

# ICAI in Media

## ICAI in Media : Glimpses of June and July 2018

### Business Standard

Mumbai, June 13, 2018

#### ICAI opposes move to exclude CAs from carrying out valuation

ASHLEY COUTINHO  
Mumbai, 13 June

The Institute of Chartered Accountants of India (ICAI) and four other accounting associations have written to the Central Board of Direct Taxes (CBDT) opposing the latter's move to amend Section 11 UA of the Income Tax (IT) Act.

The step will pave the way for excluding chartered accountants from carrying out valuation of unquoted shares.

Rule 11UA provides for determining the fair market value of various specified assets under Section 56 of the Income-tax Act, 1961.

One of its sub-rules provides an option to the assessee to determine the fair market value (FMV) of unquoted shares with the help of a merchant banker or an accountant.

The recent amendment has excluded the term 'accountant'. ICAI believes the paucity of available merchant bankers could jack up costs of determining the FMV of unquoted shares. The statutory body reckons that there are over 1.1 million unlisted companies but only 200 merchant bankers. On the other hand, there are over 300,000 CAs.

"This will cause undue hardship to the assessee. Moreover, the merchant bankers are employing a good number of chartered accountants and for the impugned valuations also, they would ultimately be utilising the services of CAs," the ICAI said.

The manner of valuation provided by Rule 11UA(2)(b)

predominantly mentions application of discounted cash flow method, and CAs have the competence to understand business and cash flow projections, the ICAI felt.

The body had taken several initiatives in the recent past to encourage its members to learn and attain expertise in the field of valuation.

At its 375th meeting recently, for instance, the council of the ICAI issued valuation standards to ensure uniformity in approach and quality of valuation output by CAs.

Besides the ICAI, four other accounting bodies — the Bombay Chartered Accountants' Society, the Ahmedabad Chartered Accountants' Association, the Lucknow Chartered Society and the Karnataka State Chartered Accountants' Association — have jointly written to the CBDT.

According to them, the Companies Act, 2013, recognises CAs as being eligible for registration as valuers under Section 247 of the said Act.

Moreover, various regulations issued under the Foreign Exchange Management Act, 1999, require CAs to issue a certificate on the discounted cash flows. Valuation of business and financial instruments along with other assets has been gaining importance, particularly after implementation of the Indian accounting standards.

Valuation plays a key role in financial reporting as well as areas such as solvency, mergers and acquisitions, among others.

### THE TIMES OF INDIA

New Delhi, July 02, 2018

#### Indian economy set to touch \$5 trillion by 2025: Kovind

New Delhi: President Ram Nath Kovind on Sunday said the Indian economy is set for a surge with the GDP size seen at doubling to USD 5 trillion probably by 2025. He was speaking after launching the platinum jubilee celebrations of chartered accountants' expert body ICAI.

"Indian economy is set for a surge and in the next decade, probably even by 2025, India is expected to double the size of the GDP to USD 5 trillion," Kovind said.

Emphasising that adherence to fair taxation system is much more than merely providing revenue to the government, Kovind said chartered accountants are the watchdogs of public trust. Chartered accountants have a key role to play and are facilitators of tax payers as well as taxation system.

Minister of state for corporate affairs P P Chaudhary said the government's fight against black money is continuing and that around 2.25 lakh suspected shell companies have been identified. These entities are being analysed and suitable action would be taken, he added.

### The Indian EXPRESS

New Delhi, July 4, 2018



#### PLATINUM JUBILEE (ICAI)

The Institute of Chartered Accountants of India (ICAI), a statutory body established under the Chartered Accountants Act, 1949 completed 69 years of Professional Excellence on July 1, 2018 & entered its Platinum Jubilee Year. This momentous occasion was celebrated all across the country by 164 Branches & 5 Regional Councils of ICAI. Many activities were undertaken to celebrate CA Day in a unified manner like Blood Donation Drive, Swachh Bharat Abhiyaan, Tree Plantations etc. The Platinum Jubilee Celebrations of ICAI were launched by Ram Nath Kovind, President of India during the CA Day event organised at New Delhi.

### hindustantimes

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#### CA day celebrations

HT Correspondent

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The Institute of Chartered Accountants of India (ICAI), a statutory body established under the Chartered Accountants Act, 1949 completed 69 years of Professional Excellence on July 1, 2018 and entered its Platinum Jubilee Year.

