

What the Leaders Said About ICAI and Indian Accountancy Profession since July 2015— An Overview



Completing 67 years of professional excellence since its inception in 1949, the Institute of Chartered Accountants of India and Indian accountancy profession has grown hand-in-hand with our country and the world, and won the acknowledgement, accolades and admiration of the leaders of Indian polity. The faith affirmed in our profession's aims, objectives and achievements becomes apparent on going through what the leaders said about the Institute and the profession over the years. Here is a glimpse of the views expressed by some of them on various occasions of the ICAI and reported in this journal over its last Volume Year from July 2015.

Finance Minister of India, Shri Arun Jaitley



“As we know accounting is backbone of business financial world and in the growth of the country, Chartered Accountants play an important role. With the sound educational background of the Chartered Accountant, there is no reason to doubt the Institute's ability to consolidate and extend its influential role in the services of the Indian community... I extend my congratulations to the Institute of Chartered Accountants of India (ICAI) on its Foundation Day being observed on July 1st to lead Indian to a new level of economic competence by producing excellent Chartered Accountant professionals...The Institute of Chartered Accountants of India has maintained its legacy toward nation building and also carved out a niche for itself at international level...”

(In a message published in The Chartered Accountant journal July 2015 issue.)

(Contributed by Editorial Board Secretariat of the ICAI. Comments can be sent at eboard@icai.in)

Union Minister of State for Finance, Shri Jayant Sinha

“I commend the Indian accountancy profession for playing an important role in development of economy. .. the Institute has rendered outstanding services with utmost diligence to the Government in maintaining the nation’s financial health... India is a lightly taxed nation and CAs should help the government collect due taxes and raise the tax-GDP ratio to 20 per cent. Along with tax officers, chartered accountants too have a responsibility to ensure that due taxes are collected by the government... You are responsible along with tax officials. We have to get our tax:GDP ratio from 16/17 per cent to well over 20 per cent... you, because you are CAs, experts, you know India is not

a highly taxed country. We have very moderate taxes in India... As our economy heads for substantial growth in the ensuing years, the Chartered Accountant fraternity assumes an extremely important role as a partner of the Nation in manoeuvring the financial growth of the economy... India relies heavily on the Accountancy professionals who are the trusted advisors to the investors as well as to the policy makers. The Government places heavy reliance on the CA fraternity to keep it informed on the sound working of its strategies. The risk assessment of the national policies to be implemented by the Government is another arena which is dependent on the expertise of the Accounting professionals. The role of the accounting profession is critical in lending credibility to financial markets and for building the India’s economy into a global power.

(In his address at ICAI Annual Day Function in New Delhi on 11th February 2016)

Union Minister for Railways, CA. Suresh Prabhu

“As a Chartered Accountant, I can vouch for the fact that switching over to accrual accounting is today a global imperative for all governments as well as big business entities. As a big accounting reform in the country, the Accrual accounting can simply present a better picture of financial performance besides tracking historical trends and recording and measuring transactions... The accountancy profession provides the backbone of financial discipline in India... I believe that the accountancy profession has been and will always be a critical factor in India’s economic growth provided it sticks to the spirit, values, excellence and ethics as propounded by founding members of the

profession...The future of the CAs is very bright and it is required that the Institute fine-tunes and upgrades the training programmes of the future CAs keeping in view the future challenges, faced by the profession... It should come out of its traditional role of client centric approach and emerge as representative of the civil society to maintain financial ethics and propriety in the civil society.”

(In an interview to the Chartered Accountant journal of the ICAI published in July 2015 issue)

“CAs can play a key role in the development of economy and society together in India as well as globally, and to play that role they must have to excel in their individual fields. You cannot just play that role if everybody is just batting and nobody is fielding. That way we cannot win the game. So ritualism to excellence is very long journey and to make that journey successful we have to work in many many fields simultaneously...” and I am sure that the Chartered Accountants will be able to do that in a very significant way.”

