

From the President



My dear Professional Colleagues,

Today Chartered Accountants stand for high degree of reliability, integrity, values and financial discipline. With the criticality of their functions towards stable financial system and strong economy at large, I must say, they have so far played a stellar role in the rise of our economy.

ICAI has ensured the mandatory presence of a high degree of integrity and accountability in all its members, by constantly educating and inspiring them towards professional excellence. In its 70-year history, it has remarkably transformed the national economic and accountancy landscape, while generously sharing its knowledge and experience globally with its peers from other nations. With the globalisation of businesses and commercial operations, and resulting complexity and change in the international legal frameworks, role of Chartered Accountants has become all the more important and encompassing.

Welcoming the First President of India Hon'ble Dr. Rajendra Prasad in the Institute, the then ICAI President CA. S. B. L. Vaish had proclaimed: "...your Government know how vital a part the profession is playing and will play in the well-being of the body economic. A Chartered Accountant is being called upon to assume fresh responsibilities in the fields of management accounting, budgetary control, financial planning, industrial organisation and other allied spheres." Coming strong on the expectations of our Government, we the members of CA profession have continued to contribute to the nation-building since the inception of our Institute in 1949.

Maintaining the legacy, ICAI has played a pivotal role in providing value-added services to its stakeholders. It has guided its stakeholders and led their organisations as creators, enablers, preservers, and reporters of sustainable value through the process of embedding sustainability deep within the economy. Perceived as an indispensable part of all business establishments, Chartered Accountants today are also called guardians of tax revenue of the country.

In the Union Budget of the country, ICAI plays a key role by communicating its stakeholders' voice, submitting

their concerns in form of the pre- and post-budget memorandum. I find it apt to recall the words of ICAI past President CA. G. Basu: "...we are fully alive to the responsibilities, duties and obligations of the Chartered Accountants to the Government, to the public in general and to their clients and we are doing and would do our best to see that the expectations are duly fulfilled." Maintaining its tradition, this year too, ICAI had submitted its Pre-Budget Memorandum in the month of June. And, when the Finance Minister presented the Union Budget on 5th July 2019, our suggestions were duly considered, especially with regard to the inclusion of other permitted modes of electronic payments, incentives to non-banking finance companies (NBFCs), consequential amendment to Section 56 and provision of credit of relief provided under Section 89. We have also submitted the Post-Budget Memorandum to the Ministry of Finance.

In the interest of the nation as a whole and for the valid reasons, ICAI had submitted a comprehensive representation requesting the CBDT to extend the due date of filing of income-tax returns for the assessee mentioned under clause (c) of Explanation 2 to Section 139(1) by at least a month from the prescribed date of 31st July 2019 for the AY 2019-20. It is my pleasure to inform that CBDT has favourably considered our request and extended the due date to 31st August 2019. I thank the Ministry of Finance for favourably considering our representation.

Growth-Oriented Union Budget 2019-20

With a strong resolve to maintain fiscal discipline and phase out tax exemptions, the Government through its Union Budget 2019-20 has sought to boost investments while continuing its focus on social-sectors spending. It has announced its intention to invest ₹ 100 lakh crore in infrastructure in the next five years, while its resolve is to boost investment by attracting foreign investors to India. The Government has shown its faith in the infrastructure and construction sectors as drivers of growth and job creation in India. Former Union Finance Minister Shri Arun Jaitley has said: *The Budget...serves the larger interests of all sectors of economy.* Corporate India is of the opinion that the Budget is focused on the long-term goals. The Government has also sent a strong message to the more privileged section of our society to share the responsibility by paying higher taxes in the interests of the underdeveloped.

ICAI organised a live webcast on the *Preliminary Highlights of Tax Proposals of Union Budget* for our members on the day of presentation of Union Budget 2019-20 by the finance minister. I shared the Institute's viewpoint in a panel discussion on the Union Budget that was aired on *Doordarshan*. A Lecture Meeting was organised on the Finance Bill, 2019 in Mumbai by WIRC, which incidentally was the last budget meeting for the ICAI past President CA. Bansi S. Mehta, who carries the legacy of the great Shri Nani Palkhivala, who had an uncanny ability to analyse and assimilate, and quickly visualise the complete picture. In 1981, when

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CA. Bansi Mehta had taken charge of the CA profession, he had said: *"The economic prospects of our profession are constantly widening and there is no doubt that if the foregoing educational reforms are implemented, the accountant of tomorrow would contribute to the economic effort of the nation in abundant measure."* The resolve of the profession has always been to grow along with the nation.

