

Winning Challenges - Gaining Milestones

The robust Indian economy that had been enjoying highest growth rates amongst emerging economies is today on testing times emerging out of unimagined and unparalleled crises from a microorganism. COVID 19, a viral disease, has spread from one country to another extinguishing life in thousands necessitating countries across the globe to lock down their economies and shield human life. The economic interests have taken a backseat in the interest of life of men and women as well as for the wellbeing of society. The Indian government is proactively taking several steps to alleviate the problem and mitigate the economic impact on the country. Advisories have been issued on general hygiene, social distancing and self-isolation. It is for the countrymen to adhere to these, in their own interest and in the interest of society or lose out in the process. The time to act is now and requires contribution by each one of us. We should not only follow the advisories in letter and spirit but also encourage others to follow them. Sardar Vallabhai Patel said – *“The negligence of a few could easily send a ship to the bottom, but if it has the wholehearted cooperation of all on the board it can be safely brought to port”*.

These testing times require Institute and the profession to make contribution to the initiatives of the Government. The accounting profession is widely acknowledged as one of the key enablers of socio-economic vision and policies of government. Chartered Accountants channelize their time and efforts, directly and indirectly, with sincerity and dedication towards corporate governance and fulfil the moral responsibility that the profession demands from them without an iota of artifice. At this juncture, the members need to contribute professionally as well as financially. ICAI is encouraging members to join together and make contribution to the *Prime Minister’s National Relief Fund*. The Institute is collecting contributions in a separate Bank account. Contributions have also been made by the employees of ICAI to the tune of about ₹ 30 Lakhs.

The disruptions caused by the present situation in the economy are impacting businesses significantly and bringing several issues and challenges to fore for the preparers of financial statements and

auditors on a number of aspects. The fundamental nature of the work and the outstanding quality of their performance has made Chartered Accountants a quintessential part of Indian economy and recipients of paramount respect. In the wake of lockdown, the members of the Institute are committed as professionals to ensure that financial reporting and auditing continues to remain reliable and trustworthy wherein financial reporting is based on applicable accounting framework and audit opinions are according to best audit procedures laid down in ‘Standards on Audit’. The Institute has released an advisory on “Impact of Coronavirus on Financial Reporting and the Auditors Consideration” highlighting important areas that require attention in respect of financial statements for the year 2019-20. In these challenging times this advisory will be of immense value to discharge professional responsibilities in an effective manner.

The members should also closely monitor and understand a number of strategic actions being taken by the Government, Reserve Bank of India, other regulatory bodies and courts in the interest of sustaining economy and sail it through thick and thin. These are aimed not only to protect the poor and needy but also for the functioning of business and industry. The Ministry of Corporate Affairs has also taken a slew of measures to give relaxations to businesses. The applicability of recently released Companies (Auditor’s Report) Order, 2020 has been made from the year 2020-21. Relaxations are also being granted to relax compliances that would be difficult to adhere. For example, the Securities and Exchange Board of India has relaxed submission of results of fourth quarter and for financial year 2019-20 for the listed companies.

The present times warrant many such decisions that members need to understand in the professional interest. The society looks forward to your abilities as Chartered Accountants to work with integrity and perseverance to provide the best quality professional services and beyond.

—Editorial Board ICAI: Partner in Nation Building