In India, IFRS was supposed to be introduced from 1st April, 2011 with Sensex and Nifty companies. However, it has been found that huge legislative changes are imperative in the field of Companies Law, Income tax Act and Rules, Securities and Exchange Board of India (Rules and Regulations), Foreign Exchange Management Act (FEMA) and other allied areas.

Capital intermediation through stock market has superseded the volume of intermediation by banks across the world during the last two decades. India is not an exception too. As growing number of businesses have become multinational, different stakeholders of the business across the border require a single set of high quality and acceptable accounting standards that makes financial statements comparable and relevant. With this end in view, in April 2001, the International Accounting Standards Board (IASB) was founded to undertake the responsibilities of the International Accounting Standards Committee (IASC) established in 1973. Many of the standards forming part of IFRS are known by the older name of International Accounting Standards (IAS). IAS was issued between 1973 and 2001 by the Board of the International Accounting Standards Committee (IASC). In their first board meeting IASB has adopted all (i) IASs published by IASC and (ii) its interpretations by Standard Interpretation Committee (SIC); responsible for issuing authoritative interpretations to each IAS. The IASB has continued to develop standards calling the new standards IFRS. Full conception of IFRS comprised of (i) all IASs that are in practice, (ii) interpretations to those IASs by Standard Interpretation Committee (SIC), (iii) 9 IFRS that have yet been released and (iv) interpretation to those standards by International Financial Reporting Interpretations Committee (IFRIC). From June 2009 we have two sets of IFRSs; Full IFRS and IFRS for Small & Medium Enterprises (IFRS for SMEs). This mini IFRS reduces the volume of full IFRS by 85% and will be useful for 95% business houses all over the world. Countries that have not adopted full IFRS may adopt IFRS for SMEs. IFRS for SME has been propounded mainly on the cost-benefit ground and has made no compromise on recognition and measurement criteria but has offered relaxation on disclosure aspects. IFRS is a principle based standard.

IASB is made up of fifteen members representing nine countries, including China, Japan, Australia, and the U.S. It is sponsored by a variety of financial institutions, companies, banks, and accounting firms. In 2002, a year after their establishment, the IASB got united with the Financial Accounting Standards Board (FASB) to combine their knowledge and develop a set of high-quality accounting standards that would be compatible with all countries in order to successfully carry out international business affairs and their accounting. This set of global accounting standards is referred to as the International Financial Reporting Standards (IFRS).

In India, IFRS was supposed to be introduced from 1st April, 2011 with Sensex and Nifty companies. However, it has been found that huge legislative changes are imperative in the field of Companies Law, Income tax Act and Rules, Securities and Exchange Board of India (Rules and Regulations), Foreign Exchange Management Act (FEMA) and other allied areas. IFRS give emphasis on fair value measurement practices about which sufficient numbers of Indian accountants are not yet fully equipped. As a result, Ministry of Company Affairs (MCA) in their meeting dated 22nd January, 2010 has decided not to adopt IFRS in its original form, from 1st April, but to adopt it in a phased manner with the introduction of Ind. AS (Indian version of IFRS). Till date 35 Ind. AS has been released.

Corporate India looks forward to a clearer roadmap for shifting to International Financial Reporting Standards (IFRS) for accounting. The convergence of the Indian Accounting Standards, currently used by domestic companies and IFRS is one of the major issues concerning India Inc. as this would lead to a revaluation of their assets and liabilities and in several cases the new accounting norms will also result in change in income recognition norms. In accordance with India's commitment to converge with IFRS, the Ministry of Corporate Affairs (MCA) issued a press release on February 25, 2011 notifying thirty five Indian Accounting Standards converged with IFRS (Referred to as Ind AS). This is an important first step in operational zing the Adoption of the Ind AS by Indian companies.

In IFRS, financial and non-financial liabilities are measured to reflect present obligation. IFRS allows application of cost model for property, plant and equipment, intangible assets and investment property but cost is monitored through appropriate depreciation and/or amortization policy, annual review of useful life and residual value and elimination finance charge and / or income from cost. Cost & Management accountants will play a significant role in making the IFRS compatible with Indian Accounting Standards but also they will demonstrate their skill and expertise when full IFRS or IFRS for SMEs will be adopted in full in Indian industries in near future. Moreover, Cost Accounting Standards will have a major role in IFRS, which will be beneficial to the industry and time will reveal the importance of CAS in IFRS.