

**GOVERNMENT OF INDIA  
MINISTRY OF CORPORATE AFFAIRS**

**LOK SABHA  
UNSTARRED QUESTION NO. 4137  
ANSWERED ON FRIDAY, THE 9<sup>th</sup> DECEMBER, 2016  
[AGRAHAYANA 18, 1938(SAKA)]**

**NORMS FLOUTED BY MULTINATIONAL ACCOUNTING FIRMS**

**QUESTION**

**4137. SHRI RAGHAV LAKHANPAL:**

**Will the Minister of CORPORATE AFFAIRS**

**कॉरपोरेट**

**कार्य मंत्री**

**be pleased to state:**

- (a) whether the Government has taken note that some multinational accounting firms operating in the country have flouted norms to provide services;**
- (b) if so, the details thereof; and**
- (c) the details of action taken by the Government against multinational accounting firms?**

**ANSWER**

**THE MINISTER OF STATE  
IN THE MINISTRY OF CORPORATE AFFAIRS**

**(SHRI ARJUN RAM MEGHWAL)**

**कॉरपोरेट कार्य मंत्रालय में राज्य मंत्री**

**(श्री अर्जुन राम मेघवाल)**

**(a) & (b): Section 139 of the Companies Act, 2013 prescribes statutory audit by an individual Chartered Accountant or a firm of Chartered Accountants. The term 'Chartered Accountant' has also been defined under section 2(17) of the Companies Act, 2013 as a Chartered Accountant as defined in section 2(1)(b) of the Chartered**

**Accountants Act, 1949 (38 of 1949) who holds a valid certificate of practice under section 6(1) of that Act.**

**Multinational Accounting Firms (MAFs) cannot perform such statutory function of audit as prescribed under the Companies Act, 2013. No instance has come to the notice of the Ministry where statutory audit has been conducted by MAFs in India by flouting the relevant Section of the Act.**

**(c): Not applicable in view of reply to (a) & (b) above.**

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