

# Indian Government Accounting Standards

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# GASAB

- Article 150 of the Constitution of India stipulates that “The accounts of the Union and of the States shall be kept in such form as the President may, on the advice of the Comptroller and Auditor General of India, prescribe.”
- Accordingly, the **Government Accounting Standards Advisory Board (GASAB)** was constituted by the Comptroller & Auditor General of India on August 12, 2002 for the Union and States.

- The objective of the GASAB is to formulate standards relating to accounting and financial reporting by the Union, the States and Union Territories with Legislature.
- Consequent upon the recommendation of the Twelfth Finance Commission for introduction of accrual basis of accounting in Government and acceptance by Government of India in principle, GASAB is suggesting an operational framework and roadmap of transition to accrual basis of accounting in Governments.

# Indian Government Accounting Standards (IGASs)

- The provisions of the IGASs do not override the provisions of any existing or future Acts or Rules made thereunder by the Union or State Governments.
- The IGASs are not applicable retrospectively and the Governments are not required to reframe their Financial Statements of previous periods to comply with the IGASs.

# Indian Government Accounting Standards (IGASs)

- All the IGASs are mandatory from the effective date(s) mentioned therein after notification of the IGAS by Government. Financial Statements cannot be described as complying with IGASs unless they comply with all the requirements of each applicable IGAS.
- At present, the following standards have been notified by Govt. of India:

# Indian Government Accounting Standards (IGASs)

1. Guarantees given by Governments: Disclosure Requirements (IGAS1)
2. Accounting and Classification of Grants-in-aid (IGAS2)
3. Loans and Advances made by Governments (IGAS 3)
4. Further 3 standards are under consideration to be notified by Govt. of India i.e.

# Indian Government Accounting Standards (IGASs)

- Loans and Advances made by Governments (IGAS5)
- Foreign Currency transactions and loss or gain by Exchange Rate variations (IGAS 7)
- Public Debt and Other Liabilities of Governments: Disclosure Requirements (IGAS 10)
- Seventh, under consideration of GASAB i.e. General Purpose Financial Statement of Government (IGAS4)