



India announces convergence with IFRSs for public interest entities from 2011

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The Council of the Institute of Chartered Accountants of India, at its 269th meeting being held these days at New Delhi, has decided to fully converge with International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board from the accounting periods commencing on or after 1st April, 2011. Like in other countries such as Australia, New Zealand and countries in the European Union, the IFRSs will be adopted for the listed entities and other public interest entities such as banks, insurance companies and large-sized entities. The decision is an important milestone in achieving full convergence with IFRSs as India will join 102 countries which presently require or permit use of IFRSs in preparation of financial statements in their countries. By 2011, the number is expected to reach 150.

With a view to ensure smooth transition to the IFRSs from April 1, 2011, the Institute of Chartered Accountants of India will take up the matter of convergence with IFRSs with the National Advisory Committee on Accounting Standards established by the Ministry of Corporate Affairs, Government of India, and various regulators such as the Reserve Bank of India, the Insurance Regulatory and Development Authority and the Securities and Exchange Board of India. The Institute of Chartered Accountants of India would formulate its work-plan to ensure that the IFRSs are effectively adopted from 1st April, 2011. The Institute will also conduct IFRS-specific training programmes for its members and others concerned to prepare them to implement IFRSs. The Institute will also take up those areas in certain IFRSs where it feels that some changes in IFRSs may be required keeping in view the Indian conditions.