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International Financial Reporting Standards Convergence and Accounting Standards in India: A Comparative Study

Chhetan Chhoidub[1], Vikas Pangtu[2] & Sunil[3]
[1]*Department of Commerce, P.G.D.A.V. College (University of Delhi), Nehru Nagar, New Delhi-65*
[2]*Department of Commerce, Shaheed Bhagat Singh College (University of Delhi), Sheikh Sarai, New Delhi-17*
[3]*Department of Commerce, College of Vocational Studies, (University of Delhi), Sheikh Sarai Phase-II, New Delhi-17*
Corresponding Author - Chhetan Chhoidub
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Abstract:

The convergence of International Financial Reporting Standards (IFRS) with national accounting systems has redefined the scope of global financial reporting. In India, the adoption of Indian Accounting Standards (Ind AS) marks a significant step toward harmonization with IFRS while retaining adjustments for local regulatory and economic conditions. This study conducts a comparative analysis of IFRS and Ind AS, focusing on the extent of convergence, adoption timelines, and modifications introduced to suit domestic requirements. The analysis evaluates the impact of convergence on financial reporting practices, particularly in improving disclosure quality, enhancing transparency, and strengthening investor confidence. The paper also highlights the critical role of regulatory oversight in ensuring compliance, addressing implementation challenges, and promoting consistency across industries. The study underscores both the opportunities and limitations of global accounting harmonization by situating India's convergence experience within the broader framework of developing economies. Overall, the findings contribute to academic and professional discourse on the implications of IFRS adoption, offering insights for policymakers, practitioners, and regulators engaged in shaping the future of international financial reporting.

Keywords: International Financial Reporting Standards (IFRS); Indian Accounting Standards (Ind AS); Convergence; Financial Reporting; Transparency; Investor Confidence; Regulatory Oversight.

Introduction:

Accounting has become more of a business language than a technical measurement instrument worldwide, supporting transparency, comparability, and sound decision-making in financial markets that are becoming increasingly integrated (Thomas, 2009). The core of such change is the International Financial Reporting Standards (IFRS), which have been or are being converged with by over 145 jurisdictions (IASB, 2022). Initially set out as International Accounting Standards by the International Accounting Standards Committee (IASC) in 1973, IFRS have been revised by the International Accounting Standards Board (IASB) under the oversight of the IFRS Foundation since 2001, which is one of the few largest projects of global regulatory harmonization in financial history. The Accounting Standards (AS) of pre-IFRS in India had been subject to ever-growing scrutiny for being insufficient to meet the informational requirements of global investors. The financial statements could not provide a complete picture of firms' risks and strategies and had limited disclosure requirements, especially in revenue recognition and related party transactions, and in segment reporting and business combinations. It was an opaqueness that prevented comparability and weakened investor confidence, resulting in informational asymmetries that inhibited efficient capital allocation. For example, potential accounting differences between AS and IFRS, such as equity investment valuation, may result in a significantly different financial outcome, which can mislead investor perceptions (Srivastava, 2020). These inadequacies were unsustainable against the backdrop of increased globalization: international investors often insisted on reports prepared in accordance with IFRS, and Indian firms incurred greater compliance costs and greater complexity in aligning their various reporting systems. A turning point of this kind was the G20 Summit of 2009, during which India officially pledged to adopt IFRS, indicating its desire to align its domestic financial reporting with international standards (IFRS Foundation, 2019). Literature separates adoption and convergence of IFRS, which are terms used interchangeably in life, but in theory, are separate. Adoption can mean wholesale adoption of IFRS as published by the IASB, implying full compliance, but substantial institutional adjustment would be necessary. Convergence, by contrast, indicates a transition point at which the national standards approach IFRS in the long run, with some carve-outs retained until conditions in a country allow their removal. The Ind AS system in India can be seen as the quintessential embodiment of convergence between international comparability and pragmatic (locally-focused) realities of regulation, taxation, and legal systems.

Available empirical studies indicate convergence may produce numerous of the same benefits as full adoption. Lin, Riccardi, and Wang (2018) do not find any statistically significant incremental gains in comparability from outright adoption beyond convergence. On the same note, Iyer (2016) notes that convergence enhances the relevance of financial information for valuation, and that further adoption does not pay off. This stance is also reflected in broader reviews that view convergence as a transition phase useful when jurisdictions face high transition costs or institutional bottlenecks (Scholarly Commons, 2018; ODU Digital Commons, 2019; Virtus Interpress, 2020; Tandfonline, 2023). This is the key information to India, where Ind AS is not an overnight move but an overseen convergence strategy.

These are supported by comparative international research. Initial harmonization research showed that IFRS minimized jurisdictional divergence (Rahman et al., 1996; Herman & Thomas, 1995; Garrido et al., 2002), although subsequent research focused on partial alignment (Fontes et al., 2005) and convergence in large economies such as China (Qu & Zhang, 2010). Beyond harmonization, IFRS has been associated with significant macroeconomic benefits. Syed Zaidi and Huerta (2014) and Ozcan (2016) found that IFRS adoption is positively associated with economic growth, though this requires strong enforcement. In addition, at the company level, the adoption of IFRS has been found to impact the accuracy of accounting, promptness of the loss recognition, and earnings management (Li & Shroff, 2010; Jang et al., 2016; Oppong & Aga, 2019).