This momentous occasion was celebrated all across the country by 164 Branches and five regional councils of ICAI. Many activities were undertaken to celebrate CA Day in a unified manner like Blood Donation Drive, Swachh Bharat Abhiyaan, Tree Plantations etc.

The Platinum Jubilee Celebrations of ICAI were launched by Shri Ram Nath Kovind, Hon'ble President of India during the CA Day event organised at New Delhi today. The event was also organised by Manoj Sinha, Union minister of state with independent charge for communications and minister of state for Railways and P P Chaudhary, Union minister of state for corporate affairs as well as law and justice.

While addressing the gathering, the President of India congratulated ICAI and lauded the contribution of CA profession. The President remarked, "I am confident that ICAI will make a success of all the programmes associated with its Platinum Jubilee Celebrations. And, of course, I am confident that ICAI and its members will keep up efforts to build a nation defined by tax transparency, tax predictability and tax compliance."

The Hon'ble President further added "The success of ICAI as a body of professionals is a matter of pride for our country. The community of Chartered Accountants have played a role in the critical transition to GST. I must commend the efforts of all of you." Rachel Grimes, president, International Federation of Accountants (IFAC) participated in the launch of Platinum Jubilee celebrations. She announced that in the year 2022, when India would be celebrating its 75 years of Independence, coinciding with it, for the first time, India would be hosting "World Congress of Accountants" in Mumbai.

### THE TIMES OF INDIA

Chennai, 16-06-2018

#### After NEET, TN to train students for CA courses

Ram Sundaram@timesgroup.com

Chennai: After preparing students for NEET and JEE, Tamil Nadu government now gets ready to train students for Chartered Accountancy (CA) course.

"The government has signed a memorandum of understanding (MoU) with the Institute of Chartered Accountants of India (ICAI) to conduct CA training for government and aided school students," said school education minister K A Sengodan.

Tamil Nadu is the first state in the country to offer this training, which will be for about four weeks, he added.

It will involve about 10,000 students and training will be conducted free of cost at 70 centres across the state, he said. "The programme, which is likely to be launched on July 1 to commemorate CA Day and ICAI's ongoing 70th Platinum Jubilee celebrations, will train the students for the CA Foundation exams."

"It is a necessary step from ICAI. ICAI officials said that chartered accountants will travel to many rural centres as possible to handle these classes, and teachers will also be sent to teaching methodologies so that they can continue with the training. The programme, aimed at integrating the course with schools, will explain the employment opportunities related to the course, how to prepare for the tests as many students from rural areas don't know much about CA, unlike their counterparts in urban areas, said his ministry. He added that it hardly costs ₹20,000 to ₹40,000 to complete the course, and top com-

#### IN THE PIPELINE

- Exports from Germany and England to train rural students in English
- Skill-oriented training in 15 subjects like
- agriculture, IT, hotel management, mechanical, etc.
- NEET training to begin this July at 412 centres
- Mobile libraries in all districts

panies are ready to pay them as stipend of ₹1,000 to ₹2,000 on completion of foundation course.

"Though the initial idea is to train the students for four weeks at government schools, ICAI might extend the programme depending on the response from the students," said a senior official from the school education department. Discussions are under way to finalise the timings for these training sessions. "We are designing a curriculum for 15 subjects like agriculture, horticulture, fashion technologies, hotel management, IT and mechanical engineering, among others. Locality-oriented training will be provided to students on these subjects during weekends at nearby industries," Sengodan said.

He added that the schedule for NEET training classes in government schools has also been revised. This year, these classes will be held at 412 centres from July first week.

### Business Standard

Cabinet approves renewal of MoU between the Institute of Chartered Accountants of India & Saudi Organisation for Certified Public Accountants

New Delhi, July 4, 2018

The Union Cabinet chaired by the Prime Minister Shri Narendra Modi has given its ex-post facto approval for the Memorandum of Understanding (MoU) signed in 2014 and approval for renewal of MoU between the Institute of Chartered Accountants of India (ICAI) & Saudi Organisation for Certified Public Accountants (SOCPA) in Saudi Arabia to promote mutual co-operation framework in the areas of Corporate Governance, Technical Research & Advice, Quality Assurance, Forensic Accounting, issues for Small and Medium Sized Practices (SMSPs), Islamic Finance, Continuing Professional Development (CPD) and other subjects of mutual interest related to Accountancy profession.

