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FOREWORD

In life we all have a vision & our missions to fulfill. So when I took over as the Vice President of this prestigious Accounting body of India, I constantly worked out ways as to how ICAI can excel to the number one position in the field of Accountancy. Finally after taking over as the 57th President of this esteemed organization I had drawn a roadmap to attain this objective.

I am happy to inform you that the Institute has accelerated the pace of its progress and has taken a number of path-breaking, futuristic initiatives and holistic measures this year with the twin aim of making Indian CA the best in the world and being an effective partner in nation-building. My efforts were to develop 3Is, i.e. IT, Infrastructure & International Recognitions. All initiatives were approved if they served our members and students better. Better infrastructure has been my prime agenda. We purchased land and buildings to enrich and strengthen our branches. Revolutionary IT initiatives of the Institute, like web cast, e-Samadhan etc. have been taken. For globalizing the CA India, we have mutual recognitions and agreements with various accounting bodies of the world like Institute of Chartered Accountants in Australia (ICAA) etc.

This publication "Impressions 2009-2010" is an endeavor to capture the major achievements and initiatives of the Council taken in the last one year. It also highlights the major initiatives and steps that were taken at the National and International levels to take this profession forward. And for the purpose of appreciating the efforts put in by all for the overall development and progress of the profession in last one year.

Looking over the past year I feel confident in my soul that yes, we have fared well and most of my goals, dreams and plans for the growth of our Institute have borne fruit in more than one way. I take this opportunity to convey my sincere appreciation to my colleagues in the Central Council, Regional Council, Branches, officers & staff of the Institute who have contributed and supported in achieving these goals. I express my sincere gratitude to all my Past Presidents for their encouragement, guidance & support. I feel overwhelmed by the affection showered on me and the confidence reposed by all. I will cherish these memories for the rest of my life.

February 1, 2010

CA. Uttam Prakash Agarwal
President
The Institute of Chartered Accountants of India

ICAII: An Overview

The Institute of Chartered Accountants of India, the sole regulator of accountancy profession in India, is the second largest professional body of Chartered Accountants in the World, with a strong tradition of service to the public interest and to the Indian economy.

One of the epithets applied to the Institute of Chartered Accountants of India is “Partners in Nation Building”. This is an excellent characterisation of the contribution of our profession of accountancy to the world. Regarded as the backbone of Indian financial system, the ICAI is acting as a partner in nation building.

The profession is concerned with adding value to economies, in particular in creating an investment climate of trust. An investment climate of trust is key to raising capital on the national and international markets. Accountability is not mere number prosaic alone. It is a way to achieved accountability as an integrated component of all facets of economic activities; not confining itself to corporate alone but extending its role in areas of diverse as government accounting, producing Input-Output business models in large social sector initiatives to address the critical issue of large scale investments and its percolation to real beneficia in projects involving social sector and hence a small contribution for making a step towards achievement of millennium development goals.

It is a Moment of Truth for the profession to be a fundamental edifice to be overall process of national development. The Indian accounting profession through ICAI plays its just due role and position itself on a wider altar to activities which touch the very core of a sustainable developmental framework.

Relevance of the Accounting profession and the proactive role it is playing in the process of economic development includes:
- institutional reforms shifting focus from inputs to outputs and outcomes,
- accountability at all levels with a clear framework for empowerment, performance measurement and participation of civil society,
- strengthening accounting and financial system in different tiers of the government,
- commercialization of agriculture sector by fostering linkages between farm and non-farm value addition,
- measuring social cost as they relate to the problem of poverty and ecology,
- use of information technology to improve service delivery.

Starting with humble base of 1600 members, the strength of Chartered Accountant fraternity has grown significantly in recent times. The total number of our members has increased from 145,481 as on 1.4.2008 to almost 159,000 till date.

The membership of ICAI is bifurcated into two parts: members in industry and members in practice. The recent trends indicates that the young generation is more poised to move to industry to serve the corporates directly with their technical and professional competencies as compared to practice who deliver services in an indirect form.
The Institute of Chartered Accountants of India

In India, the Chartered Accountancy sector has been dominated by sole proprietorship and small-sized partnership firms. Sole proprietorships form over 70% of the total practicing member population. The proportion has slightly declined from 73.5% in 2000 to 70.8% in 2008.

What is even more remarkable is the overwhelming interest of students in the profession and their enthusiasm to join the CA fraternity. The number of students on an average per year joining CA course during the years 2001 to 2005 was between 35,000 and 40,000. However, in the year 2006, this number rose to 99,113 and in the year 2007 to 161,952 and in the year 2008 to 110,725. The ICAI periodically reviews its scheme of Education and Training to remain in tandem with developments in the field of education and other changes at the national and international levels. Evolving business also demands newer skills from the accounting professionals. Passing three tier of Chartered accountancy course with Common Proficiency Test (CPT), Integrated Professional Competence Course (IPCC) and Final level of the Course along with practical training experience which is the core element of this profession, a student gains professional and technical expertise to deliver these skills for the overall growth of corporate world and thereby contributing to the economic growth of the nation.

The ICAI is a statutory body responsible for regulation and development of profession of Chartered Accountancy. In this process, the Institute not only produces world class Chartered Accountants but also sets the benchmark for high quality of financial reporting for commercial entities.

The profession has lived up to its vision and expectations as one of the most vibrant forces of socio-economic growth, integral to the success of the nation. The ICAI has been in constant dialogue with various ministries in Central Government, and State Governments, providing policy inputs, and strengthen public expenditure management.
The Institute of Chartered Accountants of India

The profession has moved much beyond fulfilling an accountant’s role in the corporate and has been contributing to the Government added various regulators in its committees be it the financial markets, capital markets, the reforms in the government accounting or issues of emerging paradigm and is truly adding value to the process of economic and social development in country.

ICAI while through the Chartered Accountants Act has been mandated to be an umbrella organization performing the role of development as well as regulation, standard setting process of Accounting & Auditing and enforcement, all integrated in one set up. The sheer performance & upholding Public Trust in Accounting Profession has provided a strong foundation to growth of Indian Economy, which has been creditably served by the Chartered Accountancy profession and the CA profession takes pride in providing selfless service to all segments of the society. While the Nation prepares itself for moving to a bigger league, the accountancy profession has its own contribution to this progress march by providing a matured and reliable Financial Reporting and related Governance System as ushered by the ICAI which has kept at bay the financial turmoil as have been witnessed in certain developed economies like US and others which despite creating a series of reforms in their financial sector are still trying to grapple with sub prime crisis and virtual collapse of their Financial Systems.

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. As part of our drive to continue to benchmark ourselves against the best available global practices, we have adopted global standards in great deal while keeping Indian interests in high stead. The future of the profession lies in its ability to change, evolve and adapt to changing environment.

The Institute has made considerable headway in its core purpose as custodian of transparency and integrity in financial reporting and highest accounting and auditing standards.

A central element of the reforms and of the ICAI’s mission is its standard-setting role through ASB/AASB having Govt., regulators and Industrial representatives on its board. ICAI, recognizing the fact that high quality standards provide the foundation for development of a proficient, high quality accountancy profession, set up two more standards-setting Boards – Ethical Standards Board (ESB) and Internal Audit Standards Board (IASB). The Ethical Standards Board took the lead to enhance the vigour and relevance of Code of Ethics by bringing out required modifications, changes and revisions in the existing Code of Ethics. The revised Code of Ethics strives to continue to benchmark ourselves against the best available global practices and explore the tremendous opportunities on the horizon. The all encompassing new Code of Ethics, which is in line with the IFAC Code of Ethics has also been released. This significant initiative goes a long way in boosting the stature and brand of Indian Chartered Accountants and help in his/her transformation into a ‘Global Chartered Accountant’.

Ever since its inception in 1949, the Institute of Chartered Accountants of India, and the accountancy profession it regulates, have all along won the acknowledgement, accolades and admiration of the leaders and other leading lights of the times for their role in nation building.

The ICAI continues to enjoy a commendable standing with various Government and Regulatory authorities, such as, Ministry of Corporate Affairs, Ministry of Finance, Ministry of Commerce and Industry, Reserve Bank of India, Central Board of Direct Taxes, Comptroller and Auditor General of India, Securities and Exchange Board of India, Insurance Regulatory and Development Authority to name a few and is often called upon to share its expertise, experience and expectations on matters of mutual and professional interests. On all such occasions, the ICAI’s viewpoints have not only been appreciated, but were also largely accepted. Examples of Involvement of ICAI in National organizations:

- Drafting of Income Tax Laws
- Drafting of Competition Law
- Drafting of Company Law
- Assisted in Drafting of VAT/GST policy to Govt. of India
- Capital Market – Development and Regulation
- Corporate Governance
- Accounting & Utilization of Governmental resources
- WTO & GATS in relation to enhancing & building capacity in export of services
- Import – Export Policy
- Commercial and Economic Legislations
- Non Banking Financial Companies
Recognizing the fact that considerable efforts are required to promote research in accounting in India, ICAI through its research wing Accounting Research Foundation (ARF) has taken a number of proactive measures for undertaking applied research, and carrying out research studies. Some of the research projects already undertaken by this research wing includes Municipal Corporation of Delhi project which was related to conversion of accounts to accrual basis of accounting in the municipal bodies; Controller Genera of Accounts project for bringing accounting reforms in the identified pilot units which was funded by World Bank while other projects with CAG/CGA/ few local municipal bodies are in progress. The ICAI ARF would further intensify promotional campaign for establishing direct contact with the Universities and other bodies on the one hand, and reaching out to the potential researcher through out the country, on the other.

The ICAI has been devoting itself to research initiatives and has recently completed a project of European Union in the area of financial and Accounting Reforms: Capacity Building and Related Strategies, which extends to various states of European Union and India in an area to usher reforms in the municipal accounting sector. A Project of 18 months duration on the theme “Financial and Accounting Reforms: Capacity Building and Related Strategy” was completed by ICAI of India on behalf of Delegation of European Commission to India. The Project was dove failed to assist the Urban Local Bodies in India to Institutionalized financial and accounting reforms and related capacity building thereto. The Project has been a unique achievement in terms of its successful completion by suggesting the sustainability aspect to the move to accrual accounting in the pace of urban local bodies.

**Structural Framework of ICAI**

Having the mission of providing Indian Chartered Accountancy profession valued trustees of World Class Financial Competencies, good governance and Competitiveness, it is important to look into the structural framework of ICAI which help it in accomplishing its mission.

Through its various standing and non-standing Committees, ICAI is able to perform its function as a regulator, standard setter, promoter and developer of overall chartered accountancy education system in India years cn contribution. Recognizing the fact that the accounting profession today is a strategic function; the ICAI has taken upon itself to capitalize its product i.e. the Chartered accountant adept in core business areas like Auditing, Accounting, Corporate Governance etc while being and retaining their core competence in accounting and auditing functions. The ICAI technical Committees carryout research in as diverse areas:

- Accounting Standards Board
- Auditing & Assurance Standards Board
- Committee on Insurance & Pension
- Committee on Accounting Standards for Local Bodies
- Committee on Economic and Commercial Laws
- Expert Advisory Committee
- Research Committee
- Board of Studies
- Editorial Board
- Corporate & Allied Laws Committee
- Information Technology Committee
- Committee on Trade Laws & WTO
- Committee on Corporate Governance
- Ethical Standards Board
- Committee on Fin. Markets & Investors’ Protection
- Direct Tax Committee
- Indirect Tax Committee
- Professional Development Committee
- Continuing Professional Education Committee
- International Affairs Committee
- Financial Reporting Review Board
- Board of Discipline
- Peer Review Board
- Capacity Building Committee
- Perspective Planning Committee
- Committee on Members in Industry
- Audit Committee
- Internal Audit Standards Board
- Vision Committee
- ICAI-ICWAI-ICSI Committee
- Government Accounting Committee
- Management Accounting Committee
- Public Finance Committee
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- Diamond Jubilee Committee
- Committee on International Taxation
- Committee on Management Accounting
- Committee on Govt. Accounting
- Representation Committee
- Committee on Small & Medium Practitioners

The self-regulation as ingrained in ICAI’s work program encompasses all the facets of education training, examination, licensing, continuing professional education, standard setting, peer review, financial report review.

**Standard Setter**

ICAI performs its standard-setting function effectively with the existence of its four non-standing committees:

- Accounting Standard Board (ASB), to formulate Accounting Standards with a view to assisting the Council of the ICAI in evolving and establishing Accounting Standards in India with the final approval of National Advisory Committee on Accounting Standards (NACAS); Auditing and Assurance Standard Board (AASB), to review the existing and emerging auditing practices worldwide and identify and formulate Standards on Quality Control, Engagement Standards and Statements on Auditing; Ethical Standard Board (ESB), to formulate and establish ethical standards for the profession and to review periodically and publish the revised Code of Ethics; and Internal audit Standard Board (IASB), to systematize and strengthen the governance process by systematizing and strengthening the internal control and risk management process.

**Promoter and Developer of Chartered Accountancy Education**

The Chartered Accountancy program in India is a wholesome programme of ICAI through Board of Studies and Examination division which takes care of developmental and administrative aspect of accountancy education in India.

ICAI regularly updates its curriculum with the changing scenario to produce an all rounder professional with expert knowledge in the finance domain.

In order to meet the increasing demand of accountants in the Indian market, ICAI has recently launched its Accounting Technician Course which caters to:

- Small and Medium Enterprises able to engage technically qualified accounting resources meeting their needs.
- Create a pool of talented human capital to cater to medium level accounting of the enterprises for the growing economy.
- Employment-oriented course which equips youth with blend of knowledge and practical exposure making them ready for industry.

**Regulator**

The Institute being the regulator of chartered accountancy profession in India has also developed enforcement mechanisms for compliance with the Auditing Standards. While some parts of these mechanisms are aimed at encouraging members to follow auditing standards, others are punitive.

**Peer Review System**

In its proactive pursuit to upgrade and maintain audit quality standards, the Council of the Institute of Chartered Accountants of India took initiative to introduce a system of review of the work of professionals. The Peer Review Board established by ICAI, in April 2002, aims at improving/enhancing the quality of services rendered by members of ICAI, especially in relation to compliance with the technical standards by a firm (Practice Unit). Such an endeavor of the Council of the Institute of Chartered Accountants of India (ICAI) aims to maintain and enhance the quality of attestation services and to guide its members in improving their performance and ensuring adherence to various technical standards issued by it from time to time.

It is the Institute’s endeavor to meet the demands of high quality assurance, consistency and greater transparency. The Peer Review Board, drawn from the Council Members and representatives of Ministry of Corporate Affairs, Reserve Bank of India, SEBI, C&AG and Trade and Commerce Organizations, is an independent outfit under the Council of the Institute and empanels the reviewers and while fully coordinating the process of PRB of practice units, duly takes into cognizance the summary of deficiencies pointed by the reviewers during Peer Review exercise and reviewers' experience and views on Peer Review Exercise.

While what started as a suo moto step by the ICAI for constitution of the Peer
Review Board has gained a legal standing with the SEBI insisting for the listed companies to be compulsorily having undergone the process of Peer Review Board.

Financial Reporting Review Board
The work of an auditor is also subject to a scrutiny by the Financial Reporting Review Board (FRRB) of the Institute. The primary function of the FRRB is to review the compliance inter alia with the reporting requirements of various applicable statutes, Accounting Standards and Auditing and Assurance Standards issued by the ICAI to improve the overall quality of General Purpose Financial statements.

The FRRB can review the general purpose financial statements of the enterprise and the auditor’s report thereon either suo motu or on a reference made to it by any regulatory body like, the Reserve Bank, SEBI, IRDA, Ministry of Corporate Affairs, etc. The FRRB may also review general purpose financial statements of the enterprises and the auditor’s report thereon relating to which serious accounting irregularities in the general purpose financial statements have been highlighted by the media reports.

Disciplinary Committee
The Disciplinary Committee of the Institute was established to look into the matters relating to professional and other misconduct falling under only the Second Schedule or both the First Schedule as well as the Second Schedule to the Chartered Accountants Act, 1949, whether on the basis of a complaint or on a suo moto action of the Institute against a member of the Institute. The Disciplinary Committee has the same powers as are vested in a civil court under the Code of Civil Procedure in respect of summoning and enforcing attendance of any person and examining him on oath; discovery and production of any document; and receiving evidence on affidavit.

Quality Review Board
The Quality Review Board was established by the Central Government in June 2007 Section in terms of the provisions of section 28A of the Chartered Accountants Act, 1949, as amended by the Chartered Accountants (Amendment) Act, 2006. The Quality Review Board (QRB) has been given the responsibility to perform the following functions:
(i) to make recommendations to the Council with regard to the quality of services provided by the members of the Institute;
(ii) to review the quality of services provided by the members of the Institute including audit services; and
(iii) to guide the members of the Institute to improve the quality of services and adherence to various statutory and regulatory requirements.

The Board has a total of ten members, excluding the Chairman, whereof five members are nominated by the Central Government and five by the Council of the Institute. The Chairman to the Board is also nominated by the Central Government.

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Continuing Professional Education and Post Qualification Courses
ICAI also provides continuing Professional education to its members through its network spread worldwide in the areas of accounting, auditing, corporate governance, risk management, insurance and pension, information technology, public finance, financial markets, international taxation and other allied areas.

ICAI Was set up in 1949 under the Chartered Accountants Act, 1949 even before adoption of Constitution of India in 1950
The greatest service of all is the service of the Nation. There are multiple approaches by which people serve their motherland. Some choose to protect their country from external aggression by joining the armed forces and some protect the country internally by joining the police service. Some become lawyers while others serve as doctors. We, as CA's provide services which make it possible for all others to survive and prosper. We are the guardians of people’s finances as well as implementers of governmental taxation. In short, our profession allows people to enjoy their wealth and the government to collect the taxes which enables it to provide for the requirements of our vast nation.

This unique link between the Government and the Institution has been consciously and considerably strengthened during this past year. We have extended the hand of friendship through various initiatives, seminars and recommendations to the betterment of governmental actions and policies. Our aim has always been to work in a mutually beneficial manner – beneficial to citizens as well as our country.

**ICAI Awarded “Recognition of Excellence Award”**

The Institute and the Profession were recently honoured with “Recognition of Excellence” Award by H. E. Smt. Pratibha Devisingh Patil, Honourable President of India during the ‘India Corporate Week 2009’ organized by Ministry of Corporate Affairs. The award was in recognition of the excellence of ICAI’s valuable contribution in upholding the Corporate Governance norms of India Inc. This is the first time in the 60 years history of the Institute that such an honour was conferred on the ICAI. This was truly a jewel in the crown of the Institute in its Diamond Jubilee year.

**Extensible Business Reporting Language (XBRL):**

The world is yet to fully overcome the global financial crises even as debates and discussions to defuse it rage on. Largely accepted point of view in such deliberations, as also enclosed by global Financial Crises Advisory Group, has been that Financial Reporting has an important role to play in the resolution of the crises. A recent G-20 summit also stressed the urgent need to improve the quality of financial information being provided by companies to various stakeholders and analysts to prevent a repeat of the crisis in future. And eXtensible Business Reporting Language (XBRL) is fast emerging as a global revolutionary tool to improve financial reporting and analysis with that objective. It is
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encouraging that today XBRL is on the agenda of all 117 countries, including India, who has decided to adopt IFRS. In India, the Institute of Chartered Accountants of India is playing pivotal role in promoting and propagating the XBRL to upgrade the financial reporting and analysis for immense benefit of national economy.

