

Perception of Accounting Professionals in the Convergence and Implementation of a Single Set of Global Accounting Standards in India



Madhu Bala Sharma, Prateek Gupta

Abstract—Purpose – The purpose of this paper is to explore the various implementation issues on the Ind AS converged with IFRS in India and measures to address the issues.

Design/Methodology/approach – A detailed published literature reviewed in this context and found the scope of the research. A structured questionnaire on 5 points Likert-Scale has been used for the survey. Survey conducted on accounting professionals belongs to Delhi-NCR, India.

Findings – The empirical research find the various areas of challenges faced by entities in converged IFRS implementation and suitable means for effective implementation of converged IFRS in India.

Originality/value – One of the contributions to this study is to examine perceptions of Indian Accounting Professionals towards convergence and implementation of a single set of global accounting standards in India. As a result of globalization, many Indian companies initiated their business in other countries and some Multi-national companies also operated in India. Different countries having their own set of accounting standards that must be followed when incorporating financial statements hence, it creates a dual set of financial reports of entities. It is complex for the business houses and all the stakeholders to prepare, understand, Interpret and compare the end result of entities so it originates the need of uniform accounting standard which will be applied in all the countries hence International Accounting standard Board took the responsibility and after considering various signifying points issued IFRS for global benefit. Many developed and developing countries adopted IFRS. Indian accounting professionals also felt the need of adopting IFRS so the Institute of Chartered Accountants of India took initiative in this direction and issued a roadmap in this direction but due to some issues, it was not implemented properly. MCA announced a roadmap for Ind AS converged with the IFRS implantation in 2015.

Keywords: IFRS, Ind AS, IASB, MCA, Perception. Paper type - Research paper

I. BACKGROUND OF THE STUDY / INTRODUCTION

IFRS is a common global language for financial reporting

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and benefited the existing and prospective investors (Das, S. 2013; Venkatesh, D. et al, 2016). IFRS is global accounting standard issued by the IASB (Desai, H., 2016). For improving transparency and addresses some of the objectivity concerns in accounting International Accounting Standards Board (IASB) introduced the International Financial Reporting Standard in 2001 (Sruthiya, V. N. et al 2017). IFRS will be the right choice because Global standard prepared after due process. (Dholakia, P., 2012). After the liberalization and globalization various Indian companies doing business globally and increase their investment in the international market. It is expected by the Convergence to IFRS that it will improve the significance; reliability and comparability of financial statements of an entity and global investors get benefitted by it (Desai, H., 2016). IFRS is the global standard for financial reporting and many countries adopting IFRS. It is good for the public interest in creating investment. Convergence is important for the economic growth of the country (Dholakia, P., 2012). Ind AS implementation is the requirement of the time to compete globally. (Abhilasha, N. et al, 2016). As a result of the liberalization process in India, Indian companies expand their business in different countries. Indian companies invest in the global market. Hence, uniform accounting standard becomes the need of changing scenario. Currently, approximate 109 countries are using IFRS in the companies and it is expected that by 2011 appx. 150 countries will adopt IFRS. Indian GAAP and IFRS are not similar to concepts. (Srivastava, S. P. et al, 2009). Harmonization of accounting standards is the need of time. It is essentials for the accounting fraternity of globally. Looking at the need for a Uniform standard of more than 100 countries adopted it till now and hope that the number of adopting countries will increase after 2011. India also prepares a roadmap for IFRS implementation process (Mahesha, B. P. et al, 2013). Indian business environment has been changing and to compete in the changing world. India needs to adopt new policies (Misra & Agarwal, 2014). Convergence to IFRS is inevitable for India (Varghese, T., 2014). The convergence with IFRS is strongly recommended (Manoj Kumara. N. V et al, 2016). India has not fully adopted IFRS but it Converged IFRS into Ind AS according to the need of Indian Environment (Chakrabarty, A. K., 2014). Indian regulators felt the significance of IFRS for companies, Hence ICAI converged Ind AS and Ministry of Corporate Affairs issued roadmap for converged IFRS for companies (Desai, H., 2016)



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IFRS is the demand for time for operating globally so 150 countries and more than 12000 companies have already adopted IFRS. India has converged IFRS through Ind AS and also planned its applicability to all the sectors including SMEs by 2017 (Venkatesh, D. et al, 2016). The process of convergence has been slow in India but steady progress till now (Fathima, S., 2016; Parvathy, P. R., 2017).

