ICAI's Role in the Formation of IFAC*

In this special feature, we publish herewith some important nostalgic information and details of some events that have taken place between 1970 to 1980, particularly with reference to the formation of the International Federation of Accountants (IFAC), for the information of the members.

Meeting of International Coordination Committee for the Accountancy Profession

The International Coordination Committee for the Accountancy Profession held its 6th Plenary Session at the premises of the Institute in New Delhi between 14th and 16th February, 1977, which was attended by representatives of 11 leading countries. This was an event of considerable importance to the profession, as it gave final shape to the constitution of the International Federation of Accountants(IFAC), which came into existence at the International Congress later held at Munich.

(Photograph taken on the occasion of the meeting of the International Coordination Committee for the Accountancy Profession at New Delhi on February 14th-16th, 1977.)

Shri B.L. Kabra, President, signing on behalf of the Institute an Agreement constituting International Federation of Accountants at Munich, West Germany on 7th October, 1977.

Formation of IFAC

Representatives of more than 50 nations attending the 11th International Congress of Accountants in Munich (West Germany) signed an agreement for establishment of International Federation of Accountants, an organisation with a potential membership of more than 100 accounting bodies in over 70 countries. The purpose of this new professional society of accountants was to develop a coordinated international accountancy profession with harmonized standards. The broad objective of the Federation was, besides arranging for International Congresses, to initiate, co ordinate and guide efforts that have as their goal the achievement of international technical, ethical and educational guidelines for the accountancy profession. It was decided that International Committee on Accounting Standards (IASC) will continue to issue pronouncements on international accounting standards. It was also decided to locate the permanent secretariat of the Federation at New York, and that the affairs of the Federation will be managed by the 15-member Council. It is matter of great pride that India was elected as member of the Council for two successive 5-year terms, and Shri B. L. Kabra, the then president of ICAI, was elected as one of the Vice-Presidents of IFAC.

At the time of formation, the tentative work programme of the IFAC includes development of guidelines for international auditing practices, establishment of a minimum code of international professional ethics and development of international guidelines for professional education. To implement the work programme, the council of the IFAC has constituted seven committees dealing with Auditing, Education, Ethics, Management Accounting, Regional Organisation, International Congress and Planning.

** Contributed by the Journal section of the ICAI*

What the Leading Lights of their Times Said about ICAI and Accountancy Profession*

Ever since its inception in 1949, the Institute of Chartered Accountants of India, and the accountancy profession it regulates, have all along 63 years, won the acknowledgement, accolades and admiration of the leaders and other leading lights of the times for their role in nation building. These dignitaries included Presidents of India, Prime Ministers of India, Cabinet Ministers, C&AGs, Judges etc. We dug up our archives to pick related profession-oriented quotations from the speeches of many of them, delivered during different programmes of ICAI between 1949 to May 2012. Followings are their selected words of wisdom in quotes.

MR. K. C. NEOGY, MINISTER FOR COMMERCE, 1949

"There was a special significance in that the Council was holding its first meeting on the day of India's independence and it was appropriate that a great and important profession in the country was launching upon a career of autonomy on that day…Though the profession of Accountancy for the most part had been functioning away from public gaze, it was the handmaiden of the industrial and commercial development of the country…The legislature of the country had placed upon the Council great responsibility and it was expected that the Council would establish standards of professional efficiency and more so of professional integrity… (He hoped that 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."

(Spoken at the first meeting of the first Council held at New Delhi on 15th August, 1949)

SHRI C. D. DESHMUKH, UNION FINANCE MINISTER, 1951, 1955

"The growth of Indian commerce and industry can take place on right lines only if your profession develops simultaneously. The establishment of your Institute with an autonomous status is a development in the professional field, the success of which must be wished for earnestly by all right-thinking persons…Yours (Institute's) is the privileged task of making the membership of the Institute a hallmark of distinction in professional circles all over the world."

(Spoken at inauguration of 2nd Annual Meeting of the Council of the Institute held at New Delhi from 11th to 13th August 1951)

"We have taken every opportunity to utilise the services of the Members of your profession, not because yours is one among many other learned bodies whose co-operation we seek and value but because we believe that the Members of this Institute have a special contribution to make to our understanding of the working of the corporate form of enterprise and for the formulation and enforcement of better standards of conduct and behaviour for both the public and the private sectors."

(Spoken at 6th Annual Meeting of the Council on 4th September, 1955)

SHRI V. NARAHARI RAO, C&AG OF INDIA, 1952

"The establishment of the Institute of Chartered Accountants is a measure which has been long overdue…In the discharge of his duties of great national importance, the Auditor should cultivate high philosophic qualities of detachment, charity and fearless sense of duty. An Auditor has to practise the spirit of the Gita and learn to take praise and blame with equal poise according to the dictates of his conscience…Chartered Accountants have a very important role to play in the National Economy of this country especially in the field of Industry and Commerce. An independent and efficient Body of Chartered Accountants is the best insurance against black marketing and tax dodging."

(Spoken at third Annual Meeting of the Council at New Delhi on 13th August, 1952)

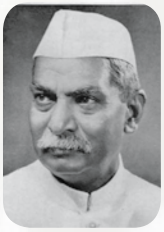
SHRI M. C. SHAH, DEPUTY MINISTER, FINANCE, 1953

"I am sure that the Members of the Chartered Accountants' profession will rise to the occasion and raise the moral tone of business and trade in the country, and set an example by fearless conduct, by courageous conduct, and expose all the malpractices in the management of companies…The help and recognition given to the profession by the Government from time to time is by no means a favour shown to the profession but only an acknowledgement of the rightful part it plays in the country's economic progress…I assure you and your Institute a very prosperous time in times ahead".

(Spoken at 4th Annual Meeting of Council at New Delhi on 12th September, 1953)

*(*Compiled by the Journal section of the ICAI.)*

DR. RAJENDRA PRASAD, PRESIDENT OF INDIA, 1954



"The fast increasing tempo of the industrial and economic development of the country makes it imperative that every Chartered Accountant should realise that he belongs to a profession which provides the first line of defence to the unwary public against money grabbers and opportunists. Your responsibility in this matter becomes all the greater because of the autonomy, which your profession enjoys. The confidence of the public in even reliable and well-managed business undertakings would be gravely undermined, if unscrupulous persons were allowed without let or hindrance, to manipulate company accounts or otherwise indulge in malpractices only to serve their own ignoble ends. The Government and the public are therefore alike interested in the maintenance of the independence and integrity of the Accountancy profession, but it is primarily for the profession itself to create conditions favorable to the growth of these qualities in its members."

(Spoken on the occasion of the Opening of the Building of the Institute and Inauguration of the First Conference of the Chartered Accountants of India, on Friday, 2nd April, 1954)

SHRI A. K. CHANDA, C&AG OF INDIA, 1956

"The establishment of the Institute of Chartered Accountants has been an event of historic significance. It has brought homogeneity in the Profession, and has already imparted a greater tone and character to it. The high standards which the Institute has set for itself and the conscientious and scrupulous manner in which these are being applied, have added to the prestige and honour of the profession. I am confident that, in the fullness of theme, the activities of the Institute will expand and also embrace functions which are now fulfilled in United Kingdom by the Institute of Chartered Secretaries."

(Spoken at 7th Annual Meeting of the Council at New Delhi on 13th September, 1956)

DR. SAMPURNA NAND, CHIEF MINISTER OF UTTAR PRADESH, 1956

"You are engaged by a particular concern and certainly owe a profession duty to it. But duty to society at large outweighs all other considerations. It is for you to decide in each particular case how far your professional obligations come into conflict with your obligations as a citizen. I have no doubt that your code of conduct allows you the fuller freedom in dealing with such situations according to your conscience."

(Spoken on the occasion of Half Yearly General Meeting of Uttar Pradesh Regional Council of the Institute on 25th March, 1956)

DR. S. RADHAKRISHNAN, VICE-PRESIDENT OF INDIA, 1958 (FORMER PRESIDENT OF INDIA)

"You (CAs) must do your work selflessly, in a spirit of dedication, in an uncompromising way, not caring for powers, but you must do your work for the sake of the community as a whole…In matters relating to the public enterprises which we undertake, our duty should be to see that monies spent are properly spent and that there is no wastage. That is a thing which you have to promote. You will help us in maintaining high standards of public behaviour by your frank and candid accounting and auditing. It is therefore essential that you maintain high standards…Whatever profession you might follow, you should not forget that every one is an artist in his own line, whether it is in accounting or auditing, writing or doing the job of a sculptor or a painter."

(Spoken at a meeting of the Chartered Accountants of Madras Region held on 5th June, 1958)

SHRI LAL BAHADUR SHASTRI, MINISTER FOR COMMERCE & INDUSTRY, 1958, 1960 (FORMER PRIME MINISTER OF INDIA)

"I cannot conceive what would happen if there were no accountants and no auditors. Not only the mute shareholders in a private company but the industries and the economy of the country as a whole would suffer without your help and adequate guidance… Members of your Institute have a virtual monopoly in financial accounting and auditing work. They must therefore unreservedly accept their responsibility for creating and maintaining an atmosphere of confidence in so far as it lies in their power to do so. This can be done only if you take a positive view of your duties and responsibilities"

(Spoken at 9th and 11th Annual Meetings of the Council held at New Delhi in September, 1958 and September, 1960)

"No institution can grow, and no profession can really progress if the institution or the profession is not prepared to know its own shortcomings; Your profession is very important and in the present stage of our country when the economic development of the country is paramount, it is essential that the Chartered Accountants should try to do their work loyally and faithfully and set up high standards."

(Spoken on the occasion of inauguration of Delhi Chartered Accountant Students Association on 26th December, 1958)

SHRI MORARJI DESAI, MINISTER FOR FINANCE, 1959 (FORMER PRIME MINISTER OF INDIA)

"…for safeguarding our own independence and liberty, we have got to provide some checks which automatically do not allow independence and liberty to be misused… Anybody who misuses power loses it: otherwise democracy is not maintained…You, who are accounting for everybody and also auditing the accounts, can do a great deal to improve standards. But to do that you have got to be vigilant all the time, and very humble."

(Spoken at 10th Annual Meeting of the Council held on 7th September, 1959)

SHRI S. K. PATIL, MINISTER FOR FOOD AND AGRICULTURE, 1959

"You deal with people who are very clever and alert, and therefore, you have got to be very clever indeed all the time with your wits…You are paid by the assessees, because every honest work has to be paid, but that does not mean that you can be servile to him. You are like the doctor. When he has got to give an injection, he does not say that the patient has paid him so much and therefore consider "why should I hurt him by giving an injection?" Your profession is still greater because the whole population depends on the certificate that you give. If you certify that it is honest, it is honest."

(Spoken at 3rd Conference of Chartered Accountants of India held from 24th to 28th December, 1959)

SHRI K. C. REDDY, MINISTER FOR COMMERCE & INDUSTRY, 1961

"With increasing tempo of industrial and economic activity in our country, the Institute has an even more important role to play in future and I am sure that its members would rise to the occasion and take energetic steps to ensure growth and development of this profession on sound and healthy and, if I may say so, on ethical lines in years to come… Your aim should always be to keep the standards high and see that only those who can measure up to such standards, though they may be a few in number, are allowed entry into your profession which carries great fiduciary and financial responsibilities with it."

(Spoken at inauguration of 12th Annual Meeting of the Council held in New Delhi on 14th and 15th September, 1961)

SHRI NITYANAND KANUNGO, MINISTER FOR INDUSTRY, 1962

"Government is anxious, as much, as the Institute, that the profession should grow in order to fully cope with the needs of business and industry. It is conscious of the fact that properly qualified and competent auditors can no longer be regarded as mere outside agents by the industry. They have an integral position and are among its builders. We are all anxious that shortage of qualified accountants should not hamper the efficient working of new industrial units…I welcome measures taken by the Institute towards increasing the output of qualified accountants."

(Spoken at 13th Annual Meeting of the Council held at New Delhi on 10th and 11th September, 1962)

SHRI ASHOK MEHTA, DEPUTY CHAIRMAN, PLANNING COMMISSION, 1964

"Your profession is one among those selected to undertake this responsibility for the whole process of democratic transformation…In the coming years you should try and enlarge the scope of your work, the vision of your understanding and the awareness of your responsibility because the community expects you to be among those who shape the new ethics of business and will undertake greater responsibilities in maintaining and improving the general health of the national economy."

(Spoken at the 15th Annual Meeting of the Council at New Delhi on 17th September, 1964)

SHRI B. R. BHAGAT, MINISTER OF PLANNING, MINISTER OF FINANCE, 1965

"Duties of a Chartered Accountant should not end be merely giving a certificate strictly in accordance with law… What about the efficiency of the organisation? In a developing economy chartered accountants could really act as a friend, philosopher and guide to the managements…Your expertise knowledge and experience must make valuable contribution to the expansion, reorientation, and transformation of business enterprises"

(Spoken at 16th Annual Meeting of the Council held on 20th October, 1965)

"Living as we do in the midst of a dynamic world where everything around is changing rapidly, it is desirable and in fact necessary for you to take interest in all such changes — social, economic, political and technological. At the same time, you have also to remind yourself that there are, however, certain fundamentals which do not change, namely those qualities which distinguish the true account of professional from others."

(Spoken as Minister of Foreign Trade and Supply at 20th Annual Meeting of the Council on 15th September, 1969)

JUSTICE P. B. MUKHERJI, 1965

"An audit creates nothing new. It is a manner and method of presentation. It is the art of putting forward selective sampling more or less like the shop window, which shows you in highlight the broad nature of articles you can expect inside the shop but does not pretend to put forward the whole shop. That presentation naturally depends on the availability, the quality and the nature of the accounts- the raw materials for audit. Subject to these limitations, the skill of the auditor can work miracles."

(Spoken at first Regional Conference held in Calcutta in March 1965)

SHRI G. S. PATHAK, MINISTER OF LAW, 1966 (FORMER VICE-PRESIDENT OF INDIA)

"People repose great confidence in this profession and the members who constitute it. Therefore, it is not a mere duty which you owe to your client; though important it is, there is also a public purpose which you are serving… The nation expects that you shall be inspired by that philosophy which should animate the activities of all the institutions and organisations— activities which carry the nation forward to the goal of Welfare State."

(Spoken at 17th Annual Meeting of Institute at New Delhi On 12th September, 1966)

SHRI K. V. RAGHUNATHA REDDY, MINISTER OF STATE FOR INDUSTRIAL DEVELOPMENT & COMPANY AFFAIRS, 1967

"The role of an Accountant and his duties in relation to the social purpose which he has to fulfill is first, as a servant of the society or you may call him, if you do not like my expression "servant of society", you may call him as "Officer of the Society" and, then, he is an Auditor to any private firm in which his services might have been engaged…an accountant is not only (like) a physician but also a pathologist. He combines in himself both the qualities of the physician and the pathologist."

(Spoken on the occasion of 18th Annual Meeting of the Council of the Institute at New Delhi on 16th September, 1967)

SHRI T. N. CHATURVEDI, C&AG OF INDIA, 1969

"Auditing profession in India has grown and also grown up with the economic development of the country and has a key role to play today in determining the speed and effectiveness with which we can achieve social and economic goals…I must felicitate the Institute over its efforts in the direction of educating its members continuously with a view to maintaining high standards of professional competence."

(Spoken at the inauguration of eighth All India Conference of the Chartered Accountants of India on 19th December, 1969 at Calcutta)

SHRI M. HIDAYATULLAH, CHIEF JUSTICE OF INDIA, 1970 (FORMER VICE-PRESIDENT OF INDIA)

"(He said) the Institute had more than justified its existence. The profession of Chartered Accountants was the keeper of the conscience of the business community and its task was not an easy one…When accounts certified by a Chartered Accountant were presented to the courts, they instinctively felt that everything must be right because the profession of Chartered Accountants had established itself for honesty; integrity and good work."

(Spoken at 21st Annual Meeting of the Council on 16th September 1970)

SHRI S. RANGANATHAN, C&AG OF INDIA, 1971

"I have been intrigued why private and public enterprises should not, as a rule, have persons possessing knowledge, experience and qualification in tax laws, such as Chartered Accountants to look after all their tax affairs."

(Spoken at the Tax Executive Seminar held at New Delhi on 20th November, 1971)

SHRI BEDABRATA BARUA, UNION DEPUTY MINISTER FOR LAW, JUSTICE & COMPANY AFFAIRS, 1974

"In the professional world you need hardly any protection. You have already acquired expertise, knowledge, capacity and experience and this has enabled you to be useful in so many professions…You have done well to demand representation in Parliament although it is not likely to be conceded immediately. Yet it is good to go on trying since the experience and knowledge of Chartered Accountant will be of great use to the business of legislation"

(Spoken at 25th Annual Function of the Institute at New Delhi on 14th September, 1974)

DR. FAKHRUDDIN ALI AHMED, PRESIDENT OF INDIA, 1975

"The Chartered Accountants by virtue of their qualifications, experience and training can render valuable services in these difficult times in areas which are vital to economic and industrial growth. It should be the duty of the members of the profession in the present context to approach the problems in an objective and pragmatic manner. Apart from examining accuracy of transactions, the modern auditor should also look into the propriety of such transactions…the profession has to develop uniform accounting principles, standard terminologies and precise definitions of various accounting concepts. This was desirable from the point of view of providing reliable information in the financial statements for the benefit of the intending investors, members of the public, government agencies and financial institutions. This will enable individuals and organisations to form a fairly accurate judgement of the financial position by a study of the audited financial statements of companies."

(Spoken at the inauguration of first ever Commonwealth Conference of Accountants held in New Delhi from 6th to 8th February, 1975)

SHRI H. R. GOKHALE, UNION MINISTER FOR LAW, JUSTICE & COMPANY AFFAIRS, 1975

"In the context of the existing emergency in the country it becomes all the more important that as members of the well established profession like you should lend your support in curbing undesirable activities in the working of the corporate sector so that the benefit of growing industrial activity reaches the ultimate consumer…With the rapid industrialisation of our country which is passing through a period of great economic development, new avenues of work will be thrown open and the Chartered Accountants can use their professional knowledge and expertise for the benefit of the society. In future, your role will, no doubt, be more onerous but I hope you will always be able to rise to the occasion by fulfilling your task through honest and hard work."

(Spoken at 26th Annual Meeting of the Institute at New Delhi on 16th September, 1975)

JUSTICE P. N. BHAGWATI, 1975 (FORMER CHIEF JUSTICE OF INDIA)

"Today the services of Chartered Accountants extend over fields hitherto unknown… I am sure that with the adoption of modern management methods and technology and phenomenal growth in trade and industry, Chartered Accountants would inevitably become more and more involved in managerial planning, control and decision making… There are actually two kinds of independence which a Chartered Accountant must have—independence in fact and independence in appearance. The former refers to a CA's objectivity, to the quality of not being influenced by regard to personal advantage."

(Spoken at WIRC Conference of ICAI at Ahmedabad in 1975)

Dr. V. K. R. V. RAO, MEMBER OF PARLIAMENT, 1975

"I suggest that the Institute of Chartered Accountants of India should conduct a study on a new type of presentation of financial statements—of balance-sheet and profit and loss account. This should cover the entire corporate sector (both the public sector and the private sector). This new form of financial statements will show a comparison of actual and budgeted results and also show an analysis of the causes of variations between the two."

(Spoken at a seminar on "Accountability in the Public Sector" organised in Collaboration with Bureau of Public Enterprises at New Delhi from 30th March to 1st April, 1975)

DR. V. A. S. MUHAMMAD, MINISTER OF STATE FOR LAW, JUSTICE & COMPANY AFFAIRS, 1976

Surveying the work and functions of the Institute for the last 27 years one is impressed by the fact that it has been discharging not only the traditional functions and duties but also has adapted progressively to the changing circumstances and needs of the time.

(Spoken at 27th Annual Meeting of the Institute at New Delhi on 16th September, 1976)

SHRI H. M. PATEL, UNION FINANCE MINISTER, 1977

"I am glad to note that the training provided by the Institute is comprehensive and the cost is low…It may also be worthwhile to give serious thought to providing accountants in various fields opportunities of lateral movement by making suitable provisions in the by-laws of the Institute, to enrich the accounting profession as a whole…The modern accountant is no longer concerned with mere book-keeping, but is a finance manager in the wider sense of the term…The accountant today has to actively participate in all aspects of management functions—planning, fore casting, 'decision-making, controlling costs, and evaluating results."

