**ESSAR Energy – Case Assignment Questions**

1. What are the main differences between Indian GAAP statements and those under IFRS and U.S. GAAP? Why do Essar Oil and Gas/Essar Energy want to move away from Indian GAAP? What are the costs and benefits of doing so?
2. Evaluate the benefits and costs of raising equity capital in each of the three financial markets. Which market do you recommend?
3. Evaluate the advantages and disadvantages of the three GAAP alternatives. Which of the three GAAPs would you recommend? Is that consistent with your choice of capital market? If not, how would your choices change?
4. In what ways will the financial statements and therefore performance metrics differ if they move from Indian GAAP? Which stakeholders might be concerned? What might be the consequences of this concern?
5. What are the unique features of Essar’s adoption? What does that imply about the cost and complexity of the adoption process? What steps must it take to implement this change of accounting standard?