(In a video message at ICAI International Conference in Indore on 7th August 2015)

Union Minister of State (Independent Charge) for Power, Coal and New & Renewable Energy, CA. Piyush Goyal

“The profession, over the years, has clearly become a pre-eminent profession in the scheme of things in India. I think chartered accountants are not only accountants for businesses any more, they are not only accountants for Government any more, but in some sense, the chartered accountancy profession has become like an in-keeper, a profession which ensures probity in public life, which ensures that things are run well, the machinery of Government performs its duties well, businesses are honest to their system, honest to their stakeholders, and in that sense, I think, both nationally

and internationally, the chartered accountancy profession has truly held the Indian flag high, has redeemed itself with excellent performance and I do believe that we have a great role to play in the years to come and making India the economic superpower of the world that we have all set out to do. I am sure this effort for global dominance that India is hoping to have in different spheres of life will be incomplete without the active participation of all of you in this room and all chartered accountants in India and all over the world who have come out of our Institute and are truly serving mankind and truly serving the world in the best possible manner.

...If at all there is one word which we often used to describe the Hon'ble Prime Minister, it was *bharosa*. All of you chartered accountants are the epitome of that *bharosa* that India and Indians have in this profession. I believe every chartered accountant brings with him and his signature, *bharosa* to the people of India, trust to the people of India, and it is your signature which adds value to whatever report whatever accounts whatever certifications that people put up for Government, put up for different requirements.

...The work that you are doing whether it is as a master of the Swachh Bharat Abhiyaan, that Hon'ble Prime Minister had nominated the Institute for last year, whether it is the work for the audit of the school toilets... Our contribution in that mission, our contribution in that programme is truly praiseworthy."

(In his address at CA Day function in New Delhi on July 2015)

Member of Parliament, Lok Sabha, CA. (Dr.) Kirit Somaiya



"I wish that the accounting fraternity in India starts social service akin to corporate social responsibility to help the deprived sections of the society... CAs can play a pivotal role in social services and Corporate Social Responsibility in their individual capacity as well as collectively with the ICAI and their clients... the CA qualification and skills have tremendously helped me make a difference in Parliament...It was my passion to serve the country through politics, but it was my well-thought out decision to qualify as CA to perform my duties in a better way... There is no meaning of economic growth if one section of society progresses while the others lag behind... our prime minister has given the idea of *Adarsh Gram*. Likewise every branch of the ICAI should vie to become

Adarsh Branch."

(In his address at ICAI International Conference in Indore on 9th August 2015)

Member of Parliament, Rajya Sabha, CA. K. Rahman Khan



"Today Indian Chartered Accountants are all capable to take up global roles while India is well set to become a global accounting leader by 2020. I have been a member of the ICAI for 51 years and has closely observed the Institute and Indian accountancy profession evolve and grow ever since the ICAI had just 6000 members compared to 240000 now and the ICAI has done exceptionally well in all the capacities of educator, certifier of accounts and regulator...Although the Institute has effectively taken in its stride all the challenges of changing times, still some formidable challenges persist. One major challenge for us CAs is the need to develop an 'Early Warning System' for Indian society, corporate and overall economy...We are

the trustees of society. We have been given a very important position in Indian society, which has high expectations of vigilant monitoring of financial affairs of the country from us... CAs are well placed in a position where they can know about any deviation or wrongdoing in financial affairs of the country as well as corporates."

(In his address at ICAI International Conference in Indore on 8th August 2015)

Defence Minister, Shri Manohar Parrikar

“The pioneering role of ICAI in enriching and revamping the accountancy education in the country needs no special mention as they have shaped the minds of CA fraternity in diverse ways. Hence the decision to celebrate the foundation day as CA DAY is very apt and relevant...I convey my best wishes to the CA fraternity celebrating this great event.”

(In a message published in The Chartered Accountant journal July 2015 issue.)

