nations.

Sarbapriya Ray (2011) examined the objectives of adopting IFRS in the Indian accounting platform, the distinction between IFRS and Indian GAAP and the procedure of convergence which has to be adopted to synchronize Indian AS with IFRS and major deviation existed between IFRS and IGAAP. The study concludes that a similar global reporting language will ensure that shareholders' funds will be moved easily across the global market and IFRS implementation in India will accelerate investors' confidence in investing in the Indian capital market and therefore IFRS implementation will provide better opportunity for compatibility of financial statements prepared across the world.

Titas Rudra and Dipanjan Bhattacharjee (2012) focused on Earning Management in India and the influence of IFRS.

OBJECTIVES OF THE STUDY
1. To study the difference between IFRS and Ind AS.
2. To study the Opportunities and Challenges faced by Indian Companies in the process of Convergence to IFRS.
3. To study the measures taken to address the Challenges faced by Indian companies in the implementation process.
4. To study the impact of IFRS on Financial statements of Wipro Ltd

METHODOLOGY

The present study is based on secondary data collected through annual reports of Wipro Ltd during the year 2015-16 and other details are collected from the Journals, Newspapers, Reports and official website of ICAI and IFRS. The scope of the study includes phase-wise implementation of IFRS in India and analysis of the major difference between IFRS and Ind AS. The study uses tables & Graphs to predict the changes of financial statement between IFRS & IGAAP in amount wise & percentages wise.

DIFFERENCE BETWEEN IFRS AND Ind AS

Basis	IFRS	Ind AS
1. Presentation of Financial Statements	▪ Specifies line items to be presented in SOPL, OCI, SOFP and SOCE. ▪ Recent amendment guidance on additional line items, clarifications on aggregation etc. ▪ Nature-wise or functional classification of expenses permitted.	▪ No such guidance given. ▪ The format of FS is governed by the revised schedule III. ▪ The amendments of IAS 1 are not yet carried out through in India. ▪ Only nature-wise classification permitted.
2. Cash Flows	▪ Interest & dividend may be classified as operating, investing or financing activities in a consistent manner.	Classified depends on nature of enterprise ▪ Financing companies – interest paid & interest & dividends received as operating flows & dividends paid as financing flow ▪ Other companies – interest & dividends received as investing flows and those paid as financing flows
3. Taxes	▪ If goodwill amount is zero, the deferred tax benefit is recognised in SOPL	▪ Here, if goodwill amount is zero, the deferred tax benefit is recognised in OCI as capital reserve
4. Leases	▪ Leasehold land can be classified as investment property	▪ Leasehold land cannot be classified as investment property
5. Employee benefits	▪ The discount rate taken to measure PV of obligation has the reference to market yields on high grade corporate bonds or government bonds	▪ Companies in India should use only government bond rates, but subsidiaries or associates outside India may use corporate bond rate
6. Government grants	▪ Asset related grants can be either set up as deferred income or deducted from asset value	▪ Asset related grant can only be set up by setting up deferred income
7. Investment property	▪ Can be subsequently measured at cost or FV	▪ Can be subsequently measured only at cost
8. Investments in associates & Joint Venture	▪ Excess of investor's share in net assets of associate over the cost of investment is recognised in the SOPL immediately	▪ Such excess is recognised in the equity as capital reserve
9. Effect of changes in exchange rate	▪ Exchange differences are recognised in SOPL or OCI as the case may be	▪ Entity may continue to apply the policy adopted for the FS under previous GAAP while preparing their 1st Ind AS FS
10. Events after reporting period	▪ When entity breaches a long term loan on or before the reporting date (& thus the liability becomes payable on demand), an agreement by the lender after the reporting period but before authorisation of FS not to demand the payment, is NOT considered as an adjusting event	▪ When entity breaches a long term loan on or before the reporting date (& thus the liability becomes payable on demand), an agreement by the lender after the reporting period but before authorisation of FS not to demand the payment, is considered as an adjusting even

OPPORTUNITIES

The implementation of IFRS for reporting financial purposes have benefitted globally. There are several advantages for the companies in adopting IFRS as per the studies conducted by the researchers. The financial information can be easily accessed by the investors, corporate world and regulators. Transparency in the recorded information, management of global operations and reduced cost of capital are some important benefits in the adoption of IFRS. The following are some of the benefits in adopting IFRS in India as well as globally:

- **BETTER ACCESS TO GLOBAL CAPITAL MARKETS**

Indian economy has been emerged as a strong economy during the last decade due to the impact of globalisation. Indian companies are starting their operations globally and acquiring some business as well. In the process of this expansion, companies need funds at cheaper cost which is usually available in American, European and Japanese markets. In order to meet the regulatory guidelines in the global markets, Indian companies must report their financial information as per IFRS. Thus adoption of IFRS not only helps Indian companies in accessing global capital markets but also availability of funds at cheaper cost.

