



CA. Naveen N. D. Gupta
President, ICAI

My Dear Professional Colleagues,

A very Happy CA DAY to all of you! This CA Day on July 1 is more than special. This day our Institute will step into 70th year, i.e. *Platinum Jubilee year*, of its glorious existence. On this very day, our Institute came into being in the year 1949. The occasion calls for befitting celebrations for ICAI's steadfast march in the glory of bringing a Resolute Economic India. The Platinum Jubilee celebrations are set to be launched by none other than the first citizen of the country, Hon'ble President of India Shri Ram Nath Kovind in a grand function in Delhi. These celebrations will be dedicated to our indomitable spirit and a purposeful, meaningful and benevolent existence. These will be the celebration of the contributions that ICAI and Indian accounting profession have made to the country ever since our inception. We remember what our first Prime Minister had said: *Time is not measured by the passing of years but by what one does, what one feels, and what one achieves.* On behalf of the profession and the Institute, let me mention with pride that we are celebrating our work, our achievements and the fulfilment of our promises made to the stakeholders ever since we were born.

On the eve of such a historic day, it is quite relevant to recall our founder President Shri Gopaldas Padamsey Kapadia, who had said: *...it will take time to build up its (Institute's) traditions and I am sure that in course of time the Institute will have the best of traditions of which the profession and the country will be proud of. The assistance of the members of the profession as also the Government and public is necessary in building up the Institute and I am sure that this be had in the fullest*

measure. His words were both wise and prophetic. Our membership has been contributing to the economy of our nation and in all possible ways strengthening the foundations of the Institute. Our glorious past puts more onerous responsibilities on all of us to continue to be the custodians of public interest & welfare, and we will continue to discharge all responsibilities in the best interest of the nation.

70 Momentous Years – A Glimpse of the Past

As we enter our Platinum Jubilee year, it instils me with pride and satisfaction when I look back at how Indian accounting profession has evolved and how it has undergone a positive paradigm shift. Having tirelessly upheld a triumphant tradition of converting challenges into opportunities, the story of ICAI has been a story of professional panache and perseverance. Over the decades, we have efficiently lived up to the expectations of the founding fathers of Indian Constitution when they granted autonomy to the profession through the Chartered Accountants Act, 1949. The fact that this Act came in effect even before adoption of the Constitution of India shows the paramount importance that has been placed on the profession to act as custodians of transparency and integrity.

Our history bears the testimony that we have resolutely upheld the societal trust and importance. As such, today's CA is no longer being seen as just a statistician but a versatile strategist and value-creator who is 'must-have' resource of modern day business. The Indian CA has metamorphosed from traditional accounts keeper to a trusted business adviser. In the last 70 years, the role of CA has shifted from backroom to boardroom.

Our dynamic journey of excellence, integrity, independence and service to the nation is marked by many a milestone. I will touch upon some very important ones of them here.

First Council of the Institute

Our Council met for the first time on 15th August 1949 to embark the profession on a continuous journey of excellence. Let's recall the speech of Mr. K. C. Neogy, the then Minister for Commerce, delivered at the first meeting of the first Council held at New Delhi on 15th August 1949 in which he said that, *"it was appropriate that a great and important profession in the country was launching upon a career of autonomy on Independence Day"* and hoped that the *"Council would maintain a level of professional conduct and professional standards which would bring resounding glory not only to the profession but to the country as well."* Today, we can legitimately claim that we have indeed fulfilled his expectations as the backbone of financial discipline of the nation. The same year we adopted our emblem with Garuda and motto *"Ya Esa Suptesu Jagarti"* (One who is awake amongst those who asleep) which remains relevant in all times to come.

From the President

Foundations of our Infrastructure

Another major milestone with which we took our first step towards building our infrastructure was when the first President of India Dr. Rajendra Prasad inaugurated the headquarters of the Institute in April 1954 and also inaugurated the First Conference of the Chartered Accountants of India the next day. Later in 1968-69 our headquarters was set for expansion with the Union Minister for Industrial Development and Corporate Affairs Shri Fakhruddin Ali Ahmed laying the foundation stone of the Annexe to the ICAI Headquarters. Later on, the Institute went on expanding its infrastructure with the Council for the first time in 1959-60 deciding to set up branches of the Regional Councils. Accordingly first set of 6 branches i.e. Ahmedabad, Pune, Bangalore, Coimbatore, Hyderabad and Madurai were formed by the Institute in 1962. Institute's New Building in Noida was completed and inaugurated by the then Union Minister of State for Finance Shri Rameshwar Thakur on 5th August 1991. It was followed by opening of another mega office in Vishwas Nagar, Delhi on 2nd February 2002 at the hands of the then Minister of Law Justice and Company Affairs Shri Arun Jaitley. Yet another major ICAI office was opened in Noida, Sector 62, in 2010. Today it is inspiring to note that last seven decades have seen ICAI expand nationally and internationally with 164 branches pan India and 31 Chapters globally. As on date we are also having 157 Information technology centres and 154 Reading rooms to serve our students. As per a 2004-05 decision, all ICAI buildings across India have been named as "ICAI Bhawan".

