

# ICAI International Conference Highlights Convergence and Sustainability in Digital Era: A Report



2017 Mega International Conference of *The Institute of Chartered Accountants of India* was successfully held on 8<sup>th</sup> and 9<sup>th</sup> December 2017 at Hotel Sahara Star Convention Centre in Mumbai, the financial capital of India. Chief Guest on the occasion, IFAC President Ms. Rachel Grimes, inaugurated the International Conference in the august presence of ICAI President CA. Nilesh Shivji Vikamsey, Vice-President CA. Naveen N. D. Gupta, CAPA President CA. Manoj Fadnis, ICAEW President Mr. Nick Parker, CPA Canada President Ms. Joy Thomas, State Audit Oman's Vice-Chairman Mr. Nasser Al Rawahy, ICAI Secretary Shri V. Sagar and WIRC Chairman CA. Vishnu Agarwal, among others. The Conference, conceptualised on the theme, *Accountancy Profession: Convergence and Sustainability in Digital Era*, and around the spirit, ज्ञानं परमं बलम् (*jñānam paramam balam*) meaning '*Knowledge is Supreme Power*', witnessed a strong presence of more than 2,000 participants. Among others, ICAI past-Presidents, present and former members of ICAI Central Council and Western India and other Regional Councils, Chairmen of ICAI Branches from Western Region and ICAI foreign Chapters were present at the Conference.

## Day 1

### Inaugural Session



The inaugural session started with the lighting of lamp ceremony followed by the chanting of ICAI motto song taken from the sacred and arguably the most philosophical of the Upanishads, *Kathopanishada*. Chief Guest on the occasion, IFAC President Ms. Rachel Grimes along with the ICAI President CA. Nilesh S. Vikamsey, Vice-President CA. Naveen N. D. Gupta, CAPA President and ICAI past-President CA. Manoj Fadnis, ICAEW President Mr. Nick Parker, CPA Canada President Ms. Joy Thomas, State Audit Oman's Vice-Chairman Mr. Nasser Al Rawahy, ICAI Secretary Mr. V. Sagar and WIRC Chairman CA. Vishnu Agarwal, lighted the lamp to inaugurate

the Conference. All those who were present stood up in respect of the Song and showed their solidarity with the profession.

### ICAI Secretary Mr. V. Sagar

extended a warm welcome to all dignitaries including ICAI President and Vice-President, ICAI past-Presidents, past and present Council members, members and heads of international accounting institutions and regulators, present and past Central Council members and Regional and Branch Chairmen, among others, to the International Conference. Complimenting particularly the IFAC President Ms. Rachel Grimes and expressing his sincere gratitude for her agreement to become the guest at International Conference of the Institute, Mr. Sagar reminded the audience that the Conference would be a resource for professional skill-development and updation, bridging the gap between professional expectations and challenges.



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ICAI President **CA. Nilesh S. Vikamsey**, on behalf of the ICAI, offered his heartiest and warm greetings to all delegates, appreciating the warm and welcoming environment that the organising team has spread in the air through their proactive initiatives and measures. He

called the Chief Guest IFAC President Ms. Rachel Grimes first person of profession and called his successor, i.e. ICAI Vice-President, a dynamic and capable leader. Mentioning the genuine and sincere measures of ICAI including those in the field of GST implementation (more than 3000 programmes, 60 certificate courses, 9 publications), Ind AS implementation, insolvency, accounting reforms in Indian Railways and also on technological development of ICAI such as Cloud Campus, Forensic Lab, Examinations, student life-cycle system, Students Dash Board with Regulatory Forms, and Payment gateway, the ICAI President went on to introduce the Chief Guest IFAC President Ms. Rachel Grimes to the house. He also briefly provided new aspects of latest Education and Training Scheme of the ICAI that was launched on July 1, 2017.

## Whole India should be Proud of Accountancy Profession: IFAC President Ms. Rachel Grimes Hails Indian Accountancy Profession

Hailing Indian accountancy profession and professionals for their consistent contribution to the global accounting world and professional fraternity, IFAC President **Ms. Rachel Grimes** congratulated the ICAI for organising its 2017 International Conference and wished the Indian accounting professionals a great future ahead.



