

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA**(Set up by an Act of Parliament)****NOTIFICATION**

New Delhi, the 30th September, 2019

No. 1-CA(5)/70/2019.—In pursuance of sub-Section (5B) of Section 18 of the Chartered Accountants Act, 1949, a copy of the audited accounts and the Report of Council of the Institute of Chartered Accountants of India (ICAI) for the year ended 31st March 2019 is hereby published for general information.

70th Annual Report

The Council of ICAI takes immense pleasure in presenting its 70th Annual Report for the year ended 31st March 2019. Since the inception of the Institute on 1st July 1949 by an Act of Parliament, the chartered accountancy profession has grown tremendously. Founded with about 1,700 members, the Institute has today 2,91,698 members as on 31st March, 2019. The Report highlights the important activities of the Council and its various Committees during the year 2018-2019, besides the accounts of the Institute for the year ended on 31st March 2019. The Council also takes this opportunity to submit in this Report major initiatives, important events, statistical data relating to members, students, details of seminars, conference, workshop, training programmes organised during the period upto early July 2019. The Council acclaims its members and students for the respect which the Chartered Accountancy profession commands today in the society. This has been achieved through excellence, independence and integrity displayed by the members and students all along.

1. THE COUNCIL

The twenty-fourth Council was constituted on 12th February 2019 for a period of three years. It comprises of 32 elected members and 8 members nominated by the Central Government. Composition of the 24th Council is shown separately.

2. COMMITTEES OF THE COUNCIL

The Council, in terms of Section 17 of the Chartered Accountants Act, 1949, constituted, on 12th February 2019, various Standing and Non-Standing Committees/Boards and Groups to deal with the matters concerning the profession of Chartered Accountancy. During the year ended 31st March 2019, 236 meetings of various Standing and Non-Standing Committees / Boards and Groups of the Council were held.

3. AUDITORS

M/s. Shah Gupta & Co. and M/s. Khanna & Annadhanam were the joint auditors of ICAI for the financial year 2018-19.

4. STANDING COMMITTEE**4.1 Executive Committee**

Executive Committee is one of the Standing Committees of the Council of ICAI. The functions of this Committee have been prescribed in the Regulation 175 of Chartered Accountants Regulations, 1988. Some of these functions are relating to articulated and audit assistants and enrolment, removal, restoration of members from the Register, cancellation of certificate of practice, permission to engage in any other business or occupation other than profession of accountancy. Executive Committee is also the custodian of the property, assets and funds of the Institute beside maintenance of the Institute's offices.

4.2 Finance Committee

Finance Committee introduced vide the Chartered Accountants (Amendment) Act, 2006, controls, implements and supervises the activities related with and incidental, inter alia, to maintenance of true and correct accounts, formulation of annual budget, investment of the funds, and disbursements from the funds for expenditure – both revenue and capital.

4.3 Examination Committee

Examination Committee performs all functions of the Council relating to examinations. The Committee conducted the Chartered Accountants Foundation, Intermediate, Intermediate (IPC) and the Final (Existing and Revised) Examinations smoothly all over the country and abroad. Details of the examinations conducted during the period under report are given below:

May 2018 Examinations – conducted in 475 centres from 2nd May to 17th May, 2018. The total numbers of candidates,

who appeared in the said Foundation, Intermediate, Intermediate (IPC) and the Final (Existing and Revised) and passed, were as follows:

	Appeared and Passed Group I only		Appeared and Passed Group II only		Appeared and Passed Both Groups/ Either of the Groups	
	Appeared	Passed	Appeared	Passed	Appeared	Passed
Intermediate (IPC)	53149	5392	72146	10861	32878	6671
Intermediate	13135	3026	445	18	19108	8369
Final (Existing)	38696	6195	37350	5075	27727	6871
Final (Revised)	2289	260	1208	96	936	266

November 2018 Examinations - conducted all over the country and abroad in 470 centres from 1st to 18th November, 2018. The total numbers of candidates, who appeared in the said Foundation, Intermediate, Intermediate (IPC) and the Final (Existing and Revised) and passed, were as follows:

	Appeared and Passed Group I only		Appeared and Passed Group II only		Appeared and Passed Both Groups/ Either of the Groups	
	Appeared	Passed	Appeared	Passed	Appeared	Passed
Intermediate (IPC)	40157	5051	68888	21708	25375	5577
Intermediate	24411	4525	8652	3724	21909	8095
Final (Existing)	32633	9934	35655	8348	22514	9466
Final (Revised)	6181	884	3307	894	4075	1505

	Appeared	Passed
Foundation Examination, May 2018	6315	1215
Foundation Examination, November 2018	48702	21488

Besides the above, the Common Proficiency Test [CPT] was held successfully on June 17th, 2018 and on December 16th 2018 across the country and abroad at 332 and 248 examination centres respectively. The total numbers of candidates who appeared and passed in the CPT are as under:

	Appeared	Passed
CPT held on June 17th, 2018	54474	15284
CPT held on December 16th, 2018	25037	9038

During the year, Post Qualification Course on Information Systems Audit – Assessment Test (ISA –AT) was held successfully on June 23rd, 2018 all over the country in 54 Examination centres. Another Information Systems Audit – Assessment Test was held successfully on December 22nd, 2018 all over the country in 62 examination centres.

The total numbers of candidates, who appeared in these examinations and passed, were as follows:

	Appeared	Passed
ISA – AT held on June 23rd, 2018	2768	1020
ISA – AT held on December 22nd, 2018	3211	1160

Insurance and Risk Management Technical Examination was held successfully in November, 2018 all over the country. The total numbers of candidates, who appeared in these examinations and passed, were as follows:

	Appeared	Passed
IRM – Technical Examination	47	25

International Taxation-Assessment Test (INTT-AT) for members was held successfully in May and November, 2018. The total numbers of candidates, who appeared and passed in this examination, were as follows:

	Appeared	Passed
INTT – AT held in May, 2018	176	13
INTT – AT held in November, 2018	193	51

The examinations of Post Qualification Courses in Management Accountancy Course (MAC) (Part-1), Corporate

Management Course (CMC) (Part-1), Tax Management Course (TMC) (Part-1), and International Trade Laws and World Trade Organization (ITL & WTO) (Part-1), were also conducted in November, 2018.

The Institute has continuously been improving its Examination Process right from the question paper setting up to declaration of results so that the integrity and sanctity of the examination system which is well known for around seven decades, are maintained and further strengthened and developed.

The Institute's examinations test the conceptual understanding as well as practical application of each of the topics covered in the CA curriculum so that the students could meet the expectations of the stakeholders of the profession. By focusing on analytical abilities of the students and by avoiding predictability of questions, Institute's examinations continue to ensure that those qualifying are well groomed professionals.

Special Examination: Arising out of the Mutual Recognition Agreement / Memorandum of Understanding entered with the foreign professional accounting body, the Special Examination for the members of CPA Australia, desirous of membership of ICAI, were successfully conducted from June 18th to 20th, 2018 in New Delhi.

E-Evaluation System: In another major first this year towards upgrading our examination system and making it more transparent, the project of Digital evaluation of answer booklets (started as Pilot Project in November 2017) was eventually rolled out in respect of two papers in May 2018 examinations and later rolled out for five papers in November 2018 examinations.

Centralised Evaluation: Centralised Evaluation as a pilot project of one paper in November 2018 examinations undertaken. Similar evaluation for Paper 6, Final (Existing Scheme) held in Hyderabad and Noida in December 2018/ January 2019.

Open Book methodology: Examinations under Revised Scheme of Education held concurrently with exams under Existing Scheme in May 2018. Foundation Examination held for the first time in May 2018. Paper 6 (Elective Paper) of Final (Revised Scheme) held on open book methodology for the first time in May 2018. All these were continued in November 2018 examinations also.

Web-Interface on Students Exam Life Cycle Management:-

ICAI embarked on an integrated web-interface called Student Exam Life Cycle Management Project, where CA students using a single user ID and password; can access various examination related services, including application for duplicate marksheets / pass certificates/transcripts, change of centre/medium/group, downloading admit cards, checking results, and applying for verification/seeking certified copies of answer books post result etc. from exam to exam.

New Examination Centres:- With a view to facilitate students to appear in the examination centres as nearer to their place of residence/ articulated training as possible, new examination Centres were opened as follows:

New examination centres for CA Foundation, Intermediate, Intermediate (IPC) and the Final (Existing and Revised) opened:

With effect from May 2018 examination onwards: Junagadh, Badlapur, Chandrapur, Palghar, Ratnagiri, Gondia, Yavatmal, Jalna, Parbhani, Haldwani, Banswara, Mandsaur, Muzaffarpur, Bhagalpur, Burhanpur, Chhindwara, Rewa, Satna and Sirohi

With effect from November 2018 examination onwards: Doha (Qatar).

New centres for CPT opened With effect from June 2018: Ambikapur, Raigarh, Balotra, Port Blair and Kalaburagi

4.4 Disciplinary Committee

The Disciplinary Directorate deals with cases of professional and/or other misconduct against its members, received either in the form of a formal complaint or through the "Information" route as provided under the Chartered Accountants (Procedure of Investigations of Professional and Other Misconduct and Conduct of Cases), Rules, 2007.

As part of ICAI's continuous drive to uphold the credibility, integrity and image of the accountancy profession in India, the regulatory framework of ICAI has put in place a strong and vibrant disciplinary mechanism wherein proceedings are initiated and conducted through a well-defined procedure which consistently strives to ensure the principles of natural justice ensuring that the guilty of misconduct are punished.

ICAI not only performs its statutory duties as a regulator of the profession of Chartered Accountancy in India but had also enforced the ethical values as enshrined in Code of Ethics and proactively taken action against its erring members, found guilty of professional misconduct through its well-defined disciplinary mechanism as provided under the Chartered Accountants Act, 1949 and the Rules framed thereunder.

The disciplinary mechanism and the processes involved are designed in such a manner which enhances the confidence in the stakeholders and the public at large and at the same time give fair and equitable justice to the members involved in allegations of professionals and/or other misconduct.

(I) Salient initiatives/achievements during the current year:

- Five benches i.e. TWO benches of Board of Discipline and THREE benches of Disciplinary Committee have been constituted for expeditious disposal of pending disciplinary cases under enquiry.
- A separate and exclusive Bench for hearing cases of Public Interest matters as well as cases referred by the various regulators viz SEBI, RBI, SFIO, CBI has also been constituted. This Bench is headed by President, ICAI and two Government Nominees specifically nominated by Ministry of Corporate Affairs in this year as its member. Considering the principles of natural justice and fairness, the Bench maintained momentum in disposal of cases. The Disciplinary proceedings were promptly and suo moto initiated in case of PNB and IL&FS. In fact in case of IL&FS the preliminary findings of Director (Discipline) was one of the basis used by Ministry of Corporate Affairs before NCLT to seek its approval to recast the books of accounts of IL&FS as well as that of its other two group companies.
- A High Powered Group was constituted to look into the Punjab National Bank scam *vis-à-vis* role of allegedly erring members. Later, the Group submitted a well-received confidential report with regard to financial irregularities in PNB. Further, representations were also made to other regulatory agencies.
- A High-Powered Group was also formed to study the systemic issues in IL&FS matter and suggest remedial measures.
- The amendments relating to appearance through video conferencing before the Disciplinary Committee/Board of Discipline have been made in the Chartered Accountants (Procedures of Investigations of Professional and Other Misconduct and Conduct of Cases) Rules, 2007. The modalities to this effect have been formulated.
- Filing of disciplinary complaint through online mode has been made live on the official website of ICAI by clicking the link – <https://icai.org/disciplinarydirectorate/>
- Process initiated for automation of entire disciplinary process and the said task is expected to be completed in coming 4-5 months.
- A group has been constituted for finalization of draft amendments to suggest the amendments in Chartered Accountants Act, 1949 and Chartered Accountants (Procedures of Investigations of Professional and Other Misconduct and Conduct of Cases) Rules, 2007 so as to do away the major impediments in the expeditious disposal of disciplinary cases.
- With a view to conclude the residual cases pending under the Old Disciplinary Mechanism, the Disciplinary Committee (Under Section 21D), met frequently. As a result all residual cases were heard and concluded during the Year which also includes matters relating to audit of e-GTB for the financial year 2001-02 and 2002-03.
- The Reports related to e-GTB have been considered by the Council in May 2019. Upon consideration, the Council decided to accept the reports of Disciplinary Committee and also decided to recommend the same to the concerned Hon'ble High Court.

(II) Board of Discipline (under Section 21A) of the Chartered Accountants Act, 1949

The Board of Discipline has been constituted by the Council of ICAI under Section 21A of the Chartered Accountants Act, 1949 so as to look into matters of professional and other misconduct by members falling under First Schedule to the Chartered Accountants Act, 1949 and/or cases wherein the members are held prima facie NOT guilty of any misconduct by Director (Discipline).

During the year under review, the Board of Discipline held **20 meetings** (Bench I : 6 Meetings and Bench II : 14 Meetings) at various places across the country. In these meetings, the Board concluded its enquiry in **88 cases**, including

cases which had been referred to it in previous years. The statistical break-up of the cases decided by the Board of Discipline is given below :

Board of Discipline (under Section 21A)–Period from 1st April, 2018 to 30th June, 2019

Sl. No.	Particulars	No. of cases
a)	No. of meetings of the Board of Discipline held during the aforesaid period	20
b)	Number of Complaint/Information cases considered by the Board of Discipline (under Section 21A) wherein prima facie opinion of the Director (Discipline) was formed.*	292
c)	Number of cases (Complaint/Information cases) in which enquiry was completed by the Board of Discipline (including those cases, which were referred to the Board of Discipline during the earlier years).	88
d)	Number of cases (Complaint/Information) in which punishment has been awarded by the Board of Discipline (including those cases, which were referred to the Board of Discipline during the earlier years).	32

**including cases dealt with under Rule 6/12 of the Chartered Accountants (Procedure of Investigations of Professional and Other Misconduct and Conduct of cases) Rule, 2007.*

(III) Disciplinary Committee (under Section 21B) of the Chartered Accountants Act, 1949

The Disciplinary Committee has been constituted by the Council of ICAI under Section 21B of the Chartered Accountants Act, 1949 so as to look into matters of professional misconduct by members which fall within the purview of Second Schedule or both First and Second Schedules to the Chartered Accountants Act, 1949.

During the year 2018-19, three Benches of the Disciplinary Committee (under Section 21B) had been constituted i.e Bench I, II & III where Bench III is looking exclusively into cases of Govt./Regulators/Public Interest etc.

During the year under review, this Committee held 39 meetings (Bench I : 6 meetings, Bench II : 14 meetings & Bench III: 19 meeting) at venues in different parts across the country. During the course of the aforesaid meetings, the Committee concluded its enquiry in 153 cases, which included cases, referred to it in previous years. The statistical break-up of the cases decided by the Disciplinary Committee is given below:

Disciplinary Committee (under Section 21B) – Period from 1st April, 2018 to 30th June, 2019

Sl. No.	Particulars	No. of cases
a)	No. of meetings of the Disciplinary Committee held during the aforesaid period	39
b)	Number of Complaint/Information cases considered by the Disciplinary Committee (under Section 21B) wherein prima facie opinion of the Director (Discipline) was formed.	274
c)	Number of cases (Complaint/Information cases) in which enquiry was completed by the Disciplinary Committee* (including those cases, which were referred to the Disciplinary Committee during the earlier years). <i>*including cases which have been referred</i>	153
d)	Number of cases (Complaint/Information) in which punishment has been awarded by the Disciplinary Committee* (including those cases, which were referred to the Disciplinary Committee during the earlier years). <i>*including cases which have been referred</i>	49

(IV) Disciplinary Committee under Section (21D)

The Disciplinary Committee functioning under the provisions of Section 21D of the Chartered Accountants Act, 1949 conducts enquiry and submits its report to the Council in respect of residual cases pending prior to the amendments made in the aforesaid Act in 2006. In discharging its avowed responsibility of conducting disciplinary enquiries against members whose cases have been referred to it by the Council upon prima facie opinion, during the year under review, this Committee held 4 meetings and dealt with cases under the Old Disciplinary Mechanism [Section 21(D)]

Statistics of cases placed before the Council and the Disciplinary Committee during the period from 1st April, 2018 to 30th June, 2019.