Phenomenal Growth of Membership

As you may be aware, in the last 70 years we have phenomenally grown to about 3 lakh membership today, making us the second largest accounting body in the world. You may be surprised to know that as on 1st April 1950, there were just 1,689 members-569 Fellows and 1,120 Associates. Shri G. P. Kapadia, the founder President of the ICAI was the first member of the ICAI. Our membership crossed 50,000 mark in 1988-89, 100,000 mark in 2001-02, and finally the 2,00,000 mark in 2012-13.

Focus on Education

As a major initiative for our students, a Coaching Board (now known as Board of Studies) was constituted in 1955-56. This Board has grown bigger and better ever since, constantly keeping the parameters of CA education in tune with the times. Continuous development and revision of our education and training scheme is the hallmark of our profession. The scheme, in line with the requirements of the times, has been constantly revised. A major milestone in this direction was achieved in 2017-18 when the New Scheme of Education and Training was launched by Hon'ble Prime Minister of India Shri Narendra Modi on the occasion of CA Day. We are pioneer of Postal Tuition scheme in India which was later on adopted by many universities. Not only that, we have been encouraging

commerce education in India since long back. It was way back in 1961-62 that a Committee was formed for liaisoning with the universities and government for reorienting the Commerce education in India. We were quick to respond to the onset of Information Technology wave in the country and set up full-fledged computer centres at all the Regional Offices of the Institute in the year 1990. It was followed by formation of Committee on Information Technology and starting of Diploma Course of ISA in 1999-2000. ICAI has come up with forensic labs and has major plans to project accounting services on the lines of I-T enabled accounting services. In the current landscape of digital transformation, ICAI is closely working on cyber security, artificial intelligence, cloud accounting, blockchain and such emerging areas to equip members for future that lies ahead.

Company Law and Research

Responding to the need of the hour, our formal foray into the world of corporate laws began in 1955-56 when we for the first time constituted a Corporate Law Committee. The same year, we also for the first time took note of the need of research and set up the Research Committee. A related landmark came with the establishment of our Expert Advisory Committee in 1959-60. All these committees continue to this day delivering on all the objectives with which they have been formed. Our continued focus on research led to the constitution of Accounting Research Foundation on 14th January 1999, which also continues.

Awards for Excellence

We have been encouraging our members to continue on path of excellence since long. In this regard our much coveted award, Shield for the Best Presented Accounts was instituted in 1957-58. Quickly responding to increasing presence of our members in industry in 1982-83, we for the first time constituted Committee for Members in Industry. Further, to honour the accomplishments of our members in industry, the Awards for best CMD/CEO/CFO members were instituted in 2007. In a related move, to give a distinct identity to our members, we unveiled a unique logo for Indian CAs in 2007-2008 and members were also allowed to use words "CA." as a prefix to their name.

Helping in Budget Formation and Accounting Revolution

Bettering our role in service of the nation, we submitted our first Pre- and Post budget memorandum to Government in 1963-64, a tradition which continues to this day. Since then many of our suggestions continue to find place in Indian fiscal policies. Our highly valuable Accounting Standards Board was formed in 1977, which is spearheading accounting reforms in the country ever since and yet another important committee, the Auditing Practices Committee was constituted in 1982. Over the years, the ICAI has continued its stellar march in standard setting through its enhanced focus on convergence with the international standards in line with the G-20 obligations.

Similarly standard setting in auditing, accounting for urban local bodies and ethical standards remained priority on the radar of the ICAI. In another proactive initiative in 2002, Peer Review Board was established to put in place peer-to-peer review mechanism and Financial Reporting Review Board was set up to look into published accounts of different organisations, which also continues to this day.