Recent contributions have taken this debate into new areas. Johri (2024) emphasizes the outcomes of high reporting quality among multinationals following the implementation of IFRS, whereas Bathla, Sharma, and Kandpal (2024) emphasize the increase in scholarly focus on disclosure practices in accordance with IFRS. Sectoral studies show some uneven impacts: Allini, Maffei, Santonastaso, and Spagnuolo (2024) examine hedge accounting in European investment markets; Cummins and Rubio-Misas (2022) analyze the efficiency integration in the insurance sector; and Gonzalez and Pena-Vinces (2023) investigate the interactions between IFRS and green accounting. Combined, the studies indicate the flexibility of IFRS across sectors and the existing difficulties with its contextual use.

India's convergence with the phased adoption of Ind AS is a unique example. Empirical studies have recorded a significant change in the quality of financial reporting and value relevance (Bhatia & Tripathi, 2018; Amurtha, Pavithran, Selvam, and Miencha, 2020; Vishnani, Deva, and Misra, 2024), and growth in risk disclosures (Firoz & Dalal, 2023) and investor confidence (Kiran Kumar, 2025) since its introduction in 2016. Nonetheless, the use of carve-outs casts doubt on whether it would be comparable to full IFRS (Potharla, 2025). Turner and Wheatley (2024) warn that adoption maximizes comparability but also risks overlooking institutional diversity, whereas convergence can provide flexibility but continues to promote fragmentation. India and its Ind AS are therefore a model of the opportunities and the trade-offs in convergence strategies. This discussion is further elaborated in the world literature. Elad, Shah, and Agyeman (2023) emphasize that the use of IFRS can only be successful when institutional capacity, enforcement systems, and local economic conditions are strong, as reflected in the process of convergence in India. In this way, Wang, Lu, and Song (2023) show that abrupt changes in capital inflows increase systemic banking risk and can be reduced through macroprudential policies, which explains why transparent accounting systems, such as IFRS/Ind AS, are effective in promoting financial resilience. On the same note, Zhong (2025) views global convergence as a macro-financial stabilizer that minimizes information asymmetry and enhances resilience to fiscal spillover shocks. To support the study, complementary Japanese evidence demonstrates that even voluntary adoption of IFRS enhances information asymmetry and improves market efficiency (Kim, Fujiyama, and Koga, 2024), whereas Sewraj, Gebka, and Anderson (2025) use an example of IFRS alleviating the lack of transparency during financial contagion in various sectors. Scientific and systematic reviews provide meta-analyses of IFRS studies. According to Sapra, Jaiswal, Swami, and Tailor (2025), themes such as comparability, value relevance, and institutional adaptation are prevalent in the global IFRS literature. MN, Shenoy, Chakraborty, and Abhilash (2024) specifically target the Indian context and emphasize the effect of regulatory pressures, institutional preparedness, and market integration on the factors and outcomes of the convergence process. Taken together, these studies emphasize that India's convergence with Ind AS is not a case of technical convergence, but rather a broader intellectual and policy debate over harmonization and domestic realities.

This paper intends to contrast IFRS convergence and Ind AS in the Indian setting and how the two would relate to the quality of financial reporting, transparency, and investor confidence. Although earlier studies have highlighted international trends in IFRS adoption (e.g., Tawiah and Boolaky, 2020), relatively few have examined how selective convergence can affect financial reporting. The paper thus attempts to fill this gap by examining India's experience without generalizing to other developing nations, where circumstances are quite different.

Comparison of IFRS Convergence and IFRS Adoption:

Adopting International Financial Reporting Standards entails implementing the complete set of standards released by the IASB within a nation or region and adhering fully to the guidelines set by the IASB. It signifies the jurisdiction's ongoing dedication, within the legal framework, to contribute to the subsequent evolution of International Financial Reporting Standards (Mackiston, 2014). IFRS implementation entails a regulatory requirement in a jurisdiction that mandates companies to use the standards issued by the IASB, regardless of their content at the time (Nobes, 2011). Nations considering IFRS adoption have two approaches: Direct and indirect approaches. The straightforward approach, also called adoption, entails implementing IFRS as they are in a specific jurisdiction. Adopting IFRS requires domestically listed and unlisted companies to use international financial reporting standards as their primary GAAP in their combined financial statements for external reporting purposes (Athma Prashanta, R.N. 2013). This implies that both the notes to the presentation and the auditor's report confirm that the financial statements are prepared in accordance with IFRS. Conversely, convergence refers to adopting a customized version of International Financial Reporting Standards within a country. This indicates that the country's Accounting Standards Boards develop high-quality, compatible standards tailored to meet the specific conditions of the countries while being based on International Financial Reporting Standards principles. The country's Accounting Standard Board adapts International Accounting Standard Board outcomes in various ways, such as assigning them a country designation (Ind. AS), creating text-based alternatives, extending the implementation timeframe, and eliminating specific options (Nobes, 2011). Conversely, the indirect method, often referred to as convergence, entails adopting IFRS with some deliberate deviations (Ray, S., 2012). Convergence is a method to achieve consistency with IFRS or to develop and uphold national standards that clearly state compliance with IFRS. However, Convergence serves as a short-term strategy for a jurisdiction that may ease the transition to adoption. However, Convergence does not act as a replacement for adoption. Irrespective of the various journeys to IFRS, the outcome should be the complete implementation of IFRS standards as promulgated by IASB (Pactor, P. 2017). Convergence entails aligning domestic standards with the aim of fully adopting international standards.

