

ICAI Achievements 2015-16

ICAI Scales New Heights of Success in 2015-16: A Report on Key Achievements



Indian Accountancy profession has been a dynamic journey of professional excellence, integrity and enormous opportunities to serve the society. This inspiring journey not only continued unabated in Council Year 2015-16 but also spearheaded Professional Excellence and triumphed many hitherto unchartered territories of professional capabilities as visualised in ICAI's 2015-16 Action Plan: Spearheading Professional Excellence. As envisioned, the ICAI worked as the regulator cum facilitator, serving the best interests of our nation, accountancy profession, its members, students and other allied stakeholders. The year saw Indian accountancy profession coming to the forefront of present day knowledge economy and move closer to the ICAI's stated Mission, that is: 'The Indian Chartered Accountancy Profession will be the valued Trustees of World Class Financial Competencies, Good Governance and Competitiveness'. In this special feature, we bring to you the commendable results and achievements of ICAI's year-long persistent pursuit of global excellence and new professional and social paradigms.

1. Strengthening CA Education & Training

This year, the ICAI set new milestones in the realm of 'CA Education & Training'. ICAI's 850,000 students and CA education system had been one of the topmost priorities of ICAI this year with a vision for sustained and future-oriented growth of accountancy profession. The idea was to reset the ICAI's future priorities and revitalise and realign Indian accountancy education with the emerging imperatives and global best practices. This was done through finalisation of new CA Scheme of Education and Training, specialised all-encompassing training, courses tailor-made for future requirements, multi-dimensional analytical and soft-skills development, online mentoring, etc. Following are the highlights of major initiatives for ICAI students as well as members who were educated to facilitate their alignment with new emerging professional horizons:

Members

- Provided knowledge and practice support, particularly in the backdrop of new regulatory environment taking shape in the form of 'Companies Act 2013', 'Goods and Service Tax', 'Implementation of Ind AS converged with IFRS', and 'Integrated Reporting', etc.
- Launched two new Certificate Courses on 'Wealth Management and Financial Planning' and 'Anti Money Laundering Laws' and also initiated process for introduction of Certificate Course on Cyber Law and Certificate Course on Digital Forensic.
- ICAI received an approval for the Diploma Course in International Tax from the Ministry of Corporate Affairs.
- ICAI is in process of launching two new Certificate courses i.e. "Certificate course on Financial Markets and Securities Laws" and "Certificate course on

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Fundamental and Technical Analysis of Stocks including Equity Research”

- Responding to new developments, the scheme of the Certificate Course on Arbitration was revised and updated. Also restructured the Post Qualification Course in International Trade Laws and WTO.
- A series of technical publications were finalised or considered particularly, including Guidance Note on Audit of Internal Financial Controls over Financial Reporting, 2015 Guidance Note on Audit of Banks, Guidance Note on Audit of Banks 2016 Edition, Knowledge Booklet III, Audit Committee-Monitoring Effectiveness of Internal Audit, Guidelines of Limited Liability Partnership (LLP) and MDP, Impact Study of Ind AS on direct and indirect taxation in India.
- *Companies Act 2013:* Issued Guidance Note on Schedule III to the Companies Act, 2013, Guidance Note on Some Important Issues Arising from Schedule II to the Companies Act, 2013, Guidance Note on Reporting under Section 143(3)(f) and (h) of the Companies Act, 2013, Guidance on Reporting under the Companies (Auditor’s Report) Order, 2015 (CARO, 2015) and Consequential Amendment to the Format of the Auditor’s Report of a Company AND Clarification on Auditor’s Report in respect of Financial Statements of a Company for Accounting Years Beginning before 1st April 2014 and Guidance Note on Reporting on Fraud under Section 143(12) of the Companies Act, 2013, besides bringing out a total 16 Bulletins so far on the Companies Act, 2013.
- Organised more than 46 training programmes on the implementation of the Companies Act, 2013.
- Organised more than 20 seminars/workshops on reporting under the Companies Act, 2013.
- Approved Illustrative Format of Auditor’s Report on Consolidated Financial Statements of a Company Under the Companies Act, 2013
- Released a compilation of almost 350 publications in a DVD, ICAI Knowledge Bank, in an easy-to-

read format containing latest circulars of RBI, SEBI, etc.

- Educational Material were brought on Ind AS 101, *First-time Adoption of Indian Accounting Standards* and Ind AS 10, *Events after the Reporting Period*. And came out with a publication “Indian Accounting Standards (Ind AS): An Overview”.
- So far, around 6,600 members have been successfully trained in the Certificate Course on IFRS throughout the country and abroad.
- Issued Guidance Note on Accounting for Expenditure on Corporate Social Responsibility (CSR) Activities, and Guidance Note on Accounting for Derivative Contracts.
- Spread the network of CPE Study circles. A total 118 CPE Study Circles have been formed so far.
- The CPE Committee organised 41 Programmes across India in addition to the 12,119 Programmes (as of 19.01.2016) organised by CPE POUs. The Committee also organised 15 National Live Webcasts.
- Nine more CPE Chapters/Study Circles opened for members in mofussil/remote areas in addition to 10 CPE Study Circles for Members in Industry.
- Organised a Programme on Financial Reporting Practices for Political Parties to enhance financial reporting skills of auditors of various political parties. Chief Election Commissioner of India, Dr. Nasim Zaidi inaugurated the event.
- ICAI committed itself and vigorously acted to ensure smooth roll-out and implementation of upcoming GST and organised a big series of programmes and conferences and came out with a range of publications in this regard.
- Constituted an online expert panel to respond to the technical queries of our members relating to bank branch audits.
- A “Seminar on Enhancing Effectiveness of Internal Audit-Issues & Challenges” was organised jointly with Controller General of Accounts.
- Representations were made before Chairman and



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Members of the Standing Committee on Finance over the proposed National Financial Reporting Authority.