Sl. No.	Particulars	No. of cases
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1.	(i) Number of cases concluded by the Disciplinary Committee during the above period	05
	(ii) Meetings of the Disciplinary Committee under Section 21D held during the aforesaid period	04
2.	Number of reports of Disciplinary Committee considered by the Council (including reports of those cases in which hearings were concluding by the Disciplinary Committee during the earlier years).	03
	Out of the above	
	a) Number of cases in which Respondents have been found guilty under the First Schedule for affording an opportunity of hearing before the Council before passing an order under Section 21(4) of the Chartered Accountants Act, 1949.	NIL
3.	b) Number of cases in which Respondents have been found guilty under the Second Schedule and/or other misconduct to be referred to High Courts under Section 21(5) of the Chartered Accountants Act, 1949.	02
	c) Number of cases in which Respondents have been found guilty under the First Schedule and the Second Schedule/other misconduct	NIL
	d) Number of cases referred back to the Disciplinary Committee for further enquiry.	NIL
	e) Number of cases in which Respondents have been found not guilty of any misconduct.	01
4.	Number of cases in which Orders passed under Section 21(4) in respect of the Respondents who were found guilty under the First Schedule.	NIL
5.	Number of cases disposed of by the High Court under Section 21(6)	04

5. TECHNICAL AND PROFESSIONAL DEVELOPMENT

5.1 Accounting Standards Board (ASB)

(I) Upgrading Financial Reporting Standards:

- In March, 2019, Companies (Indian Accounting Standards) Amendment Rules, 2019 notified Ind AS 116, Leases replacing Ind AS 17 and Companies (Indian Accounting Standards) Second Amendment Rules, 2019 and issued certain amendments to Ind AS *related to following areas*:
 - Appendix B, Uncertainty over Income Tax Treatment to Ind AS 12
 - Annual Improvements to Ind AS (2018) (Corresponding to Annual Improvements to IFRS Standards 2015–2017 Cycle issued by the IASB)
 - Plan Amendment, Curtailment or Settlement (Amendments to Ind AS 19, Employee Benefits)
 - Prepayment Features with Negative Compensation (Amendments to Ind AS 109, Financial Instruments)
 - Long-term Interests in Associates and Joint Ventures (Amendments to Ind AS 28)
- Companies (Indian Accounting Standards) Second Amendment Rules, 2018 were notified on September 20, 2018. These Rules contain limited amendments to Ind AS 20 to allow entities the option of recording non-monetary government grants at a nominal amount and presenting government grants related to assets by deducting the grant from the carrying amount of the asset.
- Schedule III- Division III to the Companies Act, 2013 for presentation of financial statements of Non-Banking Financial Company (NBFC) notified by Ministry of Corporate Affairs in October, 2018.
- In addition to the above, following amendments were cleared by the Council of ICAI:
 - Definition of Business (Amendments to Ind AS 103)
 - Definition of Material (Amendments to Ind AS 1 and Ind AS 8)
 - Amendment to Ind AS 40, Investment Property

ASB continued its efforts to upgrade the existing Accounting Standards to bring them nearer to Ind ASs and in this regard following exposure drafts of upgraded Accounting Standards were issued by ASB:

- Exposure Draft of Accounting Standard (AS) 34, Interim Financial Reporting
- Exposure Draft of Accounting Standard (AS) 17, Leases
- Exposure Draft of Accounting Standard (AS) 41, Agriculture

- Exposure Draft of Accounting Standard (AS) 11, Construction Contracts
- Exposure Draft of Accounting Standard (AS) 18, Revenue
- Exposure Draft of Accounting Standard (AS) 1, Presentation of Financial Statements
- Exposure Draft of Accounting Standard (AS) 37, Provisions, Contingent Liabilities and Contingent Assets
- Exposure Draft of Accounting Standard (AS) 40, Investment Property
- Exposure Draft of Accounting Standard (AS) 19, Employee Benefits
- Exposure Draft of Accounting Standard (AS) 109, Financial Instruments

(II) Implementation Support

Following Guidance Note/ FAQs/Announcement were issued:

- FAQ on accounting treatment of increase in liability due to enhancement of the gratuity ceiling
- Announcement for withdrawal of the Guidance Note on Accounting for Real Estate Transactions (for entities to whom Ind AS is applicable)

(III) International initiatives: Forging long lasting partnership

Comments submitted on the following Exposure Drafts/Discussion Papers issued by the International Accounting Standards Board (IASB) were submitted to the IASB:

- Exposure Draft on Accounting Policy Changes Proposed amendments to IAS 8
- IASB's Discussion Paper on 'Financial Instruments with Characteristics of Equity'
- Exposure Draft 'Onerous Contracts- Cost of fulfilling a contract - Proposed amendments to IAS 37
- Exposure Draft "Interest Rate Benchmark Reform (Proposed amendments to IFRS 9 and IAS 39)"
- Tentative Agenda Decisions (TAD) issued by the IFRS Interpretations Committee
- **Global Collaborations/MoUs/MRAs:** India, being a member of AOSSG Financial Instruments Working Group, received an accounting issue regarding interests in an Associate held via instruments other than ordinary shares and ICAI inputs on the same were provided to the Working Group.
- On the historic day 2nd October, 2018; being birth anniversary of the Father of our Nation, Mahatma Gandhi, ICAI on behalf of Ministry of Corporate Affairs (MCA), Government of India signed a Memorandum of Understanding (MOU) and Licence Agreements with IFRS Foundation in London. This MoU formalises the mutual understanding and acceptance about the rights of each of the parties in the copyrights in IFRS Standards and Indian Accounting Standards (Ind AS).
- A Week of Global Partnership:
 - A series of interactive meetings and conferences were organized to bring together the Indian stakeholders and the international bodies. "Interaction of IASB official with National Regulators" was organised on 10th April, 2018,
 - "IFRS – 17 (Ind AS 117, Insurance Contracts) Insurance Industry Outreach" and ICAI – IASB Joint Stakeholders' Seminar on "IFRS 9 (Ind AS 109) ECL Model Challenges in Banking Industry were organised on 11th April, 2018, which were attended by relevant stakeholders.
 - A meeting of International Forum of Accounting Standard Setters (IFASS) was held on April 12-13, 2018 at Mumbai. Over 60 delegates from more than 25 jurisdictions, including prominent ones i.e. US, Europe, Japan, Australia etc, took part in the event where at an issue regarding 'Consolidation of Not-for-profit entities under IFRS 10' was presented by India
- CA. S.B. Zaware, Past-Chairman, ASB, (year 2016-19) being Vice Chair, Asian Oceanian Standard Setters Group (AOSSG), was nominated to represent AOSSG at Accounting Standards Advisory Forum (ASAF) for a period of 3 years from 1.12.2018 to 30.11.2021. ASAF is a critical consultative body of IASB & IFRS Foundation.
- IFRS Foundation Trustees appointed CA. M P Vijaykumar, Chairman, ASB, as a member of IFRS Advisory Council representing SAFA with effect from January 1, 2019. The IFRS Advisory Council advises the IFRS Foundation Trustees and the IASB on both strategic and technical matters.

ASB continued its contribution and collaboration with International Accounting Standards Board for developing high quality global accounting standards. ICAI representatives participated in the meetings of various international forum, viz. World Standards-Setters (WSS), Asian-Oceanian Standard-Setters Group (AOSSG), Emerging Economies Group (EEG)

and International Forum of Accounting Standards Setters (IFASS) as follows:

- 17th Emerging Economies Group (EEG) meeting held from March 25–27, 2019 & International Forum of Accounting Standards Setters (IFASS) held from March 28–29, at Buenos Aires, Argentina. The ICAI had sent the papers on following two topics for discussion:
 - At EEG – Paper on IAS 20: Government Grants Receivables
 - At IFASS –Presentation of an item on Finance Costs - IAS 1, IFRS 7 & IAS 23.
- Meeting of Chair's Advisory Committee (CAC) held on 29th January 2019 at Kuala Lumpur, Malaysia
- Joint Meeting of CAC Members of AOSSG and the Trustees of IFRS Foundation held on 30th January 2019 at Kuala Lumpur, Malaysia
- Chair and Advisory Committee (CAC) meeting with IFRS Foundation trustees held on September 30, 2018 at London and November 20, 2018, at Singapore.
- Chair and Vice Chair (CVC) teleconference meetings were held on July 19, 2018, and September 14, 2018, and Chair's Advisory Committee (CAC) teleconference meetings were held on July 26, 2018.
- IFASS meeting was held on October 2-3, 2018 at London, UK, whereat a paper on "Treatment of stamp duty on acquisition of Property in Business Combinations" was presented.
- 10th Annual AOSSG meeting was held on November 22-24, 2018 at Singapore whereat issues on 'Accounting Issues involved in Bullion (Gold) Lending and Borrowing' was presented and AOSSG Interim Meeting held on 30th September, 2018, London.
- 16th Emerging Economies Group (EEG) meeting was held on October 29-31, 2018 at Seoul, South Korea, whereat various technical matters, for e.g., Discussion Paper on Financial Instruments with Characteristics of Equity (FICE) issued by IASB, Goodwill and Impairment etc., were discussed.
- World Standard-Setters (WSS) Conference was held on October 1-2 2018 at London.
- 15th Emerging Economies Group (EEG) meeting was held on May 17-18, 2018, at Kuala Lumpur, Malaysia whereat following 2 papers were presented by the ICAI representatives:
 - Consolidation of not-for-profit entities
 - Presentation of current/non-current assets
- The quarterly ASAF meeting was held on 1-2 April 2019 at London whereat ASB had submitted its views to the AOSSG Secretariat, China on the following agenda items post which the Working Group Leaders had consolidated the comments and shared the same at the Forum:
 - SMEs that are subsidiaries
 - Accounting Policy Changes (Proposed amendments to IAS 8)
 - Onerous Contracts - Cost of fulfilling a Contract
- IFRS Advisory Council (IFRS AC): The ICAI representative attended the meeting of IFRS AC which was held on March 19-20, 2019 at London, UK which dealt with Disclosure of Sensitive information, Comprehensive Review of the IFRS for SMEs Standard— Scope of the IFRS for SMEs Standard. The ICAI representative participated in a breakout session on Disclosure of Sensitive information.

(IV) Building robust relationship with Regulatory Bodies:

ASB submitted views on the accounting issues referred by various Regulators and, wherever felt appropriate, various accounting issues were taken up with the relevant Regulators, namely:

- Ministry of Corporate Affairs :
 - Ind AS Core Group meeting was held at Ministry of Corporate Affairs on May 25, 2018, ASB described the provisions relating to Revenue recognition with reference to real estate sector. Apart from this,

- NBFCs' request for deferment of Ind AS to April 2019 was also discussed.
 - On request of Ministry of Corporate Affairs (MCA), ASB has undertaken to facilitate drafting of new Rules under Companies Act, 2013 mirroring existing Companies (Accounting Standards) Rules, 2006 for submission to NFRA.
 - 1st meeting of National Financial Reporting Authority (NFRA) was held on March 14, 2019, at New Delhi which was attended by ICAI Officials. Ind AS 116, Leases and other amendments to Ind AS recommended by the ICAI were presented to NFRA in the said meeting.
 - Meeting of Core Group of Ministry of Corporate Affairs - Ind AS implementation, was held on April 24, 2019 at New Delhi whereat discussion on Ind AS implementation Roadmap of Banking Sector and Insurance Sector, formulating multifaceted threshold criteria for all the entities for implementation of Ind AS based on key parameters of Paid-up share capital, Net Worth, Turnover and Profit After Tax (PAT) etc were held.
- With a view to ensure smooth implementation of Ind AS, various outreach programmes and workshops were organised with Regulators, Industry Associations and other stakeholders. During last year, numerous outreach meetings on some of the standards such as Ind AS 109 Financial Instruments, Ind AS 115 Revenue from Contracts with Customers, Ind AS 116 Leases and Ind AS 117 Insurance Contracts were organised as a proactive measure, before finalisation of new Ind AS at various locations in India, namely; New Delhi, Mumbai and Pune.

(V) Other Initiatives:

Publications issues: The Board issued the following publications for the benefit of the Institute's members at large:

- Released First set of Compendium of Indian Accounting Standards effective as on April 1, 2018 along with E-version of Ind AS guidance Material of IFRS Standards comprising IFRS Part B (Illustrative Examples and Implementation Guidance) and IFRS Part C (Basis for Conclusions).
- Indian Accounting Standards (IFRS converged) - Successful Implementation Impact Analysis and Industry Experience
- Indian Accounting Standards : Disclosure Checklist
- E-version of second edition of *Compendium of Indian Accounting Standards (Ind AS)* as on April 1, 2019 was released on May 1, 2019. Promptly thereafter, background material of IFRS Standards comprising IFRS Part B (Illustrative Examples and Implementation Guidance) and IFRS Part C (Basis for Conclusions) was also released on May 7, 2019.
- Third edition of *Indian Accounting Standards: An Overview* was released in July 2018 jointly with Ind AS Implementation Committee which captures all the recent amendments to Ind AS notified by the Ministry of Corporate Affairs till March 2018 specifically issuance of revenue standard (Ind AS 115) and other consequential amendments thereto.
- On July 1st, 2019 on the occasion of Platinum Jubilee Celebrations; following publications were also released:
 - Accounting Standards: Quick referencer
 - Compendium of Accounting Standards
 - IFRS 9 Financial Instruments, A Study: Transition Impact on Banks Across the Globe
 - Technical Guide on Accounting treatment of Bullion (Gold) Lending and Borrowing Transactions.
 - Compendium of Ind AS (print version).
 - Forth edition of *Indian Accounting Standards: An Overview* jointly with Ind AS Implementation Committee capturing the recent amendments to Ind AS notified by the Ministry of Corporate Affairs till March 2019

5.2 Committee on Accounting Standards for Local Bodies (CASLB)

The erstwhile Committee on Accounting Standards for Local Bodies (CASLB) of ICAI had worked in the direction of prescribing high quality Accrual Accounting Framework for third tier of government (Local-self Government), i.e., Accounting Standards for Local Bodies (ASLBs) since 2005. CASLB was also involved in providing technical inputs on the documents/ drafts of Government Accounting Standards Advisory Board (GASAB)/International Public Sector Accounting Standard Board (IPSASB). CASLB was also imparting trainings to Local Bodies and various stakeholders such as end users and citizens about the benefits of the accounting reform process in Government and Local Bodies.

During 2019, the Committee on Accounting Standards for Local Bodies was renamed as Committee on Public Finance and Accounting Standards for Local Bodies in the year 2019-20 continuing further with the task being performed by the erstwhile Committee on Public Finance and Government Accounting in 2018.

Important activities undertaken from April 1, 2018 to February 11, 2019:**(I) Formulation of Accounting Standards for Local Bodies (ASLBs) and other projects:**

- ASLBs issued: ASLB 2, 'Cash Flow Statements' and ASLB 20, 'Related Party Disclosures'
- The Conceptual Framework for General Purpose Financial Reporting by Local Bodies submitted to the Council for its final approval.

(II) Seminars/Conferences/ programmes

- One day seminar on '*Issues under Direct Taxes (Trusts & Local Bodies)*' jointly with Direct Tax Committee (DTC) held on May 19, 2018 at Jodhpur (Rajasthan) hosted by the Jodhpur Branch of ICAI.
- Two days National Conference on '*PRAVAAH*' jointly with Corporate Laws & Corporate Governance Committee (CL&CGC) held on August 24-25, 2018 at Jaipur (Rajasthan) hosted by the Jaipur DCO.
- One day seminar on '*Income Tax*' held on September 1, 2018 at Bhilai hosted by the Bhilai Branch of CIRC of ICAI.
- Two days National Conference on '*Srijan : Vikash Ki Or*' held on November 17 – 18, 2018 at Ranchi hosted by the Ranchi Branch of CIRC of ICAI
- Three Days Residential Refresher Course jointly with Banking, Financial Services and Insurance Committee held on November 24 – 26, 2018 at Salasar Balaji, (Churu, Rajasthan) hosted by the Sikar Branch of CIRC of ICAI
- Two days National Conference on "*Gyanoday*" - Spectrum of Professional Excellence jointly with Banking, Financial Services and Insurance Committee held on January 5 – 6, 2019 at Udaipur hosted by the Udaipur Branch of CIRC of ICAI

(III) Technical Comments submitted:

- The comments submitted to International Public Sector Accounting Standards Board's (IPSASB) on the documents/Consultation Papers/Exposure Drafts : Document on 'Strategy and Work Plan 2019-2023' & Exposure Draft (ED) 64 of IPSASB on 'Leases'.
- The comments submitted to Government Accounting Standard Advisory Board (GASAB)'s documents on the Agenda of 32nd board meeting of GASAB held on May 17, 2018, "Due process" and "Preface to Indian Government Accounting Standards & Indian Government Financial Reporting Standards" of GASAB, Modified Indian Government Accounting Standard (IGAS) 2, 'Accounting of Grants-in-Aid', Modified IGAS 3, 'Accounting of Loans & Advances', and Agenda of 33rd board meeting of GASAB held on October 30, 2018.
- The inputs submitted on agenda papers of meeting of Public Sector Financial Management Committee (PSFMC) of CAPA held on August 16 & 18, 2018 at Vietnam.

5.3 Auditing & Assurance Standards Board (AASB)**(I) Representations/suggestions**

During the period under report, the Board submitted the following representations/suggestions to various Ministries and Regulators:

- The Board submitted "Suggestions on New Indicators of Early Warning Signals for inclusion in the RBI's Master Directions on Frauds – Classification and Reporting by commercial banks and select FIs" to Shri Y. H. Malegam, Chairman of Expert Committee on NPAs and Frauds constituted by RBI.
- Chairman, AASB attended a meeting with the NFRA Chairman and members held on 26th October 2018 at NFRA Office, New Delhi. At the meeting, Chairman, AASB made a presentation about the activities of AASB and the standard setting process followed by AASB for formulation and issue of auditing standards.
- SEBI constituted a Group to prepare Guidelines on new Regulation 33(8) of SEBI (LODR) Regulations, 2015 as amended. Inputs of ICAI were sought on the draft Guidelines prepared by the Group. The Board considered the draft Guidelines and submitted its views thereon to SEBI.