Major inputs:

The aim is to work together to develop a mutually beneficial relationship to the best interest of ICAI members, students and their organisations. The MoU will provide an opportunity to the ICAI members to expand their professional horizons and simultaneously ICAI will become an entity to aid and strengthen capacity building of local nationals. The MoU will further enable ICAI to promote the Accounting and Auditing profession and all matters that might lead to the development of the profession and improve its status.

Beneficiaries:

ICAI has present presence of 3 Chapters in Eastern Province covering Addis, Riyadh and Saudi Arabia, having more than 200 members who have been engaged at different professional level.

The MoU will foster strong working relations between the ICAI & SOCPA thus provide strong professional opportunities to Indian Chartered Accountants in India and more confidence to employers in Eastern Province, thus create significant employment opportunities for Indian Chartered Accountants.

Background:

The Institute of Chartered Accountants of India (ICAI) is a statutory body established by an Act of Parliament of India, The Chartered Accountants Act, 1949, to regulate the profession of Chartered Accountancy in India. Saudi Certified Public Accountants' Regulations issued under Royal Decree entrusted the "Saudi Organisation for Certified Public Accountants (SOCPA)" for promotion of the Accountancy and Auditing profession in that country.

## THE TIMES OF INDIA

## Soon, enrol for insolvency associate course

New Delhi, July 06, 2018

The government will soon start a short-term programme to train individuals as insolvency and bankruptcy associates who can help with work during a resolution process, officials said. The proposal for launching the programme under the Pradhan Mantri Kaushal Vikas Yojana also comes at a time when a large number of cases have been admitted for resolution under the Insolvency and Bankruptcy Code (IBC).

Officials said the programme, which is likely to be launched this month, would cover various aspects related to the Code, procedural responsibilities and Companies Act, among others. Graduates as well as those who have cleared the intermediate level of chartered accountant, cost accountant or company secretary courses would be eligible to apply for the programme. It would be for around 250 hours, they added. After completion of the programme, the associates would assist insolvency resolution professionals in their cases. The plan is to offer the course through state-of-the-art educational, skilling and corporate training institutes with part funding from the Ministry of Skill Development and Entrepreneurship, officials said.

The Insolvency and Bankruptcy Board of India (IBBI) would help with placement of the associates through the network of insolvency resolution professionals and insolvency professional agencies. According to the officials, the process of taking an insolvency plea to its resolution involves a lot of work that is mainly procedural and time consuming. After clearing the course, the associates can extend their assistance during the insolvency process. The programme for insolvency and bankruptcy associates would be launched under the aegis of Ministry of Skill Development and Entrepreneurship.

## BusinessLine

New Delhi, July 7, 2018

## ICAI to re-skill members in blockchain, data analytics

OUR BUREAU  
Mangaluru, July 6

With technologies such as blockchain set to play a key role in audit process in the future, the Institute of Chartered Accountants of India (ICAI) plans to re-skill its members in emerging technologies.

Speaking at the inauguration of the two-day conference for its members in Mangaluru on Friday, Ranjeet Kumar Agarwal, Chairman of the Professional Development Committee of ICAI, said around 1.2 lakh practising members of ICAI will be re-skilled in the areas of blockchain, data analytics and artificial intelligence (AI).

The blockchain concept will change the entire audit process. Third party verification will not be required when the data is converted to blockchain. In such a situation, certification will not be required from the auditor.

"So we are re-skilling around 1.20 lakh practising members of ICAI in the areas of blockchain, data analytics and AI," he said, adding that ICAI is in the process of tying up with Nasscom for the same.

ICAI has already introduced data analytics as a subject for CA students, he said.

Madhukar Hiregange, Chairman of the Indirect Taxes Committee of ICAI, said

ICAI has trained 1.75 lakh CAs in GST, and conducted certification courses for around 20,000 CAs.

Terming GST as a self-policing law, he said assesses will themselves have to comply, subject to checks and balances. The country has 1.15 crore assesses today as compared to 75 lakh prior to the pre-GST days.