(Spoken at 28th Annual Meeting of the Institute at New Delhi on 16th September, 1977)

SHRI A. L. DIAS, GOVERNOR OF WEST BENGAL, 1977

"The learning process is never ending and the Institute's recognition of this wholesome principle is evident from its varied activities…It is needless to say that in the job that your members perform integrity is no less important than knowledge and skill."
(Spoken at inauguration of the new building of EIRC of ICAI on 14th April, 1977)

SHRI GIAN PRAKASH, C&AG, 1978

"I am happy to know that the Institute is continually reviewing the quality and content of accounting education and training keeping the present-day needs in view…The efforts made by the Institute for professional development are in the right direction…I also noted with interest that the Institute has brought out a monograph, on "Compulsory maintenance of accounts". This shows that the Institute is responsive to the needs of Society…The auditors are in the nature of watch-dogs and trustees of the nation's finances. I do hope that the Institute will play an increasingly useful role in different activities of national interest in the years to come."
(Spoken at 29th Annual Meeting of the ICAI at New Delhi on 16th September, 1978)

SHRI H. R. KHANNA, FORMER JUDGE, SUPREME COURT OF INDIA, 1979

"The qualification of being a Chartered Accountant is perhaps the most coveted for any young man or woman. It carries a certainty of gainful occupation and employment-something which can perhaps be said of no other degree, whether it be of law, medicine, science or engineering."
(Spoken at 30th Annual Meeting of the Council on 15th September, 1979)

SHRI P. SHIV SHANKAR, UNION MINISTER FOR LAW, JUSTICE & COMPANY AFFAIRS, 1980

"The Institute of Chartered Accountants has to continue to play an important role in the coming years in developing corporate management on sound lines...Profession of Chartered Accountants has a vital role to play in the healthy growth of the corporate sector…All of us today are concerned with the problem of inflation. It is, therefore, necessary to ensure proper financial control, so as to keep down costs, and thereby prices in the interest of the consumer. I hope Chartered Accountants can help by laying down and enforcing procedures leading to greater financial control in order to achieve this objective."
(Spoken at 31st Annual Meeting of ICAI at New Delhi on 16th September, 1980)

GIANI ZAIL SINGH, PRESIDENT OF INDIA, 1983

"In so far as the Accountants bring high ethical standards and professional competence in the preparation of accounts and auditors' reports, he undertakes a social responsibility, which is of relevance to all the citizens of his society…In a rapidly changing world, Accountants as a professional group will have to evolve new concepts and procedures to meet the varied demands made by society on its skills. One of the areas where attention could perhaps be gainfully focused is the evaluation of the cost or benefit to society of different enterprises, in other words, the field of "social audit"…The Accountant today is not merely a recorder of financial transactions or an Auditor, but also a key member of the management team of any organisation. In a developing economy, it is the Accountants who are responsible for ensuring that scarce resources are utilised in the most economic fashion and that different manufacturing and other processes are run to the best possible advantage of the organisation as well as the society."
(Spoken at 10th CAPA Conference at Siri Fort Auditorium in New Delhi on 21st November, 1983)

JUSTICE SHRI R. S. PATHAK OF SUPREME COURT, 1983 (FORMER CHIEF JUSTICE OF INDIA)

"I would like to express my admiration for the manner in which the Institute of Chartered Accountants is functioning. Its programmes and the constant search for self-improvement and self-sufficiency apparent in all that it does seem to qualify as a model for other professional bodies I have no doubt that the wise statesmanship and dynamism which have marked its progress in the past will continue to guide its activities and its destiny in the years to come."
(Spoken at the 34th Annual Meeting of the Institute at New Delhi on 15th September, 1983)

SHRI VEERENDRA PATIL, UNION MINISTER OF INDUSTRY AND COMPANY AFFAIRS, 1985

"I would like the profession to go even beyond the concept of true and fair. It is not enough that the management of a company should be conducted with honesty and integrity. It must also be conducted with the highest degree of efficiency and economy... In a developing economy as in India, you have to function with a certain amount of missionary devotion…Apart from performing normal functions of an accountant and auditor; you should also play the role of educator."
(Spoken during foundation-stone laying ceremony of the building for G.P. Kapadia National Academy of Accounting and NIRC of the Institute on 11th July, 1985 in New Delhi)

SHRI A. K. SEN, UNION MINISTER FOR LAW AND JUSTICE, 1985

"I call your profession 'a mission' and I stress that on your mission will depend the rejuvenation and vigor of our corporate world…The business life of the nation-the corporate and non-corporate sectors- today depends heavily on the profession of accountants. The social responsibility of business can only be realised by the accountants."
(Spoken at 36th Annual Meeting of the Council on 16th September, 1985)

SHRI ARIF MOHAMMAD KHAN, UNION MINISTER OF STATE FOR INDUSTRY & COMPANY AFFAIRS, 1985

"It must be remembered that integrity and strength of character would strengthen the roots of the profession and ensure its sustained growth…The long-term survival and growth of profession depends to a large extent on its responsiveness to environmental changes and on its ethical strength."
(Spoken at 5th All India Conference on Internal Audit organised by ICAI in Mumbai on 7th & 8th September, 1985)

SHRI M. ARUNACHALAM, UNION MINISTER OF STATE FOR INDUSTRIES, 1986, 1989

"We have to think in terms of a social audit. We have to think in terms of the company's role in the society and its contribution to social well-being, its contribution to creating employment, its contributions to preserving the environment and so on…In the long run, the profession stands to gain by maintaining a high standard of independence and integrity, even if that might involve some short-term costs."
(Spoken at the 6th All India Conference on Internal Audit at Madras on September 6th 1986)

"A chartered accountant is no longer merely a guardian of his clients' interests but also a custodian of public interest as well. He has a duty to the government, to society and to public at large which makes his role unenviable…Your Institute, being a premier accounting body in the country, should also devote part of its efforts in solving national problems. The recent example of such an effort made from your side was the report on Rural Employment Generation and Poverty Alleviation in Rural areas. The Government expects that such reports will continue to come from you Institute"
(Spoken at 40th Annual Meeting of the Council at New Delhi on 13th September, 1989)

SHRI J. VENGAL RAO, UNION MINISTER FOR INDUSTRY, 1987

"You are constantly attached to the management. But you have to cultivate the art of remaining detached from the management…The Government relies in a great measure on your certificate as regards the reliability of the disclosed information…It is pertinent to note your important role in aiding Government's own decision making process. In requiring you to certify certain information which companies are required to disclose, the Government reposes its faith in the integrity of this noble profession. In this task, your work crosses the boundary of financial accounting and goes into economic accounting."
(Spoken at 38th Annual Meeting of the Council on 15th September, 1987)

MR. JUSTICE S. RANGANATHAN, JUDGE OF SUPREME COURT, 1988

"The President of the Institute has placed on the table the annual report for the year which has just gone by. It marks another year of steady progress by the Institute towards its goals. It is an occasion, therefore, when the Instituted should be felicitated on its achievements of the past year."
(Spoken at 39th Annual Meeting of the Council on 15th September, 1988)

SHRI H. R. BHARDWAJ, UNION MINISTER OF LAW [PRESENTLY GOVERNOR OF KARNATAKA], (1996, 2007)

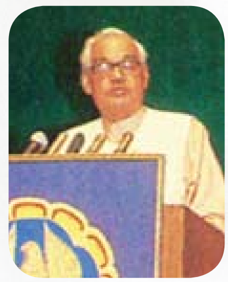
"Without the cooperation and strength of accounting profession, the economy of the country cannot produce results. It is therefore important to strengthen the system so that members of the Institute, particularly the young ones, are capable of handling all issues accounting and a certificate issued by them stay as a guarantee."

(Spoken as Union Minister of Law, Justice and Company Affairs, at 46th Annual Meeting of the Council on 16th January, 1996)

"Chartered Accountants are also lawyers when it comes to tax matters, and perhaps they are better lawyers in this area. They know the precise nature of implication in a case. They have great responsibility in tax matters, starting from assessment to appeals…In fiscal matters, one cannot ignore the role of a Chartered Accountant…The Chartered Accountants' profession has a very strong foundation and they are respected for their work. People trust them…Only the trust earned by ethical and professional conduct will lend international credibility to a professional."

(Spoken as Union Minister of Law in 2007 in an interview to The Chartered Accountant journal published in May 2007 issue)

SHRI ATAL BIHARI VAJPAYEE, PRIME MINISTER OF INDIA, 1998



"I must compliment the profession of Chartered Accountants for having served India well in the past five decades. The prestige your profession has acquired is on account of discipline, diligence and dedication which have become the hallmark of your profession. What is more is that you have been able to transmit that sense of discipline and diligence to much of the financial transactions of the Indian economy. Your profession had made rapid stride in the last few decades and your illustrious Institute has been spearheading the economic growth…The Indian Chartered Accountants have succeeded in meeting the rapidly changing demands of the Indian economy in this era of liberalisation and globalisation. This could not have been possible without the institute laying special emphasis on continuous education and training of your members. This progressive mindset provides a model for other professions. Another feature of your Institute which pleases me is that it is perhaps the only Institute in the world which undertakes the complete range of activities relating to its members and students, and I am particularly happy to note that you have made special endeavours to articulate accounting and auditing standards and improve the quality of corporate functioning…"

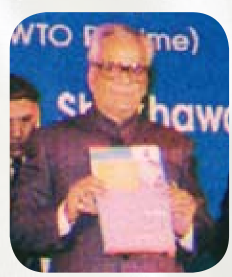
(Spoken at the Inauguration of Golden Jubilee Celebrations of the Institute on 1st July, 1998 at New Delhi)

SHRI ARUN JAITLEY, UNION MINISTER OF LAW, JUSTICE & COMPANY AFFAIRS, 2001, 2002

"I would always miss not being a chartered accountant… As a chartered accountant you have the great ability actually to go to the root of the problem…If you have built up a profession, which today is regulating its own syllabus and courses, which is maintaining some of the highest standards, which is in continuous interaction with its members for upgrading them as far as futuristic visions are concerned, certainly it is an Institute which we should be proud of."

(Spoken at 51st Annual Meeting of the Council on 22nd June, 2001)

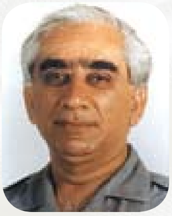
SHRI BHAIRON SINGH SHEKHAWAT, VICE PRESIDENT OF INDIA, 2003



"I compliment the Institute of Chartered Accountants of India for having pioneered the initiatives for creating professional awakening, facilitating identification of concerns and making comprehensive recommendations on issues relating to conduct of negotiations for various agreements of WTO and their implementation...Friends, you are highly qualified professionals working in every sector of economy and are spread over every part of the country. You are in a unique position to ensure that everyone remains on the right track leading to the path of progress."

(Spoken at the function to release the document "The WTO- Road Ahead" at New Delhi on 22nd February, 2003)

SHRI JASWANT SINGH, MINISTER OF FINANCE, 2003



"In context of globalisation and new financial architecture, Chartered Accountants have a major role to play…The chartered accountants have to help the corporate bodies to improve corporate governance... It is needless to point out that the chartered accountants have to perform their jobs without any fear and without any pressures. The recent financial problems of some American companies like Enron and other indicate that there is enough scope for improvement in professional integrity and accounting system."

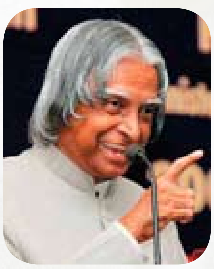
(Spoken at All India Conference of Chartered Accountants on 3rd-5th January, 2003)

SHRI AZIM PREMJI, CHAIRMAN, WIPRO CORPORATION, 2003

"We have an old association with the Institutes of Chartered Accountants of India. As a company right since 1966, we have been very actively recruiting graduate students passed out from your institution every year. Our experience is very positive…The values provide us with courage to stand up to any distractions along, the way. The strong desire to move ahead can at times cause businesses to cut corners or bend rules…Values provide the brakes or limits to keep leadership from going astray. Values essentially provide us with an internal discipline as a lighthouse…Values transmit trust; trust is not only at the heart of leadership but forms essence of all relationships."

(Spoken at the inaugural function of International Conference organised by ICAI on 9th August, 2003 at Bangalore)

DR. A. P. J ABDUL KALAM, PRESIDENT OF INDIA, 2005



"Over the years ICAI and its members have made a name for themselves in the development of discipline as well standards of accounting…One of the national challenge is: How do we get maximum economic benefit for the given investment? I believe this is your core competence…The CAs have an integrated experience of auditing, financial advice and financial management and providing leadership to certain industries and establishments… 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…

I am suggesting the derivation of the following missions for the next four decades leading to "Vision of ICAI 2049" :

1. During auditing of the institutions, the value system of the institutions will be in focus, which means ICAI training must include ethics in action for the CAs in their business and in their life.
2. I suggest that all the CAs before entering into the profession should take the following oath: "I realise the profession I am entering is the trusteeship of financial management and I will assist whichever institutions I audit keeping in view the societal obligations. I will not only bring out the problems of financial management for protecting the interest of all the stakeholders of the enterprise, but also suggest possible solutions with ethics as a way of life."
3. CAs will consider their mission is the mission of the "National Economic Development."

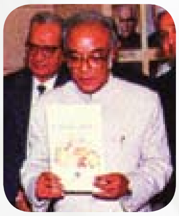
(While speaking on the topic "Chartered Accountants: Partners in National Development" at the inauguration of ICAI's International Conference on Accounting Profession: Adding Value To New Horizons Of Economic Growth, at New Delhi on 1st September, 2005)

SHRI SHIVRAJ PATIL, UNION HOME MINISTER, 2005

"I believe that the enduring solution to overcome the existing shortcomings calls for strengthening the cooperation between various agencies and professionals dealing with the implementation of the Act (FCRA, 1976). All the stakeholders like banks, chartered accountants, NGOs and the Government functionaries dealing with FCRA should act in tandem to ensure that the foreign contribution is utilised properly and judiciously for the betterment of the people in the Society."

(On the Inaugural Session of Seminar on FCRA, 1976 jointly organised by Ministry of Home Affairs and ICAI on 24th and 25th June, 2005 in New Delhi)

DR. ASIM KUMAR DASGUPTA, CHAIRMAN OF EMPOWERED COMMITTEE OF STATE FINANCE MINISTERS ON VAT, 2005



"The profession of Chartered Accountants is very critical now since the dealers (covered under VAT) will have to keep the accounts in a manner that they can claim the set-off. This has to be very simple accounting book… It has to be simple, it has to be transparent and it better be uniform…I have gone through the (ICAI's) Guidance Note on Accounting for State-level VAT. It has all these properties eminently. I applaud this effort of ICAI. We turned to the Institute since it is the only Institute, which is not only a statutory one but the only one of national importance to which we turned for guidelines on accounting. Some of these critical points on which the VAT system rests, have become an inherent part of VAT."

(Spoken at the release of the ICAI's Guidance Note on Accounting for State-level VAT at ICAI Headquarters in New Delhi on 15th April, 2005)

SHRI KAMAL NATH, UNION MINISTER FOR COMMERCE AND INDUSTRY, 2005, 2006

"The Chartered Accountants are the backbone of the Indian financial world... What is needed is to strengthen the credibility of the Indian Service providers. From 'Made in India' we should transit to 'Serviced in India'. We need to compete globally not domestically."

(Spoken on the occasion of the Annual Function of ICAI on 4th February 2005)

"We are conscious of the fact that the Indian Accountants face a number of implicit and explicit barriers in exporting accountancy services…We have made it clear that opening up of the domestic market in India would depend upon obtaining effective market access for Indian Accountants in developed countries…I'm happy to note that ICAI today is the second largest accounting body worldwide, and has been able to develop a brand name of Indian accountants…There are more than 50 countries in the world, where the accounting profession is not yet institutionalised or underdeveloped. The ICAI has a greater role to play in development of accounting profession in these countries, and in the process, generate demand for accountancy services from India."

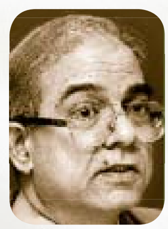
(Spoken in an interview to The Chartered Accountant journal published in December 2006 Issue.)

CA. C. RAMACHANDRAIAH, MEMBER OF PARLIAMENT, 2005

"I must first of all compliment the profession for having served India well in the last five decades since its inception. Being a qualified professional and Chartered Accountant myself I can say with a great sense of pride that the prestige our profession has acquired is due to strict discipline, diligence and dedication. With the growth of the Indian economy, our profession has made rapid strides in a few decades and spearheading this growth is the Institute of Chartered Accountants of India."

(Spoken at the CA Day function organised in New Delhi on 1st July, 2005)

SHRI RAMESH CHANDRA, MEMBER SECRETARY, EMPOWERED COMMITTEE OF STATE FINANCE MINISTERS ON VAT, 2005



"…As far as ICAI is concerned, I have no doubt about your capability, your capacity, your reputation and your standing…Sometime back, I was representing an international body in India, which was going to give a grant to the Government of India. That grant did come through. They only asked me one question: 'Who is going to audit?' I said Chartered Accountants, who are members of the ICAI, would do the audit. When they heard the name of the Institute of Chartered Accountants of India, they did not ask me any other question about the quality of audit. In the international market if you have a good name, India has a good name…I think we will be able to make a success of Value Added Tax in the country. And in that you (CAs) are going to be our strong allies and we will be depending on you."

(On the occasion of the release of the Model VAT Audit Report in ICAI headquarters in New Delhi in May, 2005)

DR. J. J IRANI, CHAIRMAN EXPERT COMMITTEE ON COMPANY LAW, 2005

"…The Institute of Chartered Accountants of India has done useful work in prescribing operational standards of accounting to fill the gap till Accounting Standards could be notified…The Committee took note of the contribution made by ICAI and the NACAS in development of proposals for Accounting Standards and took the view that the existing institutional mechanism for formulating and notifying Accounting Standards under the Companies Act, 1956 may be retained."

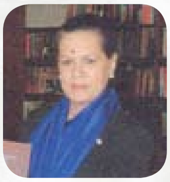
(Excerpts from the JJ Irani Committee report on Company Law, 2005)

MR. V. N. KAUL, COMPTROLLER AND AUDITOR GENERAL OF INDIA, 2006

"ICAI has a laudable record of providing leadership to the accounting profession and modernising it. Its wealth of knowledge and experience would be a great asset in modernising the Government accounting system. We (CAG and ICAI) have to work cooperatively to achieve accounting reforms, which bring greater accountability, transparency and user friendliness to Government accounts…Our accounting systems in both the private and public sectors have to develop in response to the needs of the economy. The responsibility of accountants in both the private and public sectors will grow, along with the need for greater competence, integrity, objectivity and independence in planning, conducting and reporting on their work."

(Spoken in an interview to The Chartered Accountant Journal published in September 2006 Issue)

MRS. SONIA GANDHI, CHAIRPERSON, UNITED PROGRESSIVE ALLIANCE, 2007



'In her message to ICAI and its membership, she desired ICAI to continue to contribute in the policy formulation and effective implementation of various laws in the country. She called on the CA fraternity to discharge its responsibilities with strict adherence to ethical values to inspire investors' confidence in India. She expressed confidence that the Indian accounting profession will grow from strength to strength to contribute to the economic growth of the nation and also to compete at the international level.'

(Excerpts from a report published under 'Face 2 Face' feature in January 2007 issue of The Chartered Accountant Journal)

SHRI LALU PRASAD YADAV, RAILWAY MINISTER, 2007

"Chartered Accountants are the eyes, ears and nose of any entity. General public has faith in CAs when they look at the balance sheets and other accounts of the entity duly certified by them. I am happy to note that you also contribute your expertise to streamline the accounting system of Indian Railways"

(Spoken in an interview to The Chartered Accountant Journal, published in July 2007 Issue)

SHRI PRAFULLA PATEL, UNION MINISTER FOR CIVIL AVIATION, 2008

"The profession of Chartered Accountants has an important role in enabling institutional reforms and capacity building in financial management system at all levels of governance so as to ensure high quality of accounting and financial reporting……ICAI, has an important role to play in suggesting legal, policy and institutional measures in improving the efficiency of the financial markets in the rural sector and should come forward to help the Government in assessing various subsidies so as to ascertain whether these are reaching the targeted beneficiaries and yielding the desired outcomes."

(Spoken at the 58th Annual Function at New Delhi on 4th February, 2008)

DR. MANMOHAN SINGH, PRIME MINISTER OF INDIA, 2008

"I compliment you for the high standards of professionalism that you have come to be known for. An Indian chartered accountant is recognised worldwide as being among the best and the brightest in the profession. ….Your institute has served our country with great distinction. I sincerely believe that we cannot be satisfied with the status quo and I sincerely hope that the best is yet to come. Another 60 years will be still more productive, innovative in the service of the people of our great country……..Indian Chartered Accountants have truly earned a name and fame for themselves like so many of our professional workers……Like our engineers, doctors, scientists, technologists and other professionals, our chartered accountants too faced global competition and to their credit they stood their ground. It is for this reason that today they are able to face the heat of that competition at home as well as abroad…….The role of the accounting profession is critical in lending credibility to the financial market transactions. Market participants, investors and shareholders look up to you for high quality information, which ensures market discipline and fosters confidence of various stakeholders. It is your responsibility to ensure that our corporate entities do indeed conform to high governance standards……..With the presence of Chartered Accountants even in the remotest parts of our country, you can also facilitate financial inclusion and access to finance for the rural poor through micro finance and other innovative measures…….. Technical excellence and adherence to high ethical standards are essential conditions for growth and development of any profession. Your Institute has been pro-active in aligning its educational curriculum with a changing business environment."