II. LITERATURE REVIEW

A. Opportunities for Global Standard

Better access to a global market, easier global comparability, easy cross border listing, the better quality of financial reporting and elimination of multiple reporting are the utilities of IFRS (Jain, P., 2011). IFRS adoption will increase confidence of international investors & analysts. The adoption of IFRS is the right step. It enables the Indian company's financial statement more uniform & comparable. Listed companies can raise finance through global sources (Rakesh, H. M., 2013). It has concluded that Indian GAAP is a conservative approach where IFRS is a fair value and Balance Sheet oriented accounting with more transparent disclosures (Chauhan, A., 2013). Mandatory IFRS adoption improves information comparability across countries (Srivastava, S. P. et al, 2015). IFRS is beneficial for the country irrespective of implementation issues (Gupta, P. et al, 2015). IFRS enable investors friendly, companies can also enhance business operation in global countries and take benefit of a single set of standards (Abhilasha, N. et al, 2016). IFRS provides high-quality information which facilitates stakeholders to take better investment and financial decisions (Venkatesh, D. et al, 2016). Convergence will improve the significance; reliability and comparability of financial statements of entities and global investors get benefitted by it (Desai, H., 2016). IFRS is also beneficial for all stakeholders (Sruthiya, V. N. et al 2017). The empirical study shows that IFRS will be more beneficial to attract the world capital market and indicate that adoption of rules regarding truthful worth accounting, lease accounting and tax accounting, as well as rules regarding the accounting of economic instruments, explain the changes within the key accounting ratios (Keerthana, K., et al, 2018).

B. Global standards Implementation Challenges

Awareness of International Financial Reporting Practices, Fair value management and financial reporting system, Lack of Training Facilities, Need of amendment in existing laws & regulation, Taxation is some challenges in the way of IFRS adoption (Jain, P., 2011). Difference in GAAP & IFRS, Issue of GAAP Reconciliation, Lack of Training & Education on IFRS, Taxation, Legal & Regulatory consideration, Fair value measurement, Renegotiation of contract and reporting system are the various Problems & challenges faced by firms on first time adoption of IFRS in India (Rai, S. A., 2012). Evident from the study of several business school respondents that majority of the students are not aware of IFRS (Patro, A. et al, 2012). The empirical study conducted in Gujarat (Ahmadabad and Rajkot) in which 50 respondents (academicians and professionals) participated and majority of respondents believe that Convergence to IFRS will be complex (Dholakia, P., 2012). Shortage of IFRS trained

personnel, GAAP & IFRS dissimilarities, Contradictory laws, Taxation Law are the hurdles in implementing IFRS in India (Das, S., 2013). Lack of awareness found about IFRS among the Postgraduate Student (Commerce & Management of Kashmir (Akhter, A., 2013). Lack of IFRS knowledge and experience in the accounting and auditing profession is the major issue for Indian regulators. The study describes the challenges into the Micro-level and macro-level; as Cost of Conversion and structural challenges and cultural barriers (Chakrabarty A. K., 2014). Lack of experienced professionals, Significant difference between GAAP & IFRS, Absence of clear implementing guidelines and need of amendment in several regulations & law are the annoyance and practical challenges in convergence and full implementation of a new set of standards in India (Sambaru, M. et al, 2014). Lack of IFRS awareness, Contradictory rules and regulations, lack of training Institutes, Measurement of Fair value and Tax treatment due to conversion are the obstacles in IFRS convergence (Bansal, M., 2014). The transition to IFRS is likely to incur significant one-time implementation costs including training, updating of IT system and increased audit cost, etc. (Misra, S. K. et al, 2014). Complexity of IFRS, inadequate training to staff, changes required in the accounting process, information technology infrastructure and existing laws are the major challenges in the way of IFRS implementation. (Gupta, P. et al, 2015). Awareness of International practices, lack of Training facilities, fair value measurement, Taxation, management Compensation plan, amendment in existing laws and structure of reporting system are the various challenges in IFRS implementation in India (Gokulnath, M., 2015). Need to invest in Infrastructure, need to change some laws and regulations, Lack of practical experienced problems issues in IFRS implementation process (Agarwal, S., 2016). Convergence is difficult due to regulatory and other issues involved in the way of IFRS implementation process in India (Abhilasha, N. et al 2016). Transition requires the complete change in formats of financial reporting and requires amendment in existing laws (N. V. Manoj Kumara et al, 2016). Most of the Students are not aware of harmonization of IFRS. Teachers are not motivated and the syllabus is wide; found in the study on the students of Calicut University (Satheesh Kumar C., 2017). IFRS adoption process has been delayed due to the cultural, social and political barriers that exist in the environment (Raqabeh, T. A. et al, 2017). Cost of conversion, Reduced IT infrastructure, Lack of Staff, Lack of Training and awareness are the challenges evident in the study (Sharma, S. et al. 2017).