Recent empirical and review studies refine this trade-off. Lin, Riccardi, and Wang (2018) find that both adoption and convergence materially improve financial-statement comparability. However, outright adoption does not always confer statistically significant additional comparability beyond well-executed convergence, suggesting that disciplined convergence can yield near-equivalent benefits when national standards are closely aligned. Iyer (2016) similarly shows that convergence prior to formal adoption increases valuation relevance, implying diminishing marginal returns to subsequent full adoption. India’s Ind AS experience echoes these findings: Meshram (2021) and MN et al. (2024) document measurable gains in reporting quality and disclosure under a phased convergence model, while also emphasizing the pivotal role of enforcement, preparer readiness, and regulatory design in determining outcomes.

Sectoral and market studies further nuance the comparison. Kim, Fujiyama, and Koga (2024) demonstrate in Japan that even voluntary or partial adoption can reduce information asymmetry and improve market efficiency—evidence that selective or staged convergence may achieve meaningful capital-market benefits short of full adoption. Complementary macro-financial research highlights broader systemic implications: Wang, Lu, and Song (2023) and Zhong (2025) argue that harmonized reporting frameworks reduce information frictions that exacerbate cross-border spillovers, implying that convergence, which materially improves transparency, can strengthen macro-financial resilience even before full adoption is realized. Conversely, Elad, Shah, and Agyeman (2023) caution that institutional capacity and enforcement constraints can blunt the effects of either route, reinforcing the argument that governance and regulatory infrastructure are decisive.

Indian Financial Reporting Framework: Accounting Procedures and Methodology:

Prior to colonisation, Vishnugupta Chanakya, also known as Kautilya, authored the Arthaśāstra during the fourth century, describing specific actions and documenting financial transactions as a means of creating wealth (Kautiliya's Sutra, Subramaniam). During that era, accounting sought to elucidate and forecast financial efforts (Kautilya, 4th Century). Kautilya employed permutations and combinations to formulate accounting principles for creating income statements and budgets, as well as for conducting audits by external entities (Sihag, 2004). The rules primarily centred on adding and subtracting figures, resembling today's single-entry financial reporting format (Tawiah & Boolaky, 2020). Because the public sector was predominant during that period, the regulations primarily focused on organizing and presenting government operations. Under their colonial administration, the British enforced stringent standardized practices, particularly on the East India Company during colonisation (Maston, 1986). The rigorous, consistent accounting practice aided tax collection in India. A consistent accounting system was necessary because Indians engaged in Trade with individuals from the Eastern and Western regions during colonialism (Perumpral et al., 2009). Following India's independence from British rule, private individuals (families) assumed control over certain government enterprises and British companies. Family-controlled businesses such as the TATA group also emerged (Maston, 1986). Due to concerns about competitive pressure and elevated taxation, numerous privately held enterprises were reluctant to disclose financial details (Perumpral et al., 2009). Businesses were crafting their accounts to fit their needs, without consulting any standards. At most, certain states and empires attempted to pass legislation tailored to their populations' needs. Even though the ICAI was established in 1949, it lacked the legal authority to establish financial regulation (Tawiah & Boolaky, 2020).

While the Companies Act of 1956 introduced some consistency in accounting, its requirements were broad and did not specify any particular guidelines. Section 211 of the Companies Act of 1956 outlined the contents of the financial statement and income statement, referencing Schedule VI in Part 1. Nevertheless, subsections 3a and c specified that the profit and loss statements and financial position must adhere to the standards suggested by the Institute of Chartered Accountants of India. Despite being required to establish standards, the ICAI did not formulate any standards until 1979, resulting in a lack of specific guidelines for preparing accounts (Tawiah, V., 2020). The Institute of Chartered Accountants of India founded the Accounting Standards Board in 1977 to develop accounting standards. The initial standard, AS1: The Disclosure of Accounting Policies, was implemented in 1979. From that point onwards, the recommended standards for preparing accounts in India had been the IGAAP (AS) until 2007, when the IASB began developing and revising the IGAAP (AS) to adapt to the constantly evolving economic landscape. The Accounting Standards (AS) are considered more aligned with IFRS due to India's membership in the IFRS (Tawiah, V. 2020).

The IFRS in India:

ICAI suggested aligning the current Ind AS with IFRS to improve credibility and clarity of Indian companies' financial reports in the global markets. The process convergence was initiated by ICAI in 2006. The ICAI and IASB collaborated to create high-quality, standardized accounting practices rather than simply implementing IFRS. They began crafting a new set of accounting standards, known as Ind. AS, which are founded on and aligned with IFRS.