(II) Publications Issued

The Board issued the following publications for the benefit of the Institute's members at large:

- Handbook of Auditing Pronouncements 2019 Edition.
- Guidance Note on Audit of Banks 2019 Edition.
- Guidance Note on Reports in Company Prospectuses (Revised 2019).
- Implementation Guide to SA 230, Audit Documentation (Revised 2018).

- Implementation Guide on Resignation/ Withdrawal from an Engagement to Perform Audit of Financial Statements.
- Implementation Guide to SA 610(Revised), Using the Work of Internal Auditors.
- Technical Guide on Audit of Urban Improvement Trusts and Development Authorities.

(III) Other Technical Accomplishments

- The Board developed the Auditor's Report Formats for Real Estate Investment Trusts (REITs) and Infrastructure Investment Trusts (InvITs) and submitted the same to the Accounting Standards Board for onward submission to SEBI.
- The Board issued the Illustrative Auditor's Certificate on Return of Deposits pursuant to Rule 16 of the Companies (Acceptance of Deposits) Rules, 2014, as amended.
- The Board submitted its comments on the Exposure Draft of ISA 315 (Revised), "Identifying and Assessing the Risks of Material Misstatement" issued by the International Auditing and Assurance Standards Board for public comments.

(IV) Initiatives for Members

- The Board organized various seminars, workshops and awareness programmes on auditing standards, bank audit and other auditing aspects for awareness and professional enhancement of the members. Programmes were held in Kolkata, Indore, Mumbai, Jaipur, Bangalore, Chennai, Coimbatore, Visakhapatnam, Bilaspur, Bhopal, Siliguri, Dibrugarh, Guwahati, Asansol, Bhilai and Raipur during the year.
- The Board jointly with the Professional Development Committee of ICAI, organized series of interactive seminars for central statutory auditors of banks held in January & February, 2019 at Kolkata, Delhi, Chennai and Mumbai.
- The Board organized Two Days National Conference on "Auditing & Beyond" at Jaipur in November 2018 which was attended by more than 2000 participants.
- The Board organized Two Days National Conference on Bank Audit, Companies Act & GST at Bhopal in March 2019. The conference was attended by more than 500 participants.
- The Board organized live webcast on "Commonly found Non-Compliances of SAs and Revised Reporting Standards" at Mumbai on September 4, 2018.
- The Board organized live webcast on SA 701, "Communicating Key Audit Matters in the Independent Auditor's Report" at Mumbai on April 8, 2019 & April 11, 2019.
- Like earlier years, the Board constituted an online panel of experts to address the members' queries regarding bank branch audits for the financial year 2018-19. The panel resolved members' queries from April 1, 2019 till April 15, 2019.
- The Board issued the announcements/clarifications for guidance of the members:
 - Clarification on Auditor's Certificate on Return of Deposits pursuant to Rule 16 of the Companies (Acceptance of Deposits) Rules, 2014.
 - Requirement of Mentioning UDIN while Signing Audit Reports.
 - Using Information Available at Information Utility (IU) Platform for External Confirmations.
- The Board provided replies/clarifications to various queries on auditing aspects received from the members from time to time.

(V) Contribution at International Platform

- Chairman, AASB represented ICAI at the meeting of the International Auditing and Assurance Standards Board held in September 2018 at New York.
- Chairman, AASB and Vice-Chairman, AASB represented ICAI at the meeting of the International Auditing and Assurance Standards Board held in December 2018 at New York.
- Chairman, AASB represented ICAI at the meeting with Audit and Assurance team of the Institute of Chartered Accountants in England and Wales (ICAEW) held in September 2018 at London.
- Chairman, AASB represented ICAI at the IAASB-NSS Meeting held in November 2018 at Sydney.
- Vice-Chairman, AASB represented ICAI at the IAASB-NSS Meeting held in May 2019 at Paris.

5.4 Banking, Financial Services and Insurance Committee

The Committee organized the following activities during the year:

The Committee presented its views on "The Financial Resolution and Deposit Insurance (FRDI) Bill, 2017" at the Meeting of the Joint Parliamentary Committee at its meeting held on 14th May 2018.

- The Committee had organised Two Days Workshop on Blockchain for Financial World on 22nd -23rd June 2019 at Mumbai.
- The Committee supported IMC Chamber of Commerce and Industry for conducting 10th Banking & Finance Conference -“India a Ten Trillion Dollar Economy by 2030: Role of Banks” organized on 14th June 2019 at Mumbai.
- With the support of the Committee, eight programmes on banking and financial services were organised by the Branches of ICAI for the benefit of members and public at large.
- The Committee had organised two Webcasts on the topics having professional relevance and interest during the period.
- Three batches of the Orientation Programmes for the DIRM Technical Examination passed members of ICAI were organised during the period.

There were 5244 registrations to the DIRM Course as on 30th June 2019.

5.5 Committee for Capacity Building of Members in Practice (CCBMP)

The Committee for Capacity Building of Members in Practice (CCBMP) is a non-standing Committee which was formed in February, 2010. Objective of the Committee is to strengthen CA firms as well as Small & Medium Practitioners to rejuvenate their practice portfolio. The Committee works to create awareness amongst CA firms on capacity building through consolidation by networking, merger & setting up management consultancy services firm and popularizing the concept of union through arranging workshops, symposia and summit on the benefits of consolidation and endurance to better accounting, auditing and ethical standards. The Committee assists Small & Medium Practitioners in improving their visibility amongst the business community and also attempts to create additional professional opportunities for them.

The Committee for Capacity Building of Members in Practice (CCBMP) performed following activities during the year.

(I) Office Management

The Committee has arranged the ‘Tax Cloud’ software on Web based ITR & TDS Return Preparation for practicing Chartered Accountants & CA Firms of ICAI. The aforesaid software is free of cost for 2 financial years to the Practitioners & CA Firms. The aforesaid software enables Income Tax Return and TDS Return preparation, provides all types of assesses support including Individuals, HUFs, Firms and Companies, calculates Income Tax under all heads such as Salary, House Property, Capital Gain, Business and Profession, Other and Exempt Income Heads, generates detailed computation of Income Tax Returns, PDF for paper filing and XML for e-Filing, automatic data backup every night for CAs for cloud servers.

- In order to enable members to have access to antivirus software; institution tie up has been made with a leading antivirus software provider for providing access to Antivirus Software at a special discounted price from March, 2018 to March, 2020 for single user for a period of 3 years for the Members & students of ICAI. Details of above are available at www.icai.org or https://icai.org/post.html?post_id=11505.
- The Committee has arranged the practice management software for members in practice / firms, in form of cloud software designed for managing the Professional Practice in an effective way. The scope and function of aforesaid software Assignment management – Long duration, Assignment Management - Short duration, Work allocation and tracking, Timesheet recording, Variance and Profitability analysis, Leave management, Expense management, Meeting management, Mobile based GPRS based attendance management, Mobile app and portal based system, Customer Relationship Management (CRM), Invoicing, Collection Management, BI and Analytics tool. https://www.icai.org/new_post.html?post_id=15286.

(II) Insurance Schemes

- *LIC Group term Insurance:* specially designed Group Term Insurance through the LIC for Members of ICAI. The Term Insurance policy will cover death due to any reason. Details are available at https://www.icai.org/new_post.html?post_id=15416
- *Motor Vehicle Insurance for Members, Students of ICAI:* A MOU with New India Assurance Co. Ltd for Motor Vehicle Insurance was arranged by the Committee. The Motor Vehicle Insurance is basically designed for the members but also has been extended to the students and employees of ICAI. The Motor Vehicle Insurance for which MOU is being executed has value added features such as Unique Offer of 65% discount (on erstwhile Tariff Rate) for both Private car and two Wheeler etc. Members and students may purchase the Motor Vehicle Insurance Policy online at the website <http://icai.newindia.co.in>.

- *Arrangement for Office Protection Shield Insurance at special premium for the Members in Practice/CA Firms:* The Committee has arranged Office Protection Shield Insurance at special premium for members of ICAI. Members and CA firms desirous to avail the benefits of the aforesaid scheme may please visit <http://icai.newindia.co.in> & online solution for the same.
- *Professional Indemnity Insurance for Members & CA Firms of ICAI:* The Committee has arranged insurance protection for members in practice/firms in the form of specially designed professional indemnity insurance at a reasonable premium i.e. 85% discount in market rate. The scheme is for the Members in practice/ Firms of the ICAI. Members and CA firms desirous to avail the benefits of the aforesaid scheme may please visit <http://icai.newindia.co.in> & online solution for the same.
- *Personal Accident Insurance for Members of ICAI:* The Committee arranged specially designed Personal Accident Insurance through the New India Assurance Company Limited, Mumbai for Members & Students of ICAI. The Personal Accident Insurance policy will cover Death/Permanent Total Disability, loss of Limb(s) & Permanent Partial Disability including reimbursement of hospitalization expense. Members desirous to avail the benefits of the aforesaid scheme may please visit <http://icai.newindia.co.in> & online solution for the same.
- *Householder's Insurance for Members of ICAI:* The Committee arranged specially designed Householder's Insurance through the New India Assurance Company Limited, New Delhi for Members of ICAI. The Householder's Insurance policy covers insurance of building and contents against fire & allied perils inclusive STFI & EQ, housebreaking including larceny & theft, jewellery & valuables, employers liability (WC) on annual wages etc. Members desirous to avail the benefits of the aforesaid scheme may please visit <http://icai.newindia.co.in> & online solution for the same.

(III) Capacity Building Measures

- *MOU with World Bank for Procurement Audit:* The Committee entered a MoU with the World Bank for the arrangement of Knowledge enhancement of the Members of ICAI in Procurement Audit & thereof. This arrangement with the World Bank offers procurement training with the Joint Certification basis to the participants of the training programme. These trainings are meant to enhance the capacity of ICAI members to participate in procurement opportunities in Bank funded Projects for various assignments including external/internal audits; procurement audits/post reviews, and other consultancy assignments for firms and individual members of ICAI.
- *Certificate Course on Preparation of Appeals, Drafting of Deed & Documents and Representation before Appellate Authorities and Statutory Bodies:* The certificate course on Preparation of appeals, Drafting of Deed & Documents and Representation before Appellate Authorities and statutory bodies is developed for the knowledge enhancement of the effective drafting skills of members and acquaints the members with the legal provision pertaining to appearances before various authorities. As Chartered Accountant has been recognized under various Acts to appear as an authorized representative before various tribunals/quasi judicial bodies, therefore it is essential for members to demeanour professional and proficient image in the corporate world as well as while appearing before the tribunals and other quasi judicial bodies. Every efforts has been made to designed the full fledged certificate course so that members may enhance necessary acumen in drafting documents and appearances before Statutory bodies .
- *Certificate Course on Wealth Management and Financial Planning (WMFP):* This course has been launched for enhancing new career opportunities for the members. The objective of this Course is to equip the members knowledge in principles of Financial Planning and Management of Wealth through guidance on Investments and Retirement Benefits by effective Investment Strategy. The course elaborates practical procedural aspects of Wealth Management in order to build the core competency of the members for their enhanced career opportunity in financial services. For course details please visit <https://resource.cdn.icai.org/35876ccbcaf25359-wmfp-details.pdf>
- *Revised Minimum Recommended Scale of the fees for the Professional Assignments done by the Chartered Accountants for Class 'A' & Class 'B' cities:* The Committee has issued Revised Minimum Recommended Scale of the fees for the Professional Assignments done by the Chartered Accountants for Class 'A' & Class 'B' cities.
- *Quick Insight 2018:* The Committee released Quick Insight 2018 for the CA fraternity, highlighting latest developments in the profession. The Quick Insight contains important information on tax, accounting & auditing standards, limited liability partnership, Management consultancy services, statements and standards and standards on audit as well as information on important forms related to CA students https://www.icai.org/post.html?post_id=14719
- *Publication of E-Book on "Ready Reckoner on Regulatory Aspects of ICAI for Members & CA Firms":* publication of E-book on "Ready Reckoner on Regulatory Aspects of ICAI for Members & CA Firms" is a reference book which will provide the practitioners with all requisite information to comply with the various regulatory aspects of ICAI. It compiles the information on all important areas of the profession like Enrolment, registration and other regulatory aspects of ICAI for the Members & CA Firms and will be of great benefit to the practitioners and is available at https://www.icai.org/post.html?post_id=14807

- *Publication of E-Book on “Ready Reckoner on Regulatory Aspects of Articled/Audit Assistants:* A reference book which will provide the practitioners & CA Firms with all requisite information to comply with the various regulatory aspects of Articled/Audit Assistants. It compiles the information on all important areas of the Articled/Audit Assistants like Engagement, Stipend/Remuneration, Working Hours and other regulatory aspects with respect to CA Firms/Practitioners and is available at https://www.icai.org/new_post.html?post_id=15063&c_id=240
- *Networking of CA firms:* Networking of Firms is a facility provided to CA Firms for collective association to share collective resources for providing better professional services making it available at multi location places. The Committee has considered practical difficulties in consolidation of CA Firms – formation of Networking. Various impediments have been examined and to address these issues, the Committee has appropriately finalized the revised Guidelines of Networking facilitating members and firms for its easy adoption.

(IV) Knowledge sharing & Enhancement

- *ICAI Learning Curve–Consolidation of Queries and Solution for Queries by FAQs and Live Webcast:* The Committee arranged a portal; ICAI Learning Curve for Consolidating the Query on Various Professional Issues and answers these queries in multiple phases for enhancement of the Practice portfolio and other aspects. The Committee captures the queries of Members in Practice, Women Members & Senior Members by means of the aforesaid portal. The Queries will be reproduced by means of the Frequently Asked Questions and the answers. The answer of the queries will be covered along with other professional aspects in live webcast organised by the Committee.
- *Portal <http://kb.icai.org/>: a gateway to ICAI Knowledge Bank – Consolidation of ICAI Publications:* The Committee arranged the portal kb.icai.org gateway to ICAI Knowledge Bank for Consolidation of all the Publications of ICAI. The portal is designed for search/Advance search facility and management of publications and user will be able to search uploaded documents with a key phrase. System will show list of documents showing each results along with page numbers, keyword sentence, and link to download & view the pdf document, user will also have functionality to share this document link through email, advanced search interface that will provide user access to search limited to category, section, publication date and result sorting and there will also be display of related searches for keywords that have been searched by other users in the past. The said portal includes the Publications of ICAI, ICAI Journal & Newsletter of the Committees, Branches & Regional Councils and the other publications consolidated in the portal.
- *ICAI Connect – A self-service portal (<http://ssp.icai.org/>) for members of ICAI:* The Committee has launched the ICAI Connect, a self-service portal for the members of ICAI. The features of the aforesaid single window self-service portal includes viewing personal Profile and firms constitution, Announcements of ICAI, details of payments of fees and regulatory charges, My Articles details, tracking regulatory forms and application status, e-Services, My Firms, My Software(s), Letters & Certificates, CPE Hours credited, Guidelines of Networking, Merger & Demerger etc.
- *Committee’s exclusive website www.icai.org.in:* The website provides a platform for the CA Firms to upload their firms’ details and gives them an opportunity to reach out to the members and CA firms practicing worldwide. The website also acts as a forum for consolidation of the members and CA Firms by providing for consolidation measures like Networking, Merger and Corporate Form of Practice.
- *A portal for Senior Members of ICAI www.seniormembers.icai.org:* The Committee has developed a website namely www.seniormembers.icai.org which provides a platform for senior members of ICAI for getting flexi working hours assignment as well as fulltime assignment after their retirement. At the same time it also helps industry to tap experienced talent pool which might not be accessible otherwise in normal course. The said portal would be useful & handy to all the senior members of ICAI.
- *LEAD - A Diversity Support for Women CAs through <https://www.cpeicai.org/cpe-qna/> :* An Initiative by the Committee for Capacity Building of Members in Practice ((CCBMP) & CPE Committee: The Committee for Capacity Building for Members in Practice (CCBMP) & Continuing Professional Education Committee (CPEC) present LEAD – A Diversity Support Initiative where Women CA’s in any stream can ask questions on Personal development, Professional Enhancement and strategies to stay empowered and be leaders. Questions will be answered by a Panel of Experts in a few days time. Queries are enabled through a platform i.e. Samadhan link - <https://www.cpeicai.org/cpe-qna/>. It may be mentioned that the below should be kept in mind while asking queries:
 - Querist can ask a query only on the topic Personal development, Professional Enhancement and strategies to stay empowered and be leaders that has been opened for the QnA Session.
 - Queries outside of the session topic is not addressed.
 - It will be the endeavour of ICAI to enable the responses within a reasonable time frame having regard to the number of questions received.
 - Only one question per querist is permitted in the present session.