(Spoken on the occasion of the launch of ICAI Diamond Jubilee celebrations at Vigyan Bhawan, New Delhi on 1st July, 2008)

SHRI PREM CHAND GUPTA, UNION MINISTER FOR CORPORATE AFFAIRS, 2008

"The profession of Chartered Accountancy has an important role to play in ensuring that the above objectives (transparency and good corporate governance) are attained without imposition of unreasonable compliance costs by inducting new technological tools… While globalisation has opened window of opportunities in export of accountancy services and employment opportunities in multi-national companies, it has also brought market challenges from transnational entities. In the field of accountancy too, our capabilities are best and we should take the challenges as new opportunities."

(Spoken at a function organised in New Delhi to mark the Chartered Accountants Day on 1st July, 2004)

"Chartered accountants play an important role in bringing financial discipline in the regulation of companies. Though broadly self-governed by Chartered Accountant Act, 1949, the Institute of Chartered Accountants of India has done a lot of good work by maintaining high standards of professional education and certification. It has also provided useful standards of accounting to the corporate sector. The institutional structure must discipline misconduct by its own members effectively."

(Spoken as Union Minister of State for Company Affairs (Independent Charge) in an interview to 'The Chartered Accountant Journal published in February 2005 Issue)

"I have no hesitation in asserting that our Chartered Accountants are second to none anywhere in the globe…….I would like to call upon the accounting professionals to seize the opportunities unleashed by the economic liberalisation, globalisation and information technology while preserving and promoting the integrity and trustworthiness of their profession."

(Spoken on the occasion of the launch of ICAI Diamond Jubilee celebrations at Vigyan Bhawan, New Delhi on 1st July, 2008)

SHRI P. CHIDAMBARAM, UNION FINANCE MINISTER, 2008

"I foresee a very crucial role for bankers and Chartered Accountants who can provide useful service to the nation by discharging their respective roles in an honest and diligent manner. They can provide meaningful checks to any attempt by unscrupulous organisations/elements in possible misuse of funds for any clandestine activities. Since the new government took over, ICAI has been working with us very closely…ICAI has been a valued partner of Ministry of Finance in designing tax laws. Especially in recent times, ICAI helped in designing of VAT and the implementation of VAT. Now it is helping in designing the Fringe Benefit Tax and the implementation of the Fringe Benefit Tax."

(Spoken at the Valedictory Session of Seminar on FCRA, 1976 jointly organised by Ministry of Home Affairs and ICAI on 24th and 25th June, 2005 in New Delhi)

"The Institute has also played a significant role in providing policy inputs to the Government in the areas of fiscal reforms, financial sector reforms and public finance. I thank you for the cooperation and support that you have extended to government, especially during my current tenure as Finance Minister, and I look forward to your continued support and advice……Financial inclusion of those who still do not have access to formal sources of finance is a major challenge before us. Chartered Accountants are spread throughout the length and breadth of the country."

(Spoken on the launch of Diamond Jubilee celebrations of ICAI on 1st July, 2008 at Vigyan Bhawan, New Delhi)

SHRI ANURAG GOEL, SECRETARY, MINISTRY OF CORPORATE AFFAIRS, 2008

"ICAI and its members are the natural partners of MCA. Chartered accountants would ensure compliance with the law through the procedure of audit. They can bring out the lacunas in the law, which would help the MCA in plugging loopholes. In fact, both share the same vision of ensuring investors' rights and reporting of correct and true picture by the companies."

(Spoken at Diamond Jubilee Conference on 2nd to 3rd July, 2008 at New Delhi)

SHRI S. JAIPAL REDDY, UNION MINISTER FOR URBAN DEVELOPMENT, 2008

"Without the active involvement and guidance of Chartered Accountants, the growth in Indian business and economy can neither be achieved nor sustain."

(Spoken at the Diamond Jubilee conference organised at Hyderabad on 18th to 19th July, 2008)

SHRI RAJKUMAR DHOOT, MEMBER OF PARLIAMENT (RAJYA SABHA), 2010

"……the Chartered Accountants played a very important role in the affairs of any entity and in the well-being of its shareholders and stakeholders alike. For the reasons of rigorous training and high degree of competence, the advice rendered or attestation functions discharged by the Chartered Accountants were accepted and acted upon beyond any possible doubt by all sections of society, including the government authorities. However, in the rapidly-changing economic environment, the role of the Chartered Accountants has assumed greater significance with regard to transparency, accountability and fairness in the affairs as also the ethos of corporate governance by the entities. He added that the central theme of corporate governance was aimed at maximum benefit for all the segments of society, including shareholders, stakeholders, employees, revenue to the government and service providers. On a personal note, he stated that as an industrialist he placed greatest reliance on the Chartered Accountants who help him in the affairs of his Group of Companies."

(Spoken at the 60th Annual Function of the Institute held on 11th February, 2010, at Vigyan Bhawan, New Delhi)

PROF. SAUGATA ROY, MINISTER OF STATE FOR URBAN DEVELOPMENT AND POVERTY ALLEVIATION, GOVERNMENT OF INDIA, 2010

"…the Chartered Accountants were equipped to render such a wide range of services because of the very high standard of Institute's system of training and examinations, and that was the reason why Indian Chartered Accountants have gained the confidence of one and all. He exhorted the members of the Institute to keep up their high standards built up by the profession over the years. He added that he was of the firm belief that the Institute, through its march towards financial transparency, will have many more moments of glory."

(Spoken at the 60th Annual Function of the Institute held on 11th February, 2010, at Vigyan Bhawan, New Delhi)

CA. RAMESHWAR THAKUR, GOVERNOR OF MADHYA PRADESH AND PAST PRESIDENT OF ICAI, 2010-2011

"Accountancy professionals in this age of globalisation will have to progressively raise their standards to match global parameters with emphasis on greater accountability and transparency. They will be able to match the needs of the nation in its ever increasing development activities in the years to come. It is also necessary to develop in-house facilities and local level facility centres on free or least-cost basis, to provide professional guidance by the brilliant members to the young practitioners, small firms and individuals engaged in the profession"

The profession has developed itself as an enabling instrumentality-for businesses, governments, regulators and the stakeholders. The accountancy profession in India is one profession which has a potential lead role to play; be it any sector of economy… Quality and integrity of information are the hallmark of the Chartered Accountant's professional practice and the basis for brand differentiation. Chartered Accountants play an essential role in society, providing reliable and transparent information about public and private bodies. They are the trustees of the society, at large, and have to shoulder onerous responsibility of protecting and preserving the trust. They not only have to be adept at work but also have to adopt with the changing environment.

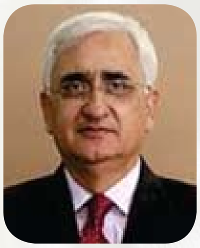
(8th June 2010, in a Message published in the Journal and his address at 63rd ICAI Foundation Day function on 1st July, 2011 in New Delhi)

MR. VINOD RAI, COMPTROLLER & AUDITOR GENERAL OF INDIA, 2010

"The contribution of the ICAI in regulation of the accounting profession and providing leadership has been exemplary. The members of the ICAI should continue to uphold high standards and discharge their professional duties with due diligence. Each member of the Institute must play a role in enhancing professionalism, credibility and ethics. Maintaining independence and ensuring compliance of reporting obligations under the relevant statutes, laws and standards is of utmost importance. The accounting profession is in a very dynamic phase in its history. It is imperative to keep pace with the rapid developments and adopt globally accepted best practices. The ICAI as a premier accounting body has, therefore, its role cut-out… Auditing is a significant tool for ensuring good governance. There is an urgent need of performance audit whereby it is ensured that the money spent by the Government should be spent for the purpose it is allotted, and it is also accounted for. The services of chartered accountants are crucial support for the government in its various endeavours, including efforts for good governance."

(In an interview to ICAI published in July 2010 Journal and address at ICAI international conference on 5th January, 2011)

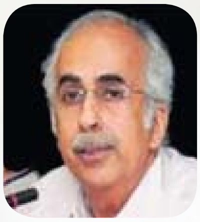
SHRI SALMAN KHURSHID, UNION MINISTER OF STATE FOR CORPORATE AFFAIRS, 2010 (PRESENTLY UNION MINISTER FOR LAW & JUSTICE AND UNION MINISTER FOR MINORITY AFFAIRS)



"After the software revolution in our country, what we need today is to unlock the huge potential of our accountants for the world, which will be required in larger and larger number, particularly when IFRS is accepted globally… We work closely with ICAI and admire the work done by ICAI. We are willing to be your partners and to push your ideas. With an outstanding performance record of the ICAI, I would like to see ICAI taking the lead. This is the reason why they are the nodal agency for what I call the accountancy revolution in India (Convergence)… Indian accountancy profession is among the professions that we would want the world to look at. The world must recognise Indian accountancy profession's special ability and talent. We are there to ensure that... IFRS is the next big revolution happening in India after software revolution and it will offer vast opportunities for Indian CAs across the world, and India has special DNA for accountancy. Good things like good wine take time to mature and the time has to come to celebrate Indian accountancy profession."

(In an interview to ICAI published in July 2011 journal, address at CA Day Function on 1st July, 2010 and address at ICAI International Conference on 4th January, 2011 in New Delhi)

MR. ASHOK CHAWLA, FINANCE SECRETARY, GOVERNMENT OF INDIA, 2010



"The profession that you belong to, I think, is one of the most important stakeholders in business, industry, finance in the entire economic architecture, whether it is at the corporate level, whether it is at the level of a country, whether at the level of the entire world… Your institute is also unique. It is a statutory body and also a self-regulating organisation. It is not just a body of the profession, not just the body of the member who practice this profession, this is also a body to set standards… You are, therefore, responsible for the way the business and this entire profession is going to look like in the next 50 years. It is a great responsibility that you discharge to the institute, to the world of business and to the country."

(18th June 2010, in his address to the Council of the ICAI)

SHRI DHANENDRA KUMAR, CHAIRMAN COMPETITION COMMISSION OF INDIA, 2010

"In today's business, Chartered Accountants and business are so closely intertwined that it is not possible to imagine one without the other…Under the Competition Act, 2002, the Commission has to undertake suitable measures for competition advocacy, creating awareness and imparting training about competition issues. This work can best be undertaken by Chartered Accountants who are the brains and key functionaries involved in any business activity. The Commission views the fraternity of Chartered Accountants as the most significant group of its friends and stakeholders who can play a really significant role in propagation of competition culture in the market as envisaged in the Act."

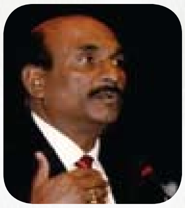
(July 2010, in a write-up published in The Chartered Accountant Journal)

CA. T. V. MOHANDAS PAI, THE THEN MEMBER OF THE BOARD, INFOSYS TECHNOLOGIES LIMITED, 2010

"Our (Indian CAs') future is linked to the growth of our economy, and with the best economic performance ever in the world, we have many things going for us. In the core area of accounting India is converging with IFRS. This is a seminal achievement for India as we will be aligned with the best standard in the world. We are the second largest accounting professional group in the world and with our convergence with IFRS, the market for our services will be global…With our economy going up 3 times in the next 20 years the demand for our services will go up manifold...But the increasing sophistication of our economy and of our corporate sector will call for a different level of skills that we need to be trained for".

(1st July 2010, in a write-up in The Chartered Accountant Journal)

CA. SURESH SENAPATY, ED & CFO, WIPRO LTD, 2010



"To succeed in future, a 'good team' may not be sufficient. We need a 'winning team' and that's where talent-management comes in. As professionals, how we attract, train and retain other best professionals. Creating right reward mechanism, infusing pride and passion in role and igniting hunger in the team to create 'best in class' solution every time, will become critical for every Chartered Accountant in a leadership role. Measure of 'professional excellence' will not just be 'functional excellence', but also 'individual excellence' and 'influencing excellence'."

(July 2010, in a write-up published in The Chartered Accountant Journal)

SHRI M. D. MALLYA, CHAIRMAN AND MANAGING DIRECTOR, BANK OF BARODA, 2010

"In banks, internal audit is highly important for the safety and soundness of operations. Internal audit in banks is a critical and a technical area. Thus, it becomes necessary that the internal audit function is carried out by those who have a substantial knowledge of internal controls, requisite experience and expertise. Chartered accountants are greatly suited for the task of internal audit. CAs as professionals can carry out internal audit with better discipline, control and responsibility. They can help build a control structure that provides assurance to those involved."

(July 2010, in a write-up published in The Chartered Accountant Journal)

MR. ROBERT L. BUNTING, PRESIDENT OF IFAC, 2010

"The financial reporting and disclosure of most governments globally still has considerable room for improvement. And given the dire fiscal positions of many governments, the need to improve the management of public sector resources has never been greater… Fortunately, though—using a relatively straight forward, if politically delicate, fix—governments today have an opportunity to dramatically improve their resource management in the future: A switch from cash-based to accrual-based accounting. The ICAI has an important role to play in this regard."

(July 2010, in a write-up published in The Chartered Accountant Journal)

PROFESSOR SIR DAVID TWEEDIE, THE CHAIRMAN, INTERNATIONAL ACCOUNTING STANDARDS BOARD, 2010

"The IASB worked very closely with the Institute of Chartered Accountants of India as part of the Indian plans to adopt IFRS. The second wave of IFRS adoption has a distinctly Asian feel, as you would expect from a grouping of powerhouse economies such as India. This means that India should reflect this growing importance on the world stage in its work in the process of setting global accounting standards. This is a time when India has an important role to play to assert itself as a counterbalance, along with the other powerful Asian economies, to the traditional economic blocs of Europe and the US."

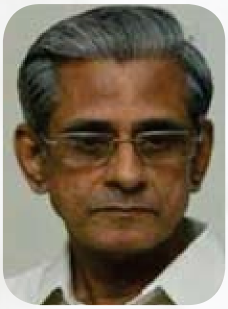
(July 2010, in a write-up published in The Chartered Accountant Journal)

SHRI MUKESH DHIRUBHAI AMBANI, CHAIRMAN AND MANAGING DIRECTOR OF RELIANCE INDUSTRIES LTD., 2010

"Chartered Accountancy as a profession has very effectively helped businesses because it has created high standards of accounting and a rigorous system that only allows the best to get certification. At RIL, we have a large number of Chartered Accounts who have made significant contribution to the organisation's success and corporate governance…I believe ICAI can help evolve a standard template with the help of leading corporate houses to ensure minimum standards of corporate governance. An institution like the ICAI can also align with our future initiatives in education to take the profession to the smaller towns of India."

(October 2010, in an interview to ICAI published inThe Chartered Accountant Journal)

SHRI S. S. N. MOORTHY, CHAIRMAN CENTRAL BOARD OF DIRECT TAXES, 2010



"… But to keep the progress going, your (CAs) role, your contribution will be important. Because, in most of the areas, you function, I would like to say 'watch dog' and I am sure, especially after the fiasco of Satyam, we have all woken up to keep the status of what you call, watch dog. And unless we protect the economy, the accounting standards and reporting, the economy will not be in good shape… What we are aiming at is a very transparent tax administration and we require your contribution and your help in making it more transparent and more meaningful. I am sure you can rise to the occasion because, your skills and professional excellence remain undisputed. And on our part, we are moving to a regime, where things will be simpler."

(28th November 2010, at the 42nd Annual Conference of SIRC of ICAI at Kochi)

CA. K. RAHMAN KHAN, DEPUTY CHAIRMAN RAJYA SABHA, 2011-12

"An accountant should be honest, independent and fearless in discharging his duties. An accountant is a conscience-keeper and a watchdog of the economy. A CA also plays a very dynamic role in corporate governance…It (the accountancy profession) is one of the noblest professions and is respected and sought after in society…I am proud to be a part of the CA fraternity. My professional background is a great asset to me in successfully discharging my responsibilities…"

(Spoken as Union Minister of State for Chemicals & Fertilisers on the occasion of Chartered Accountants Day on 1st July, 2004 at a function organised by ICAI in New Delhi)

"There is an urgent need for paradigm shift in the thinking and vision of the accounting profession – from a post mortem approach to a position of leadership, guiding decision making process at every stage of development, *i.e.*, planning, policy making investment, implementation and evaluation"

(Excerpts from an article authored by him as Deputy Chairman, Rajya Sabha, published in July 2007 issue of The Chartered Accountant journal)

"The institute and the profession will face new challenges, particularly when India is embarking on high growth rate and also emerging as economic power... The profession should redefine its role as a watchdog of public expenditure and investments. It should come out of its traditional role of client centric approach and emerge as representative of the civil society to maintain financial ethics and propriety in the civil society. We as a Professional Fraternity should look beyond the profession. Wherever there is growth and development, there is need for financial prudence and fiscal discipline. We must put in efforts to be the true Partner in Nation Building. The Motto of the Institute "*Ya Esa Suptesu Jagarti*" needs to be followed in thought, deed and in true spirit… Only chartered accountants can help the Government plug leakage and misappropriation of funds and ensure value for money to the ordinary citizens. The Government accounting reforms are still pending and it is only the accountants who can facilitate flawless transition from cash based to accrual accounting in Government."

"Before the Constitution of India was born the need for accountancy was felt. The contribution of the Institute to the overall development of the country makes me feel proud of my being its Alumni. Our Institute has been a great strategist and innovator and has kept its quality standards very high because of process of continuous reforms in education and training and thus bringing in the Chartered Accountants a fine element of professional competence…"The civil society is losing faith in Governmental systems. The chartered accountants are not responsible for this. But accounting and auditing professionals do have a role to play in streamlining the systems."

"The social obligation of the Government is too large. It has to provide subsidy for the food, fertiliser, for primary education etc. For this, the Government has to generate the revenue. As such, you have to play an all important role to advise government as to how best the resources could be mobilised, how government resources could be mobilised without resorting to heavy taxation, how the government can collect more taxes with lesser taxing the people."

(In an interview to ICAI published in July 2011 The Chartered Accountant Journal, address at ICAI International Conference on 4th January 2011, 63rd Foundation Day function on 11th July and the 315th meeting of the Council of the ICAI on 26th March 2012, in New Delhi)

SHRI PRANAB MUKHERJEE, UNION FINANCE MINISTER, 2011

"Apart from contributing able managers in the field of accountancy and finance to the country these two Institutes (ICAI, ICWAI) have rendered valuable service to the society by offering their advice and suggestion with regard to the Government budget, taxation and allied policies form time to time…The role of an accountant is more important in a developing country than in an industrially developed country."

(Spoken at the 10th CAPA conference at New Delhi on 21st November, 1983)

"Let me complement ICAI for their initiative to work with financial institutions in streamlining and fine tuning the financial reporting, auditing and accounting architecture of India… The use of standardised accounting practices helps in mitigating the problem of information asymmetry between various stakeholders such as managers, owners and creditors. While managers have the incentive to be more forthcoming on good news about the company's performance and prospects, they may want to hold back bad news. The accountants as information intermediaries between managers and shareholders need to identify and recognise losses at an early stage, thereby mitigating asymmetry in information…Chartered Accountants should account for and work for ensuring transparency and good accounting practices in whatever capacity they work. They can be instrumental in 'sustained growth story' of India…ICAI, as the premier accounting body, will help in the smooth transition to the new tax regime in the coming years…(and)…strive to constantly adhere to the higher standards of credibility, reliability and accountability.

(At the 42nd Annual Conference of SIRC of ICAI at Kochi on 27th November 2010, and address at ICAI International Conference on 6th January 2011)

SHRI NANDAN NILEKANI, CHAIRMAN UNIQUE IDENTIFICATION AUTHORITY OF INDIA, 2011

"As we see more complex, global business models among Indian firms, the CA profession will have to specialise – in their knowledge base, geographical expertise, and in how they assess corporate risk and opportunity. With the use of IT tools and ERP gaining ground in business, we will also see technological expertise become a priority for chartered accountants… Overall, I believe that chartered accountants have a critical role to play in ensuring that business growth is fair, transparent, and beneficial to the larger economy. This profession will be pivotal in determining how corporate governance evolves in India. The integrity, objectivity and professional competence of our chartered accountants will be key to ensuring high levels of transparency and adherence to standards among businesses."

(January 2011, in an interview to ICAI published in The Chartered Accountant Journal)

SHRI SAMAR JHA, FINANCIAL COMMISSIONER (RAILWAYS), 2011

"In full implementation of accrual accounting in railways, the preparation of asset register would be a major area of concern and a lot of efforts would go into creation of an authentic gross block. Also, they will be required to prepare financial statements both on cash basis and accrual basis. There is a strong need of hand holding exercise with IRAS offices in this regard and the Institute of Chartered Accountants of India should help in training officers of Indian Railways…Personnel manning accounts of railways are either direct recruits in accounts services or are from Indian Railways Accounts Service. ICAI should explore whether it is possible to give some kind of guidance to them so that they may appear for CA Examination after a period of time."