- The Expert Advisory Committee of ICAI released the next two volumes of the Compendium of Opinions.
- Issued Guidelines for Valuation norms for Intangible Assets under Rule 23 of the LLP Rules, 2009.
- Organised 38 IT related workshops, Seminars and conferences and helped members in keeping abreast with latest developments in IT related fields.
- Enrolled around 3,400 members for the Post Qualification Course on Information Systems Audit.
- Set up a mechanism for providing online mentoring to the young members by senior experienced professionals.
- Organised the 8th International Residential Refresher course at Tashkent, Singapore and an International Refresher Course in Singapore & Kuala Lumpur.
- Entered into an arrangement with Corporate Law Adviser for providing free of cost online access to Corporate Law/Business Law (e-CLA) Journal to all Young CAs born on or after 1.1.1985 for a period from 1st Sept, 2015 up to 30th June, 2016.
- ICAI monthly journal The Chartered Accountant updated professional knowledge of members, students and other readers.

Students

- The Revised Scheme of Education and Training for CA Students was announced. The new scheme is comprehensive and engaging and includes all contemporary areas, having relevance for the profession like International Taxation, Financial and Capital Markets, Business Economic Environment,

General English and Business Commercial Knowledge.

- Two Integrated Courses on Information Technology and Soft Skills have been introduced besides the three years of rigorous professional training.
- Provided ICAI Cloud Campus as a One-Stop-Window to all the educational, administrative, examination, enrolment and other requirements of the students at their doorsteps.
- Designed a distance education system to be pursued by the students along with their Practical/Articled Training, such that the Students may learn anytime, anywhere at their own pace at the click of a button.
- Hosted 503 lectures covering 402 hours for all three levels of CA Course.
- Video on Demand (VoD's) of 60 LIVE webcasts are made available on ICAI website.
- Organised 102 Online Mentoring sessions.
- Organised 1,108 Batches of Orientation Programme with participation of 45,719 students at the DCOs, Branches & Chapters having IT centres. 1,399 Batches of GMCS-I and GMCS-II with participation of 62,445 students.
- Brought out a DVD on "Chartered Accountancy Course: An excellent Career in Focus with Endless opportunities."
- It was decided to award scholarships through S. Vaidyanath Aiyar Memorial Fund of ICAI to 100 poor and needy but meritorious students undergoing articled training.
- A new Career Counselling Committee of ICAI was formed this year.
- Brought out an exclusive website (www.cccicai.in) to promote Commerce Education with special focus on CA course amongst school and university students.
- More than 1,600 resource persons empanelled for the Career Counselling Programmes.
- Regional Monitoring Group, State wise Task Force & Branch Level Task Force were formed for promoting the Commerce Education with special focus on CA course.



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regulatory authorities like RBI, SEBI, IRDA, media and many leading institutions. Special emphasis was put on Capacity Building of members, both in practice and industry, particularly women and young members, to give them a winning edge. Empowerment of SMPs had been at the centre of the ICAI's all-inclusive growth agenda this year. The Government was effectively approached over various crucial provisions of Companies Act, 2013, and on upcoming GST, Ind AS converged with IFRS etc. The mammoth exercise of the ICAI Elections 2015 further empowered the members' role in internal democracy of the accountancy profession in India. Following are some important initiatives taken in this regard:

- Released a booklet on 'Prepare yourself- Common Proficiency Test: A Ladder for an excellent Career Ahead'.
- Firmed up a Policy for break in service between termination and re-registration of articles service, whereby break in service between termination and re-registration falling in public holidays/weekends will be treated as "in service".
- It was decided to register ICAI with the Foreign Regional Registration Office so that the foreign students registered with ICAI can obtain student visa for pursuing CA course.

2. Empowering Members

With a view to empower accountancy profession and its members in India and to put forward issues of interest to Indian accountancy profession, ICAI took a series of initiatives this year besides interacting with dignitaries at top levels of Indian polity including Lok Sabha Speaker Hon'ble Sumitra Mahajan, Hon'ble Union Finance Minister Shri Arun Jaitley, Minister of State for Finance Hon'ble Jayant Sinha, Hon'ble Railway Minister CA. Suresh Prabhu, Hon'ble Union Minister for Power, Coal and New & Renewable Energies CA. Piyush Goyal, Members of Parliament CA. Kirit Somaiya, CA. Rahman Khan, CA. Naresh Gujral, Shri Shyama Charan Gupta, Shri Ajay Sancheti and Shri Anil Shirole among others. The ICAI also fostered closer coordination with other

- All Ind AS Converged with IFRS Notified by Ministry of Corporate Affairs by placing them on its website after formulation thereof by the ICAI and review by the National Advisory Committee on Accounting Standards. This marked an important milestone in the evolution of accounting standards in India by placing them almost at par with IFRS.
- Firmed up Due process to be followed for the revision/amendments to Indian Accounting Standards (Ind ASs).
- Accounting Standard (AS) 12 (Revised), *Accounting for Government Grants* was finalised and Amendments made to AS 29, *Provisions, Contingent Liabilities and Contingent Assets* consequential to revision of AS 10, Property, Plant and Equipment.
- The mammoth triennial ICAI elections for 23rd Council and 22nd Regional Councils were successfully conducted on 4-5 and 18-19 December 2015 across 621 polling booths in 424 cities in India.
- In a first in ICAI Elections history, votes cast every two hours were displayed through ICAI website, and earlier the draft list of voters was hosted well in advance on ICAI website.
- Stage is set for triennial election for Managing Committee of Branches for the term 2016- 19 from 24th January, 2016 till end of February, 2016.
- Took up issues of professional concern at meetings with Hon'ble Union Finance Minister Shri Arun



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Jaitley in New Delhi, including on National Financial Reporting Authority (NFRA) and Companies Act 2013.