- *SETU*-Bridging the Gap between Women Members & CA Firms: The Committee is organizing regular Programmes/ Seminars of Women Empowerment, along with the SETU Programme i.e. bridging between Women Members of ICAI and Practicing CA Firms all across India.
- E-Booklet on Sample Checklist on SAs: Ready Reference for the Practitioner & CA Firms: The Committee comes up with a publication on E-Booklet on Sample Checklist on SAs: Ready Reference for the Practitioner & CA Firms. The same is used for day to day work of the Practitioners & CA Firms.

(V) Publications of the Committee

- Publication of E-Book on Roadmap to Income Tax Practice : A Practitioner Perspective
- “Practiquer”- Quarterly e-Newsletter for the Chartered Accountants
- Publication of E-Book on Companies Act, 2013: A Practitioner Perspective
- Publication of E-Book on Roadmap to GST: A Practitioner Perspective

(VI) Live Webcast, Conference, Seminars and residential programmes

CCBMP organized 11 live webcasts for the capacity –building measures of practitioners on practice Management, Appellate Procedures under Income Tax, professional opportunities in International Arena & RERA, on Benami Law and Insolvency & Bankruptcy Code, Common Mistakes in GST Returns & Audit, Drafting, Pleading and conveyance, Tax Audit, GST Audit, special reference to Recent Changes in ITR Forms and Fair Value Measurement Under Ind AS at the ICAI Bhawan, Mumbai Delhi Indore and Bangalore. The Committee organized 56 national conferences, seminars and residential programmes on the similar topics at Bhubaneswar, Munnar, Kollam, Shirdi, Mussoorie, Tirupati, Ranchi, Goad, Jodhpur, Ernakulam, etc. during the year wherein many members were participated in the programmes.

5.6 Continuing Professional Education Committee (CPE Committee)

The Institute of Chartered Accountants of India (ICAI) through its Continuing Professional Education (CPE) Committee (now CPE Directorate from Council year 2019-20) has been working very hard and takes number of initiatives to keep its Members updated with the recent advancements in existing and emerging areas.

The profession of Chartered Accountancy has always been recognised for the quality of education, training and strong grip over technical standards. Thus, not only the Chartered Accountants are required to keep themselves up to date but also there is a need to acquire new knowledge in response to the challenges of new business requirements and professional environment. Continuing Professional Education is the forum by which these professionals maintain, improve and broaden their knowledge and skills and develop the inter-personal qualities required in their professional lives.

(I) Robust Members’ Learning & Development Mechanism

To monitor, supervise and oversee the functioning of various POU’s and their Compliance with Directions of the CPE Directorate/Council. Also, the CPE guidelines are being updated from time to time.

Contemporary with Global requirements & Practices, the CPE Credit Hours requirements for various categories of members as applicable from the current block of 3 years (1-1-2017 to 31-12-2019) are as under:-

Category of Members	CPE Hours requirement
Members (aged less than 60 years) who are holding Certificate of Practice (except all those members who are residing abroad)	120 (out of which minimum 60 CPE hours should be of Structured learning) -minimum 20 CPE credit hours of structured learning in each calendar year
Members (aged 60 years & above) who are holding Certificate of Practice	90 (either structured or unstructured learning) - minimum of 20 CPE credit hours either Structured or Unstructured Learning in each calendar year
Members (aged less than 60 years) who are not holding Certificate of Practice; and all the members who are residing abroad (whether holding Certificate of Practice or not)	60 (either structured or unstructured learning) -minimum 15 CPE credit hours either structured or unstructured learning in each calendar year

Exemptions to Members:

- A member is exempted only for the particular calendar year during which he gets his membership for the first time.
- **The following class of members are exempted from CPE credit hours requirement:**
 - All the members (aged 60 years and above) who are not holding Certificate of Practice.
 - Judges of Supreme Court, High Court, District Courts and Tribunal
 - Members of Parliament/MLAs/MLCs
 - Governors of States
 - Centre and State Civil Services
 - Entrepreneurs (owners of Business (manufacturing) organizations other than professional services)
 - Judicial officers
 - Members in Military Service

Temporary Exemptions

- Female members for one Calendar year on the grounds of pregnancy.
- Physically disabled members on case to case basis having permanent disability of not less than 40% and above (Supported with medical certificates from any doctor registered with Indian Medical Council with relevant specialisation as evidenced by Post Qualifications (M.D., M.S. etc.).
- Members suffering from prolonged critical diseases/illnesses or other disability as may be specified or approved by the CPEC/CPED. (Supported with medical certificates from any doctor registered with Indian Medical Council with relevant specialisation as evidenced by Post Qualifications (M.D., M.S. etc.).
- A member or class of members to whom the CPEC/CPED may in their absolute discretion grant full/partial exemption specifically or generally on account of facts and circumstances of the case which in their opinion prevent such person(s) from compliance with the requirements of CPE as specified in the Statement.

(II) IT Initiatives

- *E-Learning* platform - Digital Learning Hub (<https://icai.org/elearning>): the Committee has developed an e-Learning platform – Digital Learning Hub which can be accessed by members with their SSP Login credentials through the link (<https://icai.org/elearning>). Members can earn their professional learning credits (Unstructured CPE hours) through this platform where the learning is facilitated with videos, presentations, reference material, guidance notes etc in both desktop and mobile device modes. In days to come, this portal will facilitate to earn CPE Credit Hours under Structured Learning as well.
- Samadhan: a CPE – QnA e-Solution Forum: Samadhan is a CPE – QnA e-Solution Forum through which the members can reach out to experts and seek guidance for seamless information and query resolution experiences in the select areas of practice.
- My CPE - CPE Programs of Your Choice: The concept seeks a bottom up approach for Members to update their preference for My CPE - CPE Programs of their Choice at Google form for the programs that they are interested in, and the total aggregate interest from the members can be intimated to the respective Program Organising Units (POUs) to organise these programs during the course of the year.
- ICAI-ICE: ICAI Interactive CPE Enabler (www.ice.icai.org): It is developed for questions and polls ahead of and during CPE programs. A full-fledged version of ICAI – ICE has been enabled for all the CPE Programmes organised by various POU's to ask queries from speakers before and during the programme many of which would be answered by the Speakers, according to the availability of time.
- Development and implementation of Online Feedback Mechanisms (www.cpeicai.org): The Committee has developed various online feedback forms namely Quick feedback form, detailed feedback form and monitor feedback form for strengthening the feedback mechanism and overall CPE monitoring framework.
- Strengthening and updation of CPE Portal with new features: A dedicated CPE Portal (www.cpeicai.org) is in place to facilitate our members and POU's. Through this Portal the members can search CPE events POU-wise, City-wise and Subject-wise, manage their preferences regarding receiving alerts. The Portal is having facility for e-mail alerts before the programme and after crediting of CPE Hours.
- The above activities can also be accessed through “CPE Programs” segment on ICAI Mobile app through both Android and iOS platforms on just a click of the button.

(III) Other activities

- *E-newsletter*: 20th edition of the quarterly e-newsletter was brought out to share recent initiatives taken by the CPE Directorate.

- Spreading Wings Globally: 14 CPE International Study Tours were organised internationally by the CPE Programme Organising Units (POUs) at Australia, Kandy & Colombo (Sri Lanka), Bali (Indonesia), Bangkok (Thailand), Langkawi (Malaysia), Kazakhstan, Beijing (China), Singapore, Phuket (Thailand), Dubai, Muscat (Oman).
- Brand and Capacity Building: The ICAI has all along endeavoured to keep its members aware of and abreast with the professional and technological changes that are taking place, around the globe through the process of continuous skill honing by way of classroom teaching, e-Learning mode, In-house Executive Development Programmes, Webcasts, Awareness programmes, Seminars, Conferences etc. Few of the milestones are as follows:
 - 66 Live Webcasts were organised by CPE Committee/Central Committees/Boards of ICAI on various topics of professional interest. The recordings of webcasts are available at www.icaity.com.
 - 41 CPE Programmes were organised by the CPE Committee at National level etc. and hosted by Regional Councils/Branches of ICAI in different parts of the Country.
 - 9109 CPE Programmes were organised for the Members across the country, by the CPE Programme Organising Units of ICAI on various topics of professional interests.
 - 224 Programmes on Certificate Courses of ICAI on GST, Anti Money laundering Laws, Wealth Management and Financial Planning, Concurrent Audit of Banks, IndAS, Forensic Accounting and Fraud Detection, Preparation of appeals, Drafting of Deeds & Documents and Representation before Appellate Authorities and statutory bodies etc. were organised for Members through Central Committees of ICAI.
 - 26 batches of Pre-registration Education Course organised by ICAI RVO.
 - 18 batches of Pre-registration Education Course organised by IIIPI.
 - 133 Post Qualification Courses on Information Systems Audit (ISA), Diploma in Insurance and Risk Management (DIRM) and International Taxation etc. were organised through Central Committees of ICAI.
 - 30 more CPE POUs were opened for helping the members in mofussil/remote areas of the country to undergo CPE activities in their nearby places, reaching to a strong network base of 610 CPE POUs in India and abroad.

(IV) Supporting Society – Commitment to Nation

ICAI organises various other programmes supporting the initiatives of the Government for effective implementation of the same in various parts of Country through its strong Network base of CPE Program Organising Units.

- 113 programmes have been organised by the CPE POUs on Demonetization, Black Money, Benami Transactions and Undisclosed Income.
- 2703 programmes on GST were organised by the CPE POUs in various parts of the Country including 657 programmes specifically on GST Audit were organised by the CPE POUs in various parts of the Country.
- 291 programmes on RERA (Real Estate Regulatory Act)
- 129 programmes on ICDS (Income Computation and Disclosure Standards)
- 203 programmes on Insolvency and Bankruptcy Code
- 256 programmes on Companies Act
- 35 programmes on Investor Awareness
- 21 programmes on Professional Ethics
- 52 CPE Programmes were organised on Stress Management, Lifestyle Management where Yoga is way of life, Work Life Balance etc. on 21st June celebrated as International Yoga Day.
- 9 programmes on Corporate Social Responsibility (CSR) were organised by CPE POUs at various parts of the country.

5.7 Corporate Laws & Corporate Governance Committee (CL&CGC) & Insolvency and Bankruptcy Laws Group of CL&CGC

A. Corporate Laws and Corporate Governance Committee

The Corporate Laws & Corporate Governance Committee aims to facilitate a fair corporate regime with the best global practices. The Committee has been making collaborative efforts with the government to strengthen the regulatory framework i.e. being part of the Rule making process of the Companies Act, 2013 and also regularly interacting with the Ministry of Corporate Affairs and submitting representation/ providing suggestions/ giving inputs regularly on various issues concerning the Companies Act 2013.

(I) Representation to Ministry of Corporate Affairs (MCA)

The Committee regularly interacts with the Ministry of Corporate Affairs for smooth implementation of the Companies Act 2013. The Committee submitted the following representations to the Ministry of Corporate Affairs:

During the year 2019-2020:

- ICAI Recommendations on what shall/ shall not constitute Management Services under Section 144 of the Companies Act 2013 were submitted to Ministry of Corporate Affairs in June, 2019.
- ICAI Suggestions on the Recommendations of the Committee on Corporate Governance under Uday Kotak Committee on the following issues submitted to Ministry of Corporate Affairs in June, 2019.
 - Strengthening role of ICAI – Recommendations w.r.t enforcement/disciplinary process of the ICAI.
 - Strengthening of reporting on Internal Financial Controls
 - Greater transparency on audit quality indicators
 - Strengthening the independent functioning of the Quality Review Board (QRB) Current Regulatory Provisions.
- ICAI suggestions on the practices followed by UK, US, Australia and Singapore for appointment of Internal auditor as external auditor and vice-versa after cessation of the tenure were submitted to Ministry of Corporate Affairs in June, 2019.
- ICAI Comments/ Suggestions on the provisions of CSR in the Companies Act 2013, Companies (CSR Policy) Rules, 2014 and Circulars issued concerning CSR submitted to High Level Committee on CSR constituted by Ministry of Corporate Affairs in May, 2019.
- Request to waive off additional fee for filing ADT- 1 where Form GNL- 2 has already been filed by the companies for the period 1st April, 2014 to 19th October, 2014, with respect to filing of the ACTIVE form submitted to Ministry of Corporate Affairs in April, 2019.
- Ministry of Corporate Affairs issued clarification and waived off fee for filing Form ADT- 1 till 15.06.2019.

During the year 2018-2019:

- Suggestions on the proposed amendments in the Companies Act, 2013.
- ICAI Suggestions regarding Audit Rotation under Companies Act 2013 and Practice Adopted by select CA Firms for appointment of Internal Auditor as statutory Auditor or vice-versa.
- Request to extend due date for filing DIR 3 KYC by 15 days, i.e., upto 30th September, 2018.
- ICAI Suggestions on the Comments/suggestions on Draft notification of Companies (Appointment and Qualification of Directors) Third Amendment Rules, 2018 were submitted in July, 2018.
- Key Issues in Draft National Financial Reporting Authority Rules June, 2018 submitted on 18th July, 2018.
- ICAI Concerns on Draft NFRA Rules June 2018 were submitted in July, 2018.
- Suggestions on the Companies (Audit and Auditors) Amendment Rules, 2018 were submitted in May, 2018.
- Regarding Procedure for dealing with applications for removal of auditors under Section 140 of the Companies Act 2013 by the Regional Directors were submitted in May, 2018.
- ICAI suggestions on Draft National Financial Reporting Authority Rules issued in 2013 for public comments by the Ministry Corporate Affairs were submitted in May, 2018.
- ICAI Suggestions on Draft Companies (Beneficial Interest and Significant Beneficial Interest) Rules, 2018 were submitted in April, 2018.
- The Ministry of Corporate Affairs had issued notice inviting comments/ suggestions on the proposed amendments to the Companies Act 2013 by 20th November, 2018 and ICAI had submitted its suggestions on the proposed amendments in the Companies Act 2013 to the Ministry of Corporate Affairs.
- The Ministry of Corporate Affairs had requested ICAI to give comments/ suggestions on Draft Notification of Companies (Appointment and Qualification of Directors) Rules, 2014. The Corporate Laws & Corporate Governance Committee discussed the Draft Notification of Companies (Appointment and Qualification of Directors) Rules, 2014 regarding maintenance of Databank of Independent Directors as per Section 150 of the Companies Act, 2013 and qualification of Independent Directors. ICAI had submitted its suggestions to Ministry of Corporate Affairs in July, 2018 mentioning the following points:
 - Since the Databank u/s 150 of the Companies Act, 2013 has already been developed in 2014 by three Institutes jointly with the Ministry of Corporate Affairs, the same may be adopted and considered instead of developing a new portal.
 - The Draft Rules mentions about the Certification Course to be conducted by IICA to become Independent Directors and also lays down criteria for exemption. ICAI suggests that the Chartered Accountants should

be exempted from undertaking this Certification Course by virtue of their professional qualification.

- The Ministry of Corporate Affairs has requested ICAI to formulate and issue detailed guidelines to the Regional Directors dealing with the cases related to Removal of Auditors under section 140 of the Companies Act, 2013. The Removal of Auditors once appointed by the shareholders normally should be allowed only when there is a full justification with proper reasoning. In this regard, the Committee has prepared a detailed checklist which has been submitted to Ministry of Corporate Affairs.

(II) Representation to Securities and Exchange Board of India (SEBI)

During the year 2018-2019:

ICAI Suggestions on the Consultative Paper on Proposed SEBI (Fiduciaries in the Securities Market) (Amendment) Regulations were submitted in July, 2018.

The Securities and Exchange Board of India (SEBI) had issued a consultative paper proposing draft regulations to regulate 'fiduciaries' in the capital market like Chartered Accountants, Company Secretaries, Valuers & Cost Accountants, who issue various certificates in the process of fund raising by companies, Mutual Funds and others. SEBI had invited public comments on the draft regulations. In this regard, ICAI suggestions/objections on the Consultative Paper have been submitted to SEBI in August, 2018.

(III) Relating to the Constitution of National Financial Reporting Authority (NFRA)

- The Ministry of Corporate Affairs has notified the National Financial Reporting Authority (NFRA), 2018 Rules as per Section 132 of Companies Act, 2013 on 13th November, 2018.
- ICAI regularly submits its concerns on the Constitution of NFRA and Draft Rules pertaining to NFRA.