C. Managing implementation Challenges of Global Standard

ICAI has taken various steps to smoothen the convergence process. ICAI formed an Expert advisory committee to resolve the queries. The corporate should be preparing for the first-time adoption as well as updated for further use (Rai, S. A., 2012).

For the smoothen the convergence process in India there is the requirement of necessary changes in the existing Companies Act 1956, a large no. of trained Accountants and Auditors, and the constitution of Financial Reporting Compliance Monitoring board by ICAI and Law makers & awareness and proper training (Jain, P., 2011). Looking at the willingness to learn a new concept, IFRS should be well planned before implementing in curriculum and it should be effective (Patro, A. et al, 2012). Every step of implementation requires carefulness and keeps in mind that everyone will be benefited from it (Dholakia, P., 2012). The collective effort of stakeholders is required for the smoothen convergence (Mahesha, B.P. et al, 2013). IFRS awareness and proper training can contribute for smoothen the IFRS adoption process. Universities should organize the workshops and seminars for effective training of accounting and auditing community; tax liabilities arising from convergence should be addressed by Taxation laws. (Das, S., 2013). Effective tutorials are required for the knowledge of new issues among the postgraduate students of commerce and management in Kashmir (Akhter, A., 2013). Availability of IFRS training and material, Fully Compliance of IFRS by all companies, Government funding for aware and train Accounting people, Training at reducing cost and ethical environment are the recommendations of the study (Rakesh, H. M., 2013). Smooth convergence requires aligning the industry-specific accounting guidance's issued by various regulators (Banking companies, the Insurance Regulatory and Development Authority, the Central Electricity Regulatory Commission, SEBI and the Ministry of Corporate affairs) (Chakrabarty A. K., 2014). There is the urgent need of addressing the challenges for the effective implementation of IFRS in India. India needs to gain knowledge and experience from international countries that have converged IFRS. IFRS should be included in the Accounting Profession course syllabi (Sambaru, M. et al, 2014). Corporate & industries learn IFRS through seminars, workshops, and symposiums. The converged standards should prepare with due care and updated time to time (Bansal, M., 2014). IFRS adoption in India will require a proper framework and proper planning to implement it to companies, collective efforts of government, regulatory authorities, standard-setting body, users and the accounting professionals are also required (Misra, S. K. et al, 2014). By proper planning, IFRS implementation will be beneficial for Indian corporate and Investors. The financial statement will be more comparable all over the world for international investment in India (Gokulnath, M., 2015). Participation & effective contribution of all practicing & non-practicing accountants are required for the convergence process (Fathima, S. 2015). To smoothen the process of transition; Seminar, Conferences, and events should be organized. IFRS should be including as a compulsory part in the academic curriculum (Muniraju, M. et al, 2016). Effective Practical Training sessions, Conferences, Seminars and workshops should be conducted for enhancing knowledge for the proper adoption process (Abhilasha, N. et al 2016). IFRS subject should be taught in parts in each semester, faculties should be well trained to handle the queries, practical exposure should be provided. Workshop and seminars should be held for creating interest among the students (Satheesh, K. C., 2017). Besides

updating/ making IFRSs, Now the Indian Accounting and Standard Board should focus on the implementation of IFRS with a view to reduced difficulties faced by implementation participants (Sharma, S. et al. 2017)

III. RESEARCH OBJECTIVE

In the context of background and published literature, the objective of the study is framed:

- To find out the challenges faced by business entities in the implementation of Ind AS converged with IFRS in India and provide the suitable means for converged IFRS implementation in India.

IV. HYPOTHESIS FOR THE STUDY

The following null and alternative hypotheses are set to satisfy the objective of the study:

H₀: There are no challenges faced by business entities in the implementation of Ind AS converged with IFRS in India.

H₁: There are few challenges faced by business entities in the implementation of Ind AS converged with IFRS in India.

