

## Great Show of Professional Excellence at 64<sup>th</sup> Annual Function of ICAI



*The Institute of Chartered Accountants of India celebrated the year of noteworthy achievements at its 64<sup>th</sup> Annual Function held on February 11, 2014, in the convention hall of Hotel Ashok in New Delhi. Success that ICAI achieved in the year 2013-14 was recalled on this occasion. Chief Guests on the occasion were Union Minister for Communications & IT and Law & Justice Shri Kapil Sibal and Union Minister of Minority Affairs CA. K. Rahman Khan. Meritorious CA students were awarded and successful Regional Councils and Branches were honoured for their outstanding progress made during 2013-14. Past-Presidents of ICAI, Members of ICAI Central Council and Regional Councils, office-bearers of various Branches, officials from the Ministry of Corporate Affairs and hundreds of CA members and students actively participated in the function and gave a patient hearing to the dignified speakers on the occasion. We present you a brief report of the Annual Function. Read on...*



ICAI Secretary **Shri T. Karthikeyan** welcomed all the dignitaries including the past-Presidents of ICAI, members of ICAI Central Council and Regional Councils, member and student achievers, and employees of the ICAI to the Annual Function and called this year's Annual Function a special event for all stakeholders of the accountancy profession. He said that the challenges had increased in the light of new Companies Act, but expressed his

satisfaction that the Institute had handled all matters pertaining to profession quite efficiently and smoothly while not letting the interests of the nation down. He congratulated the Council as well as the then President and Vice President for leading the profession from the front. He then made it a point to welcome both the Chief Guests on the occasion, Union Minister for Communications & IT and Law & Justice Shri Kapil Sibal and Union Minister of Minority Affairs CA. K. Rahman Khan. Union Minister Shri Kapil Sibal arrived at the venue a little late and joined the dignitaries at the dais. He called the Union Minister friend, philosopher and

guide of the profession and thanked him for his constant support and guidance. He acknowledged the contribution of the Union Minister Shri Kapil Sibal and said that Shri Sibal had made significant contributions by guiding the HRD Ministry and the Ministry of Science and Technology in the past. He then made an appeal to both of them that the Institution expected more patronage and guidance from them. He then invited the-then ICAI President CA. Subodh Kumar Agrawal to address the audience and inform about the developments in profession that had taken place in the year 2013-14.



In his presidential address, the then ICAI President **CA. Subodh Kumar Agrawal** very briefly outlined all-round development in accountancy profession taken up by the Institute through various

Committees, departments and sections. He gave an overview of all national and international initiatives of the ICAI. He highlighted how the profession had made a significant contribution towards its role as partner-in-nation-building. He said that the ICAI would never ignore the cause of its stakeholders that included our society and our nation. He highlighted that the ICAI is dedicated to bring an effective IFRS convergence in the best interests of our national economy. He said ICAI has registered a very strong presence nationally as well as internationally with five Regional Councils, 146 Branches and 23 foreign Chapters. While highlighting the ICAI's contributions on international front, he said, "Through our representation in international accounting bodies like IFAC, CAPA, SAFA, IIN, AOSSG and XBRL International, we have been raising our concerns at the international forums and platforms."

While emphasising on ethical practices, he further said, "We replaced the ICAI Code of Ethics with a more comprehensive ICAI Code of Professional Ethics. We have also finalised the ICAI Code of Conduct for all elected, nominated



Chief Guest Union Minister CA. K. Rahman Khan Lights the Lamp

and co-opted representatives." He further praised the developments in ICAI with regard to resolution of disciplinary cases and said; "83 cases were concluded by the Disciplinary Committee (under old mechanism under Section 21D). 88 cases were concluded, 29 punishment awarded and 248 prima facie opinion considered by the Board of Discipline (under Section 21A). 84 cases were concluded, 17 punishment awarded and 58 prima facie opinion considered by the Disciplinary Committee (under new disciplinary mechanism under Section 21B)." However, he pointed out, "The cases that are pending under old mechanism (under Section 21D) are because the matter is pending at different courts of law."