Since 1st March, 2018, when the Union Cabinet had taken a decision for establishment of NFRA, the following steps were taken by ICAI:

- 14th March, 2018 – Submitted representation to Secretary, Ministry of Corporate Affairs to review the decision to notify Section 132.
- 17th March, 2018 – Submitted letter to Principal Secretary to PMO seeking appointment to discuss Cabinet decision dated 1st March, 2018 regarding Establishment of NFRA.
- On 8th May, 2018 - Submitted ICAI Concerns on the Draft Rules 2018 on the basis of request from Secretary Ministry of Corporate Affairs.
- On 5th June, 2018 - Draft Rules, 2018 were sent by the Ministry of Corporate Affairs to ICAI for comments/suggestions.
- On 18th June, 2018- Letter to Secretary, Ministry of Corporate Affairs informing that the Draft NFRA Rules, 2018 overreach beyond what is contained in the substantive provisions of the Companies Act 2013.
- On 5th July, 2018 - ICAI Suggestions on the Draft Rules, 2018 were submitted to the Ministry of Corporate Affairs.
- On 18th July, 2018 - Made presentation on the Concerns in Draft NFRA Rules 2018 to Secretary, Ministry of Corporate Affairs.
- On 30th July, 2018 - Appeal to Hon'ble Prime Minister of India requesting to consider non notification of NFRA.
- On 30th September, 2018 – Letter to Secretary, Ministry of Corporate Affairs mentioning that the Draft Rules should be prepared in consultation with ICAI.
- In October, 2018, two writ petitions have been filed in Madras High Court and Delhi High Court challenging the constitutional validity of Section 132 of the Companies Act, 2013. In both the writ petitions, ICAI is one of the Respondents.
- ICAI sought opinion of Mr Mukul Rohatgi, Senior Advocate and Past Attorney General of India on the Constitutional validity of Section 132 of the Companies Act, 2013.

In his legal opinion, the learned Senior Advocate has opined that the "constitution of National Financial Reporting Authority is not constitutionally valid and it does encroach on the powers of ICAI and CA Act does have precedence over the provisions of the Companies Act 2013". The learned Senior Advocate has further opined that "I have no hesitation in concluding that the restriction sought to be placed by section 132 of the Companies Act 2013 on the exercise of profession of Chartered Accountancy, is not permissible under Art 19(6). The restriction would be illegal, arbitrary and also be hit by Article 14 of the Constitution of the India as well".

He also stated that “petitions challenging various provisions of S.132 of the Companies Act, 2013 are already pending in the Chennai High Court as well as the Delhi High Court. I am informed that the Hon’ble Delhi High Court has passed on order of stay dated 3.10.2018 of S.132 of the Companies Act 2013, presumably on the ground that you cannot have an alternative disciplinary authority apart from that under the CA act and that too in a separate act wherein the authority so constituted consists of non professionals. The Querist is already a party in the said petition, the Querist may support the same and make its submissions therein.”

- On 3rd October, 2018, the Hon’ble High Court of Delhi heard the petition filed and the following is the Order “For the Writ Petition No W.P.(C) 10537/2018 & CM. Nos. 41116/2018 has W.P.(C) 10537/2018 & CM. Nos. 41116/2018 (for stay) Issue notice to show cause as to why rule nisi be not issued, returnable on 16th January, 2019.
Let the affidavits be filed within four weeks from today.
In the meanwhile no disciplinary action against the members of the petitioner’s association and respondent no.3/Institute shall be initiated by the National Financial Reporting Authority (NFRA) by virtue of powers conferred upon it under Section under Section 132 (2) and 132(4) of the Companies Act, 2013. List on 16th January, 2019.”
- On 12th October, 2018- Letter submitted to Ministry of Corporate Affairs wherein it has been mentioned that the Council of the Institute had considered the matter of constitution of National Financial Reporting Authority under section 132 of the Companies Act, 2013 and was of the prima facie opinion that it is unconstitutional and ultra-vires of the provisions of the Chartered Accountants Act, 1949 and therefore decided to constitute a group of its members to further examine the matter and larger stakeholder consultations.
- On 13th November, 2018, the Central Government notified NFRA Rules, 2018.

(IV) Interaction with the Ministry of Corporate Affairs

ICAI has been regularly interacting with the Ministry of Corporate Affairs and submitting representation/ providing suggestions/ giving inputs regularly on various issues right from the bill stage for addressing the issues and smooth implementation of the Companies Act 2013.

ICAI was part of the consultative process adopted by the Companies Law Committee constituted by the Government of India for proposing these major amendments to the Companies Act, 2013. Also, ICAI represented before the Hon’ble Parliamentary Standing Committee on Finance, on the issues in the Companies Act, 2013.

(V) Facilitating in the Law making process in the Companies Act, 2013

- ICAI is a member of the Task Force on ‘Ease of Doing businesses for the indicators “Starting a Business”, “Resolving Insolvency” and “Protecting Minority Investors”.
- ICAI is a member of Strategic Advisory Group of Ministry of Corporate Affairs to design MCA-21 Version III.
- ICAI is a member of the working Committee for streamlining working under the Companies Act 2013.
- ICAI is a member of Sub Group (2) to examine the suggestions pertaining to streamlining the Companies Act 2013.
- ICAI is contributing as a member of the Insolvency Law Committee to identify and suggest ways to address issues faced in implementation of the Insolvency and Bankruptcy Code, 2016.
- ICAI is a member of the Group to examine the Companies (Acceptance of Deposit) Rules, 2014 as formed by Ministry of Corporate Affairs.
- ICAI is a member of the Company Law & Corporate Governance Committee of PHD Chamber of Commerce and Industry.
- ICAI is a member of the Committee for drafting appendix to the Investigating manual of Serious Fraud Investigation Office.
- ICAI is a member of Governing Council of National Foundation for Corporate Governance.

(VI) ICAI Recommendations on what shall/ shall not constitute Management Services as per Section 144 of the Companies Act 2013 submitted to Ministry of Corporate Affairs in June, 2019

As per Section 144 (h) of the Companies Act, 2013 (the ‘Act’), Management Services cannot be rendered by an auditor to that company. However, the Act, does not define the term “Management Services”. On the other hand, the ICAI Code of Ethics 2009 and Revised ICAI Code of Ethics 2019 issued by the Institute of Chartered Accountants of India (ICAI) contain principles regarding the services which may be rendered by a Chartered Accountant in practice.

Accordingly, a Concept Paper has been prepared by the ICAI wherein the provisions of ICAI Code of Ethics, 2009, ICAI

Revised Code of Ethics, 2019, Revised IESBA Code of Ethics 2018 and Practices in U.S.A, Australia, Canada and European Union have been considered.

ICAI Recommendations of the Services that may be considered as Management Services under Section 144 (h) of the Act alongwith ICAI Recommendations of the Illustrative Services that may not be Management Services as per Section 144 of the Act have been submitted to Ministry of Corporate Affairs.

(VII) Guidance Note on Division I – Non Ind AS Schedule III to the Companies Act, 2013 (Revised July, 2019 Edition)

To facilitate the exercise of preparation of financial statements by companies which are required to prepare its financial statements as per Accounting Standards, the Committee has issued the revised Guidance Note on Division I- Non Ind AS Schedule III to the Companies Act, 2013 as per the amendments brought in by the Ministry of Corporate Affairs.

(VIII) Guidance Note on Division II – Ind AS Schedule III to the Companies Act, 2013 (Revised July, 2019 Edition)

To facilitate the exercise of preparation of financial statements by companies which are required to prepare its financial statements as per Ind AS Schedule III, the Committee has revised the Guidance Note on Division II- Ind AS Schedule III to the Companies Act, 2013 as per the amendments brought in by the Ministry of Corporate Affairs. The Revised Guidance Note has been issued.

(IX) Frequently Asked Questions on the Companies Act, 2013- Revised July, 2019 Edition

Consequent to the amendments, during the last few years including notification of the Companies (Amendment) Act, 2017, wherein major amendments took place, the Committee undertook the exercise of revision of the publication, “Frequently Asked Questions on the Companies Act, 2013”. The Revised publication has been issued recently.

(X) Guidance Note on Division III to Schedule III to the Companies Act 2013 for NBFC that is required to comply with Indian Accounting Standards (Ind AS)

The Ministry of Corporate Affairs has notified “Division III Financial Statements for a Non-Banking Financial Company (NBFC) whose financial statements are drawn up in compliance of the Companies (Indian Accounting Standards) Rules, 2015.

In this regard, the Committee is in the process of preparing the Guidance Note on Division III to Schedule III to the Companies Act 2013.

(XI) Other initiatives

- The Committee prepared Frequently Asked Questions were prepared by the office on the queries received from participants during the webcast to give more clarity on the issues and submitted the same to the Ministry of Corporate Affairs. The Ministry of Corporate Affairs has issued the FAQ’s on eForm INC 22 A as prepared on the basis of FAQs submitted by the Committee. FAQs are hosted on Ministry of Corporate Affairs website at the following link: <http://mca.gov.in/MinistryV2/active.html>
- In order to support the Ministry of Corporate Affairs (MCA) in their initiatives, the Committee had organised a webcast on MCA E- Form DPT- 3 -Compliance and other aspects. The Webcast was addressed by the officials of the Ministry. The Webcast was viewed by more than 8000 members and around 550 questions were received and addressed by the speakers. The Webcast has been well received by the Ministry of Corporate Affairs
- In order to support the Ministry of Corporate Affairs (MCA) in their initiatives and as desired by MCA, the Committee had organised a webcast on MCA E- Form Active (Active Company Tagging Identities and Verification) INC-22A - Compliance and other aspects. The Webcast was addressed by the officials of the Ministry. The Webcast was viewed by more than 25000 members and around 500 questions were received and addressed by the speakers. The Webcast has been well received by the Ministry of Corporate Affairs.

(XII) Conference/Training Programme

- The Committee has organized National Conference and training programme for the IAS Officials of the

Government of Tami Nadu on various legislations and Companies Act, 2013 at various part of countries during the year. In the Conference the participants were addressed by His Excellency Prof. Ganeshi Lal , Hon'ble Governor of Odisha.

- The Institute of Chartered Accountants of India has supported the Government in its initiatives to update its registry wherein Ministry of Corporate Affairs would be conducting KYC of all Directors of all companies annually through a new eform viz. DIR-3 KYC. With a view to create awareness and popularise, ICAI has conducted various Seminars, webcasts, sent mass mail to the members and hosted Announcement on ICAI website as well as in ICAI Journal. Information has been spread through Twitter, Facebook and other Social media platforms.

(XIII) Updates for professional development of members relating to Corporate Laws

The Committee regularly issues series of update for members towards professional development which includes updates on the Corporate Laws. Further, various Announcements/ analysis done by the Committee have been uploaded on ICAI website on the followings subject matters:

- Analysis of Ministry of Corporate Affairs Notification regarding filing of E Form DIR-3 KYC upto 30th June every year.
- Analysis of Ministry of Corporate Affairs Notification regarding filing of DPT- 3 Form upto 29th June, 2019- One time Return.
- Announcement regarding extension of date for filing E-Active Form to 15th June 2019
- Summary of Provisions of The Companies (Second Amendment) Ordinance 2019.
- Summary of the Notification dated 2nd November, 2018 regarding Provisions of The Companies (Amendment) Ordinance 2018.

(XIV) Learning Management System to prepare for IBBI Limited Insolvency Examination

The Institute has launched a Learning Management System to enable the professionals to prepare for IBBI Limited Insolvency Examination. This knowledge initiative is an easy to use platform which delivers the concepts across the entire syllabus in the form of presentations and supplemented by mock tests in each component of the syllabus. A unique feature is that it enables the professionals to do the practice at a modular level and prepare for the examination. The module comprises of three parts - Literature on the entire syllabus, Video lectures on the above content and over 500+ Multiple Choice Question mock exam with additions to the question bank on short intervals. Regular updations are being made in the presentations and new case laws are uploaded as per the Syllabus applicable. Updations were made in 42 PPTs and new Case Laws (37 in number), Bare Act, Rule and Regulations (17 in number), IBBI Sample test Paper pertaining to LMS as per the Syllabus applicable from 1st November, 2018 were uploaded on LMS.

(XV) Meeting with Dignitaries

- A meeting was held with Secretary, Ministry of Corporate Affairs regarding dissemination of salient features of MCA E- Form Active (Active Company Tagging Identities and Verification) INC-22A on 15th March, 2019, wherein it was discussed that for good corporate Governance it is required to make these kind of schemes mandatory. The Secretary, Ministry of Corporate Affairs appreciated the efforts put in by ICAI for conducting the webcasts which received overwhelming response.
- A Meeting was held with Additional Secretary, Ministry of Corporate Affairs on 28th June, 2018, where Ministry of Corporate Affairs has requested ICAI to help them identify young professionals (Chartered Accountants) to work on contract basis, under various provisions of the Companies Act, 2013 like inspection, investigation, at various locations all over India. In this regard ICAI has invited applications from Chartered Accountants (CAs) having 2 years plus of post-qualification experience at various locations.
- The Ministry of Corporate Affairs has formed a Task Force on 'Ease of Doing Business' for the indicators "Starting a Business", "Resolving Insolvency" and "Protecting Minority Investors". The third meeting was held on 11th April, 2018. In that meeting it was discussed to create awareness of the initiatives taken by the Government towards 'Ease of Doing Business' especially in Starting a Business and Resolving Insolvency. In this regard, the Committee had conducted 3 Programmes at Mumbai, Delhi and Kolkata. The details of the same are given below:
 - The Programme was attended by CA. Man Mohan Juneja, Regional Director (Western Zone) Ministry of Corporate Affairs, CA. R. K. Dalmia, Dy. Regional Director, (Western Zone) Ministry of Corporate Affairs and Shri Vinod Sharma, Registrar of Companies, MCA, Mumbai as Guest Speakers. We had received overwhelming response and it was attended by more than 70 members.
 - The Programme was attended by Shri Alok Samantarai Regional Director, Ministry of Corporate Affairs

- Eastern Region Shri. K G Joseph Jackson (ROC Kolkata), Ministry of Corporate Affairs as the Guest speakers.
- A Live webcast was held at ICAI Delhi on 20th April, 2018 where Shri D. Bandopadhyay Regional Director, Ministry of Corporate Affairs (North), was the guest speaker alongwith Government Nominee of ICAI.

B. Insolvency and Bankruptcy Laws Group under CL&CGC for the year 2018-2019

(I) Publications

The Insolvency and Bankruptcy Laws Group under CLCGC, jointly with Indian Institute of Insolvency Professionals of ICAI (IIPI) has released two Series of the publication “Judicial Pronouncements under Insolvency and Bankruptcy Code, 2016” Series 1 and 2 during the year. The publication covers important Case Analysis based on the decisions by Supreme Court, High Courts, NCLAT and NCLT on issues under the Insolvency and Bankruptcy Code, 2016 (IBC).

(II) Programmes

- The Insolvency and Bankruptcy Laws Group, CLCGC, ICAI organized the Mega IBC Conclave on 21st July, 2018 at Delhi and on 11th August, 2018 at Mumbai. A Mega IBC Event was also organized on 10th November, 2018 at Kolkata. The Conclave/Event was attended by large number of delegates from different profession and from across the Country. Dr. M.S. Sahoo, Chairperson, Insolvency and Bankruptcy Board of India addressed the gathering at the Inaugural session at Delhi as well as in Kolkata and also took questions at the Panel Discussion. Dr. Navrang Saini, Whole Time Member, IBBI addressed the delegates at the Mumbai Conclave.
- Three Days Intensive Training Programme for preparation of IBBI Limited Insolvency Examination was conducted at 9 places - Ongole, Guntur, Kanchipuram, Hubli, Tirupati, Sivakasi, Varanasi, Kolkata and Belgaum.
- Various Training Programme/seminars/workshops for preparation of IBBI Limited Insolvency Examination and on IBC were conducted at Pune, Nagpur, Nashik, Kota, Bhilai, Ahmedabad, Rajkot and Jamnagar.
- Seminar/Training Programme/Workshop on IBC were conducted at 4 places- Bhilai, Ahmedabad, Rajkot, Jamnagar.

5.8 Direct Taxes Committee (DTC)

(I) Representations/interactions with CBDT

- Submission of representation to Chairman, CBDT requesting to consider issue(s) faced by assesseees w.r.t. application of Rule 115 & 115A of the Income-tax Rules, 1962.
- Submission of representation to Chairman, CBDT requesting to increase number of benches of CIT (Exemptions) in the state of Uttar Pradesh.
- Submission of representation to Chairman, CBDT requesting to amend CBDT instruction (F.No. DGIT(vig.)/HQ/SI/Appeals/2017-18/9959) dated 8th March, 2018 with respect to power of CCIT to monitor orders issued being issued by the CIT (A).
- Submission of representation to representation to Chairman, CBDT regarding Submission of Suggestions on forms 3CA/ 3CB/ 3CD.
- Submission of Letter F. No. 225/53/2018/ ITA.II dated 28.3.2018 to Chairman, CBDT regarding processing of returns which are pushed to Assessing Officers by CPC.
- Submission of representation to Chairman, CBDT requesting to expedite the release of ITR utilities for AY 2018-19 (only relating to ITR 1 and 4 released so far).
- Submission of representation to Chairman, CBDT requesting to Request to expedite release of new tax audit forms (3CA, 3CB & 3CD) and its utilities for AY 2018-19.
- Submission of various representations to Chairman, CBDT regarding Notification No 23/2018, dated 24th May, 2018 amending Rule 11UA omitting reference to term “accountant”, thereby making Chartered Accountants ineligible to determine the FMV of unquoted equity shares as per the Discounted Free Cash Flow Method.
- Submission of representation regarding Concerns of ICAI in reference to the ICAI letter No. G:142:05:2018 dated 23.05.2018 submitted by the Institute of Cost Accountants of India to amend the definition of “Accountant” in the Explanation appended to section 288(2) of the Income-tax Act, 1961.
- Submission of representation requesting to issue clarification regarding taxation of interest on Provident Fund balance – Removal of Disparities.
- Submission of representation requesting to rectify issues faced by taxpayers while filing ITR forms for AY

2018-19.