V. RESEARCH METHODOLOGY

India is a developing country and many Indian companies doing business in global countries. The Institute of Chartered Accountants of India is the main body which regulates the rules regarding accounting Standards and Audit. Chartered Accountants play a vital role in the preparation of accounts and audit the financial statement of entities. In India, Big four chartered accountants firms play a prominent role in this direction. The Ministry of Corporate Affairs issued a roadmap for Companies (Specified) for implementation of Indian Accounting Standards (Ind AS) converged with the International Financial Reporting Standards (IFRS) in January, 2015. The researcher developed a survey plan to know the perception of such accounting professionals on the challenges faced by business entities related to IFRS implementation in India.

• Survey Instrument And Sample

The survey research instrument was developed after identifying issues from the recent literature review (Joshi, P. L. et al, 2008; Sharma, S. et al, 2017). This is evident through the review of literature that descriptive research on IFRS is suitable. A survey through the structured questionnaire is a suitable approach to collect data from accounting professionals. A structured questionnaire on 5 points Likert - scale format has been prepared to know the extent to which the respondent agreed on the relevant statement. The statement aligned in the reverse order (i.e. 5 convey Strongly Disagree, 4 convey Agree, 3 convey Neutral, 2 convey Agree and 1 convey Strongly Agree).

The survey questionnaire is pre-tested with two academicians and two chartered accountants; the Survey instrument has been improved after receiving the feedback and resend to the respondents and found accuracy.

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Ind AS converged from the IFRS is a specialized area so the Researcher selects the respondents having the sound knowledge in the respective area hence survey instrument has been sent to Accounting professionals who are specialized in Accounting, Audit, Taxation & other. The list (Name & Address) of the Chartered Accountants has obtained from the ICAI chapters and Official website of ICAI. The final questionnaire has been sent electronically to Delhi – NCR Chartered Accountants but only 54 responses received. Hence, the researcher physically visits various ICAI, Chapters and Chartered Accountants Offices for data collection purpose. Research also met various specialized persons via attending various Seminars, conferences & workshops in Delhi – NCR. Finally, a total of 530 responses collected electronically and physically. The survey questionnaire contained demographic details of respondents along with specific questions on IFRS.

Data were compiled in MS- Excel worksheet. Demographic chart & Tables has prepared with the help of MS Excel. Data were analysed using IBM SPSS. One sample t-test conducted to check the null hypothesis.

VI. RESULTS AND ANALYSIS

Respondents Demographic Characteristics

Demographical questions analysed using Table. Respondents Demographic Characteristics are shown below in Table 1

Table 1

Respondents Characteristics	N = 530	Percentage
A. Gender-wise Distribution of Respondents (a) Male (b) Female	355 175	33% 67%
B. Employment wise distribution of respondents (a) Employed in Industry (b) Employed in Audit Firm (c) Self-Practice (d) Academician	296 23 181 30	56% 4% 34% 6%
C. Respondents Area of Specialization (a) Accounts (b) Accounts/Audit/Taxation (c) Audit (d) Taxation (e) Others	333 132 34 11 25	63% 25% 6% 2% 4%

Table 1 shows the demographic characteristics of respondents. Point A. highlights, Gender wise distribution of respondents which shows 33% of females and 67% of male respondents participated in the survey. Point B. highlights the Employment wise distribution of respondents which shows that 56% of respondents are employed in industry & corporate firms, 34% belong to self-employed category, 6% academicians and 4% of respondents work with audit firms. In the survey, respondents participated from various backgrounds; Point C. highlights the area of specialisation of

respondents in which majority 63% of respondents have accounts as their specialisation, 25% of respondents got accounts/audit/taxation, 6% of respondents have audit and 2% of respondents were specialized in taxation and remaining 4% from other specialisation such as academics

VII. CHALLENGES TO BUSINESS ENTITIES DUE TO IFRS IMPLEMENTATION

1.1 Increased Cost to Companies

It is evident from **Error! Reference source not found.** that around 91% - 97% of the respondents feel about the inadequacy of ready material on IFRS and expensive also, companies have to take professional services for implementing IFRS which will increase the cost; cost of IFRS training is expensive. All this together will lead to an increased cost to the companies due to IFRS implementation.