- **EASIER GLOBAL MARKET COMPARABILITY**

The main objective of IFRS is to report financial results of the companies. The comparison of two companies becomes easier with the adoption of IFRS. Investors, Lenders and Bankers can find it very easy to compare the two financial statements where IFRS procedure is followed. Thus companies adopting IFRS for reporting their financial information get easy accessibility to various global markets and financial institutions.

- **EASY GLOBAL MARKET LISTING**

Indian companies require funds for their operations and expansion which are not limited to the economic and political boundaries of India. Indian companies are acquiring entities globally also. Indian companies are getting listed in European and American Capital Markets through raising funds from these markets. One of the major requirements for getting listed on European Markets is the preparation of accounts as per IFRS standards. A few Indian Companies have started preparing their Financial Statements as per IFRS, who have already raised funds through the European capital markets.

- **BETTER QUALITY OF FINANCIAL REPORTING**

A qualitative financial reporting is possible with the adoption of IFRS due to the scientific application of Accounting Principles and improved reliability of financial statements. IFRS follows a concept of true value which help the Indian companies to reflect the exact worth of their assets in the financial statements. IFRS is very consistent, reliable and easy to adopt ensuring better qualitative financial reporting as it is prepared by a single body IASB, London.

- **ELIMINATION OF MULTIPLE REPORTING**

Indian companies with multinational operations have to adopt their accounting procedures according to the particular country's reporting standards. At the same time, companies operating in Indian markets have to report according to Indian accounting standards. Thus there is a requirement of multiple financial reporting for the same company. Adoption of IFRS helps to eliminate the multiple financial reporting standards by these companies as they are following a common set of financial reporting system. As IFRS is globally accepted, multinational companies can record their financial information and statements in a single system.

PROBLEMS AND CHALLENGES

IFRS are formulated by International Accounting Standard Board (IASB). However, the Institute of Chartered Accountants of India (ICAI) is responsible for convergence of Indian Accounting Standards with IFRS. Institute of Chartered Accountants of India set up a task force to study and suggest a way for adopting IFRS in India. On the recommendation of task force, a three phased programme hasbeen initiated to adapt to IFRS in India. Accounting Professionals in India and across the world have added various benefits of adopting IFRS. In spite of these benefits, adoption of IFRS in India is also having some problems and challenges. Few of them have been listed below:

- **AWARENESS OF IFRS PRACTICES**

Adoption of IFRS means a new set of complete reporting standards have to be implemented and awareness about these reporting standards are still not known to the stakeholders like Firms, Banks, Stock Exchanges, Commodity Exchanges etc. To bring a complete awareness of these standards among these parties is a difficult task and also the difference in GAAP and IFRS is very wide.

- **TRAINING AND EDUCATION**

There is a lack of training facilities and academic courses on IFRS that leads to major challenges for the adoption of IFRS. India does not have enough number of fully trained professionals to carry out this task of adoption of IFRS. However, Accountants, Government officials, Chief Executive Officers and Chief Information officers are trying for a smooth adoption process in India.

- **LEGAL CONSIDERATION**

IFRS does not recognise the existing laws which provide some guidelines on the preparation of financial statements in India such as SEBI regulations, Banking Laws, FEMA etc. In India, Accounting practices are governed by Indian GAAP and Companies Act. The regulatory and legal authorities in India will have to make necessary amendments to ensure a smooth implementation of IFRS.

- **TAXATION EFFECT**

The convergence of IFRS would affect most of the items in the financial statements and thereby tax liabilities also would undergo a change. A complete change in Tax laws is necessary in order to converge it with IFRS, which is a major challenge for a country like India. Thus the taxation law should address the treatment of tax liabilities in convergence from Indian GAAP to IFRS.

- **FAIR VALUE AS MEASUREMENT BASE**

IFRS uses fair value as a measurement base in majority items in the financial statements. The fair value accounting process can bring a lot of instability and subjectivity to the financial statements. Any adjustments to the fair value may result in profit or loss which reflects in both Income Statement and Balance Sheet. Indian companies who have been preparing their financial statements on Historical Cost Basis will have tough time while shifting to Fair Value Accounting.