- To properly explain the Council's view on NFRA, meetings were held with many Members of Parliamentary Standing Committee on Finance. Meetings were held with Dr. Kirit Somaiya, Shri Shyama Charan Gupta, Shri Ajay Sancheti and Shri Anil Shirole.
- Several Meetings were held with Railway Minister CA. Suresh Prabhu on issues of professional interest and on ongoing ARF projects with Indian Railways.
- Discussions with Minister of State for Finance Shri Jayant Sinha to discuss the issues involving the appointment of central statutory auditors and branch statutory auditors of public-sector banks.
- In a meeting, Lok Sabha Speaker Smt. Sumitra Mahajan appreciated the ICAI's role in welfare issues, particularly empowerment of women.
- One among CA fraternity, CA. T. V. Mohandas Pai was awarded Padma Shri this year.
- ICAI President nominated as a member of Companies Law Committee of Ministry of Corporate Affairs to make recommendations to the Government on issues arising from the implementation of the Companies Act, 2013.
- Proactively addressed issues in the Companies Act, 2013 of the members by making suitable representation to the Ministry.
- Vigorously represented to various authorities on the need for withdrawal/reconsideration of managerial autonomy given to banks for appointment of statutory auditors.
- Approved Revised Standard on Related Services (SRS) 4410, "*Compilation Engagements*"—To be applicable for engagements undertaken after 31.3.2016, and also approved Revised Standard on Review Engagements (SRE) 2400, "*Engagements to Review Historical Financial Statements*".
- Put forward profession's stand and vision in a meeting of the Core-Group of Ministry of Corporate Affairs (MCA) under the chairmanship of Secretary, MCA. The meeting discussed roadmap for Implementation of Ind ASs by Banks



and NBFCs, status of implementation of Ind AS, alignment of the requirements of Companies Act, 2013 with Ind ASs and impact of Ind ASs on indirect taxation.

- Following persistent ICAI efforts, the long-awaited notification to exempt private companies under Section 462 of the Companies Act, 2013 was issued by Ministry of Corporate Affairs.
- A Group was formed on issues relating to equitable audit allotments, mechanism to control tendering system and introduction of ceiling on number of concurrent audit of bank branches per firm. Consequently, the limits on concurrent audit fixed @ 4 audits per member. Cooperative banks and RRBs exempted from the limit. To be effected from 1.1.2016.
- Issued four Accounting Standards for Local Bodies (ASLBs), viz., ASLB on *Financial Reporting under Cash Basis of Accounting*, ASLB 3, *Accounting Policies, Changes in Accounting Estimates and Errors*, ASLB 19, *Provision, Contingent Liabilities and Contingent Assets* and ASLB 31, *Intangible Assets* and Accounting Standard for Local Bodies (ASLB) 24, *Presentation of Budget Information in Financial Statements based on corresponding IPSAS 24*.
- Issued Standard on *Assurance Engagement (SAE) 3420, Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus*, and Revised Standard on Auditing (SA) 610, "*Using the Work of Internal Auditors*".
- Sub-groups were formed to carry out focused in-depth study for the implementation of Ind AS in insurance sector of which ICAI's nominees are also part.
- Actively assisted RBI in preparation of a Report to address the incremental issues arising from the implementation of Ind AS by Banks in India.
- *Campus Placement:* Organised 41st and 42nd editions of Campus Placement Programme for the Newly Qualified CAs at 19 centres each wherein around 12949 candidates registered and more than



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2530 jobs were offered. As many as 90 and 88 top entities from the industry participated in these programmes respectively.

- Organised ICAI International Placement through video conferencing at 6 metro centres namely Bengaluru, Chennai, Hyderabad, Kolkata, Mumbai and New Delhi.
- A 3-day mega International Conference on *Accountancy Profession: Spearheading Excellence* was organised at Indore, which was addressed by a host of leading lights including ITAT President Justice (retd.) D. D. Sud, Union Minister for Railways CA. Suresh Prabhakar Prabhu (through video), IAASB Chair Mr. Arnold Schilder, Member of Parliaments Dr. (CA.) Kirit Somaiya and CA. K. Rahman Khan, SEBI Chairman Shri U. K. Sinha, RBI Deputy Governor Shri S. S. Mundra and NACAS Chairman CA. Amarjit Chopra.
- A high-profile ICAI Corporate Forum 2015 was organised in Mumbai comprising three concurrent events viz., Corporate Conclave, Financial Services Expo and ICAI Awards, 2015. Shri Kumar Mangalam Birla, Chairman, Aditya Birla Group was the Chairman of the awards Jury.
- Stage is set for 'ICAI Awards for Excellence in Financial Reporting' for the year 2014-15 on February 6, 2016 in Kolkata. The awards Jury for this year is chaired by Shri M. Damodaran, former Chairman, Securities and Exchange Board of India.
- CA Day was celebrated on 1st July across the country. With this ICAI turned 66. Union Minister of State (I/C) of Power, Coal and New & Renewable Energy, CA. Piyush Goyal was the Chief Guest at the main function in New Delhi.
- ICAI representations inspired some of the changes in The Companies (Amendment) Act, 2015. These changes pertained to Reporting on Fraud by Auditors-Section 134 and 143 (12), Audit Committee-Section 177, Loan to Directors- Section 185 and Section 212 (6), among others.
- In line with ICAI representations, Section 13 (related to Reporting on fraud by auditor) and Section 14 (related to Omnibus approval by Audit Committee) of The Companies Amendment

Act, 2015 were made applicable from 14th December, 2015 and auditors need not report all the frauds to the Central Government. Also, for all the Related Party Transactions a company need not go to the Audit Committee for approval.

- In response to SEBI's request to provide suggestions on issues arising out of Ind AS implementation, the draft of the

format for quarterly financial results as prescribed under Clause 41 of Listing Agreement was sent to SEBI.