IFAC President Ms. Grimes started by informing the audience that the ICAI President CA. Nilesh S Vikamsey would be among the special advisors of IFAC President on the policy matters of the Federation. Then, she used this opportunity to celebrate, highlight and explained to the audience 40 years of glorious existence of IFAC using a relevant and self-explanatory musical PowerPoint presentation. She congratulated the ICAI for its constant contribution to world accountancy. Then, referring to the consultation paper on proposed changes in standard-setting boards for audit and ethics, as issued by the *Monitoring Group*, the IFAC President informed that the *Paper* basically aimed to enhance the governance, accountability and oversight of the international audit standard-setting process. She also stressed on the need to widen the scope of profession by assimilating the technological advancements and developments including that in Artificial Intelligence. She also talked about a proposal of different ethical standards for different stakeholders, viz. people from industry and practice.

Acknowledging ICAI's outstanding contribution to India's growth and prosperity, IFAC President Ms. Grimes said that the world had undergone unimaginable changes vis-à-vis the convergence and sustainability in the digital era, which incidentally was the theme of the Conference, and India was an extraordinary example of that progress. She said that this (i.e. Indian accountancy profession) is the profession, whole India should be proud of. She also acknowledged that it was but appropriate that

an international discussion was required about convergence and sustainability in the digital era in India. India's leadership in many areas of IT has made the world a more connected place, where we can trade and develop economies, she informed.



Referring to technology, reporting standards and public trust, Ms. Grimes informed that at the time of global financial crisis, it was public trust too, which was found to be in crisis. She found this a matter of urgent concern that in many countries, public trust has been shaken to the core. IFAC President stressed that trust, transparency and accountability are the key ingredients as well as the challenges before the profession today.



ICAI Vice-President **CA. Naveen N. D. Gupta** put on record his sincere appreciations for all the speakers of the session and thanked everybody including the Chief Guest IFAC President Ms. Rachel Grimes, ICAI President CA. Nilesh S. Vikamsey, CAPA President and ICAI past-President CA. Manoj

Fadnis, ICAI Council colleagues and all other dignitaries that have spared their valuable time to attend and participate in the Conference. Calling all delegates a *galaxy of stars*, the ICAI Vice-President also extended his warm welcome to all and stated that this is among the *largest congregation of accountable accountants*. He especially thanked all members of the Indian accountancy fraternity for their indomitable will to protect the public interest, mentioning how the same will actually contribute to the win-win-win situation, viz. the third win is meant for the *public interest*. Towards the end, the ICAI Vice-President congratulated the IFAC President for the IFAC's completion of 40-year journey.

The Inaugural Session was concluded with the singing of the *National Anthem*.

## Keynote Address I: Financing India's Growth—Challenges and Way Forward



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ICAI Central Council member **CA. Nihar N. Jambusaria** introduced the Keynote Address II and its speaker to the audience. SBI MD & Group Executive (A&S) **Shri**

**Dinesh Kumar Khara**, in his keynote address on 'Financing India's

*Growth—Challenges and Way Forward*, enlightened the delegates. According to him, lack of investment in infrastructure (both physical and financial), high level of financial exclusion, skill-gap, which has implications for employability, and decline in gross capital formation and dwindling domestic savings rate are some of the key challenges in the achievement of potential growth rate. He asked if the Indian growth should be manufacturing driven, export-led infrastructure led growth or one driven by domestic consumption.

Discussing the MSME sector, Shri Khara informed that MSMEs contribute nearly 8 per cent of the country's GDP, 45 per cent of the manufacturing output and 40 per cent of the exports. Initiatives of Government of India, i.e. "Make in India", "Skill India Mission" and "Digital India" are providing further push to this sector. He emphasised that all should collectively work towards creating the necessary enablers for growth like moderate inflation, stable exchange rate, fiscal consolidation, predictable legal/taxation and auditing regime. Strengthening the pace of financial inclusion and financial literacy, more efficient and better-directed public spending, particularly on the social sector (education and health) and skill-development would be equally significant steps towards this goal.

ICAI Central Council member **CA. Mangesh P. Kinare** delivered the vote of thanks to the Keynote Address speaker.