As you know, we had established XBRL India Jurisdiction as part of a key initiative to promote and develop XBRL in India. Taking that initiative forward, we have since developed XBRL Taxonomy for Commercial and Industrial Companies and the Banking Taxonomy. We are developing other sector specific taxonomies as well. The next step as part of our XBRL initiative is to approach various regulators, stakeholders and the user community at large and apprise them about the benefits of XBRL, finalise membership issues and prepare bye-laws. We have decided to set up a separate department to manage and promote XBRL India Jurisdiction. We have also created a separate website www.xbrl.org/in International Recognition Satyam Case dedicated to the XBRL India Jurisdiction to make members and other users aware about the Indian XBRL Jurisdiction. We will also be sending a proposal to XBRL International Inc. to host the next XBRL International Conference in India in January 2010 for the benefit of our members. Plans are also afoot to include XBRL in the CA syllabus and in the CPE calendar. It has been decided to include the XBRL in the CA Study syllabus and shortly launch a certificate course on XBRL for members.

Convergence with IFRS

Convergence with International Accounting Standards (IASS)/International Financial Reporting Standards (IFRSs) (collectively referred to as IFRSs), issued by the International Accounting Standards Board (IASB) has gained momentum in recent years across the World. More than 100 countries currently require or permit the use of or have a policy of convergence with IFRSs. The Institute of Chartered Accountants of India (ICAI) as the accounting standards-formulating body in the country has always made efforts to formulate high quality Accounting Standards and has been successful in doing so. Indian Accounting Standards have withstood the test of time. As the world continues to globalize, discussion on convergence of national accounting standards with International Financial Reporting Standards (IFRSs) has increased significantly. The forces of globalization prompt more and more countries to open their doors to foreign investment and as businesses expand across borders the need arises to recognize the benefits of having commonly accepted and understood financial reporting standards.

In this scenario of globalization, India cannot insulate itself from the developments taking place worldwide. In India, so far as the ICAI and the Governmental authorities such as the National Advisory Committee on Accounting Standards established under the Companies Act, 1956, and various regulators such as Securities and Exchange Board of India and Reserve Bank of India are concerned, the aim has always been to comply with the IFRSs to the extent possible with the objective to formulate sound financial reporting standards. The ICAI, being a member of the International Federation of Accountants (IFAC), considers the IFRSs and tries to integrate them, to the extent possible, in the light of the laws, customs, practices and business environment prevailing in India. The focus has always been on developing high quality standards, resulting in transparent and comparable financial statements, deviations from IFRSs were made where it was considered that these were not consistent with the laws and business environment prevailing within the country. Now, as the world globalizes, it has become imperative for India also to make a formal strategy for convergence with IFRSs with the objective to harmonize with globally accepted accounting standards.

Keeping in view the complex nature of IFRSs and the extent of differences
between the existing ASs and the corresponding IFRSs and the reasons therefore, the ICAI is of the view that IFRSs should be adopted for the public interest entities such as listed entities, banks and insurance entities and large-sized entities from the accounting periods beginning on or after 1st April, 2011.

The Institute has been taking a number of initiatives in order to ensure that our profession is ready to adapt to IFRS from 2011. The Institute has set a target to ensure that at least 10,000 members are fully equipped to discharge their professional work based on IFRS by 2010 and another 10,000 by 2011 and adding more and more members every year. The Institute is undertaking these initiatives through various methods to demystifying IFRS by organizing seminars, preparing comprehensive study material and e-learning modules. With the objective to provide comprehensive training, ICAI has launched an intensive Certificate course on IFRS. The Institute is also carrying out a comprehensive research to understand the impact of implementation of IFRS on various segments of industry. It would be its endeavor to include IFRS in the course curriculum in the future.

We at the ICAI strongly believe in advance preparation and planning. To that end we strongly feel that Indian corporates should be ready to comply with International Accounting Norms. After deliberating on the various parameters to be applied as criteria for selection of the companies to be brought under the ambit of IFRS converged standards, ICAI opined that the implementation of the IFRS converged standards should take place in a phased manner. IFRS in India would cover the following public interest entities in the first phase.

(i) NSE – Nifty 50  
(ii) BSE Sensex 30  
(iii) All the entities whose shares or other securities are listed on Stock Exchanges outside India  
(iv) Entities having foreign borrowings more than rupees five hundred crores (on the basis of standalone Financial Statements)  
(v) All Scheduled Banks having subsidiaries, branches or other operations outside India  
(vi) Insurance Entities  
(vii) Mutual Funds/Venture Capital Funds  
(viii) All the entities having net worth in excess of rupees one thousand crores (on the basis of standalone Financial Statements)

Criteria for entities to be covered in Phase II is under consideration of ICAI.

SME Sector which contributes significantly to the Indian economy will continue with existing Indian Accounting Standards and the same may be modified from time to time to make the sector more competent in the international arena. The above norms have been decided supplementing the recommendations of the Core Group constituted by Ministry of Corporate Affairs, Government of India to facilitate smooth convergence.

This step by step induction is crucial to enable both the corporates as well as the profession to transit smoothly to the new converged standards while also giving an opportunity to understand the full ramifications both positive and negative.

Limited Liability Partnership (LLP)

With regard to the provisions of the LLP Act, 2008, the consequential amendments to the provisions of the Chartered Accountants Act, 1949 have been suggested to the Government. For knowledge dissemination of policy issues, e-portal issues and other operational aspects of LLP, the Institute has organized chain workshops/seminars on Limited Liability Partnership at various Regional offices/Branches of ICAI. To provide a better understanding of this new form of business organization and to help members assume leading role in successful implementation of this concept in India, the articles published in August 2009 issue of ‘The Chartered Accountant’ journal focused on LLP. Informative background material was developed for the benefit of the fraternity. Workshops were organized at Coimbatore, Panipat, Gurgaon and Patiala.

Goods & Service Tax (GST)

After achieving, what many considered as an almost impossible task, of moving from sales tax system for taxation of goods at state level to more modern system of value added tax at the state level, now is the time to move to consolidation of taxes on goods and services and achieve true value
added tax system (also referred to as Goods and Services Tax) encompassing both goods and services at all levels. This, as compared to the earlier task of moving to value added tax system, is an even greater challenge in the political and constitutional structure of the country. But, given the resolve of the states to have a fairly simple to comply and less burdensome system of taxation, India is most likely to achieve the target set by Union Finance Minister Pranab Mukherjee of introducing a comprehensive Goods and Services Tax by 2010. Members are aware that the proposed Goods and Services Tax (GST) regime is on the horizon. In order to get a better understanding of the concept, the Institute has constituted a group to study and deliberate on the GST, its implementation and ramifications. The Institute has already submitted its recommendations to the Government in this regard.

Companies Bill 2009
In August 2009, the Minister for Corporate Affairs Shri Salman Khurshid introduced the Companies Bill, 2009 in the Lok Sabha. The Ministry saw it fit to give us the responsibility of formulating views and providing them constructive feedback. In this regard, a Study Group, was formed which had considered some of the provisions of the Bill related to accounts and audit. The suggestions of the members have already been finalized and have been placed before the appropriate authority.

Combining the Synergies: ICAI & Office of the C&AG of India
We recently made the landmark decision of combining the synergies of ICAI with the Office of the Comptroller and Auditor General (C&AG) of India. This coming together of ICAI and C&AG will create a unique powerhouse that would bring enormous gains nationally and globally. To that end, ICAI will now facilitate Indian Audit and Accounts Service (IA&AS) officers to acquire the Chartered Accountancy qualification. For the practical training of three years, prescribed

under Chartered Accountants Regulations, 1988, one year work experience of the IA&AS officers would be recognized as equivalent to one year practical training and the balance period of practical training has to be undergone under a practicing CA. Now the IA&AS officers who are often deputed abroad for audit of internationally aided institutions would be able to synergize their experience as departmental auditors along with the high professional knowledge accruing to them through the Chartered Accountancy course. In fact, ICAI’s coordination with C&AG will be able to contribute to the monitoring of the nation’s financial affairs in a more systematic and comprehensive manner.

ICAI Joins Forces with Financial Action Task Force (FATF)
During the recent interaction of ICAI nominees with Financial Action Task Force (FATF) on Money Laundering as part of a mutual evaluation exercise of granting India the membership of FATF as undertaken by Financial Intelligent Unit of Ministry of Finance, various initiatives undertaken by ICAI in preventing the act of Money Laundering and combating terror financing including formulation of KYC norms for our clients were discussed in detail. The Institute hopes that India will soon gain FATF membership which would not only allow India to gain access to real-time exchange of information on money laundering and terror financing
but also help the country raise its diplomatic pitch globally against the export of terror.

**Strengthening Relationship with the Government and the Regulators**
Our Institute has always played a proactive role in shaping government policies through representations and suggestions by way of pre and post-budget memoranda. This year we had the opportunity to present the pre-budget memorandum for Direct Taxes to Shri S. S. N. Moorthy, Chairman, CBDT and for Indirect Taxes to Shri P. C. Jha, Chairman, CBEC. Many of our suggestions have found place in the Union Budget.

**Pre Budget & Post Budget Memorandum**
The Institute submitted various suggestions with regard to certain amendments to the proposals contained in the Finance Bill, 2009 out of which the following suggestions were accepted:-

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<tr>
<th>S.No.</th>
<th>Particulars</th>
<th>ICAI – Suggestion</th>
<th>Proposals in Budget</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Taxable Category : Club or Association</td>
<td>It may be clearly provided in the law that Chambers of Commerce, Trade and Industry associations are not liable to pay service tax on subscription amount, membership fees and all other services of general nature (other than commercial activities or letting out of premises) and the Cooperative Housing Societies may be liable to pay service tax on the common use facilities for which amounts are recovered from members. If the co-operative societies engage in any other activities like letting out of premises and like, service tax could be applied as it would apply to any other such service provider.</td>
<td>Exemption from service tax (leviable under “club or association” service) is being provided, to the Federation of Indian Export Organizations (FIEO) and specified Export Promotion Councils, on the membership fee or any other fee collected by them. This exemption is valid up to 31.03.2010[refer notification No.16/2009-ST dated 07.07.2009]</td>
<td>ICAI suggestion accepted partly.</td>
</tr>
<tr>
<td>2</td>
<td>Special Audit under section 14A and 14AA of Central Excise Act, 1944</td>
<td>Section 14A and Section 14AA provides that accounts of the Manufacturer may be audited in special circumstances by the nominated Cost Accountants. Since, Chartered Accountants have specialized knowledge and expertise in Auditing the books of accounts, it is suggested that the provisions of Section 14A and 14AA to be amended to include the Chartered Accountants within the scope of these sections.</td>
<td>Sections 14A and 14AA have been amended to provide that the Chief Commissioner may nominate Chartered Accountants for conducting special audits under these provisions. [Clauses 104 and 105 of the Finance (No. 2) Bill, 2009 refer].</td>
<td>ICAI suggestion has been accepted</td>
</tr>
<tr>
<td>Clause</td>
<td>Section</td>
<td>Proposed Amendment</td>
<td>Suggestion Given in Post-Budget Memorandum, 2009</td>
<td>Suggestions Accepted</td>
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<tr>
<td>13</td>
<td>35AD</td>
<td>100% of the capital expenditure incurred wholly and exclusively for the specified businesses would be allowed as deduction from the business income in the year in which the expenditure is incurred.</td>
<td>A significant portion of the capital expenditure is generally incurred before the commencement of business, and consequently, the assessee may not be able to avail deduction in respect of the same. For example, if capital expenditure is incurred in Feb 2009 and the assessee commences business in May 2009, he would not be able to avail deduction in respect of the expenditure, since it was not incurred during the P.Y.2009-10. Therefore, it may be clarified that such expenditure incurred before the commencement of business should be allowed in the year of commencement of business.</td>
<td>This suggestion has been accepted in toto. A condition has been inserted that such amount incurred prior to commencement should be capitalized in the books of account of the assessee on the date of commencement of its operations. (See Sl. No.14 of list no.3 – Amendments to Finance (No.2) Bill, 2009)</td>
</tr>
<tr>
<td>11, 23 &amp; 26</td>
<td>56(2)(vii)</td>
<td>It is proposed to bring gifts-in-kind, whose value exceeds Rs.50,000, also within the purview of section 56 with effect from 1st October, 2009. Accordingly, it has been provided that the value of the property received without consideration or for inadequate consideration, would be included in the computation of the total income of the recipient.</td>
<td>It was suggested that -- The definition of income under section 2(24) be amended to include any sum referred to in clause (vii) of sub-section (2) of section 56. The fair market value of movable property and stamp value of immovable property taken into account for the purpose of section 56(2)(vii) should be considered as cost of acquisition for computation of capital gains on sale of such property.</td>
<td>These suggestions have been accepted See S.no 11 &amp; 15 of list – no.3 Amendments to Finance (No.2) Bill, 2009</td>
</tr>
<tr>
<td>Clause</td>
<td>Section</td>
<td>Proposed Amendment</td>
<td>Suggestion Given in Post-Budget Memorandum, 2009</td>
<td>Suggestions Accepted</td>
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<tr>
<td>26</td>
<td>56(2)(viii)</td>
<td>Clause (viii) is proposed to be inserted in section 56(2) to include income by way of interest received on compensation or enhanced compensation referred to in sub-section (2) of section 145A, within its scope.</td>
<td>The reference should be to clause (b) of section 145A and not sub-section (2) of section 145A.</td>
<td>This correction has been incorporated. (See Sl. No.18 of list no.3 – Amendments to Finance (No.2) Bill, 2009)</td>
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<td>30</td>
<td>80CCD</td>
<td>The benefit of deduction under this section in respect of contribution to pension scheme of the Central Government has been extended to self employed individuals also.</td>
<td>However, the deduction in all cases is restricted to 10% of salary. There is no salary income for a self employed person. Therefore, in such cases, the deduction may be restricted to 10% of gross total income.</td>
<td>This suggestion has been accepted in toto. (See Sl. No.19 of list No.3 – Amendments to Finance (No.2) Bill, 2009)</td>
</tr>
<tr>
<td>42</td>
<td>115BBC</td>
<td>An exemption is proposed to be given in respect of anonymous donations taxable under section 115BBC. The exemption would be the higher of 5% of total income or Rs.1 lakh.</td>
<td>It was suggested that the exemption should be the higher of 5% of gross receipts (instead of total income) or Rs.1 lakh.</td>
<td>This suggestion has been accepted. The limit would be the higher of 5% of total donations received by the assessee or Rs.1 lakh. (See Sl. No.34 of list No.3 – Amendments to Finance (No.2) Bill, 2009)</td>
</tr>
</tbody>
</table>
Representations Made by ICAI
This year the Institute has submitted representations on various issues concerning the profession and crucial for the economy as a whole. The list of the representations made to various Government and Regulatory bodies is placed at Annexure 'A'. The representations which were submitted and considered by the respective authorities are as under:-

Representations Made and Accepted
- The Insurance Institute of India has simplified the procedure for availing exemption in a few papers of Licentiate, Associate and Fellowship Courses.
- The Central Board of Direct Taxes issued clarification on the new Form No. 17.
- The Union Government included in its budget proposal 2009-10, an amendment to the Section 14A and 14AA empowering the Chief Commissioner of Central Excise to nominate a Chartered Accountant for conducting special audit.
- Pursuant to the communication issued by Commissioner of Service Tax CA.

Uttam Prakash Agarwal, President has been nominated as the representative on the Regional Advisory Committee, Commissionerate of Service Tax, New Delhi.
- Pursuant to requests received from various Commissionerates, nominations have been made on the following Commissionerates: Dibrugarh, Cochin, Shillong, Kanpur and Jaipur.
- We are given to understand that most of the suggestions given vide representation made to Minister of Finance and Commercial tax, Govt. of Madhya Pradesh, Bhopal regarding memorandum on problems and hardships faced pursuant to implementation of VAT Act in Madhya Pradesh have been taken into consideration and have been implemented.
- Pursuant to request received, nomination of representative of ICAI has been further made on the Regional Advisory Committee of Chandigarh Central Excise Commissionerate.
Technical Achievements - Our Domain

Responding to the need for sound and reliable financial reporting system in a country, countries the world over have been formulating Accounting Standards to be followed in the preparation and presentation of general purpose financial statements. In India, formulation of Accounting Standards is undertaken by the ICAI, the apex accounting body of the country. The accounting Standards Board (ASB) constituted by the ICAI in 1977 specifically works in this direction. Since its inception, ASB has been working relentlessly towards bringing an overall qualitative improvement in the financial reporting system of the country by formulating new Accounting Standards as well as revising existing Accounting Standards from time to time with the objective of bringing them in line with the International Accounting standards Board. The Board also issues various announcements so as to provide guidance on issues pertaining to implementation of accounting standards for uniform application of accounting Standards.

During the year the Board has achieved the following:-

**Accounting Standard Board**
Accounting Standards Considered and approved by Council
- Revised Accounting Standard (AS) 2, Inventories;
- Revised Accounting Standard (AS) 3, Statement of Cash Flows;
- Revised Accounting Standard (AS) 1 Presentation of Financial Statements;
- Revised Accounting Standard (AS) 12, Accounting for Government Grants and Disclosure of Government Assistance; and
- Revised Accounting Standard (AS) 16, Borrowing Costs

**Exposure Drafts Issued**
- Accounting Standard (AS) 4, Events after the Reporting Period
- Accounting Standard (AS) 25, Interim Financial Reporting
- Report on issues relating to SEBI Rules and Regulations (other than Mutual Funds) arising out of convergence has been finalised by the Board and the same has been approved by the Council also.
- Report on issues relating to Companies Act arising out of convergence with IFRS finalised by the Board has been approved by the Council.

**Other Projects**
Guidance Notes considered and approved by the Council
- Guidance Note Accounting for Self-generated Certified Emission Reductions (CERs)
- Guidance Note on Accounting for Service Concession Arrangements

Frequently Asked Questions (FAQs) have been issued on AS 11 notification – Companies (Accounting Standards) Amendment Rules, 2009 issued by the Ministry of Corporate Affairs.

