

From the President



CA. Manoj Fadnis, President, ICAI

“ I sincerely hope that all of us would demonstrate prudence, discipline and integrity while voting for larger concerns. I sincerely offer my best wishes to all my professional colleagues — those who will contest and those who will vote for the contesting candidates. I hope that all of you will fully exercise your franchise in the preferential system of voting and give your preference to all the candidates. I am sure, the ultimate winner will be our democracy, ethics, integrity and independence. ”

Dear Friends,

The word *bravery* that was once associated more with people who had great physical strength and courage, is now meant for people who have courage—to respect others, their fundamental rights (right to equality and freedom, cultural and educational rights) and existence. Bravery is not just the act of daring to act, but also to take the responsibility of consequences of that action. According to Mahatma Gandhi, bravery is a quality of the soul and not of our body.

Recently while speaking at the 70th anniversary of the United Nations Day the Prime Minister of India has highlighted: *The ideals and path shown by Gandhiji are extremely relevant today.* Before the world takes its lesson from Gandhiji's ideas and ideals, each and every Indian needs to learn from them. Let us be brave and follow the relevant path to be brave in a true sense.

Let us revise our actions and respect our fundamentals—*sarva dharma sambhava* (all religions are equal) and *vasudhaiva kutumbakam* (whole earth is a family). Through '*sarva dharma sambhava*', we had been advised to treat people of all religions with equal respect, since all religions have same spiritual goals. And we got the supreme message of love and unity through '*vasudhaiva kutumbakam*'. Let us continue to respect each other, protect each other's existence and feel responsible for each other's dignity.

Now, let me try to bring to your notice some of the most significant developments in accountancy profession:

Let Us Vote with Integrity and Responsibility

The triennial ICAI elections for 23rd Central and 22nd Regional Councils will be held at 620 polling booths across the nation on 4th and 5th December 2015. Let all of us exercise our power of democracy and reason in this single transferrable system of voting to elect the most suitable candidates to function in the interests of accountancy profession. Counting of votes will be done centrally after collecting the ballot papers and the results will be declared soon thereafter.

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Let me tell you that it is time to be responsible not only to our profession, but also to our nation—since the ICAI has been taking on its role of a partner in nation building. I sincerely hope that all of us would demonstrate prudence, discipline and integrity while voting for larger concerns. I sincerely offer my best wishes to all my professional colleagues—those who will contest and those who will vote for the contesting candidates. I hope that all of you will fully exercise your franchise in the preferential system of voting and give your preference to all the candidates. I am sure, the ultimate winner will be our democracy, ethics, integrity and independence. Eventually this will be our collective triumph.

On the part of the Institute, I would assure all my member colleagues that the Institute is committed to hold fair and transparent elections. In this exercise, the employees of ICAI play a very responsible role. I congratulate all of them in advance for the strenuous efforts they are already putting in to make the whole process effective.

Meetings of Companies Law Committee of MCA

As members are aware that in my capacity as ICAI President, I have been nominated as a member of the Companies Law Committee of the Ministry of Corporate Affairs. The committee is looking into the amendments required in the Companies Act, 2013. The committee has so far held 5 meetings to discuss the suggestions received from the stakeholders at large. I have attended all the meetings and put forth the suggestions in the interest of the profession. The Committee is endeavouring to submit its report by the end of December 2015.

IFAC Council and Board meetings

IFAC Board and the Council Meeting were held in Singapore from 11th to 13th November 2015 to *inter alia* discuss IFAC Strategy for 2016–2018 and Strategy Implementation Plan. Besides report from IFAC's President, Chief Executive Officer, Chair of the Audit Committee, Governance Committee, Planning and Finance Committee, Nominating Committee were also

considered. ICAI past President and IFAC Board Member CA. K. Raghu and myself attended these meetings.

