

Professional Excellence & Success Hog the Limelight at ICAI's 63rd Annual Function



Minister of Corporate Affairs (Independent Charge) Shri Sachin Pilot inaugurates the 63rd Annual Function as the then ICAI President CA. Jaydeep Narendra Shah, the then ICAI Vice President (now President) CA. Subodh Kumar Agrawal and ICAI Secretary Shri T Karthikeyan appreciate.

The Institute of Chartered Accountants of India celebrated yet another year of professional success and excellence at its 63rd Annual Function held on 11th February, 2013 in the convention hall of Hotel Ashok, New Delhi. On this occasion, the ICAI not only looked back at its remarkable achievements in the year gone by, but also looked ahead for another year of success for the profession. The Chief Guest on the occasion was the Minister of State for Corporate Affairs (Independent Charge) Shri Sachin Pilot. The meritorious CA students and outstanding regional councils and branches were also honoured on the occasion. Past Presidents of ICAI, Members of ICAI Council, Regional Councils, office-bearers of the branches, officials of Ministry of Corporate Affairs and CA students were among the large gathering which attended the event. Following is the report of the occasion.



At the outset, in his welcome address **ICAI Secretary Shri T. Karthikeyan** said that this year's Annual Function was specially important in the sense that the three-year tenure of the 21st Council was over on

the same day and the 22nd Council was all set to assume office from the next day (12th February). He said that the challenges before the new Council are many – notable among them being critical and crucial issues concerning the profession such as, decisions taken by the Government of India on bank audit, the proposed National Financial Reporting



Authority, etc. He particularly welcomed the Chief Guest, Minister of State for Corporate Affairs (Independent Charge) Shri Sachin Pilot as it was for the first time after assuming the office that Shri Pilot was gracing the ICAI Annual Function. He said that ICAI and its members expect a lot from him as well and seek his indulgence on matters that are critical to the Institute.

In his presidential address, the then **ICAI President CA. Jaydeep Narendra Shah** gave an overview of the Institute as the second largest accounting body in the world, its national and international initiatives including those pertaining to accounting education and training, and particularly its role as partner in nation building. He said the ICAI, being the premier accounting body in India, has always been making efforts for bringing an overall qualitative improvement in the financial reporting in India. He said that ICAI has very strong presence nationally as well as internationally with its headquarters at New Delhi, five regional headquarters, 128 branches, more than 275 CPE Study Circles & Chapters and 21 Chapters abroad. "Our Chartered Accountancy Course is considered as one of the best in the country as well as best at the global level. We are really proud of our Institute which, at a macro level, takes care of five different areas, namely, education and training for students, member-related matters, development of infrastructure, relationship with



the Government and regulators and international initiatives," CA. Shah said.

"We are also taking care of developing the knowledge on Information Technology where 100 hours of Information Technology training is mandatory. We have established more than 150 Information Technology labs throughout the country, with a capacity to give training to around 2 lakh students as well as members. Recently, the Central Council has also decided that another advanced Information Technology training ranging from 125 hours to 150 hours, wherein the students and the members will be given an exposure in the area of SAP, ERP package, advanced softwares like advance audit tools, etc," he said.

Giving an account of robust and very elaborate examination system and mechanism of the ICAI, he said that every six months, four lakh students are appearing in our different examinations. "More than 350 examination centres, 6000 examiners, 6000 paper checkers, 3000 observers, and we are really proud that everything is as per schedule".

"The transparency in our examination, the opportunity which is available to any class of the society was very recently established, when the CA Final result was declared, wherein the all India first merit rank went to Jaya, who is a daughter of an auto driver from Mumbai," he said.

CA. Shah said that as far as the members are concerned, basically, the ICAI takes care of three different areas – development of the capability, capacity and competence of the members.

He also elaborated on the Institute's very important role in supporting the Central Government, various Ministries of the Government as well as State Governments in their various initiatives.