**Auditing and Assurance Standards Board**
The year that has gone by was an eventful year for the Auditing and Assurance Standards Board. The focus of the Board this year was on two important issues facing the auditing profession in India. First, convergence with the International Standards on Auditing issued by the International Auditing and Assurance Standards Board and second, imparting the knowledge about the latest developments in auditing among the members.
### Standards on Auditing (SAs) issued by AASB during the year 2009-10 under the Clarity Project

<table>
<thead>
<tr>
<th>Revised SA 500</th>
<th>Audit Evidence</th>
<th>Paragraphs in the Independent Auditor’s Report</th>
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<tbody>
<tr>
<td>SA 720</td>
<td>The Auditor’s Responsibility in Relation to Other Information in Documents Containing Audited Financial Statements</td>
<td>Revised SA 200: Overall Objectives of the Independent Auditor, and the Conduct of an Audit in Accordance with Standards on Auditing</td>
</tr>
<tr>
<td>Revised SA 210</td>
<td>Agreeing the Terms of Audit Engagements</td>
<td>Revised SA 220: Quality Control for an Audit of Financial Statements</td>
</tr>
<tr>
<td>SA 265</td>
<td>Communicating Deficiencies in Internal Control to Those Charged with Governance and Management</td>
<td>Revised SA 501: Audit Evidence – Specific Considerations for Selected Items</td>
</tr>
<tr>
<td>Revised SA 402</td>
<td>Audit Considerations Relating to an Entity Using a Service Organisation</td>
<td>Revised SA 505: External Confirmations</td>
</tr>
<tr>
<td>Revised SA 610</td>
<td>Using the Work of Internal Auditors</td>
<td>Revised SA 520: Analytical Procedures</td>
</tr>
<tr>
<td>Revised SA 320</td>
<td>Materiality in Planning and Performing an Audit</td>
<td>Revised SA 620: Using the Work of an Auditor’s Expert</td>
</tr>
<tr>
<td>SA 450</td>
<td>Evaluation of Misstatements Identified during the Audit</td>
<td>Revised SA 710: Comparative Information - Corresponding Figures and Comparative Financial Statements</td>
</tr>
<tr>
<td>SA 700</td>
<td>Forming an Opinion and Reporting on Financial Statements</td>
<td>SA 800: Special Considerations – Audits of Financial Statements Prepared in Accordance with Special Purpose Frameworks</td>
</tr>
<tr>
<td>SA 705</td>
<td>Modifications to the Opinion in the Independent Auditor’s Report</td>
<td>SA 805: Special Considerations – Audits of Single Financial Statements and Specific Elements, Accounts or Items of a Financial Statement</td>
</tr>
<tr>
<td>SA 706</td>
<td>Emphasis of Matter Paragraphs and Other Matter</td>
<td>SA 810: Engagements to Report on Summary Financial Statements</td>
</tr>
</tbody>
</table>

### Convergence with ISAs

Harmonisation with the International Standards on Auditing of the International Auditing and Assurance Standards Board (IAASB) is a conscious policy decision of the Institute of Chartered Accountants of India. The decision is driven by the fact that the Institute is a founder member of the International Federation of Accountants and such harmonisation is a membership obligation of IFAC. Besides, the International Standards have been increasingly gaining acceptance as hallmarks of high quality auditing best practices around the globe both in the developed as well as developing economies. The IAASB had in 2004 embarked on its clarity project whereby it had revised its entire suite of auditing standards to make them more understandable, comprehensive and easy to understand. The Institute too began its process of issuing new/revised auditing standards corresponding to those issued by IAASB under Clarity Project in 2006. The IAASB Clarity Project ended
in March 2009 with the issuance of 36 clarified ISAs. The year of the Board began with 14 revised Standards on Auditing in hand. During the year the Board issued 21 revised Standards on Auditing, taking the tally of the revised Standards to 35 as against the 36 revised ISAs issued by IAASB as given below:

**Knowledge Dissemination**

The Board also undertook several projects relating to development of Implementation Guides to Standards on Auditing issued under the Clarity Project so as to help the members better understand and implement the Standards and also other auditing literature to guide the members on the contemporary issues relating to auditing, generally as well as in specific industry sectors.

<table>
<thead>
<tr>
<th>Project of the Auditing and Assurance Standards Board</th>
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<tbody>
<tr>
<td>Implementation Guides</td>
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<tr>
<td>• Review Engagements</td>
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<tr>
<td>• Audit Materiality and Sampling</td>
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<tr>
<td>• Audit of Financial Instruments</td>
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<tr>
<td>• Auditing Standard on Reporting</td>
</tr>
<tr>
<td>• Audit Evidence</td>
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<tr>
<td>• SA 720</td>
</tr>
<tr>
<td>Other Projects</td>
</tr>
<tr>
<td>• Technical Guide on Non-banking Finance Companies (NBFCs)</td>
</tr>
<tr>
<td>• Technical Guide on Audit of Cooperative Banks</td>
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</tbody>
</table>

To facilitate one to one interaction with the members on issues faced by them in auditing and also to impart knowledge on the latest auditing standards being issued by the Institute, the Board also organised a number of training programmes.

**Interaction with the Stakeholders of the Services of the Auditors**

The Board also remained conscious of the various misconceptions among the various stakeholders such as the Government and other regulators as well as the general public relating to scope of an audit as well as cuties and responsibilities of the auditors. With the view to bridge this expectation gap, the Board brought out a revised version of its booklet “What is An Audit – Understanding An Audit of Financial Statements”. The Booklet was distributed free of cost among various government departments, regulators, universities, stock exchanges, banks, etc., and found warm appreciation and acceptance.

**Interaction with the IAASB**

The Board remained in touch with the National Standards Setters Committee of the International Auditing and Assurance Standards Board and provided its inputs to that Committee at its meeting.

**Internal Audit Standard Board**

The primary mission of the Internal Audit Standards Board is to reinforce the primacy of the Institute of Chartered Accountants of India as a promoter, source and purveyor of knowledge of internal audit in the country. The basic idea was to enable its members to provide more effective and efficient value added services related to this field to the Industry and others and help the latter to systematise and strengthen their governance process by systematising and strengthening their control and risk management process.

To achieve this mission, the Board has as its objectives, formulating Standards on Internal Audit, which codify the best practices in the area of internal audit, developing technical guides, and conducting Certificate Course on Enterprise Risk Management (ERM), CPE and other programmes. The strategy and work plan of the Board for the year had a three pronged approach as follows:

- Imparting knowledge through technical literature such as Standards on Internal Audit and generic as well as industry specific technical guides.
- Reinforcing knowledge through Certificate Course on Enterprise Risk Management, CPE programmes and other training programmes.
The Institute of Chartered Accountants of India

Reiterating presence by holding Conclaves on internal audit and interacting with the regulators.

The following is a gist of significant achievements and initiatives of the Board for the year 2009-10:

**Standards Issued**

The Board formulated and issued the Standard on Internal Audit (SIA) 17, *Consideration of Laws and Regulations in an Internal Audit* during the year under the authority of the Council.

**Technical Guides Issued**

During the year, the Board brought out the following Technical Guides for the benefit of the members:

- Technical Guide on Internal Audit of Stock Brokers
- Technical Guide on Internal Audit of Intangible Assets
- Technical Guide on Internal Audit of Treasury Function in Banks

**RESEARCH COMMITTEE**

The Institute of Chartered Accountants of India, as the regulator of the accountancy profession in India, recognises the fundamental importance of the regulating and developing the accounting profession and the need to work continuously to keep pace with the vigorously changing business environment. Undeniably, over the years, the Institute has been developing not the best accounting and auditing standards but also provides guidance for effective implementation of these standards. Apart from this, the Institute also monitors implementation of these standards. In this direction, the contribution of Research Committee in the endeavors of ICAI can not be overlooked. Research is the most important tool which sharpens any profession.

The Research Committee of the Institute has brought out two valuable publications this year, namely, “Technical Guide on Estimation of Future Cash Flows and Discount Rates for the purposes of AS 28, Impairment of Assets” and the revised “Technical Guide on Accounting for Not-for-Profit Organisations (NPOs)”. As Not-for-Profit Organisations (NPOs) is one of the significant keys for social development of the country. As the ICAI is moving towards convergence with IFRSs, I am sure that the role of the Research Committee in the years to come will only get more diversified.

The Committee has also finalized the ‘Technical Guide on Accounting for SEZ Development Activities’, and ‘Technical Guide on Revenue Recognition for Telecommunication Companies’ and these are expected to be released very shortly. The role of SEZ sector in the Indian economy needs no elaboration and is expected to grow more in the times to come. Also, the telecommunication sector has observed tremendous growth in the recent times. The telecommunication operators are coming with more and more new and innovative schemes everyday, the accounting for which becomes very complicated.

The Institute plays an important role in enhancing the degree of transparency in the financial reporting by the companies by its renowned competition, “ICAI Awards for Excellence in financial reporting”. This competition symbolizes the Institute’s effort in the direction of ensuring that the best accounting and financial reporting practices are adopted by the entities.

This competition gives a reputed platform to encourage various enterprises to improve their standards of financial reporting. This is indeed a laudable activity of the Institute in furtherance of high quality financial reporting in India.

**Accounting Research Foundation (ARF)**

As a part of its continued pursuit to promote research in the fields of accounting, auditing, monetary policies and other related disciplines, the ICAI Accounting Research Foundation (ICAI ARF) has undertaken and completed various projects.

The ICAI ARF provides financial assistance for research projects of contemporary national and international significance in the aforesaid areas and publishes the research reports as well. The research projects have recently been completed.
under the aegis of the ICAI Accounting Research Foundation includes ‘A Study on Business Valuation’, ‘A Study of Emerging Opportunities for Environmental Audit’ and ‘A Study on Valuation of Intangibles’.

The following research projects have been undertaken/continuing during the year:-

1. Developing a Code of Governance for Non-Profit Organizations (NPOs) by International Credit Rating Agency (ICRA)

2. Wide Impact of International Accounting Standards/International Financial Reporting Standards on the wider stakeholders by Dr. Tomo Suzuki, Oxford University

3. Project on Economic Impacts of Quarterly Reporting by Dr. R. Narayanaswamy, Professor, Indian Institute of Management, Bangalore

4. A Study of the processes employed by Indian Companies for encouraging creation of Intellectual Assets and fostering of thriving IPR Culture by CA. Rajesh R. Haldipur

5. A Study on Goods and Services Tax by CA. Prem T. Chattpar

6. A Study on Reforms in Insurance Sector by Ms. K. Kalyani, Mr. K. Navaneetha Krishnan and Mr. K. Jagadeesan (jointly)

7. A study on Special Economic Zones (SEZ) by Dr. M.Z. Farooqui

8. A study of efficiency, volatility and liquidity of derivatives market in India by Dr. P.K. Bandgar

9. A study of cartels vis-à-vis Joint Venture, in view of the provisions of the Competition Act, 2002 by CA. Umesh Dixit

10. Social Audit of Public Money

EXPERT ADVISORY COMMITTEE (EAC)

The Expert Advisory Committee of the Institute gives opinions on specific issues of accounting and auditing. These opinions provide a very useful interpretative literature on Accounting Standards that form the basis of business reporting.

Total number of opinions finalised during the year were 39 out of which 36 were given on the queries raised by members and 3 were raised by the Regulators/Government authorities.

COMMITTEE ON ACCOUNTING STANDARDS FOR LOCAL BODIES

1. The Council of the Institute approved two Accounting Standards for Local Bodies (ASLB) viz. Accounting Standard for Local Bodies (ASLB 5), ‘Property, Plant and Equipment’ and (ASLB 6), ‘Event Occurring after Reporting Date’ finalised by Committee on Accounting Standard for Local Bodies.

2. The Hindi version of the Booklet on ‘Accrual Accounting for Local Bodies: Elected Representatives & Stakeholders’ has been published for the benefit of Municipal Councilors in the Country and the same is being circulated amongst the concerned stakeholders. The publication of the Booklet into Kannada and Tamil languages is also at the advance stage.

3. The Draft Status Report on ‘Accounting Reforms in Local Bodies in India & Role of Chartered Accountants’ is under publication.

4. The draft of the proposed ASLB on ‘Revenue from Non-Exchange Transactions’ (corresponding to IPSAS 23) is being finalized for circulation amongst the council members and specified bodies for comments.

COMMITTEE ON GOVERNMENT ACCOUNTING

- The draft of the Booklet on the ‘Ongoing Government Accounting Reforms Process’ for elected representatives such as MPs and MLAs and Draft Status Paper on ‘Government Accounting Reforms in India’ developed by the Committee Secretariat are being finalised for publication.

- The Committee has given the detailed and exhaustive Comments on the
GASAB’s Accrual Exposure Draft (AED) 2 on “Property, Plant and Equipment” for consideration by the Government Accounting Standards Advisory Board (GASAB). The Committee has also drafted the Comments on the GASAB’s Accrual Exposure Draft (AED) on ‘Inventories’ for consideration of the GASAB.

- The Committee had successfully conducted a training programme on IPSAS for the Sr. Officers of CAG on August 24-25, 2009 at ICISA, Noida which was very well appreciated by the participants.

- A Special Group is being constituted by the Committee for conducting the proposed study on “Accounting of food, fertilizers and oil bonds”. The study would be started shortly.
Members: The Assets of ICAI

Professional Opportunities

To grow is to live and to grow professionally is to prosper. The Institute knows this well and thus takes genuine interest in its members as also in their professional development. To develop the full potential of members, the Institute consciously made efforts to enhance the scope of services offered by CAs and open up whole new vistas of opportunities for members. This year saw the Institute make a host of recommendations to the government and regulatory bodies through its Representation Committee on the issues of professional relevance and the issues which can provide more professional opportunities to our members.

One of the regulatory bodies which acted positively to safeguard the common investor was the Insurance Regulatory and Development Authority (IRDA). After considering the Institute’s recommendations, the IRDA made rulings that ensured the protection of shareholders. The ruling stated that CAs be employed to look after the interests of the common people. IRDA has stated that any insurer having Assets under Management (AUM) of not more than Rs. 1,000 crore shall conduct a Quarterly Internal Audit to cover both Transactions and related Systems and those above Rs. 1,000 crore should appoint a Chartered Accountant firm for audit. With these rulings in place the Institute took a step forward and recommended the IRDA to make CA qualification mandatory for the posts of Compliance Officers in insurance companies and CA independent directors to be made mandatory on the Boards of private insurance companies as in public sector insurance companies. These recommendations clearly go to show the initiatives taken by the Institute on behalf of its members.

Even academic endeavours undertaken by members to improve professional opportunities have been taken into consideration as given below:

1) The Insurance Institute of India has granted exemption in five papers of Licentiate, Associate, and Fellowship courses to the members of the ICAI.

2) Members of the ICAI with DIRM qualification will be granted additional exemption in the three papers.

3) MoU with Swami Ramanand Teerth Marathwada University, Nanded has also been finalised on similar lines as we already have with Bhartiayar University with the objective to offer an additional dimension to our members and students.

Thus the Institute assists members in completing the cycles of achieving higher academic levels in their quest for better professional capacity.

As we expand internationally it is imperative that we upgrade our skills to international levels. To that end, this year we introduced multiple courses that would ensure that our CAs would become the most qualified Chartered Accountants - practically and academically – in the world. Course subjects covered the entire gamut from Certification in Enterprise Management and a
Masters in Business Finance to Certificate Courses on International Taxation, Forex and Treasury Management, Derivatives as well as Certificate Courses on Valuation.

**MoU with Department of Post**

Shoring up projects for members we have signed a MoU with Department of Post. ICAI ARF has taken up the project for implementation of accrual accounting system in two primary postal units of the Department of Posts with regard to which a MoU along with Strategy Paper covering scope of work, costs, time schedule, resource commitments, terms and conditions was signed by the ICAI and the Department of Post.

**MoU with MCX-SX**

Today, our CAs have a bouquet of services to offer and more are in the pipeline as Accounting, Management, Compliance and Markets converge and open new vistas professionally. Recently we took a long-term view and decided to align our professional services with the MCX-SX and cemented it by signing a MoU with MCX-SX. This is the stock exchange subsidiary of Multi-Commodity Exchange of India Ltd. Working under the regulatory framework of SEBI and RBI, this operates as a typical stock bourse. Our MoU will ensure that our members become stock market savvy and thus offer better services to investors, brokers and other financial participants. The MoU also ensures that CAs would be trained via seminars on financial markets and corporate governance, certification programmes on financial markets, conduct research on financial markets and impact of accounting standards on financial markets, courses on various asset classes, currency, commodity, etc. and collaborating for joint certification of ICAI professionals through MCX-SX online tests. This MoU would provide our members with long term business contracts and is an excellent tool to extend our range of services to the financial markets while also providing compliance services.

**MoU with ISACA**

The Institute has been working hard to make it possible for our members to work at international level. ISACA has been requested to give recognition to ICAI’s DISA qualification. A MoU is being finalized with ISACA to agree to recognize ICAI’s DISA qualification as well as give it a global recognition as ICAI-CISA. This MoU will ensure excellent international prospects for our DISA qualified members. The results availed on the recommendations of the Institute just goes to show the weight and respect accorded to it by various regulatory and other professional organizations at the highest level.

**MoU with Doordarshan**

To increase the visibility of CA brand we have signed a MoU with Doordarshan which will see ICAI produced programmes telecast across the country every week. To assist our members in practical day-to-day operations we have signed a MoU with Tally. With this MoU all practicing firms using
the earlier version of Tally will receive the new Tally ERP 9 Auditors’ Unlimited Multi-User Edition free of cost that will enable them to carry out audits remotely. Taking it a step further in cases where members do not have the prior version, they may buy the new Tally ERP 9 Auditors’ Edition at a special discounted price.

**Registrar of Companies (ROC)**

The highly professional and efficient quality of our work has impressed itself on the Registrar of Companies (ROC) who have decided to outsource the technical scrutiny of balance sheets filed with them under the Companies Act, 1956 to us. This outsourcing will be for FY 2009-10 with future outsourcing under review after assessing the outcome and impact. This is not only an excellent opportunity but also an excellent commendation for us and clearly shows the level of trust, integrity and professionalism that we inspire.

**Certified Filing Centres (CFCs) ACES**

The Central Board of Excise & Customs (CBEC) has launched a new online service which is a new centralised web-based software application of CBEC. This application provides an online electronic interface with the department. Called ACES, this application aims to reduce paperwork, visits to the department and transaction costs while increasing accountability, responsiveness, efficiency and transparency in indirect tax administration. The online facilities offered are many and include services such as registrations, filing of service tax returns, refund claims, filing of intimations, tracking, dispute resolutions and online viewing of our records. This online facility provides us with a vast business opportunity in providing all the above mentioned services for clients from our offices itself. ACES will go a long way in widening the scope of professional opportunity while giving us the dual advantage of making our members conversant with using IT. This was proven when CBEC approached the ICAI to facilitate them in setting up of Certified Filing Centres (CFCs) by Chartered Accountants in practice or proprietary concerns and firms at locations across the country to facilitate transactions in ACES. A Certified Filing Centres (CFCs) is a facility, other than the physical front offices or Facilitation Centres of CBEC, which may be set up and operated by an appropriately qualified private individual, firm or body corporate, certified by ICAI under the Automation of Central Excise and Service Tax (ACES) project, where the assesses of Central Excise and Service Tax can avail the facility to file their returns and other documents electronically along with associated facilitation on payment of specified fees.

**Services**

**ICAI: Ensuring the Welfare of Members**

The Institute is now making every attempt to protect and ensure the welfare of members and their families in times of distress. Looking at the overall picture including the expenses today the Institute has decided to enhance the sum of financial assistance given to the members/their family members up to Rs. 7,500 per month and in deserving cases even up to Rs. 10,000 per month. Similarly, the one time lump sum grant of one lakh Rupees for the family of deceased members below 45 years of age has been revised to Rs. 1.50 lakhs
while the age limit has also been raised to 55 years. In specific cases warranting extra financial security to the family of a deceased member, a special one time financial assistance up to Rs. 5 lakhs has been considered. These steps will go far in creating stronger ties between the Institute and its members. Members will also have peace of mind that their families will be looked after by their Institute. We have no doubt, that by strengthening these ties we strengthen our future.

The modern age is one in which stress plays a predominant role. Our hectic way of life combined with unpredictable eating and sleeping habits make for an inherently unhealthy lifestyle. Lifestyle related health issues like diabetes, blood pressure and cholesterol have now become the norm leading to ever higher health problems. In these unpredictable times the Institute has decided to aid our members and look after members and their families by incorporating a new fund called “CA Pariwar Jeevan Suraksha Fund”. Under the auspices of the Chartered Accountants Benevolent Fund, this fund has been created to provide financial support to the families of members affected by their sudden death. The funding is entirely voluntary and will be operated by members voluntarily contributing a sum of Rs. 100 per month i.e. Rs.1,200 per annum towards this fund. The total amount collected over the period of a particular financial year will be equally divided amongst families in distress. Needless to say, as our members increase so will the fund corpus and better will be the amount to be disbursed amongst families. We firmly believe that as a parent the Institute will and shall provide for her children in their times of trouble. We trust that members will step forward and volunteer their resources to the CA Pariwar Jeevan Suraksha Fund.