Table 2 highlights the overall mean score and standard deviation of perception towards increased cost of companies due to IFRS implementation (mean=1.73 and standard deviation 0.49) which implies that due to IFRS implementation, the cost to the companies is expected to increase on account of hiring professional services, increased tax expenses and IFRS training to their employees due to IFRS implementation. However, there is more variation in the opinion of respondents regarding increased tax expenses (SD 0.83)

Table 2: Statistical results for the increased cost to companies due to IFRS implementation

Items for the increased cost to companies from IFRS implementation	Mean	Count	Standard Deviation
Companies are indeed to take professional services for implementing IFRS, which due to lack of Knowledge and expertise result in an increment of cost.	1.63	530	0.72
Tax expenses of companies have increased after IRFS implementation.	1.89	530	0.83
The cost of IFRS training is expensive.	1.59	530	0.62
Ready Material on IFRS is not enough and they are expensive also.	1.82	530	0.66
The increased cost of companies due to IFRS Implementation	1.73	530	0.49

1.2 Initial Problems faced by the companies

Another challenge that companies are expected to face is the transition from the current system to IFRS for the first time. Almost 90% - 98% of the respondents perceive that the company will face many problems during the first-time adoption of IFRS such as the quality of the financial statements of companies, increased complexities with lots of risks, errors, and omissions while preparing Financial Statement and increased burden of work on accountants/auditors of companies.

Besides, there is a strong perception that companies will have to prepare a dual set of financial statements during the implementation phase. The statistical results from Table 3 also confirm the initial problems to be faced by the companies due to IFRS implementation with significant

mean scores and less variation in the opinions expressed by SD. The overall mean score for perceived initial problems is highly inclined towards the strong perception (mean score 1.41).

Table 3: Statistical results for the first-time adoption of IFRS in the companies

Items for the first-time adoption of IFRS	Count	Mean	Standard Deviation
A dual set of financial statements will be prepared for first-time users.	530	1.10	0.40
The first-time adoption will impair the quality of the first financial statements and will also affect the quality of the financial statements.	530	1.64	0.61
The burden of work will be increased on accountants/auditors due to the implementation of IFRS.	530	1.29	0.56
IFRS has increased complexities so there may be lots of risks, errors, and omissions while preparing Financial Statements.	530	1.62	0.68
Problems in the adoption of first time IFRS	530	1.41	0.39

1.3 Lack of IFRS Trained Human Resources

A huge proportion (almost 95-99%) of respondents opined that there is a scarcity of IFRS trained Accounting and financial manpower. In addition to this, all chartered accountants are not having the expertise on IFRS and it is not a part of academic curriculum and hence knowledgeable human resource is scarce. Also, IFRS being a new concept,

the existing professionals in accounting and finance areas are not fully aware of it. The aggregate mean and standard deviation of Accounting and financial Human Resource who are not adhered to IFRS is 1.43 and 0.35 respectively which implies that there is strongly felt perception among the respondents about the scarcity of IFRS trained professionals (variation in the response pattern

Table 4). For other items under the construct, the mean scores are centred towards a strong agreement with less

Table 4: Statistical outcomes for lack of IFRS trained Human Resources

Items for a scarcity of IFRS trained Human Resource	Mean	Count	Standard Deviation
Sufficient Human Resources having sound knowledge and expertise to implement IFRS are not available.	1.67	530	0.62
IFRS is a new concept so existing accounting/finance personnel are not fully aware of this.	1.32	530	0.54
IFRS is not in the academic curriculum in an effective manner so there is a lack of new accounting/finance personnel.	1.31	530	0.50
All Chartered Accountants are not having expertise in IFRS.	1.40	530	0.55
Accounting and financial HR are not adhered to IFRS	1.43	530	0.35

1.4 The necessity of Immediate Change in Regulations

It can be inferred from **Error! Reference source not found.** that approximately 99% of the respondents opine that various regulatory bodies such as RBI and SEBI encourage the companies for disclosure of financial statements as per IFRS. It has also been perceived by the respondents that IFRS implementation will require an immediate change in the regulations of IRDA, SEBI and Income tax accounting

practices. The respondents agree on the fact that various regulatory bodies like RBI and SEBI help in convergence to IFRS with a mean score of 1.93 and greater consistency in their opinion (standard deviation 0.39). Respondents even admits that IFRS implementation requires an immediate change in Indian tax accounting regulations, SEBI regulations and IRDA regulations with (mean 1.52 and 1.69 respectively)with consistent opinions (

Table 5)

Table 5: Statistical results for the necessity of Change in Regulations for convergence to IFRS