- At a meeting of the ICAI, ICSI and ICoAI, it was agreed to allow members holding COP of each of the Institute to become partner in the firms registered with other Institutes. It was agreed that such a member will not be permitted to work in areas exclusively meant for members of other Institutes.
- Made recommendations to SEBI regarding modifications required in the SEBI's Issue of Capital and Disclosure Requirements (ICDR) related to financial statements as a result of Ind AS implementation.
- Decided the Format of Financial Statements for LLPs.
- Came out with "Ready Reckoner on Loan Schemes for Professionals" comprising information on loan offers for professionals made available by Indian Banks.
- Constituted state-wise task forces for various states of the country, to explore new professional opportunities for members in the co-operatives and the NPO Sectors.
- Developed an online Forum for facilitating Mentorship Activities for empowerment of the Young Members of the ICAI.
- Organised around 47 programmes/Workshops/ Seminars/Conferences all over India for Young Chartered Accountants.



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- Developed a Kit for Young Members, to provide them an insight into various aspects of setting up a practice or to enter into industry.
- Arranged various technical tools and software on the audit and professional resources i.e TDS-SVT Software, Tax Suite Software, IT Auditor software, Financial Reporting Manager and other accounting Software, Quick Heal total security and Antivirus Protection facility for benefit of the members in profession.
- From March 2015 to February 2016 issues of the journal, as many as 166 articles/features and reports on various topics were published under various contemporary topics.
- An e-publication (e-flash) for Finance Bill 2015 was prepared and hosted on ICAI website, and its link mass mailed to the members.
- The ICAI conceptualised and brought out a comprehensive 230-page technical backgrounder for Indore International Conference (August 7-9).
- Organised a mega All India Chartered Accountants Summit in Mumbai to showcase talent of ICAI's women members, which was inaugurated by Union Railway Minister CA Suresh Prabhu.
- Organised more than 27 programmes for professional enhancement of women members. The dedicated portal for promoting flexi hours for women members was popularised. 140 employers have so far approached the portal for registration and post job vacancies. 2,890 women job seekers have registered themselves on the portal.
- Women Member Empowerment Committee in association with CMII organised a "Job Fair" for SMEs for Women Chartered Accountants.



2015-16 was to give impetus to research in areas of contemporary significance in the sphere of accountancy and finance, and tie-up with other leading institutions for the purpose. On our Government's encouragement and its own initiatives of moving beyond its traditional contributions to economy, the ICAI this year extended its research and technical support towards the accounting reforms of various Government offices, i.e. moving from cash to accrual system of accounting. Following are the highlights of this front:

- Undertook Comparative studies on accounting standards and practices, transparency, corporate governance, financial reporting practices and methodologies at national and global level.
- Prepared FAQs on issues expected to be encountered while implementing Ind AS converged with IFRS.
- Issued 8 Educational Materials, dealing with issues involved in implementation of Ind AS.
- Integrated Reporting: A draft guidance document on certain aspects viz., 'materiality', 'Financial Capital' and 'Reliability & Assurance on non-financial items' was developed.
- Various research projects taken up by Research Committee for revision of a total nine existing Guidance Notes on Accounting in view of the Ind ASs and the Companies Act, 2013.
- The Accounting Research Foundation of the ICAI made important headways with crucial projects for Indian Railways, Employee Provident Fund Organisation (EPFO), Public Finance Corporation (PFC), Coal India Ltd (CIL) Kolkata and Municipal Corporation of Greater Mumbai.
- ICAI ARF worked on the Project "Study of existing Budgeting and Costing System and Proposal for Outcome Budgeting and Integrated Cost Accounting Architecture in line with Indian Railway Budget Announcement of 2015-16" in addition

3. Research Initiatives

No progress comes without intensive research. As such, ICAI's other high priority in the year



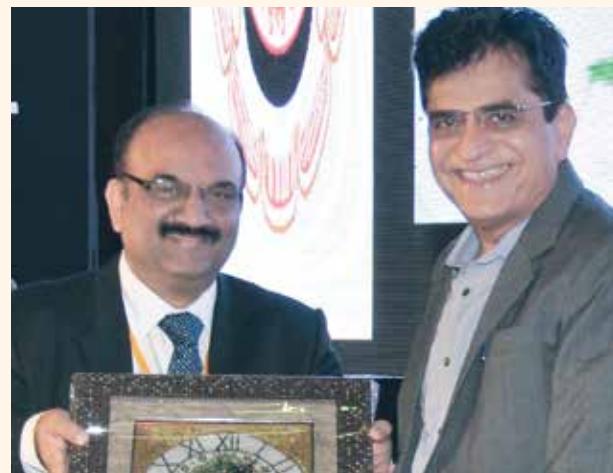
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to the pilot project on "Validation of Accounting Reforms Report and Related Pilot Study Project on Migration to Accrual Based Accounting System at Ajmer".

- Concept Paper on Outcome Budgeting submitted to the Indian Railways.
- ICAI ARF submitted proposals to Indian Railways for a pilot project for implementation of an accrual accounting system of Railway Coach Factory, Kapurthala and NWR division.
- ICAI submitted the proposal for the project "Migration from Cash Based Accounting System to Accrual Based Accounting System of Jaipur Division & Jaipur Head Quarter" of Indian Railways.
- Final Draft Report on "EPFO Migration Strategy Report" submitted regarding EPFO migration to Accrual Based Accounting System.
- ICAI ARF undertook a Pilot Study Project to review various aspects associated with procurement processes in respect of Capex Policies of Coal India Limited, Kolkata, on pro-bono basis.
- A pilot study project has been undertaken in respect of Strengthening Compliance Framework of Power Finance Corporation (PFC) and its three subsidiaries.
- On request of the Airports Economic Regulatory Authority of India, ICAI undertook a Study on appropriate rates for depreciation on Airport specific assets for prescribing a useful life as per Schedule II to the Companies Act, 2013.

