

From the President



CA. K. Raghu, President, ICAI

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Dear Professionals,

As the saying goes, *coming together is a beginning; keeping together is progress; working together is success.* And that is exactly the spirit which sways me as I humbly take over the baton of Indian accountancy leadership with folded hands and address you for the first time as 64th President of the illustrious Institute of Chartered Accountants of India.

On a personal note, I wish to share with you that I have risen to this position from a simple down-to-earth beginning which had its own share of struggles. I owe whatever I am today to the hard training & learning experience which I got from my seniors and the love and support I got from fellow professionals. Many of you might not be aware that accountancy profession has been part and parcel of my life from as long ago as I can recollect because I belong to a family of Chartered Accountants with my father Shri K.R. Kumar having been the Chairman of SIRC in the past. As such, I feel proud, privileged and obliged to have actually lived this great and noble profession from a time much before I actually qualified as a Chartered Accountant in 1990 and gradually came to represent the generation-next professionals over last more than 23 fruitful years.

I Humbly Salute the Profession

For me the accountancy profession has been a very thoughtful and dynamic journey of excellence and enormous opportunities to serve the society. As I take my first step as a generation-next torchbearer in this glorious ongoing journey, I feel highly blessed by the Almighty, my family members and all my other well-wishers, particularly my colleagues in the Council and Regional Councils and branches. It is indeed a great honour to be in league of the distinguished past Presidents, whom I deeply adore for bringing the profession to its present stature. I am particularly grateful to the immediate past president CA. Subodh Agrawal, whose able leadership and guidance gave me new experience, abilities and exposure to take on any critical challenges concerning the profession. I humbly bow to all of them in gratitude.

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Serving as President of the ICAI in these times of ever-increasing expectations and challenges is a daunting endeavour and task. But here I must mention that I am a firm believer in the adage that, *'from those to whom much is given, much is desired'*. And as such, I promise you to not let you down for expecting high from me. I will put all my strength to take forward the rich legacy of my seasoned predecessors. I have inherited ICAI as a heritage of excellence and a cradle of professional panache, and I commit to take it forward to the hitherto uncharted territories of excellence & professional capabilities, and uphold the high trust put in our profession by the founding fathers of our nation.

While I take pride in the confidence that society and government repose in us, I am also fully aware of responsibilities that come along. I conveyed the same feeling to our Minister of Corporate Affairs Shri Sachin Pilot when I met him recently after taking over as President. I felt highly encouraged at the meeting, and I promise to provide all-out support to the 'reform agenda' of the Ministry. I also look forward to continue getting the ministry's guidance as a friend, philosopher and guide to the accountancy profession in India. Further, enthused and honoured by the words of praise for our profession by Union Ministers for 'Communications, IT and Law & Justice' and 'Minority Affairs' Shri Kapil Sibal and CA. K. Rahman Khan respectively at the recent annual function of the Institute, I commit on behalf of the CA fraternity to play our role as 'trustee of stakeholders' interest' and to continue to render quality services to the society keeping the larger social and national interests in mind.

Our New Vice President

I heartily congratulate my dear colleague CA. Manoj Fadnis on his election as the Vice President of the ICAI and am confident that his rich experience, professional acumen and abilities will greatly benefit the members at large, and also help me in shouldering my responsibilities. I know him as a dedicated hard worker bestowed with exceptional technical and leadership skills, and a futuristic vision which is the need of the hour for all of us.

Together We Can...

When I look back at how our profession has evolved and how it has undergone a paradigm shift, it fills me with pride and satisfaction. I think this process needs to be given more and more momentum. Our profession is still effectively evolving in different dimensions driven by all-encompassing aspirations of our younger lot which need to be assiduously augmented. We have, no doubt, come a long way, but much of the distance is yet to be covered before we reach our destination across newer horizons. For that we have to walk together.

I believe that decisions don't happen in a vaccume and the best ones rarely come from deep pondering in isolation. They happen when we learn from and draw on experiences of others. In that respect, I invite you all to be part of our decision-making and delivery processes. Let's work to instill in ourselves the culture of continuous improvement. If we see a way to do something better, let's take initiative to point it out and share it with our entire professional community. The collective pursuit of continuous improvement is very powerful not only because it leads to performance gains but also because of its value in unifying a professional community as remotely spread and diverse as ours. This will further strengthen the sense of 'US'. But in this endeavour there has to be a definite positive pattern with a deep understanding of how small improvements add up to make a difference over the time. Yes, together WE CAN.

Action Plan 2014-15: Moving Towards New Frontiers...

To me, the ICAI does not exist merely as a regulator but it exists as a facilitator to help you better yourselves and make you conquer new frontiers. Keeping that aspect of the ICAI in mind, I have articulated my 'Action Plan 2014-15: Moving Towards New Frontiers' combining the best interests of our nation, our profession, our members, students and other allied stakeholders. This Action Plan symbolises my craving for new frontiers and aims at propelling the profession to the forefront of present day knowledge economy. Sky is indeed the limit, but my idea is to 'Scale the Sky in quest of New Horizons' and fast forward

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our tradition of excellence, integrity, ethics, independence and service to the nation in the spirit of partner in nation building.