Items for the necessity of Change in Regulations for convergence to IFRS	Mean	Count	Standard Deviation
IFRS requires an immediate change in Indian tax accounting regulations and practices.	1.54	530	0.52

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IFRS requires an immediate change in SEBI regulations.	1.69	530	0.49
IFRS requires an immediate change in IRDA regulations.	1.69	530	0.50
Regulatory bodies like RBI and SEBI encouraging Companies for disclosure of financial statements as per IFRS.	1.56	530	0.52
Regulatory bodies help in convergence of IFRS	1.93	530	0.39

VIII. SUITABLE MEANS OF EFFECTIVE IMPLEMENTATION OF IFRS IN INDIA

2.1 Institutional Support for IFRS Implementation

reveals that only 57.6% of respondents feel that there exists a legal support system for companies for the IFRS implementation process, meaning thereby 42.4% do not opine in the same direction. Similarly, the support from ICAI in converging from the current Indian accounting environment to IFRS and guidance thereon is not enough. However, 98% of respondents opined that the Ministry of Corporate Affairs of GoI provides support in the IFRS

Table 6: Statistical results for Institutional support in IFRS Implementation

Items for Institutional support in IFRS Implementation for companies	Mean	Count	Standard Deviation
The legal environment supports the IFRS implementation process for Indian companies	2.71	530	1.06
Ministry of Corporate Affairs (GOI) supports the IFRS implementation Process.	1.60	530	0.58
The Institute of Chartered Accountants of India provides sufficient guidance on the IFRS implementation.	2.47	530	0.92
Institute of Chartered Accountants of India converged IFRS according to the Indian accounting environment.	2.27	530	0.91
Institutional supports of IFRS for companies	2.26	530	0.61

2.2 Knowledge Support in IFRS Implementation for Companies

95% of the respondents opine that IFRS should be a part of the CA curriculum so that the knowledge support can be provided by practicing chartered accountants in easing the process of IFRS implementation for companies in India. Besides, almost 72% of respondents believe that Conferences, seminars, and Workshops can provide sufficient guidance on IFRS implementation. However, only 3% of respondents agree that Accounting professionals have adequate knowledge to implement IFRS a rest 97% of the respondents strongly disagree with the statement. Moreover, only 38.7% opine that accounting professionals have adequate knowledge to implement IFRS smoothly. The result suggests that knowledge support in the form of the curriculum of CA, conferences/seminars/workshops may aid in the effective implementation of IFRS in India.

implementation process. Thus, to ensure the smooth IFRS implementation process to companies in India, there has to be mandatory support from ICAI and the legal environment. The statistical results in

Table 6 also show the felt need for support from ICAI, GoI and the legal environment with a mean score of 2.26. Individually the results suggest that the majority of the respondents are not sure about the Institutional supports of IFRS for companies such as the Legal environment and Institute of Chartered Accountants of India with its (mean=2.71, 2.47 and 2.27 respectively

2.3 Effective steps to spread awareness of IFRS

Almost all (99%-99.7%) of the respondents are in favour of taking effective steps to spread awareness of IFRS to ensure its implementation. These steps include organizing seminars/conferences/workshops related to IFRS on regular basis, ensuring the availability of study material on IFRS at an affordable price, including IFRS in the accounting education and easy availability of IFRS courses in every corner of India. Further, the statistical results also confirm the necessity of effective steps to be taken for spreading the awareness of IFRS for its proper implementation (Table 7) as the aggregate mean and standard deviation relating to steps to spread awareness of IFRS that is 1.43 and 0.28 respectively which implies that these steps will help in IFRS implementation in India

Table 7: Statistical results for steps to spread awareness on IFRS implementation

Items for steps to spread awareness on IFRS implementation	Mean	Count	Standard Deviation
IFRS is an essential part of accounting education.	1.27	530	0.45
Number of Seminars/conferences/workshops related to IFRS should be organized on a regular basis	1.30	530	0.48
Availability of study material on IFRS at affordable prices.	1.34	530	0.52
Easy availability of IFRS courses in every corner of India.	1.29	530	0.51
Effective steps to spread awareness of IFRS	1.43	530	0.28

2.4 The need for Enhancing Expertise of Professionals

The professional expertise may help in the effective implementation of IFRS.