- Submission of representation requesting to allow taxpayers to file time barred returns even after expiry of time allowed u/s 139(4).
- Submission of representation to Chairman, CBDT requesting to provide relevant details regarding the article published in The Economic Times newspaper dated 19th July, 2018 and suggestion of ICAI in this regard.
- Submission of representation to Chairman, CBDT requesting to extend due date of filing Income-tax returns for the AY 2018-19.
- Submission of representation to Chairman, CBDT regarding submission of suggestions on Form No. 3CD revised vide Notification No. 33/2018, dated 20th July, 2018
- Submission of representation requesting to resolve the concern pertaining to delay in updation of TDS data in Form No. 26AS after filing of TDS return by deductors and other related issues.
- Submission of representation to Chairman, CBDT regarding request to postpone the applicability of section 12A(1)(ba) of Income-tax Act, 1961 in the case of Charitable & Religious Institutions based in Kerala and to extend the due date of filing Income Tax Returns and Tax Audit Reports for assesseees in Kerala due to unprecedented floods and derailment of life.
- Submission of various representations to Chairman, CBDT requesting for extension of time for submission of Tax Audit Reports and related returns.
- Submission of representation to Chairman, CBDT regarding Suggestions on draft notification proposing amendments in Form No. 13, and Rules 28, 28AA, 28AB, 37G and 37H of the Income-tax Rules, 1962.
- Submission of representation to Chairman, CBDT regarding Concerns of the taxpayers on the instructions issued by the CBDT to CIT(A) via Para (3) of the Action Items dealing with 'Incentive for quality orders' under Part A - 'Targets for CIT(Appeals)' of Chapter III dealing with Litigation Management of the Central Action Plan 2018-19.
- Submission of representation to Chairman, CBDT regarding Concerns of ICAI with regard to 'Minimum Eligibility Criteria' – Invitation for Empanelment of Chartered Accountancy Firms for Special Audit u/s 142(2A) of the Income-tax Act, 1961.
- Submission of representation to Chairman, CBDT requesting to rectify ITR-5 utility released on 01.09.2018.
- Submission of representation to Chairman, CBDT requesting to rectify Form No. 3CB utility released on 01.09.2018.
- Submission of representation to Chairman, CBDT requesting to remove a specific FAQ hosted on the Income Tax Department Website pertaining to provisions of Section 44AD of the Income-tax Act, 1961.
- Submission of representation to Chairman, CBDT regarding Submissions of Suggestions for Designing of Phase-2 (2019-2024) of CPC (TDS).
- Submission of representation requesting to remove the specific divergence in utility of Form No. 3CD and notified Form No. 3CD.
- Submission of representation to Chairman, CBDT regarding Submission of Suggestions for consideration in drafting of New Direct Tax Legislation.
- Submission of representation to Chairman, CBDT requesting to rectify the defect in the utility of ITR Form No. 7.
- Submission of representation to Chairman, CBDT requesting to issue a clarification or notify challan for payment of TDS under section 194-IC (Payment under specified agreement) of the Income-tax Act, 1961.
- Submission of representation to Chairman, CBDT regarding:
 - Request to amend Rule 18BBB of the Income-tax Rules, 1962.
 - Request to amend Form No. 10CCB w.r.t. section 80-IE of the Income-tax Act, 1961 and to provide java utility of the said form.
- Submission of representation to Chairman, CBDT regarding request to consider modification in 'Guidelines for Compounding of Offences under Direct Tax Laws, 2014' dated 23.12.2014.
- Submission of Preliminary Inputs of ICAI in respect of forms 3CA/3CB/3CD.
- Submission of representation to Chairman, CBDT regarding Request to issue clarification or consider recommending amendments on tax issues relating to internal reorganization of business.
- Representation w.r.t. proposals in the Finance Bill, 2019.
- Submission of ICAI's Inputs on Draft Form No. 3CD.
- Request regarding amendment in Rule 11UA with reference to determination of FMV of unquoted equity shares as per the Discounted Free Cash Flow Method.
- Concerns of ICAI in respect of newly notified ITR Forms for AY 2019-20.

(II) Activities Relating to Union Budget

- Submission of Post-Budget Memoranda, 2018.
- Submission of Pre-Budget Memorandum, 2019.

(III) Other Initiatives:

- Release of Technical Guide on Understanding Income Tax Return Forms for AY 2018-19
- Release of "Implementation Guide w.r.t. Notification No. 33/2018 dated 20.07.2018 effective from 20.08.2018"
- Arrangement with vendors for online Subscription on Direct Taxes for members.
- 5 LIVE Webcasts have been organized by the Committee during the year on the various topics such as E and other issues in TDS and TCS Compliances & Understanding and filling new Forms of Income Tax Returns, Recent Developments in Electronic Systems, E-compliances - Issues and Way Forward, Clause wise Analysis and New Requirements in Revised Form 3CD of Tax Audit Report, and Capacity building for TDS deductors filing TDS Statement in form 24Q & Recent changes in Part B of Form 16.
- The Committee organized 25 seminars/conferences/tax awareness programmes/workshops/ lecture meeting during the year.

5.9 Committee on Economic, Commercial Laws & Economic Advisory (CECL&EA)

(I) Representations to various Government Authorities/ Regulators

Committee on Economic & Commercial, Laws & Economic Advisory made various representations to the Government Authorities/Regulators:

- Representation regarding recognizing the Chartered Accountants as authorised representatives under Section 26 and 48 of the Prohibition of Benami Property Transactions Act, 1988 for appearance before the Adjudicating Authority and Appellate Tribunal under the Act submitted to Ministry of Law and Justice;
- Representation regarding the issues being faced by the Chartered Accountants at RoF, while registering the firms, changes in constitution and other related matters submitted to Registrar of Firms, Maharashtra;
- Representation submitted to the Law Commission of India regarding Abolition of Hindu Undivided Family (HUF) suggested in the Consultation Paper on Reform of Family Law dated 31st August, 2018 presented by the Law Commission of India;
- Representation submitted to Ministry of Housing and Urban Affairs and various RERA Authorities in the matter regarding extension of date for submission of Audit Reports under the Real Estate Regulation and Development Act, 2016, views/suggestions on the Arbitration and Conciliation (Amendment) Bill, 2018 submitted to Hon'ble Chairman, Rajya Sabha, Parliament of India;
- Circulated the views of MahaRERA to various RERA Authorities and Trade Bodies regarding the need to compile the views of RERA Authorities across the country for more enlightenment and for uniformity in implementation of the statute and
- Representation on the matters related to recently pronounced landmark verdicts of the Supreme Court of India which may impact the calculation of Provident Fund deduction and EPS Pension submitted to Central P. F. Commissioner.

(II) Guidance Notes/ Technical Guides/ Publications etc.,

- With the objective to recommend the parameters to be followed by the Chartered Accountants for Certifications and Audit under RERA, a publication titled "Certifications and Audit under Real Estate (Regulation and Development) Act, 2016 (RERA)" was released on 11th February 2019 through the august hands of Shri Vijay Goel, Hon'ble Minister of State for Parliamentary Affairs; ICAI's past President, CA. N. D. Gupta and Member of Parliament, Rajya Sabha.
- In an endeavor to broaden the scope of expertise of members on the Banning of Unregulated Deposit Schemes Ordinance, 2019', the Committee brought the E-publication titled "Frequently Asked Questions on The Banning of Unregulated Deposits Ordinance, 2019' under the aegis of the Committee.

(III) Seminars/ Conferences/ Workshops/ Webcast

Awareness programmes were organized on various Economic & Commercial laws including the Role of Chartered Accountants in Business Transformation, Innovation & Technological Development; GST Annual Return, RERA Certificates & Reports and Private Trusts; FEMA etc. by way of Webcasts, Workshops, Seminars, Conferences and program during the period.

(IV) Certificate Course on Anti Money Laundering Laws

The Committee has successfully conducted the 5 batches of the Certificate Course on Anti Money Laundering Laws (Anti- Money Laundering Specialist) during 2018-19 in Pune, Solapur, Mumbai, Bengaluru & Chandigarh. Eminent faculties from the Government Departments, Banks, Legal Fraternity and members from industry & practice addressed the participants.

(V) Roadshows - Competition Commission of India

ICAI provided support and co-operation in the various Roadshows organized by Competition Commission of India (CCI) and Institute of Corporate Affairs at different locations in the year 2018-19 at Mumbai, Delhi, Ahmedabad and Hyderabad with a view to step up competition advocacy and reach out to a greater number of stakeholders in newer and better ways.

Study Groups: Study groups were constituted Study Group for revising Publication “Referencer on FEMA- Foreign Exchange Management Act, 1999” and Study Group for development of Technical Guide and FAQs on Provident Fund.

5.10 Digital Accounting and Assurance Board

Strengthening the role of Chartered Accountants by building digital competencies to ensure that Chartered Accountants meet challenges and leverage opportunities of digital era, ICAI in the year 2018 merged Committee on Information Technology (CIT) with Digital Accounting and Assurance Board (DAAB). DAAB is developing knowledge base through position papers and articles on issues related to impact of technology on accounting and assurance. Research on potential impact of Artificial Intelligence, Robotics Process Automation, Blockchain, Cloud Computing and Big Data on accounting and assurance is being undertaken to develop concept papers. The purpose is to help chartered accountants expand their knowledge and enhance their skills in new areas of digital era.

The Board performed the following major activities during this year:

(I) Publications

- Concept Paper on “*Blockchain Technology – Adoption Trends and Implications for Accountancy Profession*” briefly explains fundamental concepts and unique features of blockchain technology, highlighting current usage of this novel technology. It throws light on accounting and assurance of blockchain based systems/ processes, and also adoption and development phases by accounting firms. Case studies have been included for explaining practical aspects to the readers.
- Keeping pace with dynamic digital landscape, the Board has released this Concept Paper which briefly provides an overview of Robotic Process Automation and focuses on role of chartered accountants in adoption of this evolving technology by organizations. This document highlights key objectives of RPA, Triggers for Use of RPA, Target Areas for RPA, Critical Success Factors for RPA, Robotic tools and vendor landscape, RPA Future – Towards Intelligent Automation, etc. Case studies also have been included on accounting function, tax function, management reporting and analysis, etc.
- The Board has brought out revised and updated publication “Early Signals of Fraud in Banking Sector” which would guide members to be instrumental in timely detecting fraud and also suggesting controls for prevention. Apart from incorporating impact of revised circular, this revised edition also includes fraud risks involving information technology covering Core Banking Solutions (CBS), Digital Payment System, Internet Banking, etc.

(II) Data Analytics (DA)/ Forensic Labs

The Board had launched DA Lab at Kolkata, Chennai and Hyderabad. Total Six Data Analytics/ Forensic Labs has been launched by the board where Hands on Training is given to the members on advance Excel and GAS (Generalized Audit Software) tool (IDEA) functionalities for assurance analytics (i.e., data analytics from an audit perspective), reporting, interpreting results and decision making. The Certificate Course on Forensic Accounting & Fraud Detection is also being organized in the labs for the Members to provide hands on experience trainings on the Forensic Tools.

(III) Executive Development Program on Blockchain

The Board has launched Executive Development Program on “Blockchain Technology – Driver of Digital Era” which would provide introduction to blockchain technology and develop use cases in different industries. The course also covers future of blockchain technology in terms of innovation in enabling transparent accounting ecosystem, and its potential to transform current auditing practices. The board had successfully conducted 9 Programs at various places in the country and at Dubai and Bahrain.

(IV) Post Qualification Course on Information Systems Audit

Post Qualification Course on Information System Audit (DISA), conducted by the Board, was started in the year 2001 to upskill chartered accountants in Information Systems Audit which was in increasing demand. DISA course combined technology, information assurance and information management expertise that enabled a DISA qualified chartered accountant to become trusted Information Technology advisor and provider of Information Security Assurance services. From 2001 till date more than 25,500 members have qualified this Course. DISA was also conducted at Institute of Chartered Accountants of Sri Lanka in July, 2018. With a view to benchmark DISA qualification to international standards, the Board is in the process of taking American National Standards Institute (ANSI) Certification. Digital Accounting and Assurance Board had also updated the syllabus for the Post Qualification Course on Information Systems Audit. Total 91 batches were held during the year 2018-19.

(V) Certificate Course on Forensic Accounting and Fraud Detection

The Board conducts “Certificate Course on Forensic Accounting and Fraud Detection”, and till date around 4,500 members have qualified this Course. The objective of this specialized Course is to help the chartered accountants attain skill of utilizing accounting, auditing, CAATs/ Data Mining Tools, and investigative skills to detect fraud/ mistakes. Total 48 batches held during the Council year 2018-19

(VI) ICAI Startup Summit 2018 – Palette of Innovation” at New Delhi in June, 2018

The Board had organized the Startup Summit for encouraging entrepreneurship in Chartered Accountants and aimed to provide adequate mentoring.

(VII) ICAI Blockchain Summit 2018

The Board conducted the Blockchain Summit on 23rd August 2018 with an objective to provide conceptual and practical understanding of Blockchain Technology & Implementation in various industries from Accounting, Assurance and Compliance perspective to empower Chartered Accountants to provide relevant advisory/ Assurance Services.

(VIII) Data Analytics Conference 2018 -Transformation Of Assurance Services

The Board conducted the Data Analytics Conference on 20th October 2018. The Conference focused on the application of Data Analytics to audit procedures - Risk Assessment, Analytical Review, Substantive Testing, Advances analytics to gain greater awareness and deeper insights into business operations.

(IX) ICAI 3rd Annual Conference On Disruptive Innovation For Transformation – Digital & Forensics

- DAAB of ICAI started an initiative to organize an Annual Conference on Digital and Forensic to cover emerging technology trends impacting profession, recent trends of fraud and strategy to mitigate the risk of frauds. The 3rd edition of the Conference with the theme of Disruptive Innovation for Transformation was organized on 18-19 January, 2019 by the Board. The theme of the conference was ABCD of technology i.e. the sessions were based on the emerging technologies like Artificial Intelligence and Machine Learning, Blockchain Technology Trends, Cyber Security and Data Analytics.
- Digital Practice Webinar Series is conducted by the Board and webinar on "Cybersecurity for Accountants – Concepts and Tools" was conducted in April, 2019.
- Technology Summits for Empowering Chartered Accountants to meet Challenges of Digital Transformation were organised at Coimbatore, Belgaum, Bhopal, Warangal, Indore, Kanpur and Lucknow.

European Federation of Accountants and Auditors (EFAA) has adopted Digital Competency Maturity Model (DCMM) Version 1.0 released by DAAB in June, 2019.

Collaboration with the Institute of Chartered Accountants in England and Wales (ICAEW)

Joint research by ICAEW and ICAI into leading examples of automation in finance and accounting to learn more about:

- How automation is being deployed and its practical benefits
- The elements that underpin successful automation, such as process change and change Management
- The impact on staff working in transactional parts of finance and accounting

The research will focus on interviews with a number of people in the companies, including finance leaders, staff involved

in the delivery of automation projects and IT or other technical functions. In addition, review of relevant documents that are provided by companies will also be done.

5.11 Ethical Standards Board (ESB)

The momentum with which the ethics and probity has been highlighted in recent years throws light on how much the society attaches importance to these attributes. Those abiding with ethical principles are able to muster credibility that others can't. Given that the ethical conduct is a highly sought after trait from everybody in general, it would naturally imply that level of expectation of ethics from professionals is way ahead. This expectation is the highest level when it comes to chartered accountants, as they are the pillars of financial propriety in the country and beyond.

Though the relationship of ethics with the profession of accountancy is as old as the profession itself, the Ethical Standards Board (hereinafter referred to as "Board") of the Institute was formed in 1976 with the primary responsibility to formulate principles of Ethics for its members that are stringent enough to guarantee the confidence building in the public.

The mission of the Board is "To work towards evolving a dynamic and contemporary Code of Ethics and ethical behaviour for members while retaining the long cherished ideals of 'excellence, independence, integrity' as also to protect the dignity and interests of the members".

Besides formulating ethical principles for members, the Board also examines and renders advice on ethical issues referred to it. It reviews the 'Code of Ethics' for members from time to time, and publishes the revised editions. The other publications of the Board, namely, 'FAQ on Ethical Issues', and 'Guidance Note on Independence of Auditors' are revised from time to time. The Board promotes public awareness and confidence in the integrity, objectivity, competence and professionalism of members. It also examines and deals with the complaints of members against their unjustified removal as auditors of an entity, as per procedure evolved, and takes necessary steps to protect the interest of its members

(I) Significant Achievements

- "Code of Ethics" has been revised as per International Ethics Standards Board for Accountants (IESBA), 2018 edition. It is thus the revised counterpart of Part- A of Code of Ethics, 2009 edition. The revised Code will be effective from 1st April, 2020. The existing (2009) edition of Code of Ethics will remain effective till then. The revised Code was released at the Annual Function of the Institute held on 4th February, 2019.
- "Frequently Asked Questions on Ethical Issues" has also been revised. The revised edition was released at the Chartered Accountants Day on 1st July, 2018. The earlier edition of publication was issued in 2012. The new edition contains revised guidance, and contemporary issues useful for the members of the Institute.
- CA. Sanjiv Kumar Chaudhary, Past Council Member and Past, Chairman, Ethical Standards Board, has been nominated as member in International Ethics Standards Board for Accountants (IESBA) 2019 – 2022.