## Session I: Accountancy in the Disruptive Era



ICAI Central Council member **CA. Shiwaji B. Zaware** introduced the speakers of the Session I to the audience on the occasion. NACAS Chairman and ICAI past President **CA. Amarjit Chopra** chaired



the second session of the day, *Accountancy in Disruptive Era*, and said for the accountancy this is the era of maximum disruption which no body has thought of 20 years back. New age services like frequent flyer points and bundle of services offered by companies are posing many challenges. He concluded that in India the last 20 years were the years of Information Technology but next 20 years would be of accountancy profession.



Next speaker in this session **CA. Sudhir Soni** discussed on Accounting of Revenue and Leases under Ind AS. First discussing the Ind AS 115 on Revenue, he discussed in detail the five step model of the Standard i.e. Identify Contract with Parties, Identify Performance Obligation, Identify Transaction Price (not fair price), Allocate Transaction price based on ration of performance obligation and finally Recognise Revenue. Then he moved on to explain Ind AS 116 on Leases wherein he mentioned that with the new standard, main challenge is for co. to identify lease itself in contrary to earlier time when challenge was to identify operating/finance lease.



Last speaker of the Session I, **CA. V. Venkataraman**, making the last presentation of the session on Impact of Ind AS implementation on Bank Audits informed that as on date, 17 public sector and 2 private sector banks are trading below their book value and we should deliberate why this is happening. He said Ind AS implementation is a great opportunity for all professionals, but intricacies should be understandable in depth.

ICAI Central Council member **CA. Debashis Mitra** delivered the vote of thanks to the speakers of the Session I.



## Session II: Future of Audit—Critical Issues New Audit Report Requirements (SA-700, 705 and 706); and Reporting of Key Audit Matters (SA 701) in Audit Report



ICAI Central Council member **CA. Shyam Lal Agarwal** introduced the speakers of the Session II to the audience on the occasion.

IAASB Chairman **Prof. Arnold Schilder**



chaired the Session on *Future of Audit—Critical Issues*, which focused basically on the requirements of *New Audit Report (SA-700, 705 and 706)* and *key audit matters (SA 701)* in Audit Report. He focused his presentation on the new Auditor's Report and its future relevance.



Prof. Schilder started with the rationale behind the need for the desired change in the auditor's report—and informed that the changed report will improve the quality of audit and professional scepticism, enhance the preparer focus on key financial statement risk areas and disclosures and enhance the communicative value for the users, among others. Prof. Schilder also talked about the key features of the new auditor's report, viz. audit opinion (to be presented first), key audit matter (required for listed entities), going concern (for

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additional focus), and responsibilities (pertaining to audit, independence and ethical obligations), among others. He also introduced decision-making framework, most common reported risks and the framework for audit quality and its interactions to the present delegates.

**CA. P. R. Ramesh**, a senior member of ICAI, presented on audit report, SA 700 discussing the structure of auditor's report and auditor's responsibility under SA 700. However, he also presented the adverse opinion on the new auditor's report that this did not give a true and fair view to its users. He also discussed the emphasis of matter and qualified opinion in the auditor's report, discussing what these meant to customers, investors, creditors and employees.



Final presentation on this session was made by **CA. Khusroo B. Panthaky**, who basically discussed the communication of key audit matters in the independent auditor's report, vis-à-vis SA 701. CA. Panthaky started by discussing the key audit matters in the global scenario, particularly the identification of challenges in view of the fact that this has already been embraced by 110-plus countries, and the intended benefits. He also stressed on the auditor's professional judgement in presenting the key audit matters and the description and rationale for its selection.

ICAI Central Council member **CA. Sanjay Vasudeva** delivered the vote of thanks to the speakers of the Session II.



## Keynote Address II: GST—Enhancing Competitiveness, Transparency and Growth



ICAI Central Council member **CA. Atul K. Gupta** introduced the Keynote Address II and its speaker to the audience.

Second Keynote address of the day was on one of the most key taxation reforms in the Country, which was given by **CA.**

**Upendra Gupta**, Commissioner (GST), Government of India. He said GST is a reform in which 32 sovereign entities have joined hands to enable the same. He also provided the historical background of the GST initiative in India that was started in the year 2006. Equating the reform with the independence of India, he said in 1947 India becomes 'Political Union' and in 2017 'Economic Union', he said that GST is a kind of free trade agreement between the states. Informing that GST



Council views are recommendatory in nature, he added that all the recommendations of GST Council have been legislated. IGST Model is unique in world wherein tax paid in originating State and transferred to destination stage through clearing house mechanism by Centre.