Speaking on certain current issues concerning the ICAI, its members and nation as a whole, he said: "the recent matter, which is under discussion, is related to the bank branch audit, where already the representation has been made to the Honourable Finance Minister, and we are very hopeful for some positive solution."

Addressing the Chief Guest, he said that accountancy profession in India has high expectations from Shri Sachin Pilot "on a couple of important issues which are there in the Companies Act, more particularly, National Financial Reporting Authority where we have issues." "There are certain other provisions in the Companies Bill also. I am sure that our Hon'ble Minister will be very very receptive on whatever issues are there, and they will be addressed in the best possible manner," CA. Shah added.

In his address as the Chief Guest, **Minister of State for Corporate Affairs (Independent Charge) Shri Sachin Pilot** acknowledged that for six and a half decades, the Institute has been performing seminal service. "This was a body that was created by the Indian Parliament long before the Ministry of Corporate Affairs was born. So, for many long years, the Institute, its members have performed a fantastic job in creating a fraternity, a family, an industry of accountancy, of auditors which is now, I am told, more than 210,000, and more than one million young people are pursuing this profession," he said. "What is also very encouraging for us, at least in Government and in the field of policy-making, is that the profession of accountancy and Chartered Accountancy is now proliferating beyond the traditional large cities, where most of the accountants usually came from till about 15 to 20 years ago to smaller towns and cities," he added.

The Minister that today there are ever-rising expectations from our country and more specifically from the Indian economy. "The Indian economy or



Shri Sachin Pilot receives a memento

companies, both Government and private, need to start being more robust and expand themselves beyond geographical and political boundaries, and that has happened in the last decade and a half. But, while we do this while we align ourselves to the global economy, in investments... At the last count, I am told that there are 8.5 lakh companies registered within India," Shri Pilot said. "But, as we grow, as our economy grows, as our aspirations grow, as companies reach out to conquer new frontiers, it is also important for us to align ourselves with some of the best business practices, best accountancy practices globally. And, I know the Institute has done some work in trying to imbibe and inculcate



those best practices,” he said. “We need to really now play a very pivotal role in our global economic structuring. As this new economic architecture takes shape, I think, the fraternity and the profession of Chartered Accountancy has a very very important role to play because once you are global, once you are multi-national, once you are listed or once you are above a certain threshold, then the expectations of disclosures, of transparencies, of abiding by the rules and regulations in compliances become that much more, and therefore, we have to show by example, by leadership, by professionalism, by ethics that we can be the leader not just in one particular sector but in the array of areas that you are working,” Shri Pilot said. “And no matter what kind of business the companies do, they do need auditors and good accountants and CAs to make sure that they stay on the right track,” he said.

Speaking on the Companies Bill 2012, Shri Pilot said that the Bill, which has been passed in Lok Sabha with “the support of his colleagues in Parliament and with everyone’s support” is now slated to be presented in Rajya Sabha. “At least, I have requested the Parliamentary Affairs Minister to make sure that the Bill is now taken up in the Rajya Sabha for discussion and passing,” he added.

Responding to the ICAI’s concerns, Shri Pilot said: “But, I do want to tell you that whether it is the NFRA or any other aspect of the Bill that once it is passed in the Parliament, any rule-making any notification that we do, this is something that I believe in all aspects of law-making that it must be done with complete transparency with all the stakeholders being completely involved. While the Government is the sovereign which makes the laws and notify the rules, but I don’t think the Government is the repository of all wisdom. We need inputs and suggestions and advice from people, who are involved in the job in the profession in the business community because it is important for us to learn and to understand what the ground realities are and what might help us make the best possible legislation. The objective of the exercise is to create a paradigm, a landscape, a law, a framework that is the best in the world that fosters growth, that encourages people to invest to be more professional, that ensures confidence not only in the investors but in the nation at large that there is transparency, there is commitment to

disclose, and there is a commitment to live up to the expectations that people have of companies both big and small, Indian and foreign. That is what I am hoping to do in the next few months. So, I am always available. My Ministry is always available. We are always in constant touch, but on this particular issue, we will have many consultations and all of those concerns that you may have, we will be very happy to address them and do the best that we can. We will show that there is alignment of where we should be.”