(17th January 2011, in his address to 302nd meeting of the ICAI Council in Delhi)

MR. IAN BALL, CEO OF INTERNATIONAL FEDERATION OF ACCOUNTANTS, 2011

After financial meltdown, the role of accounting profession, particularly including that in India, has come to be widely debated among many circles including policy makers and the regulators. It is the duty of the profession to respond to the debate for which the world at large is looking forward to. There is a need for strengthening the regulators and improving the quality of financial reporting by the corporate as well as the government.

(5th January 2011, at the International Conference organised by ICAI in New Delhi)

SHRI ARUN MAIRA, MEMBER OF PLANNING COMMISSION, 2011

"Accounting profession plays a vital role in good governance of society. The world faces the challenge of governance and sustainability and entire people should be included in growth process of the country. Accountants have to ensure growth on sustainable basis taking into account the national assets which is 'people'. Accountancy profession should keep in mind the interests of the society at large. Three L's, *i.e.* Localisation, Lateralisation and Learning are catalysts for change. Inclusive growth should be the target of the economy and accountants should strive to ensure the same. Accounting for the society is the way for growth of the profession."
(5th January 2011, at the International Conference organised by ICAI in New Delhi)

SHRI R. BANDYOPADHYAY, SECRETARY, MINISTRY OF CORPORATE AFFAIRS, 2011

Indian corporate sector needs to adopt an inclusive growth so that country achieves the desired growth rate of 9% and the Chartered Accountants can play an important role in achieving this objective… While the new Company Law will enable Indian businesses to become global, the Limited Liability Partnership Act will facilitate growth of all professions, particularly accountancy profession, in the country.
(4th January 2011, at the International Conference organised by ICAI in New Delhi)

SHRI C. R. SUNDARAMURTI, COMPTROLLER GENERAL OF ACCOUNTS OF INDIA, 2011

"The World Bank Report enlists the aspects of good governance as public sector management, accountability, transparency, human rights, legal and regulatory framework and participatory approaches. The CGA is taking cue from these aspects… As part of reform measures taken by CGA at micro level, a pilot project has been undertaken in two departments with the help of the ICAI… There is a need for paradigm shift in the Internal Audit and Internal Control System to make them more risk-oriented, in order to add value to the process of governance. Ultimately, the vision is to make Internal Audit an inherent part of management report. ICAI can help a great deal in this regard."
(6th January 2011, at the International Conference organised by ICAI in New Delhi)

MR. KOMAL C. CHITRACAR, PAST-PRESIDENT OF SAFA, 2011

"ICAI is one of the founders of SAFA which now have nine member bodies. Shri PN Shah of ICAI served as its first President in the year 1984-1985. ICAI has been continuously contributing towards achieving the cherished goals of SAFA. I thank ICAI for extending hands of cooperation for the growth of the profession in the South Asian Region… SAFA has been helpful in developing profession in the economies in the region. Nepal is proud to be in SAFA and has benefitted immensely from the support of the member bodies, particularly of ICAI in establishment and development of ICAN."
(6th January 2011, at the International Conference organised by ICAI in New Delhi)

SHRI D. K. MITTAL, SECRETARY, MINISTRY OF CORPORATE AFFAIRS, 2011

"The services rendered by the Institute and accountancy profession for the uplift of the country and growth of Indian accountancy profession across the world need to be acknowledged. While the CA Act entrusts the ICAI with financial audit, and the Regulation of the profession of Chartered Accountants in India, the domain of CAs has gone well beyond auditing…We are passing through the phase of acute turbulence caused by matters of financial impropriety. There is a need for ethics whose enforcements have to be facilitated by your noble profession… Another related area that needs special attention of Indian accountancy profession is 'corporate governance'…Lots of changes and reforms are taking place which pose newer and newer challenges. We need a good number of very able members (Indian CAs) to deal with them independently for the larger good of the nation. What we need is an effective framework for growth of the profession.
CA fraternity has achieved a unique distinction in professional spheres of the country. The profession in India has reached a distinction of becoming the 2nd largest accounting body and more importantly has earned the trust and confidence of the society at large because of the basic core competence that they possess…ICAI is helping India to win the battle against corruption through ethical governance.
(In his address at 61st Annual Function of ICAI on 11th February 2011, address to ICAI Council on 23rd March 2011 and 63rd Foundation Day on 1st July, 2011 in New Delhi)

MR. R. P. N. SINGH,N UNION MINISTER OF STATE FOR CORPORATE AFFAIRS, 2011

Accountancy profession is at its threshold. The role of Chartered Accountants has undergone sea-change and they have become total Business Solution Providers. ICAI, during its sagacious journey of over 62 years, has intensified its focus on emerging social and economic trends in order to raise the profession of accountancy to new heights of excellence…I am sure Chartered Accountants will rise to the occasion and bring further glory to this profession which in context of India's emergence as an economic power has all the more role to play.

(In his address at ICAI's 63rd Foundation Day function on 1st July, 2011 in New Delhi)

SHRI SACHIN PILOT, UNION MINISTER OF STATE FOR COMMUNICATION AND INFORMATION TECHNOLOGY, 2011

Every entity in this country whether it is a company or Government or NGO needs to be audited. Therefore, you have a lot of work to do, you will be required to be good accountants to make sure that there is proper book-keeping and we in the Government are fully committed in this regard. I also appreciate the efforts of ICAI…I am quite hopeful that in the times to come, the fraternity of CAs in India grows and expands in quality as well as in quantity. I hope to work with you, with the ICAI, with the Council Members and hopefully be able to engage with you in future with new ideas.

(In his address at the Orientation Programme of newly qualified CAs on 8th and 9th August 2011 in New Delhi).

CA. SURESH PRABHU, FORMER UNION MINISTER, 2012

"In my opinion, Chartered Accountants are best equipped to render professionally sound advice because there is no other profession which knows business better. There is no other profession which understands in-depth how the business is carried out."

(Spoken at the 19th Regional Conference of WIRC on 3rd September, 2004)

"I admire the progress made by the Institute over the years and services rendered by the Indian accountancy profession for the development of the country and the society…I don't see any other profession in India which must have done much more for the society and for a country, going beyond a professional interest on their own…"

"It is high time for the concept of Integrated Reporting which is a new paradigm of Sustainability Reporting that will encompass financial, economic, social, environmental and all other important issues. There is urgent need of financial statements to include Sustainability Reporting covering social and environmental issues. The best people to do integrated reporting are the Chartered Accountants."

(In his address at 61st Annual Function of ICAI in New Delhi on 11th February 2011, and at ICAI International Conference in Chennai on 6th January, 2012)

DR. M. VEERAPPA MOILY, UNION MINISTER FOR CORPORATE AFFAIRS, 2012

"I compliment the Chartered accountants for being instrumental in bringing about change. Only CA profession can provide the accountability and transparency as Chartered Accountants are the conscience keepers of the country… This (CAs) is a combination, which very rarely happens – Saraswati, Laxmi and Durga, the power, which you possess as Chartered Accountants and you function as the conscience keepers of the nation. I must tell you that I am proud of your profession and the credibility which you have built up in the profession… the domain expertise that you have built up is par excellence… You (CAs) have the scope, potential, canvas, to build yourself. The accounting profession is the noblest profession. You are on the right track of building world-class profession in this country. That requires a lot of perseverance, a lot of training and a lot of capacity building."

(In his address at ICAI International Conference in Chennai on 6th January, 2012, and 62nd Annual Function of ICAI on 11th February 2012 New Delhi)

CA. PIYUSH GOYAL, MEMBER OF PARLIAMENT, RAJYA SABHA, 2012

CAs are the bridge between the financial sector and the country and they should be the torch bearers of economy, fiscal discipline and do a lot more for the interest of the people. The India Story (growth) has not reached the larger sections of the society. In this regard, CAs, as professionals and responsible citizens of this country, should work towards financial inclusion. We should start putting our hearts where the problem is.

(In his address at ICAI International Conference in Chennai on 6th January, 2012)

DR. K. C. CHAKRABARTY, DEPUTY GOVERNOR, RESERVE BANK OF INDIA, 2012

I commend the role of accounting fraternity... Auditors' perspective needs to be further broadened in addition to the compliance with applicable accounting provisions. The Auditor should also concentrate on advising the internal control mechanism at banks. To what extent one should trust and to what extent one should verify is an important juncture where an auditor has critical role to play.

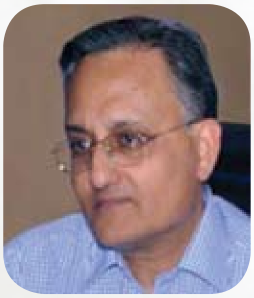
(In his address at ICAI International Conference in Chennai on 6th January, 2012)

SHRI YASHWANT SINHA, MEMBER OF PARLIAMENT AND CHAIRMAN OF THE STANDING COMMITTEE OF FINANCE, 2012

I would suggest that you appoint a Committee or Working Group to examine the Government of India's classification of accounts and help the Government maintain its accounts properly. If the accounts are not classified correctly, you do not get the correct picture… "If you don't have the savings you don't have the investors' resources and the private sector becomes reluctant; consumers don't consume; they do not save, and overall it becomes a complex and critical situation. This is an issue for the entire nation. You Chartered Accountants can advise how we get out of this situation. You are already advising the Corporate Sector in this regard and you can also effectively advise the Government and society at large how to maximise savings.

(In his address at the 315th meeting of the Council of the ICAI on 26th March, 2012 in New Delhi)

MR. S. K. GOEL, CHAIRMAN OF CENTRAL BOARD OF EXCISE AND CUSTOMS (CBEC), 2012



"In the Central Board of Excise and Customs, we have the highest regard for the all professional bodies and particularly for ICAI because the society and the nation hold the professionals in high esteem. I believe that the professionals are dedicated to objectivity, they are dedicated to truth and what you are trying to do when you are writing accounts for somebody, certifying accounts for somebody, auditing accounts, is to arrive at truth…" "Your certificate carries a lot of weight. We give a large number of refunds on the basis of certificates issued by chartered accountants; we do a lot of things on the basis of certificates your professional members are giving. I must also acknowledge that you have been helping our officers in training."

(In his address in a meeting of the members of the Indirect Taxes Committee and the officials of the ICAI at ICAI headquarters in New Delhi on 1st May, 2012)

Health Insurance Scheme for Members of ICAI

An Initiative of the Committee for Capacity Building of CA Firms and Small & Medium Practitioners (CCBCAF & SMP), ICAI

The Committee for Capacity Building of CA Firms and Small & Medium Practitioners (CCBCAF & SMP) of the Institute of Chartered Accountants of India(ICAI) has tied up with The New India Assurance Co. Ltd. for a special Health Insurance Scheme for providing Health insurance to its Members of ICAI.

Floater Benefits

- Sum Insured available in slabs of Rs. 5 lakh, 7 lakh and 10 lakh.
- Floater Sum Insured for the entire family of Self, Spouse and dependant Children.
- No Health check-up. No entry age barrier.

Parent coverage

- Dependant Parents covered under separate Floater Sum Insured, equivalent to the Sum Insured of the Member family.
- No Health check-up. No age limit.

Additional benefits

- Premium discount in lieu of Cumulative Bonus.
- Hospital Cash Allowance @0.10% of Sum Insured, for a maximum of 10 days.
- Wide Coverage for Pre-exixting diseases.

The Member Can Carry Over Credit For Previous Continuous Insurance . For A Member With Three Years of Continuous Coverage With Any Other Insurer, Pre Existing Diseases Are Covered.

Pre Existing Disease Coverage : Under Individual Policies, Pre Existing Disease Is Covered Only After Four Years. Whereas, In CA Super Mediclaim, Coverage For Pre Existing Commences From First Year, As Per Limits Below:

First year of coverage	25% of the admissible claim amount, subject to a maximum of 25% of the sum insured
Second year of coverage	50% of the admissible claim amount, subject to a maximum of 50% of the sum insured
Third year of coverage	75% of the admissible claim amount, subject to a maximum of 75% of the sum insured
Fourth year of coverage	100% of the admissible claim amount, subject to a maximum of 100% of the sum insured

Exclusive portal for the Health Insurance Scheme

The premium can be paid at the online portal http://icai.newindia.co.in and Certificate of Insurance generated at the user end.

Details about the Health Insurance Scheme can be seen at http://icai.newindia.co.in

Any queries/grievance related to the portal for the health insurance scheme; please contact Shri Mukesh Yadav, Administrative Officer of New India Assurance Co. ltd, Mumbai on Tel. No. 022-24620311, Mob. No. 09022167230, Email: mukesh.yadav@newindia.co.in or Mr. Kumaresh of M/s gradatim on mob. 09241114119 Email: kumaresh.b@gradatim.co.in

For further details, please contact:-

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Dr. Sambit Kumar Mishra
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The Institute of Chartered Accountants of India
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Committee for Capacity Building of CA Firms and Small Medium Practitioners
The Institute of Chartered Accountants of India
(Set up by an Act of Parliament)
New Delhi

Increasing Strength of the ICAI: An Update

Ever since its inception through The Chartered Accountants Act, 1949, the Institute of Chartered Accountants of India (ICAI) has gone strength to strength to become the second largest accounting body of the world in terms of membership. From a meager 1,689 on 1st April, 1950, the membership of the ICAI now stands at 1,96,748 (as on 15th June, 2012). Simultaneously, the number of the CA Students too has reached a mammoth 10 lakh approximately today. Following are the relevant statistics at a glance for the information of the readers.

MEMBERS *

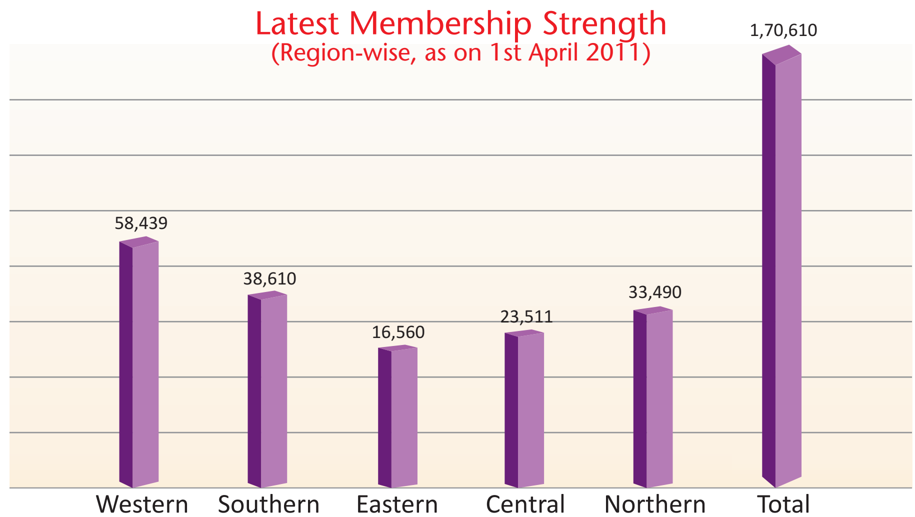
(From 1st April, 1950)

TABLE II

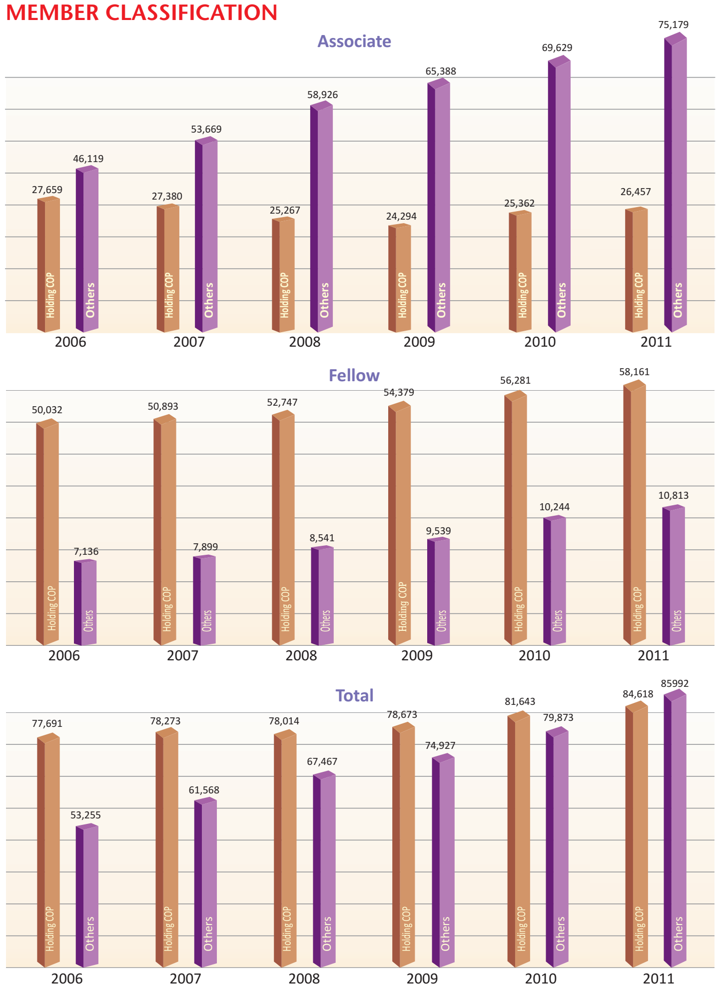
	Associate	Fellow	Total
As on 1st April, 1950	1,120	569	1,689
As on 1st April, 1951	1,285	672	1,957
As on 1st April, 1961	4,059	1,590	5,649
As on 1st April, 1971	7,901	3,326	11,227
As on 1st April, 1981	16,796	8,642	25,438
As on 1st April, 1991	36,862	22,136	58,998
As on 1st April, 2001	51,603	44,789	96,392
As on 1st April, 2002	54,666	47,064	1,01,730
As on 1st April, 2003	60,619	49,637	1,10,256
As on 1st April, 2004	63,384	52,707	1,16,091
As on 1st April, 2005	68,052	55,494	1,23,546
As on 1st April, 2006	73,778	57,168	1,30,946
As on 1st April, 2007	81,049	58,792	1,39,841
As on 1st April, 2008	84,193	61,288	1,45,481
As on 1st April, 2009	89,682	63,918	1,53,600
As on 1st April, 2010	94,991	66,525	1,61,516
As on 1st April, 2011	**1,01,636**	**68,974**	**1,70,610**

** Membership strength of the ICAI stands at 1,96,748 as on 15th June, 2012*

(Compiled by the Journal section of the ICAI.)

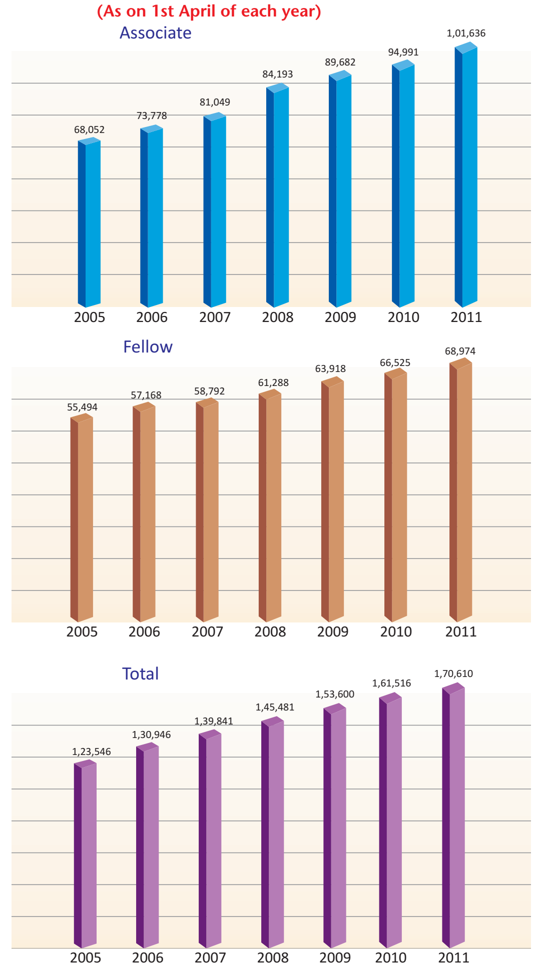


MEMBER CLASSIFICATION



PROFILE OF MEMBERS

(As on 1st April of each year)



STUDENTS GROWTH PROFILE

(From 31st March, 1998)

Course [a] / During - the year	Foundation/ PE (Course-I)	Interme-diate/PE (Course-II)	Final	CPT	PCC	IPCC	ATC	Total
1997-98	37,052	24,652	9,394	-	-	-	-	71,098
1998-99	43,809	28,253	12,227	-	-	-	-	84,289
1999-00	44,180	27,508	10,787	-	-	-	-	82,475
2000-01	35,999	23,405	9,026	-	-	-	-	68,430
2001-02	34,215*	29,403**	11,524	-	-	-	-	75,142
2002-03	35,524	33,283	11,102	-	-	-	-	79,909
2003-04	38,188	34,232	11,390	-	-	-	-	83,810
2004-05	39,000	34,190	11,061	-	-	-	-	84,251
2005-06	38,901	39,467	13,010	-	-	-	-	91,378
2006-07	45,617	32,339	11,838	1,29,110***	24,041***	-	-	2,42,945
2007-08	-	-	19,558	1,42,612	61,186	-	-	2,23,356
2008-09	-	-	11,562	1,39,140	33,764	18,318****	8****	2,02,792
2009-10			24,109	1,63,397	1,204	81,833	4	2,70,547
2010-11			38,084	1,57,403	-	79,523	9	2,75,019

Note: The number of ICAI students stands at about 10 lakh as on 15th June, 2012

* includes PE(Course I) students registration from 1.10.2001 to 31.3.2002 : 5006

** includes PE(Course II) students registration from 1.10.2001 to 31.3.2002 : 11848

*** from 13th September, 2006 to 31st March, 2007

**** from 10th December, 2008 to 31st March, 2009

Treatment and disclosure of interest on fixed deposits in the financial statements of a financial enterprise.