Another highlight of the GST in India is GST Compliance Rating which has not been put in place as of now but will be operationalised next year to rate all businesses which are registered in GST mechanism and this rating will be available for public viewing.

ICAI Central Council member **CA. Sushil K. Goyal** delivered the vote of thanks to the Keynote Address speaker.



## Session III: Technology Impact on Accounting



ICAI Central Council member **CA. M. P. Vijay Kumar** introduced the Session III and its speakers to the audience.

Session III, probably the most important thematic session of the *Conference*, i.e. Technology Impact on Accounting, witnessed the thought provoking and futuristic discussion with the presentations on very considered and relevant topics, i.e. Artificial Intelligence: Challenging the Profession: Myth or Reality; Block Chain: What it means to Accounting and Audit; and Forensic Audit: Substitute or Supplement to Audit.



Discussing the artificial intelligence, the CII Chairman (Western Region) **Mr. Ninad Karpe** informed that all compliance related work will be taken over by machine and gave example of mobile app Pegg which answers accounting related questions. On the lighter side, he said the way technology is developing probably within next 5 years a robot will be able to crack the CA examinations. Answering the question that whether *Artificial Intelligence: Challenging the Profession is a Myth or Reality*, he said in affirmative but said in that scenario machine will do routine work and human will get time to do more creative and value added work.

Another discussion of the session is on Block Chain technology which actually is the basic technology behind the Bitcoin was taken by Sacred Capital Founder **Mr. Siddharth Sthalekar**. Explaining the concept distributed ledger, he said using the Block Chain technology, it is possible to create tamper proof Ledgers and as such technically there is no need for



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auditors in blockchain technology. He advised to embrace this technology not as a threat but as an opportunity to reach millions who need more strategic and focused advice.



Last address of the session was by **CA. Sandeep Baldawa** where he mentioned that more and more opportunities available in the forensic audit which is one of the most talked about topics of the day now. He said today if anything happened to the company, forensic audit is demanded. Remembering an old quote that 'Auditor is watchdog not a bloodhound', he said nowadays this quote should be read as "Auditor is watchhound" as all stakeholders including regulators and government expect today that auditor detects everything. He also provided illustrative list of red flags in Shell companies.

ICAI Central Council member **CA. Manu Agrawal** delivered the vote of thanks to the speakers of the Session III.



## Keynote Address III: Strengthening Public Finance with Accrual Information



ICAI Central Council member **CA. Tarun J. Ghia** introduced the Keynote Address III and its speakers to the audience.



Chairing the session on public finance with accrual information, the GASAB (Government Accounting Standards Advisory Board) Chairman and Deputy C&AG of India **Ms. Anita Pattanayak**

spoke on the Augmenting Public Finance through Accrual Accounting and said that we need to adopt accrual systems for the segments where it is not currently used. There is a kind of commitment in Government to move to better systems, more discipline- and disclosure-oriented accounting systems. Speaking on *Strengthening Public Finance with Accrual Information*, CIPFA International Chairman **Mr. Ian Ball** first described the accrual information and went on to argue on how good accounting actually meant good economics. He discussed the benchmark of IPSAS, adoption of accrual accounting and current financial reporting



standards, among others, and then tries to explain what actually constitutes an excellent delivery in public finance, citing the financial statements of the government of New Zealand. Mr Ball then concluded that managing public

finance requires high-quality information. Then, Principal Executive Director (Finance) from Ministry of Railways, **Mr. Naresh Salecha**, presented his perspective on *Accounting Reforms Project on Indian Railways— Mission beyond Bookkeeping: Right Accounting-Right Costing-Right Outcome*, saying how accounting reforms are desired and required and giving an overview of accounting reforms project. He also presented statistics on actuarial liability and net worth explaining performance costing (and its vision as an integrated system) and outcome budgeting and gauging the challenges and way forward.