**ICAI Job Portal: E- Initiative for Campus Placements**

Even in the time of economic crisis and depressed financial system, successful Campus Placement Programmes have been organized which saw huge success. The Institute has also introduced programmes exclusively structured for Small and Medium Sized Enterprises (SMEs) and Small and Medium Chartered Accountants firms. These programmes ensure that requirements of all students and member firms concerned are satisfied. Keeping future progress in mind we have set up the ICAI job portal where experience and careers can find their best match.
Campus Placement – An Opportunity

That the CA profession is rock solid has been proved by the success of the Campus Placement Programmes. Newly qualified CAs were part of this programme besides a special Campus Placement Programme for candidates of three months Residential Programme on Professional Skills Development at NIFM, Faridabad as well as at L. N. Mittal Institute of Information Technology, Jaipur. Moving a step further, the ICAI has introduced one more programme exclusively structured for Small and Medium Sized Enterprises (SMEs) and Small and Medium Chartered Accountants’ firms. Keeping future progress in mind, we have set up the ICAI job portal where experience and careers can find their best match.

Modern India is witness to woman power with women achieving success in mainstream industry and business in every sector. Nowhere is this more visible than in our field where we have seen the number of girl students opting for CA course increase year on year. Women now account for almost 40% of CA students while also achieving consistently better results. To continue this encouraging movement and to increase support for women, ICAI established a Women’s Steering Group with the aim of defining better role for women CAs. This forum will focus on increasing capacity building as well as position women in their rightful positions as professional CAs competent and capable to shoulder responsibilities and who match their male counterparts step for step.

E-Samadhan or Grievance Resolution Management System and Better Services At Sub-DCOs

Our Institution is growing larger every year. As the number of members and students increase there is a requirement for their complaints to be addressed regularly and in a given time frame. This efficiency is a must if we are to ensure that results are delivered to all concerned. To do this, a new portal www.icai.org/help has been made operative where members and students can post their complaints. On submission of a complaint a docket number will be allotted. Thus the position of a particular complaint can be tracked using this number. These will be addressed within a specified time faing which the system will automatically escalate the matter to the next person in the Institute’s hierarchy. This will ensure that the common complaints of the members and students of not getting a timely response from the Institute’s officials will get addressed satisfactorily. This system will also help the Members and Students of ICAI at large in faster redressal of complaints and would make the offices of ICAI more organised, efficient and tech savvy in terms of handling complaints.

Over the past year, we have systematised our official structure to make it more efficient and alive to the needs of members and students. All matters dealing with members and students are handled at the five Decentralised Offices besides the Head Office. To assist them, we have also set up sub-DCOs at Ahmedabad, Bangalore, Hyderabad, Pune, Nagpur, Surat, Vadodara, Coimbatore, Ernakulam, Jaipur, Indore, Chandigarh and Thane. Currently, these sub-DCOs only perform the functions of receiving forms viz. Form 102/103, 108, 105, 2, 3, 6, 9 and receipt of membership fees besides providing logistic facilities for the various programmes of Regional Council and Head Office like seminars and conferences. However, as of now regulatory functions have not been allocated due to a number of pertinent reasons ranging from lack of appropriate training of staff posted at these sub-DCOs to the absence of members’ and students’ files. It has been long felt that these sub-DCOs could be used to provide better services to all members and students within proximity and this matter has been considered at Executive Committee level. I am happy to inform you that the Council at its recent meeting has accepted the recommendations of the Executive Committee in principle and decided that the existing set up will continue to function until the necessary upgradations in terms of requisite number of trained manpower, online connectivity with the existing computerized functioning with the Central Server and other logistical services are put in place and implemented. The Council has further authorized the Executive Committee to implement further decentralization amongst sub-DCOs in a phased manner so that no disruption in service to the members and students takes place.

The initiatives and services that have been planned and implemented over the past year are clear indicators of the steady, continuous and progressive attitude
that is the hallmark of the ICAI. We have endeavored and succeeded to a large extent in transforming the Institute to a global powerhouse that puts its family ahead of all other considerations while also gifting them the instruments of success. We will continue to build on this strong foundation and ensure the continued success of the Institute and all its members and students into the next decade and beyond.

CPE Study Circles
The Institute is always trying to do the best for the members and furthering this cause, has formed 26 CPE Study Circles all over our country with more on the way. Many CPE Study Circles have already started conducting CPE Programs which has justified the decision of a separate CPE delivery mechanism for our Members in Industry. These circles will further enhance the brand image while providing a forum for Members in Industry to interact and update their knowledge on a continuous basis. Further dissemination of knowledge, techniques and skills is happening with the formation of industry specific groups comprising our members in which issues like IFRS, Direct Tax Code, Companies Bills, Various issues in GST and Industry specific issues will be discussed.

We have also decided to form groups of members who are CEOs, CFOs and COOs in the industry to compile industry-wise Guidance Notes which would cover industry-specific compliance issues. By sharing their knowledge and experience in compiling these industry specific Guidance Notes our other members and students will get a clear insight into compliance with various laws and regulations industry wise at a pan India level.

Recognition of the Excellence
The highest recognition for a man is to be honored by his Alma Mater. Going with this proverb the Institute has been awarding the Chartered Accountants excelling in their fields. This year the Corporate CA achievers Acclaim Awards held on January 31, 2010 at Goregaon Sports Club, Mumbai. These awards seek to:
- Acknowledge Chartered Accountants in industry who have demonstrated excellence in the way in which they conduct their profession.
- Acknowledge Chartered Accountants who are exemplary role models in the industry.
- Acknowledge Chartered Accountants who have created value to their company’s stakeholders on a sustainable basis.
- Acknowledge contribution in ICAI activities.

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<tr>
<th>Sr. No.</th>
<th>Name of the CPE Study Circle</th>
<th>Location</th>
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<tr>
<td>1</td>
<td>Reay Road CPE Study Circle</td>
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<td>Nungambakkam CPE Study Circle</td>
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<td>Vittal Mallya Road, CPE Study Circle</td>
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<td>Bangalore Outer Ring Road ITES Industry CPE Study Circle</td>
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<td>26</td>
<td>Kanjur Marg (E), Mumbai CPE Study Circle</td>
<td>Mumbai</td>
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The Institute of Chartered Accountants of India

Regulatory Role of ICAI

The Institute being the regulator of chartered accountancy profession in India has also developed enforcement mechanisms for compliance with the Auditing Standards. While some parts of these mechanisms are aimed at encouraging members to follow auditing standards, others are punitive.

Disciplinary Mechanism

This past year has seen the Disciplinary Committee achieve significant levels of results. Under the New Mechanism prima facie opinion of Director Discipline in 202 complaint cases and in 196 Information cases have been considered by Board o’ Directorate/Disciplinary Committee. Disciplinary Committee has initiated the hearing in 12 cases. Out of which, 3 cases have been concluded by DC. The Board of Discipline initiated the hearing in 4 cases, out of which, 3 cases were conducted by BOD.

Under the Old Mechanism in 3 Complaint cases and 23 information cases, Prima facie opinion has been formed by the Council and with this there is no complaint and information case pending for prima facie opinion. In other words, all the complaint and information cases registered under old mechanism have been dealt with by the Council at the prima facie stage. During the previous year, 52 cases were concluded by the Disciplinary Committee and the Council has considered 64 reports of the Disciplinary Committee which includes reports of the Disciplinary Committee concluded in previous year(s) as well.

Peer Review System

The Institute has, over this year, endeavored to strengthen Peer Review Mechanism. We have accepted SEBI recommendation that the auditor of listed companies for accounting periods commencing on or after April 1, 2009, the auditor Firms/Practice Units must have a certificate from the Peer Review Board of the Institute. Further, the Council also accepted the recommendation of SEBI that the financial statement of an unlisted company coming out with an initial public offer (IPO) should also be certified by the Audit Firms/Practice Units who have been issued a Certificate from the Peer Review Board, Training Programmes have been organized to impart training to more than 1,500 Peer Reviewers to strengthen the number of Trained Reviewers in the Country. Speeding up the process, nearly 1400 Peer Review Certificates have been issued since February 2009 and with this total number of Peer Review Certificates issued now stand at 3800.

Quality Review Board

The Quality review Board was established by the Central Government in June 2007 in terms of the provisions of Section 28A of the Chartered Accountants Act, 1949, as amended by the Chartered Accountants (Amendment) Act, 2006. The Quality Review Board (QRB) has been given the opportunity to perform the following functions:-

- To make recommendations to the council with regard to the quality of the services provided by the members of the Institute
- To review the quality of the services provided by the members of the Institute including audit services
- To guide the members of the Institute to improve the quality of the services & adherence to the various statutory & regulatory requirements.

The board has total of 10 members, excluding the Chairman, whereof 05 members are nominated by the Central Government & 5 by the Council of the Institute. The Chairman to the board is also nominated by the Central government.

Financial Reporting Review Board

Our Institute is not only one of the most dynamic institutional system in the world but also most responsive to the economic environment in which it operates with a view to promote confidence in corporate reporting and governance. We believe that our role in promoting confidence can, as part of a wider policy framework for enterprise, investment and employment, make the creation of wealth more likely. Recent experiences have confirmed that a reduction of confidence in corporate governance and reporting is often associated with the destruction of wealth.

The Financial Reporting Review Board, one of the institutes initiative to
sensitize the stakeholders for the effective and efficient compliance with the generally accepted accounting principles, has been continuing its review of general purpose financial statements of enterprises in which the public is substantially interested.

The FRRB is conducting a rigorous review of the annual reports of the enterprises. It has conducted an in-depth review of financial statements of Satyam Computer Services Ltd. for the five years and referred the case to the Director (Disciple) of the Institute for taking appropriate action under the Chartered Accountant Act, 1949.

Further, as a proactive measure, the Board conducted review of 50 enterprises wherein independent director(s) had resigned in the Post Satyam period. During the year, the Board had undertaken review of 135 enterprises out of which it has completed the review of 75 cases. This confirms that the Institute endeavours to take all measures to promote the growth of our profession and build greater confidence amongst the stakeholders.

The Institute of Chartered Accountants of India

For the purpose of improving the compliance level with the GAAP’s the Board has conducted four Batches of One day Training programme for the Technical Reviewers for further developing General Purpose Financial Statements’ Review Competencies amongst the members of the Institute who have been empanelled with the Institute at Chennai, Kolkata, Indore and Mumbai. The Financial Reporting Review Board now is strengthened with 214 experienced technical reviewers.

‘Know Your Client’ Norms

With increasing incidence of economic offences in the country and threat of terrorism and money laundering looming large over the society, it has become of utmost importance to know the credentials of our clients. As a watchdog of financial sector, it is our national duty and social responsibility to report about our ambiguous clients and their unscrupulous activities to the authorities concerned. To facilitate this, I propose to formulate and put in place ‘Know Your Client’ norms, having through checklist and guidelines, for CA profession on the lines of ‘Know Your Customer’ norms in place in banking industry. This step will surely serve our society and country a great deal.
With just 259 students 60 years back, ICAI currently has about 6, 20,000 students under its wings and still counting. To be a Chartered Accountant is to be part of highly professional, ethical and entrepreneurial brotherhood. The challenge to become a CA is one that requires grit, determination, intelligence, application and hard work in equal measures. Students understand that our profession truly works on the principle of meritocracy and no other. They flock to our Institute from all over the country, from villages in Rajasthan, towns in Kerala as well as from big cities like Mumbai and Delhi. Most importantly, they understand that the institute is there to support, encourage and motivate them.

We at the Institute have also worked consistently for the welfare of students. Initiatives have been taken that have totally changed the face of student life and education in this last one year. In short, we have planned and implemented a 360 degree holistic approach that ensures success for students in every sphere of professional life.

Beginning from basic education, we have revolutionized the method of delivery. All the CA Students namely CPT, IPCC/PCC and Final now have access to multiple modes of education and practice.

CA Shiksha: E Initiative for Learning

The CA-Shiksha website was launched exclusively for students. The idea of changing the students perspective from passive learning to interactive learning through a comprehensive package of online learning, video lectures, mock tests, assessment reports and quick revision notes has already seen immense success. This easy method of learning makes it a lot convenient to grasp, understand and deliver on subjects. Success of this website can be judged from the fact that in all 18562 students have already been registered for this website. This online initiative ticks multiple boxes in that it educates, helps prepare for exams while also giving students coaching in IT and technology.

Class Room Teaching

With the fast integrating world, changing business dynamics, fierce competition in all business fronts, more complicated laws & transactions, there is a tremendous pressure on the accounting & auditing profession of Chartered Accountants. Students need help in their education and in order to better prepare them for their exams, this year the Institute has also started regular classroom teaching sessions for students. These classrooms will not only help students to clear their exams but also give them a clear understanding of accountancy concepts and models. These classes, which
will cover the entire CA curriculum, have been specially structured to provide personalized attention and help students prepare for all exams from CPT to Final with confidence.

On an experimental basis the first series of classes have been launched at WIRC office on November 30, 2009. The timings of classes have been kept to enable the students to do justice to both theoretical education & training.

**Gyandarshan Lectures**

In our endeavour to provide the best possible professional education without compromising with the world class facilities of learning the Institute has been imparting the gems of knowledge through distant mode of education, i.e., the lectures through the satellite mode i.e. Gyandarshan Lectures. A series of lectures are being delivered lectures to CPT and PCC students. The lectures have been scheduled in such a manner that our students can watch out in large numbers at ease. The students can also clarify their doubts during the studio timings by dialing/mailing at the studio numbers/email ids. Students can also view the live telecast on the internet. They also have 24 X 7 access to the power point presentations (PPT) which were presented by the distinguished faculty members during the live telecast of the lecture. Further these are available in downloadable format, making the process of learning more interactive and interesting.

**Revision of Study Material: IPCC**

To make the distance-education mode more effective, the Institute has been trying to leverage the technology through various modes such as e-learning, Gyandarshan, Shiksha portal, etc. to reach out to the students dispersed not only within the country but in other parts of the world as well. In view of the fact that the students pursuing chartered accountancy course come from different strata of society and reside in far-flung areas, it is important that the study material should be comprehensive enough so that students can learn, understand and assimilate the subject through self-learning process. In this direction we have initially released the study material in four subjects that are divided in two volumes namely Volume I dealing with the conceptual theoretical framework and Volume II, a Practice Manual. These are now available for IPCC in the following subjects:

- Accounting,
- Cost Accounting,
- Financial Management and
- Advanced Accounting

**Information Technology Training (ITT) Classes**

To better prepare our students for future, specific attention has been paid for the establishment of new labs and expansion of existing Information Technology Training Lab (ITT Lab) at various branches across the country. Special initiatives were taken to provide advanced IT training to students by expanding 21 existing IT Centres and setting up 19 new ones whereas six more IT centres will soon become operational. The course content for the Advanced Information Technology Training has also been streamlined and upgraded.

**Launch of Advanced Information Technology Training**

The Institute introduced 100 Hours Information Technology Training for the students of Professional Education Course (I, II) in the year 2002. This Training programme was envisaged to equip the students with basic IT skills required to discharge their professional duties efficiently. However, there was a long felt need that the students should be trained on various application software tools relevant for Accounting and Auditing. Accordingly, the council has decided to introduce 100 Hours Advance Information Technology Training Programme to enable our students to understand the nuances of the contemporary technology and enable them to become professionally competent and confident. The new course will become part of articleship training after getting the approval of the government. Students would be required to undergo the new Advance Information Technology Training Programme after completion of two years of articleship but before completion of three years of articleship training. This
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is in addition to several other initiatives taken this year such as CA Shiksha; an e-Learning Portal to transform your Learning Process and ICAI Job Portal—the “Search Mantra” to explore your professional horizons. We also webcasted the lectures of the distinguished experts and uploaded the PPTs of Gyan Darshan CPT Lecture Series on the ICAI’s portal. We have also set up a number of new Information Technology Training Labs at different parts of the country.

Residential Programmes

The present day, the economic and business environment has become highly complex and challenging. The Chartered Accountants play a pivotal role in the economic development of the country and the growth of the industry in particular. The Chartered Accountants occupies prominent position in the trade and in the industry. The Institute has taken a number of proactive initiatives to align the profession of Chartered Accountancy with the emerging global economic order. One of the major initiatives is periodic revision in the educational and training curriculum. In order to facilitate the new Chartered Accountants to able to face the complex business environment, as another important step, the institute has decided to organise a 3-months residential programme exclusively focusing on development of personality skills and professional skills. The students would be interacting with the best known expertise in different areas adopting the modern methodology including therein management games, role plays simulation exercises.

The 3-months Residential programme aims at CA students particularly who have recently passed the Final examination or are undergoing the Final Course. The programme will help the students in imbibing the professional skills required for effective functioning in business organization and profession. The programme would focus on development of communication skills, personal qualities, inter-personal and team work skills, working within the scope of turbulent environment, problem solving skills and leadership skills. As of now as five batches of intensive Residential Programmes have been organized at National Institute of Financial Management, Faridabad and Indian Institute of Management, Indore respectively.

Special campus recruitment drives have also been organized for the students joining the said programme. The programme is also highly subsidized by the Institute. The statistical data of the last two such placements are as follows:-

- May 2009: 28 candidates got job offers from 7 organizations.
- October 2009: 45 candidates got job offers from 13 organizations.

Conventions & Training Workshops

To improve knowledge at one hand and inculcating healthy competition, the Board of studies organizes various events including elocution contests & quiz contests. In this era of cut throat competition the students should not delimit their knowledge to the books but should give more weightage to the overall development of oneself which can be attained by attending the various workshops/conferences/conventions that organized by the Institute on a regular basis. To name a few, the Institute has organized national sports competition, national youth festival, six National Conventions of CA Students across the country, the 22nd All India CA Students Conference which saw nearly 1500 students participating including students from Sri Lanka and Nepal as part of the SAFA Students Exchange Programme. Four state level conferences were also organized during the year. Besides, to encourage the sense of belonging towards the Institute and to promote professional camaraderie, the new tradition of holding convocations was further strengthened this year by holding lively convocations for each region in New Delhi, Kolkata, Chennai, Mumbai and Jaipur respectively, which were attended by thousands of newly-qualified chartered accountants.

Transformation: CA Student Newsletter to Journal

CA Students’ Newsletter was transformed to CA Students’ Journal to redefine the process of sharing knowledge and information. It provides our ardent readers a forum for exchange of ideas and dissemination of knowledge. Naturally, the area and scope of the journal will be larger than a newsletter as it will encapsulate a wide range of subjects and information. It would be a forum for dialogue on the methodological and epistemological
issues. The Chartered Accountant Students' Journal will address the subjects and issues that will be very relevant for students to enrich and update their world of information and knowledge. We are confident that this experiment will prove fruitful for the 360 degree development of our students. The journal is committed to encourage all forms of research and articles in all the branches of knowledge.

CA Students' E-Diary

As per regulation 64, principals have to maintain records about the progress of the training imparted by them to the articling assistants working under them. Often a need is felt to have a system of proper monitoring and control of the records. Given the size of the operations, it is an uphill task for the Institute to monitor each case separately. In this direction, we have decided to launch a separate website wherein the information can be directly uploaded. Further processing of the data also becomes simple.

This web diary will have the following features:

- An article/assistant will have to periodically input his progress in practical training.
- The principal shall approve the progress at periodic intervals.
- The ICAI shall monitor these records regularly. Form no 105, 108, 109, 110, 111, 115 & 116 will be generated by the website.