- **FINANCIAL REPORTING SYSTEM**

The companies in India must ensure that the existing reporting system of business is amended to match with the requirements of IFRS. To adopt IFRS in India, enough control systems have to be put in place to reduce the business disruption during the transition. This can be possible by proper internal control and reporting system. The IT platform should be in such a way as to support all the requirements of reporting levels of IFRS. For this, India should take some guidelines from the countries which have adopted the IFRS and have similar economic, political and social conditions.

- **TIME AND COST**

Companies in Australia and in the European Union took more than a year to complete the IFRS transition, and some companies took more than two years. But in Indian scenario, we have got some delay in the process from the very beginning. In other countries, regulators were more scientific in final interpretations two to three years in advance of IFRS deadline and provided step-by-step transition road maps for companies. In India, ICAI took so long to finalize the standard and thus increased the confusion around standard interpretation. The IFRS transition is expected to cost Indian companies between Rs. 30 lakhs to 1 crore. Fifty percent of adopters had to setup new IT systems to accommodate IFRS.

SUGGESTIONS

- Government of India and the Institute of Chartered Accountants of India (ICAI) should take proper steps to organize conferences, workshops, and other awareness programs in order to create awareness among the accounting professionals and concerns regarding the IFRS standards.
- Institute of chartered account of India need to introduce the IFRS course for students at the post-matric levels.
- ICAI should give specialised training to the accounting professionals.
- For the purpose of assisting its members, the ICAI council has to form an expert advisory committee to answer queries from its members.
- Auditors should work closely throughout the implementation process documentation.
- In order to ensure a minimum quality standard in teaching accounting and auditing courses in all Indian universities, workshop, seminars etc., initiative is necessary for curriculum development and training-the-trainer's activities.
- Taxation laws should address the treatment of tax liabilities arising on convergence in India.
- Guidance notes issued by ICAI for providing quick guidance on accounting issues need timely revision.

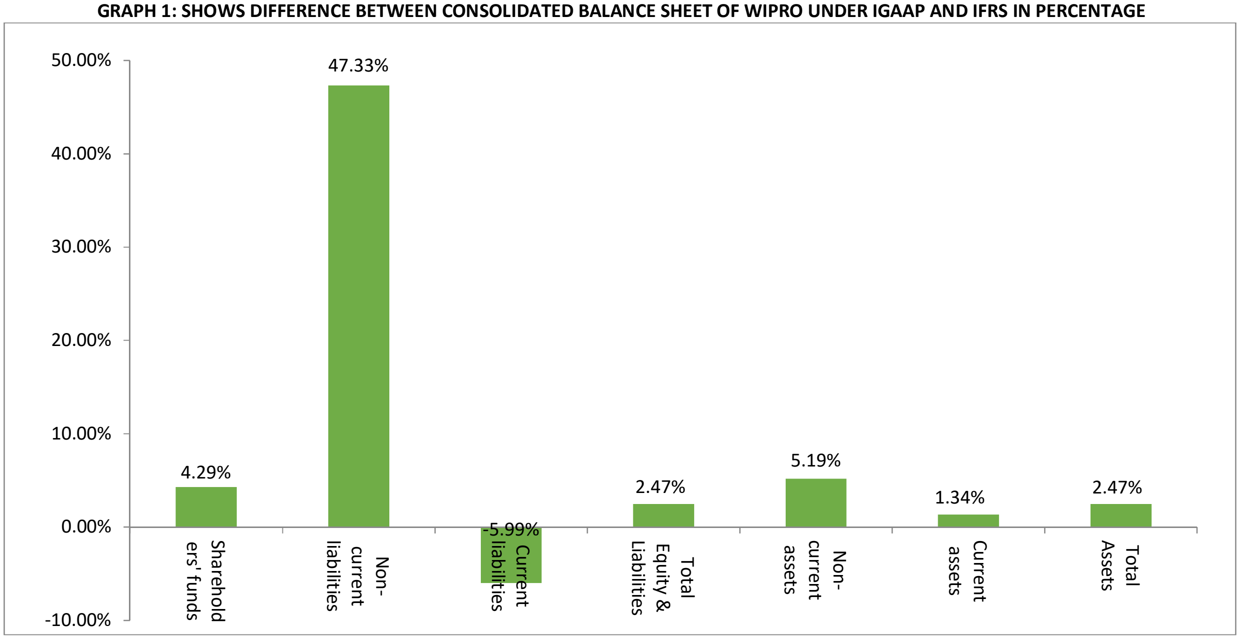
DATA ANALYSIS AND INTERPRETATION

TABLE 1: DIFFERENCE BETWEEN CONSOLIDATED BALANCE SHEET OF WIPRO UNDER IGAAP AND IFRS (Rs. in Millions)