4. Spreading Wings Globally

Today's knowledge economy doesn't have any boundaries, and the time is not far when we all have to compete in a globalised environment. This year ICAI aimed at putting brand Indian CA on global map and tap the ever-increasing global opportunities for its members by having synergy with global accounting bodies and institutions. With the perspective of strengthened relationship



and bonding with international accounting bodies like IFAC, AICPA, CAPA and SAFA, the accountancy profession in India has made all possible efforts, be it participation in IFAC, CAPA, SAFA Board meetings, establishing new foreign chapters, representing in conferences or interacting with foreign accounting delegations. Some more important global initiatives undertaken this year are as follows:

- ICAI received a request from Chartered Accountants Worldwide (CAW) to join the organisation as an Associate Member. Established in February 2013, CAW is an initiative of leading world institutions of chartered accountancy to develop and promote vital role that chartered accountants play in global economy.
- New ICAI overseas Chapters are all set to be opened in the near future in Auckland (New Zealand) and Ras-Al-Khaimah (UAE), in addition to the already existing 26 foreign chapters.
- ICAI President joined the league of world accountancy leaders serving the profession globally with his election as the member of International Federation of Accountants' (IFAC) SMP Committee.
- ICAI President elected as the Deputy President of Confederation of Asian and Pacific Accountants (CAPA) for a period of two years. Chairman of ICAI's AASB was elected as a member of IAASB of IFAC.
- Assisted International Accounting Standards Board in formulation of several standards, including on *Measuring Quoted Investments in Subsidiaries Joint Ventures and Associates at Fair Value and Disclosure Initiative: Proposed Amendments to IAS 7*.
- ICAI took up a new initiative to provide opportunities to members abroad and launched an India-Ireland Placement Programme. 1,163 members registered for the programme.

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■ Crucial bilateral dialogues were held global accounting bodies including South African Institute of Chartered Accountants, Institute of Chartered Accountants of Zimbabwe, the merged Canadian Institutes, merged Australia & New Zealand Institute and CPA Ireland, and College of Banking & Financial Studies of Oman and International Integrated Reporting Council.

ICAI and the Chartered Accountants of Australia and New Zealand decided to renew the MoU of a qualification reciprocity arrangement.

■ An MoU with Pakistan regarding bilateral cooperation in the field of accountancy was finalised and sent for Government clearances.

■ Proposed to undertake offsite (and if required onsite) study of accounting profession in the relevant developing countries (LDCs).

■ CPE Committee through its CPE Programme Organising Units organised 15 CPE Programmes in various parts of globe including Sri Lanka, Dubai, Bangkok, Australia, Singapore, China, Macau, Malaysia, Thailand, and Hong Kong.

■ Professor Arnold Schilder, Chairman, International Auditing and Assurance Standards Board (IAASB) and Ms. Kathleen Healy, Technical Director of IAASB visited ICAI to have a closer interaction on issues relating auditing and assurance profession in India.

■ Quality Review Board at ICAI led discussed issues of mutual interest with IFIAR (International Forum of Independent Audit Regulators).

■ ICAI has expressed its interest in the proposal received from Accounting & Auditing Standards Board of Bhutan for Consultancy Service in nature of Technical Cooperation for Development of CA Curriculum of Institute of Chartered Accountants of Bhutan, etc.

■ ICAI representatives put forward Indian accountancy profession's view point at scores of

global meetings, particularly the IFAC Board, 41st SAFA Board and Committee meetings in Dhaka, Confederation of Asian and Pacific Accountants (CAPA), International Forum of Accounting Standard Setters (IFASS) in Dubai, Asian Oceanian Standards-Setters Group Meeting and CAC Meeting in London, IASB meeting with World Standard Setters, IFASS meeting in London and meeting of IFRS Foundation, Korea Accounting Review International Symposium and International Ethics Standards Board for Accountants (IESBA)—National Standards Setters (NSS) Meeting at New York etc.

5. Developing Best Human Resource Practices

This year special focus was also laid on having a robust and responsive 'internal governance' or 'corporate governance'. Efforts were taken to implement good corporate governance and best human resource practices to bridge the so perceived expectation gap of ICAI stakeholders. Special training programmes were organised for the staff of the ICAI to enhance their vision and skill sets, Group Medical Insurance scheme was launched and ICAI Branch Employees Scheme was implemented among other measures. Following are the highlights:

- A new Management Committee of the ICAI was formed this year.
- Proactively worked on ICAI human resource development through HR Transformation Committee' for a robust and responsive 'internal governance' or 'corporate governance' mechanism in the institute.
- It was decided that there would be Compulsory 20 hours training and induction programme for employees.

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- The long-due *'ICAI Branch Employees Scheme, 2014'* is under implementation.
- Introduced a Group Medical Insurance Scheme for the employees of the Institute.
- Pensioners/family pensioners of ICAI have been provided with CGHS facilities at CGHS Wellness Centres in Delhi/NCR only on payment of annual service charges of ₹15,368 to be borne by the retired employees themselves.
- Training programmes on Leadership, Companies Act, Tendering System, and RTI were organised for the staff of the ICAI.
- A study was conducted on total man power requirement for the Institute.
- Organised nine awareness programmes on Financial Reporting Practices in various Regional Offices and Branches of the Institute across India.

6. Focused Infrastructure Development

Special attention was also paid on infrastructure development with a vision that it is the enabling infrastructure which provides us the foundation for comprehensive growth. A series of steps were taken to consolidate as well as expand the ICAI Infrastructure to enhance the capacities and capabilities of accountancy profession across the length and breadth of the country. Following are some major highlights of the Year 2015-16.

- Infrastructure Development Committee of ICAI approved the modified Infrastructure Policy for Branches and Regional Councils/Offices.
- Streamlined running Infrastructure projects for completion of building construction within set time.
- Approved the setting up of a new Branch of WIRC in Bhuj (Gujarat) with jurisdiction including Bhuj, Kutch, Mundra Kutch and Nakhatarana Kutch.
- Three more Branches ICAI were notified – two at Haridwar and Haldwani in Uttarakhand (CIRC), and one Branch of SIRC at Kalaburgi (Gulbarga) in Karnataka.