Union Minister of Minority Affairs, Dr. Najma Heptulla

“I am glad to know that the Institute of Chartered Accountants of India (ICAI) will be celebrating its Foundation Day as CA Day on 1 July...It is heartening to note that the Institution has completed 66 years of its existence and during this period, the Institute has groomed professionals who are dynamic thinkers and solution providers. Further, it has guided business and industry as a partner in nation building... On the occasion of CA Day, I extend my best wishes to the Institute of Chartered Accountants of India for success in its endeavours.

(In a CA Day message published in July 2015 issue of the journal)

Comptroller & Auditor General of India, Shri Shashi Kant Sharma

“...Accounting and Auditing Profession has seen some far reaching significant changes and initiatives in the last two years in the fields of corporate governance and accountability regime. The Companies Act, 2013 and the rules framed thereunder are in place. A roadmap for transition to Indian Accounting Standards (IndAs) is also in place and Ind AS have been notified by the Government. The positive role played by the Institute of Chartered Accountants of India in furthering these initiatives is commendable... I am sure Chartered Accountancy as a profession will rise up to the demands of emerging responsibilities associated with the developments and continue to provide professional service to the corporate sector and all stakeholders. Dissemination of various implications of new initiatives along with measures to improve the quality of compliance with demands of corporate governance through effective and continuous training to the professionals would be essential. I am sure Institute of Chartered Accountants of India has geared itself towards fulfilling these responsibilities efficiently and purposefully.

(In a CA Day Message published in The Chartered Accountant journal in July 2015 issue)

IFAC President, Ms. Olivia Kirtley

“There is no doubt that good corporate governance and quality financial reporting are mutually desirable – and intrinsic to improving India’s competitiveness and economic growth. IFAC supports the way in which the Indian government and ICAI have embarked on a journey towards globally consistent financial reporting standards. We believe that the new Indian Accounting Standards (IndASs) will significantly support India’s growth and competitiveness. And, helping the nation’s businesses, transition to the new accounting standards will continue cohere the profession at the center of India’s economic strategy...IFAC also lauds the initiatives of ICAI to improve audit

quality. The Companies Act, 2013 introduced several new reporting requirements in regard to the statutory audit of companies...Not only do professional accountants have the training and competencies to provide valuable inputs to this process, but it is also in our best interest to play a significant leadership role. Effective governance leads to transparency and high quality information. This enables professional accountants to do a better job, so it is essential that our profession be involved at every level of corporate governance... As the

In-Quotes

global voice of the accountancy profession, IFAC strives to be a positive catalyst for more effective governance on a global level... “Financial expertise” and “professional skepticism” are two of the most important factors for effective boards and oversight functions. They are at the core of the highly developed competencies of professional accountants.”

(In her article contributed for July 2015 Special Issue of the The Chartered Accountant journal of the ICAI)

ITAT President, Justice (Retd.) D. D. Sud



“It is to be acknowledged that the ICAI has undergone paradigm shift and transformation ever since its inception and has seen India grow from backward economy, to developing economy to an advanced stage of being a developed economy... Today when India is on way to become a developed economy, Indian CAs have a vital role to play as an enabling force of development... I suggest that standards and processes recommended by the ICAI to the Government should be India-oriented and made after taking into considerations the problems and ground realities of the country... All such suggestions and standards should be able to withstand national as well as international scrutiny...”

India should effectively adopt and implement International accounting standards as part of its growth phenomenon... Indian accountancy profession should always be rooted in ethics so as to remain a force to reckon with... there is a need to simplify the complex Indian taxation system and granting functional autonomy to CBDT & CBEC... It is high time for India to make the much awaited shift from cash to accrual system of accounting, and the CA fraternity must ensure that in addition to ensure certainty, precision and accountability in the profession for a robust growth in India economy.

(In his address at ICAI International Conference in Indore on 7th and 8th August 2015)

Chairman of Securities and Exchange Board of India (SEBI), Shri UK Sinha



“I acknowledge the all-beneficial role being played by the ICAI and Indian accountancy profession in India... we regard ICAI as a partner in our overall mission. No efforts of the SEBI can be implemented without the support of the ICAI and accountancy profession.. if we analyse the role of the ICAI, it has come up with flying colours in the capacity of educator and certifications. It has been setting standards with foresight and comprehensiveness... However there is still a lot of scope in improvement in regulatory role so as to further improve the integrity and financial system of the country... we need to further improve peer review mechanism... I also call upon Indian accountancy profession to think in terms of

going to the next frontier of accounting which is ‘Integrated Reporting’ and should adopt it in India.”