Year	Event	Details
2006	Initial Proposal	ICAI proposed aligning Indian Accounting Standards with IFRS to enhance credibility and comparability of Indian financial reporting (ICAI, 2006).
2007–2008	Consultation Phase	ICAI engaged with regulators, industry bodies, and stakeholders to assess the feasibility of IFRS convergence (ICAI, 2008).
2009	G20 Commitment	India formally committed at the G20 Summit (Pittsburgh) to converge national standards with IFRS (IFRS Foundation, 2019).
2011	Draft Roadmap	Ministry of Corporate Affairs (MCA) released a roadmap for IFRS convergence, proposing phased implementation (MCA, 2011).
2015	Notification of Ind AS	MCA notified Indian Accounting Standards (Ind AS), converged with IFRS, but adapted for India’s regulatory and economic environment (MCA, 2015).
2016 (Phase I)	Mandatory Implementation	Ind AS became applicable for listed and large companies (net worth ≥ ₹500 crore) from 1 April 2016 (MCA, 2015).
2017 (Phase II)	Wider Coverage	Ind AS extended to all listed companies and unlisted companies with a net worth of≥ ₹250 crore from 1 April 2017 (MCA, 2015).
2018 onwards	Sectoral Application	Ind AS phased in for banks, insurance companies, and NBFCs (RBI, 2018).
Present	Continuing Convergence	ICAI and IASB continue collaboration to minimize carve-outs and move closer to full IFRS compliance (ICAI, 2020).

As part of this convergence strategy, ICAI classified IFRS into four categories, depending on their alignment with Ind AS and implementation feasibility:

Category	Nature of IFRS	Implementation Requirement	Examples
I	IFRS with no or negligible differences from Ind AS	Can be implemented immediately or in the short term	Building contracts, loan expenses, inventories, and cash flow statements
II	IFRS requires technical preparedness from the industry and professionals	Implementation may take time due to dynamic economic and professional readiness	Investment property, share-based payment
III	IFRS with conceptual or theoretical distinctions from corresponding Ind AS	The IASB must deliberate on these differences before convergence	Investments in associates, joint ventures, provisions, and contingent liabilities
IV	IFRS requiring legal or regulatory amendments	Implementation contingent upon changes in laws/regulations	Accounting policies, property, plant & equipment, initial implementation of IFRS

(Source: Adapted from Aggarwal, 2019)

Following this categorization, the Accounting Standards Board (ASB), under ICAI, developed Ind AS to harmonize Indian practices with IFRS. These standards were then reviewed by the National Advisory Committee on Accounting Standards (NACAS) and subsequently notified by the Ministry of Corporate Affairs (MCA) on 16 February 2015. The MCA also introduced a phased roadmap for implementation:

- Phase I (April 1, 2016): Mandatory for all listed and unlisted companies with a net worth of ₹5 billion or more.
- Phase II (April 1, 2017): Extended to all remaining listed companies and unlisted companies with a net worth of ₹2.5 billion or more.
- Phase III (April 1, 2018): Applicable to banks and non-banking financial companies (NBFCs), depending on net worth thresholds.

Since its notification, the MCA has issued multiple amendments (2016, 2017, and 2018) to refine the Ind AS framework and ensure consistency with evolving IFRS standards (Ajay et al., 2021; Maiya, 2015).In summary, India's approach represents a selective convergence model—retaining IFRS principles while embedding domestic considerations. This strategy has enhanced transparency and comparability of financial statements for global investors while adding challenges such as regulatory constraints, training needs, and compliance costs (Upendra et al).

Advantages and Disadvantages of IFRS:

Advantages of IFRS	Disadvantages of IFRS
Effective financial markets require a robust accounting framework; effective capital markets form the foundation of a nation's financial advancement. (Lee, 1987)	IFRS overlooks cultural and national diversity, affecting the unique accounting requirements of developing nations. (Samuels & Piper, 1985)
The accounting framework is intertwined with economic advancement; thriving free markets and governments rely on dependable monetary information. (Lee, 1987; Birau & Trivedi, 2014)	Implementation can adversely affect the economic progress of developing nations due to differences in cultural, social, political, and economic conditions. (Hove, 1989; Briston, 1990)
IFRS assists developing nations by providing transparent standards that transcend borders, promoting economic progress. (Larson & Kenny, 1996; C. Latha & P. Shridhar, 2022)	IFRS implementation is not recommended for impoverished nations. (Mir & Rehman, 2005)
Enhances openness and disclosure, minimizing ambiguity, administrative expenses, and information imbalance, thereby improving financial market effectiveness. (Leuz & Verrecchia, 2000; Jermakowicz, 2004; Ball, 2006; Barth et al., 2008; Zaidi & Huerta, 2014; C. Latha & P. Shridhar, 2022)	IFRS standards are complex and challenging to implement; shifting from domestic standards to IFRS is time-intensive. (Jermakowicz & Gornik-Tomaszewski, 2006)
Improves financial market fluidity, competitiveness, and effectiveness.	Differences between national GAAP and IFRS can significantly alter financial statements.
Enables international benchmarking, enhances clarity, reduces information costs, and mitigates information asymmetry.	Lack of implementation guidelines, varying interpretations, and the absence of a universal solution impede adoption. (Jermakowicz, 2004; Nulla, 2014; L. Latha & P. Shridharan, 2022)
A principle-based approach promotes fairness, transparency, investor confidence, and attracts foreign investment.	SMEs face barriers, and legal constraints can hinder the convergence process. (Jermakowicz, 2004; Nulla, 2014; L. Latha & P. Shridharan, 2022)
Standardized reporting enables thorough global-level analysis of financial statements.	
Conclusion: IFRS fosters global transparency, comparability, and investor confidence, enhancing financial market efficiency and growth opportunities. However, its complexity, high implementation costs, and lack of cultural/economic adaptability pose serious challenges, particularly for developing and resource-constrained nations.	**Conclusion:** While IFRS promotes harmonization and global standards, it may not always align with local economic realities, creating barriers for effective adoption in diverse national contexts.