“I also believe that as a professional body, it is important for us to maintain certain standards. If there has been non-compliance or divergence from the rules and regulations, then we must have the courage and the commitment to stand up and say, well this is right and this is wrong, because human beings make mistakes sometimes unknowingly, sometimes knowingly. In either case, there is a law of the land that must take precedence beyond anything else. Therefore, it is up to us, as a regulatory body, as a government, as an institute, to work closely together to make sure that the credibility of the profession, the integrity of the people, who work in this wonderful field, is maintained and is heightened every time we get a chance,” Shri Sachin Pilot said. “As more and more young people take up this profession and as India becomes much more relevant to the global economy to the regional economy, we have a very very important and a very very, perhaps, the challenging job ahead of us to live up to those expectations. And, I have no doubt in my mind that the ICAI can do this,” the Minister added.

“As you move along, at every step of the way, I am very willing and open to interact with all of you individually, formally-informally, to see what we can do because I believe that we are not working at cross purposes. We are both working as a regulatory body, and as an Institute, MCA, we have to work together to make sure that there is synergy. There is absolutely no point in doing things which might create any sort of issues in the future. So, the point is to be able to work together for us to be able to take inputs from you and for the Institute itself to help the Ministry formulate guidelines and frameworks that are going to benefit not just the profession but our companies, our industry and our economy as a whole,” the Minister said.



Shri Sachin Pilot gets a helping hand from CA. Subodh Agrawal for the release of an ICAI Publication

Earlier, Shri Pilot released a number of publications and educational material of the ICAI. These included “Accounting Standard for Local Bodies (ASLB) 11, Construction Contracts”, “Practitioner & HUF: A practitioners’ Perspective,” “An Information Booklet on Urban Cooperative Banks, their Problems, Expectations

and Remedies,” “Accounting of Special Authority under Central or State Act,” “Educational Material on Indian Accounting Standard (Ind AS) 18, Revenue,” “Educational Material on Indian Accounting Standard (Ind AS) 108, Operating Segments,” “Study Material on Ind ASs for IFRS Certificate Course: Volume II to Volume VI,” “Revised Edition of Compilation of Registration Provisions under VAT Laws of Different States,” “Compilation of Works Contract Provisions under VAT Laws of Different States,” “Handbook for Professional Opportunity for Chartered Accountants,” “Portfolio

Management Services in India and Road Ahead,” “History & Glimpses of ICAI's Corporate Forum,” “Technical Guide on Tamil Nadu VAT Audit,” and “Various Types of Finances for Cooperatives and Non-Profit- Organizations”.

He also gave away awards to the rank holders, meritorious Students of various CA examinations.



The Motor Insurance at Discounted OD Premium was also launched on the occasion for Members of the ICAI.

A Vote of Thanks was proposed by **ICAI Vice President CA. Subodh Kumar Agrawal (now ICAI President)**. He particularly thanked the Chief Guest Shri Sachin Pilot for taking note of ICAI initiatives and concerns and telling about his Ministry's and nation's expectations from the profession. "I assure you that we will come to your expectations, not only to your expectations, but we will come to the expectations of the society and all the stakeholders," CA. Agrawal said. To the members, he said: "To all our fraternity, I want to assure that the Council of the ICAI has been taking all the necessary steps and measures to address their concerns. The Honourable Minister has also assured that he

is open to discussion; they are open to all the views and take the things in the right perspective."

He quoted Robert Frost: "The woods are lovely, dark and deep; But I have promises to keep; And miles to go before I sleep, And miles to go before I sleep."

The ICAI Regional Councils and branches which were adjudged outstanding under different categories in the year gone by were also given away **awards** on the occasion. ■



A view of the gathering