ICAI Celebrated Its Platinum Jubilee CA Day

We celebrated the 70th Chartered Accountants' Day with enthusiasm across the nation at all 5 Regional Councils and 164 Branches, by organising a plethora of programmes and events. Platinum Jubilee CA Day celebrations at the ICAI headquarters began in the morning, where I along with ICAI Vice-President, IFAC President Dr. In-Ki Joo and ICAI Central Council members hoisted the flag in the presence of members, students and the employees of the Institute.

Later in the evening special function was organised at the Vigyan Bhawan, New Delhi, where the Chief Guest on the occasion, Hon'ble Vice-President of India Shri M. Venkaiah Naidu graced our celebrations and said: *"Today is a historic day for the Institute of Chartered Accountants of India (ICAI) and the Indian accounting profession as this Institute completes 70 years of existence. I am indeed delighted to join you all on the occasion of your Platinum Jubilee. I also wish you all a very happy CA Day."* He further proclaimed that *the Chartered Accountants are like doctors, since they play a vital role in ensuring the economic health of the country.* Also present on the occasion, were our dignitary and honourable guests MCA Secretary Shri Injeti Srinivas, IFAC President Dr. In-Ki Joo and NIRC Chairman CA. Harish K. Chaudhary Jain. All of them heartily appreciated the endeavours of ICAI encouraging us to continue contributing to the nation-building and the accountancy scenario globally. On the sidelines, a technical session was also organised, where IFAC President Dr. In-Ki Joo, ICAI senior member CA. Girish Ahuja and the Executive Director & Chief Investment Officer of SBI Mutual Fund CA. Navneet Munot made presentations. A unique attraction of this special evening was the National Anthem played by the Indian military band.

During the function, we also felicitated Mrs. Sudha Janardhan, wife of our late member from Bengaluru CA. Sadhu Janardhan, who volunteered and decided to generously donate their prime multi-crore Bengaluru residential property to the ICAI. Several publications were also released on the occasion. A brief report on the CA Day celebrations has been published elsewhere in the Journal.

Promoting the Professional Interests Pan India

Over the last one month, I had the opportunity to meet the Union Ministers and my professional colleagues during my visit to various Regional and Branch offices of the Institute and the message that went across to all of them was loud and clear, which may be summed up in the words of our past President CA. N. R. Mody and

I quote: *"A profession such as ours exists on the respect of the public towards its members, but it is our members only who, by integrity and independence of judgment, can make the Institute. We are forever, and with our best efforts, striving to serve the public and the nation in its endeavour to increase its economic well-being."* We have to continue working in the same spirit that takes us on to our national duty.

I had the opportunity to meet the Union Home Minister Shri Amit Shah and Union Railway and Commerce and Industry Minister Shri Piyush Goyal to discuss the matters of professional interests. Then I met my professional colleagues at various *Members Meets* and also on the sidelines of other programmes organised in Agra, Mumbai, Aurangabad, Guwahati, Shillong, Kolkata and Ahmednagar. I am sure, these engagements will go a long way in promoting our professional and national interests.

Regional Chairmen Meet at ICAI Headquarters

Continuing with the tradition, a meeting of the Chairmen of Regional Councils was held on 12th July 2019 where the *Vision and Mission*, and the concerns of profession were discussed. During the meeting, I made it a point to appeal towards strengthening of the Chartered Accountants' Benevolent Fund (CABF), since that always supports the members in distress as well as the families of deceased members. Here, I would also like to appeal to all my professional colleagues to come forward, take responsibility and contribute generously to the CABF so that the fund remains available to the families of our members in times of distress.

Meetings at IRDA

I had attended the 105th meeting of the Insurance Regulatory and Development Authority (IRDA) in Hyderabad, where an Apex Committee had been constituted to ensure the timely implementation of Indian Accounting Standards (in line with International Financial Reporting Standards), risk-based capital and risk-based supervisory framework in the insurance sector of India. Then I attended the first meeting of the newly-constituted *Apex Committee* held on 26th June 2019. My Central Council colleague CA. M. P. Vijay Kumar attended the meeting of IRDA's *Advisory Committee on Accounting Issues*.