ICAI President Elected CAPA Deputy President

I am happy to inform that I have been elected Deputy President of Confederation of Asian and Pacific Accountants (CAPA) for a period of two years, at its Board meeting held in October 2015 in Seoul. An ICAI nominee has got this coveted position after a gap of ten years we would be able to strive for professional growth more and better on international platforms. As you know, CAPA is the regional organisation representing 31 national accountancy organisations from 23 countries in the Asia-Pacific region.

International Placement Programme

I am very happy to inform you that the ICAI has taken an initiative to provide opportunities to members abroad. It has launched an India-Ireland Placement Programme. So far, 1,163 members have registered to avail themselves of the benefits of this programme. 738 members have been shortlisted in the first level and, as of now, a total of 37 candidates have been finally shortlisted for final screening. It is heartening to note that the quality of the members has been highly appreciated by the prospective Irish employers.

Meeting of QRB of ICAI with IFIAR

I wish to inform all stakeholders that the Quality Review Board led by its Chairperson Dr. (Mrs.) Parvinder Sohi Behuria recently met the IFIAR (International Forum of Independent Audit Regulators) Chairperson Ms. Janine van Diggelen in Amsterdam and discussed all aspects about the QRB's membership application of IFIAR, among other issues of mutual interest. The QRB delegation included the ICAI Vice-President and my Central Council colleague CA. Charanjot Singh Nanda. We are extending all possible support to QRB.

Clarifications Regarding Use of CA Logo and ICAI Emblem

Pursuant to some FAQs published earlier, some of our member colleagues had expressed

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confusion if the ICAI prohibited the use of CA logo by ICAI members. I take this opportunity to clarify that the common CA logo (letters C and A with inverted tick mark inside a rectangle) may be used by all members; therefore, there is no change in that regard. However, the ICAI logo (the emblem containing garuda with the motto, *ya esha supteshu jagarti*, from Kathopanishada) cannot be used on standalone basis, except for its incidental appearance in the background in a picture/ banner.

Meeting with Minister of State for Finance

Recently, I along with my Central Council colleague CA. Anuj Goel, among others, met the Hon'ble Minister of State for Finance Shri Jayant Sinha to discuss the issues of mutual interests including bank audit and the roles that CA profession can play as partner in nation-building to the national economy to the next level. Hon'ble Minister of State for Finance has taken our viewpoint in the right earnest.

Pre-Budget Memorandum, 2016 to be Submitted

The annual Union budget plays an instrumental role in giving direction to Indian economy. We have been invited by the Government to give our views and suggestions. ICAI representative made a presentation to CBDT Chairperson Ms. Anita Kapur wherein suggestions in respect of major issues in both direct and indirect taxes pertaining to different sectors have been put forth. In a consultative manner, we had earlier requested our members to submit their suggestions, for a Pre-Budget Memorandum. Suggestions received from our members are being compiled and incorporated along with the Institute's views. I wish to inform my professional colleagues that after the incorporation, the Pre-Budget Memorandum will be duly submitted to the Ministry of Finance for their consideration.

Seminar with Controller General of Accounts

Internal audit plays a critical role in delivering the organisation's strategic objectives and championing best practice in governance.

It is really heartening that a *Seminar on Enhancing Effectiveness of Internal Audit—Issues & Challenges* was conducted as a joint initiative with Controller General of Accounts. This amply reflects the continued emphasis on good governance and accountability in the government. It is a step to sensitise and promote high standards and deliver excellence in financial management and governance. This joint program is yet another endeavour of the ICAI to partner with the Government in nation building.

All Set to Benchmark Indian CA Education with the Best in the World

Nelson Mandela has rightly said: *Education is the most powerful weapon which you can use to change the world.* Our comprehensive CA education has the same potential in addition to sustained and future-oriented growth of our profession. With a vision that accountancy profession and accountancy education should constantly go hand in hand with global academic, technological and economic advancements, our revised scheme of education and training, has been designed to benchmark Indian CA education with the best in the world.

