

JYOTI NIVAS COLLEGE AUTONOMOUS

Programme: B.COM/Integrated B.Com-M.Com

Semester: VI

INDIAN ACCOUNTING STANDARDS

No. of Credits: 4

No. of Hours: 60

Course objectives

- Understand the need and benefits of accounting standards.
- Prepare the financial statements as Indian Accounting standards.
- Comprehend the requirements of Indian Accounting Standards for recognition, measurement and disclosures of certain items appear in financial statements
- Understand the Accounting Standards for Items that do not Appear in Financial Statements
- Understand the preparation of calculation of NCI & Cost of control

Learning Outcomes:

- To discuss the existing accounting theory practices to obtain a better understanding of them.
- To discuss the financial position, changes in financial position, performance of entities which is very important for the purpose of economic decision making.
- To identify the transparency, reliability, consistency and comparability of financial statements.
- To compare and understand the differences in the financial reporting across the globe.

Unit 1: Introduction to Indian Accounting Standards and IFRS

10 hrs

Introduction- Meaning and Definition of Accounting Standards – Need & Objectives of Accounting Standards – Benefits and Limitations of Accounting Standards – Process of Formulation of Accounting Standards in India – List of Indian Accounting Standards (Ind AS) – Applicability of Ind AS in India. Need for Convergence Towards Global Standards– International Financial Reporting Standards – Features, Merits and Demerits of IFRS – Benefits of Convergence with IFRS.

Unit 2: Provisions under Accounting Standards for Items Appearing in Financial Statements

12 hrs

Revenue Recognition (Ind AS- 18) - Property, Plant and Equipment, including Depreciation (Ind AS- 16) –Borrowing Cost (Ind AS – 23) - Impairment of assets (Ind AS-36) – Objectives, Scope, definitions, Recognition, Measurement and disclosures of the above-mentioned Standards. Simple problems on the above standards.

Unit 3: Preparation of Financial Statements as per Ind AS.
hrs

14

Frame work for preparation of Financial Statements, presentation of Financial Statement as per Ind AS 1: Statement of Profit and Loss, Statement of Financial Position (Balance Sheet), (In detail)

Statement of changes in Equity, Statement of Cash flow and Notes to accounts. (Meaning only) Problems on preparation of Statement of Profit and Loss and Statement of Financial Position (Balance Sheet), as per Schedule III of Companies Act, 2013. (MCA – Format)

Unit. 4: Provisions under Accounting Standards for Items that do not Appear in Financial Statements.
10 hrs

Segment Reporting (Ind AS 108), Related Party Discloser (Ind AS 24), Events Occurring after Balance Sheet Date (Ind AS 10), Interim Financial Reporting (Ind AS 34). (Theory Only)

Unit. 5: Consolidated & Separate Financial Statements of Group Entities
hrs

14

Meaning and Definition of Group, Holding and Subsidiary Company, purpose and benefits of Preparing consolidated Financial Statements, Requirements of Companies Act,2013 in respect of consolidated Financial Statements.

Components of consolidated Financial Statements; Problems on Calculation of Goodwill or Capital Reserve on Consolidation, Calculation of Minority Interest or Non-controlling Interest; Accounting treatment for intercompany debts, unrealized profit on stock and unrealized profit on fixed assets and intercompany dividends (Concepts only).

Skill Development Activities:

- List out any Indian Accounting Standards (Ind AS).
- Prepare with imaginary figures Statement of P/L or Statement of Financial position
- Prepare with imaginary figures Statement of Other Comprehensive Income.
- Prepare with imaginary figures Statement of Cash flow
- Taking the financial statements of two companies, compare the difference in accounting policies used and also compare the disclosures made.

Books for Reference:

- Miriyala, Ravikanth, Indian Accounting Standards Made Easy, Commercial Law Publishers
- Dr.A.L. Saini IFRS for India, Snow white publications.
- C A Shibarama Tripathy Roadmap to IFRS and Indian Accounting Standards
- Ghosh T P, IFRS for Finance Executives Taxman Allied Services Private Limited.

Note: Latest edition of text books may be used.