Tally Solutions Product Management Head **Mr. Rakesh Agarwal** addressed the delegates on Technology World View for SMEs, and informed that in next two years, when 100 per cent businesses would be digitised, a host of opportunities will be available for the Chartered Accountants.

ICAI Central Council member **CA. Ranjeet K. Agarwal** delivered the vote of thanks to the speakers of Keynote Address III.



## Keynote Address IV: Integrated Reporting – The Future of Reporting



ICAI Central Council member **CA. Babu A. Kallivayalil** introduced the Keynote Address IV and the speaker to the audience.



IIRC (International Integrated Reporting Council) CEO **Mr. Richard Howitt** delivered the fourth keynote address and said that he had the privilege to work with hundreds of thousands of ICAI members who serve the interests of business in India and that of India itself. Earlier,



IFAC had said that integrated reporting was *the* future of corporate reporting, and now ICAI says that it is *the* future of corporate reporting in India. According to former SEBI Chief and IIRC Global Board member Mr U. K. Sinha, integrated reporting is the natural evolution from today's Business Responsibility Report in India. Mr Howitt praised India's desire for more transparency, particularly to tackle corruption, fight poverty and uphold sustainability. Integrated reporting provides a holistic view to the senior management and to the Board helping to ensure good corporate governance. Commenting on theme of the Conference, Mr Howitt said that digital companies are growing faster.

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ICAI Central Council member **CA. Vijay K. Gupta** delivered vote of thanks to the speaker of Keynote Address on the occasion, and also introduced the Panel Discussion I and its panelists to the audience.

## Panel Discussion I: Accountancy Profession in the Global Realm—Opportunities in the Emerging and Developed Markets

ICAI Central Council member **CA. Babu A. Kallivayalil** introduced the Panel Discussion and the Panelists on the occasion.

Panel Discussion 1 on the theme of *Accountancy Profession in the Global Realm—Opportunities in the Emerging and Developed Markets*, had as panellists ICAEW President Mr. Nick Parker, CPA Canada President Ms. Joy Thomas and CPA Australia Executive GM (Education) Mr Robert Thomason.

Praising ICAI for organising such a fantastic event, ICAEW President **Mr. Nick Parker** informs that one of the strengths of accountancy profession is that our sense of responsibility to our community and society. Highlighting the positives that ICAEW provide to our generations today,



Mr. Parker confirmed that it is quite clear that, globally, accountancy professionals have the ability to help the world achieve a vision of having stronger foothold economically. CPA Canada President **Ms. Joy Thomas** deliberated on Global Change and the Canadian Profession, starting with

CPA Canada and Canadian ideal of good business. She also discussed the drivers of change and their role in navigating the future. She explained that resilience along with adaptability and innovation leads to sustainable enterprises. CPA Australia Executive GM (Education) **Mr. Robert Thomason** presented on how to make the profession attractive to next generation discussing future jobs and employers, drawing out the generational profile of Australia, China and India. He also commented on the list of attractors that the young generations seek in their employers. Towards the end,



Mr. Thomason analysed the accounting employers and the factors that affect the decision in selecting or choosing an employer.

ICAI Central Council members **CA. Nandkishore C. Hegde** and **CA. Prakash Sharma** concluded the panel discussion and delivered the vote of thanks to the panelists on the occasion.



## Panel Discussion II: Indian Accountancy Profession—Global Opportunities



ICAI immediate past-President **CA. M. Devaraja Reddy**, moderator of *Panel Discussion 2* focussed on opportunities available for the Indian accountancy profession across the world, appreciated the objective of the International Conference for serving the purpose of an excellent platform for discussion and sharing of vision and ideas. Referring to the efforts of ICAI vis-à-vis its global presence, i.e. MRAs, MoUs, etc., he welcomed the panelists for discussion, which included the heads and representatives of eleven of our 30 chapters abroad, viz. UAE (Abu Dhabi) Chapter Chairman **CA. Suresh Panwar**, UAE (Dubai) Chapter Chairman **CA. Naveen Sharma**, UK (London) Chapter Chairman **CA. Ajay Agarwal**, British Columbia (Vancouver) Chapter Chairman **CA. Deepak Arora**, Netherlands (Amsterdam) Chapter representative Chairman **Dr. Vikas Chaturvedi**, Oman (Muscat) Chapter Past Chairman **CA. Mubeen Khan**, Thailand (Bangkok) Chapter representative **CA. B. K. Dugar**, Bahrain Chapter Chairman **CA. Uday Shanbhag**, Doha Chapter Chairman **CA. Gaurav Kakkar**, Nigeria Chapter of ICAI Chairman **CA. Narendra Kumar Somani**, and Dar-es-Salaam (Tanzania) Chapter Chairman **CA. Pragnesh Udeshi**. Based on their diverse expertise and experiences, the heads and representatives of the Chapters talked about the opportunities available in the country of their professional practice, extending complete cooperation to the Indian chartered accountants in that regard.