Speaking on the occasion, Kishore Saleore, Executive Director and Chief Financial Officer of Bharat Forge, said that CA professionals can add value in the areas such as NCLT (National Company Law Tribunal), IV Balachandra, General Manager of Karnataka Bank Ltd, spoke on the occasion.

## Clarification

This is to clarify that CA. Nawal Yadav, who has been mentioned in his article on Page 140 of July 2018 issue of the journal as only the member of the Institute of Chartered Accountants of Nepal, is also a member of Institute of Chartered Accountants of India. The readers may take note.

-Editor

## BusinessLine

New Delhi, July 7, 2018

## Develops software to allot CAs for bank audits

OUR BUREAU  
Mangaluru, July 6

To ensure transparency in the allotment of chartered accountants (CAs) for bank audits, the Institute of Chartered Accountants of India (ICAI) has developed a software that randomly selects the auditors and allots them to banks.

Speaking on the sidelines of a two-day national conference for ICAI members in Mangaluru, on Friday, Ranjeet Kumar Agarwal, Chairman, Professional Development Committee, ICAI, said that the committee takes care of the audit of banks. ICAI, with the consent of the Reserve Bank of India, has

developed a software this year that randomly allots auditors to banks without any manual intervention.

Later, during an informal chat with *BusinessLine*, Agarwal said that the software will have the entire trail of the auditing process in a bank. It will have details such as the number of people using the software, the person using it at any point in time, the number of times the software was run, and the number of auditors selected and allotted, among others.

Though it is not mandatory for banks to use this software, many public sector banks use it.

## THE WEEK

The Week, July 15, 2018

## ICAI-CA Day 2018 &amp; Launch of Platinum Jubilee Celebrations



Shri Ram Nath Kovind, Hon'ble President of India being presented a memento by CA. Naveen N. D. Gupta, President and CA. Prafulla P. Chhajed, Vice-President, ICAI

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ICAI were launched by Shri Ram Nath Kovind, Hon'ble President of India during the CA Day event organised at New Delhi today. The event was also graced by Shri Manoj Sinha, Hon'ble Union Minister of State (I/C) for Communications and Minister of State for Railways and Shri P. P. Chaudhary, Hon'ble Union Minister of State for Corporate Affairs & Law and Justice. While addressing the gathering, Hon'ble President of India congratulated ICAI and lauded the contribution of CA profession. The President remarked "I am confident that ICAI will make a success of all the programmes associated with its Platinum Jubilee Celebrations. And of course, I am confident that ICAI and its members will keep up efforts to build a nation defined by Tax Transparency, Tax Predictability and Tax Compliance."

Ms. Rachel Grimes, President, International Federation of Accountants (IFAC) participated in the launch of Platinum Jubilee celebrations. While addressing the Technical session, Ms. Grimes acknowledged the contribution of ICAI in history of accountancy profession.

Shri P. P. Chaudhary, Hon'ble Union Minister of State for Corporate Affairs & Law and Justice congratulated the ICAI for entering the Platinum Jubilee year. The Hon'ble Minister said "Chartered Accountants are one of the agents of Maximum Governance in the Corporate sector while continuing to be one of the most reliable partners to ensure 'Ease of doing Business' in the country." On this proud occasion Shri Manoj Sinha, Hon'ble Union Minister of State (I/C) for Communications and Minister of State for Railways launched a "Commemorative Postal Stamp" showcasing 70 year of ICAI in service to nation.

CA Naveen N. D. Gupta, President, ICAI said "Since its inception in 1949, ICAI has covered an illustrious journey by enriching the nation, adding professional value and benefiting the society". Concluding the event, Vote of thanks was presented by, CA. Prafulla P. Chhajed, Vice-President, ICAI to all distinguished guests.

Since its inception in 1949, the accountancy profession continues to play a strategic role in providing value added services to the stakeholders and takes key leadership roles to guide their organizations as creators, enablers, preservers and reporters of sustainable value through the process of embedding sustainability deep within an economy.

JULY 15, 2018 • THE WEEK

## Corrigendum

Readers may kindly read the subheading on page 49, under the 'Down the Memory Lane' section of July 2018 issue of this journal as 'Excerpts from Debate in Parliament on Chartered Accountants (Amendment) Act, 2006 on December 13, 2005' and not as wrongly mentioned. The error is regretted.

-Editor