- Inaugurated the new ICAI Bhawan of the Saharanpur Branch of CIRC.
- ICAI purchased 8 new infrastructure, i.e. land, premises, etc., for the Branches of SIRC (i.e. Kannur Branch), NIRC (i.e. Jalandhar and Gurgaon Branches), CIRC (i.e. Gorakhpur, Jabalpur, Moradabad, Pali and Agra Branches), and WIRC (i.e. Goa Branch).
- ICAI is also in the process to receive land for its Ujjain Branch of CIRC.
- Construction proposals were approved for the Ajmer Branch of CIRC, Surat Branch of WIRC and Hubli and Rajamahendravaram Branches of SIRC.
- Construction underway at the Centre of Excellence in Jaipur.
- Proposal to purchase constructed property in Thane approved.
- Decided for in-principle approval of construction of Bathinda Branch building.
- Working on providing facilities for physically challenged Persons like Ramp, wash room adaptable to the wheelchair users as per the norms of National Building Code (NBC) and reserved parking area in the Infrastructure of the Institute.
- Initiated process on barcoding of books and binding volume of journals.
- Upgraded the library infrastructure including hardware and library management system of the both the libraries of ICAI.

7. Technological Innovations

The Year 2015-16 saw new success in profession-oriented Technological Innovations at ICAI to better serve the members, students and other stakeholders. Technology was harnessed as the engine of modern economy, CA's workplace and an enabling force for the profession. IT was put to optimum use for efficient delivery of services and betterment of the professional capabilities



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this year to give Indian accounting profession a winning edge and raise a generation of global professionals. Following is a quick update on these initiatives:

- In a first, ICAI President and Vice-President inaugurated the new ICAI Bhawan of Saharanpur Branch of CIRC via electronic mode and addressed the gathering using Google Hangout programme.
- XBRL India organised a prestigious XBRL Asia Roundtable with the representatives from Asian Countries including Singapore, Japan, China, UAE, Australia, Korea, Malaysia and India.
- Following the examples of some courts and tribunals, ICAI considered e-hearing for its disciplinary cases.
- Developed and launched the ICAI Mobile Application for Blackberry BB10 platform . The ICAI Mobile App 'ICAI Now' is close to reaching the milestone of more than 3 lakh downloads across all the platforms—Android, IOS, Windows and BB10.
- ICAI proactively and increasingly interacted with its stakeholders through Social Media on Facebook, Twitter, LinkedIn, Google Plus and YouTube.
- Promoted Google Hangout for Video Conferencing, Live Streaming and Interactive session with Students and Members of ICAI.
- As a means to improve web browsing experience the website icai.org has been migrated to Cloud, resulting in 100% uptime and faster accessibility.
- The ICAI is in process of implementing integrated Tally package uniformly applicable to Head Office, Decentralised Offices, Regional Councils and branches.
- ICAI has developed fully integrated Meeting Management System software which contains features to capture all meeting contents in Digital Format.
- Hosted CD of Opinions containing opinions contained in Volume I to Volume XXXIII of Compendium of Opinions on the Institute's website.
- Development of new home page of the site has been undertaken to give better feel and more organised content.
- A new cloud based e-sahayaata system developed on the lines of Single Sign on where all the grievances can be seen together adding more functionality to the system. This will be a fast responsive site on the latest software platform.
- Developed E-Learning DVD as a Responsive Site that would operate on both Desktop/Laptop Computers and Mobile Devices (Smartphones/ Tablets).
- Established Student Learning Management System (LMS) to track learning and development by Students in terms of lectures available and completed.
- The electronic version of ICAI Journal *The Chartered Accountant* journal, which is also compatible on iOS (IPad/IPhone etc.) and Android devices, was further upgraded.
- A comprehensive CD containing all the opinions issued by the Expert Advisory Committee upto respective Volumes was released.
- A comprehensive searchable and HTMLised DVD of all past issues of *The Chartered Accountant* journal from July 1952 to June 2015 (63 years) was Developed.
- To take anti-plagiarism policy with respect to *The Chartered Accountant* journal of the ICAI, a highly trusted plagiarism detection software iThenticate was operationalised.
- The facility of 'journal in indexed mode' on ICAI website was upgraded.
- To promote the Commerce Education, the contents of exclusive ICAI website of Career Counselling Committee were also put in social media platforms.
- It was decided to go for the System Audit of ICAI Infra and Portals for assessment and alignment so that the best security policies and practices are adopted at ICAI.
- Developed YMEC portal www.ymec.in to provide the young members a platform to acquire the skills and knowledge fundamentals.



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- Launched e-learning facility on service tax, customs duty, CST and Excise Duty. Developed portal www.idtc.icai.org to provide doorstep services such as regular updates on Indirect Taxes.
- Subscribed and installed e-Newspapers, e-Books, Online databases, Databases on CD ROM for the use of Members, faculty members and ICAI officials as part of Digital Library Initiative.
- Installed E-books Package of Finance and Investment cluster besides subscribing exhaustive database offering comprehensive e-library in the country.
- Subscribed digital database of 35,000 listed and unlisted companies.
- Made available India's largest database of financial performance of over 27,000 companies for users.
- Subscribed E-IFRS comprehensive that allows users to remain up-to-date with International Financial Reporting Standards.
- Made available to users an online legal information resource combining Indian and international laws.
- Subscribed to EX.CUS (CD-ROM) database, which is a multimedia CD-ROM designed to simultaneously retrieve information relating to Case Laws, CBEC Circulars and Notifications on Central Excise, Customs and allied laws instantly.
- Subscribed to CTR Encyclopaedia on Indian Tax Laws (CD-Rom) which contains comprehensive and complete coverage of over 70,000 full text judgments and orders from Supreme Court, High Courts, ITATs and AAR, etc.