ICAI Central Council member **CA. Dhiraj Kumar Khandelwal** delivered vote of thanks to the panelists on the occasion.



## Publications Launched

1. Digital Era and the Chartered Accountancy Profession—Survey Report 2017
2. Digital Competency Maturity Model (DCMM) for Professional Accounting Firms- Version 1.0
3. Quick Insight-2017
4. Revised Minimum Recommended Scale of Fees
5. ICAI Commerce Champ-2017

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## Day 2

### Keynote Address V: Indian Capital Markets—Anchoring Economic Growth



ICAI Central Council member **CA. Prafulla P. Chhajed** introduced the session and the speaker of the Keynote Address 5, Kotak Mahindra Bank Executive Vice-Chairman and Managing Director **Mr. Uday Kotak**, to the audience.

Kotak Mahindra Bank Executive Vice-Chairman and Managing Director **Mr. Uday Kotak**

delivered his words of wisdom on the subject and informed that our market today is dominated by the banks which quite leniently are offering debts to their consumers. CAs can play an important role in creation of a convertible market in India. He said that the road ahead for Indian capital market is tremendous, predicting that our GDP can grow much faster and then recommending that India needs to grow at 9 per cent for the coming 20 years. Then he also referred to the concept of corporate death, where both companies as well as their promoters are wiped out. Mr. Kotak also raised an interesting and relevant debate—Who is the true brand owner—the platform or the product? Who owns the customers—platform (e.g. Amazon) or the product (e.g. PNG)? Then towards the end, he informed the professionals that Kotak is interested in hiring the professionals with a streak of entrepreneurship, even if they have failed in their endeavours, since they will bring along with themselves a host of relevant experience.



He advised the professionals to always have front view (and no rear view), so as to avoid accidents.

ICAI Central Council member **CA. Kemisha Soni** delivered the vote of thanks to the celebrated speaker.

### Panel Discussion III: Evolving Trends in Capital Raising—Indian and Global Perspectives



CNBC-TV18 **Ms. Nisha Poddar** moderated this panel discussion on the evolving trends in capital raising with Indian and global perspectives.

SBI Funds Management Pvt. Ltd. Executive Director Chief Investment Officer **CA.**

**Navneet Munot** informed that, with regard to the issue of shareholders' protection and accounting/disclosure standards, India stands at a much higher plane than the other countries. A large no. of HNIs, institutional investors, etc.,



have become mainstream and large number of businesses in India have been represented on the stock market, CA. Munot informed.

JM Financial Ltd. Managing Director and Co-CEO (Investment Banking) **Mr. Atul Mehra** started with the information that the Indian capital markets have travelled a long way—right from the day, where there were only retail investors, to a time where we had foreign and domestic institutional investors and retail investors, and now we have HNI, retail investors, domestic and foreign institutional investors. Gradually the scenario is evolving and improving—including transparency, quality of companies and management, and disclosure.



To progress on fast track, we will have to invest a lot in technology, research and development, and branding. NSE (national Stock Exchange) of India Ltd. Head (SME) **Ms. Rachana Bhusari** talked about the SME platform of NSE that will address the requirements of small and medium sized companies with high growth potential. This platform understood the challenges about raising the alternate mechanism of funding and allowed the SMEs to tap the financial markets and raise their growth capital. This platform is expected to offer a new and alternate asset class to informed