	As IGAAP	As IFRS	Difference	%
EQUITY AND LIABILITIES				
Shareholders' funds				
Share capital	4,941	4941	0	0.00
Reserves and surplus	4,41,945	461137	19,192	4.34
Total Equity	**4,46,886**	**466078**	19,192	4.29
Minority interest	2,224	2224	0	0.00
Non-current liabilities				
Long term borrowings	17,361	17480	119	0.69
Deferred tax liabilities (net)	644	5108	4,464	693.17
Other long term liabilities	3,195	15456	12,261	383.76
Long term provisions	4,632	14	-4,618	-99.70
Total Non-Current Liability	**25,832**	**38058**	12,226	47.33
Current liabilities			0	
Short term borrowings	1,02,650	107860	5,210	5.08
Trade payables	68,390	68187	-203	-0.30
Other current liabilities	36,129	41252	5,123	14.18
Short term provisions	25,319	1262	-24,057	-95.02
Total Current Liabilities	**2,32,488**	**218561**	-13,927	-5.99
TOTAL EQUITY AND LIABILITIES	**7,07,430**	**724921**	17,491	2.47
ASSETS				
Non-current assets				
Goodwill	1,00,870	1,01,991	1,121	1.11
Fixed assets				
Tangible assets	58,072	64952	6,880	11.85
Intangible assets	1,121	15841	14,720	1313.11
Capital work-in-progress	3,806	260	-3,546	-93.17
Non-current investments	4,422	4907	485	10.97
Deferred tax assets (net)	2,210	3800	1,590	71.95
Long term loans and advances	34,766	11751	-23,015	-66.20
Other non-current assets	3,241	15828	12,587	388.37
Total Non-Current assets	**2,08,508**	**219330**	10,822	5.19
Current assets				
Current investments	1,27,330	132944	5,614	4.41
Inventories	5,391	5390	-1	-0.02
Trade receivables	1,02,390	102380	-10	-0.01
Cash and bank balances	1,35,039	99049	-35,990	-26.65
Short term loans and advances	61,786	61760	-26	-0.04
Other current assets	66,986	104068	37,082	55.36
Total Current Assets	**4,98,922**	**505591**	6,669	1.34
TOTAL ASSETS	**7,07,430**	**724921**	17,491	2.47

Source: Annual report of Wipro for 2016

GRAPH 1: SHOWS DIFFERENCE BETWEEN CONSOLIDATED BALANCE SHEET OF WIPRO UNDER IGAAP AND IFRS IN PERCENTAGE



Source: Annual report of Wipro for 2016

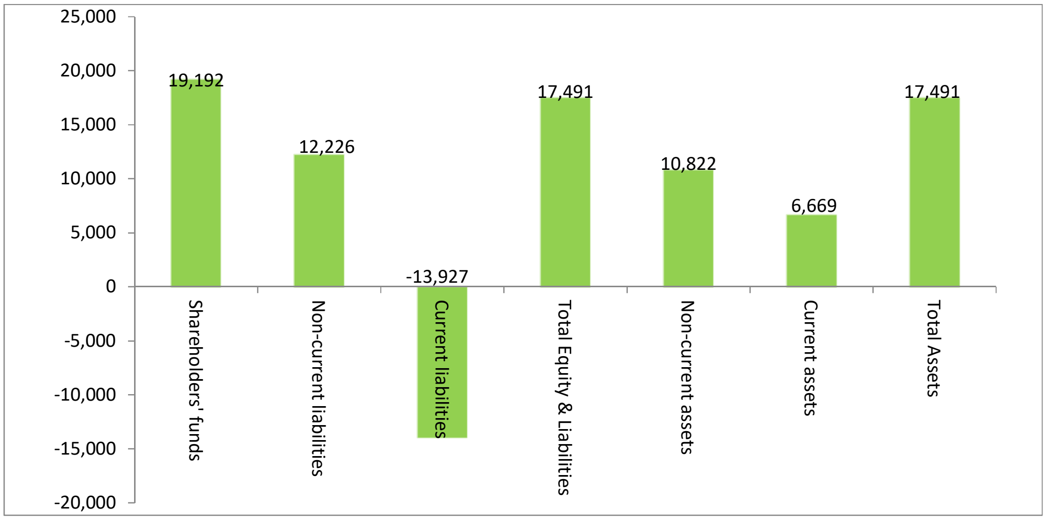
INFERENCE

Graph 1 shows detailed analysis of the Consolidated Balance Sheet of WIPRO Ltd as on 31st March, 2016 shows that there are few areas of difference between IGAAP and IFRS figures in the statement. The total equity has increased by 4.29% in IFRS compared to the Indian Accounting Standards while the treatment of minority interest remains the same in both.