The-then ICAI President showed his satisfaction over the fact that membership had increased and was about to touch the 2.25 lakh mark, rising at the rate of 8.2%. He was happy that more and more students were expressing their choices to opt for the chartered accountancy course. He then said, "Our student community has also approached the 8 lakh mark. The credit for that goes to our proactive initiatives for creating awareness and popularise the CA course among the eligible students."

He also expressed his contentment over the methodic initiatives that the ICAI undertook in order to send their suggestions over the draft rules of the new Companies Act. He said, "We constituted expert groups in all regions to

*formulate suggestions on Draft Rules under the Companies Act, 2013. We also created provision on our website for members to submit suggestions on the same. We sent mass emails and SMSs sent to all members in India requesting their online inputs. Suggestions were then submitted to MCA on Draft Rules (six phases) under Companies Act, 2013. We kept our members updated by uploading documents, circulars and notifications related to Companies Act, 2013.”* The whole exercise was done in order to represent the viewpoints of the whole membership fraternity as far as possible, he proudly said.

He then thanked his member fraternity, his Central Council colleagues and all employees of the Institute. He said, *“Employees who have been working hard to keep the interests of our profession in high regard have to be lauded for their efforts.”* He then thanked his Council colleagues for their leadership roles, i.e., role of Chairman and Members, in various Committees and their Groups and sub-Groups, of the Institute and for taking their keen interest and valuable time for guiding the efforts of ICAI employees in preserving the benevolence of our profession.

Finally, he especially thanked especially his associate, i.e., the-then Vice-President and currently President of the Institute, CA. K. Raghu for suitably helping him in dealing with the affairs of profession. He praised him for his support in all professional endeavours and said, *“His company has been quite comforting for me, since both of us shared similar goals for the profession and wanted to do something positive for the profession. I offer him my best compliments and believe that he will take the profession further higher and make it more prosperous under his leadership.”*

The-then ICAI President then thanked both the Chief Guests for accepting the invitation of the ICAI to be at its Annual Function, and said that their support and guidance would go a long way in strengthening the profession in this dynamic economy. He said that the ICAI would get back to them and seek their guidance

and would expect their intervention whenever important contending issues would come before the profession.



*Presenting Bouquet to Chief Guest CA. K. Rahman Khan*

Chief Guest Union Minister of Minority Affairs **CA. K. Rahman Khan** praised the profession and thanked the Institute for inviting him to the Annual Function. He said that invitations to the functions of the ICAI are instances of honour for him, extended by the accountancy profession. He said, *“Though I am away from the active practice, but my association continues to grow because of your love and affection. I have never disassociated myself from the profession since I became a chartered accountant.”*

He then went on express his admiration for the ICAI President, the-then Vice President, CA. K. Raghu. He said he personally knew him and mentioned that he had been contemporary with CA. K. Raghu’s father. He said, *“Today is a great day for me personally as Shri Raghu...is going to become the President of The Institute of Chartered Accountants of India; ...I am very proud of him for his achievement.”* He suddenly remembered that it was his Golden Jubilee year as a chartered accountant, since he had started his practice in the year 1964. He said, *“...I calculated when I was coming here that I have completed 50 years in the profession. I am very happy because I always feel proud to be a chartered accountant. I have achieved so many things in my life but the pride of being a chartered accountant will always be with me.”* Despite being away from the profession, he always felt attached with it.



