

## ICAI in Media: Glimpses of January, 2018 and February 2018



### CM Raman Singh hails Chartered Accountants' contribution in nation's economy

ANI, Raipur, Feb 04, 2018

Chhattisgarh Chief Minister Raman Singh attended the National Conference of Chartered Accountants in Raipur on Sunday. CM Raman Singh appreciated efforts of chartered accountants and said that CAs from the state have contributed immensely in economy of the country while emphasising on importance of their works.

He also highlighted that a CA is a link between government and traders. He said that there will be a seminar of two days in which several GST experts will discuss important issues.



### ICAI elects new torchbearers for the year 2018-19

Chronicle Reporter, Bhopal, February 13, 2018

The Institute of Chartered Accountants of India (ICAI) is a statutory body established by the Chartered Accountants Act, 1949 for the regulation of the profession of Chartered Accountants in India.

The affairs of the ICAI are managed by a Council in accordance with the provisions of the Chartered Accountants Act, 1949 and the Chartered Accountants Regulations, 1988.

The Council is composed of 40 members of whom 32 are elected by the members and remaining 8 are nominated by the Central Government generally representing the Comptroller and Auditor General of India, Ministry of Corporate Affairs, Ministry of Finance and other stakeholders.

On February 12, 2018, ICAI elected its new Torchbearers CA. Naveen N.D. Gupta as the President and CA. Prafulla P. Chhajed as the Vice-President for year 2018-19.



### 'India should aim to become global accounting force: Corporate Affairs Secretary

New Delhi, PTI, Jan 24, 2018

India should aim to become global accounting force as 20,000-30,000 new chartered accountants are coming in every year, a government official said today.

"We are recognised as an IT force, so why don't we keep a goal to be recognised as a global accounting force as we have 8 lakh active CA students and every year 20,000-30,000 CAs coming in and already have a base of 2-3 lakh CAs," Corporate Affairs Secretary Jitendra Sinhasia said.

Speaking at the convocation ceremony of the Institute of Chartered Accountants of India (ICAI) here, he said India is also adopting global accounting reporting standards, so the new CAs have lot of opportunities to work.

The government has been working on ways to boost prospects of domestic auditing firms. Following the decision to tweak FDI norms, companies will now have to go for joint audits in case a foreign investor insists on having an international auditor.

The government's decision is seen as a significant step towards boosting the prospects of local auditing firms amid the backdrop of Big 4 audit firms holding sway, especially when it comes to companies where there is overseas investment.

In July last year, Prime Minister Narendra Modi had called for creating four big Indian accounting firms that are counted among the world's Big 4. Referring to the 'Big 4' - a term used for the world's four biggest audit firms - the prime minister had said there are so many accounting firms in India but none of them has managed to find a place among the top global players.

"People talk of the Big 4 accounting firms. Sadly, there is no Indian firm there. By 2022, let us have a Big 8, where 4 firms are Indian," he had said. The top global accountancy firms include PwC, Deloitte, EY and KPMG.

Sinhasia also said that there are lot of opportunities available for CAs in today's time with the introduction of Insolvency and Bankruptcy Code.

"We have about 12 lakh active companies, over the coming one decade, I will not be surprised if this will multiply into three-fold because we have so many concepts, right from one person to an LLP. So, ultimately the canvas, in which will you function, will grow 3-4 times and it will give you lot of opportunities," he said.



### Chartered Accountants can rid the country of corruption: Prakash Javadekar

Express News Service, Pune, January 14, 2018



"To realise Prime Minister Narendra Modi's vision of a new India by 2022, we have an agenda - rid the country of poverty, terrorism, casteism, communalism and corruption. Of these, eradicating corruption is the most important. And CAs play an important part in fulfilling this dream," Union Minister of Human Resource Development Prakash Javadekar said during a two-day Conference of Chartered Accountants (CAs) in Pune on Saturday.

Javadekar, speaking on the need to revise the syllabus of universities, said, "Board of studies at the universities is expected to revise and update their syllabus at least once in two years. But this is not happening. Instead of revising and updating the syllabus, they are more involved in politics and elections. This lethargic approach won't work. The University Grants Commission (UGC) and the All India Council for Technical Education (AICTE) have decided to come up with a model curriculum... students can't be deprived of latest education. If universities are not revising and updating their syllabus on their own, they can adopt this model curriculum."

On the issue of freedom of universities, he said he believes that universities have freedom. However, he added, universities will have to change their way of working and keep their syllabus up-to-date with global standards. "Students can't be deprived of the latest, quality education," he said.

The conference, organised by the Pune chapter of the Institute of Chartered Accountants of India (ICAI), also saw delegations from Nepal, Bhutan, Sri Lanka and Pakistan in attendance. "Students need to have a dialogue with the foreign delegations, they should learn from each other," Javadekar said addressing the delegations.