Data depicts the variable regarding the need for enhancing expertise for professionals for IFRS implementation and it shows that about 97-99% of respondents agreed upon the need for enhancing expertise for professionals so that IFRS

can be successfully implemented by auditors to audit and the various courses and workshops for accountants can be effectively organized to implement the IFRS. Furthermore, the sum of the mean (1.62) and standard deviation (.43) of the need for enhancing expertise for professionals indicate the

greater need for enhancing expertise for professionals for proper implementation of IFRS (Table 8). Respondents even felt that Professionals/Accountants should consider positive effects of IFRS with a mean score of 1.54 and standard deviation 0.55 and every chartered accountant should be acquainted with the practices adopted as per IFRS(mean=1.54 and standard deviation=0.65). Respondents even suggest that practical workshops and training courses for Chartered Accountants must be organized for enhancing expertise and the Auditors need to train their staff to become able to audit under IFRS environment as per the respective mean (1.59 and 1.67) and standard deviation (0.55 and 0.51)

Table 8: Statistical Results for the need of enhancing the expertise for professionals

Items for the need of enhancing the expertise for professionals	Mean	Count	Standard Deviation
Professionals/Accountants should consider the positive effects of IFRS.	1.54	530	0.55
Every Chartered accountant should be acquainted with the practices adopted as per IFRS.	1.54	530	0.65
Practical workshops/Training Courses for Chartered Accountants must be organized for enhancing expertise.	1.59	530	0.55
Auditors would need to train their staff to become able to audit under the IFRS environment.	1.57	530	0.51
Need for enhancing expertise for professionals.	1.62	530	0.43

2.5 Key Success Factors for IFRS Adoption

As per the opinion of respondents on the key success factors for IFRS adoption, 100% of the respondents agree that IFRS implementation enables internal and external users of accounts more effective in terms of communication of information regarding financial statements; 87% of the respondents also agree that IFRS will help in detection of frauds of companies, 90%- 96% of the respondents felt that India has a sound system of corporate governance and some of the corporate houses adopt IFRS voluntarily.

Similar results can be seen from

Table 9 , where the mean score and standard deviation in the opinions of respondents state that IFRS Implementation enables internal and external users of accounts more effective in terms of communication of information regarding financial statements and some corporate houses adopt IFRS voluntarily. Respondents also feel that India has a sound system of corporate governance and IFRS implementation will help in detection of frauds of companies (mean=1.89, 1.63 and standard deviation=0.68, 0.78)

Table 9: Statistical results on the key success factors for IFRS adoption

Items of Key success factors for IFRS adoption	Mean	Count	Standard Deviation
IFRS Implementation enables internal and external users of accounts more effective in terms of communication of information regarding financial statements.	1.58	530	0.50
Some corporate houses adopt IFRS voluntarily.	1.56	530	0.69
India has a sound system of corporate governance.	1.89	530	0.68
IFRS implementation will help in the detection of frauds of companies.	1.63	530	0.78
Key success factors for IFRS adoption	1.73	530	0.36

Thus, the key success factors for IFRS adoption include enabling internal and external users with proper information regarding financial statements, adoption of IFRS by companies voluntarily, facilitating the system with sound corporate governance which will ultimately help in the detection of frauds of companies.

2.6 Policy Support from Government in IFRS Implementation

The government may play an active role in IFRS implementation by framing policies to encourage companies to adhere to IFRS. Approximately 88-99% of respondents are in favor that investors should enhance awareness of financial statements, companies need to communicate the impact of IFRS, and the Government should provide suitable guidance

to senior management of companies and policies such as liberalization/ privatization to implement the IFRS in companies. All this may be possible if government support is provided by making promotional policies in favour of IFRS implementation. Further the statistical results from Table 10 highlight the significance that the government needs to frame a specific policy for encouraging the companies to adhere to IFRS (aggregate mean=1.66 and variance=.36).

Respondents even perceived that the Government should provide suitable guidance to senior management of companies to make them aware of the transition process along with Liberalization and Privatization policies for IFRS implementation

Table 10: Statistical Results for Government Policy support in IFRS Implementation

Items for Government Policy support in IFRS Implementation	Mean	Count	Standard Deviation
Liberalization/Privatization policies of the government for encouraging companies with IFRS.	1.73	530	0.68
The government should provide suitable guidance to senior management of companies to make them aware of the transition process.	1.81	530	0.54
Companies need to communicate the impact of IFRS convergence to their investors and other interested parties.	1.62	530	0.50
Investors should enhance the awareness of financial statements prepared under IFRS.	1.42	530	0.51
Specific policies require to encouraging companies to adhere to IFRS by government	1.66	530	0.36

Testing Of Hypotheses

The hypotheses are proposed to be tested for their significance. To test the null hypothesis a one-sample-t-test is conducted for all related variables and the table below presents its results.