Union Minister CA. K. Rahman Khan then recalled the glorious past of the ICAI and the accountancy profession. He was remembering his days when he had enrolled as member. He felt proud that from six

thousand and odd members, the professional fraternity has more than 200 thousand members at the moment. He expressed his satisfaction, *"...we have been serving the nation with great dignity and dedication."* He brought in striking resemblance between the history of profession and the history of our nation and said: *"Our history is also the history of the nation. The Institute was born in 1949 and the country got independence in 1947. For almost 64 years, we are knitted with the development and the growth, and whatever the country has achieved in these 66 years after independence, our profession has played a major role in the growth of the country."* However, he was quick to remind his membership fraternity,

*"While feeling proud of our contribution, we should think of the future, future of the profession and how the profession has continued to play its dynamic role in the economic growth."*

He then welcomed his colleague Union Minister for Communications & IT and Law & Justice Shri Kapil Sibal to the 64<sup>th</sup> Annual Function of the ICAI, acting like a host. He then briefly talked about the challenges posed by the national economy and highlighted the role chartered accountants could actively play in resolving its riddles. He said, *"Friends, we have a big challenge as the economy is growing and the country needs experts...Every stakeholder of the economy looks up to us, whether she/he is an ordinary investor, a small depositor, a taxpayer, the Government itself, or the industry."* He was happy that chartered accountants at the moment were connected with every section of our society. He presented the expectation, *"Shareholders trust us and...we have to keep up this trust. To keep up the trust, future chartered accountants...should be well-equipped..."* He was however satisfied, *"The expectation of the*



Presenting Memento to Chief Guest Union Minister Shri Kapil Sibal

*Government from the profession is that we will be supporting the Government's efforts to grow and develop...the Institute has, in the last 64 years, lived up to the expectations of the nation..."* He then wished the profession a great success and hoped sincerely to join together in strengthening the Institute and the profession, in securing trust in all stakeholders.



Union Minister for Communications & IT and Law & Justice **Shri Kapil Sibal** then started with complimenting his colleague in the Council of Ministers and congratulated him for completing 50 years as a chartered accountant. He

went on to admire the 1100-strong professional presence of chartered accountants and found this spectacle rare. He expressed his pleasure to be at the 64<sup>th</sup> Annual Function of the ICAI. He acknowledged, *"...the nature of profession over the years has changed. What I knew of accountancy as a student and later on in life is entirely different from the expectations from accountants in the 21<sup>st</sup> century."* He said that IT revolution had changed the face of each and every profession of the world, whether it is medicine, law, or accountancy.

Union Minister Shri Sibal expressed his faith in the profession when he said, *"In fact, I do believe that today is the time when accountants should be in the forefront of every vocation because accounts are, in a sense, the connecting link of all vocations. You need accounts of political parties, which are non-transparent. We need to make them transparent. We have accounts in the corporate sector, where there are a lot of irregularities...and only you people can resolve some of those issues."* He expressed his sense of clarity about the profession and said, *"...it is time for us to look at each business activity separately because I do believe that each separate human activity requires a different accounting system."* He recalled, *"...when I was Minister in the Human Resource Development Ministry, I invited the ICAI and said that we need a special accounting standard for educational institutions because it is not a one-size-fit-all world."* He expressed his hope and said: *"I think it is time for accountants to recognise that and set up bodies within the ICAI to look at separate vocations and see what are the needs of accounting standards in those separate vocations so that when the consumer looks at information in that vocation, then the information, that is given to him, is, to the extent possible, as pure as snow. Then only, the consumer will be able to take an informed decision."*

Then, he also expressed his concerns for small and medium-scale sectors and informed the professional fraternity that those sectors really needed enormous encouragement from the competent and superior professions. He then gave example of the cases of economic growth in Japan, Korea and Taiwan, and said, *"...you will realize that it is those small-family businesses that actually were the backbone of the economy."* He expressed his desire that the accountancy professionals should actually approach those small-scale businesses and educate them in accountancy. He said, *"In fact today, through accounting, you can make projections for the benefit of the business..."* He then evoked the profession and asked it to empower further and explore since *"an accountant needs much greater knowledge than just being an accountant"*. He said, *"An accountant today needs marketing*

knowledge; he needs knowledge of law; he needs forensic expertise. Therefore, this is an opportunity for the accountant community for chartered accountants to expand their horizons of knowledge and acquire skills which are required for the job to give multidimensional service to your customers.”