Conditions on Transfer: Tightening the Strings

The breach of Regulation 65 by students who did not file Form 112 on time was seen as diluting the sanctity of the practical training and certain restrictive conditions were imposed on such students before enrolling them as members. As such, it was decided to take a liberal view of the delay in submission of Form 112 by students. It was decided that wherever additional course was pursued during articleshop without clash of classes hours with office time, membership be granted as an amnesty measure for all such requests already received or to be received up to March 31, 2010. However, for all other courses pursued during day time classes along with articleshop, each case will be individually considered by the Executive Committee and delay may be condoned by imposing certain conditions like delaying grant of membership, completing a special course, etc. Further, the conditions/grounds for transfer/termination of articles were specified. In order to mitigate the transitional difficulties which were being experienced by members and students in the matter of transfer of articles, effected on or prior to 27th March, 2009, it was decided, as a special case, that Form 109, complete in all respects and received at the Institute up to 30th April, 2009, be processed as per the norms in place prior to the publication of the announcement dated 27th March 2009.

Accounting Technician Course

Over the last 15 years, the horizon of the Indian economy has been changing. The Indian economy has not only witnessed unprecedented growth but its profile has also changed significantly. This has resulted in tremendous growth in the demand of the Chartered Accountants. Equally important is the huge demand emerging for accounting personnel at the second tier in large, medium and small sector. The industry, in particular the service sectors like BPO/KPO has been for quite some time expressing the need of persons with accounting and related skills commensurate with the requirements at the operational level. A large number of small enterprises whose accounting needs are limited, also need such persons. The need for such Accounting Technician is expected to go further with increased integration of agriculture and informal sector with the mainstream on economy and reforms.

The ICAI has domain expertise in designing and delivering the accounting and the related knowledge. As a part of its larger role, it is also expected and so also endeavouring, to improve quality of accounting and financial reporting in public as well as private sector. In the entire scheme of accounting function and the organization in any entity, Chartered Accountant(s) employed therein is only one component. The need for a suitably qualified accounting technicians is imminent to ensure that value chain in the accounting process does not suffer. The ICAI has technical
resources, infrastructure facilities including its own computer labs throughout
the country, and a large membership base in the industry as well as in
public practice and is, therefore, most suited to launch the much needed
accounting technician curriculum.

The Council considered the need for accounting technician, significance
of the role of the Institute in that regard, and international experience
in the Indian perspective & decided to introduce Accounting Technician
Course. The ICAI with the vast experience and expertise available, would
be able to ensure high quality education and development of appropriate
skills necessary for Accounting Technicians at a uniform and consistent
basis throughout the country.

CPT Exam: Online

The concept of online CPT examinations has been introduced to accustom
students with working and studying online right from the time they decide
to become CAs. The online examination would also make the examination
process much more transparent and efficient. This system is considered to
be of a much higher level as the emphasis here is on conceptual
understanding rather than on memorising. With this step, aspiring CA
students can now take their exams either online or by the traditional paper-
pen method. But taking into account that the future of our profession
will be increasingly IT and technology oriented, we have decided to hold
CPT examinations 10 times in a year in addition to paper-pencil mode of
examination in June and December every year. This will give students a
great deal of practice as well as develop comfort in working online.

New Exam Centres

In order to improvise the services to the growing number of students
and resultants need for starting of new examination Centres apart from
branches, the Institute has set up new examination centres in different cities.
Thirteen new centres have been set up for the Chartered Accountancy
examinations Professional Education – II, Professional Competence Course
(PCE), Integrated Professional Competence Course (IPCE) and Final
Examinations. They are Aligarh, Anand, Berhampore, Bharuch, Bilaspur,
Gandhidham, Kānal, Ratlam, Rewari, Sikar, Tirupati, Tirupur, Vapi. Nine
new centres have been set up for Common Proficiency Tests, viz.,
Berhampore, Bharuch, Dundlod, Gandhidham, Rewari, Sikar, Tirupati,
Vapi, Doha (Centre abroad). Students staying in and near these places will
not be forced to travel long distances to appear in the examinations.
Considering the concentration of the students we may decide to set-up
further centers for examinations in future.

General Management and Communication Skills
(GMCS)

Education comprises more than just academics. An important component
of Chartered Accountancy course is the course is the GMCS, which goes a
long way in honing managerial & communication skills of the students.
Till date 159 batches of General Management and Communication Skill
(GMCS) course have been organized at 41 centers and more than 6668
students have been trained to hone their management and communication
skills. Further, as part of our efforts to enhance the professional abilities,
soft skills and broaden the outlook of CA students, we have increased the
numbers of days of the classes for General Management and
Communication Skill (GMCS) course from 15 days to 30 days. Now students
have to undergo this course two times during the articling, one for 15
days in the first year of articleship and second for another 15 days in the
third year of articleship. A dress code has been issued for the CA students
so that they are properly attired while coming to the Institute and while
attending classes, seminars, conferences, GMCS classes, IT training, etc.

New Guidelines for Setting up Branches: For
Supporting Students

Many students do not get adequate support simply due to geographical
limitations. They live in an area which does not support the minimum
number of members required to justify setting up a local Branch. Well,
that used to be the case. We have now amended the regulation for branches
drafted new guidelines for the opening of new branches. As of this
year, the new guidelines state that a branch can also be set up in a location
where the numbers of members are more than 100 but less than 150 as
also the number of students is more than 250 at the said location or within
radius of 50 kilometers. At the same time a branch can also be formed if
there is no existing branch in any of places falling under the jurisdiction of a district, but there are 100 members in a district taken as a whole. With this rule, we have now made it possible for students to access the infrastructure and support that is crucial while also making it safer for them as they will no longer have to travel long distances in order to access support provided by Branch offices.

Like a parent, the Institution is always worrying and working for its students. We will continue to allay their fears while also ensuring that no stone is left unturned in our quest to provide the best services and education to our students from the smallest village to the largest city in India. Let this past year be just the beginning of the positive initiatives that we will now undertake to turn our students from pupils into professionals of the highest calibre who will go on to serve their institute and their nation. As rightly said:- “It’s your aptitude, not just your attitude that determines your ultimate altitude.”
Infrastructure: Foundation for Tomorrow

The year 2009 will be remembered in ICAI history as the year of Infrastructure. India is a vast country with a correspondingly huge population. However, the increase in population has also shown a proportional and positive rise in the number of educated people. The CA profession has been attracting talented youngsters in thousands from every corner of India and most of these will go on to swell our ranks in the near future. To that end it had to be ensured that adequate and quality infrastructure be provided to all, taking into consideration current and future members. A number of initiatives were planned and executed to make certain that ICAI creates a tremendously strong infrastructural base that caters to all members and students in the years to come.

However, infrastructure is a multiple layered concept that includes factors ranging from maintenance of existing buildings to land acquisition, to devising policy guidelines, maintenance of original documents in respect of land and institutional buildings under the applicable statutes. It also includes the constant monitoring of existing projects while fulfilling the institutional and local requirements. All this while also ensuring adequacy and quality of all capital assets, and analyzing requirements of capital assets. Juggling these factors precisely requires ensuring uniformity and standardization of all processes.

Centre of Excellence

As the institute moves ahead, it also looks to hone skills that would provide its members all the requisite tools necessary to become professionals of the highest calibre. These tools are being provided at our Centres of Excellence. These centres were specifically set up to provide qualitative practical training in IT, case studies and research, general management and communication skills to students and members.

- The world class Hyderabad Centre of Excellence has already been inaugurated and put into operation in the year gone by. This centre has already proved beyond a doubt our capabilities and ambitions for the future.
- Foundation stone of centre of excellence at Abu Road & Rajkot were laid on 21st January 2010 & 2nd February 2010 respectively.
- Construction of Centres of Excellence in Jaipur and Bangalore has already been started with more Centres on the anvil at Chennai, Goa and Jaisalmer. Recently, seven acres of land were donated by a member to set up a centre of excellence in Pune district.

It has been decided to set up the Centres of Excellence for qualitative practical training in IT, case studies and research, and general management and
communication skills to the students and members. The construction for the residential block of the Hyderabad Centre of Excellence is complete. It was inaugurated on July 2, 2009 and became functional from the same date.

**ICAI Bhawan**

The symbols of our Institution and profession are the ICAI Bhawans. These edifices are live monuments to the accountability, integrity, efficiency and commitment that we as an organization profess towards nation building and the creation of a better and stronger Chartered Accountant. For that reason, all ICAI Bhawans are designed and constructed to include all the facilities that aid in propelling the profession forward.

A prime example is the ICAI Bhawan at Sector-62, Noida. Completion of this building was on agenda since 2004 but this goal has almost been realized this year only and the building will soon be fully functional. A testament to our perseverance, this complex includes an administrative block which has been completed and inaugurated on July 1, 2009 as well as other blocks comprising auditorium, research and hostel blocks all of which were inaugurated on January 17, 2010. The reception of the head office of the ICAI has also been renovated to represent a corporate and professional look. Meanwhile, the highly ambitious project of ICAI Bandra-Kurla Complex (BKC), Mumbai, which was pending for years due to unwanted litigation, finally got rolling this year after the litigant withdrew the writ petition filed against ICAI following tremendous efforts made by the ICAI in this regard. The construction of this complex has begun and it will be a state-of-the-art multistoried building with advanced infrastructure at par with international standards. Another major pending issue that was resolved in the last year was that the Jaipur Development Authority refunded more than Rs. 525 lakhs (along with interest of Rs. 39 lakhs) which was deposited by ICAI for its proposed university project. Meanwhile, for the ICAI Bhawan in Kolkata, the physical possession of 10,800 sq. ft. land is now a reality and unique infrastructure facilities have been finalized.

**Branches**

The most important organ of the Institute is its Branches. These are the lifeline of the system and the crucial support system that keeps us all united and professionally alive. ICAI has been assisted by the State Governments on various occasions when they allotted land to ICAI to develop branches. However, the Institute is now becoming self-sufficient in a different and positive manner and it is most visible through the land donations for branches made by our own members as well as members’ contributions for infrastructure development of the Institute. For example, in Pimpri Chinchwad Branch 15 gunthas were donated by a few members. Likewise land has also been donated at Hyderabad. It is perhaps the best way to give back something to our alma mater which has given all of us recognition and position in the society. This inspiring trend truly reflects the love and respect that ICAI commands in its family of members.

Land for Branches and their construction thereof is ongoing across the land North, South, East and West. Land has been obtained for as many as 24 branches. Construction for Auditorium in Ludhiana, Indore and Belgaum has been completed and inaugurated while a seminar hall in Guntur has become operational.
<table>
<thead>
<tr>
<th>Region</th>
<th>Branch /City</th>
<th>Name of State</th>
<th>Type of Area of land</th>
<th>Acquisition in Sq. Ft.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Central Region</td>
<td>Bilaspur</td>
<td>Chhattisgarh</td>
<td>Land</td>
<td>3200</td>
</tr>
<tr>
<td></td>
<td>Bikaner</td>
<td>Rajasthan</td>
<td>Land</td>
<td>7383</td>
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<tr>
<td></td>
<td>Kota</td>
<td>Rajasthan</td>
<td>Land</td>
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<td></td>
<td>Mathura</td>
<td>Uttar Pradesh</td>
<td>Land</td>
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</tr>
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<td></td>
<td>Bhilwara</td>
<td>Rajasthan</td>
<td>Land</td>
<td>27000</td>
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<td></td>
<td>Beawar</td>
<td>Rajasthan</td>
<td>Land</td>
<td>5840</td>
</tr>
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<td></td>
<td>Ajmer</td>
<td>Rajasthan</td>
<td>Land</td>
<td>6300</td>
</tr>
<tr>
<td></td>
<td>Patna</td>
<td>Bihar</td>
<td>Land</td>
<td>14225</td>
</tr>
<tr>
<td>Northern Region</td>
<td>Hisar</td>
<td>Haryana</td>
<td>Land</td>
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</tr>
<tr>
<td></td>
<td>Jammu &amp; Kashmir</td>
<td>Jammu &amp; Kashmir</td>
<td>Land</td>
<td>10800</td>
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<td></td>
<td>Sangur</td>
<td>Punjab</td>
<td>Land</td>
<td>6750</td>
</tr>
<tr>
<td>Southern Region</td>
<td>Hubli</td>
<td>Karnataka</td>
<td>Land</td>
<td>32612</td>
</tr>
<tr>
<td></td>
<td>Vijayawada</td>
<td>Andhra Pradesh</td>
<td>Land</td>
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</tr>
<tr>
<td></td>
<td>Kottayam</td>
<td>Kerala</td>
<td>Land</td>
<td>21777</td>
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<td>Kakinada</td>
<td>Andhra Pradesh</td>
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<td></td>
<td>Bellary</td>
<td>Karnataka</td>
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<td></td>
<td>Hyderabad</td>
<td>Andhra Pradesh</td>
<td>Land</td>
<td>87091.44</td>
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<tr>
<td>Western Region</td>
<td>Akola</td>
<td>Maharashtra</td>
<td>Land</td>
<td>10000</td>
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<td></td>
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<td>Addl. land</td>
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<td>Addl. land</td>
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<td>Addl. land</td>
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<td>Sangli</td>
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<td>Land</td>
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<td>Solapur</td>
<td>Maharashtra</td>
<td>Land</td>
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<td></td>
<td>Amravati</td>
<td>Maharashtra</td>
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<td></td>
<td>Bharuch</td>
<td>Gujarat</td>
<td>Land</td>
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<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td></td>
<td><strong>417443.33</strong></td>
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</table>
## Acquisition of Building by Branch

### Institutional Buildings - ICAI Bhawan

<table>
<thead>
<tr>
<th>WIRC</th>
<th>Pune</th>
<th>Maharashtra</th>
<th>Building</th>
<th>8,200 Sq. Ft.</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>EIRC</th>
<th>Kolkata</th>
<th>West Bengal</th>
<th>Land</th>
<th>15 Kottahs/10800.69</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name of Institutional Building / Centre of Excellence</td>
<td>Name of State</td>
<td>Size of Land</td>
<td>Remarks</td>
<td>Area of land in Sq. Ft.</td>
</tr>
<tr>
<td>Centre of Excellence Rajkot</td>
<td>Gujarat</td>
<td>7985 Sq. Mtr.</td>
<td>None</td>
<td>85918.6</td>
</tr>
<tr>
<td>Centre of Excellence Abu Road</td>
<td>Rajasthan</td>
<td>10 Acres</td>
<td>Land allotted by RIICO</td>
<td>435457.2</td>
</tr>
<tr>
<td>Centre of Excellence Pune</td>
<td>Maharashtra</td>
<td>7 Acres</td>
<td>Land is donated by CA Milind Kale and the proposal is under consideration.</td>
<td>304820.04</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td></td>
<td><strong>826195.84</strong></td>
</tr>
</tbody>
</table>
Glimpses of Inaugural Ceremonies
Land Acquired/Building Constructed
Information Technology: Breaking Barriers

To keep pace with progress, you have to be part of progress. Nowhere is this more evident than in the constantly changing spectrum of Information Technology. Today, the entire world functions on the basis of technology. Crucial procedures like e-governance and compliance processes for example are all technology driven. We at the institute decided to embrace technology and implement it so as to deliver maximum advantage in terms of service, communication and education to all members and students. To carry out these activities in a systematic, strategic and efficient manner so as to extract the maximum benefit, a full-fledged Information Technology (IT) Directorate was established at the Institute. The main purpose was to bring all IT activities of the Institute under one umbrella to enable coordination and optimum use of resources for the developmental activities relating to members and students while bringing a unified and integrated approach to all IT initiatives. For a professional Institute of the size and depth of ICAI, the judicious use of technology is essential in scripting not only its progress but also its future. And our future is bright as we have already achieved some wonderful results due to the intelligent application and implementation of our IT initiatives.

**Project Parivartan**

One far-sighted initiative is project ‘Parivartan’. This e-Governance project was launched to systematise business processes being followed and introduce IT-enabled systems to make services of the Institute user-friendly from the members and students' point of view. The Parivartan contract was awarded to Infosys Technologies for the study of Enterprise IT Architecture for ICAI. As a part of the study, Infosys was given the task to deliver enterprise IT strategy, a blueprint of enterprise IT infrastructure and IT Roadmap documents. Accordingly, an IT Strategy Alignment document has already been prepared by the Infosys team. This document will assist the Institute and the forthcoming Council in developing the roadmap for implementing the next generation Information & Communication Technology to provide excellent web-enabled IT services and world class IT education to members and students.

**ITT & Advance IT Training**

New advances in technology related to our profession shows the best results when introduced to young students. The modern generation is quick to grasp knowledge related to IT. To that end we had already introduced a training programme designed to provide students with the basic IT skills required to perform their professional services efficiently. However, it was found that there is now a firm requirement for students to also be trained on the new and varied Accounting and Auditing softwares. To implement this decision we introduced the 100 Hours Advance Information Technology Training Programme for the students who have already completed two years of articleship but before the completion of three years of articled training.
This training programme provides students with useful knowledge on Advanced MS Excel, Advanced MS Access, Computer Assisted Audit Techniques (CAAT), Core Banking & IS Audit and Enterprise Resource Planning. Hands-on training of various application softwares such as IDEA for CAAT Tools, BankMate/ Finacle for Core Banking and IS Audit and TallyERP for ERP Solutions. This study will ensure that students are equipped with the knowledge to face the challenges of the 21st century Chartered Accountant. The total duration of this training programme is 100 hours including 75 hours of hands-on training and 25 hours for project work.

Online Work Diary by Articled Assistant

Another project that promises great encouragement for students is the Online Work Diary by Articled Assistant initiative. This initiative will ensure that we fill the gaps in education that currently exist in the practical aspects of the student’s course. Our education system relies equally on academic studies as well as practical on the job training. To ensure clarity of purpose the Board of Studies has published the Training Guide which clearly specifies the guidelines and terms of practical training which students are required to undergo. To make sure that these guidelines are followed scrupulously we are putting in place a system that tracks the performance of articled assistants in the course of articlsheip. This will take the form of an online CA Student Diary wherein each articled assistant will be required to upload online Form 106 giving the details of their work diary - work done and learnt in the course of articlsheip - by visiting a designated website at least once a month. To begin with, the implementation and of this system will give us a dual advantage of not only monitoring the progress of practical training of each articled assistant but also allowing the faculty to give appropriate and opportune guidance to the articled assistants. This system will be a boon to all students by gifting them timely and practical education at a time crucial in their careers.

e-Room Study Group for Accessing Knowledge Resources

An e-Room Study Group has been set up at Bangalore to facilitate access to all ICAI knowledge resources such as publications, presentations, seminar materials online under one portal. The Group would review the existing ICAI Online Facility and discuss a strategy to provide e-content to the members.

e-Samadhan or Grievance Management System

Every year the number of initiatives as well as the number of members increase almost exponentially. In such conditions there will be difference of opinions as well as complaints. It is equally important that the grievance of each and every member and student be answered on time. To tackle this situation and ensure that there is equality we are starting a new portal called e-samadhan or Grievance Management System at www.icai.org/help. This is the place where members and students can write in their complaints. Every complaint will be assigned a unique docket number which can be used to track the complaint. This system has been designed to address complaints within a specified time failing which the system will automatically escalate the matter to the next person in the Institute’s hierarchy. Thus, e-samadhan will automatically ensure that the common complaints of the members and students get a faster response, redressal and solving of the issues faced by all.

