

**GOVERNMENT OF INDIA  
CORPORATE AFFAIRS  
LOK SABHA**

UNSTARRED QUESTION NO:3451  
ANSWERED ON:10.12.2009  
ACCOUNTING STANDARDS  
Majhi Shri Pradeep Kumar

**Will the Minister of CORPORATE AFFAIRS be pleased to state:**

- (a) whether the Government proposes to strengthen the National Advisory Committee on the Accounting Standards;
- (b) if so, the details in this regard;
- (c) whether the existing accounting standards are not fit for proper checks;
- (d) if so, the details thereof and the reaction of the Government;
- (e) whether the Government has shared the views of the experts before strengthening of the National Advisory Committee on Accounting Standards in the country;
- (f) if so, the details in this regard;and
- (g) the remedial measures taken by the Government in response thereto?

**Answer**

MINISTER OF THE STATE IN THE MINISTRY OF CORPORATE AFFAIRS (SHRI SALMAN KHURSHID)

(a) to (g) The constitution of National Advisory Committee on Accounting Standards has been provided in section 210A of the Companies Act, 1956 which comprises of a chairman and representatives from professional Institutes, Comptroller and Auditor General of India, Reserve Bank of India, Central Board of Direct Taxes, Securities and Exchange Board of India and Industry Associations/ Chambers. There is no proposal to change this constitution. The existing Accounting Standards are constantly reviewed and updated for improvements and are adequate for proper checks.