The following is the opinion given by the Expert Advisory Committee of the Institute in response to a query sent by a member. This is being published for the information of readers.

A. Facts of the Case

1. A company (hereinafter referred to as 'the company') is a public limited company registered under the Companies Act, 1956. The entire equity of the company is held by the Government of India. The company was set up as a special purpose vehicle to provide long-term infrastructure finance as per Scheme for Financing Viable Infrastructure Projects (hereinafter referred to as 'the financing scheme'). The company provides infrastructure finance through direct lending, refinancing and take out finance as per the financing scheme.

2. The company is engaged in the business of providing long-term financial assistance to infrastructure projects in the country. The paid-up equity capital of the company is ₹2,000 crore. The company has raised long-term debt by way of loans from Life Insurance Corporation of India, National Small Saving Fund (NSSF), bonds listed in India and foreign currency loans from bilateral and multilateral institutions. Borrowings of the company are backed by sovereign guarantee.

3. The resources raised by the company are utilised for providing infrastructure finance through direct lending, refinancing and take out finance as per the financing scheme. Pending disbursement, the resources of the company are held in the form of bank deposits and investments, such as, Central/State Government securities, bonds issued by public sector undertakings (PSUs), Certificate of Deposits with scheduled banks, etc. as per investment policy approved by the board of directors of the company.

4. As per the Office Memorandum of Government of India dated 23rd April, 2007, the company is also recognised as 'sui-generis' organisation under direct supervision of the Ministry of Finance, Government of India. The company is not registered as a Non-Banking Financial Company (NBFC) with the Reserve Bank of India although the statutory auditors of the company have opined that the company is an NBFC.

5. The querist has stated that as the nature of its business is that of an NBFC, the company has been treating interest on bank deposits as income from operations in its books of account and accordingly, considers and discloses interest on bank deposits as income from operations in the financial statements as well as in the cash flow statement.

6. The Comptroller and Auditor General of India (CAG) which conducts supplementary audit of accounts of the company under section 619(3)(b) of the Companies Act, 1956, while conducting audit of accounts of the company for the year ended 31st March, 2010 and subsequently for the year ended 31st March, 2011, inter-alia, however, commented that interest on fixed deposits with banks has been included under income from operational activities instead of disclosing the same as other income. This has resulted in the overstatement of income from operations and understatement of other income by ₹56,516.94 lakh. In this regard, the company, vide letter dated 27th June, 2011, has given assurance to CAG that matter regarding treatment of interest on fixed deposits with banks as operational income will be referred to the Expert Advisory Committee (EAC) of the Institute of Chartered Accountants of India (ICAI) for its opinion for appropriate treatment from the next financial year.

7. As per the observations of CAG auditors, the interest income from fixed deposits with banks should be treated as 'other income' instead of 'income from operations'. Their observations are as follows:

   "As per MOU of the company, the core activity of the company is to provide long-term financial assistance to infrastructure projects in India and surplus funds arising out of asset-liability mismatch is to be invested only in marketable government securities till its deployment in financing the infrastructure projects in terms of the guidelines issued by the Ministry of Finance, i.e., the financing scheme which is the mandate for the company. However, the company has invested partial amount of surplus funds into the fixed deposits with banks which do not fall under the category of marketable government securities.

It is observed that interest of fixed deposit with banks has been included under the income from operation activities instead of showing the same under the other income. This has resulted in the overstatement of the income from operations and understatement of the other income by ₹56,516.94 lakh (emphasis supplied by the querist)*."*

8. According to the querist, the company has been treating interest on fixed deposits with banks as income from operations considering the following factors:

(a) Nature of disbursement of infrastructure loans- The period of implementation of infrastructure projects generally extends over 3 to 5 years and accordingly, the disbursement of loan is made in tranches over this period as per the progress of implementation of projects. As a result, funds raised by the company get deployed over a period of time. It may be highlighted that as on 31st March, 2011, the company had made net sanctions of ₹25,205 crore and undertaken disbursements aggregating ₹15,325 crore.

Pending disbursement, surplus funds are invested in various short-term instruments as per the investment policy of the company approved by the board of directors. These include Central or State Government securities, bonds issued by PSUs, Certificate of Deposits with scheduled banks, etc. The company believes that this activity is an integral part of its operations to fund infrastructure loans; hence it has classified the interest income from these investments as 'income from operations' in the profit and loss account as well as cash flow statement.

(b) Compliance with Accounting Standard (AS) 3, 'Cash Flow Statement' – The company is a financial enterprise. Therefore, while forming the above opinion, the company has also taken guidance from paragraph 30 of AS 3, which reads as follows:

"30. Cash flows from interest and dividends received and paid should each be disclosed separately. Cash flows arising from interest paid and interest and dividends received in the case of a financial enterprise should be classified as cash flows arising from operating activities. In the case of other enterprises, cash flows arising from interest paid should be classified as cash flows from financing activities while interest and dividends received should be classified as cash flows from investing activities. Dividends paid should be classified as cash flows from financing activities."

B. Query

9. In view of the above, the querist has sought the opinion of the Expert Advisory Committee as to whether it is appropriate for the company to treat interest on bank deposits as income from operations in its books of account and accordingly, to consider and disclose interest on bank deposits as income from operations in the preparation of financial statements including cash flow statement.

C. Points considered by the Committee

10. The Committee notes that the basic issue raised in the query relates to the disclosure of interest on bank deposits received by the company in the financial statements including cash flow statement. The Committee has, therefore, considered only this issue and has not examined any other issue that may arise from the Facts of the Case, such as, classification and disclosure of bank deposits made by the company, classification of the company as an NBFC or a financial institution, etc. Since the querist has raised the issue in the context of AS 3, the Committee presumes that AS 3 is applicable to the company. Further, since the query makes reference to the financial statements for the periods ending March 31, 2011 and prior to that, it is presumed that the query has been raised in the context of pre-revised Schedule VI to the Companies Act, 1956. Also, the opinion expressed hereinafter is purely from the accounting angle and not from the angle of interpreting the provisions of any legal

document/agreement, such as, the financing scheme or MOU.

11. The Committee is of the view that the fact that the MOU/the financing scheme did not permit the investment of funds in fixed deposits with banks does not change the nature of the interest received from such deposits and accordingly, its accounting would remain the same irrespective of whether it was permitted or not to invest the funds of the company in fixed deposits. As far as the disclosure of such interest income in the financial statements including cash flow statement is concerned, the Committee notes the definition of the term 'operating activities' as provided under paragraph 5 of AS 3 and paragraphs 12 and 30 thereof which provide as follows:

> ***"Operating activities are the principal revenue-producing activities of the enterprise and other activities that are not investing or financing activities.***
>
> "12. Cash flows from operating activities are primarily derived from the principal revenue-producing activities of the enterprise. Therefore, they generally result from the transactions and other events that enter into the determination of net profit or loss. …"
>
> ***"30. Cash flows from interest and dividends received and paid should each be disclosed separately. Cash flows arising from interest paid and interest and dividends received in the case of a financial enterprise should be classified as cash flows arising from operating activities. In the case of other enterprises, cash flows arising from interest paid should be classified as cash flows from financing activities while interest and dividends received should be classified as cash flows from investing activities. Dividends paid should be classified as cash flows from financing activities."***

From the above, the Committee is of the view that operating activities are the principal revenue-producing activities of the enterprise. The Committee is of the view that being a financial enterprise, the main business of the company in the extant case is to provide long-term infrastructure loans and financial assistance while optimally managing and utilising its funds. The Committee is of the view that the company is in the business of earning income by managing its funds which also includes the management of surplus funds between the date of receipt of funds to the date when the funds are finally disbursed. Accordingly, the Committee is of the view that interest earned on investment of surplus funds of the enterprise arises from its principal revenue-producing activities and therefore, it should be treated and classified as income from operating activities. Further, in the context of cash flow statement, the Committee notes that paragraph 30 of AS 3 specifically states that cash flows arising from interest and dividends received in case of financial enterprise should be classified as 'cash flow from operating activity'.

D. Opinion

12. On the basis of the above, the Committee is of the opinion that it is appropriate for the company to treat interest on bank deposits as income from operations in its books of account and, accordingly, to consider and disclose interest on bank deposits as income from operations in preparation of financial statements including cash flow statement as discussed in paragraph 11 above.

1	The Opinion is only that of the Expert Advisory Committee and does not necessarily represent the Opinion of the Council of the Institute.
2	The Opinion is based on the facts supplied and in the specific circumstances of the querist. The Committee finalised the Opinion on 10.10.2011. The Opinion must, therefore, be read in the light of any amendments and/or other developments subsequent to the issuance of Opinion by the Committee.
3	The Compendium of Opinions containing the Opinions of Expert Advisory Committee has been published in twenty nine volumes. A CD of Compendium of Opinions containing twenty nine volumes has also been released by the Committee. These are available for sale at the Institute's office at New Delhi and its regional council offices at Mumbai, Chennai, Kolkata and Kanpur.
4	Recent opinions of the Committee are available on the website of the Institute under the head 'Resources'.
5	Opinions can be obtained from EAC as per its Advisory Service Rules which are available on the website of the ICAI, under the head 'Resources'. For further information, write to eac@icai.org.

■

Circulars/Notifications

Given below are the important Circulars and Notifications issued by the CBDT, CBEC, MCA, RBI and SEBI during the last month for information and use of members. Readers are requested to use the citation/website or weblink to access the full text of desired circular/notification. You are requested to please submit your feedback and suggestions on the column at **eboard@icai.org**.

(Matter on Direct Taxes has been contributed by the Direct Taxes Committee of the ICAI)

A. NOTIFICATIONS

1. Insertion of Rule 10AB- *"Other method of determination of arm's length price"*

In exercise of the powers conferred by Section 295 of the Income-tax Act, 1961, the Central Board of Direct Taxes has through this notification, notified the Income-tax (6th Amendment) Rules, 2012 which shall come into force on the 1st day of April, 2012 and shall apply to Assessment year 2012-2013 and subsequent years.

These amendment Rules have inserted **Rule 10AB** which deals with *"Other method of determination of arm's length price"* and provides that for the purposes of Section 92C(1)(f), the other method for determination of the arms' length price in relation to an international transaction shall be any method which takes into account the price which has been charged or paid, or would have been charged or paid, for the same or similar uncontrolled transaction, with or between non-associated enterprises, under similar circumstances, considering all the relevant facts.

Further, in view of insertion of **Rule 10AB**, Rule 10B which deals with the determination of arm length's price under Section 92C has been amended to include clause (f) to provide any other method as provided in rule 10AB.

[Notification No. 18/2012, dated- 23-05-2012]

2. Amendment in the Convention between Government of Republic of India and Government of Japan

In exercise of the powers conferred by Section 90 of the Income-tax Act, 1961, the Central Government through this notification has amended the Notification No. GSR 101(E), dated 1-03-1990, through which the convention between Government of the Republic of India and the Government of Japan for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on income was notified by the Central Government. Article 11 of the said convention referred to 'International business unit of Japan Finance Corporation' as one of the Financial Institutions wholly owned by the Government. This Article has now been amended by substituting "Japan Bank for international Co-operation" in place of 'International business unit of Japan Finance Corporation' as one of the Financial Institutions wholly owned by the Government *w.e.f* 1st April, 2012.

[Notification No. 19/2012, dated- 24-05-2012]

3. Provisions of DTAA with the Government of Nepal to be given effect to in India from 01-04-2013

In exercise of the powers conferred by Section 90(1) of the Income-tax Act, 1961, the Central Government has, through this notification, notified that all the provisions of the Agreement between Government of the Republic of India and the Government of Nepal for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income signed in Kathmandu, Nepal on 27-05-2011 shall be given effect to in the Union of India with effect from 1st April, 2013.

[Notification No. 20/2012, dated- 12-06-2012]

4. Clarification regarding No deduction of tax at source under Section 194J in respect of software payments on subsequent transfer of software by a resident subject to certain conditions

In exercise of the powers conferred by of Section 197A(1F) of the Income-tax Act, 1961, the Central Government has through this notification, notified that NO deduction of tax shall be made, w.e.f.1st July, 2012, under Section 194J on the payment made by a transferee for acquisition of software from another person, being a resident transferor, subject to certain following conditions:

(i) the software is acquired in a subsequent transfer;

(ii) the transferor has transferred the software without any modification;

(iii) tax has been deducted earlier under Section 194J or under Section 195 on payment for any previous transfer of such software; and

(iv) the transferee obtains a declaration from the transferor that the tax has been deducted as per clause (iii) above, along with the Permanent Account Number of the transferor.

[Notification No. 21/2012, dated- 13-06-2012]

The complete details of the text of the notifications can be downloaded from the link: http://law.incometaxindia.gov.in/DIT/Notifications.aspx

B. CIRCULARS

1. Explanatory notes to the provisions of the Finance Act, 2011

The said circular explains the substance of the provisions relating to direct taxes contained in the Finance Act, 2011, which received assent of the President on 8th April, 2011.

[Circular No. 2/2012, dated 22-05-2012]

2. Supplementary Memorandum explaining the official amendments moved in Finance Bill, 2012 as reflected in the Finance Act, 2012

The said circular includes a memoranda explaining the official amendments moved in the Finance Bill, 2012 as reflected in the Finance Act, 2012. Some clauses of the Finance Bill, 2012 have been renumbered during the passage of the Finance Bill, 2012 in the Parliament. The clauses referred to in this memoranda, unless otherwise stated, are those as they appear in the Finance Act, 2012.

[Circular No. 3/2012, dated 12-06-2012]

The complete details of the text of the Circulars can be downloaded from the link: http://law.incometaxindia.gov.in/DIT/Circulars.aspx

C. PRESS RELEASES

1. Government's White Paper on Black Money

The Government has released a "White Paper on Black Money" to present the different facets of black money and its complex relationship with policy and administrative regime in the country. It also reflects upon the policy options and strategies that the Government has been pursuing in the context of recent initiatives, or need to take up in the near future, to address the issue of black money and corruption in public life.

[Press Release, dated 16-05-2012]

The complete details of the text of the press release can be downloaded from the link: http://law.incometaxindia.gov.in/DIT/Circulars.aspx

D. INSTRUCTIONS

1. Withdrawal of Instruction No. 1/2012, dated 2-2-2012

With respect to processing of returns of under Section 143 of the Income-tax Act for A.Y- 2011-2012, the Central Board of Direct Taxes has decided to withdraw instruction no. 01/2012, dated 2-2-2012 containing steps to clear backlog with immediate effect. The following decisions have been taken in this regard:

(*i*) The TDS claim may be accepted without verification, in all returns (ITR-1 to ITR-6), where the difference between the TDS claimed and TDS amount reported in AS-26 data does not exceed ₹5,000/-.

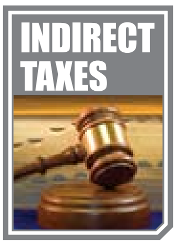
(*ii*) TDS credit shall be allowed only after due verification, where there is zero TDS matching.

(*iii*) TDS credit NOT to be allowed, where TDS claims are with invalid TAN.

(*iv*) In all other cases, TDS credit shall be allowed after due verification.

[Instruction No. 4/2012, dated 25-05-2012]

The complete details of the text of the instruction can be downloaded from the link: http://icai.org/post.html?post_id=7242



(Matter on Indirect Taxes has been contributed by the Indirect Taxes Committee of the ICAI)

A. SERVICE TAX

1. Service Tax (Settlement of Cases) Rules and Service Tax (Compounding of Offences) Rules notified by the Board

With effect from 28-05-2012, the provisions relating to Settlement Commission have been made applicable to service tax vide the Finance Act, 2012. Consequently, CBEC has notified the Service Tax (Settlement of Cases) Rules, 2012 to carry out the provisions of the Act. The Rules are issued on the lines similar to the Central Excise (Settlement of Cases Rules), 2007. An application for settlement is to be made in the Form SC(ST)-1. Such Form has also been notified by the Board.

The Board has also notified the Service Tax (Compounding of Offences Rules) Rules, 2012. Provisions of Section 9A(2) of the Central Excise Act, 1944 deal with compounding of offences, which have been made applicable to service tax vide Section 83 of the Finance Act, 1994. Compounding is a process whereby an accused pays a prescribed amount (known as compounding charges) in lieu of prosecution.

[Notification No. 16 & 17/2012 ST dated 29-05-2012]

2. Negative list of services and other related amendments made by the Finance Act, 2012 to be effective from 1st July, 2012

The Finance Act, 2012 seeks to insert provisos in Sections 65, 65A, 66 and 66A of the Finance Act, 1994 from a date to be notified by the Central Government. Notification No. 18/2012 ST dated 01-06-2012 has notified 1st June, 2012 as the date when the provisos would be inserted in the sections mentioned above. The provisos lay down that the provisions of the said sections will cease to apply with effect from a date to be notified by the Central Government.

Subsequently, Notifications 20-23/2012 ST dated 05-06-2012 have been issued to notify 1st July, 2012 as the date when the provisions of Sections 65 (definitions), 65A (classification of services), 66 (charging section) and 66A (import of services) will cease to apply.

Simultaneously, Notification No. 19/2012 ST dated 05-06-2012 has also been issued to specify that following would be effective from 1st July, 2012:

Sl No.	Clause of the FA, 2012	Sections of the Finance Act, 1994 covered in the Clause of the FA, 2012	Description
(i)	(C)	65B	Interpretations
(ii)	(F)	66B	Charge of service tax on and after Finance Act, 2012
		66C	Determination of place of provision of service
		66D	Negative list of services
		66E	Declared services
		66F	Principles of interpretation of specified descriptions of services or bundled services

Further, the following amendments will also be effective from 1st July, 2012:

(i) Omission of definition of money from the explanation to Section 67;

(ii) Amendment in Section 68 seeking to put onus of payment of service tax under the reverse charge basis partly on service provider and partly on service receiver.

[Notification No. 18/2012 ST dated 01-06-2012 & 19-22/2012 ST dated 05-06-2012]

3. Service Tax Valuation Rules, 2006, amended

The Service Tax (Determination of Value) Rules, 2006 were amended vide Notification No. 11/2012 ST dated 17-03-2012 when the Finance Bill, 2012 was tabled in the Parliament. However, Notification No. 11/2012 ST has been rescinded by Notification No. 24/2012 ST dated 06-06-2012 and these rules have been amended further.

It may be noted that some of the amendments made by Notification No. 11/2012 have been continued by Notification No.24/2012 ST as well. The amendments will be effective from 1st July, 2012.

[Notification No. 24/2012 ST dated 06-06-2012]

B. CENTRAL EXCISE

1. Admissibility of CENVAT credit on structural components of boiler

It has been clarified by the CBEC that as per Rule 2(k) of the CENVAT Credit Rules, 2004, CENVAT credit is available in respect of structural components if used as parts of Boiler. However, CENVAT credit would not be available in respect of structural components used for laying of foundation or making of structures for support of capital goods/ Boiler.

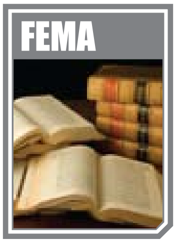
Earlier in April, 2012 the Board had issued Circular No 964/07/2012-CX dated 02-04-2012 wherein it was clarified that structural components of Boiler which are essentially parts of the boiler would be classified under heading 8402 and CENVAT credit would be admissible in respect of such structural components/parts (of the Boiler) for the reason that they are not used for laying of foundation or making of structures for support of capital goods.

In view of the Circular, doubts have arisen as to whether CENVAT credit will be available on structural components used for the support of the Capital Goods.