XBRL - Financial Reporting Language

ICAI is at the forefront in the implementation of XBRL and IFRS convergence.
The Institute of Chartered Accountants of India

and has taken up the challenge to develop and implement the eXtensible Business Reporting Language (XBRL) in India. XBRL is an exciting innovative way of the communication of business and financial data that is of immense utility to the government, regulators, stakeholders and others. We are not only working at expanding and developing the taxonomy of XBRL-based reporting but also establishing ICAI as the Indian jurisdiction of XBRL International— which is a non-profit association of organizations and government agencies worldwide. We are making excellent progress in its development, to the point where we have created an XBRL Taxonomy for Commercial and Industrial Companies and the Banking Taxonomy. We have also decided to focus on developing sector-specific taxonomies and bring about a common XBRL platform that would be of great advantage to everyone involved or related to our profession.

**Multipurpose Empanelment Form**

This year we also simplified the Multipurpose Empanelment Form (MEF) to a large extent. Now, members need not go through the technical manual and settings required for downloadable version of the form that was the norm till last year. This year the system clearly distinguishes an Individual from Sole Proprietor and Partnership firms. An Individual can easily enter the system with their membership number and a sole proprietor or partnership firm can enter the system with a Firm Registration Number. Confirmation of each application is immediately communicated to members via SMS. This simple, fast and convenient process has found much favour amongst members across the country. The form can be downloaded from the following link: www.meficai.org.

**Webcast**

Every organization functions best when its internal communication is the most efficient. Currently, members and students number in lakhs and these figures are increasing with each passing year. What was required was the technology which would make large scale communication simple and at the same time easily accessible by all. Fulfilling all the parameters we introduced the first ICAI National Webcast. With this Webcasting service we can now share the expertise and experience of senior members and experts with a large number of members and students across the length and breadth of our country and that too in a very cost-effective manner. Members can now participate in events from all over the world and remain in touch with the latest happenings at the Institute. We have also become pioneers in using this technology for e-learning. Students can now save time and money by using our webcasts for distance learning thus offering them invaluable guidance from experts accessed from their homes. Members too can benefit greatly from pertinent analysis as was seen in the 2009 Union Budget Webcast. Visit: http://webex.wstream.net/ica/090706/

**PD Portal**

Our profession is one which is expanding in new and different fields. To provide the timely and necessary information on practice development and professional opportunities to the members, a new website was launched to provide members with all the information that they need to enrich their own practice and provide value added services to their clients. The site offers a mix of information and professional opportunities including invitations for tenders, consulting assignments, matters of professional interest, media reports, relevant court judgments, circulars and notifications of various government bodies, important contacts and links and ready reckoners. The site has also been made interactive where members can post their queries which can be answered by other members who visit the site. The site acts as an industry link, http://www.pdicai.org/ an information dispenser as well as a forum for the exchange of knowledge.

**On-Line Payments**

Today we inhabit the world of online transactions which makes life a lot easier. We decided to provide the same service to our members, especially those
in far flung towns who not only found it difficult to receive our publications but also whose physical cheques remained undelivered many times. The service provides benefits to all members and ranges from online payment of membership fees to online ordering of Institute’s publications using the Institute’s website thus making life far easier for all.

CA Shiksha

Currently our Institution has 6, 20,000 students under its care. On the heels of the success of the webcast, a unique initiative was developed solely for our students. This initiative would ensure better, regular, systematic and cost effective learning at a time and place of the students’ convenience. That initiative was the CA Shiksha website. This dynamic e-learning site provides students a complete study package of online learning, video lectures, mock tests, assessment reports and quick revision notes. These free education tools will not only help students prepare in the most thorough way for their exams but also benefit students from weaker sections of society who cannot afford classes or tuitions. The results were immediate with more than 10,500 registrations and pages accessed more than 5,35,000 times in less than a month of the launch of http://www.cashiksha.com/

E-Learning

This is the age of electronic education. Gone are the days of referring to large number of heavy books in libraries. Today whole encyclopedias are present in just a few compact discs. Keeping pace with this mode of study we have introduced a number of courses which provide online learning to everyone in the comfort of their homes or offices. These courses are accessible from any location across the world with an internet connection and will keep members constantly updated with current information on important topics as well as keep abreast with new subject matter to enhance their professional knowledge base. To that end members can easily apply for courses from the e-learning portal which is a gateway to access specific topics. Currently, courses range from e-learning course on Service Tax and the course on IFRS to the e-learning course on Transfer Pricing. Not only has the Institute made it easier for members to keep themselves professionally up to date with these courses but also gifted members the added advantage of availing CPE credits, depending on the course. We are sure that e-learning is the training of the future and the faster members accept this method, the higher will be the bar Indian CAs will attain, thus bringing professional pride and glory to the Institute and members across the world. http://elearn.icai.org

ICAI Job Portal

The recent recession, as well as various mergers and acquisitions saw a bit of churn in our profession as well. To safeguard the interest of our members we launched a comprehensive ICAI Job Portal. This portal is of immense help to all our members irrespective of age or experience and is a common pool of manpower resources for firms as well functioning as a professional job portal.
International Initiatives: Going Global

In 2009 the world has truly become a global village. With India growing stronger economically and professionally, there are more opportunities for professionals today than ever before. Internationally, ICAI as an organization and as a brand is respected and well known but in a passive manner. This year it was decided to promote the Institute on the international platform in a proactive manner. A number of varying factors suggested this was the right time for international expansion. These factors included our budding relationships with other accounting organizations across the world, the high level of knowledge prevalent amongst our own members and the scope of inter-organizational support that we could provide at an international level. Combined together, we could leverage our strategic alliances with relevant international bodies to explore new avenues for our members abroad, establishing contact points in major cities worldwide and opening ICAI offices in countries where there were adequate number of our members.

Nominating Mentors for the Overseas Chapters

The process of expansion has been approached in a systematic and planned manner. For the first time in the history of ICAI Council Members were appointed as mentors to each of the international chapter(s). This enabled us to work as a team and make decisions accordingly while also being able to focus on nurturing our overseas chapters.

Signing MoUs/ MRAs with the Overseas Bodies

This year saw the Institute moving across the world like never before. The Institute signed MoUs with countries and associations all over the world.

The ICAA and the CPA Australia

We have signed MoUs with the two Australian organizations, namely the Certified Practicing Accountants Australia (CPA Australia) as well as with the Institute of Chartered Accountants of Australia (ICAA). This MRA with CPA Australia is already in force as notification process to Australian Competition Regulator, the Australian Competition and the Consumer Commission has been completed. This arrangement has taken off quite well with more than 70 members already applying to CPA Australia and more members availing of this arrangement every month. The Australian chapters are already flourishing and are already assisting members from India who want to practice in Australia.

University of Djibouti

The ICAI signed a Memorandum of Understanding with the University of Djibouti, Republic of Djibouti on May 18, 2009 coinciding with Africa Day celebrations from 18-19 May 2009 at Mumbai. The MoU was signed for imparting training to Djibouti nationals in sphere of accountancy and working collaboratively for institutionalization of accountancy body in Djibouti. Present on this occasion were the Consul General of Djibouti and the Dean of the faculty of Law, Economics and Management of the University of Djibouti.

Towards a New Beginning

Covering every accountancy association that exists in a country, the process of signing an MRA with Canadian Institute of Chartered Accountants (CICA) has been expedited and currently we are in final phase of dialogue. The Institute is also in its advanced stages of the finalization of the mutual recognition dialogues with the Institute of Certified Public Accountants in Ireland, Institute of Chartered
Accountants in New Zealand and the Institute of Chartered Accountants of Nepal.

**Joint declaration with CGA- Canada**
Taking a major step forward we signed a declaration with the Certified General Accountants Association of Canada (CGA-Canada). This joint declaration will tremendously augment and strengthen bilateral cooperation and develop a mutually beneficial relationship in the best interest of members, students and institutions. The declaration will help both the institutes in studying each other’s structure and operation, regulatory framework, with emphasis on the possible co-operation in respect of professional training, education and examination and technical research, as well as an international representation on the top bodies of the profession.

**Joint Declaration with the Bahrain Institute of Banking and Finance**
The ICAI also signed a Joint Declaration with the Bahrain Institute of Banking and Finance (BIBF) on the July 05, 2009 coinciding with the International Conference. This declaration would enable the two Institutes to draw synergies from professional expertise available with each other in areas of accounting, financial engineering, corporate governance and alike. This initiative would allow both the Institutes to work towards capacity building for professionals of all nationalities within Bahrain and to build up a communication strategy between our two bodies.

**Recognition of ICAI in the Samara Region**
This drive to expand the Indian CAs’ international horizons and to boost Indian accountancy profession globally has seen ICAI Chapter established in Singapore while the Institute of Professional Accountants of SAMARA Region (SIPA) has agreed to recognize the ICAI qualification for granting membership of SIPA without the need to qualify any additional examinations.

**Expanding Our Wings- Setting up New Chapters Abroad**
The foreign chapters of the Institute of Chartered Accountants of India have a pivotal role to play in furthering the Mission of the Indian Chartered Accountancy profession.

The ICAI already has 21 Chapters abroad & the Institute is initiating dialogues and taking proactive steps in the opening up of ICAI Chapters in Switzerland, New Zealand, and South Africa. This would be a stride forward in our aim to position our self as the Valued Trustees of World Class Financial Competencies, Good Governance and Competitiveness.

The process of formation of Ireland & Thailand Chapters of the ICAI is also in advanced stages of formation.

**Delegations Visited- Inbound Delegation**
**Visit of Mr. Lyle Handfield, Certified General Accountants Association (CGA) of Canada on 13th April 2009**
Mr. Lyle Handfield, Vice-president, International and Corporate Affairs and Mr. Baldev Vice-president, Finance and Administration, Certified General Accountants Association (CGA) of Canada visited ICAI to discuss the bilateral talks between ICAI and CGA Canada for entering into a Mutual Recognition Agreement.

**Visit of Delegation from the Canadian Institute of Chartered Accountants from 8th to 10th June 2009**
A delegation from the Canadian Institute of Chartered Accountants led by CA Jylan Khalil, Director of CA Qualification along with CA Paule Massicotte, Principal of CA Qualification had visited ICAI to discuss in detail, the possibilities of reciprocal recognition agreement of professional qualification between both the Institutes.

**Visit of Delegation from the American Institute of CPAs June 30, 2009**
Mr. Ernie Almonte, Chairman, AICPA visited India from June 30, 2009 to July 04, 2009 to deliver a Keynote Address at the ICAI Diamond Jubilee International Conference in Agra. Coinciding with the visit, meetings with C& AG, CGA, Ministry of Finance and Ministry of Corporate Affairs also took place.

**Organizing Joint CAPA-IASB ‘Training The Trainers’ Program in India.**
ICAI has organized the event of ‘Training the Trainers’ program in IFRS for
SMEs jointly with the CAPA. The program was held from January 25-27, 2010. The said program was conducted at Hyderabad, Centre of Excellence. ICAI also hosted CAPA Strategic and Finance Committee Meeting at Hyderabad during 28-29 January 2010.

Over 30 leading professional accountancy trainers from India, Bangladesh, Nepal and Sri Lanka have descended on Hyderabad for the historic event being held over three days 25-27 January. The ‘Train-the-Trainer’ workshop has been organized by the Confederation of Asian & Pacific Accountants (CAPA), the organization representing all professional accounting organizations in the region, including the ICAI.

“This is a real milestone for the profession in the region for three reasons” noted Brian Blood, Chief Executive of CAPA. “Firstly, it the first time in a decade that a ‘Train-the-Trainer’ program of this magnitude has been held in the region. Secondly, the initiative has the support of the Asian Development Bank and we have been able to attract many participants from developing and emerging economies. And thirdly, this is the first ‘Train-the-Trainer’ workshop in the world to be presented on the recently introduced International Financial Reporting Standard for Small and Medium Enterprises.”

As over 95% of all businesses in the world are small and medium enterprises, so interest in the Standard was not surprising. The Standard was developed to assist these businesses report high quality financial information in a consistent manner, whilst acknowledging the need to be not overly complex and hence cost effective.

“These events really contribute to the development of the accounting profession in the region and globally” stated Mr Blood. The event was staged at the ICAI’s Centre of Excellence located in Hyderabad. “This is a first class training facility” noted Mr Blood “which demonstrates the strength and maturity of the accountancy profession in India.

**Outbound Delegation**

**Study Tour to Australia**

In order to promote member to member and firm to firm contact and better understand the economic and regulatory environment and the economic opportunities in Australia with a view to tap the vast market existing for the Chartered Accountants there, the ICAI organized the study tour of Australia from October 1st 2009.

During the tour, a 33 member Indian Delegation, which included ICAI President CA. Uttam Prakash Agarwal and eminent Chartered Accountants met with the officials of CA Australia and CPA Australia and members of various industry groups to get insights into the economic and regulatory environment in Australia.

**Study Tour to USA**

To understand the economic and regulatory environment as well as to obtain a better understanding of the vast economic opportunities available for Chartered Accountants in the United States of America, The Institute of Chartered Accountants of India organized an educational and business tour to select cities in USA from 19th – 28th December 2009. The study tour mainly focused on business and networking meetings to optimize the time spent there. The Study Tour was a mix of business meetings/networking towards coupled with exposition to the local heritage in a way that 70% of the business time available is dedicated to official engagements.

This tour had received very overwhelming response from the members. During the study tour the Delegates held discussions with counterpart organizations, stakeholders, members etc. with the following basic objectives:-

- Build sustainable capacity by providing participants an opportunity to see and interact with various officials in respective countries
- Facilitate understanding and steps towards networking of the accounting firms in India and respective countries
- Seek association for the research and developmental activities of the Institute in different fields
- Discuss the issues of qualification and ways to facilitate cooperation at firm level
- Develop an understanding to help trade and industry in the respective countries and facilitate inter-country trade and investment
Delegation to Spain and Poland Led by Her Excellency Smt. Pratibha Devisingh Patil

The Indian CA fraternity was also privileged when ICAI President was invited as a member of a high-profile delegation to Spain and Poland led by the Hon’ble President of India Her Excellency Smt. Pratibha Devisingh Patil in April 2009. The delegation met to discuss the Regulatory Framework in the European Union and Spain and PROMOMADRİD representatives on the investment opportunities in the region of Madrid. The delegation also had the Business session on the Investment Opportunities in Spain and India, in which the business representatives from India and Spain made their presentation. The possible avenues where our CAs & Accounting Technicians could provide their expertise, was discussed at length. The possibility of having an MRA with Instituto De Contabilidad Y Auditoría De Cuertas was also discussed on lines of ICAEW. During the trip, the business communities of the countries were apprised of the ICAIs multifarious activities.

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Contribution to Special Groups Constituted by the Government of India

The ICAI is actively participating and contributing to special Task Forces, namely Indo UK Accountancy Task Force and Indo UK Task Force on Corporate Affairs constituted under the aegis of the Ministry of Commerce & Industry & the Ministry of Corporate Affairs respectively.

UNCTAD’s 26th Session of the Inter-Governmental Working Group

The Institute also felt privileged when its President, along with Secretary MCA Mr. R. Bandyopadhyay, attended the UNCTAD’s 26th Session of the Inter-Governmental Working Group of Experts on International Standards of Accounting & Reporting (ISAR) in Geneva in October 2009. This was a great honour for our institute as only the world’s top regulators and professional bodies were invited for the event.

Nomination on Overseas Bodies

In another honour to the Institute, its President was nominated to SMP Committee of SAFACIF, wherein he became the first chairman of the committee and prepared an action plan for the issues concerning to SMPs and SMEs of the
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South Asian Region. The Institute is also well represented in IFAC, CAPA and SAFA which is sign of trust and recognition that Institute was bestowed on internationally. In yet another recognition to the Institute, its President was invited for the first meeting of the Asian-Oceania Standard-Setters Group (AOSSG) held in Malaysia in November 2009 where he also signed Memorandum of Understanding formalizing the establishment of AOSSG.

Honorary Memberships of Overseas Accountancy Bodies

In fact history was created during the study tour to Australia when the President, ICAI CA. Uttam Prakash Agarwal was awarded the honorary membership of the Certified Practicing Accountant of Australia (CPA- Australia) by Prof. Richard Petty, President.

The President was also conferred with the honorary membership of the Institute of Chartered Accountants of Australia by Mr. Graham Mayor, CEO of ICAA.

Both these bodies are the largest accounting bodies in Australia. This honor was bestowed on him in recognition of his efforts made to build ties across respective organizations at international level.

Africa Day Celebrations

Taking cognizance of the growing opportunities on the African continent we organized Africa Day along with Indio-Africa Chamber of Commerce and Industries during the 18-19th of May 2009 at Mumbai. Diplomats from various countries from African Continent congregated to formalize strategy for working towards the growth of the Africa. The diplomats applauded the endeavors of India for development of African continent and expressed confidence for taking forward the productive relationship between India and Africa to new heights.

Our altruistic aim of helping African countries in developing the accountancy profession and infrastructure and provide technical assistance in tandem with their economic development was appreciated. It is at this platform that the MoU with the University of Djibouti was signed. At the same event we also saw the Mauritian delegation invite ICAI to visit Mauritius and explore opportunities in areas of mutual interest. Hon’ble Shri S C Jamir Governor,
Maharashtra, Hon’ble Shri Musalia Mudavadi, Deputy Prime Minister of Kenya and Shri Jayant Rao Patil, Minister of Home Affairs, Maharashtra Govt. graced the occasion.

Setting up of an International Federation of Accounting Technicians (in line with IFAC)

The ICAI is considering the proposal for setting up International Federation of Accounting Technicians (IFAT) on the lines of International Federation of Accountants (IFAC) to promote the profession of Accounting Technician worldwide. The mission of the proposed IFAT is to provide a framework to develop and strengthen the accounting technician profession as a semi-skilled certification through quality accounting education, training, ethical requirements, CPD, disciplinary requirements and professional outreach activities that meet the needs of all the stakeholders worldwide. The proposal is under consideration with relevant authorities of Government of India.

Conferences

International Conference on “Winds of Challenges-Global Strategies for Accounting Profession” at Agra from July 3-5, 2009

To further promote worldwide the CA profession in general and Indian CAs in particular, a high profile international conference was organized in Agra in July 2009 on the theme ‘Winds of Challenges- Global Strategies for Accounting Profession’ which was attended by a number of luminaries of the CA profession from across the world, particularly from IFAC, IASB and other international accounting bodies besides from Indian trade and industry. Another major international event was the CAPA Strategic Finance meeting and CAPA workshop on IFRS for SMEs hosted by ICAI at its Centre of Excellence, Hyderabad, which was participated by world class faculties and international delegates.

The International Conference on “Winds of Challenges-Global Strategies for Accounting Profession” was organized from 3rd-5th July 2009 at Agra. The three day event presented a matchless forum for exchange of ideas amongst renowned accounting experts, international doyens from the field of finance and corporate honchos. The Conference was inaugurated by Sir David Tweedie, Chairman, IASB. At the occasion, Ernest Almonte, President, AICPA and Professor Schider, Chairman, IAAEb were also present. The International Conference was attended by over 2100 delegates from over 20 countries. The conference dwelt upon issues of emerging and contemporary significance namely harmonization of international standards, Technology in Financial sector, Bridging expectation gap, financial markets and beyond. It was a matter of great significance that the conference had brought the entire ICAI membership to Agra as against a member base of nearly 500, more than eighty percent of conference participation was from other part of country and south East Asia and majority of developed countries. It is during this time that the Institute had signed a Memorandum of Understanding (MoU) with The Institute of Chartered Accountants in Australia (ICAA) , the joint declaration with the Certified General Accountants (CGA) Association of Canada and with the Bahrain Institute of Banking and Finance (BIBF).