investors having longer investment horizon, she informed. Apax Partners partner **CA. Gautam Narayan** informed that the number of foreign investors will never give a true picture of the economy. He also told that the real challenge for foreign investors will be liquidity and depth of market. Also IPOs will be a huge driver for the exit of private equity. He was also of the view that fundamental valuation is not up for debate. He also discussed the issues surrounding the wealth managers, bankers, IPOs, etc. In response to the question on primary usage of the funds that has been raised by the SMEs, SME Listing Founder **Mr. Deepak Sharma** replied that growth can be working capital, growth could be increasing the business or the capex. He informed that, in SME



segment, the responsibility of investment banker was much deeper, because these were very nascent and high-growth businesses and, therefore, the element of risk was high. He stated that the valuation has always captured the risk factor in the pricing. Among others, valuation, pricing, investors' and market's sentiments and perception, domestic and



and market's sentiments and perception, domestic and

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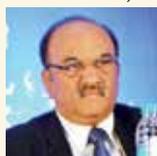


foreign institutional investors, HNI were also discussed. ICAI Central Council member **CA. Anil S. Bhandari** delivered the vote of thanks to the five members of the panel discussion.

## Panel Discussion IV: Empowering SMPs for Healthy Growth of Accountancy Profession

ICAI Central Council member **CA. Mukesh S. Kushwah** introduced the panel discussion and its panelists to the audience.

CAPA (Confederation of Asia-Pacific Accountants) President and ICAI past-



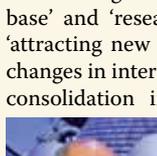
President **CA. Manoj Fadnis** chaired the Panel discussion on the SMPs empowerment and its relationship with the healthy growth of accountancy profession.

The panellists included IFAC's SMP Committee Chair **Ms. Monica Foerster**, IFAC SMP Committee member



**Mr. Abdulwahid Aboo** and **CA. Shailesh Haribhakti**. Issues relating to high attrition in SMPs, USPs of SMPs,

undercutting by larger firms, steps to develop bigger and stronger SMPs, 'knowledge data base' and 'research' in SMPs, 'marketing of services' and 'attracting new clients' at SMPs, rapid regulatory changes, changes in international taxation, etc., as challenge to SMPs, consolidation in SMPs, threshold-based reservation for audit/consulting assignments for SMPs, among others, were discussed in detail.



**CA. Himanshu Kishnadwala** moderated the Panel Discussion. With regard to the company culture, the panellists suggested that flexibility and comfortable work environments, open-door policy of the management, business casual dress code, appreciation for staff, mentoring programme, etc., could be checked to ensure and provide positive work culture to the SMPs.

ICAI Central Council member **CA. Rajesh Sharma** delivered the vote of thanks to the Chair and Members of the panel discussion.



## Session IV: Taxation in Disruptive Era—Challenges and Opportunities



ICAI Central Council member **CA. Sanjiv K. Chaudhary** introduced the session on Taxation in Disruptive Era—Challenges and Opportunities, and ICAI Central Council member **CA. Nandkishore C. Hegde** introduced the speakers to the

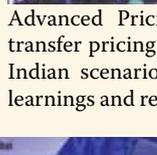
audience on the occasion.

First speaker of the session, **CA. Dinesh Kanabar**, addressed the audience explaining the post-GAAR and -BEPS domestic and cross-border taxation. He set the agenda of his talk by explaining the features and their impact of GAAR



(general anti-avoidance rule) and BEPS (base erosion and profit shifting), and their rationale. He also informed on the national (i.e. Indian) and international responses to the aggressive avoidance techniques. He was of the view that GAAR and BEPS radically change the tax environment both for domestic and cross-border structures. He concluded that BEPS may necessitate greater recourse to MAP (mutual agreement procedure) to resolve cross-border disputes and that globally there will be greater convergence on BEPS measures. Towards the end, he said that increased challenges and complexity under the new regime need to be addressed for robust and sophisticated tax advice.