Union Minister Shri Sibal then talked about some developments in IT and said, “Cloud computing is, in fact, a great boon....Now, you don’t have to store data within a company. You can store data outside the company. In other words, the business expenses can be reduced radically.” He advised the accountancy professionals, “I think what you need to do to is to work very closely with the IT Ministry. I would suggest that some of you should get in touch with me and I will set up a special group with the ICAI to look for opportunities.” And he cautioned further, “But, remember, try and do it before 27<sup>th</sup> of February. It is important, it is important for us. Once we start the process, you will realise the benefit that you will get through that process.” He then informed the audiences that all professions should eventually look for a way to contribute to their community, while making it a win-win situation for all. He was sure, “While the community prospers, you prosper. It should not be a situation where you prosper and the community doesn’t prosper.” He reminded everybody of their social responsibility and a mandatory requirement to give back to their society. He then looked at the accountancy scenario in the government departments and said, “Many of our accounts within government departments are in utter disarray. In a sense, Government departments can benefit enormously, if we have professional chartered accountants looking at our accounts in a meticulous manner.” He then showed a ray of hope to the profession, “So, if the Government department would actually employ not employ but absorb chartered accountants and make them a part of their team, Government

will also enormously benefit.” He then urged the profession to follow the soul of this noble profession and remain ethical. He eventually expressed his wish, “A professional must rise above his own personal selfish interests and look at himself as a role model in the context of serving a particular business which has given him a responsibility which he must discharge with trust, and that applies to every section of society.”

Union Minister Shri Sibal then complimented the professional community finally on this 64<sup>th</sup> Annual Function of the ICAI and hoped that the trust this profession has generated in business “must never be adulterated in any way as you move forward”. He then wished the ICAI good luck and success.

A Vote of Thanks was proposed by the ICAI President, the-then Vice-President, **CA. K. Raghu** (now ICAI President). He thanked both the Chief Guests on the occasion Union Minister for Communications & IT and Law & Justice Shri Kapil Sibal and Union Minister of Minority Affairs CA. K. Rahman Khan for raising their concerns and making wonderful suggestions to the accountancy fraternity. He also thanked them for extending the support of the Government to the endeavours of the ICAI and proposing the new sectors of professional opportunities to the fraternity.



While he expressed his pride since the profession has the trust and confidence of our society and government, he found the idea of Government's invitation to Ministry of Communication and IT both encouraging and respectful. He said, *"I am committed to the cause of profession on behalf of the CA fraternity and promise to play the desired role as trustee of stakeholders' interest."* He promised the Chief Guests and said, *"Our journey to become one of the most competent and trusted international accounting bodies will be on. We will be a more responsible professional fraternity while helping our economy to brave the world financial evolutions. In this process, I am sure our brand CA India will be strengthened."*

He then acknowledged before the stakeholders, *"I take this opportunity to extend my warm welcome all the stakeholders of my profession, as I accept this chair of trust with a sense of complete accountability and gratitude. I thank all my Council colleagues for their profuse*

*love and affection and for selecting me to lead this sacred profession."* He then welcomed the employees of the Institute and said, *"...we will work in complete cooperation and coordination in order to strengthen the accountancy profession and take this intellectual tradition forward by promoting a culture of strong ethics and transparency and setting new yardsticks of progress."*

Afterwards, ICAI Regional Councils and Branches that were adjudged for their outstanding contributions under various categories in the year gone by were given away the awards on the occasion. Student achievers were also awarded for their merit in various CA examinations. Members were also awarded Certificates for qualifying in various post-qualification courses. Several publications of ICAI were also released on the occasion.

Overall, the 64<sup>th</sup> Annual Function of the ICAI ended on an optimistic note. ■