To find out whether there exists any challenge for business entities in the implementation of converged Ind AS converged with IFRS in India, the one-sample t-test is conducted considering all the relevant variables. The statistical test

results are presented in Table 11.

The t-test statistics obtained (-59.311, -93.729, -103.813, -63.219 and -85.352) for all the challenges faced by the business entities in the implementation of Ind AS converged with IFRS are statistically significant (p-value 0.000) at 1% level of significance. These challenges such as Higher cost of companies, Problems in the first-time adoption, lack of IFRS trained HR are described in the previous section

Table 11: One-Sample t-Test for Challenges to Business Entities

Constructs for Challenges to business entities	t	df	Sig.	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
The higher cost of companies due to IFRS.	-59.311	527	0.000	-1.26720	-1.3092	-1.2252
Problems in the adoption of first time IFRS.	-93.729	527	0.000	-1.58665	-1.6199	-1.5534
Accounting and financial HR are not adhered to by IFRS.	-103.813	527	0.000	-1.57165	-1.6014	-1.5419
Regulatory bodies help in the convergence of IFRS.	-63.219	526	0.000	-1.07116	-1.1044	-1.0379
Specific policies require to encouraging companies to adhere to IFRS by government	-85.352	526	0.000	-1.33602	-1.3668	-1.3053

Thus, the null hypothesis may be rejected in favour of an alternate hypothesis and it can be concluded that the challenges foreseen by the business entities in Ind AS converged with IFRS implementation are significant. However, these challenges may not be an obstacle in the implementation process of Ind As converged with IFRS in India.

IX. CONCLUSION & RECOMMENDATION

India is a developing country but in last some year's Indian companies doing well globally. IFRS is the need for time so it is essential to implement new standards but investigate the implications of new standards. A detailed review of literature has been done and found that there is a lack of empirical research in this context hence; the Researcher finds the scope of empirical study in challenges faced by entities in converged IFRS implementation in India.

The study is subject to some limitations. The sample is limited to 530; Results may vary with the responses of the census survey. This study has been conducted in Delhi- NCR so results may be diverse with different geographical regions of India. Albeit the result of the study insight the limited responses of the Delhi-NCR region, the survey results will benefit the accounting bodies, regulatory bodies,

Academicians, Researchers and other stakeholders in the relation to challenges faced by entities in particular region and suitable means to address the challenges.

This study examines the Ind AS Converged with IFRS implementation challenges faced by entities in India. The empirical research investigates the various areas of challenges attached to converged IFRS implementation in India. This is evident from the results of the survey that there is lack of adequate IFRS trained professionals, IFRS is not in syllabus in an effective manner, Initial cost of conversion is high, IFRS implementation is complex due to technicalities and rules and regulation does not fully support the IFRS implementation process in India.

ICAI formed an advisory committee to guide and, support converged IFRS implementation for implementing Converged IFRS smoothly and effectively. The study results highlights the various suitable means; Introducing IFRS in curriculum in effective manner, Affordable IFRS training with more institutions, Aware the accounting professionals by conducting Seminar, conferences, workshops and training on regular basis, and Updating in existing laws.

Indian Accounting has shifted Indian GAAP to Ind AS is difficult but at the same time beneficial for companies in multiple ways. Difficulties can be address by the collective efforts of all stakeholders so Ind As implementation is recommended (Sharma, M., Gupta, P., 2018). For Directors, top management, Auditors and regulators have to contribute to effective convergence and implementation process (Jain, P., 2011; Das, S., 2013). The collective effort of all internal and stakeholders are requisite for implementing the one set of global standard in India, I support the result of above studies.

Finally, it concluded that implementation of Ind AS converged with IFRS for business entities facing various problems; it could be effectively implemented with the support of the government, ICAI, Various Regulatory Authorities, and stakeholders. This is evident from the other studies discussed above that IFRS is beneficial for stakeholders in many ways so implementation has recommended by the previous researcher; support the studies.

Another research area could be the impact of Ind AS converged with IFRS on Banking Companies, NBFCs, and SMEs. This is evident that there is a lack of Empirical Research on the Effect of Ind AS converged with IFRS implementation on companies after mandatory Ind AS converged with IFRS implementation so more research can be done in this area.

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