Globalisation of Indian CAs need of the hour: ICAI

BANGALORE: Rapidly growing Indian economy and the strides taken by Indian firms to go global have thrown up the need for "globalisation of Indian accountants" to tap into growing opportunities, the president of the Indian Chartered Accountants of India (ICAI) said on Saturday.

"India is growing at a rapid pace, a lot of FDI is flowing into the country, Indian companies are setting offices abroad, acquiring firms and merging it to grow bigger and global.

In the light of these developments, it is important that Indian accountants also globalise, ICAI president G Ramaswamy said on sidelines of the Branch Audit meet organised by the Bangalore chapter of the Southern India Regional Council (SIRC) of the ICAI.
In order to achieve this, ICAI has tied up with many accounting institutes and it recently signed an MoU with the Canadian Institute for Chartered Accountants, he said. "We are also working with the New Zealand Institute of Chartered Accountants," Ramaswamy said.

Talking about the growing opportunities for CAs, he said, "The IFRS (International Financial Reporting Standards) is expected to throw ample opportunities for CAs in India."

The Institute has already trained around 2,607 members through a 100 hour intensive training programme that prepares CAs for adoption of the IFRS to meet the future requirement, he said.

Explaining the attractive remuneration on offer, he said the average entry level salary of Rs 9 lakh per annum is expected to scale up to Rs 20 lakh in the next five years. "Last year during a campus recruitement programme organised by the Institute, three candidates barely in their early twenties were offered Rs 21 lakh per annum for an international posting. For domestic posting, the best offer received was Rs 15 lakh per annum," he said.

The ICAI has also set up an IFRS Implementation committee, which envisages involvement of a number of CAs in the implementation of IFRS across the countries, he said. "CAs are in huge demand, not only in the financial sector but also in BPOs, KPOs and software firms," Ramaswamy said.

Going forward with the implementation of the IFRS, a huge amount of outsourcing work is expected to come to India.
The ICAI has already entered into an agreement with the IFRS council of Japan for ousourcing of accounting work, he said, adding one of India's software majors is estimated to have hired 800 CAs in its BPO and around 2,000 overall.

Talking about various initiatives of ICAI, he said it had written to the Central Government to empower it to act against erring firms after suitably amending the relevant Act, to avert big coporate frauds like the Satyam scam.

If empowered, the ICAI proposes action against firms in those cases in which there are continuous and repetitive acts of negligience, jeopardizing public interest or there is proven collusion in perpetration of a fraud, he said.

The ICAI, which is a statutory body established under the Chartered Accountants Act for regulation of the profession of CAs in India, is also contemplating measures for initiating changes in the disciplinary mechanism, including taking up public intererest cases on priority, he said.

In the current year, with a view to conclude ICAI disciplinary proceedings in the Satyam matter at its earliest (subject to parties approaching courts) a disciplinary committee has been set up exclusively for the same which would endeavour to complete the hearings and put it on a fast track mode against erring individual auditors, he said