The Board has now clarified that whether a particular structural component is a part of the Boiler or a component to make structure for supporting the Boiler is a question of facts and needs to be examined on a case to case basis, depending on the nature and use of the said structural component as per the existing legal provisions and judicial pronouncements on the subject.

[Circular No. 966/09/2012 CX dated 18-05-2012]

The complete text of the above-mentioned notifications and circulars can be downloaded from the following link: www.cbec.gov.in



(Matter on FEMA has been contributed by CA. Manoj Shah and CA. Hinesh Doshi)

A. Exchange Earner's Foreign Currency (EEFC) Account

A. P. (DIR Series) Circular No.124 dated 10th May, 2012 and A. P. (DIR Series) Circular No.128 dated 16th May, 2012

a) Henceforth, 50% of the balances in the EEFC accounts should be converted forthwith into rupee balances and credited to the rupee accounts as per the directions of the account holder. This process may be completed within a fortnight from the date of the circular and compliance reported to the RBI.
b) In respect of all future forex earnings, an exchange earner is eligible to retain 50% (as against the previous limit of 100%) in non-interest bearing EEFC accounts. The balance 50% shall be surrendered for conversion to rupee balances.
c) Accordingly, EEFC account holders henceforth will be permitted to access the forex market for purchasing foreign exchange only after utilising fully the available balances in the EEFC accounts. ADs are, accordingly, required to obtain a declaration while selling foreign exchange to their constituents.

The above provisions will apply, *mutatis mutandis*, also to holder of either a Resident Foreign Currency Account (RFC) or a Diamond Dollar Account (DDA).

Further, RBI has vide A. P. (DIR Series) Circular No.128 dated 16th May, 2012 clarified that the conversion of the EEFC balances into rupee balances shall only be applicable to available balances in the EEFC account which may be arrived at by netting off earmarked amounts on account of outstanding forward/ option contracts booked before 10th May, 2012.

B. Clarification on Foreign investment in NBFC Sector under the FDI Scheme

A.P. (DIR Series) Circular No. 127 dated 15th May, 2012

In response to requests for clarifications as to whether 'operating leases' would not be permissible in terms of the A. P. (DIR Series) Circular No.121 dated 8th May, 2012, RBI has clarified that the activity 'leasing and finance', which is one among the 18 NBFC activities wherein FDI up to 100% is permitted under the automatic route, subject to minimum capitalisation norms, covers only 'financial leases' and not 'operating leases', in so far as the NBFC sector is concerned.

C. Risk Management and Inter Bank Dealings

A.P. (DIR Series) Circular No. 129 dated 21st May, 2012

In view of the recent developments in the foreign exchange market, RBI has decided that:

(i) the current Net Overnight Open Position Limit (NOOPL) of the banks as applicable to the positions involving Rupee as one of the currencies shall not include the positions undertaken in the Currency Futures/Options segment in the exchanges.

(ii) the positions in the exchanges (both Futures and Options) cannot be netted/offset by undertaking positions in the OTC market and vice-versa. The positions initiated in the exchanges shall be liquidated/closed in the exchanges only.

(iii) the position limit for the trading member AD Category-I bank in the exchanges for trading Currency Futures and Options shall be $ 100 million or 15% of the outstanding open interest, whichever is lower.

The AD Category- I banks are advised that to bring down their positions to the above limits within 30th June, 2012.

D. Online Reporting of Overseas Direct Investment (ODI) in Form ODI

A.P. (DIR Series) Circular No.131 dated 31st May, 2012

The Online reporting system of ODI is operationalised with effect from 2nd March, 2010. Under the online reporting system, AD Category – I banks can generate the Unique Identification Number (UIN) online under the automatic route. However, reporting of subsequent remittances under the automatic route as well as the approval route has to be done online in Part II of form ODI, only after receipt of the letter from the RBI confirming the UIN.

RBI has now decided to communicate the UIN in respect of cases under the Automatic Route to the ADs/Indian Party through an auto generated e-mail to the email-ID made available by the AD/Indian Party. Accordingly, with effect from 1st June, 2012, the auto generated e-mail, giving the details of UIN allotted to the JV/WOS under the automatic route, shall be treated as confirmation of allotment of UIN, and no separate letter will be issued by the RBI to the Indian party and AD Category - I bank confirming the allotment of UIN. The subsequent remittances under the automatic route and remittances under the approval route are to be reported online in Part II of form ODI, only after receipt of the e-mail communication/confirmation conveying the UIN.

The applications in form ODI for overseas direct investment under the approval route would continue to be submitted to the Reserve Bank in physical form as hitherto, in addition to the online reporting of Part I of the Form ODI.

E. Implementation of the Application Tracking System by Foreign Exchange Department of RBI

Press Release 2011-2012/1925 dated 1st June, 2012

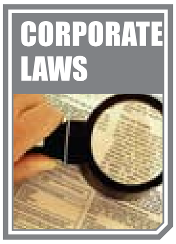
Foreign Exchange Department, Central Office and its 17 Regional offices have adopted the Application Tracking System (ATS), to facilitate the customers to apply and track the status of the applications online. The ATS is a major e-Governance initiative of RBI.

Under the ATS, customers can submit applications online and also track the status of an already filed/ submitted application. The applicant would be required to login with email ID and password as registered with the RBI website. In respect of those applications, being submitted physically at the counters of the Foreign Exchange Department, a valid email ID is required to be indicated in the letter/application. An auto generated information will be sent to the email ID given upon receipt of an application and also at the time of disposal of an application by the Department. Status of all letters/applications (other than statements and returns) requiring a reply from the Foreign Exchange Department can be tracked by accessing the ATS. ATS can easily be accessed on the homepage of RBI (www.rbi.org.in).

F. Money Transfer Service Scheme (MTSS)

A. P. (DIR Series) Circular No. 132 dated 8th June, 2012

In order to promote inward cross-border money transfer activities in India, through tie-up arrangements with Overseas Principals under MTSS, RBI has decided to increase the number of remittances from 12 to 30 to be received by a single individual beneficiary in a calendar year. These guidelines would also be applicable mutatis mutandis to all Sub Agents of the Indian Agents (Authorised Person - AP) under MTSS and it will be the sole responsibility of the APs to ensure that their Sub Agents also adhere to these guidelines.



(Matter on Corporate Laws has been contributed by CA. Jayesh Thakur)

MCA (www.mca.gov.in)

1. Integration of LLP System into MCA-21

The MCA has issued a draft of notice to be displayed on LLP website stating that the Ministry is in the process of integration of LLP system into MCA-21 in the month of June 2012 by allowing filing and approval of LLP forms at MCA-21 website (www.mca.gov.in) for better e-governance facility for stakeholders, by making necessary changes in e-forms. On post integration, old e-forms of the existing LLP system lying in "Pending User Clarification" (PUCL) status cannot be re-opened. LLPs and designated partners are also advised to reopen/resubmit the LLP form, if any, lying in "Pending User Clarification" (PUCL)/Under Resubmission (RESUB) mode by 21-05-2012 after complying with the requirements failing which the pending forms will be liable for rejection or will be marked as invalid and LLP shall be required to file fresh e-forms with fees & additional fees.

2. Compliance of the Provisions of Companies Act

The MCA has issued General Circular No. 09/2012 dated 15-05-2012 referring to its earlier general circular issued in June 2011 wherein it was stated that in order to ensure corporate governance and proper compliances of the provisions of the Companies Act, 1956, it had been decided that no request, whether oral, in writing or through e-Forms, for recording any event based information/ changes shall be accepted by the Registrar of companies from such defaulting companies, unless they file their updated balance sheets and annual returns with the office of the Registrar of Companies. Further, the Ministry had also issued another general circular in September 2011 wherein it was stated that in the interest of stakeholders certain event based information/ changes were allowed to be filed and accepted by the registrar of companies from such defaulting companies. Now, based on requests received from various corporates and professionals and difficulties experienced by the stakeholders in filing Form No. 8 and Form No. 10 (for modification of charges under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFESI), it has now been decided to accept filing of the Form Nos. 8 and 10 (Particulars of modification of charge(s) under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002) and Form No. 17 (Particulars of Satisfaction of Charge(s) from defaulting companies also). This circular shall be effective from 20-05-2012.

3. Uploading of Information Regarding Unpaid and Unclaimed Amounts

The MCA has issued Notification No. G.S.R. 352(E) dated 10-05-2012 notifying the Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012 providing for filing of information regarding unpaid and unclaimed amounts. It is provided that every company (including non-banking financial companies and residuary non-banking companies) shall, within a period of 90 days after the holding of annual general meeting or the date on which it should have been held as per the provisions of Section 166 of the Act and every year thereafter till completion of the seven years period, identify the unclaimed amounts as referred to in sub-section (2) of Section 205C of the Act, separately furnish and upload on its own website as also on the MCA's website or any other website as may be specified by the Government a statement or information through eForm 5 INV, separately for each year, containing following information, namely, (a) the names and last known addresses of the persons entitled to receive the sum; (b) the nature of amount; (c) the amount to which each person is entitled; (d) the due date for transfer into the Investor Education and Protection Fund; and (e) such other information as considered relevant for the purpose. For the financial year ended 31st March, 2011, the information shall be filed, latest by the 31st July, 2012. There is a requirement for verification of eForm and it is provided that the information shall be verified and certified by a chartered accountant or a company secretary or a cost accountant practicing in India or by the statutory auditors of the company. In case of default in filing of information and if a company fails to furnish and upload information or furnishes and uploads false information on the website, the company, and every officer of the company who is in default, shall be liable and in such case the provisions of Section 629A of the Companies Act, 1956 shall be applicable.

4. Guidelines for Declaring a Financial Institution as Public Financial Institution

The MCA has issued General Circular No. 10/2012 dated 21-05-2012 referring to the criteria framed by the MCA earlier in June 2011 which are now revisited and it has been decided that any financial institution applying for declaration as a PFI shall fulfill the following criteria:

- a company or corporation should be established under a special Act or the Companies Act, 1956 being a central act;
- main business of the company should be industrial/infrastructural financing;
- the company must be in existence for at least three years and its financial statements should show that its income from industrial/ infrastructural financing activities exceeds 50% of its total income.
- the net-worth of the company should be minimum of ₹ 1,000 crore.
- the company is registered as a Infrastructure Finance Company (IFC) with RBI or as a Housing Finance Company (HFC) with National Housing Bank;
- NOC from RBI/NHB, in the case of IFC/HFC, with regard to supervisory concerns, if any, must be obtained and enclosed with the application.
- such IFCs/HFCs, after being declared as PFIs are required to disclose in their audited Financial Statements that they are complying with the directions and conditions laid down by this Ministry.

It is clarified that in the case of Central Public Sector Undertakings/ State Public Sector Undertakings, no restriction shall apply with respect to financing specific sector(s) and net-worth as stated above.

5. Investor Education and Protection Fund Rules for Unpaid and Unclaimed Amounts

The MCA has issued Notification No. GSR 352(E) dated 10-05-2012 notifying the Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012 in relation to filing of information regarding unpaid and unclaimed amounts whereby now every company (including non-banking financial companies and residuary non-banking companies) shall, within a period of 90 days after the holding of Annual General Meeting or the date on which it should have been held as per the provisions of Section 166 of the Act and every year thereafter till completion of the seven years period, identify the unclaimed amounts as referred to in sub-section (2) of Section 205C of the Act, separately furnish and upload on its own website as also on the Ministry's website or any other website as may be specified by the Government a statement or information through eForm 5 INV, separately for each year. It shall contain the following information:

- the names and last known addresses of the persons entitled to receive the sum;
- the nature of amount;
- the amount to which each person is entitled;
- the due date for transfer into the Investor Education and Protection Fund; and
- such other information as considered relevant for the purpose;

It is provided that for the financial year ended 31st March, 2011, the information shall be filed, latest by the 31st July, 2012. The information as per the eForm shall be verified and certified by a chartered accountant or a company secretary or a cost accountant practicing in India or by the statutory auditors of the company. It is also provided that if a company fails to furnish and upload information or furnishes and uploads false information on the website, the company, and every officer of the company who is in default, shall be liable and in such case the provisions of Section 629A of the Companies Act, 1956 shall be applicable.

6. DIN Rules Amended

The MCA has issued Notification Nos. F. No. 2/1/2011-CLV and GSR-298(E) dated 28-05-2012 and 05-06-2012 respectively amending the Companies (Director Identification Number) Rules, 2006 effective from 29 May 2012 as under:

- In DIN-1, the declaration/verification is replaced and will now be "(i) The photograph and document attached to the Form DIN-1 belongs to me. I further confirm that all required documents have been duly attested by me or duly attested by either Public Notary or a Gazetted Officer of a Government and are attached to the Form DIN-1" apart from statement about residential status as to whether resident of India or not.
- In DIN-4, the requirements now also include requirements/information in relation to photograph of director/designated partner, residential status, verification as per Annexure-1 of DIN rules, verification as per Annexure- 2 of DIN rules and statement about residential status as to whether resident of India or not. Also, the declaration/ verification as per previous bullet is also inserted to this form.

7. Exemption from Mandatory Cost Audit Extended - SEZ/EPZ/FTZ/EOUs Units

The MCA has issued General Circular No. 11/2012 dated 25-05-2012 extending the exemption from mandatory cost audit to all units located in the specified zones such as Special Economic Zones (SEZs), Export Processing Zones (EPZs) and Free Trade Zones (FTZs) and also to the 100% Export Oriented Units (EOUs), subject to the following:

- Exemption from mandatory cost audit will be available only to those units of a company that are either located in the specified zones or qualify as 100% EOUs and not to all other units of the same company.
- There will be no exemption from maintenance of cost accounting records and filing of compliance report with the MCA in compliance with the applicable Cost Accounting Records Rules.
- In case any regulatory body seeks cost data in respect of exempted units of any industry, then all relevant units of such industry would be subject to cost audit in accordance with the provisions of applicable rules/orders.
- The DTA (domestic tariff area) sales in all such exempted units for each year shall not exceed the permissible limits as per the policy in force. In case their DTA sales for any year exceeds the permissible limits, then the exemption from cost audit available to the unit shall stand withdrawn and the unit would be subject to cost audit in accordance with the provisions of applicable rules/orders starting with the year in which exemption stood withdrawn and for every subsequent year thereafter.
- If any such exempted unit either relocates outside the specified zones or lose 100% EOU status, then the mandatory cost audit would become applicable from the year in which such change has taken place and for every subsequent year thereafter.

8. Amendment to Central Government's General Rules and Forms

The MCA has issued Notification No. F. No. 17/51/2012- CL V dated 31-05-2012 replacing form 23AB (relating to statement containing salient features of Balance Sheet and Profit and Loss Account as per Section 219(1)(b)(iv)) with a new form 23AB.

9. Time in filing of annual return by LLPs extended

The MCA has issued Circular No. 13/2012 dated 06-06-2012 stating that the Ministry has started the process of decentralisation of the functions of the Registrar LLP by authorising respective ROCs to discharge the functions of Registrar LLP also on and from 11-06-2012. Consequently, the LLP system shall remain closed from 31-5-2012 to 10-06-2012. Also, as per the provisions of Section 35 of the LLP Act, LLPs which do not file Form 11 within a period of sixty days of the date of closure of their financial year are required to pay additional fees. In order to avoid payment of additional fees by such LLPs due to closure of the system from 31-5-2012 to 10-6-2012, it has been decided to extend the time limit prescribed under the provisions of Section 35 of the LLP Act by 30 days. In order to have better understanding of the circular, it is clarified that the time limit of 60 days shall be read as 90 days for filing of Form 11 by LLPs in respect of the Financial

Year ending on 31-03-2012. This circular shall be effective from 31-5-2012.

10. LLP Amendment Rules, 2012

The MCA has issued Notification No. F.No. 1/l/2011-CL-V dated 05-06-2012 amending the LLP Rules 2009 as under:

- in case of incorporation, the individual who has given consent to act as partner or designated partner shall file consent in Form-2 along with fee as mentioned in annexure-A to the LLp Rules.
- the name of proposed LLP shall be reserved in case the "no objection certificate" is granted by the registered LLP or company.
- where the name of the proposed LLP includes words like 'bank', insurance", and 'banking', "venture capital" or 'mutual fund' or business activity includes the words like "bank", insurance', and 'banking'. venture capital' or "mutual fund' or such similar names, the approval of regulatory authority shall be obtained at the time of application for incorporation or change of name of an existing LLP, as the case may be.
- in case of professional firm LLP, the approval of the council governing the profession shall be obtained at the time of application for incorporation or change of name of an existing LLP, as the case may be.
- The filing fees for filing, registering or recording notice of appointment, cessation, change in name, address, designation of a partner or designated partner, intimation of Designated Partner Identification Number and consent to become a partner or designated partner in Form 4 would be ₹50.
- The filing fees for an application for striking off name of defunct LLP under rule 37 would be ₹500.

With the above changes the respective forms have been changed accordingly.

SEBI (www.sebi.gov.in)

11. Responsible Handling of Unauthenticated Market Related News or Rumours - FAQs

The SEBI has issued FAQs on responsible handling of unauthenticated market related news or rumours by SEBI Registered Intermediaries so as to assist them in complying with the various provisions issued by SEBI from time to time.

SEBI has recognised that unauthenticated market related news or rumours can adversely affect normal functioning of the market and distort price discovery mechanisms. Examination of complaints pertaining to unauthenticated market related news or rumours has revealed that, (a) unauthenticated market related news or rumours were circulated by making use of various modes like chat forums/messenger, emails etc., (b) persons circulating such news or rumours were employees of intermediaries and did so without verifying the contents of the same, and, (c) intermediaries do not have laid down policies to check dissemination of unauthenticated market related news or rumours by their employees. Now based on feedback received from various intermediaries and taking into account the approach followed/discussion papers issued by various securities regulators [the Australian Securities & Investment Commission (ASIC), Australia, Financial Industry Regulatory Authority (FINRA), United States of America and Financial Services Authority (FSA), United Kingdom], SEBI has issued these FAQs.

12. Review of Regulatory Compliance and Periodic Reporting

The SEBI has issued Circular No. CIR/MIRSD/6/2012 dated 14-05-2012 stating that by an earlier circular of March 2012, merchant bankers were required to submit a periodic report in such manner as may be specified by SEBI from time to time. In order to strengthen the compliance mechanism and the role of the boards of merchant bankers, it has been decided to review the reporting format. The revised format as given in the Annexure to the above circular includes the status of regulatory compliance and investor grievances redressal. It is provided that the boards of merchant bankers shall, henceforth, review the report and record its observations on (i) the deficiencies and non-compliances, (ii) corrective measures initiated to avoid such instances in future, (iii) pre-issue and post-issue due diligence process followed and whether they are satisfied and (iv) track record of past issues managed. Accordingly, with effect from half year ended 31st March, 2012, the compliance officer of the merchant banker shall send the report in the revised format to SEBI at mb@sebi.gov.in on half yearly basis within three months of the expiry of the half year. The other terms and conditions mentioned in the March 2012 circular shall remain unchanged.

13. Master Circular for Mutual Funds

The SEBI has issued Master Circular No. SEBI/IMD/MC No.3/10554/2012 dated 11-05-2012 stating that for effective regulation of the Mutual Fund Industry, it has been issuing various circulars from time to time. In order to enable the industry and other users to have an access to all the applicable circulars at one place, master circular for mutual funds has been prepared. This Master Circular is a compilation of all the circulars issued by SEBI on the above subject, which are operational as on date of this circular. This Master Circular includes circulars issued upto 31st March, 2012. It is clarified that in case of any inconsistency between the master circular and the applicable circulars, the contents of the relevant circular shall prevail. The master circular is a compilation of all the existing/applicable circulars issued by investment management department of SEBI issued to mutual funds. Efforts have been made to incorporate certain applicable provisions of existing circulars (as on 31st March, 2012) issued by other department/division of SEBI relevant to mutual funds.

14. SEBI (Alternative Investment Funds) Regulations, 2012

The SEBI has issued Notification No. LAD-NRO/GN/2012-13/04/11262 dated 21-05-2012 notifying the SEBI (Alternative Investment Funds) Regulations, 2012. One may refer to the above website for further details and the complete document of the regulations.