Methodology:

This study undertakes a comparative review of International Financial Reporting Standard adoption and convergence regarding the quality of financial disclosure through a comprehensive review approach. Content analysis is a research method used to derive replicable and valid conclusions from text concerning its context of use (Krippendorff, 2004). Content analysis offers a fresh understanding and enhances a scholar's comprehension of a particular scenario. Researchers must focus on a limited amount of text as a non-quantitative research method. It also entails interpreting provided text into critical accounts recognized in the academic discipline. The examination depends on the researchers' societal and cultural comprehension (Krippendorff, 2004). Content analysis is a scientific method that must be dependable and replicable, ensuring consistent findings among all researchers using the same method on the same data. The study adheres to reliability approaches (Zhang & Wildemuth, 2009; Milne & Alder, 1999). These methodologies entail encoding by an individual and evaluation by specialists. Content examination has been employed on extensive non-quantitative data to assess the legal alignment among the domestic accounting standards of Mauritius, South Africa, Tanzania, and the International Accounting Standards (Boolaky, 2006; Hsieh & Shanon, 2005; Vincent Tawiah, 2020). The research utilizes a conceptual comparative analysis of IFRS and Ind AS, drawing on secondary data from various sources such as government officials, the Institute of Chartered Accountants of India, research papers, newspapers, journals, books, and magazines. The study seeks to understand and evaluate the conceptual disparities between International Financial Reporting Standards and Indian Accounting Standards, examining their potential effect on various accounting and financial reporting aspects. This method allows for a nuanced exploration of the implications of adopting these standards, offering insights into the evolving landscape of financial reporting practices.

Distinguishing Between IFRS And Ind. As With Impact Analysis:

The studies compare specific Ind. AS and IFRS standards and examine their differences and potential impacts on accounting values. Areas of divergence include presenting financial statements, classification of expenses, fair valuation of hedge interest rates, treatment of negative goodwill, and disclosure requirements. The analysis provides insights into how these differences affect financial reporting, offering a comprehensive view of the convergence process.

Certain Variances between IFRS and Ind. AS with an Impact Analysis.

Criteria	Ind. AS	IFRS	Impact
Comparison between Ind.AS 1 and IAS 1: Statement of profit and loss	It necessitates single-statement approaches, such as the comprehensive income statement.	Companies can select a single statement approach, including an independent profit and loss account and other comprehensive income.	These are written distinctions that do not impact financial worth. Ind. AS offers the benefit of ensuring uniformity, as all firms will adopt a unified statement method.
Classification of expenses.	Expenses are categorized solely by nature.		There is no effect on accounting valuations, only a variation in text. Due to its single classification approach, Ind AS will improve expense

			comparability across companies.
Comparison between IAS 3 and Ind. AS 103: Common Control	It encompasses the consolidation of organisations within the same controlling entity. Enterprise combinations within common control should be treated using the pooling of interests approach. Any additional payment is recognized as goodwill; meanwhile, a deficiency is associated with a capital gain.	Exclusion of an enterprise combination under common control. Therefore, accumulated profits recognize no excess consideration for new goodwill or shortfall.	Under Ind. AS, assets shall exhibit a significant value when goodwill is within shared governance; however, assets will remain unaffected under IFRS in cases of additional payment. Similarly, shortfalls in payment will not influence accumulated profit under IAS, but rather capital surplus. These variances do not impact the enterprise's overall net worth.
Comparison between Ind. AS and IAS: Gain from bargain acquisition.	The benefit from bargain acquisition must be acknowledged in the total earnings and collected in equity as capital surplus.	Gains resulting from a deal acquisition are recognized in the income statement.	The net under IFRS will exceed that of Ind. AS due to the profit. However, total complete earnings and equity will remain unchanged, as net profit is collected in equity as accumulated profits.
Comparison between Ind. AS 109 and IAS 9: Fair Market value of hedge rate of interest	The provision allowing for the application of Ind. AS 39 requirements for market value, the mitigating rate of interest risk of an investment portfolio of monetary assets or obligations, as specified in IFRS 9, have been removed in Ind. AS 109	It provides the choices to implement the guidelines of International Accounting Standard 39 for a market worth protection rate of interest risk of an investment portfolio of monetary assets or monetary obligations.	If an organization opts for market valuation of the hedge of interest rate risk for its portfolio of monetary assets and obligations under IFRS, its monetary assets and obligations are expected to increase compared to Ind. AS
Comparison between Ind. As an IAS: Equity instruments	In a specific situation, it provides the option where expenses might be considered an accurate fair value assessment for the subsequent evaluation of stocks and contracts.	No options are provided. Afterward, all stocks and contracts are valued at fair market value.	Suppose a firm chooses the cost method in specific situations. In that case, the reported value of its monetary assets on the financial position statement will be lower than that under IFRS.
Comparison between Ind.AS 110 and IAS 10: Assessment of investment in other organizations.	According to Ind. AS 40, all properties designated for investment are initially valued at the purchase price and then at the purchase price minus depreciation.	According to IFRS 10, all investments must meet fair value criteria to be eligible for the exemption from	Investments valued at purchase price per Ind. AS are expected to have a lower than fair market value under IFRS. Therefore, if the