Joint Event of ICAI & ICAEW “A New Vision for Financial Services” at Mumbai on October 20, 2009

The Lord Mayor of the City of London, Hon’ble Ian Luder, visited India and during his visit, the ICAI & the ICAEW co-hosted an event on “A New Vision for Financial Services” on October 20, 2009 in Mumbai to explore the implications of recent experience for financial services and the businesses they service; and to develop a vision for the future of a global financial architecture which would restore confidence in financial services. The panel discussed the impact and depth of the global crisis. The session explored what had led to global financial systems to crash strikingly.

This event was attended by the top CEOs/CFOs of major corporates and banks, and senior members of the accountancy and legal profession who were part of the Lord Mayor’s business delegation. Senior experts from UK & India regulatory bodies, financial service providers and business also gave us the benefit of their expertise during the visit.

Talks with them were fruitful to the point that ICAEW kindly agreed to consider reduction in their fees by offering scholarships to our deserving members. The ICAEW extended a hand of friendship by offering to us its existing services
technologies already in place at its end. This is the kind of international cooperation that truly sets in motion wheels of reciprocity.

**Silver Jubilee Celebrations at Abu Dhabi**

Abu Dhabi Chapter has been in existence for some time now but seeing our proficiency we have been invited to sign a MoU with their Center of Excellence in Research and Training to provide them with training programme specially customized to their requirements. The year gone by also saw our highly proactive Abu Dhabi chapter celebrates its silver jubilee by organizing an international seminar on the theme ‘Beyond Turbulence – Blazing New Trails’.

**Conference on ‘Global Financial Markets: The Road Ahead’ Organized by the Bahrain Chapter**

Our International Chapters are doing an admirable job in promoting ICAI internationally. Along those lines, the ICAI Bahrain Chapter organized a pan Gulf Cooperation Council (GCC) Conference in January 2010 on the theme ‘Global Financial Markets: The Road Ahead’. The Conference was chaired by the President. While the Chief Guest was Mr. R. Bandyopadhyay, Secretary, Ministry of....
of good standing to members for immigration or those pursuing higher education abroad and seeking membership of ICAEW, CPA-Australia, ICAA. The validity of the certificate has also been increased from 3 to 6 months. To further provide better services to our foreign members, we have set up a special help desk for them.

**Corporate Membership**

We also took the progressive step of becoming a Corporate member of the International Fiscal Association (IFA). This Netherlands based organization specializes in spreading the knowledge of International Taxation. It has members of over 100 countries from all over the world. This Corporate membership of IFA would help us greatly in getting access to information relating to developments on International Taxation. This would effectively enable us to grow and consult internationally in the field of International Taxation.

**Training Article Assistants Abroad**

Finally, to increase our global footprint we have also decided to make ICAI members settled abroad eligible to train articled assistants. Taking a holistic perspective of the matter it was decided that our members holding Certificate of Practice with their principal place of practice abroad would now be eligible to train articled assistants there in terms of Regulation 43, in the same manner as in India, provided the member has also intimated an address in India.

These are the sure but steady steps that we have taken in our quest to promote the ICAI brand and the image of Indian CAs abroad. We strongly believe in the saying that a drop of water is small, but over time it can fill an ocean.
Other Committees

COMMITTEE ON TRADE LAWS AND WTO

- Committee has published a Study on Benefits of Preferential Trade Agreements. A Standard Background Material has also been brought out for the various programs & events to be organized during the year.
- A Comprehensive Web Portal on WTO (http://wto.icai.org) continues to cater the emerging needs of the members in this field.
- Committee has released the April, 2009 & July, 2009 issues of E-newsletter titled Gateway to International Trade – E-Communique of the Committee on Trade Laws and WTO. For the next issue matter has also been developed.
- An Interaction was held with the Trade officials of various Embassies in India at ICAI, New Delhi on Friday, 15th May, 2009 & attended by the representatives from the various embassies viz. Belarus, Germany, Iceland, Malawi, Maldives, Paraguay, Pakistan, Tunisia & Sri Lanka. Further, an Interaction was also held with British High Commission on Tuesday, 26th May, 2009 at ICAI New Delhi.

PERSPECTIVE PLANNING COMMITTEE 2009-10

In order to meet the needs of the future so as to be able to present a strong and positive face in the fast changing world trading environment, the Perspective Planning Committee considers all the emerging developments nationally and internationally which may have possible bearing on regulated area carved out for the profession and supplement further by suggesting ways and means to promote the role of Chartered Accountancy profession in non-regulated area by flagging issues wherein profession needs to devote attention. The Committee is constituted with the objective as envisaged in the phrase ‘he who is not prepared today will be less so tomorrow’. The Committee works primarily as a research and analysis wing and is the brain, eyes and ears of the Council and profession.

In order to keep the Accounting Profession in tune with the developments taking place around the world and provide an interactive platform for Accountants across the globe, the Committee organized two conferences i.e. a Diamond Jubilee National Conference on “Emerging Paradigm Of Accountancy Profession: Issues And Perspectives” at Vijayawada on 26th-27th June 2009 and a All India Diamond Jubilee Conference on “Exploring New Horizons” at Hyderabad on 17-18 July 2009 which had received an overwhelming response from the members at large.

COMMITTEE FOR CAPACITY BUILDING OF CA FIRMS

The Committee has taken steps to create awareness among practicing members on the various Capacity Building initiatives of ICAI and identifying the impediments and challenges being faced by small and medium practitioners in resorting to consolidation.

- The Committee has taken steps to review the Guidelines on Network, Merger-Demerger and Corporate Form of Practice.
- The Committee has taken steps to explore the feasibility of international networking in the CA Networking Portal www.caconnect.co.in and accordingly, customize the site.

- The Committee has taken steps to develop a module to address the conceptual and implementation issues at firm level, and as a comprehensive guide on what, how and why of consolidation and networking.

AUDIT COMMITTEE

- Appointment of Internal Auditors of newly formed Decentralised Offices for the first time.
- Extending the scope of work of Internal Auditors to include the audit ITT centres attached with Decentralised Offices/Branches.
- Appointment of new auditors from among auditors empanelled in MEF panel.
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- Reviewing scope of work of auditors.
- Analysis of reports received from Auditors and steps taken to solve the issues raised.
- Analysis of Regional Audit Committee minutes and steps taken to solve the issues raised.
- Ensure reconciliation of Inter-unit Balances between Head Office, Regional Councils, Decentralised offices and Branches.
- Steps taken to sort out deficiencies in Accounting software being used by coordinating between Accounts and EDP Department.
- Bringing uniformity in charging depreciation on Fixed Assets at the Branches/DCOs/Regional Councils level.
- Review of the audit reports received from various Regional Councils/Decentralised Offices and Head Office and of the observations made by the Internal Auditors for rectification of the same.
- Reviewing the Branch Accounts, Notes to Accounts and Auditor’s Report for the year 2008-09 for any adverse comments.
- Direction issued to Noida Stores for maintaining EOQ for publications at Branches/DCOs/Regional Councils/Head Office.
- Proper valuation of Inventory held with the printers as per Accounting Standards. Previously the unpaid stock lying with the printers were not valued.

DIAMOND JUBILEE COMMITTEE

1. A 4 day 'National Leadership and Yog Camp' was organized by (ICAI) from 13th-16th March, 2009 for the elected representatives of ICAI at all three tiers-Central Council, Regional Councils and Branches, on ICAI Leadership interaction coupled with yogic exercises which was successfully conducted by renowned yoga guru, Swami Ramdev and Acharya Shri Balkishan, Spiritualist & Ayurved Scholar. The Camp started with discourse by Swami Ramdev on Yogic life and saw participation by over 600 leaders of CA fraternity from all over India. Branch Orientation Programmes of all the regions discussed on various issues, chief among them were issues such as raising the standard of education, contribution of branches in strategic decision and policy making process of the Institute, Continuing Professional Development, Forensic Accounting, International Financial Reporting Standards etc.

2. A T-20 Day & Night Diamond Jubilee Cricket Match under the aegis of Diamond Jubilee Committee was held on 4th April, 2009 at Ferozeshah Kotla between ICAI Team and Team IRS. ICAI team won a keenly fought match and defeated Team IRS Income-tax. Earlier a Ceremonial Match between ICAI Council Members and CDBT functionaries also took place. The event was covered live on DD Sports and evoked a good response.

3. Celebrating Sixty year of historic existence and this year as ICAI’s Diamond Jubilee Year, ICAI organized a two hours Diamond Jubilee Conference for its members with a theme “Professionalism as a Tool to Economic Growth” at New Delhi on July 11, 2009. The Conference was inaugurated by Shri K.Rahman Khan, Hon’ble Deputy Chairman of Rajya Sabha.

4. While each year we have been celebrating 1st July as the CA Day, given the stature of the current year being a landmark year of the Diamond Jubilee, it decided to position the ICAI’s role in various contemporary & emerging areas by associating/organizing events commemorating the ICAI’s contribution. The period of July, 2009 to December, 2009 was dedicated month wise for different activities namely by select ICAI branches.

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<th>Activity</th>
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<td>Go Green</td>
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<td>Educational Initiative and IT Training</td>
<td>August, 2009</td>
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<td>Career Counseling</td>
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<td>Empowerment</td>
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<td>Agriculture</td>
<td>November, 2009</td>
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<td>Public Awareness</td>
<td>December, 2009</td>
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5. A separate webpage of “Diamond Jubilee Celebrations” is available on www.icai.org. The webpage amongst others also outlines ICAI’s request to corporates and others to associate themselves in the various initiatives of ICAI Diamond Jubilee Committee.
6. The ICAI through Diamond Jubilee Committee and Corporate Governance Committee Co-partnered with Ministry of Corporate Affairs to organize India Corporate Week from 14-21 December, 2009 to acknowledge the significant contribution of Indian Corporates and associates like ICAI/ICSI/CWAI/CI/FICCI/ASSOCHAM in the socio-economic development of the country.

COMMITTEE FOR MEMBERS IN INDUSTRY

The Committee for Members in Industry of ICAI has organized the unique Annual Corporate Forum at Goregaon Sports Club, Mumbai from 29th January to 31st January, 2010.

The ICAI forum comprised of Twelve high-profile concurrent events, i.e.
- Career Ascent – Mid Career Campus
- Special Campus Placement Programme
- Accounting Thrust – Career Fair for ICAI Certified Accounting Technicians
- Corporate Conclave - In Pursuit of Excellence (Four Programmes)
- Capital Advantage- Invest & Buy Mart
- ICAI Awards for Excellence in Financial Reporting
- ICAI Awards 2009 – Corporate CA Achiever’s Acclaim
- ICAI CA Career Counselling Programme for aspiring students of CA Course

Brief details of the programmes are as under:
1) CAREER ASCENT- Mid Career Campus (29,30,31st January 2010, Goregaon Sports Club, Mumbai): To provide Chartered Accountants who have one year or more of industry experience with growth and career prospects, enabling them to realize their full potential and aspirations and widen their horizon. It will also enable employers seeking experienced CAs to identify and recruit talent best suited to their (organizations’) requirements.

2) SPECIAL CAMPUS PLACEMENT PROGRAMME (29, 30, 31st January 2010, Goregaon Sports Club, Mumbai): For Chartered Accountants who had undergone three months Residential Programme of ICAI on Professional Skills Development wherein prospective employers and candidates interact and explore the possibility of taking up employment careers in various organizations.

3) ACCOUNTING THRUST – Career Fair for ICAI certified Accounting Technicians (29, 30, 31st January 2010, Goregaon Sports Club, Mumbai): For the first time ICAI has taken an initiative to conduct this placement programme for meeting the requirements of the organizations for entry level accounting professionals.

4) CORPORATE CONCLAVE - In pursuit of Excellence (29,30,31st January 2010,Hotel JW Marriot, Juhu, Mumbai): Four one day National Conclaves on contemporary topics to enrich the knowledge and to enhance the skill sets of members. Themes being covered are
- (i) Conclave on Cyber Threats & Information Systems Security on 29th January 2010,
- (ii) Conclave on Inspiring Today, For Tomorrow (All India Mega Women Conference) on 30th January 2010 (Goregaon Sports Club, Mumbai)
- (iii) Conclave on Corporate Governance on 30th January 2010
- (iv) Conclave on Challenges & Roadmap to IFRS on 31st January 2010.

5) CAPITAL ADVANTAGE- Invest & Buy Mart (29,30,31st January 2010, Goregaon Sports Club, Mumbai): Capital Advantage exhibition is a platform where Chartered Accountants and Corporates from all over India would mark their presence. This would enable various organizations involved in Banking, Insurance, Mutual Funds, Capital Markets, Real Estate, Information Technology products and services and other technological products to interact with Chartered Accountants, Investors, Finance Fraternity, and Corporate Decision Makers.

6) ICAI AWARDS FOR EXCELLENCE IN FINANCIAL REPORTING (30th January 2010, Goregaon Sports Club, Mumbai): To promote better standards in the preparation and presentation of information in the financial statements. An endeavour of the Research Committee of ICAI, these Awards are given in seven categories of business and other entities.

7) ICAI AWARDS 2009 – Corporate CA Achievers’ Acclaim (31st January 2010, Goregaon Sports Club, Mumbai): Would honour the exemplary work of Chartered Accountants in Industry by recognising those who
have demonstrated excellence in the professional life, personal life and are the role models for others in industry. These Corporate CA Achievers Acclaim Awards of ICAI also seek to acknowledge Chartered Accountants who have created value to their company’s stakeholders on a sustainable basis.

**ADMINISTRATION**

1. Procurement of DG Set for ITT labs/ branches/ CPE chapters
   In line with the approval of the competent authority of the Institute, till date orders for 76 nos. of DG Sets of various capacities as per the requirement have been placed for different ITT labs set up through branches and CPE chapters including one 500 KVA DG set to Centre of Excellence, Hyderabad for uninterrupted back up power. In most of the locations, installation and commissioning work has been completed and DG sets have been put to use. The balance locations are expected to be operational by end of February 2010.

2. Implementation of uniform dress code for the employees of the Institute

3. Use of uniform dress code for the employees of the Institute at head office, regional offices and branches has been implemented.

   Use of uniform letter head of the Institute at head office, regional offices and branches has been implemented.

   Use of uniform sign board for display of the name and address of the Institute at each building of the Institute (ICAI BHAWAN) at head office, regional offices and branches has been implemented.

5. **Accountancy Museum**
   The Accountancy Museum inaugurated at Institute’s premises at C-1, Sector-1, Noida on 2.02.2009 has been recognised / permitted by the Ministry of Consumer Affairs, Food & Public Distribution, Govt. of India for use the name of the museum as **Accountancy Museum of India** vide their letter dated 30.04.2009. Items like minutes of Indian Accountancy Board, First Annual
Training Workshops / Conferences / Seminars

- Services of the direct tax experts were provided to the assesses free of cost at a special camp hosted by the Income Tax Department during 28th to 31st July, 2009.

- A technical Group for PFRDA was constituted at the Institute to provide technical support to Pension Fund Regulatory and Development Authority (PFRDA).

- Eight investor awareness programmes, under the aegis of Investor Education Protection Fund of the Ministry of Corporate Affairs, were organized at Hisar, Hubli, Rajpura, Yamuna Nagar, Panipat, Nagpur, Chennai and Siliguri.

- A two-day programme on IFRS was organized for senior CAG officials in the office of C & AG on 1st and 2nd April, 2009.

- A training programme was organized for the senior offices of CAG on IPSAS on a proposal received from the office of C & AG.

- Faculty support was provided for four-day training programme (13-16 April, 2009) on New/Revised Accounting Standards/Auditing & Assurance Standards to the office of C & AG.

- A workshop on Union Budget 2009-10 was organized at the ICAI headquarters which was attended by the Shri S.S.N. Moorthy, Chairman, Shri Ashutosh Dikshit, Joint Secretary (TPL–II), Shri Anand Kedia, Director (TPL–III & IV) from the Central Board of Direct Taxes, and by Mr. Gautam Bhattacharya, Joint Secretary (TRU), Mr. Vivek Johari, Joint Secretary (TRU) and Mr. Sushil Solanki, Central Excise Commissioner from the Central Board of Excise and Customs.

- A series of tripartite workshops involving ICAI, office of C&AG and CMDs/ Director (Finance) of State PSUs were being organized for the first time for auditors of State PSUs. Workshops have already been held at Varanasi and Raipur and scheduled to be held very soon at Patna, Jaipur, Ranchi and Bhopal.

- A series of workshops for Statutory Auditors of PSUs were held jointly with Office of C&AG at Delhi, Ernakulam, Mumbai, Kolkata, Lucknow, and Jaipur.

- Two weeks Training Course was organized on “Use of Financial and Accounting Tools in the area of Indirect Taxes” for the Indian Revenue Service (Customs & Central Excise) Group “A” Probationers of 60th batch.

- Workshop on Outcome Budget and Accrual Based Accounting was organized for orientation of the officials of Agartala Municipal Council on 15th & 16th May, 2009 at Agartala.

- Training Programme on Municipal Administration and Accrual-based Accounting in Municipality was held for the officials of Kohima and Dimapur Municipal Council on 20th & 21st August, 2009 at Kohima.

- Information session on ‘Forensic Accounting and Fraud Detection Using IT & CAATs – Value Added Services by CAs’ was Organized for the Economic Offences Wing, Crime Branch, Delhi Police.

- Peer Review Training Programmes & Interactive Programmes were conducted at various places like Bhubaneswar, Ghaziabad, Hyderabad, Chandigarh, Jodhpur, Kolkata, Lucknow, Chennai, etc to impart training.
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to the reviewers. The number of trained reviewers in the country now counts to approx. 5000.

- Workshop on Union Budget- 2009 The Direct Taxes Committee of ICAI together with the Indirect Taxes Committee and the Committee on International taxation organized a Workshop on Union Budget 2009-10 on 17.7.2009. The pre-lunch session of the workshop was devoted to discussions on direct tax proposals. The Workshop was attended by Shri S.S.N. Moorthy, Chairman, CBDT, Shri Ashutosh Dikshit, Joint Secretary (TPL-II), CBDT, and Shri Anand Kedia, Director (TPL-III & IV), CBDT. Senior professionals from the industry also joined the Workshop. A workshop on Direct Taxes on 25.04.2009 at Indore hosted by the Indore branch of CIRC of ICAI.

- A Residential Workshop on Direct Taxes & IFRS at Thrisur on 17th and 18th May, 2009 hosted by Trichur branch of SIRC of ICAI.

- A “National Seminar on Taxation” at Kanpur on 30th May, 2009 hosted by CIRC of ICAI.

- A workshop on Direct Taxes on 27.06.2009 at Salem hosted by the Salem branch of SIRC of ICAI.

- A “National Seminar on Taxation” at Raipur on 27th June, 2009 hosted by CIRC of ICAI.

- An All India Conference at Kolkata on 10th and 11th July, 2009 hosted by Kolkata branch ICAI.

- A National Tax convention at Ahmedabad on the 1st and 2nd August, 2009 hosted by the Ahmedabad Branch of WIRC of ICAI.

- A workshop on Capacity building on 18.08.09 at Madurai hosted by the Madurai Branch of SIRC of ICAI.

- A Seminar on Infrastructure and works contract Industry on 21st August 2009 at Hyderabad hosted by the Hyderabad Branch of SIRC of ICAI.

- A Residential Refresher Course (IRRC) from 22-26 November, 09 at Mumbai and Singapore was hosted by the Indore Branch of CIRC of ICAI.