15. Amendment to the SEBI Consent Circular

The SEBI has issued Circular No. CIR/EFD/1/2012 dated 25-05-2012 in relation to the framework for passing of consent orders and for considering requests for composition of offences and on the basis of experience gained and with the purpose of providing more clarity on its scope and applicability, the framework has been modified and that SEBI shall not settle the defaults listed below:

- Insider trading violation;
- Serious fraudulent and unfair trade practices which, in the opinion of the SEBI cause substantial losses to investors;
- Failure to make the open offer;
- Front-running i.e. usage of non public information to directly or indirectly, buy or sell securities or enter into options or futures contracts;
- Defaults relating to manipulation of net asset value or other mutual funds defaults;
- Failure to redress investor grievances;
- Failure to make such disclosures under the ICDR and Debt Securities Regulations, which in the

- opinion of the SEBI, materially affect the right of the investors;
- Non-compliance of summons issued by SEBI;

16. Exit Policy for De-recognised/Non-operational Stock Exchanges

The SEBI has issued Circular No. CIR/MRD/DSA/14/2012 dtd. 30-05-2012 revising the existing guidelines in respect of exit option to stock exchanges whereby exchanges may seek exit through voluntary surrender of recognition and where the annual trading turnover on its own platform is less than ₹1,000 crore, stock exchanges can apply to SEBI for voluntary surrender of recognition and exit at any time before the expiry of two years from the date of issuance of this Circular. If the stock exchange is not able to achieve the prescribed turnover of ₹1,000 crore on continuous basis, or does not apply for voluntary surrender of recognition and exit before the expiry of two years from the date of this Circular, SEBI shall proceed with compulsory de-recognition and exit of such stock exchanges, in terms of the conditions as may be specified by SEBI. Stock exchanges which are already de-recognised as on date shall make an application for exit within two months from the date of this circular. Upon failure to do so, the de-recognised exchange shall be subject to compulsory exit process. The guidelines also address matters relating to exit option to shareholders of exclusively listed companies, on stock exchanges seeking de-recognition and/ or exit and de-recognised stock exchanges.

17. Reporting of offshore derivative instruments (ODIs)/participatory notes (PNs) activity

The SEBI has issued Circular No. CIR/IMD/FIIC/14/2012 dtd. 07-06-2012 revising the reporting timelines on the above subject as under :

- FIIs issuing ODIs/PNs shall submit details of ODI/PN transaction report (Annexure A, B and C) along with the monthly summary report by 10th of every month for previous month`s ODI transactions. The first such report shall be submitted for the month of October 2012 by 10th November, 2012.
- The details of ODI/PN transaction report for month of December 2011 to April 2012 shall be submitted with six months lag.
- The details of ODI/PN transactions report for

month of May 2012 to September 2012 shall be submitted along with report of October 2012 by 10th November, 2012.

RBI (www.rbi.gov.in)

18. Bank Finance to NBFCs Predominantly Engaged in Lending Against Gold

The RBI has issued Circular No. DBOD.BP.BC.No. 106/21.04.172/2011-12 dated 18-05-2012 referring to its earlier circular on the subject. The RBI has stated that NBFCs which are predominantly engaged in lending against collateral of gold jewellery (i.e. such loans comprising 50% or more of their financial assets) have recorded significant growth in recent years, both in terms of their balance sheet size and physical presence. In view of regulatory concerns arising out of the rapid pace of business growth and concentration risk inherent in their business model, certain prudential measures like limiting Loan to Value (LTV) Ratio, increasing the minimum Tier I Capital requirement, prohibition on granting loans against bullion/primary gold and gold coins and other operational guidelines have been prescribed for NBFCs. The rapid expansion of NBFCs predominantly engaged in lending against the collateral of gold jewellery has led to their increased dependence on public funds, including bank finance. In order to supplement the prudential norms prescribed for NBFCs as indicated above, banks are advised to, (a) reduce their regulatory exposure ceiling on a single NBFC, having gold loans to the extent of 50% or more of its total financial assets, from the existing 10 per cent to 7.5% of banks' capital funds. However, the above exposure ceiling may go up by 5%, i.e., up to 12.5% of banks' capital funds if the additional exposure is on account of funds on-lent by NBFCs to the infrastructure sector. Banks which are currently having exposure to such NBFCs in excess of the above regulatory ceiling would be required to reduce their exposure within the prescribed limit at the earliest, but not later than six months from the date of this circular, and, (b) have an internal sub-limit on their aggregate exposures to all such NBFCs, having gold loans to the extent of 50% or more of their total financial assets, taken together. The sub-limits should be within the internal limit fixed by the banks for their aggregate exposure to all NBFCs put together.

19. KYC document for proprietary concerns - COP issued by ICAI

The RBI has issued Circular No. RBI/2011-12/579DNBS(PD).CC. No 275/03.10.42/2011-12 dated 29-05-2012 referring to its earlier Master Circular – `Know Your Customer' (KYC) Guidelines – Anti Money Laundering Standards (AML) – `Prevention of Money Laundering Act, 2002. By that circular, NBFCs were advised that internal guidelines for customer identification procedure of legal entities may be framed by them based on their experience of dealing with such entities , normal lenders prudence and the legal requirements as per established practices. In case of accounts of proprietorship concerns, it has been decided to lay down criteria for the customer identification procedure for account opening by proprietary concerns. Apart from following the extant guidelines on customer identification procedure as applicable to the proprietor, NBFCs/RNBCs should call for and verify the following documents before opening of accounts in the name of a proprietary concern:

i) Proof of the name, address and activity of the concern, like registration certificate (in the case of a registered concern), certificate/licence issued by the Municipal authorities under hop & Establishment Act, sales and income tax returns, CST/VAT certificate, certificate/registration document issued by sales tax/service tax/ professional tax authorities, licence issued by the registering authority like Certificate of Practice issued by Institute of Chartered Accountants of India, Institute of Cost Accountants of India, Institute of Company Secretaries of India, Indian Medical Council, Food and Drug Control Authorities, etc.
ii) Any registration/licensing document issued in the name of the proprietary concern by the central government or state government authority/ department. NBFCs/RNBCs may also accept IEC (Importer Exporter Code) issued to the proprietary concern by the office of DGFT as an identity document for opening of account.
iii) The complete income tax return (not just the acknowledgement) in the name of the sole proprietor where the firm's income is reflected, duly authenticated/acknowledged by the Income Tax Authorities.
iv) Utility bills such as electricity, water, and landline telephone bills in the name of the proprietary concern.

Any two of the above documents would suffice. These documents should be in the name of the proprietary concern. ■

ACCOUNTANT'S BROWSER

'PROFESSIONAL NEWS & VIEWS PUBLISHED ELSEWHERE'

Index of some useful articles taken from Periodicals/Newspapers received during May and June, 2012 for the reference of Faculty/ Students & Members of the Institute.

1 ACCOUNTING

Accounting Standards: Gaps in GAAP-Guidance Note on Accounting for Real Estate Transactions (revised 2012) is in No Man's Land by Dolphy D'souza. *BCAJ*, May 2012, pp.91-100.

The Future of Financial Reporting by Mark Vaessen & Oliver Tant. *Accountancy*, May 2012, pp.26-29.

IFRS : Day One Fair Valuation of Financial Instruments by Jamil Khatri & Akeel Master. *BCAJ*, May 2012, pp.87-90.

Mind Games: Defining Expected Values in Fair Value Measurement Under IFRS 13 Requires a Mix of Skepticism & Rationality. By Richard Baylis & Mark Clatworthy. *Accountancy*, May 2012, pp.70-71.

A New Era of Accountability? by Jan Taylor Morris, etc. *Strategic Finance*, May 2012, pp.42-45.

2 AUDITING

The Auditor Regulation Act 2011. *The Journal (NZICA)* May 2012, pp.26-28.

3 ECONOMICS

Food Price Inflation in India (2008 to 2010) Sthanu R. Nair & Leena Mary Eapen. *Eco. & Pol. Weekly*, May 19, 2012, pp.46-54.

Liberal Capital Flows: Impacts, Issues & Questions by A.V. Rajwade. *Eco. & Pol. Weekly*, May 26, 2012. Pp.18-20.

Measuring Natural Capital: Accounting of Inland Wetland Ecosystems from Selected States of India by Pushpam Kumar. *Eco. & Pol. Weekly*, June 2, 2012, pp.77-84.

Sustainable Growth in Indian Jute Industry – An Exploratory Study by Ashim Paul. The Management Accountant, May 2012, pp.554-557.

4 EDUCATION

India Needs World Class Institutes in Higher Education by B.M. Naik. *University News*, May 7-13, 2012, pp.1-3.

Internationalisation of Indian Higher Education System by Raju Narayana Swamy. *University News*, May 14-20, 2012, pp.1-5.

Paradigm Shift in Skill Development & the Education Market by Hemant K. Panda. *University News*, May 21-27, 2012, pp.15-19.

5 INVESTMENT

Compilation Reports for Valuation Engagements ? : Q & A Resolves SSARSs & SSVS Confusion. *Journal of Accountancy*, May 2012, pp.52-53.

Value Investing in Volatile Markets by S. Srikanth. *Hindustan chamber Review*, May 2012, pp.8-10.

6 LAW

Chartered Accountants can Practice in LLP format by P.N. Shah. *BCAJ*, May 2012, pp.10-16.

Reality check in implementing the revised Schedule VI by Sriraman Parthasarathy. *BCAJ*, May 2012, pp.17-22.

7 MANAGEMENT

Convergence of Corporate Governance Practices in the post-Enron Period: Behavioral Transformation or Box-checking Exercise ? by Richard Bozec & Mohamed Dia. *Corporate Governance*, Vol. 12/2, 2012, pp.243-256.

The Management Accountant & Customer Profitability by Michael Fraser. *The Journal (NZICA)* May 2012, pp.36-39.

Project Management Team Handling Challenges to Multinational Corporation by Javed Masood. *The Management Accountant*, May 2012, pp.573-575.

8 TAXATION & FINANCE

Finance Bill - 2012: Proposals Requiring Review by s. Rajaratnam. *Hindustan Chamber Review*, May 2012, pp.4-5.

Union Budget 2012-13: An Assessment. *RBI Bulletin*, May 2012, pp.1071-1093.

Full Texts of the above articles are available with the Central Council Library, ICAI, which can be referred on all working days. For further inquiries please contact on 011-23370154 or by e-mail at library@icai.org

Certificate Course on Valuation

The Chartered Accountants by virtue of their training and skill sets have a vital role to play in the field of valuation worldwide. The ICAI with a vision of delivering education through innovation is focused on grooming its professionals through its meticulous world class and inter disciplinary training in all areas of Valuation. With this view Corporate Laws and Corporate Governance Committee had recently started Valuation course in various cities of the Country.

The total duration of the course is spread over 7 full day classes to be held on weekends between 10 am to 5 pm. The Course Fees is **₹25,000, for four major metros and ₹20000 for Medium metros and ₹15000 for small metros** may be paid on the spot (at the venue) itself on the first day of the commencement of the course by cheque payable at par in the name of The Secretary, The Institute of Chartered Accountants of India. Interested members may mail us at valuation@icai.org by indicating **choice of Location**.

Broad thematic Course contents (only illustrative)

Valuation overview and general principles of Valuation, Fair Value measurement, challenges for accountants, Impairment Measurement
Selection of Valuation Techniques, Use of forecasting techniques
Valuation in Merger and acquisition with case studies, Income Tax – Impact & Implication on Valuation, Case Study along with Practical issues on Valuation
Valuation of Complex Securities Intangible Assets - General considerations in Valuation with case study
Valuation of ESOP and options with case studies
Effective use of excel spread sheet,Drafting of valuation report/ Valuation as a profession-competence, quality and ethics
Valuation of Intellectual property and Human resources with case study/ Valuation of closely held and stressed businesses

Corporate Laws and Corporate Governance Committee
4th, Floor, Administrative Block
The Institute of Chartered Accountants of India
ICAI Bhawan, Plot A-29, Sector 62, Noida
Mail us at: valuation@icai.org

Status of Intervening Holidays during CA Examination

The Council of the Institute recently considered the issue regarding status of intervening holidays during CA Examinations and decided that the break in between examination days, though not holidays, be treated as period actually served under articles.

The Council further decided that if an articled assistant appears for one group, all intervening break for any reason, from the day of commencement of CA examination till the day of last examination of the concerned group and similarly, if an articled assistant appears for both groups then all intervening break for any reason from the day of commencement of CA Examination and completion of both groups of the examination be treated as part of the training and the articled assistants be deemed to be on duty accordingly.

Accordingly, all intervening holidays or break due to any reason, falling in between the day of commencement of CA Examination till its completion as above explained will be treated as part of the training i.e the articled assistants be deemed to be on duty.

Secretary
June 13, 2012

Campus Placement Programme for Newly Qualified Chartered Accountants – August-September, 2012

The Committee for Members in Industry of the Institute organises Campus Placement Programme for newly qualified Chartered Accountants at various centres all over India. The scheme has been evolved to provide an opportunity both to employing organisations as well as the young professional aspirants to meet and explore the possibility of taking up positions in Industry.

Invitation to Organisations/CA Firms

Campus Placement Programme will be organised at various centres viz. Ahmedabad, Bangalore, Baroda, Bhubaneswar, Chandigarh, Chennai, Coimbatore, Ernakulam, Hyderabad, Indore, Jaipur, Kanpur, Kolkata, Mumbai, Nagpur, New Delhi, Pune & Vapi. The schedule of programme is given below.

No.	Centre	Dates
1.	Bangalore, Chennai Hyderabad and Kolkata	13th,14th,16th,17th August, 2012
2.	Ahmedabad, Jaipur and Pune	16th,17th,18th August, 2012
3.	Mumbai, New Delhi	22nd, 23rd, 24th, 25th and 27th August, 2012
4.	Baroda, Bhubaneswar, Chandigarh, Coimbatore, Ernakulam, Indore, Kanpur, Nagpur and Vapi	4th-5th September, 2012

The programme would be organised in the months of August-September, 2012 for the candidates who would be passing in the CA Final examination held in May 2012 and also for others who are eligible.

Organisations intending to recruit Newly Qualified Chartered Accountants through the scheme given below are requested to get in touch with Dr. Surinder Pal, Secretary, Committee for Members in Industry, Indraprastha Marg, New Delhi - 110002, Tel. No. (011) 30110430/549 Email: spal@icai.org (or) Mr. Ajeet Nath Tiwari, Placement Coordinator at Tel +91(11) 30110450 Email: ajeet@icai.in (or) Ms. Priyanka Sharma, Tel. No. (011) 30110548 Email: priyanka.sharma@icai.in log on to www.cmii.icai.org or http://www.icai.org .

CA. Rajkumar S. Adukia
Chairman, CMII
Committee for Members in Industry

Classifieds

Billing & Accounting Software

Software on Accounting and Billing on Cash Basis for Chartered Accountants

An Initiative of Committee for Capacity Building of CA Firms and Small & Medium Practitioners (CCBCAF & SMP), ICAI

Salient Features

Billing & Accounting software for accounting requirements of Chartered Accountants. This is a complete package to manage the accounting and billing requirements of a CA Firm on Cash System of Accounting. This package provides you the facility to generate bills, receipts, vouchers and clients outstanding, some of the salient features are as follows:

Master Data

- Maintains Accounts of Multiple Firms
- Client Master

Accounting and Billing

- Accounting on Cash Basis i.e. client's ledger will not be part of account books
- Generates Bill with Different Series according to requirements
- Automatic Calculation of Service Tax on billing and receiving
- Multiple Services can be inserted in one bill
- Provision of TDS when receiving payment
- Automatic entry in Professional Receipts account, Service Tax Payable A/c and TDS A/c when feeding and receipt from client
- Provision to write off any outstanding balance in client's account
- Customization of Bill Format
- Bill wise receipt can be maintained
- Different series for each type of voucher can be maintained Billing Reports
- Client's Outstanding (Bill wise / Consolidated)
- Client's Ledger
- Receipt Register (Bill Wise / Service Wise / Monthly)
- Bill List (Full / Pending)
- Service Tax Collection Report
- TDS Register
- TDS Certificate List (Received / Pending)
- Reminder Letter to clients (Pending Bill / Pending TDS Certificates)
- Service Tax Report
- Facility to generate the Cleint Ledger for period more than 1 year Accounting Reports
- Listings (Cash / Bank Receipt / Payment / Journal)
- Voucher Printing
- Receipts (Cash / Bank)
- Cash Book
- Ledger
- Journal
- Trial Balance
- Balance Sheet
- Profit & Loss Account
- Daily Cash / Bank Report

About the Arrangement

I. The MDA Softwares Ltd (hereinafter referred to as vendor) will provide initial license for Billing & Accounting software free of cost for 2 financial years i.e. upto 31st March, 2013

ii. The license renewal charges will be Rs. 1000/- after 31st March, 2013. Statutory taxes on License Renewal shall be extra as applicable.

iii. The Vendor will provide support which would be free up to 31st March, 2013 and include all upgrades up to Assessment Year 2013-14. Thereafter, support would be provided on payment of renewal charges.

iv. The Vendor will provide free of cost patches up to two years and till renewed.

Installation Support

The vendor will provide a web form to enable CA firms and members to request for support for Online Installation on "First Come, First Serve" basis.

Downloading the Software:

The Software may be downloaded free of cost from the website of Committee for Capacity Building of CA Firms and Small & Medium Practitioners, www.icai.org.in on request by members.

Support on use of Software:

The vendor will provide the technical support to the users and renewed customers via Phone, email and remote PC access from the date of registering the license.

E-mail : support@mdasoft.in, **Phone:** 09621813973, 09621813874

Committee for Capacity Building of
CA Firms and Small Medium Practitioners
The Institute of Chartered Accountants of India
(Set up by an Act of Parliament)
New Delhi

Payroll Software
Software on Payroll Management

An Initiative of Committee for Capacity Building of CA Firms and Small & Medium Practitioners (CCBCAF & SMP), ICAI

Features of Payroll Software

- **Recruitment Management –** Store and search resumes to Schedule interview. The complete recruitment management process is automated.
- **Time & attendance –** Attendance, integration with time & attendance devices, leave allotment, encashment, applying & approval system.
- **Payroll Management –** Recording attendance, processing salary, arrears, gratuity, loan, medical reimbursements etc.
- **Indian Labor Law Management –** PF, ESI, PT, TDS and all Indian Labor Acts forms
- **HR Communication Management –** An automated tool to update the each transaction with respect to HR activity to the staff and their higher-ups
- **HR Office Management -** An automated emailing & documentation process related to HR activity
- **Employee Information Portal –** A self login portal to have details about salary, leave etc. it allows employee to apply leave etc.

About the Arrangement

1. The Relyon Softech Ltd. (hereinafter referred to as vendor) will provide initial license for Payroll software free of cost for 2 years i.e. up to 31st December, 2013
2. The license renewal charges will be Rs. 1300/- after 31st December, 2013. Statutory taxes on License Renewal shall be extra as applicable.
3. The Vendor will provide support which would be free up to 31st December, 2013 and thereafter, support would be provided on payment of renewal charges.
4. The Vendor will provide free of cost patches up to two years and till renewed.

Installation Support

The vendor will provide a web form to enable CA firms and members to request for support for Online Installation on "First Come, First Serve" basis.

Downloading the Software:

The Software may be downloaded free of cost from the website of Committee for Capacity Building of CA Firms and Small & Medium Practitioners, www.icai.org.in on request by members.

Support on use of Software:

The vendor will provide the technical support to the users and renewed customers via Phone, email and remote PC access from the date of registering the license.

E-mail: info@reylonsoft.com; **Phone:** 1860-425-5570

Certificate Course on

Master in Business Finance

4th Batch at Delhi, Mumbai, Bangalore & Kolkata from July 2012

About the Course

The Committee on Management Accounting (CMA) of ICAI will conduct 4th Batch of Master in Business Finance Certificate Course (MBFCC). Course coverage is extensively wide across various topics of advanced financial management like Capital Market, Investment Banking, Fund Raising & Fund Management, Corporate Valuation, Merger & Acquisitions, Banking, Forex Market, Treasury Management, Risk Management etc. with an aim to provide knowledge and skill required for tomorrow's CFO and high end consultancy in finance.

Highlights

- Comprehensive Finance Curriculum
- Skill augmenting to match India Inc Growth
- Unique mix of faculty
- Focus on Indian Market
- Innovative practical and managerial applications

Eligibility

Only the Members of ICAI and the Students of the Institute who have passed the CA Final Examination are eligible to pursue this Course.

Course Contents*

LEVEL I

Paper I - Financial Planning, Analysis & Management

Paper II - Fund Raising, Structuring & Portfolio Management

LEVEL II

Paper III - Financial Markets and Capital MarketS

Paper IV - Forex, Treasury and International Finance

LEVEL III

Paper V - Valuations, Acquisitions and Risk Analysis

Paper IV - Banking and Trade Finance

Course Duration

This is approximately One year course. Classes will be held on 2nd and 4th Saturdays (2 pm to 8 pm) and Sundays (9 am to 2 pm). Further, there will be two residential programmes at Centre of Excellence, Hyderabad.

Two Weeks Full Time Residential Programme at Centre of Excellence, Hyderabad

The Residential Programme aims at bringing eminent national and international faculty members to guide the students in undertaking practical and innovative project work. The fees for Two Residential Programmes at Centre of Excellence at Hyderabad is Rs. 20,000 (Rs. Twenty thousands only) which includes cost of stay, food etc.

Faculty

The Faculty members for the course are from IIM's, XLRI, NIBM, MDI, Premier Universities , Public & Private Sector Banks/ Financial Institutions, Mutual Funds, ICRA, SIDBI, PE Funds, Senior Chartered Accountants from Industry/ Profession and reputed academicians.