	Likewise, investment under Ind. AS must also be evaluated at its purchase price.	combination granted to an investing entity.	organization is granted an exemption from the combination and documented at the purchase price, its overall investment worth will be less than the value under IFRS. However, this situation only occurs when an enterprise does not produce a combination report.
Comparison between Ind. AS 111 and IAS 11: common control.	The joint venture encompasses a collaboration within common control.	IFRS 11 addresses joint ventures within common control.	It has a similar effect to Ind.AS 103 and IFRS 3.
Comparison between Ind. AS 115 and IAS 15: Fluctuation in the consideration amount.	Fines are not included in the example, which could lead to differences in the consideration amount. If the penalty is integral to determining the sale price, it should be included as variable consideration. Otherwise, the sale price is treated as fixed.	Fines are listed among examples that lead to variations in consideration.	Only penalties that are not inherent will result in a difference in revenue and gross profit between Ind. AS and IFRS. Revenue under Ind.AS will be higher than under IFRS, because penalties are not deducted from revenue in India. AS, but are charged as expenses. However, the net profit will be consistent under both standards.
Comparison Between Ind. AS and IAS: Excise duty presentation	The entities must separately disclose the amount of excise duty included in the revenue in the profit and loss statement.	Entities are not obligated to display excise duty individually. Revenue may be presented net of exercise duty.	This will not affect net revenue, however, under Ind. AS, including exercise duty in the profit and loss statement, will offer a more comprehensive revenue breakdown.
Comparison between Ind. AS and IAS: Disclosure of income reconciliation for adjustments made on an agreed-upon basis.	Entities must provide an adjustment report of the income recognized in the profit and loss statement with the agreed-upon price. This reconciliation should detail each adjustment made to the agreed-upon price separately, specifying the nature and amount of each adjustment.	This is not a requirement under IFRS.	These presentation variances do not impact recognition and measurement and, therefore, do not affect accounting values.
Comparison between Ind. AS and IAS7: Categorization of Dividends and Interest	For financial entities, interest paid and received, and dividends received, should be categorized as operating activities, while dividends paid should be classified as financing activities. Other entities	Provides the flexibility to classify interest and dividends as operational activities.	Financial reports that choose to classify interest and dividends as operational activity according to IAS will show a different cash flow compared to the IFRS report under operational

	should categorize interest and dividend payments as financing activities, while interest and dividends received should be classified as investing activities.		activity. Nonetheless, these differences will not impact the cash balance between the two standards.
Comparison between Ind. AS 17 and IAS 17	Ind.AS 40 prohibits the classification of Property interest in operating leases as investment property due to the restriction on using the fair value model.	A functional lease can be designated as investment property and should be recognized fairly.	Valuing operating leases in accordance with IFRS will result in adjustments to fair value recognition within the profit and loss statement.
Comparison between Ind. AS 19 and IAS 19: Gain and loss from actuarial calculations	Gains and losses from actuarial income associated with other long-term benefits should be recognized in other comprehensive income.	Gains and losses from actuarial related to other long-term benefits are reported in the profit and loss statement.	If an IFRS organization chooses to recognize actuarial gains and losses in the profit and loss statement, net profit will be higher in the event of a gain and lower in the event of a loss than Ind. AS. However, the total comprehensive income remained unchanged under both standards.
Comparison between Ind. AS 20 and IAS 20: Non-financial grants	Non-financial government grants are measured exclusively at fair value.	The option is to measure using the fair market or face value for assessment.	In many cases, the face and fair market values are the same. However, in cases where there is a disparity and an IFRS-documented company opts for face valuation, it will result in a different resource figure than an Ind. AS a company.
Comparison between IAS 24 and Ind. AS 24: Statute over the standard.	Certain related party information may be omitted from disclosure if it conflicts with confidentiality requirements set by applicable statutes, regulators, or similar authorities.	It requires disclosure of all related-party transactions, except where prohibited by statute.	The openness of Ind. AS can potentially be exploited for other purposes. Consequently, companies may use this exception to avoid disclosing non-confidential related party information as IFRS requires, which is more comprehensive than Ind. AS.
Comparison between Ind. AS 27 and IAS 27.	It establishes a structure for presenting consolidated financial statements, striving to achieve as close a representation as possible based on the entity's circumstances. Furthermore, it outlines fundamental requirements	It does not require a specific structure for presenting consolidated financial statements.	The written variances are unlikely to affect accounting valuation. Ind. The AS specification provides companies with the advantage of comparability.