GO-Green Move - Online FAFD Examinations

As you know, ICAI was the first accounting body to constitute Digital Accounting and Assurance Board (DAAB) in the year 2017 to analyse the impact of digital and information technology, big data, blockchain and artificial intelligence and improve the internal operations and dealing mechanism at the Institute. I take pleasure to inform that, supporting the green measures of ICAI, DAAB has recently conducted online examinations for

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its *Certificate Course on Forensic Accounting and Fraud Detection* (FAFD) in a paperless mode at 12 centres across the country, which witnessed as many as 622 candidates taking the online test.

UDIN Touches 2-Million Mark

To safeguard our members from misrepresentation by miscreants vis-à-vis the attestation of financial documents/ certificates, ICAI has now made the innovative UDIN (Unique Document Identification Number) mandatory for all attest and assurance functions effective from 1st July 2019, which is our brainchild and the fact that many other professional bodies are emulating our pioneering initiative, makes us a proud institution. Chartered Accountants with full-time Certificate of Practice should register and generate their UDINs on the UDIN Portal by registering the certificates attested/certified by them. I am happy to inform that the number of UDINs generated touched the noteworthy 2-million mark.

CDS Portal in Service of Members and Students

Since July 2017, all student and member publications of ICAI are dispatched centrally through the CDS (Central Distribution System) Portal (www.icai-cds.org) to the registered students of the Institute at the click of mouse, saving their time and transportation cost. The portal also hosts all the latest member-related publications and mementoes that ICAI has brought out. I am sure, this pathbreaking system will go a long way in serving our students and members, apart from catering to the needs of those who are interested in research pertaining to the profession.

ICAI Launches Its e-Learning Hub

I am happy to inform that the Digital Learning Hub of ICAI has been successfully launched at <https://learning.icai.org/elearning>, which is an integrated learning management system (LMS) to bring a new knowledge ecosystem with an effective collaboration of pedagogy and participatory learning. Providing professional and academic content in multiple formats, the Hub will provide a platform to you helping in your interaction with your peers using technology to disseminate learning snippets. So far, 172 books along with videos and lectures have been uploaded in the interests of our members. It has been decided that few CPE credit hours can be provided to our members using the digital Hub.

ICAI to Hold Overseas Campus Placement

In a bid to provide global opportunities to the Chartered Accountants, ICAI is organising its overseas campus placement on 18th-21st October 2019 towards our endeavour to promote Accountancy and financial sector services under champion sector initiatives. In a step forward to the ICAI's initiative that started last year, semi-qualified budding accountant professionals have

been included in this overseas placement drive. I request all professionals who wish to avail themselves of this opportunity to register for the placement programme, which starts from 18th August 2019.

IFAC has urged the G20 countries to pursue smart regulation, heightened transparency, and inclusive growth, thus recommending them to strengthen the economy, ensure progress toward sustainable development, and create an empowered digital economy. Another green initiative our nation can undertake is the strengthening of resilient public-sector practices.

While all of us enjoy development and change, it will be responsible of us to be a part of the journey to that development and change. With transparency and accountability in professional space, all professionals can take informed and effective decisions, and strengthen our journey to long-term goals.

Being members of a noble and responsible profession, this is the least we should do for our generation next. With our wide experience in business economy, and in business and administration, and with our expertise in accountancy, our presence in various institutions and organisations would always be a competitive advantage. Let me quote the ICAI past President CA. S. Vaidyanath Aiyar, who had rightly observed six decades ago: “...for the professional accountant is not merely an auditor; he, as the Chartered Accountants Act recognises, can be a financial and business adviser; he can usefully function on company boards of directors; he can equally competently fill the office of liquidator; trustee, executor; administrator; arbitrator; receiver; costing or management expert and tax adviser.” And we Chartered Accountants have had the privilege of setting up precedence before other professional communities. On the coming *Independence Day*, i.e. 15th August, let us vow to protect and consolidate our future for the sake of our children.

Emulating the ICAI past President CA. C. S. Sastri, I would like to tell my professional colleagues that *honesty and integrity* have been our *watchwords* and that we must bear ourselves *with self-respect and dignity*. We will keep emerging victorious if we tread our path with our conviction to transparency and accountability.

Before I conclude—let me wish all of you a very happy *Independence Day* in advance. I would also like to wish all of you for *Id-ul-Zuha* (Bakrid or *Eid-ul-Adha*), *Raksha Bandhan*, *Parsi New Year (Nauraj)*, and *Janmashtami* (celebrating the birthday of Lord Krishna and the people of Gujarat and Maharashtra celebrate the event of *Dahi-Handi* on the occasion), which fall in the month of August.

Best wishes



CA. Prafulla P. Chhajed
President, ICAI
New Delhi, 26th July 2019