

Inauguration of India-Japan Dialogue

28 July, 2010

India and Japan have historically been partners, and their mutual cooperation extends to areas of trade, economic and cultural relations. Over the decades, the importance of a sound financial reporting system aimed at ensuring transparency and fairness in business operations and capital markets has been widely acknowledged. Taking this into account, India and Japan mutually recognize the importance of the application of or convergence with IFRS and the need for addressing critical issues and challenges in implementing such standards. This has culminated in creation of the India-Japan Joint Working Group as a common platform between the two countries.

The first meeting of the Joint Working Group has now been held in Tokyo from 26-28 July, 2010. The Indian delegation is led Shri R. Bandyopadhyay, Secretary, Ministry of Corporate Affairs, Government of along with other key functionaries representing Ministry of Finance, Comptroller & Auditor General of India, Securities and Exchange Board of India (SEBI), the Reserve Bank of India (RBI), National Stock Exchange (NSE), regulators from pension and insurance sector, and the Institute of Chartered Accountants of India (ICAI) to share their experience and perspectives with the Japanese side.

The Japanese side consists representatives of the Financial Accounting Standards Foundation (FASF), the Japan Business Federation (JBF), the Japanese Institute of Certified Public Accountants (JICPA), Tokyo Stock Exchange (TSE), the Accounting Standards Board of

Japan (ASBJ), and the Financial Services Agency (FSA).

During the course of the dialogue, an MOU was signed between the two sides which primarily focuses on –

1. Exchange of views on legal and regulatory and other issues arising out of application of or convergence with the IFRSs and to explore the possibilities of mutual cooperation in this behalf.
2. Address critical issues relating to application of or convergence with IFRSs and reach consensus through process of consultation mutually agreed to.
3. Foster a strong and cohesive profession by providing leadership on emerging issues, coordinating with global, other regional, intra-regional organizations, member bodies and associates to achieve appropriate strategic objectives.

The two sides agreed to have continuing dialogue on areas of mutual interest in the field of accounting, auditing, and other financial reporting area. The next meeting of the dialogue would now be held in India next year.
