

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2452
ANSWERED ON:23.08.2013
ACCOUNTING STANDARDS COMMITTEE
Ramasubbu Shri S.

Will the Minister of FINANCE be pleased to state:

- (a) whether Accounting Standards Committee (ASC) has been constituted by the Central Board of Direct Taxes (CBDT);
- (b) if so, the details thereof;
- (c) whether the Committee has submitted its report to the Government;
- (d) if so, the details thereof along with the main recommendations of the Committee; and
- (e) the follow up action taken/being taken by the Government thereon?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE: (SHRI J.D. SEELAM)

(a) and (b) Yes Madam. The Central Board of Direct Taxes (CBDT) constituted a Committee comprising of departmental officers and professionals in December, 2010 to inter alia suggest Accounting Standards for the purposes of notification under section 145 (2) of the Act.

(c) Yes Madam.

(d) The Committee submitted its Final Report in August, 2012. The Committee recommended that the Accounting Standards (AS) notified under the Act should be made applicable only for the computation of taxable income and taxpayers would not be required to maintain books of account on the basis of AS notified under the Act. The Committee has recommended notification of 14 "Tax Accounting Standards" (TAS).

The Final Report of the Committee (including drafts of the 14 TAS submitted by the Committee) was uploaded on the Finance Ministry's website (www.finmin.nic.in) and Income-tax Department's website (www.incometaxindia.gov.in) for comments from stakeholders and general public on 26.10.2012.

(e) A large number of suggestions/comments have been received from the stakeholders on the Final report. The CBDT has constituted a committee for examination of suggestions/ comments received from the stakeholders in February, 2013, before taking a final decision on notification of TAS.