(II) Some important clarifications by Ethical Standards Board

- There is no conflict of interest where the current asset auditor of borrower accounts of a branch of a bank is the statutory auditor of another branch of the bank.
- An auditor would not be exempt from sharing the working papers if any law or regulation specifically requires auditor to share his working papers.
- A Chartered Accountant, being partner in a firm, can accept position as Director of an overseas subsidiary of the said company (where the said firm has been appointed a Tax Auditor of the parent company in India) if he ascertains that he will not be able to exert direct and significant influence over the subject matter information of the tax audit engagement.
- A commercial transaction in the ordinary course of business of a company at arm's length price will not result in indebtedness (as per provisions of Companies Act, 2013) if the outstanding amount is settled in accordance with the terms same as offered to other customers, and also subject to safeguards provided in ICAI Code of Ethics, if applicable.
- Chartered Accountants Firms can be registered under the MSME category, as there is no prohibition of the same under The Chartered Accountants Act, 1949, Chartered Accountants Regulations, 1988 or Code of Ethics.
- From the point of view of ICAI Code of Ethics, 2009, there is no prohibition for internal auditor of a company to acquire/purchase shares of the said Company.
- It is permissible for a member in practice to become an arbitrator, as per Chartered Accountants Regulations, 1988. Empanelling with Indian Council of Arbitration (ICA) would be deemed as ancillary to becoming arbitrator, and the same is therefore permissible.

- A member may hold shares of a company as an investment only. However, in view of Clause (11) of Part-I of First Schedule to The Chartered Accountants Act, 1949, it is not permissible for him to be engaged in the business of buying and selling shares, and will have to seek prior and specific permission for carrying out such business.
- A member holding Certificate of practice and in salaried employment abroad will be deemed to be in part time practice. He can continue to be partner in a CA Firm, since the only prohibition on a member in part-time practice is on doing attest functions. Thus, there is no prohibition on a member in part time practice to be a partner in a CA Firm. However, he will not be reckoned for the purpose of number of Audits for which the CA Firm is entitled to.
- As per Entry (xv) of Guidelines of Management Consultancy and other Services, Valuation of shares and business and amalgamation, merger and acquisition are permissible to members in practice. Accordingly, only these valuations would be deemed permissible from the point of view of a member in practice. It is not permissible for a member in practice to carry out any other kind of valuation.
- The requirement of communication under Clause (8) of Part-I of First Schedule to The Chartered Accountants Act, 1949 cannot be applied to a situation where a Chartered Accountants Firm, which was previous Auditor, does no longer exist. The incoming Auditor will however be required to confirm this fact from the Institute.
- A member cannot *inter alia* mention the services provided by the Firm on sign board of the Firm. However, a sign board mentioning services provided by the Firm can be put inside the premises of the Firm, since it will not be advertisement to the world at large, but only depiction of services provided by the Firm, and accessible only to the clients/persons who are already voluntarily present inside the premises of the Firm.
- It is not permissible for a member to allow his name to be appear on the visiting card of a Law Firm.
- It is not permissible for a member in practice to host a conclave or seminar, and collect delegate fees, and sponsorship fees.
- The role of “Scrutinizer” is within the purview of a member in practice.
- It is not permissible for a member in practice to have his office premise (of CA Firm) and Coaching Centre at the same place.
- A member in practice contemplating to start an education institution abroad would be representing him as a member in one or more ways while proceeding with the establishment of institution. Accordingly, the provisions of Clause (11) of Part-I of First Schedule to The Chartered Accountants Act, 1949, read with Entry (5) of “Permission to be granted specifically” of Appendix (9) of Chartered Accountants Regulations, 1988 will apply to such member. He should therefore seek specific and prior approval of the Council before starting such educational institution.

5.12 Expert Advisory Committee (EAC)

(I) Opinion

The fast changing economic environment often requires organisations to undertake complex business transactions. Financial reporting for such transactions sometimes poses interpretation and implementation issues. Moreover, with a comprehensive change in accounting principles for some companies in terms of Indian Accounting Standards (Ind ASs), financial reporting also poses certain challenges to the accounting professionals in discharging their duties. This gives rise to the need for an authoritative expert guidance on such matters. Here comes the role of the Expert Advisory Committee (EAC) of the ICAI, of giving such guidance to the members of the ICAI on specific issues relating to accounting and/or auditing principles under specific situations/circumstances. The EAC gives this guidance in the form of Opinions on specific queries raised by the members, relating to application and implementation of accounting and/or auditing principles, in accordance with Advisory Service Rules framed and revised from time to time by the Council of the Institute. As per these Rules, the Committee does not answer queries which involve only legal interpretation of various enactments. Further, it does not answer queries which concern a matter which is pending before the Disciplinary Committee of the Institute, any court of law, the Income-tax authorities or any other appropriate department of the Government. The said Rules are available on the web-site of the ICAI, at its hyperlink, http://www.icaai.org/new_category.html?c_id=142 or can be obtained from the Institute’s Head Office at New Delhi.

Over a period of time, EAC’s role has also been acknowledged by various Government and Regulatory bodies, such as, Ministry of Corporate Affairs (MCA), Comptroller and Auditor General of India (C&AG), Securities and Exchange Board of India (SEBI) etc. who approach EAC from time to time for seeking opinion on accounting queries/issues faced by them. The opinions expressed by the Expert Advisory Committee are based on the facts and circumstances of the query as supplied by the querist, considering the relevant legal position and the accounting/auditing principles prevailing on the date the Committee finalises the particular opinion. The date of finalisation of the opinion is also indicated with each opinion. The opinion, therefore, must be read and applied in the light of any subsequent developments and/or amendments in the relevant legal position and accounting/auditing principles that may affect the opinion.

During the period from 01.04.2018 to 30.06.2019, the Committee finalized 50 opinions received from the members of the Institute and 3 opinions on different accounting issues received from the Regulators/ Government authorities.

For the benefit of the members, EAC also regularly publishes Compendium of Opinions where the opinions finalised during a year are published in a volume of the Compendium. Till now, thirty-five volumes of the Compendium have been released for sale which have enjoyed extensive readership. An advanced and user friendly search facility in the form of a CD containing around 1400 opinions contained in all the thirty-five volumes of Compendium of Opinions has also been released, which is available with Volume XXXV of the Compendium of Opinions. The next Volume in series, viz., Volume XXXVI of the Compendium of Opinions is under compilation and is expected to be released very shortly.

Some of the opinions finalised by the Committee which are of general professional interest, are published in every issue of the Institute's Journal, 'The Chartered Accountant'. Recent opinions of the Committee are also hosted on the knowledge sharing page of the Committee on the website of the Institute.

(II) Opinions issued during the year

The Committee issued the various opinions to members during the year such as netting of trade Netting off of trade receivable and advances received from customers, Disclosure of impairment loss on long-term investments as exceptional item, Disclosure in standalone financial statements of contingent liability in respect of Corporate Guarantee (Deed of Guarantee) issued by the parent company to the bank for furnishing Performance Bank Guarantee on behalf of wholly owned subsidiary company towards its performance obligation, Accounting treatment to recognise interest earned on advance fee as its income is correct as per the provisions of Ind AS 18, etc.

5.13 Financial Reporting Review Board (FRRB)

In its endeavor to improve financial reporting practices, the ICAI through FRRB reviews the General Purpose Financial Statements of various enterprises and the auditors' report thereon. The Board aims to maintain an environment of sound financial reporting and also to improve transparency in financial reporting and good governance, which is important to promote investor confidence in audited financial statements. The Board also supports various regulators viz MCA, SEBI, ECI and other regulators by undertaking review of cases as referred by them time to time. During this period, the Board has completed the review of 65 cases selected on suo motto basis or as special case.

As suo moto proactive measure and in view of public interest involved, ICAI set up Shell Companies Review Group (SCRG) under Financial Reporting Review Board (FRRB). The SCRG undertakes review of shell companies on references received from Regulatory / Government bodies like 'Task Force on Shell Companies' etc.

(I) Contribution to Society – Commitment to Nation

In its endeavour to support regulators, the following significant assignments were performed by the Board during the period:

- *Status of review of cases referred by Regulators:* Election Commission of India has appreciated the role played by FRRB in previous years for reviewing annual audited accounts of various political parties and also holding a workshop for auditors of political parties. It has again requested FRRB to undertake review of the annual audited accounts of at least six National political parties and recognized parties with income/ expenditure exceeding Rs. 10 Crore. Accordingly, the Board has undertaken the review of 18 annual audited accounts of political parties, pertaining to financial year 2016-17 and 2017-18. During the year, the Board has also undertaken (as special cases) review of 13 general purpose financial statement and auditor's reports thereon of various enterprises as referred by Ministry of Corporate Affairs and Securities and Exchange Board of India, based on media reports and other references received.
- *Meeting with Chairperson, National Financial Reporting Authority (NFRA):* To understand the scope and procedure of FRRB, NFRA had requested ICAI for a meeting. A meeting was held with Shri R. Sridharan, Chairperson NFRA and Shri Prasenjit Mukherjee, member NFRA. The Chairman, FRRB gave a presentation about the overview of FRRB, outlining its scope, procedure, contribution as well as the ways in which FRRB has supported various regulators from time to time. Also, informed the number of instances where irregularity/ non-compliances observed by the FRRB has been sent to the regulatory body (MCA/ SEBI/ ECI) relevant to the enterprise.
- The FRRB conducted its 100th meeting on January 23, 2019 at ICAI Bhawan, New Delhi. On this occasion, the Board organised a webcast for the Technical Reviewers and Group members. The Chairman, FRRB and Vice Chairman, FRRB acknowledged their contribution as well as appraised them about critical aspects in the review process and with the way forward of the Board. Some of the Central Council Members, Technical Reviewers and Group members from across the country attended the webcast. The webcast received wide appreciation from the attendees.

Further, in order to acknowledge the contribution and efforts of past as well as present Board members, a felicitation event was also organised. CA. Naveen N. D. Gupta, President, ICAI, CA. Prafulla P. Chhajed, Vice President, ICAI, CA. T. S. Vishwanath, Former President, ICAI, CA. N.D. Gupta, Former President, ICAI and Honourable member of Rajya Sabha, CA. Amarjit Chopra, Former President, ICAI, CA. Jayant P. Gokhale, CA. Vinod Jain, CA. Babu Abraham Kallivayalil, Former Chairmen of the Board graced the event alongwith council member, Technical Reviewers and the members of the Financial Reporting Review Groups .

(II) Publication: Article in Journal

With a view to apprise the members of the Institute and others concerned about the non-compliances observed during the review, the Board initiated a series of articles in journal regarding 'Non-Compliance with Reporting Obligations' pertaining to various Accounting Standards. In this direction, 4 articles on 'Non-Compliance with Reporting Obligations' pertaining to AS 1: Disclosure of Accounting Policies, AS 15: Employee Benefits, AS 3: Cash Flow Statement, AS 2: Inventories and AS 18: Related Party Disclosures have been published in the Institute's Journal, 'The Chartered Accountant', in the issue of November, 2018, April, 2019, May 2019 and June 2019 respectively.

(III) Empowering Members and Capacity Building

- To enhance the knowledge of members with the changes made in financial reporting framework as well as to apprise them about the common non-compliances observed by the Board during review of various financial statements, following activities were undertaken during this period:
- 4 Live Webcast have been organized on Commonly Found Non-compliances on AS 15, AS 3, AS 2, AS 18 and Companies Act, 2013 in the month of March, April, May, June 2019 and were well attended by members.
- Awareness Programmes on "Financial Reporting Practices" have been organized by FRRB at Gurugram, Kolkata, Ludhiana, Chandigarh. In Gurugram and Kolkata, it was attended by 156 members and 113 members respectively and in Ludhiana-Chandigarh, it was well attendant by 150 members in each city.
- *2 Day Training Programme for Technical Reviewers and FRRG Members:* To update the Technical Reviewers (TRs) and members of Financial Reporting review Group (FRRGs) on Ind ASs and equip them with the necessary skills required to review the Ind AS based financial statements a '2 Day Residential Workshop for Technical Reviewers and FRRG Members' was organized by FRRB.
- The Board also organised a 'Seminar for Preparers and Auditors of the Financial Statements' on July 14, 2018 at New Delhi, which was hosted by NIRC of ICAI. The Programme was inaugurated by President, ICAI and Shri V. Kurian, Ex- DG (Commercial) C&AG, who enlightened the participants by sharing their enriching experience with them. With the view to identify the issues and challenges pertaining to financial reporting, a panel discussion was also held, wherein CFOs of renowned corporates as well as experienced members in practice were invited to share their views on the subject. The programme was well attended by 176 members and was highly appreciated by the participants and faculties.

5.14 Indirect Taxes Committee (IDTC)

(I) **Input/support to the Government:** The Committee has submitted following inputs/ suggestions to the Government:

- Suggestion on Annual Return Form GSTR -9 on 26th Sept, 2018
- Suggestion on GST Audit Form GSTR -9C on 11th Dec, 2018.
- Suggestions on draft return formats on GST on 31st August, 2018
- Suggestions on GST Law on 12th July, 2018
- Suggestions on proposed amendments in GST Law on 18th July, 2018
- Alternative workable Reverse Charge Mechanism under GST on 17th July, 2018
- Post Budget Memorandum, 2018
- Nomination of members at GSTN for testing of GST Accounting, Billing and Return filing software

(II) **Representation/presentation to/before the Government:** The Committee submitted representation to the Government on the following matters:

- Consultation meeting on GST Return filing with Group of Ministers (GoM) on April 17, 2018
- Meeting with Senior Officers in CBIC and GSTN on 8th Oct, 2018
- Representation for extending due date of filing Form GSTR 9 & 9C on 4th Dec, 2018
- Representation for permitting availment of input tax credit under GST pertaining to Financial Year 2017-18 till 31st December, 2018 on 15th Oct, 2018

- Representation suggesting non-deduction of TDS under MVAT Act after implementation of GST on 4th October, 2018
- Representation for hosting Judgement of Advance Ruling on the Website on 29th May, 2018

(III) Publication – A research Initiatives: The Committee brought out/revised following publications on GST/Service Tax/CST/Customs/FTP:

- Technical Guide on Annual Return & GST Audit – 2nd Edition – May, 2019 (New & revised once)
- Handbook on GST Annual Return – 1st Edition – May, 2019
- Background Material on GST– 7th Edition – March, 2019
- E-Publication on E-way bill – 4th Edition – February, 2019
- E-Publication on supplies by/to Government under GST– 1st Edition – Jan, 2019
- E-Publication on Exempted Supplies under GST– 1st Edition – Jan, 2019
- Background Material on GST Law for Commerce Students – 1st Edition – Jan, 2019
- Background Material on Customs and FTP– 3rd Edition – January, 2019
- E-Publication on Refund under GST– 1st Edition – Dec, 2018
- Bare Law on GST- 3rd Edition -Nov, 2018
- Handbook on classification under GST– 1st Edition – July, 2018
- E-Handbook on GST Amendments – 1st Edition – June, 2018
- E-Handbook on Job-work under GST – 2nd Edition – June, 2018
- Compliances of GST in Banking Sector – 6th Edition – April, 2019

(IV) Initiatives for VAT in Dubai: VAT has been implemented in UAE from 1st January, 2018. With a view to support the members, the Committee has taken following initiatives:

- Revision of BGM on UAE VAT – 3rd editions – June, 2018
- Organising Certificate Course on UAE VAT
- Organising a series of LIVE Webcasts on UAE VAT

(V) E-initiatives

- E-learning on GST Audit: Committee launched E-learning on GST through recorded video sessions covering almost the entire topics of GST. This was subscribed by 1160 stakeholders and benefited out of this initiative.
- E-learning on Litigation Management: To build further capacity of the members in indirect taxes, the Committee recorded 13 sessions on litigation management and converted into e-learning.
- LIVE Webcasts series on GST Audit: The Committee organised 3 series of live webcasts on GST Audit in July, October and November, 2018.
- Live webcast Series on Customs and FTP: To build overall indirect tax capabilities, the Committee is organising a series of live webcast on Customs and FTP containing 10 session from 2nd to 9th February, 2019.
- Live Webcast Series on GST for Student: The Committee jointly with Board of Studies has been organising a Live Webcast Series on GST for Student on 14th, 15th, 21st, 22nd, 28th, 29th July, 2018 4th, 5th, 11th and 12th August, 2018.
- Short Video on various concepts of GST: The Committee has recorded 70 short videos on various concepts of GST which have been hosted on YouTube free of charge.
- ICAI E-Newsletter on GST: ICAI has been issuing its newsletter on GST from April, 2017. 23rd issues of the same have been released till June, 2019.
- Standardised PPT on GST: The Committee has developed Standardized PPT on GST and hosted on the website with a view to provide guidance to the faculty members and bring uniformity in the session of GST in the programme as well as proving a tool to members to learn GST through PPT.
- Training Programme for the Government: With a view to help the Government in capacity building and partner them in Nation Building, the Committee organised 7 training programmes on GST at various Commissionerates across the Country.