How We Served the Nation in the Times of Crises

It gives me satisfaction to recall that we have been, in our own way, forthcoming in our service to our armed forces and the nation in the events of war also. In 1964-65, the Council passed a resolution that a member deemed to be in practice during the period he renders service in armed forces. In 1972-73, free professional services (Income-tax, wealth-tax, and estate duty matters) were provided to the heirs of the amar jawans and officers of the armed forces who sacrificed their lives in the war. It was decided that children of such jawans and officers be given preference for being engaged as articled/audit clerks. They were also given complete exemption from Tuition and registration fee of the Institute.

Foray into Global Accounting World

We proactively started making professional foray into global accounting world when India became founding member of CAPA (Confederation of Asian and Pacific Accountants) on September 23, 1976. India became the founding member of International Federation of Accountants in October 1977. India was elected as member of Council for 1977-1982 and Mr. B. L. Kabra, the then President ICAI, was elected as Vice-President of the Council of IFAC. In August 1984, ICAI became the founding member of South Asian Federation of Accountants and the then ICAI President CA. P. N. Shah was elected its first president. Another milestone in our global foray came in November 1983 when Institute hosted 10th CAPA Conference jointly with the ICWAI, which was inaugurated by the then Hon'ble President of India Shri Giani Zail Singh.

First International Conference on Concerns of Developing Nations in the WTO Regime was organised in August 2001, which was attended by the then Prime Minister Shri Atal Bihari Vajpayee. First foreign examination centre was set up in Kathmandu, Nepal, in 1986-87.

Over the years, ICAI has expanded its reach globally through ICAI chapters. Our First Foreign Chapter came up in Doha (Qatar) in 1980-81 and today we are having a global presence of 31 Chapters. Last decade and so has seen ICAI Qualification's emergence on the global platform with many of the leading accounting bodies prescribing pathways for lateral entry into profession at their end. Similarly ICAI continued its focus on technical cooperation to countries where accountancy is at nascent stages such as establishment of Institute of Chartered Accountants of Nepal in 1997 where we also established systems and procedures relating to examination, technical

and administrative areas. Today ICAI nominees hold key positions at global forums including IFAC, CAPA, SAFA and AOSSG.

Fulfilling Social Commitments

Over the years, the ICAI and Indian accountancy profession has also been alive to its social welfare commitments whenever natural calamities struck the nation, including our large contributions to Drought Relief Fund and Koyna quake relief fund in 1967. In 1977-78, we constituted "The Chartered Accountants National Relief Fund" as a trust for collecting donations from members and make contribution in the event of national calamities. In 2000-2001, a contribution of ₹51 Lakh was made to Prime Minister Relief Fund (PMRF) to provide financial support to the victims of Gujarat earthquake. ₹42.50 lakh were donated to PMRF for those devastated in Tsunami calamity in 2005-2006. In 2013-2014, ₹95 lakhs were donated to (PMRF) to help the victims Uttarakhand floods calamity. In more recent years, Hon'ble Prime Minister Shri Narendra Modi nominated ICAI to take forward the Swachha Bharat Abhiyan in 2014-15.

History of Punchline: ICAI-Partner in Nation Building

The year 2005 will be remembered as the year when the visionary then President of India Dr. A. P. J. Abdul Kalam left a legacy of progressive thought process and vision for Indian accountancy profession. Many of us may not be aware that it was only after his words of wisdom uttered at ICAI platform that the Institute adopted the punch line *ICAI—Partner in Nation Building*.

"Time has now come for the Chartered Accountants to elevate themselves from component audit to system performance audit. How are you going to prepare yourselves from now onwards for celebrating the year of completing the 100 years of service in auditing by the year 2049? Hence the vision of ICAI can be: 'ICAI will transform into a Financial Management and financial advice organisation with focus towards economic development of the nation and enhancing the growth of GDP in all three sectors of the economy,'" he had said as the Chief Guest of ICAI's International Conference on Accounting Profession: Adding Value To New Horizons Of Economic Growth, at New Delhi on September 1, 2005.

Recognition by UN

Another achievement worth mentioning here is the ICAI for the first time being given recognition by the United Nations in 2005-2006. It was taken as member of Project Steering Committee of UN for comprehensive review of governance arrangements including an independent evaluation of auditing and oversight system within the UN.

Developments in More Recent Years

In 2016-2017, Indian Institute of Insolvency professionals of ICAI (IIPI), the first Insolvency Professionals Agency in India, was formulated as Section 8 company.

