ICAI makes new forays in research

Being at the centre of accountancy education in the Country, ICAI has to play a central role in the academic research. The research committee of the Institute has decided to conduct collaborative research with Institutes having MOUs/MRAs with ICAI. The Research Collaboration Programme is to inculcate a vibrant research environment and to promote global collaboration with research scholars of leading universities/institutions around the world. The committee has also decided to provide Doctoral Research scholarship to members of the Institute. Doctoral scholarship will be awarded to registered PhD. Scholars from UGC recognized Indian universities/ deemed universities/ colleges, IIMs having University/IIMs approved Ph.d. Programme to pursue and complete their doctoral research in auditing, taxation, commerce, management and accounting discipline. The committee is also going to organize International Research Awards. The objective of this award is to enhance the research activities in Accounting, Finance and Taxation and allied areas and recognising the good research work internationally.

Release of Guidance Note on Audit of Banks

The banking sector is quintessential part of Indian economy that has been and is a major indicator of the economic strength of the country. It is essential for the overall economic growth that the banking sector remains healthy and robust. Audits performed under established standard ensures proper functioning of banking sector. To guide members to perform audit of banks, ICAI has released a 2020 edition of Guidance Note on Audit of Banks. This will help statutory auditors to remain well equipped in terms of the knowledge of the banking industry and gain insight into the systems and processes within the banking industry.

Codifying Best Practices - Standards on Internal Audit

It is important to implement best practices in organisations so as to improve governance and function within the framework of laws and regulations. The Internal Audit Standards Board has recently issued three Exposure Drafts of Standards on Internal Audit. These, available at https://www.icai.org/post.html?post_id=4620, are as follows:

1. Standard on Internal Audit (SIA) 140, Governance.
2. Standard on Internal Audit (SIA) 150, Compliance with Laws and Regulations.
3. Standard on Internal Audit (SIA) 530, Communication with Those Charged with Governance.

Release of exposure drafts are opportunity for the members to be part of creation of Standards by sharing their practical knowledge emanating out of their experiences. Comments will be very helpful if they clear rationale, explain applicability and provide suggestions in changing wordings.

Improving the financial reporting practices

ICAI is plays a paramount role in improving the financial reporting practices prevailing in India. The Financial Reporting Review Board (FRRB) of ICAI reviews the general-purpose financial statements of various enterprises to determine compliance with the reporting requirements of various applicable statutes, Accounting Standards/ Ind AS and Standards on Auditing. In its endeavour to support regulators as well as to bring transparency in financial reporting, the FRRB is constantly working on cases referred by Ministry of Corporate Affairs (MCA), Securities & Exchange Board of India (SEBI), Election Commission of India (ECI) or any other regulator from time to time.

In view of the recent media reports as regards certain systemic issues with respect to Yes Bank, FRRB has decided to take up the review of general purpose financial statements of Yes Bank for Financial Year 2017 - 18 and 2018 – 19. In case the FRRB finds any material / serious non-compliance, it would refer the case to the Director (Discipline) of ICAI for initiating action against the Auditor under the Chartered Accountants Act, 1949. In so far as the management of the enterprise is concerned, the FRRB would inform irregularity to the regulatory body relevant to the enterprise. In case non-compliances observed are not material and do not affect the true and fair view of financial statements, the FRRB would appropriately bring the non-compliance to the attention of the Auditor.
**Accounting Reforms in Indian Railways**

ICAI Accounting Research Foundation (ARF) has received a Letter of Award from the Indian Railways for preparing accrual-based financial statements for FY 2017-18 and FY 2019-19 along with developing the framework on the applicability of Ind AS to the accrual-based financial statements. ICAI ARF will also be preparing various studies to bring about a qualitative improvement in the financial statements of Indian Railways.

**Change in procedure of the Expert Advisory Committee for expediting the process of issuance of opinions.**

A change in procedure of the Expert Advisory Committee for expediting the process of issuance of opinions has been suggested at the last meeting of the Committee that all the queries should be assigned to Resource persons/experts for preparation of basic (first) draft of the opinion which will be further reviewed by the office. The office along with its comments/views will present the opinions before the Committee for its consideration.

**MCA E- Form SPICEe+ - Compliance and other aspects**

The Indian Government is continuously working to improve economic environment and bring ease of doing business. The intention is to make it convenient for the entrepreneurship to flourish and thus bring growth in the country. In this regard, the Ministry of Corporate Affairs has notified & deployed a new Web Form christened ‘SPICE+’ (pronounced ‘SPICE Plus’) replacing the existing SPICE form. SPICE+ is an integrated Web Form which would offer 10 services by 3 Central Government Ministries & Departments (Ministry of Corporate Affairs, Ministry of Labour & Department of Revenue in the Ministry of Finance) and One State Government (Maharashtra), thereby saving as many procedures, time and cost for Starting a Business in India and has been made applicable for all new company incorporations w.e.f. 23rd February 2020. As per the Rules, all new companies incorporated through SPICE+ w.e.f 23rd February 2020 would also be mandatorily required to apply for opening the company’s Bank account through the AGILE-PRO linked web form.

Further, the Corporate Laws & Corporate Governance Committee of ICAI has decided to organise awareness programmes on this new Form. Comments/suggestions are sought from stakeholders on the difficulties faced while incorporating the company through said form at the link: https://forms.gle/s7LNc2cqYnXaSPIj9. Members are requested to fill in the details so that the same may be forwarded to MCA for appropriate consideration.

**FAQ's on the LLP Settlement Scheme, 2020**

In view of the LLP Settlement Scheme, 2020 issued by the Ministry of Corporate Affairs which is effective from 16th March to 13th June, 2020, The Corporate Laws & Corporate Governance Committee has prepared FAQ’s on the LLP Settlement Scheme, 2020 for the benefit of its members and other stakeholders and uploaded the same on ICAI website. The FAQs are available at https://resource.cdn.icai.org/58719c1gc47796.pdf. Members may read the document to have answers to common questions of the scheme.

**Structured CPE hours on Digital Learning Hub**

ICAI Digital Learning Hub is an integrated Learning Management System (LMS) which brings a new knowledge ecosystem in a collaborative pedagogical model and with participatory learning to improve learner outcomes. The Council has decided that 20 hours structured CPE learning which has to be completed by members holding COP, wherein 4 hrs of structured learning could be through e-Learning Videos available free of cost on #ICAIDigitalLearningHub has been extended to 10 hrs till 30 June 2020. The digital learning platform brings you professional and academic content in multiple formats which can be used in a self-paced manner.

**Providing Quality Learning to Student students**

Institute firmly believes that the students, the future of profession, need right environment for acquiring knowledge and skills. In view of the ongoing spurt of the COVID-19 pandemic and in the interest of the wellbeing of students, the Chartered Accountant Examinations initially scheduled from 2nd May 2020 to 18th May 2020 stand rescheduled and the said examinations shall now be held from 19th June 2020 to 4th July, 2020. The details are available at https://resource.cdn.icai.org/58830icai-47942exam270320.pdf. Exemption from completion of Orientation Course and Information Technology Training (https://www.icai.org/new_post.html?post_id=16391&c_id=219) and Management and Communication Skills Course (https://www.icai.org/new_post.html?post_id=16390&c_id=219) has also been granted in overall interest of the student. ■