8. Robust Disciplinary Mechanism

As part of a continuous drive to uphold the credibility, integrity and image of the accountancy profession in India, ICAI regulatory mechanism worked assiduously through its Disciplinary Committee, Financial Reporting Review Board, Peer Review Board and Quality Review Board and Financial Reporting Review Board. ICAI has a strong disciplinary mechanism wherein proceedings are initiated and taken to their logical end through a well-defined procedure which

maintains the interests of natural justice while ensuring that the guilty are not spared. Following are some highlights:

- Devised a strategy to divide the Disciplinary Directorate in three wings—(i) Prima Facie (ii) Legal and Administrative and (iii) Hearings before Board of Discipline under Section 21-A (BOD) and Disciplinary Committee under Section 21-B (DC)—with a view to achieve clearance of all cases received up to the year 2015 in the Council year 2015-16.
- During the present year as on 17th January 2016, hearing (s) were concluded in (17) cases by the Board of Discipline apart from having considered *prima facie* opinions in (175) cases.
- The Disciplinary Committee under Section 21-B has heard and concluded 100 cases as on 19.1.2016 apart from considering and deciding 75 cases of *Prima Facie* Opinions formed by Director (Discipline).
- The Disciplinary Committee also gave its in-principle approval for e-hearings and amendments to the Chartered Accountants (Procedure of Investigations of Professional and Other Misconduct and Conduct of Cases) Rules, 2007, are underway for implementing the procedure of e-hearings to be held.
- Decision of the Special CBI Court in the Satyam matter awarding punishment to guilty validated the ICAI decision and action against the guilty.
- Pursuant to C&AG's Report 'Performance Audit on Appreciation of Third Party (Chartered Accountants)-Reporting in Assessment Proceedings' for the year ended March, 2014, an ICAI group actively worked on the relevant issues through Tax Audit Monitoring Cell. The Group is also in dialogue with CBDT and C&AG in this regard.
- To maintain a better control over the tax audit assignments undertaken by the Chartered Accountants, the ICAI group has recommended to the Directorate of Income tax (Systems), changes in the tax audit form/utility for adherence to

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ceiling on number of tax audits. Further, in terms of decision of the Council, the cases examined are being simultaneously reported to the Disciplinary Directorate, for further appropriate action.

- ICAI assured the Central Vigilance Commission and expressed commitment to work with them to take all possible measures to monitor the genuineness of certificates being issued by members.
 - The Council decided to take action against members who send malicious emails undermining the dignity of the profession.
 - Financial Reporting Review Board (FRRB) undertook review of 55 enterprises pertaining to Financial Year 2013-14 on *suo-moto* basis.
 - FRRB is in the process to complete the review of 94 enterprises which were selected in the previous Council Years. Out of these, the Annual Reports of 90 enterprises have been received and the preliminary review of 83 enterprises has been completed and 82 reports have been assigned to FRRGs for further review. Till date, reports of 79 enterprises have been received and Board has completed review of 34 enterprises.
 - Supported QARC of SEBI in review of qualified financial statement thus improving transparency in financial statements of listed enterprises. During Council Year 2015-16, the Board received 35 cases from QARC-SEBI.
 - In order to expedite the review process of the next Council year, the Board has selected, on suo moto basis, the general-purpose financial statements and auditors' reports thereon of 54 enterprises pertaining to financial year 2014-15.
- As many as 8430 Peer Review Certificates have been issued by the Peer Review Board till 17th Jan 2016.

9. Supporting Society—Commitment to Nation

This year, the ICAI and Indian accountancy profession led by example with respect to professional social responsibility towards the

government, the society and the members and other citizens in need. Driven by the spirit of partner in national building, ICAI not only offered its services for the economic reforms agenda of the government but also led by example in the spheres of helping the needy members and other citizens, IFRS Convergence, preparation for GST and government's flagship programmes like Swachh Bharat Abhiyan etc. Following are the highlights:

Society:

- Proactively pursued and acted on Swachh Vidyalaya Abhiyaan as part of Swatchha Bharat Abhiyan and coordinated with its members and central public sector units (CPSUs) for physical verification of school toilet blocks/units constructed or renovated by the latter. Around 759 members have expressed their interest in this regard. 116 appointment letters have been issued by the concerned CPSUs and 832 toilet blocks are under verification. 319 reports have been received and 1,095 toilet blocks have been allotted to members.
- A new Corporate Social Responsibility Committee of ICAI was formed this year. ICAI, among other Brand Ambassadors of Swachh Bharat Mission, called on the Hon'ble President of India Shri Pranab Mukherjee at Rashtrapati Bhavan.
- A total contribution of ₹1,13,76,126 has been received by ICAI's Chartered Accountant Benevolent Fund during 1st April 2015 to 15th November 2015. A sum of 82,67,100 was granted as financial assistance through CABF.
- Collected an amount of more than ₹12 lakh for Institute of Chartered Accountants of Nepal to help the victims of devastating earthquake that rocked Nepal in 2015.
- In line with ICAI tradition, a bank account was opened exclusively for the purpose of collecting donations for victims of Tamil Nadu flood fury.

■ It was decided to replace the study material of flood affected CA students in Tamil Nadu free of cost and grant interest free loan upto ₹1,00,000 to the employees posted at Chennai office to recuperate from the losses suffered due to floods.

■ Chartered Accountants' Students Benevolent Fund of ICAI decided to grant financial assistance to 800 meritorious but needy students currently



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undergoing articled training for one year with effect from 1st April 2015 to 31st March 2016.