From the President

The same year ICAI was chosen a preferred partner by the government to create awareness about IDS 2016. 470 programmes were organised on IDS with more than 4200 participants which ensured the success of the scheme and won public appreciation of the Finance Minister.

More recently, ICAI played a pivotal role in facilitating implementation of GST in the country. More than 4100 programmes on GST were organised wherein more than 3.9 lakh members participated. In line with need of the hour, we formed Digital Accounting and Assurance Board and Valuation Standards Board.

Current Council Year

The metamorphic existence which the ICAI has so far demonstrated in its cause of upholding public interest and being a partner in Nation building is what catapults ICAI. We have a rich legacy arising out of our professional excellence and collaborative partnership in being a catalyst for the financial transformation story of our great country. We need to carry this march through and raise our bench mark of professional excellence higher and higher. Our journey of excellence and service to nations continues unabated in the present council year too.

There have been far reaching iconic steps which will pave the way for larger visibility of the profession.

For capacity building of our members to increase export of accounting services from India as our contribution to 12 Champion Services Sectors Scheme, we have taken initiatives of opening of Pilot Incubation Centres, Introduction of Foreign Language course in Spanish and German languages, and Organisation of Overseas Campus Placement programmes. While at global level ICAI made significant progress with Australia and South Africa for membership pathways, ICAI has signed the Mutual Recognition Agreement with South African Institute of Chartered Accountants (SAICA) on 4th June, 2018 in Johannesburg to facilitate mutual qualification recognition heralding new avenues of business in both South Africa and India. In addition to proposed MoU with CA ANZ, the Pilot International Pathway Programme of CA ANZ is a unilateral offer by CA ANZ to ICAI members based in Australia and New Zealand which is a combination of 40 hours of self-study and 2 days of workshop.

Our initiatives of equality of opportunities got recognised at SAFA level when in the last meeting held at Nepal in the month of May, 2018, SAFA also decided to create a SAFA Women Empowerment Committee and also to replicate digital initiatives of ICAI such as Digital Competency Maturity Model (DCMM).

Continuing to our mandate to be protagonist for e-governance, there is a drive to provide more and more of student and members related services through digital platforms and a self service portal is soon to be unveiled for providing access to many forms and other requirements at e-platform.

This year we have formed ICAI RVO as Section 8 company, put in place E-hearing guidelines for Disciplinary cases, and formed additional benches of Board of Discipline and Disciplinary Committee with one bench specifically to hear public interest cases. Keeping forward our tradition as true custodian of public trust, we have this year proactively constituted Shell Companies Review Group and Taxation Audits Quality Review Board. In order to have consistent, uniform and transparent valuation policies and to harmonise the diverse practices that are in use, ICAI recently issued 8 Indian Valuation Standards along with Preface and Framework for preparation of Valuation Report. Effective for valuation reports issued on or after 1st July, 2018, these standards will be applicable to Chartered Accountants for all valuation engagements done by them under Companies Act, 2013.

Scholarship Scheme for the meritorious wards of Military forces/Para Military forces/Railway Employees is also the highlight of this year so far among other initiatives.

Today, the ICAI does not exist merely as a regulator but it exists more as a facilitator. As such, the Indian accounting profession is still effectively evolving in different dimensions. Close on the heels of Green Revolution, Industrial Revolution and IT Revolution, India is now well set for Knowledge Revolution and Accounting Revolution. The Chartered Accountants, who are one of the main constituents of India's knowledge society, are being increasingly looked upon as harbingers of such a revolution in India. One can clearly foresee India emerging as the global hub for accounting professionals since our country is emerging as a preferred destination of global business with a series of economic reforms being launched by the government.

On the eve of Platinum Jubilee year of the Institute, I extend my best wishes to all stakeholders of profession. Indian accountancy profession has traversed a glorious journey so far. Let us all pledge to retain the glory and legacy of our profession. I know, we will have to go miles to retain that. Gautam Buddha had said: *I never see what has been done; I only see what remains to be done.* Let us work hard and give our country what it deserves. Let us act with our conscience and profess with accountability and integrity. I would like to thank you all stakeholders for being with us and part of our illustrious journey!

And equipping us in providing a SILVER lining;
Enabling us to be part of a GOLDEN era and now,
Empowering us to command a PLATINUM premium!



CA. Naveen N. D. Gupta
President, ICAI
New Delhi, 26th June 2018