	for disclosing the face value of financial statements.		
Comparison between Ind. AS 28 and IAS 28: period and policy.	Retain the specific criteria of IFRS while incorporating anomalies that allow the reporting organisation to depart from them if it is not feasible to comply with the condition.	The difference in the financial reporting timeframe between investors and associates must not exceed 3 months, and the associate's financial reporting practice should align with that of the reporting company.	The standards for what constitutes impracticable seem stringent when comparing IFRS and Ind.AS. However, if such a situation arises where comparability is not feasible, the financial statements prepared under Ind. AS and IFRS will not be comparable.
Definition of close members	Define a person's close family members as individuals stated within the definition of relatives under the Companies Act 2013, as well as a person's local partner and any dependents of that person's partner within the country.	Close associates of an individual are characterized as family members likely to be affected by that person's interactions with the organization.	The sole potential effect is that IFRS encompasses a board member, resulting in additional details being disclosed as a related party compared to Ind.AS, which has a narrower extent for related parties.
Comparison between Ind.AS 29 and IAS 29: Length of hyperinflation.	Further disclosure concerning the length of hyperinflation in the economy is required.	No additional disclosures are required.	These are textual variances that do not impact accounting figures.
Comparison between Ind. As an IAS: Negative Goodwill	The surplus of net fair value over identifiable assets and liabilities is directly acknowledged in equity as a capital reserve upon the investment's acquisition.	Negative goodwill is acknowledged as income, contributing to determining the investor's portion of associate profit.	The overall earnings or profit from income under IFRS will exceed that under Ind.AS. Nonetheless, the total equity under both standards will remain unchanged because the total earnings will be transferred to the equity in the balance sheet.
Comparison between Ind. AS and IAS: Financial Assets	Directly recognized in equity and either accumulated as a separate component within equity or within the profit and loss account.	Liabilities in a currency from abroad are reflected in the profit and loss statement unless a hedging instrument is employed.	However, under Ind. AS the overall equity amount will remain the same for both standards.
Comparison between Ind. AS and IAS: Requirements for preparing consolidated statements.	It does not require the presentation of consolidated financial statements to be obligatory; whether to present consolidated or separate financial statements is governed by the statutes in	Every parent company must compile consolidated financial statements, which entail consolidating its investments in	Certain parent companies under Ind.AS may not be obligated to prepare a consolidated statement due to compliance with Indian statutes. This lack of comparability within India and among countries results

	India.	subsidiaries as per IAS 27.	in textual differences. Nonetheless, in practice, nearly all parent companies prepare consolidated statements.
Comparison between Ind.AS 32 and IAS 32: Explanation of financial liability	The strike price of convertible bonds can be denominated in any currency.	The strike price of the convertible bond must be set in the operating currency of equity.	The regulation under Ind. AS may help reduce changes in the profit and loss of companies based in India.
Comparison between IAS 33 and Ind.AS 33: disclosure of EPS	Earnings per share should be disclosed for both individual and consolidated financial statements	Earnings per share may be disclosed exclusively in consolidated financial statements if an organization prepares both standalone and consolidated financial statements.	Earnings per share are required for both standalone and combined statements under Ind.AS ensures effective performance evaluation and comparability. However, this difference in wording does not affect accounting valuations.
Comparison between Ind. AS 40 and IAS 40: Fair value estimation	It mandates the utilization of the cost-based approach exclusively for measuring investment property.	It allows investment property to be recognized using the fair value or the cost model.	Differences in overall comprehensive income, equity, and value of investment property may arise if an entity opts for fair value assessment under IFRS. The value under IFRS is anticipated to be higher than under Ind AS because fair value assessment typically exceeds the cost model.
Comparison between IAS 41 and Ind.AS 41	This standard does not apply to bearer agricultural plants.	It encompasses non-self-replicating agricultural plants.	International Financial Reporting Standard addresses a broader range of assets than the Indian Accounting Standards. Consequently, the value of agricultural assets under IFRS is expected to exceed that of Ind.AS assets.

Source: www.pwc.in

Result And Interpretation:

Table 1: Content Analysis by Word Frequency Query Result

Word	Length	Count	Weighted Percentage (%)
IFRS	4	123	3.78
Ind	3	79	2.43
Accounting	10	57	1.75
Financial	9	56	1.72
Standards	9	50	1.54
Adoption	8	43	1.32

India	5	36	1.11
Convergence	11	29	0.89
Reporting	9	29	0.89
Study	5	29	0.89
Economic	8	27	0.83
Global	6	27	0.83
Impact	6	25	0.77
Value	5	25	0.77
Fair	4	21	0.65
Indian	6	21	0.65
International	13	20	0.61
Differences	11	19	0.58
Loss	4	19	0.58
Profit	6	19	0.58
Comprehensive	13	18	0.55
Countries	9	17	0.52
Growth	6	17	0.52
Statement	9	17	0.52
Investment	10	16	0.49
May	3	16	0.49
IAS	3	15	0.46
Challenges	10	14	0.43
Companies	9	14	0.43
Consolidated	12	14	0.43
Developing	10	14	0.43
Interest	8	14	0.43
Statements	10	14	0.43
Comparative	11	13	0.40
Equity	6	13	0.40
Assets	6	12	0.37
Per	3	12	0.37
Specific	8	12	0.37
Difference	10	11	0.34
Income	6	11	0.34
Measurement	11	11	0.34
Requires	8	11	0.34
Cost	4	10	0.31
Entity	6	10	0.31
Option	6	10	0.31
Research	8	10	0.31
Total	5	10	0.31
Analysis	8	9	0.28
Consideration	13	9	0.28
Diverse	7	9	0.28
Gain	4	9	0.28
Process	7	9	0.28
Recognized	10	9	0.28
Regulatory	10	9	0.28
Revenue	7	9	0.28
Standard	8	9	0.28
Studies	7	9	0.28