Speaking on his theme, Transfer Pricing—Recent Experience with Advanced Pricing Agreement (APA), the second speaker of the session, ex-IRS (Indian Revenue Services) officer **Mr. S. P. Singh**, delivered his address on *Convergence and Sustainability in the Digital Era—Recent Experience with*



Advanced Pricing Agreement, where he deliberated on transfer pricing litigation trends in India, MAP—global and Indian scenario, recent update on APA in India and key learnings and review points, and recent relaxations in Article

9(2) by CBDT. On APA update from India, he informed that close to 50 percent of total unilateral APAs entered into are with IT and banking/finance industries since they face the maximum litigation. He also informed that unlike India, in most of the nations across the world, bilateral APAs are encouraged by their



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respective Government and therefore, bilateral filings are higher than unilateral filings, as can be deduced from the statistics of Korea, China, Japan and US. ICAI Central Council member **CA. Sripriya Kumar** delivered the vote of thanks to the speakers of the Session IV and concluded that in the coming years, CEOs were more likely to be lawyers and chartered accountants, since the world would be compliance-driven.



## Session V: GST—Leading to One Nation One Tax



ICAI Central Council member **CA. Mangesh P. Kinare** introduced the session on GST—Leading to one nation one tax, and the speaker, **CA. Sunil B. Gabhawalla**, to the audience on the occasion.



Speaker of the session, **CA. Sunil B. Gabhawalla** delivered his technical talk on the valuation of supply and business reporting and place of supply of EPC/works contract to the delegates of the Conference.

He dealt with the issues of pre-GST including the legislations for taxation of goods and services and origin-based and destination-based principles for goods and services. Then he also talked about the comprehensive levy on supplies, multiple jurisdictions within nation and destination-based consumption tax. Then, speaking on the place of supply principle, he discussed the proxies that identify the place where the consumption of supply takes place. He also went on to define jurisdiction that needs to enjoy the tax. He also deliberated if the jurisdiction that administer the supplier might be different and talked about the possible domestic and international resolutions. Then he also spoke at length on the business restructuring due to valuation provisions, discussing contract manufacturing, procurement strategies and treasury operations, among others.

ICAI Central Council member **CA. Dheeraj K. Khandelwal** delivered the vote of thanks to the speaker of the session, **CA. Sunil B. Gabhawalla**.

## Special Session: Capital Markets and India Growth Story (A live interview of noted Indian investor and trader CA Rakesh Jhunjunwala conducted by long-term investment strategist Mr. Durgesh Shah)



ICAI Central Council member **CA. Jay Chhaira** introduced the special (interview) session and the speaker, **CA. Rakesh Jhunjunwala**, to the audience on the occasion.



In the last special session on Capital



Markets and India Growth Story, long-term investment strategist **Mr. Durgesh Shah** conducted a live interview of the noted Indian investor and trader **CA. Rakesh Jhunjunwala**.



**CA. Jhunjunwala** acknowledged that the ambit of CA profession has grown wider, since CA professionals today look after all affairs of industry, particularly finance. Affecting everything in life and, of course, accountancy profession, progress in technology and artificial intelligence will further add to the efficiency in their work. Acknowledging his own instance, **CA. Jhunjunwala** said that CA profession was the best profession to participate in the world of finance. Putting on record his deep appreciations for the CA profession and education, he recommended CA education to everyone. It is not expensive and, therefore, a socialist education with no eye for caste or class. Responding to a participant's question, he said that investment cannot be taught, and this has to be learnt with experience. Calling himself a proud trader and investor, he advised the young CA professionals to use their own instinct while deciding their career choice, i.e. practice or industry.



ICAI President **CA. Nilesh S. Vikamsey** handed over a memento and delivered the vote of thanks to the speaker of the special session, expressing his deep gratitude to **CA. Rakesh Jhunjunwala** for his spirit and eagerness to support the Conference and to **Mr. Durgesh Shah**, who the ICAI President credited for

the evolution of equity research in the country.

ICAI President went on to express his gratitude to all other dignitaries, including national and international speakers and delegates, for making the 2017 ICAI International Conference a successful mega event. He thanked the anchors of the Conference for keeping the spirit of Conference high in happiness. He then credited ICAI Vice-President, members of Central Council and present and former WIRC members for their contribution in core areas right from the conceptualisation of Conference (including selection of themes/topics of sessions and panel discussions) to the selection of venue, hospitality and managing other important affairs of the Conference. Then, he finally thanked all the staff of the Institute, particularly Western India Regional Council and Western Regional Office, and credited them for efficiently executing all operations. He concluded with holding all organising teams responsible for everything that was good, taking the blame for everything that had gone wrong, if any, during the Conference. ■