(In his address at ICAI International Conference in Indore on 8th August 2015)

RBI Deputy Governor, Shri S.S. Mundra



“In view of various dimensions - social, economic and political, of the causes and consequences of financial crisis, I call upon the accountancy fraternity to remain vigilant to factors like weakness in the underlying structure, prolonged easy monetary policy, inadequate supervision of market behaviour, etc., which are usually the origin of a financial crisis... There have been many reforms in Indian banking sector recently and the RBI has not only implemented the globally agreed reformatory norms but has also proactively introduced various macro-prudential norms to further strengthen the sector... the banking sector relies heavily on the CA fraternity for concurrent and

forensic audits... While a strong financial sector is the *sine qua non* for a sturdy economy, we acknowledge the pivotal role played by the ICAI in enabling the banking sector to remain robust and thereby contributing to the growth of the nation’s economy.”

(In his address at ICAI International Conference in Indore on 8th August 2015)

IAASB Chairman, Mr. Arnold Schilder

“I am very optimistic about Auditing & Assurance Services and related emerging global trends. After five years of intense global consultation, the IAASB has unanimously agreed on the revision of International Standards on Auditing (ISAs). There was a need to enhance quality of audit and IAASB has taken up the task of enhancing audit quality as its new ambitious project. I would appreciate if the Indian Chartered Accountants also pay heed to various initiatives taken by the IAASB’s ‘Innovation Working Group’ on integrated reporting and data analytics.

(In his address at ICAI International Conference in Indore on 7th August 2015)

International Integrated Reporting Council CEO, Mr. Paul Druckman

“Groundbreaking developments have taken place with respect to Integrated Reporting <IR> Framework across many parts of the world and there is now a need further improve upon it.... The related reports should be precise and informative rather than overloaded with data. I fully recognise accountancy profession’s rich heritage and acknowledge the contributions of Luca Pacioli, Father of Accounting, who laid the foundation of Double entry book-keeping in 1494...In present day, accountants are not just the trusted source of corporate information, but the catalyst for change to the system of accounting and reporting. I acknowledge initiatives of Tata Steel and Tata

Power for using Integrated Reporting... Using <IR> as a catalyst is our call for the accountancy profession to stand up and take its place as the true innovators of the accounting ecosystem in the 21st century...”

(In his address at ICAI International Conference in Indore on 8th August 2015)

The then, CPA Ireland President, Mr Brian Purcell

“The number of countries adopting GST have increased substantially from 10 countries in 1960s to 164 countries in 2015. Five more countries, including India, are on the way to adopt GST. There are innumerable advantages of GST including effectiveness of collection, staged payment, encourage savings, etc. The GST also offers a multitude of professional opportunities. I quote Lord Justice Sedley, *beyond the everyday world...lies the world of VAT (GST), a kind of fiscal theme park in which factual and legal realities are suspended or inverted.*”

(In his address at ICAI International Conference in Indore on 8th August 2015)

CPA Ireland CEO, Mr. Eamonn Siggins

“A gap indeed exist between the excellence demonstrated by audit firms and the expectancy of the regulator as well as that of the clients... the various possible factors responsible for some major failures of audit include lack of professional skepticism, lack of auditors’ independence, lack of corroboration of management explanations and conflict of interests... The Small & Medium Entities (SMEs) make up over 90% of businesses and hence, it is imperative to cater to their needs & expectations. I quote the Greek philosopher Aristotle, *“We are what we repeatedly do. Excellence, then, is not an act, but a habit”* and wish that the chartered accountants worldwide should never stop striving for more and more excellence in their services.”

(In his address at ICAI International Conference in Indore on 8th August 2015)