Course Registration

The course registration is on receipt of duly filled in and signed Course Registration form with registration fee of Rs. 30,000 (Rs. Thirty Thousands only) vide DD/ Pay Order in favor of "The Secretary, ICAI" payable at Delhi. Course fee can also be paid online through ICAI Payment Portal.

Registration Form Submission

The Registration form with course fee online payment details has to be sent at the following address:

The Secretary,
Committee on Management Accounting (CMA)
ICAI Bhawan, Administrative Block, 3rd Floor,
A-29, Sector - 62
Noida (U.P) - 201 309
Ph: 0120-3045905 / 945 and 9350799912
E-mail: cma@icai.org

Important Links

Course Contents - http://220.227.161.86/26981MBFCC-coursecontents.pdf
Online Payment - http://www.icai.org/ccm.html?progid=107
Registration Form - http://220.227.161.86/24921mbf_batch3_registration_form.xls

CA. Vinod Jain
Chairman, Committee on Management Accounts
M: 09811040004
E-mail: vinodjain@gmail.com

Committee on Management Accounting
The Institute of Chartered Accountants of India

* Course contents are under revision

The Institute of Chartered Accountants of India

Set up by an Act of Parliament

ICAI, New Delhi

Joint Education Programmes with Various Indian Universities

The Institute of Chartered Accountants of India has entered into Memorandum of Understanding (MoU) with the following Indian Universities to provide an opportunity to all those students who have registered for the Chartered Accountancy course and Members of the Institute to pursue Graduate Degree / Post Graduate Degree viz.B.Com, M.Com, BBA and MBA wherein they would be given exemptions from certain papers.

ignou
THE PEOPLE'S
UNIVERSITY

IGNOU, New Delhi
Course: BCom (A&F), MCom (F&T)

Netaji Subhas Open University, Kolkata
Course: BCom

Bharathiar University, Coimbatore
Course: BCom, BBA, MCom, MBA

University of Madras, Chennai
Course: BCom, BBA, MCom, MBA

- For further details and to download the Application form visit the Official Website of the Respective University or follow the “students” icon on the Homepage of ICAI website www.icai.org
- Duly filled in application form along with the enclosures can be sent to the respective University.

Board of Studies
The Institute of Chartered Accountants of India
ICAI Bhawan, Post Box No.36,
A-29, Sector-62, Noida - 201 309
Phone 0120-3045930 / 31
E-mail: bosnoida@icai.org, moubos@icai.org

Study Tour on International Taxation to Amsterdam, Netherlands: [20th to 24th August, 2012 (5 days & 4 nights)]

With a view to acclimatize the members of the Institute about the best practices in the area of International Taxation and to provide an opportunity to participate and interact with the renowned experts of The International Tax Academy (ITA) of "The International Bureau of Fiscal Documentation (IBFD), Netherlands, the Committee on International Taxation of the Institute of the Chartered Accountants of India is now pleased to announce a Study Tour on International Taxation to Amsterdam, Netherlands from 20th August to 24th August, 2012 for the members on self financing basis.

IBFD is a unique centre of expertise offering high-quality information and education on international tax and is the world's foremost authority on cross-border taxation. Tax practitioners from all over the world rely on its high-quality, independent tax research.

ITA was established by IBFD in 1989 and is recognized worldwide as a reputable learning centre in the field of International Taxation.

ITA of IBFD, Netherlands will provide Certificate of Participation to all the participating members of the course as per their norms.

Most current topics are selected for the short duration course of this study tour to ensure maximization of benefits and to empower members of the profession to render high quality professional services in the field of International Taxation. It will be a great opportunity to update your knowledge on the latest development on the subject. A tailor-made course for the ICAI members group which would cover "Treaty Aspects of International Taxation" is offered.

The cost of the above study tour has been tentatively fixed at ₹ 160000/- per person Ex-New Delhi inclusive of Course session fees, Course Material, economy class airfare, relevant visa fee, hotel accommodation on twin-sharing basis, meals, applicable taxes and transport arrangements for meetings, sight seeing etc.

After the completion of the learning course sessions in Amsterdam, if any member interested to go to Belgium, France, London or other European Countries then they are allowed to have extension on self financing basis. However, the same will be subject to the discretion of the tour manager. The details of the same are available with the tour manager.

Since, the delegation size would be restricted to 30 members; registration for the study tour would be done on first-cum-first-serve basis.

For registration, the interested members may kindly send the registration form along with Valid Passport, duly filled Visa application Forms which appear at web site: www.icai.org relevant enclosures and payment of full amount, as aforesaid, by Demand Draft only drawn in favour of "The Secretary, The Institute of Chartered Accountants of India" payable at New Delhi so as to reach us latest by 15th July, 2012 at below mentioned address:

Study Tour Coordinator

Ashish Bhansali,
Secretary,
Committee on International Taxation,
The Institute of Chartered Accountants of India,
ICAI Bhawan,
Administrative Office Block,
4th Floor, A-29,
Sector-62, Noida (U.P.) - 201309, India,
Telephone Direct - +91 120 3045923
Mobile No. 09310532063
E-mail: citax@icai.org

For the Attention of the Members: Exposure Draft of Standard on Auditing (SA) 610 (Revised), "Using the Work of Internal Auditors" for Comments

The Auditing and Assurance Standards Board of the ICAI has issued the exposure draft of the Standard on Auditing (SA) 610 (Revised), "Using the Work of Internal Auditors" for comments. The complete text of the exposure draft is available on the website of ICAI at the link: http://220.227.161.86/26997edaasbSA610.pdf

The comments on this Exposure Draft can be sent latest by **August 16, 2012**. The comments can be sent to:
Secretary, Auditing and Assurance Standards Board
The Institute of Chartered Accountants of India
ICAI Bhawan, A-29, Sector-62,
NOIDA, Uttar Pradesh – 201 309
Comments can also be e-mailed at: aasb@icai.org

Forthcoming Events[1]

Sl. No.	Title of the Seminar/ Conference	Date	Place	CPE Hours	Topics (in brief without details of technical sessions, timings and speakers)	Contact Person
1.	Certificate Course on Arbitration	3rd, 4th, 5th, 10th, 11th & 12th August 2012	Baroda Branch of Western India Regional Council, ICAI Bhawan, Kalali-Tandalja Road, Atladra, Vadodara-390 012 Ph: 91(0265) 268115/2680593, Email: baroda@icai.org	20	Module I – Introduction to Alternative Dispute Resolution Module II – Allied Laws Module III – Arbitration in India Module IV – Arbitration Procedure Module V - Arbitration Award Module VI - Skills, Ethics and Economics in Arbitration Module VII - Arbitration in Other Countries and Emerging Trends	**Programme Chairman** CA. Jayant P. Gokhale Chairman, Committee on Economic, Commercial Laws &WTO, ICAI Mob: 9004693027 E-mail: jayant@icai.org **Programme Director** CA. Mahesh P. Sarda Vice-Chairman Committee on Economic, Commercial Laws & WTO Mob: 9833622770 E-mail: msarda@deloitte.com **Programme Co-ordinator** CA. Pradeep K. Agrawal Chairman, Baroda Branch of WIRC of ICAI Mob: 9327243479 E-mail:pradeepagrawalca@gmail.com **Secretariat**, Committee on Economic, Commercial Laws & WTO, Phone: 011-30110499/443, Mob: 09312085029 E-mail: cecl@icai.in, ctlwto@icai.org
2.	Residential Refresher Course	10th, 11th & 12th August, 2012	Sher-i-Kashmir International Conference Centre, Bank of Dal River, Chashma Shahi, Srinagar, Kashmir	12	• Office Management • IFRS • Service Tax • Income Tax • Revised Schedule VI • Professional opportunities	**Programme Chairman** CA. Pankaj Tyagee Chairman, Committee for Capacity Building of CA Firms and Small & Medium Practitioners, ICAI E-mail: pankajtyagee@gmail.com Mob: 09313976289 **Program Convenor** CA. Altaf Hussain Mir E-mail: miraltafca@yahoo.co.in Mob: 09906880000
3.	Workshop on Capacity Building Measures of the Practitioners & CA Firms	14th July, 2012	ICAI Bhawan, Gorakhpur	6	• Income Tax • Service Tax • Capacity Building through IT Tools	**Programme Chairman** CA. Pankaj Tyagee Chairman, Committee for Capacity Building of CA Firms and Small & Medium Practitioners, ICAI E-mail: pankajtyagee@gmail.com Mob: 09313976289

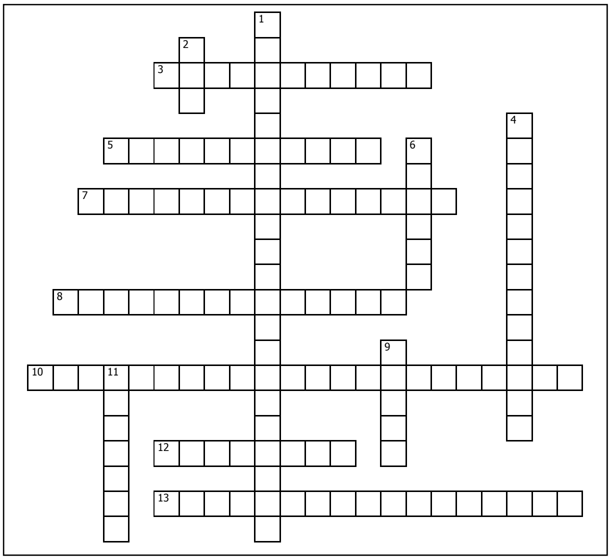
[1] For more details about the forthcoming events please refer the detailed announcements hosted on the ICAI website www.icai.org

Sl. No.	Title of the Seminar/ Conference	Date	Place	CPE Hours	Topics (in brief without details of technical sessions, timings and speakers)	Contact Person
						Program Co-ordinator CA. Arvind Prasad Chairman Gorakhpur Branch of CIRC of ICAI Mob: 09415314237 E-mail: arvindprasadandco@rediffmail.com
4.	Workshop on Capacity Building Measures through IT Tools	14th July, 2012	ICAI Bhawan, Noida	3	• ICAI-XBRL • Billing & Accounting software	**Programme Chairman** CA. Pankaj Tyagee Chairman, Committee for Capacity Building of CA Firms and Small & Medium Practitioners, ICAI Email: pankajtyagee@gmail.com Mob: 09313976289 **Program Co-ordinator** CA Manoj Kumar Arora Chairman Noida Branch of CIRC of ICAI Mob: 9810636750 E-mail: associatemk@yahoo.com
5.	Workshop on Capacity Building Measures of the Practitioners & CA Firms	21st July, 2012	ICAI Bhawan, Ahmednagar	6	• E-filing: issues relating to assessment • Issues on Service Tax • Capacity Building through IT Tools	**Program Chairman** CA. Pankaj Tyagee Chairman, Committee for Capacity Building of CA Firms and Small & Medium Practitioners, ICAI Email: pankajtyagee@gmail.com Mob: 09313976289 **Program Co-ordinator** CA. Vijay V. Marda Ahmednagar Branch of WIRC of ICAI E-mail: vijaymarda@rediffmail.com Phone:07875435111
6.	Workshop on Capacity Building Measures of the Practitioners & CA Firms	28th July, 2012	ICAI Bhawan, Bilaspur(C.G.)	6	• Emerging Issues on Income Tax • Emerging Issues on Service Tax • Capacity Building through IT Tools	**Program Chairman** CA. Pankaj Tyagee Chairman, Committee for Capacity Building of CA Firms and Small & Medium Practitioners, ICAI E-mail: pankajtyagee@gmail.com Mob: 09313976289 **Program Co-ordinator** CA Govind Madhaw Gupta Chairman Bilaspur Branch of CIRC of ICAI E-mail: gmgupta.ca@gmail.com Mob: 09827156680

Sl. No.	Title of the Seminar/ Conference	Date	Place	CPE Hours	Topics (in brief without details of technical sessions, timings and speakers)	Contact Person
7.	Workshop on Capacity Building Measures of the Practitioners & CA Firms	21st July, 2012	ICAI BHAWAN, Bhilai	6	• Emerging Issues on Service Tax • Emerging Issues on Income Tax • Capacity Building through IT Tools	**Program Chairman** CA. Pankaj Tyagee Chairman, Committee for Capacity Building of CA Firms and Small & Medium Practitioners, ICAI E-mail: pankajtyagee@gmail.com Mob: 09313976289 **Program Co-ordinator** CA Bastimal Surana Chairman Bhilai Branch of CIRC of ICAI E-mail: bmsurana2006@yahoo.co.in Mob: 09827102430
8.	Workshop on Capacity Building Measures of the Practitioners & CA Firms	21st July, 2012	ICAI BHAWAN, Allahabad	6	• Internal Audit & Audit under EDP Environment • Arbitration: New opportunities for CAs • Capacity Building through IT Tools	**Program Chairman** CA. Pankaj Tyagee Chairman, Committee for Capacity Building of CA Firms and Small & Medium Practitioners, ICAI E-mail: pankajtyagee@gmail.com Mob: 09313976289 **Program Co-ordinator** CA. SHIV KUMAR Chairman Allahabad Branch of CIRC of ICAI E-mail: skjaiswal3@rediffmail.com Mob: 09415214588
9.	Workshop on Capacity Building Measures through IT Tools	14th July, 2012	ICAI Bhawan Akola	3	• ICAI-Tax Suite • ICAI-XBRL	**Program Chairman** CA. Pankaj Tyagee Chairman, Committee for Capacity Building of CA Firms and Small & Medium Practitioners, ICAI E-mail: pankajtyagee@gmail.com Mob: 09313976289 **Program Co-ordinator** CA. Rajendra Gupta Chairman Akola Branch of WIRC of ICAI E-mail: rmgupta@gmail.com Mob: 09422741863
10.	National Workshop on Investment Banking	20th and 21st July 2012	The Orchid (Hotel), Mumbai	12	• Overview of Investment Banking, Origin, USA, UK etc • Professional Opportunities • Mergers&Acquisitions,Considerations in cross border transactions • Private Equity & Proposed alternative investment regulations • IPO/Private Placement • Valuation • Project Funding/loan Syndication • Analysis of recent blockbluster Investment Banking Transactions • Takeover /Sweat Equity etc.	**Program Chairman** CA. Rajkumar S. Adukia Chairman Committee for Members in Industry, ICAI Mob: 9820061049/09323061049 E-mail: rajkumarfca@gmail.com **Programme Co-ordinator** Dr. Surinder Pal, Secretary Committee for Members in Industry Mob: 09312089136 Phone: 011-30110549 E-mail: ruchi_gupta@icai.in

Sl. No.	Title of the Seminar/ Conference	Date	Place	CPE Hours	Topics (in brief without details of technical sessions, timings and speakers)	Contact Person
11.	ICAI-Industry HR Meet	20th July, 2012	The Orchid (Hotel), Mumbai		• Ways and means of association of ICAI with the Human Resources development endeavors of your organization • Employee Engagement - Creating an Engaged Workforce	**Program Chairman** CA. Rajkumar S. Adukia Chairman Committee for Members in Industry, ICAI Mob: 09820061049/09323061049 E-mail: rajkumarfca@gmail.com **Programme Co-ordinator** Dr. Surinder Pal, Secretary Committee for Members in Industry Mob: 09312089136 Phone: 011-30110491 E-mail: swarn.sood@icai.in
12.	CFO Meet	27th July, 2012	Mumbai	-	• General Anti-Avoidance Rules (GAAR)/ Companies Bill 2011 • Open Session on understanding the expectations of the Members in Industry from the Institute	**Program Chairman** CA. Rajkumar S. Adukia Chairman Committee for Members in Industry, ICAI Mob: 09820061049/09323061049 E-mail: rajkumarfca@gmail.com **Programme Co-ordinator** Dr. Surinder Pal, Secretary Committee for Members in Industry Mob: 09312089136 E-mail:swarn.sood@icai.in
13.	National conference On Agriculture sector	25th August, 2012	The Orchid (Hotel), Mumbai	6	• Overview of Agriculture Sector – Current and Future Scenario • Finance for Agriculture Sector • Accounting for Agriculture Sector • Growth Strategy for Agriculture Sector	**Program Chairman** CA. Rajkumar S. Adukia Chairman Committee for Members in Industry, ICAI Mob: 09820061049/09323061049 E-mail: rajkumarfca@gmail.com **Programme Co-ordinator** Dr. Surinder Pal, Secretary Committee for Members in Industry Mob: 09312089136 Phone: 011 -30110555 E-mail: cmii_events@icai.in
14.	National Conference on Taxation **Organized by:** Direct Taxes Committee **Hosted by :** Surat Branch of WIRC of ICAI	14th and 15th July	*"The Grand Bhagwati", Magdalla Circle, Dumas Road, Surat*	12	• Recent Judicial Pronouncement with special reference to plethora of retrospective amendments in Budget 2012 & Revised Schedule – VI • Recent Amendments in International Taxation & Transfer Pricing with emphasis on specific domestic transactions • Allied Laws (Transfer of Properties Act .etc) vis. a vis. Direct Tax • Survey, Search & Seizure and Surrender of Income • Recent Changes in Section 68 & 69 of the IT Act, 1961 with special reference to Sec. 115BBE • Sales vs. Services - Overlap of VAT & Service Tax with special emphasis to Negative List based Taxation of Services • Penalty proceedings under Income Tax Act with special emphasis to Sec 271(1)(C)	**Surat Branch of WIRC of ICAI,** **Moblie: 09099050888** **Phone: 0261 2472932 ; 0261 2464413** **E-mail: surat@icai.org,** **website: www.icai-surat.org**

CROSS WORD 073



DOWN

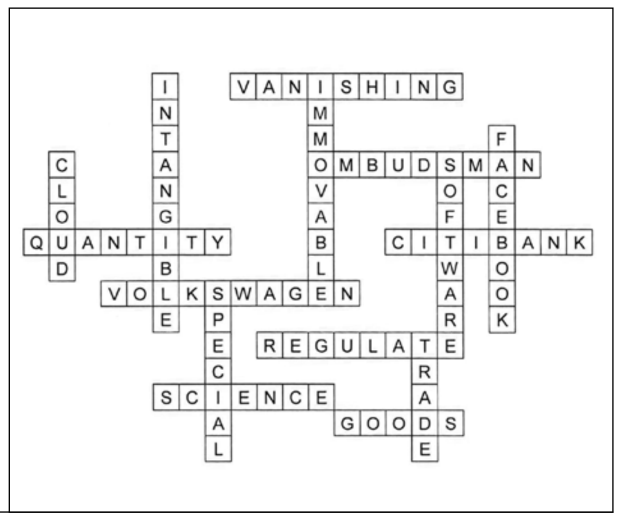
1. The exchange rate between two or more currencies is determined on the basis of _________theory.
2. As per letter from University Grants Commission (UGC) the threshold limit of 55% marks in post graduate examination is not applicable in case of the Chartered Accountants for enrollment to _________Programme.
4. First lady to have got elected to the Council of The Institute of Chartered Accountants of India (ICAI) was Ms. ______________.
6. With effect from the July, 1975 issue, the Journal was made a _____________publication for all including the members.
9. A. E. Cama was the first Indian to Become Member of__________.
11. The first meeting of the first _________of the Institute was inaugurated by the Minister for Commerce of the Government of India, K. C. Neogy on August 15, 1949, in New Delhi.

NOTE: Members can claim one hour – CPE Credit – Unstructured Learning for attempting this crossword by filling the details in the self-declaration form to be submitted to your regional office annually to avail CPE hours credit for Unstructured Learning activities under the activity 'Providing Solutions to Questionnaires/puzzles available on Web/Professional Journals'. There is no need to individually send this crossword in hard copy or email.

ACROSS

3. ________________ , the accountant from Mythology is believed to keep meticulous, complete and accurate records of the actions of all life forms from birth to death.
5. First lady to have topped CA Final Examination was Ms.___________.
7. ___________ , a book being written by Union Minister of Corporate Affairs Dr. Moodbidri Veerappa Moily focuses on human resources and how our country can be the super power after 25 to 30 years, taking advantage of the demographic dividend.
8. The ICAI Logo was conceptualised by great Nationalist Philosopher Shri_____________.
10. The Council published the first issue of its journal, ________________, in July 1952.
12. Union Finance Minister Shri C. D. Deshmukh happened to be the first Indian ___________ of the RBI.
13. Fiscal Laws Committee' of ICAI was earlier known as '_______________' which set up in the year 1962.

SOLUTION CROSSWORD 072



The bad news and the worse news:

A doctor says to his patient, I have bad news and worse news for you.
Oh dear, what's the bad news? asks the patient.
The doctor replies, You only have 24 hours to live.
That's terrible, said the patient. How can the news possibly be worse?
The doctor replies, I've been trying to contact you since yesterday.