Nation

- Several ICAI suggestions were incorporated in the Finance Bill, 2015.
- Made a presentation to the Standing Committee on Finance of Parliament for changes in *Benami Transactions (Prohibition) Amendment Bill, 2015*.
- With a view to facilitating the Government in smooth transition from Pre-GST to Post-GST Regime, ICAI submitted a study report to government.
- The Ministry of Corporate Affairs' Committee on CARO requested ICAI to prepare draft of proposed new CARO on behalf of the Committee.
- Submitted a study report on GST to the Government of Jammu & Kashmir based on deliberations with Finance Minister of Jammu & Kashmir Shri Haseeb A. Drabu.
- Submitted suggestions on draft *Business Processes of GST* issued by Government on registration, payment, refund and return.
- Pre-Budget and post-budget memoranda for *Direct Taxes and Indirect Taxes* for the year 2014-15 and Pre-Budget Memorandum for 2015-16 were submitted to Ministry of Finance.
- Put forth suggestions in the interest of profession and country to Company Law Committee of Ministry of Corporate Affairs regarding amendments required in the Companies Act 2013.
- Submitted representations and helped CBDT in review of existing Income Tax Return Forms in order to simplify the same.
- Helped CBDT with suggestions on framework for computation of MAT liability of Ind AS compliant companies and identification of issues for notifying Income Computation and Disclosure Standards.
- Suggestions/queries/problems relating to TDS/ TCS were submitted to the 6th Standing Committee on TDS.
- ICAI representative was nominated as a member of 'Committee on Taxation of e-commerce' constituted by CBDT.
- ICAI helped CBDT in organising two workshops on the Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act 2015, in New Delhi and Mumbai.
- As advised by Ministry of Urban Development, workshops-cum-training programmes on

'Improvement of Accounting and Implementation of Double Entry Accrual System of Accounting in Urban Local Bodies' were organised in five states.

- ICAI representatives were nominated as members to the Pension Advisory Committee and the Sub Group constituted by PFRDA respectively.
- Working as an enabling arm of Government Accounting Standards Advisory Board (GASAB) of the Comptroller and Auditor General (CAG) of India which is spearheading the transition from the cash-based to accrual-based accounting system in India.
- The Election Commission of India (ECI) referred the audited accounts of certain political parties to the Institute to find if they comply with the accounting standards.
- A total of 1,407 Investor Awareness Programmes organised across India and ICAI received an appreciation letter from Ministry of Corporate Affairs in this regard.
- Conducted various training programmes for HPCL CA Executives.
- Organised Training Programme for Women Directors in the backdrop of Companies Act 2013,
- More than 45 training programmes have been organised so far for the various Commissionerates and NACEN.

10. Brand Building

To compliment the above-mentioned initiatives and achievements, ICAI worked tirelessly to raise the profile of the ICAI and 'Brand Indian CA' locally as well as globally through a series of efforts and measures through Public Relations Committee, The Chartered Accountant and Students journal and other committees. Following are the key highlights in this regard.

- Several Brand Building initiatives included publication of ICAI Profile: 2015-16, making of Corporate Film 2015-16, Article Placement in print media, Media Interactions, Updation of Press



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Brief and Release of advertisements in various magazines.

- An ICAI national conference on the theme "Rising to the Challenges-Redefining our Role," organised on 30th & 31st December 2014, featured in Limca Book of Records for largest gathering of professionals in at Jaipur with 4307 CA participants.
- A 'Brand Ambassador' of ICAI, *The Chartered Accountant* journal touched a circulation figure of more than 270000.
- ICAI got commendable coverage in global, national as well as regional print, electronic and digital media.
- Career Counselling Committee along with SIRC of ICAI displayed a record breaking Banner of 63.7 k.m. length at Poonjeri village, Mamallapuram Special Town Panchayat, District -Kanchipuram, Tamilnadu on 22nd & 23rd August, 2015 for promoting CA Course.
- The July 2015 issue of *The Chartered Accountant* was brought out as special issue coinciding with July 1 CA Day.
- As part of the brand building exercise and to deepen ICAI reach among the prominent personalities relevant to the profession, the complimentary list of the *Chartered Accountant* journal was revised.
- A newspaper-type Daily Chronicle was brought out for three days of the ICAI mega international conference held in Bengaluru.
- It was decided that during events/programmes/conferences where the National Anthem is played towards the end, the specified version of the National Anthem should be played. Downloadable version of standard National Anthem has been hosted on ICAI website.
- International Yoga Day was celebrated by ICAI across India on June 21.

Other Important Activities:

- Card of Recognition has been dispatched to 332 members who had completed 50 years of continuous membership with the Institute as on 31/12/2014.
- The Council decided in principle to adopt the Ind AS converged with IFRS from financial year 2016-17.
- The MoU between ICAI and CBEC with reference to the scheme of Certified Facilitation Centres (CFC) under the ACES project of the CBEC extended for further period of 2 years. More than 1027 CFCs have been registered under the ACES project of the CBEC so far.
- Undertook revision of ICAI Code of Ethics as per revised (2015) edition of IESBA Code of Ethics, Companies Act, 2013 and other developments.
- ICAI Website Guidelines were amended on recommendations of Ethical Standards Board.
- The Council approved revision CPE Statement in line with international best practices including IFAC. Also approved revision of the CPE Requirements for the next Block of 3 Years (1-1-2017 to 31-12-2019).
- Revised financial assistance available to Regional Council and their Branches by way of reimbursement of expenditure for CPE Programmes.
- Representation made on various issues and needs of the Co-operatives and the NPO sectors to the departments of cooperation of several states and union territories.
- Developed CBEC Kit, containing brief of training programme for Excise and Service Tax Commissionerates.
- Organised In-house Corporate training programmes on Ind AS for corporates and large business houses.
- Representation submitted to the TRU, CBEC. Representation submitted to Select Committee on 122nd Constitution Amendment (GST) Bill, 2014.
- Released a Technical Guide to West Bengal VAT. Issued Guide on Risk Based Internal Audit Plan. Issued Knowledge Booklet on Audit Committee-Monitoring Effectiveness of Internal Audit.
- Issued revised General Guidelines on Internal Audit (2015 edition). ■