Among the non-current liabilities, when the long term borrowings shows below 0% difference, the deferred tax liabilities (693.17%) and other long term borrowings (383.76%) shows a substantial increase in IFRS in relation to IGAAP. But at the same time, there is a huge fall in the long term provisions in IFRS which is quite noticeable. Similarly, while the items like short term borrowings, trade payables and other current liability values shows a nominal increase, there has been a drastic fall by 95.02 % in the value of short term provisions under IFRS compared to IGAAP.

It is also observed that the total non-current liabilities show a substantial increase of 47 % in the values under IFRS. This is because the costs of lease and interest payments are treated at their fair values (IFRS3: Business Combinations) which is not the case with IGAAP. The current liabilities too differ by 5.33%. As per IFRS, the total current liabilities are also too less compared to IGAAP.

GRAPH: 2 SHOWS DIFFERENCE BETWEEN CONSOLIDATED BALANCE SHEET OF WIPRO UNDER IGAAP AND IFRS IN RUPEES IN MILLIONS



Source: Annual report of Wipro for 2016

INFERENCE

Graph 2 shows detailed analysis of the Consolidated Balance Sheet of WIPRO Ltd as on 31st March, 2016 and there are few areas of difference between IGAAP and IFRS figures in rupees.

In the case of shareholders fund, there is a difference of Rs 19,192 million for IGAAP compared with IFRS. Non- current liabilities have a difference of Rs 12,226 million between IFRS and IGAAP. However, in the case of current liabilities IGAAP is having a negative difference of Rs 13,927 million compared with IFRS. The total equities and liabilities amount is more in IFRS than IGAAP with a difference of Rs 17,491 million.

The asset side is also having more value in IFRS with Non -current assets having a difference of Rs 10,822 million and Current asset having a difference of Rs 6,669 million when compared with IGAAP. Hence there is an aggregate difference of Rs 17,491 million in IFRS as compared to IGAAP.

FINDINGS

- The equity and liabilities has increased by Rs. 19,192 million i.e. 4.29% in IFRS as compared to IGAAP.
- There is a substantial increase in the Non-current liabilities by Rs. 12,226 million i.e. 47.33% in IFRS as compared to IGAAP.
- On the contrary, the Current liabilities has decreased by Rs. 13,927 million i.e. 5.99% in IFRS in comparison with IGAAP.
- The Non-current assets show a comparative increase of Rs. 10,822 million i.e. 5.19% in IFRS.
- At the same time, the Current assets shows a nominal increase of Rs 6,669 million i.e. 1.34% in IFRS
- On the whole, the total equity and liabilities as well as total assets have increased by Rs. 17,491 million i.e. 2.47% in IFRS as compared to IGAAP.

CONCLUSION

India, being one of the emerging economies in the world, the convergence and adoption of IFRS for the financial reporting is a necessity for the companies. The main objective of this research is to learn the difference between IFRS and Ind AS. Based on the above discussion, it can be concluded that there is a considerable difference between the treatment of Assets and Liabilities of Financial statements in IFRS compared to IGAAP. The main cause for the variation in total assets and liabilities is due to the reclassification of the equity and liability and the difference in the concept of revenue recognition as well. It is also visible that the transition without difficulties and proper implementation process would require a complete change in format of accounts, accounting policies and disclosure requirements. Therefore, all beneficiaries concerned with financial reporting should take the responsibility of international harmonization and convergence. The fact is that IFRS is more a fair value principle based approach with limited implementation. Hence all accountants, whether practicing or non-practicing have to participate and contribute effectively to the convergence process. It is possible for the Indian companies to implement IFRS in the prevailing conditions since the fundamentals are strong. Research is in fact needed for the smooth functioning in the adoption of IFRS. Here, the WIPRO Ltd. has given a priority to adopt IFRS to replace the historical cost based financial statements. It is found that there is a positive difference in the values of various heads in the Balance Sheet of WIPRO Ltd as on 2015 -16. Since WIPRO being a multinational corporation having branches across the globe, it is advantageous for the Company to report the financial Statements as per IFRS.

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