If you remember, we had announced the Revised Scheme of Education and Training, which necessitated certain changes in the Chartered Accountants Regulations which have been sent for the mandatory approval of the Government. Once approved, the Scheme shall be open for public comments for 45 days. I am sure that this future-oriented drive of the ICAI will go a long way in making our students and future CAs more dynamic, industry friendly, practical in their strategic role as watchdogs and enabler of compliance and fiscal discipline.

CA Examinations Smoothly Conducted

November 2015 Chartered Accountancy examinations were held smoothly across 445 centres in India and abroad. It was a mammoth exercise, as about 1,27,100 candidates were admitted to the Final and about 2,01,000 candidates were admitted to the Intermediate (IPC) examinations. I wish to inform you that CA Final examination of Group II Paper 8 (Indirect Taxes) scheduled on 16th November 2015 was

proactively postponed in some specified cities to 26th November 2015. This was done owing to the bad weather condition including heavy and incessant rains and thereby a disruption of daily life in the coastal regions of Tamil Nadu and some parts of Andhra Pradesh.

Workshop for Examiners of CA Examinations

Our Institute has got a very robust and elaborate system of conducting Chartered Accountants' examinations where the Institute takes all necessary measures including proper care and caution while setting the examination papers, conducting the examinations, and evaluating the candidates' answer books. With more than six decades of holding effective examinations with integrity, the ICAI has taken the services of examiners, who are considered experts and held in high regard in chartered accountancy subjects. The examination system of ICAI has enough check and balances so that answer books are evaluated in a justifiable, uniform and consistent manner.

At the same time, to take the examination system to the next level, we recently conducted a workshop for the recently inducted examiners who are new to the system to sensitise them about overall quality and standards of our examination system.

Update on Disciplinary Front

You would appreciate that as a part of the continuous drive to uphold the credibility and integrity and image of the accountancy profession in India, the ICAI through its disciplinary mechanism, has been working assiduously for expeditious disposal of all disciplinary matters. The time taken in disposal of the disciplinary cases has been reduced substantially. In February 2015, there were 129 cases before the Disciplinary Committee. As on date, 99 cases have been fixed for hearing and 49 cases have been heard and concluded while remaining 50 cases are at different stages of disciplinary proceedings. Similarly, out of 28 cases before the Board of Discipline for hearing, 17 have been heard and concluded and remaining 11 cases are at different stages of disciplinary proceedings.

While it has been our constant endeavour to reinforce the ICAI's commitment to conduct and conclude Disciplinary Proceedings of the cases in a time bound and judicious manner I exhort my members to strictly follow code of conduct, regulations and the laws of the land. Disciplinary exercise, however sporadic its need may be, is a painful exercise.

Financial Assistance to CA Students through CASBF

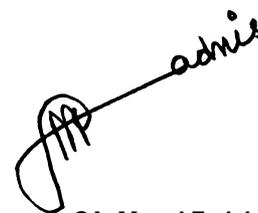
I am very happy to inform that the Board of Trustees of *Chartered Accountants' Students Benevolent Fund* (CASBF) has decided to grant financial assistance to 800 meritorious and needy students, 400 male and 400 female students, who are currently undergoing articled training for one year with effect from 1st April 2015 to 31st March 2016.

When we help students, we actually help transform our generation next, and when we empower our generation next, we actually secure our own future. As members of this noble and empowered accountancy profession, we have got power, recognition and security, which we can use suitably to protect, defend and extend help to our society. I sincerely feel that it is now our turn to give back what we have got from our dear profession—let us provide power, recognition and security to the needy.

Before I conclude my page, I sincerely congratulate all of you in advance on the two approaching festivals, *Milad-un-Nabi* or *Id-e-Milad* (Prophet Muhammad's birthday) and *Christmas* (Jesus Christ's birthday), which we will celebrate on 24th and 25th December this year. Let us live together with more love, peace and kindness.

Let us be more accepting.

Best wishes,



CA. Manoj Fadnis
President, ICAI

New Delhi, 24th November, 2015