Valuation	9	9	0.28
Affect	6	8	0.25
Among	5	8	0.25
Aspects	7	8	0.25
Business	8	8	0.25
Control	7	8	0.25
Country	7	8	0.25
Development	11	8	0.25
Higher	6	8	0.25
However	7	8	0.25
Information	11	8	0.25
Insights	8	8	0.25
Less	4	8	0.25
Net	3	8	0.25
Presentation	12	8	0.25
Quality	7	8	0.25
Related	7	8	0.25
Review	6	8	0.25
Transparency	12	8	0.25
Various	7	8	0.25
Activities	10	7	0.22
Common	6	7	0.22
Dividend	8	7	0.22
Entities	8	7	0.22
Gaap	4	7	0.22
Goodwill	8	7	0.22
Iasc	4	7	0.22
Landscape	9	7	0.22
Nations	7	7	0.22
Nature	6	7	0.22
Operating	9	7	0.22
Requirements	12	7	0.22
Separate	8	7	0.22
Aligning	8	6	0.18
Amount	6	6	0.18
Company	7	6	0.18
Comparability	13	6	0.18
Disclosure	10	6	0.18
Economy	7	6	0.18
Expenses	8	6	0.18
Framework	9	6	0.18
Including	9	6	0.18
Introduction	12	6	0.18

Source: NVIVO Software

Table 1 presents the results of a word frequency query conducted using NVivo software. The analysis highlights the most frequently occurring terms in the study, with IFRS having the highest count and weighted percentage, followed by Ind, AS, and Accounting. The emphasis on these terms reflects the centrality of international convergence and India's adoption framework in the research.

The terms analysed were not chosen randomly but derived from three criteria:

- Conceptual relevance – words closely tied to IFRS and Ind. AS frameworks (e.g., standards, adoption, convergence, reporting).
- Contextual importance – terms highlighting geographical or institutional scope (e.g., India, international, countries, regulatory).
- Analytical significance – financial and technical terms are capturing the consequences of adoption (e.g., profit, loss, equity, assets, valuation, transparency).

This systematic selection ensures that the frequency results genuinely reflect the core themes of IFRS convergence and its implications for India.

Interpretation of Findings:

The high recurrence of IFRS and Ind. AS indicates that the comparative discussion between global and Indian standards dominates the discourse. This reinforces that the study's primary contribution lies in analysing how India has aligned its reporting practices with international frameworks. Words such as Financial, Standards, Adoption, and Convergence underscore the technical and procedural focus of the analysis, showing that the narrative is grounded in both regulatory changes and practical implementation. Similarly, the prominence of terms like India and Indian emphasizes the country-specific context, indicating that the study does not merely address global convergence but its localized adaptation.

Notably, words such as Profit, Loss, Equity, Assets, and Valuation highlight the financial reporting implications of convergence, pointing towards the tangible effects on corporate balance sheets and disclosures. The presence of Regulatory, Transparency, and Comparability suggests that the discourse extends beyond technical adjustments to broader governance and accountability issues.

- Regulatory alignment and comparability – The frequency of regulatory-related terms signals that India's shift to Ind. AS has enhanced global comparability while posing compliance challenges for companies.
- Financial performance representation – The recurrence of terms linked to profits, losses, and valuation implies that convergence has significant implications for how firms represent financial health, thereby influencing investor decisions.
- Challenges in adoption – The coexistence of positive terms like Transparency and Growth with challenging terms like Differences, Challenges, and Cost reflects the dual nature of convergence: it brings credibility but also raises complexity in reporting and training.

While the content analysis provides quantitative insight, its deeper value lies in highlighting the tensions between theoretical benefits and practical challenges of convergence. For instance, the dominance of IFRS reflects global aspirations, but the presence of terms like Developing Countries and Regulatory reminds us that contextual adaptation is necessary. Thus, the results not only confirm the study's centrality around IFRS and Ind. AS but also demonstrate the layered impacts of convergence—technical, financial, and institutional.

Figure 1: Shows the IFRS and Ind.AS Coding

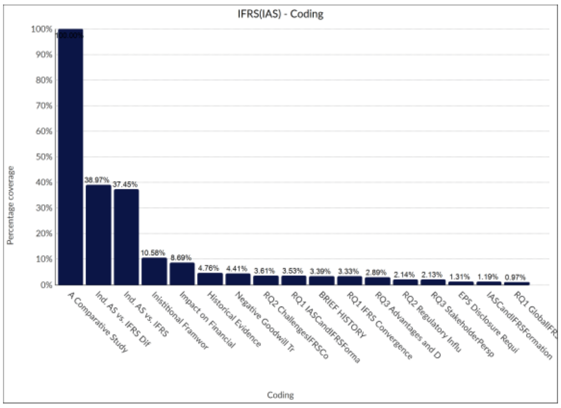

Figure 2: Word Cloud Revealing Content Analysis

Conclusion:

In the comparative analysis of IFRS convergence and Indian Accounting Standards (Ind AS), it can be seen that, although global alignment can promote transparency and comparability, its effectiveness is not uniform and, in many cases, is limited by institutional, legal, and cultural barriers. International research evidence indicates that the strength of enforcement is a determinant of better reporting quality, but India still faces challenges, such as poor stakeholder awareness, subjective interpretation of the standards, and inconsistent enforcement. The above limitations imply that convergence, by itself, will not necessarily lead to better financial reporting or economic improvement unless it is buttressed by more robust regulatory frameworks and capacity-building. The present paper thus highlights the importance of further empirical research on the real economic impacts of IFRS on developing economies and points to the need for a more careful, situation-specific approach to harmonization rather than the automatic benefits of global adoption. In the future, the only way forward will be continued cooperation among regulators, practitioners, and academia to develop adaptive strategies that balance global standards and local realities and achieve significant gains in financial reporting quality.

Statements & Declarations:

AI statement: We declared that the Grammarly software is used for language improvement in this Manuscript.

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