The Plan has been visualised as a potent and path-breaking pursuit of new professional paradigms. It looks forward to take the profession way up the professional order of our country — all in terms of value-added skill-sets, knowledge, contextual intelligence and integrated networks. It aims to give edge to our CAs in contemporary professional capabilities and subject matter expertise. It looks ahead to promote our independence, futuristic vision, and an enabling solid infrastructure. And to fast-track these goals, technology as an enabling professional imperative will be my strategic priority, which I aim to harness to its fullest potential. On the regulatory front, I will ensure fast tracking of disciplinary cases and strengthening of peer review mechanism.

In a nut shell, I would like to not only promote but also push up to the hilt the ICAI Mission, that is: *'The Indian Chartered Accountancy Profession will be the valued Trustees of World Class Financial Competencies, Good Governance and Competitiveness.'* Moreover, I also wish to give this grand mission a social-human touch by creating shared value, shared purpose and shared goodwill in the society.

Although the specifics of this Action Plan have been published elsewhere in this journal, let me take you on a conceptual tour of my Action Plan 2014-15:

Leadership and Influence: The first and foremost action point on my agenda is to firm up the ICAI in the position of a ubiquitous 'Leadership and Influence'. I believe Kenneth H. Blanchard when he says that *'the key to successful leadership is influence, not authority.'* I endorse John C. Maxwell when he says that a *'leader is the one who knows the way, goes the way, and shows the way.'* I adore Mahatma Gandhi when he says that *'leadership at one time meant muscles; but today it means getting along with people.'* My vision of ICAI as a leader hinges on these thoughts. As such, I will aim

for ICAI as a leader which shows the way to the members, students, government and the society. To this effect, I will also foster closer coordination with government, other regulatory authorities like Sebi, RBI, IRDA, Ministry of Corporate Affairs & Ministry of Finance, Parliamentarians, media and other leading institutions. I aim to facilitate the nation see the benefits of IFRS convergence and its implementation besides collaborating with global standard setters for proactively positioning ICAI in international standard setting process. I will work tirelessly to upholding disciplined and ethical professional conduct and strengthen Peer Review and Quality Review processes.

Global Recognition: Internationally, I will work to enable Indian accountancy profession and professionals reach new frontiers of global opportunities besides striving to put brand Indian CA on a high pedestal of reputation and recognition. My aim is to firmly plot our professionals on the world map. I will go all out to facilitate global partnerships and Mutual Recognition Agreements, making ICAI as a hub of valued Thought Leadership and bringing about greater integration of Indian accountancy profession with global imperatives. I will particularly work to open six new chapters overseas and generate opportunities for our young CAs to take up careers abroad.

Members in Industry and Practice: My other areas of strategic focus will be our members — whether they are in practice, in industry or in government. These times are brimming with opportunities, which need to be tapped. In this regard, I aim to make CAs matchless professionals through knowledge and practice support, particularly in the backdrop of new horizons taking shape in the form of 'Companies Act 2013', 'Direct Tax Code and Goods and Service Tax', 'Implementation of Ind AS converged with IFRS', and 'Integrated Reporting', etc. Enhancement and empowerment of SMPs is at the core of my all inclusive growth agenda for which I will dedicate all resources at hand to facilitate enabling framework, networks, LLPs and multidisciplinary firms to leverage emerging opportunities. I will

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particularly create a full-fledged placement cell for members in industry and develop SMP kit for our members in practice.

Young Members Empowerment: With more and more of younger generation joining the professional fold, serving their cause will be high on my agenda. Pragmatic and multi-dimensional, our young members are forging uniquely effective career paths across various domains. They need practical pathways to success, which I wish to lay out for them. Special initiatives will be taken to help them set up practice, empower them and give them new wings to fly high across new emerging horizons. Through Generation-Next CAs, I want to shape new ideas that will drive our future. I have planned to introduce mentorship programmes for hand-holding the young CA and facilitate outsourcing opportunities to them in accounting, auditing and management consultancy services, etc.

Women Empowerment: Another high point on my Action Plan is 'Women Empowerment'. I believe that modern woman is the powerhouse of immense untapped energy which needs to be channeled into our systems for the growth of our profession and economy. I plan to tap that enormous potential and energy of our girl students and women Chartered Accountants this year. In this regard, among other initiatives, I have specifically planned a flexi working portal for them besides a panel of women members to act as independent directors in companies.

Branding and Capacity Building: And to compliment the above-mentioned initiatives, I will personally work tirelessly to raise the profile of the ICAI and 'Brand Indian CA' locally as well as globally through a vigorous branding and awareness campaign besides other measures. Among the many capacity building initiatives planned, I would like to particularly lay stress on launching welcome kits to facilitate members to leverage global opportunities besides promoting core strengths and values of our members.