February 2, 2018, New Delhi



New Delhi, February 17, 2018

#### WHAT'S IN THE BUDGET

■ Will tax cuts to corporate lead to employment generation?  
For corporates, there's good news, the beneficial rate of taxation at 25 per cent is proposed to be extended to companies with turnover of up to Rs 250 crore, thereby benefitting 99% of the companies presently filing returns. This surplus can be effectively used for employment generation. A flip has been given to employment generation also by way of liberalising the provisions for deduction for employment of new employees. The requirement of reduced number of days of employment per year (150) in case of apparel industry is proposed to be extended to footwear industry also. Further, employees who have been employed for less than the mandatory minimum number of days would be treated as new employees in the subsequent year for claim of deduction in that year, provided they continue to be employed for the minimum number of days in that year. Expansion of scope of eligible business for deduction under section 80-IAC to business models with a high potential for employment generation is another step towards boosting employment generation in the country.

The removal of exemption on long-term capital gains on transfer of listed equity shares and units of equity oriented fund as a measure to promote investment in manufacturing sector may, however, adversely affect the equity market. The FII inflow through this route may suffer a set back since they would also be subject to long-term capital gains tax. This revenue garnering measure may dampen the spirit of the equity market and resultantly, impact on the economy as a whole.

■ Are there any personal taxation benefits?  
Standard deduction, a long-petted demand from the salaried class, has finally found its way to the statute book. The proposed deduction of Rs 40,000, however, comes with a rider of being in lieu of the existing transport allowance and medical reimbursement, which significantly reduces the net benefit to Rs. 5,800. This benefit would further reduce due to proposed increase in cess by 1%. In effect, the net gain would be negligible, except in the case of pensioners. The positive proposal on the personal taxation front is that the benefit of exemption in respect of withdrawal from NPS has now been extended to all assesses and not only employees. However, the tax benefit in respect of partial withdrawal continues to be available only to employees.

(The Budget Report by ICAI)

## ICAI to look into auditors' role in fraud

New Delhi: Chartered accountants' apex body ICAI will review the \$1.8-billion fraud at PNB to look at whether there have been lapses on the part of auditors, and has sought information from investigation agencies (Enforcement Directorate, CBI) as well as from markets regulator Sebi.

Institute of Chartered Accountants of India (ICAI) president Naveen Gupta said it has taken suo motu cognisance of the fraud at PNB. "The Financial Reporting Review Board (FRRB) has been advised to initiate suo motu review of Punjab National Bank and Gitanjali Gems (matter)," said Gupta. The board, set up by the institute, reviews the compliance with various accounting and auditing standard. The panel would suggest remedial measures and improvement in the banking system to ensure preventive measures to avoid such type of incidents, he added. . AGENCIES

# THE HINDU

New Delhi, Jan 13, 2018

## 'SEBI action against PwC, a rerun of ICAI panel's verdict'

'However, CA regulator can't take action against audit firms'

SPECIAL CORRESPONDENT

NEW DELHI

Chartered accountants regulator ICAI on Friday said the action against PwC by capital markets regulator SEBI, including banning its network entities for two years from issuing audit certificates to listed companies in India on finding it guilty in the Satyam scam, was only a reiteration of the verdict passed by the ICAI Disciplinary Committee.

The difference is that while the Institute of Chartered Accountants of India (ICAI) had punished the members concerned, the SEBI has imposed this punishment on the audit firm concerned, the CA regulator said in a statement.

Declining to comment on the specifics of the SEBI order, the ICAI, however, said: "under the present provisions of the CA Act 1949,



there are no powers presently vested with ICAI for taking action against CA firms."

The ICAI has already sent its recommendation in 2010 to the Ministry of Corporate Affairs for making amendments in the Chartered Accountants Act, 1949 to enable taking disciplinary action against CA firms, it added.

On the Satyam case, the ICAI said it "was the first off the block (to take action) when the Satyam matter broke out in January 2009."

ICAI had initiated disciplinary cases against six members concerned, it said, adding that despite several legal hurdles and other impediments like the respondents (the CAs) in judicial custody, ICAI had proceeded with its disciplinary process in terms of the CA Act and the rules framed there under.

### Maximum penalty

The CA regulator said it had awarded the maximum penalty of removal from ICAI membership permanently and imposition of monetary penalty on members of ICAI involved in the matter.

"We are disappointed with the findings of the Sebi investigations and the adjudication order... we are confident of getting a stay before this order becomes effective," the PwC had said in a statement.

THE ECONOMIC TIMES  
New Delhi, Feb 17, 2018

## ICAI Seeks Case Details



New Delhi: The Institute of Chartered Accountants of India (ICAI) has

sought details of the case from investigative agencies to look into the matter. ICAI has formed a high power group to study the systemic issues in the PNB case and suggest remedial measures.

