

Date

Le Président

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des Experts  
Comptables  
Européens  
AISBL

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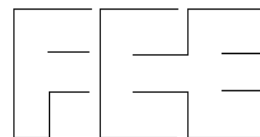


Mr. Carlo Comporti  
Secretary General  
CESR  
11-13 avenue de Friedland  
F-75008 PARIS

Dear Mr. Comporti,

**Re: CESR's technical advice to the European Commission on Indian GAAP**

1. FEE (Fédération des Experts Comptables Européens – Federation of European Accountants) welcomes CESR's public consultation on its technical advice on Indian GAAP following the request of the EC.
2. FEE recognises the need for robust, high quality global financial reporting standards and supports the objective of creating a single set of global standards which, however, must ultimately be subordinate to the objective of preserving and improving the quality of principle-based IFRS financial reporting. It is important that any legislation pushes in this direction. An equivalence decision could only take the form of a mutual recognition decision if an acceptable minimum level of convergence with IFRS has already been reached. The extent of convergence should be assessed for each GAAP individually. True convergence of national GAAP will only be achieved when countries apply IFRS directly or use national GAAP that is in full conformity with IFRS. Transitional approaches need to be taken into account.
3. We welcome the holistic approach taken by CESR focusing on the convergence programs between the respective national standard setters and the IASB, noting that CESR cannot influence the final results of these convergence programs but has assessed whether effective measures are in place to ensure a timely and complete convergence.
4. The Consultation Paper acknowledges that the assessment of the program to converge existing Indian Accounting Standards with IFRS that has been conducted by CESR focuses in particular on whether the program is comprehensive and capable of being completed before 31 December 2011. In particular, we welcome the steps already undertaken by the Institute of Chartered Accountants of India (ICAI) and the Indian Government including their public statements to adopt IFRSs by 31 December 2011, and we support the effective measures that are being undertaken to secure and complete convergence of Indian Accounting Standards to IFRSs within this timeframe.
5. We note CESR's conclusion that the convergence program of India is comprehensive and there is no reason to doubt that the ICAI and the Indian Government will be in a position to achieve their objectives by 2011.



We would be pleased to discuss in more detail any of the issues raised in this letter.

Yours sincerely,

A handwritten signature in dark ink, appearing to read 'JP', followed by a long horizontal line that extends across the width of the signature.

Jacques Potdevin  
President

Ref: FRP/JP/SS-LF