- All India conference at Guwahati on 19th & 20th December, 2009 hosted by the Guwahati Branch of EIRC of ICAI

- The PD Committee is also cautious of its responsibility to educate members in the areas related to new avenues of professional opportunities. It is in view of this that the Committee has organized the following programmes/seminars:
  - A Series of “Interactive Workshops” for Central Statutory Auditors held at Mumbai, Bangalore, New Delhi, Kolkata.
  - A Series of “Diamond Jubilee Interactive Symposium” for Bank Auditors at Ernakulam, Trivendrum, Ghaziabad, Noida.
  - A series of “Diamond Jubilee National Symposium” for Statutory Auditors of Regional Rural Banks jointly with NABARD at Kolkata, Bhopal, Lucknow and Pimpri-Chinchwad.
  - Interactive Workshop for Central Statutory Auditors at Bangalore.
  - Diamond Jubilee Symposium on Professional Excellence & Enrichment at Bhilai.
  - Interactive Meeting of Chartered Accountant Directors of Banks at New Delhi.
  - Diamond Jubilee Symposium on Professional Enrichment at Allahabad.
  - A series of workshops for Statutory auditors of PSUs jointly with the office of C&AG at Delhi, Ernakulam, Mumbai, Kolkata
  - National Conference on “CA – Core of Global Economy - Practice & Innovations” at Chandigarh.
  - Workshop for Statutory Auditors of Non Banking Financial Companies at Meerut & Bangalore.
  - All India Conference on Professional Development and Enrichment at Coimbatore.
  - National Conference on Professional Development & Enrichment at Goa.
  - The tripartite Workshops involving ICAI, O/o C&AG and CMDs/ Director...
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- Auditors Training Programme on Finacle (Core Banking System) at Infosys Campus, Bangalore: The Committee successfully organised a pilot residential “Auditors Training Programme on Finacle Core Banking System” with the assistance of Infosys Technologies at Bangalore recently. The Course aims to provide hands-on training to auditors on the basic use of Finacle and also the use of its audit and control features. Similar Courses would be launched in other locations to help members conduct Statutory Branch Audit under Core Banking environment effectively.

- Information Technology Summit 2009: The Committee has organized a series of Technology Summits in Delhi, Pune, Jaipur, Kolkata, Chennai, Hyderabad, Ernakulam and Bangalore. These Summits has provided an opportunity for members to understand various opportunities open to them in the field of Information Systems Audit and other related areas. This year, the Committee has organized a series of IT Summits and Workshops as detailed below, for the benefit of members:

  - Workshop on International Taxation: The Committee has organized the Diamond Jubilee Workshop on International Taxation and IFRS on 13th June, 2009 at Kottayam Branch of SIRC of ICAI.


  - An Interaction was held with the Trade officials of various Embassies in India at ICAI, New Delhi on Friday, 15th May, 2009 & attended by the representatives from the various embassies viz. Belarus, Germany, Iceland, Malawi, Maldives, Paraguay, Pakistan, Tunisia & Sri Lanka. Further, an Interaction was also held with British High Commission on Tuesday, 26th May, 2009 at ICAI New Delhi.

  - The following Awareness Programs/ Workshops/ Seminars/ International Study Tour/ Personal Contact Programme (PCPs) have been organized:
    - Diamond Jubilee National Symposium on Professional Excellence & Enrichment jointly with the Professional Development Committee and hosted by Bhiwai Branch of CIRC of the ICAI on Sunday, 15th February 2009 at Bhiwai.
    - International Study Tour to Thailand during May 4-8, 2009 jointly hosted with Bhiwai Branch of CIRC of the ICAI.
    - Interactive workshop for members on GATS – Issues for Accounting on May 26, 2009 at ICAI, New Delhi also relayed through Video-conferencing at the Offices of the Institute at Mumbai, Chennai, Kolkata and Kanpur.
    - National Conference on “Emerging Paradigm for Accounting Professionals” hosted by NIRC of the ICAI & Ghaziabad Branch of CIRC of the ICAI during August 15-16, 2009 at Sahibabad Ghaziabad.
    - First Batch of 30 days Personal Contact Programme (PCPs) in two phases of 15 days each during 1st July 2009 to 15th July 2009 and from 29th July 2009 to 12th August 2009 at ICAI, New Delhi for the members registered in the Post Qualification Course in ITL & WTO.
    - Second Batch of 30 days Personal Contact Programme (PCPs) in two phases of 15 days each during 5th November 2009 to 19th November 2009 and from 5th January 2010 to 19th January 2010 at ICAI, New Delhi for the members registered in the Post Qualification Course in ITL & WTO.

  - Training for the Officers of the Official Liquidator of Delhi: The Committee has organized a training programme for the Officers of the Official Liquidator of Delhi from 20th April to 1st May 2009. A background material has been prepared and distributed to the participants. Hon’ble Justice Gita Mittal inaugurated the Training Programme. Services of the eminent Chartered Accountants and Study Group Members of the Committee were utilized as faculty for the same. On the last day of the training
programme, Certificate of participations was awarded to the officials.

- **ISA Meets**: The Committee has organized many ISA Meets across the country to promote interaction amongst 14,000 ISA qualified members on new technology trends. Members having expertise in IS Audit and Consultancy, ERP Implementation, E-Commerce Implementation could share their success stories in these Meets.

- **Workshop on Limited Liability Partnership**: With the view to impart knowledge dissemination of policy issues, e-portal issues and other operational aspects of LLP, the Committee organised One Day Workshop on Limited Liability Partnership for the members of the Institute at Kolkata, Coimbatore, Panipat and Patiala. For the purpose of workshops, background material was prepared. The aim of the Workshop is to inform the end users about the practical issues related to LLP Act and Rules framed there under.

- **Inculcating Awareness amongst investors**: All India Network Project, 2009 & 2010: The Committee under the aegis of Investor Education Protection Fund of the Ministry of Corporate Affairs had so far organized 86 programmes throughout the country. Large number of public attended these programmes and response was overwhelming. The Ministry has again given the project of organizing another 40 investor awareness programmes to be completed by 31st March, 2010, for which programmes have been planned.

- **Conferences on Emerging Trends in the field of Financial Markets**
  A two day conference was held on 24th & 25th April 2009 at Amritsar hosted by the Amritsar Branch of NIRC. The conference was a value addition to the members in terms of knowing more about the professional opportunities in the field of capital market.

- **Workshop on Capital Markets jointly with Ludhiana Branch**
  A two days national workshop was held on 11th & 12th July, 2009 at Ludhiana, in association with the Ludhiana Branch of NIRC. The workshop dwelled upon issues relating to Capital Market, IFRS, Taxation, Private Equity etc. This mega conference was attended by around 350 members.

- **Diamond Jubilee Conference on Capital Market**
  A Diamond Jubilee Conference on Capital Market was held on 17th & 18th July, 2009 at New Delhi. This conference was attended by 50 members and eminent experts in the field of capital markets who addressed on various topics.

- **Seminar on Private Equity**
  Taking into account the emerging trends in the capital market and professional opportunities for members, the Committee is organizing two day seminar on the subject at Bangalore on 1st & 2nd August, 2009. The committee is organizing this programme jointly with Committee on Members in Industry and hosted by Bangalore branch. This mega seminar was attended by around 300 members.

- **One day CPE programme on Capital Market at Chennai**
  The Committee conducted one day cpe programme on capital market in Chennai on 28th May, 2009. This conference was attended by 850 members and eminent experts in the field of capital markets who addressed on various topics.

- **Training Course for 60th Batch I.R.S. Probationers**
  The Committee organised a two weeks Training course “Use of Financial and Accounting Tools in the area of Indirect Taxes” for the Indian Revenue Service (Customs & Central Excise) Group “A” Probationers of 60th Batch. The Training Course was conducted during the period 1st June to 12th June, 2009 at NACEN, NACEN Complex, Faridabad. The numbers of delegate at the training programme were 135 (last year – 60). The Training course was inaugurated by CA. Amarjit Chopra, Vice - President and the welcome address was given by Mr. Anil Bhatnagar, Director General, NACEN. CA. Uttam P. Agarwal, President, ICAI also visited the training centre and address the delegate.

- **Three Days Basic Level Course on Service Tax at Dhanbad**
  The Indirect Taxes Committee successfully organised a "3 days basic level
course on Service Tax” at Dhanbad hosted by Dhanbad branch of CIRC of ICAI from 25th to 27th June, 2009. The objective of the Course was to facilitate members to take up practice in the field of service tax.

• Three Days Basic Level Course on Service Tax at Palghat
  The Indirect Taxes Committee organised a “3 days basic level course on Service Tax” at Palghat Branch of SIRC from 25th to 27th June, 2009. The course was very well appreciated by all the participants and had a grand success. The objective of the Course was to facilitate members to take up practice in the field of service tax.

• Workshop on Union Budget, 2009
  The Committee alongwith Direct Taxes Committee and Committee on International Taxation organized a Workshop on Union Budget 2009-10 on 17th July, 2009. Shri Gautam Bhattacharya, Joint Secretary (TRU), Shri Vivek Johri, Joint Secretary (TRU) and Shri Sushil Solanki, CBEC addressed the workshop and explained the rationale for some of the provisions of Indirect Taxes contained in Finance Bill, 2009.

• National Convention on Indirect Taxes at Ahmedabad
  The Indirect Taxes Committee alongwith Direct Taxes Committee organised “A National Convention on Indirect Taxes” at Ahmedabad on 1st and 2nd August, 2009. The tax convention was hosted by Ahmedabad Branch of the WIRC of the ICAI.

• Conference on Indirect Taxes and code of ethics at Dombivali
  The Indirect Taxes Committee alongwith Continuing Professional Education Committee organised a “Conference on Indirect Taxes and code of ethics” at Dombivali on 4th August, 2009. This conference was hosted by Thane Branch of ICAI.

• National Seminar on Indirect Taxes at Allahabad
  The Committee organised a “National Seminar on Indirect Taxes” at Allahabad on 16th August, 2009. The seminar was hosted by Allahabad Branch of CIRC of ICAI.

• National Seminar on Taxes at Trivandrum
  The Indirect Taxes Committee alongwith Committee on International Taxation organised a “National Seminar on Taxes” on 26th August, 2009 at Trivandrum.

• National Seminar on VAT, CENVAT, Service Tax & GST
  The Indirect Taxes Committee organised a “National Seminar on VAT, CENVAT, Service Tax & GST” on 28th August, 2009 at Kolkata.

• National CA Conference at Cuttack
  The National CA Conference was organized in association with the Cuttack Branch of the Eastern India Regional Council on 28th and 29th November 2009 at Cuttack. The Conference was inaugurated by His Excellency, Hon'ble Governor of Orissa. The Hon’ble Minister, Revenue & Disaster Management, Orissa was the guest of honour. The President, ICAI, was the distinguished guest at the Conference. 489 participants including the Members, Corporate Representatives and Others attended the Conference. The Conference was a grand success.

• Advance Level Workshops
  The Advance Level Workshops on Arbitration are being planned to be organised mainly for the members who have already undergone the Arbitration Course. The members who have 10 years of practice/post-qualification experience would also be eligible to join the workshops.

• Training and Awareness Programs
  • Regional Conference was organized by Central India Regional Council on December 19 & 20, 2009 at Indore.
  • Seminar on Auditing and Assurance Standards was organized by Hyderabad Branch of SIRC of ICAI on June 13, 2009 at Hyderabad.
  • Regional Seminar on “LLP and Auditing & Assurance Standards ” was organized by Visakhapatnam Branch of SIRC of ICAI on June 20, 2009 at Visakhapatnam Branch of SIRC of ICAI.
  • Training programme on “Accounting Standards, IFRS and Auditing Standard” was organized by Accounting Standards Board & Auditing and Assurance Standards Board on June 27, 2009 at Chennai.
  • Seminar on “Auditors Report and Auditing Standards” was organized by Northern India Regional Council on July 11, 2009 at New Delhi.
# List of Publications

## TECHNICAL DIRECTORATE

**Name of Publications**

- Technical Guide on Share Valuation
- Technical Guide on Estimation of future cash flows and discount rates for the purposes of AS 28
- Technical Guide on Accounting for not for profit organisation
- Compendium of Opinions vol. XXVI

## AUDITING & ASSURANCE STANDARDS BOARD

- Standard on Auditing (SA) 230 Audit Documentation
- Standard on Auditing (SA) 250 “Consideration of Laws and Regulations in an Audit of Financial Statements”
- Standard on Auditing (SA) 260 “Communication with those charged with Governance”
- Standard on Auditing (SA) 570 “Going Concerned”
- Standard on Auditing SA 560- Revised Subsequent Events
- Guidance Note on Audit of Banks (Revised 2009)
- Standard on Auditing (SA) 210 (Revised) Agreeing the terms of Audit Engagements

- Standard on Auditing (SA) 265 Communicating deficiencies in Internal control to those charged with Governance and Management
- Standard on Auditing (SA) 320 (Revised) Materiality in Planning and performing an Audit
- Standard on Auditing (SA) 402 (Revised) Audit Consideration Relating to an Entity Using a service Organisation
- Standard on Auditing (SA) 450 Evaluations of Misstatements Identified during the Audit
- Standard on Auditing (SA) 610 (Revised) Using the work of Internal Auditors
- Training Manual on Engagement and Quality Control Standards
- Standard on Auditing (SA) 510, Internal Audit Engagements- opening Balances
- Standard on Auditing (SA) 530, Audit Smpling
- Standard on Auditing (SA) 540, Auditing Accounting Estimates, Including Fair Value Accounting Estimates and Related Disclosures
- Standard on Auditing (SA) 550, Related Parties
- Standard on Auditing (SA) 500 (Revised) Audit Evidence
• Standard on Auditing (SA) 720 (Revised) The Auditor’s Responsibility in Relation to Other Information in Documents Containing Audited Financial Statements

DIRECT TAX COMMITTEE
• Taxation of charitable trust and Institutions- A study

INDIRECT TAX COMMITTEE
• A Guide to Karnataka VAT Audit
• A Guide to Goa VAT Audit

Accounting Standard Board
• Certificate course on IFRS Vol. 3

PROFESSIONAL DEVELOPMENT COMMITTEE
• Doing Business in India
• Clean Development Mechanism and Carbon Credits- A Primer
• Professional opportunity for members- an appraisal

ETHICAL STANDARDS
• Code of Ethics (Rev)

INFORMATION TECHNOLOGY COMMITTEE
• Technical Guide on IS Audit
• Technical Guide on System Audit of Stock Brokers
• Data Analysis for Auditors - Practical Case Studies on Using CAATs
• E Learning course on Service tax Kit (Revised)
• CD with booklet of learning/ computer based training on using MS Excel 2007

• XBRL- A primer
• Technical Guide on Migration Audit

Committee on Insurance and Pension
• Technical Guide on Review and Certification of Investments Risk
• Management System and Process of Insurance Committee
• Motor Third Party Claims Management
• Technical Guide on Internal/ concurrent Audit of Investment Functions of Insurance Companies
• Micro Insurance
• P.Q Courses - CTL & WTO
• Study on Benefits of Preferential Trade Agreement

Financial Review and Reporting Board
• A study on non compliance with financial reporting and auditors

INTERNAL AUDIT COMMITTEE
• Training Material on Internal Audit
• Compendium of Standards on Internal Audit (Revised) -2
• Standard on Internal Audit (SIA) 8
• Guide to Implementing Enterprise Risk Management Framework
• Standard on Internal Audit (SIA) 9- Communication With manangement
• Standard on Internal Audit (SIA) 10 Intrnal Audit Evidence
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- Standard on Internal Audit (SIA) 11 Consideration of Fraud in an Internal Audit
- Internal Audit Manual
- Standard on Internal Audit (SIA) 12, Internal Control Evaluation
- Standard on Internal Audit (SIA) 13, Enterprise Risk Management
- Standard on Internal Audit (SIA) 14, Internal Audit in an Information Technology Environment
- Standard on Internal Audit (SIA) 15, Knowledge of the entity and its Environment
- Standard on Internal Audit (SIA) 16, Using the work of an expert
- Technical Guide on Internal Audit of Stock Brokers
- Certificate course on Enterprise Risk Management
- Technical Guide on Internal Audit of Intangible Assets
- Technical Guide on Internal Audit of Treasury Functions in Bank
- Standard on Internal Audits (SIA) 17, “Consideration of Laws and Regulations in an Internal Audit”

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- Compilation PE II Financial Management
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- Select Cases in Direct and Indirect Taxes 2009
- PCC Supplementary Paper 2009 Taxation
- PE II Supplementary Study Paper 2009 Income Tax and Central Sales Tax
- Final Course Supplementary Study paper 2009 DT IDT
Certificate Courses

In the recent years, ICAI has launched many certificate courses offering specialization in the area of IFRS, Information System audits, Insurance and risk management, international trade laws, CAAT and alike. With short term certification courses, its members and students are benefited in large scale to equip themselves with the changing demand of the market. They get to gain specific skill set in the fields of IFRS, ERM, Forex management, Valuation, international taxation and in similar areas.

Highlights of the courses conducted during the year:
- The Certificate Course on International Taxation has been designed to provide a visible means of having acquired specialized knowledge in all aspects of the international taxation. The first batch of Certificate Course on International Taxation, inaugurated by Smt. Saroj Bala, Member, CBDT, was conducted and concluded in Mumbai on May 30, 2009. Later it was also conducted in Hyderabad and New Delhi.

- The first batch of Certificate Course on Forex and Treasury Management was started at New Dehi and Mumbai respectively on 12th December, 2009. Courses have been proposed to be held at Chennai and Kolkata very shortly.

- IT Manager Course for Members in Industry: The Committee’s new initiative to launch an IT Manager Course will help members in Industry to enhance their skill sets and adopt good IT governance practices and procedures in Corporate, Banks and Financial Institutions.

- New Certification Course – Fundamental and Technical Analysis of Stocks: The Committee is contemplating to introduce a new certificate course with the title Fundamental and Technical Analysis of Stocks.
Snap Shots-Dignitaries
"ICAI is looking at methodology of entire auditing process"

ICAI mulls separate norms for insurance accounting

ICAI: XBRL (eXtensible Business Reporting Language) is a novel way of electronic communication of business and financial data which is revolutionizing business reporting around the world and is immense utility to the capital markets and the investing community. It provides major benefits in the preparation, analysis and communication of business information. XBRL is a cutting-edge technology standard that enables faster and more cost-efficient electronic exchange of information. Seeing the rising importance of XBRL, the Institute of Chartered Accountants of India (ICAI), constituted the XBRL Group in 2007 for undertaking the preparation of

‘CAs should be able to call for a/c restatement’

...
The Institute of Chartered Accountants of India (ICAI) is a statutory body established under the Chartered Accountants Act, 1949 for the regulation of the profession of Chartered Accountancy in India. During its almost six decades of existence, ICAI has achieved recognition as a premier accounting body not only in the country but also globally, for its contribution in the fields of education, professional development, maintenance of high accounting, auditing and ethical standards. ICAI now is the second largest accounting body in the world.

ICAI has its Headquarters at New Delhi with 5 Regional Offices at Mumbai, Chennai, Kanpur, Kolkata, New Delhi and 125 branches spread all over the country. In addition, it has also set up 21 chapters outside India and an office in Dubai. Currently over 6,20,000 students are pursuing the Chartered Accountancy course and the total membership of ICAI is about 1,55,000.

ICAI is one of the unique organizations with its activities encompassing education, training, examination, enforcing disciplinary mechanism, peer review, continuing professional development, standard setting and alike. Its contribution to the work program of Government and other regulators has seen it being an important constituent of their select Committees. Truly it is partnering in the National Development. ICAI attaches a great importance to its role at the global platform and is duly represented in major International Accountancy organizations.