"ICAI in consonance with its role as regulator considering the mammothness and modalities of irregularity at the public sector bank has suo moto triggered disciplinary mechanism," a press statement said. ICAI will look into lapses that may have happened on the part of auditors. OUR BUREAU

the pioneer  
New Delhi, Feb 8, 2018



Felicitation of CA ND Gupta, Past President, ICAI on his election as Member of Parliament (Rajya Sabha) during 68th Annual Function Celebration held on February 6th, 2018 at New Delhi

## GATEKEEPER FOR COMPANIES

The Institute of Chartered Accountants of India (ICAI) celebrated its 68th Annual Function on 6 February at Vigyan Bhawan.

The event was graced by Suresh Prabhu, Union Minister of Commerce and Industry, Piyush Goyal, Union Minister of Railways and

CA Suresh Prabhu, Union Minister of Commerce & Industry along with CA Nilesh Coal, PP S Vikamsey President & CA Naveen N D Chaudhary, Minister of Inauguration of 68th Annual Function of ICAI State of Law held at New Delhi.

and Justice and Corporate Affairs, Nilesh Shivji Vikamsey, President, ICAI, CA, Naveen ND Gupta, Vice-President ICAI and CAs from all across the country.

## moneycontrol

### PNB fraud: ICAI to look at auditors' role, sets up panel to study systemic issues

New Delhi, Feb 16, 2018

Chartered accountants' apex body ICAI today said it has taken suo motu cognisance of the \$1.77 billion fraud at Punjab National Bank and has sought information from investigation agencies besides setting up a group to study the system issues arising out of the incident.

PTI @moneycontrol.com

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The Institute of Chartered Accountants of India (ICAI) would review the Punjab National Bank matter to look at whether there have been lapses on the part of auditors.

ICAI President Naveen N D Gupta said it has taken suo motu cognisance of the fraud at Punjab National Bank.

"The Financial Reporting Review Board (FRRB) has been advised to "initiate suo motu review" of Punjab National Bank and Gitanjali Gems (matter)," he told PTI.

The board, set up by the institute, reviews the compliance with various accounting and auditing standards.

In a statement issued in the evening, Gupta said the institute has suo motu triggered its disciplinary mechanism by writing to the bank concerned, markets regulator Sebi as well as probe agencies -- Enforcement Directorate and CBI -- seeking details of their investigations in the matter.

According to him, the institute has on its own constituted a high power group to study the systemic issues in the Punjab National Bank matter. The panel would suggest remedial measures and improvement in the banking system to ensure preventive measures so as to avoid such type of incidents, he added.

"It needs to be emphasised that ICAI would be actively pursuing the issue with the concerned agencies and stakeholders so as to examine the matter in detail to suggest improvements," Gupta said.

However, the statement did not specifically mention about Gitanjali Gems.

According to an official, the institute would be looking at the role of auditors in these cases to ascertain whether there have been any violation at their end.

In one of the biggest scams in the Indian banking industry, the public sector lender has disclosed USD 1.77 billion (nearly Rs 11,400 crore) fraud perpetrated by way of fraudulently acquiring Letter of Undertakings (LoUs) of the Punjab National Bank and probe agencies are already investigating the case.

A multi-agency probe is underway against diamond trader Nirav Modi and his relative as well as close associate Mehul Choksi as also come under the scanner of Sebi and stock exchanges. Choksi is the Managing Director of Gitanjali Gems.

On Thursday, Punjab National Bank Chairman Sunil Mehta had said it has the capability to recover the dues from Modi and promised to take action against all wrongdoers. In the wake of the fraud, the lender has suspended at least ten officers.



United News of India  
India's Multi Lingual News Agency

## ICAI joins hands with World Bank Group

Mumbai, Jan 17 (UNI)

The Indian Institute of Insolvency Professionals of ICAI (IIPI), has joined hands with World Bank Group to organize 3 training programs for Insolvency Professionals (IP) in the country, with the first being held here.

The training program will cover the 'Role and Functions of IPs'.

During the programme, case studies where very relevant, will be illustrated.

Sessions covering various aspect of insolvency laws would be organised from January 18 to 20, 2018 here under the aegis of the Insolvency and Bankruptcy Board of India (IBBI).

CA. Nilesh Shivji Vikamsey, President, ICAI said, the Insolvency and Bankruptcy code is still in the nascent stages in India. And this is the time where right knowledge dissemination is required for creating a robust pool of professionals in our country. In the training sessions the best of minds will share their knowledge from across the globe.

World Bank and IIPI has prepared the training modules, keeping in mind the Indian scenario but also made sure that the best practices followed worldwide are made available to the insolvency professionals, he further said.

The programme shall focus on responsibilities of IPs and Practical Concerns.

## FORM IV (SEE RULE 8)

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