Technology Initiatives: I regard technology as the engine of modern economy and CA's workplace.

As such, I intend to use technology as an enabling force for the profession. I will put technology to optimum use for efficient delivery of services and betterment of the professional capabilities this year. I will personally work to leverage tech-driven innovations to give our profession a winning edge and raise a generation of global professionals. An e-Governance project, ICAI Global Technology Centre, Self Service portal for students and members, digital libraries, new generation ITT labs, embracing social media, etc., are all on the cards.

Research Initiatives: No progress comes without intensive research. As such, my other high priority will be to give impetus to research in areas of contemporary significance in the sphere of accountancy and finance, and tie-up with other leading institutions for the purpose.

Student Initiatives: While we refine our present, we will retune our future – the CA Students, too. This we plan to do through specialised all-encompassing training, courses tailor-made for future requirements, multi-dimensional analytical and soft skills development, etc. The idea is to reset our future priorities and revitalise and realign Indian accountancy education with the emerging imperatives and global best practices. In this regard 'revisiting the curriculum through CRET', and 'Cloud Campus' for CA students to align all technology offerings like e-books, elearning, video lectures, audio lectures, online mentoring, etc., are some of many initiatives planned for them this year.

Governance and Infrastructure: Last but not the least, I believe that no organisation can deliver until and unless there is a robust and responsive 'internal governance' or 'corporate governance' mechanism firmly in place. As such, implementation of good corporate governance and best human resource practices is another highlight of my Action Plan for this year to enable us go the extra mile and deliver dexterously within deadlines to bridge the so perceived expectation gap of our stakeholders.

Meanwhile, special focus would be put on infrastructure development as I believe that it is

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the enabling infrastructure which provides us the foundation for comprehensive growth. In this regard, among many initiatives, I have particularly planned opening of at least 100 reading rooms and e-libraries besides new centres of excellence and branch buildings.

I believe that actions speak louder than words. So let's get to the task because although this action plan is arduous but achievable. Please go through the specifics of my Action Plan and feel free to share your views and help me implement this Plan in letter and spirit, for I believe that the more we collaborate, the more we achieve.

Some of our Recent Achievements...

Now I am happy to share with you some important recent developments and achievements:

Meeting with Prime Minister: We recently met Honourable Prime Minister Dr. Manmohan Singh along with Member of Parliament P.C. Chacko and apprised him of the matters of interest to accountancy profession in India. I am happy to inform you that the meeting was very positive as we submitted Representation to him and discussed key issues and concerns of ICAI on Companies Act, 2013. We also took up the issue of reducing the threshold limit for Bank branch audit with him. The Prime Minister gave us sufficient time to present our point of view and agreed to look into all our concerns. I hope for a positive outcome soon.

Companies Act 2013: We have also submitted our suggestions on Draft Rules (5th & 6th Phase) under the Companies Act, 2013 to Ministry of Corporate Affairs. Besides approaching Prime Minister, we have raised our concerns at various levels of Indian policy, particularly with regard to the provision of NFRA so that related draft rules are at least kept on hold till our concerns are addressed.

ICAI Now Mobile App & ICAI Knowledge Gateway Launched: In line with my Action Plan 2014-15, we recently put in place a major technological milestone with the launch of a revolutionary Mobile App ICAI Now and a Knowledge Portal ICAI Knowledge Gateway. Keeping with the latest trends and technologies,

these revolutionary services will help our members, students and other stake-holders access vital information from wherever, whenever.

Infrastructural Boost: We recently inaugurated Karimnagar, Ongole and Warangal branches of SIRC of ICAI besides opening Trichur branch building of the SIRC.

Tax Audit Limit Increased from 45 to 60: In view of the enhancement of professional competence of members to perform quality services in an IT-enabled environment, we have decided to increase the "specified number of tax audit assignments" for practicing Chartered Accountants, as an individual or as a partner in a firm, from 45 to 60. The said limit will be effective for the audits conducted during the financial year 2014-15 and onwards.

All set for IFASS Meet: The stage is set for the International Forum of Accounting Standard Setters (IFASS) meet which we will be hosting in New Delhi in March. IFASS, earlier known as NSS (National Standard Setters), is a group of accounting standard-setters of various countries across the world.

Meanwhile, most of you would be giving final touches to your plans and strategy for performing the important assignment of Bank Branch Audit. Confident of you performing this nationally important job diligently, I wish you all the best for a timely and effective completion of the audit.

As I conclude my message, I leave you with these beautiful lines of D. Simone, wishing you all the best.

*"May Light always surround you;
Hope kindle and rebound you...
May goodness inspire
your deepest desires..."*

Yours Truly



CA. K. Raghu
President, ICAI

New Delhi, February 22, 2014