(VI) Awareness programme for members through Course, programme, workshop, conferences etc.

- **Certificate Course on GST:** With a view to facilitate the members with the specialized knowledge in the area of GST in a systematic manner and enhancing their skills, the Committee has organised 25 batches of Certificate Course on GST during the year which have been attended by 1227 members.
- **Programmes, Seminars and Conferences:** During the period, 61 programmes, seminars, conferences and workshops etc. have been organised by the Committee, which were attended by more than 12000 members.

- **Formation of Study Group for helping State Government in smooth implementation of GST:** Committee has formed nineteen (16) State level Study Group on GST for extending its support to the State Government in smooth implementation of GST.
- **Indirect Taxes Updates including legal update-** With a view to update the members, summary of significant notifications, circulars and other important development in the area of Indirect Taxes, including GST are regularly been circulated among the IDT NET registered members on the website of the Committee www.idtc.icai.org Further, the Committee has recently started sending Legal Update on Indirect Taxes to the members registered on its website.

Hon'ble Prime Minister of India, Shri Narendra Modi acknowledged ICAI's GST endeavours when he said in his CA Day message "A year ago, when the nation had just begun heading towards the One-Nation-One-Tax goal, I had the opportunity to address your (CA) fraternity. Today, we have all ushered in a new era in history of Indian economy making the goods and services tax come out with flying colours... Such a feat could not have been achieved without your (CAs') vital contribution in not only helping businesses adapt to the new tax regime but also in coming up with innovative ways to simplify the system..."

5.15 Internal Audit Standards Board

In this era of globalization, deregulation, increasing complexity of business, maturity of IT systems and increasing expectations from stakeholders, role of Chartered Accountants as internal auditors in facilitating these changes has occupied center-stage attention. Hence, there is a growing need to better equip members of the Institute of Chartered Accountants of India (ICAI) to enable them in discharging these onerous duties. The ICAI has been proactive in these areas and come up with several landmark initiatives in providing cutting-edge technical guidelines to Chartered Accountants through its Internal Audit Standards Board. A comprehensive overview of the important initiatives of the Board during the year is as follows:

(I) Standards on Internal Audit

The Board has been bringing out Standards on Internal Audit which, in addition to outlining fundamental principles for the guidance of the members, also serve as their performance benchmarks. The Board has initiated the process of revising the Standards to make them principles based and making them mandatory for certain class of companies in a phased manner. Revised Standards have been re-numbered and classified in the categories: Standards on Key Concepts (100 series), Standards on Internal Audit Management (200 series), Standards on the Conduct of Audit Assignments (300-400 series), Standards on Specialized Areas (500 series), Standards on Quality Control (600 series) and Standards on Miscellaneous Matters (700 series). These principle-based Standards provide a framework for internal audit activities, establish the basis for evaluation of internal audit performance, and foster improved organizational processes and operations. The Internal Audit Standards Board has issued following revised Standards on Internal Audit during this period:

- Preface to the Framework and Standards on Internal Audit
- Framework Governing Internal Audits
- Basic Principles of Internal Audit
- Standard on Internal Audit (SIA) 210, Managing the Internal Audit Function
- Standard on Internal Audit (SIA) 220, Conducting Overall Internal Audit Planning
- Standard on Internal Audit (SIA) 310, Planning the Internal Audit Assignment
- Standard on Internal Audit (SIA) 320, Internal Audit Evidence
- Standard on Internal Audit (SIA) 330, Internal Audit Documentation
- Standard on Internal Audit (SIA) 110, Nature of Assurance
- Standard on Internal Audit (SIA) 230, Objectives of Internal Audit
- Standard on Internal Audit (SIA) 240, Using the Work of an Expert
- Standard on Internal Audit (SIA) 360, Communication with Management
- Standard on Internal Audit (SIA) 370, Reporting Results
- In order to provide one stop reference of the existing suite of Standards to the members, the Board has issued Compendium of Standards on Internal Audit (As on February 1, 2019).

(II) Industry Specific and Generic Internal Audit Guides

The Board has constituted study group for various projects i.e., Revision of Manual on Concurrent Audit of Banks (2016 edition), Technical Guide on Internal Audit of FMCG Sector, Technical Guide on Risk Based Internal Audit in Banks, Technical Guide on Internal Audit of Cement Industry, Technical Guide on Internal Audit of Pharmaceutical

Industry, Technical Guide on Internal Audit of Tyre Industry, Revision of Technical Guide on Internal Audit of Stock Brokers.

(III) Certificate Course on Concurrent Audit of Banks

The Internal Audit Standards Board of the ICAI is conducting Certificate Course on “Concurrent Audit of Banks” to enable members to understand the intricacies of concurrent audit of banks. The Board has successfully completed 61 batches of the Certificate Course on Concurrent Audit of Banks at various places and around 1780 members have successfully qualified the Course during this period. Online examination for around 1150 candidates is scheduled to be held in August 2019.

(IV) Certificate Course on Internal Audit

The Board has revised Course Structure for "Certificate Course on Internal Audit", which has been completely revamped with new topics and heavy dose of information technology. The main thrust of the course is to educate the participants on the theory and concepts of internal audit, especially its linkage with risk management and governance concepts, provide practical exposure to the design and conduct of internal audit, especially through the deployment of information technology and specialized tools, understand the current best practices and the way to deploy these to mitigate risks and address business challenges, and help the members acquire all the skills and knowledge required to conduct highly professional, best-in-class internal audit, which not just provides basic assurance but seeks to add tangible value to their organizations.

The Council has approved the revised curriculum of Certificate Course on Internal Audit recently and the Board has finalized the modalities. It is proposed to launch the batches of the said Certificate Course in the metro cities of India. Further, videos recordings of all the modules of E-learning of Certificate Course on Internal Audit have been done and is being uploaded on E-learning platform of the Institute.

(V) Virtual Certificate Course on Concurrent Audit of Banks

The Board has taken this new initiative in year 2018 in which classes would be conducted through blue jeans link as provided to Participants by the Board. Participants would login with their own laptops/ computer system. There is no such need to visit the venue or Branch premises to attend the class. Through BlueJeans, participants and speakers would be connected face-to-face from anywhere. The Board had successfully conducted first batch of virtual Course at Anantapur in December 2018.

(VI) E-learning on Concurrent Audit of Banks

With a view to provide easy access to the members, the Board has also taken up the project of development of e-learning modules of "Certificate Course on Concurrent Audit of Banks" which would include quizzes and case studies on practical aspects of concurrent audit.

Videos recordings of all the modules of E-learning of Certificate Course on Concurrent Audit of Banks have been done and is being uploaded on E-learning platform of the Institute.

(VIII) Programmes, Seminars, Conferences and Webinars on Awareness on Internal Audit

With a view to provide platform of dissemination of knowledge among members, the Board has organized 8 programs on Internal Audit at various places during this period. The Board has also organized Twenty Ninth webcast on “Making Concurrent Audit More Effective and Relevant” on April 27, 2018.

(IX) Survey Report on State of Internal Audit Profession in 2019

This is one of the first comprehensive surveys commissioned by the Institute of Chartered Accountants of India (ICAI) on the Internal Audit professions in India and conducted under the aegis of the Internal Audit Standards Board. The survey polled 406 participants, members- both from the industry (44%) and in practice (56%) and others, covering a broad range of topics using 27 questions, during November and December 2018. This report is an outcome of this exercise and is designed to gauge the current pulse, and future prospects, of the Internal Audit profession in India based on inputs of the participants.

5.16 Committee on International Taxation

(I) Representations/ interactions with Government

- Request to CBDT for establishing a Transfer Pricing Unit in Bhubaneswar
- Representation regarding difficulties and challenges in filing Form No. 67 for claiming foreign tax credit in income-tax return and reporting of Indian bank account in the income-tax return
- Submission of Pre Budget Memoranda pertaining to International Taxation
- Request made to CBDT for Public Consultation on the proposal for amendment of Rules for Profit attribution to Permanent Establishments (PE)

(II) Conferences/Seminars/Workshops/Webcasts on International Taxation

- A seminar on International Taxation was organized by the Committee which was hosted by Hyderabad Branch of SIRC of ICAI on 14th July 2018 containing technical sessions on Non Resident Taxation - Key Issues, Permanent Establishment - Current Legal Trends, BEPS Action Plans and Multilateral Instrument (MLI), General Anti Avoidance Rule (GAAR) and Section 195-Withholding Taxes.
- LIVE WEBCAST - “*An Overview of Hong Kong transfer pricing legislation – The BEPS Bill*” organized by Committee on International Taxation of ICAI on 04.09.2018.
- LIVE WEBCAST - “GAAR- Issues and Case Studies” organized by Committee on International Taxation of ICAI on 25.04.2019.
- LIVE WEBCAST - “*Royalties and Fees for Technical Services – Case Studies*” organized by Committee on International Taxation of ICAI on 30.5.2019.

(III) Post Qualification Diploma in International Taxation

The Committee has conducted 14 batches of Diploma Course in International Taxation during the period at New Delhi, Mumbai, Ahmedabad, Bangalore, Hyderabad, Ghaziabad, Pune, Trivandrum, Ernakulam and Kolkata.

(IV) Other initiatives:

- The Committee had released 9th edition of e-Newsletter on International taxation during the above mentioned period.
- Two attempts of assessment tests for Certificate course in International taxation were held in April, 2018 and October, 2018.
- The Committee has added a few e-learning modules on some of the important topics as per following details:
 - Base Erosion and Profit Shifting (excluding Action Plans 8-10 and 13) and Multilateral Instruments
 - Base Erosion and Profit Shifting -Action Plans 8-10
 - Transfer Pricing Documentation and Drafting (including BEPS Action plan 13)
- Revision of the Background Material of Diploma in International Taxation Course and Taxation of Non-Residents.
- Contribution of articles on International taxation in CA Journal.
- Regular updates to the members on the subject of International taxation to domestic as well as overseas members.

5.17 Committee for Members in Industry & Business

The Committee serves as a platform to facilitate synchronization between individual and organizational goals, create an interface between ICAI and industry, and recognize/ project Chartered Accountants beyond the traditional fields and as skilled and knowledgeable professionals on all aspects of functioning in company, business and commerce. The Committee seeks to encourage and enhance the close links between CAs in industry and business, and the Institute. To support this endeavour, the CMI&B has been organizing various knowledge-enriching conferences, industry meets and outreach programmes for the benefit of the members. Other important activities of CMI&B include providing placement opportunities to both young and experienced Chartered Accountants through campus placement programmes and ICAI job portal, organizing the prestigious ICAI Awards to recognize exemplary achievements of Chartered Accountants in business and industry, releasing general publications on the matters of professional interest, formation of CPE study circles, e-newsletter, etc., in the interests of members. Major activities that took place during 2018-19 are:

(I) Campus Placement Programme for newly qualified CAs

- *August-September 2018:* These were held at 17 centres wherein 5822 candidates registered, out of which 3530 appeared for interview. 111 organisations participated and offered jobs to 1600 candidates. Highest

salary (cost to company) offered was Rs. 22.62 lakh per annum for domestic posting and 35 lakh per annum for international posting.

- *February-March 2019:* These were held at 17 centres wherein 9011 candidates registered, out of which 6646 appeared for interview. 139 organisations participated and offered job to 3815 candidates. Highest salary (cost to company) offered was Rs. 22.50 lakh per annum for domestic posting and 36 lakh per annum for international posting.

(II) Overseas Campus Placement programme

ICAI in line with its mission to partner with the Government of India champion sector initiative for increased export of accounting services, organised Overseas Campus Placement drive between 14th -16th September 2018 under the aegis of CESWTO, CMII and IA Committees. While these were conducted through videoconferencing mode at Jaipur, Kolkata, Hyderabad and Bangalore; both physical interactions and videoconferencing were made available at Mumbai, Delhi and Chennai centres.

Total companies Registered	Total companies Participated from Middle East and Africa	Registered Members	Shortlisted Members	Appeared Members	Offered
42	29	6428	1527	544	66

Being the maiden initiative; this drive had many a positives; despite slump and slowdown in Middle East, with limited efforts ICAI had drawn interest of 42 companies and that too only Middle East with one company from Africa.

(III) **Job Fair:** Job Fair for ICAI CA Inter/IPCC/PE II Candidates at Mumbai on 19th January, 2019.

(IV) Placement for experienced CAs

- *Snapshot of Career Ascent Programme:* CMI&B organized Career Ascent programme on 29th June 2018 in Mumbai and in Chennai and New Delhi on 30th June 2018. This provided platform for placement opportunities to experienced Chartered Accountants to secure career advancement in leading organizations. It was a customized campus placement programme for the chartered accountants who have three-year-plus experience of working in industry. 17 organisations (22 interview teams) participated creating 291 vacancies and more than 1000 candidates registered for this programme.
- *Lateral Placement:* Lateral Placement was organised successfully from 25th to 28th June 2019 in Chennai, Kolkata, Mumbai and New Delhi to provide a platform for placement opportunities to experienced Chartered Accountants to secure career advancement in leading organizations. 14 companies (17 interview teams) with 226 vacancies participated in the placement drive.

(V) Awards

- *SME Leader Awards:* The Committee had organized “SME Leaders Awards” successfully on 26th October, 2018 at Mumbai to honor imagination, commitment & success of members who have made valuable contributions to the SME’s activities and growth. The Jury panel headed by Shri Manohar Kumar, CMD, National Projects Construction Corporation Ltd. selected eleven awardees who were felicitated during the gala night.
- *International Leader Awards:* The Committee had successfully organized International Leader Awards, hosted by Abu Dhabi Chapter of ICAI, for the members who are based outside India to recognize their achievements as a result of which they have attained the heights in their career on 15th November, 2018 at Abu Dhabi. Seven awardees who were selected by the Jury Panel chaired by Dr. Subhash Chandra Khuntia, Chairman, IRDAI were felicitated during the award ceremony.
- *12th ICAI and Business Excellence Awards:* The Committee had successfully organized 12th ICAI and Business Excellence Awards at Hotel Grand Hyatt, Mumbai. 29 Awardees were felicitated by the august hands of Shri Vijay Goel, Hon’ble Minister of State for Parliamentary Affairs and Statistics and Programme Implementation. Jury panel under the chairmanship of CA. Keki Mistry, Vice-Chairman & CEO, HDFC selected the awardees.

(VI) Programmes Organised

Various programmes, including seminars, live webcasts, interactive meets, CFO Meets, etc., were organized on recent laws with special focus on GST, merger & acquisition, construction industry, food processing industry, healthcare industry, blockchain, fintech, accounting & financial reporting, building start-ups, etc., during this period.

(VII) New CPE Study Circles for Members in Industry

The Committee has formed CPE Study Circles for Members in Industry of ICAI: J. K Gram CPE Study Circle of Raymond Ltd, Faridabad CPE Study Circle of L& T- MHPS Boilers Private Limited(LMB), Brook Field CPE Study Circle of DXC Technology, Haddows Road CPE Study Circle of Sundaram Clayton Limited, Grande Palladium CPE Study Circle of Marico Limited, Ramanujan ITP CPE Study Circle of Philips Global Services LLP, Ghaziabad CPE Study Circle of Bharat Electronics Limited, INOX Noida CPE Study Circle of HPCL Mittal Energy Ltd(HMEL) , Moti Nagar CPE Study Circle of Jindal Saw Ltd, Mumbai CPE Study Circle of Cipla Ltd.

(VIII) Launching of CA Job Portal:

The Committee had launched CA Job Portal which is one stop solution for all job requirements of CAs where recruiters can choose from the huge no. of relevant job options available at one place. In order to further expand the reach of the CA Job Portal platform, the Committee had launched mobile applications of CA Job Portal which are having features that interacts with, and often integrates, with camera, contact list, calendar, etc. so that user can easily perform various tasks in just a click. 3614 Companies are registered on CA Job Portal with 1110 vacancies for members and 71 for CA Inter.

(IX) Setting up of Helpdesk:

The Committee has set up a helpdesk within the committee for disposal of all the queries and concerns of the members in industry. Members in industry can submit their queries pertaining to ICAI through any of the below mentioned channels:

- Fill the form in help desk at <https://cmib.icaai.org> or
- Drop an email to helpdesk.cmib@icaai.in or
- Call at 844851274

5.18 Peer Review Board (PRB)

The Peer Review Board was established in 2002, recognizing the need to ensure the quality of services provided by practicing Chartered Accountants.

The Peer Review is aimed to ensure that in carrying out the assurance service assignment, the members of the Institute (a) comply with Technical, Professional and Ethical Standards as applicable including other regulatory requirements thereto and (b) have in place proper systems including documentation thereof, to amply demonstrate the quality of the assurance services. The Peer Review is conducted of a Practice Unit by an independent evaluator known as a Peer Reviewer.

The requirements of two regulators - SEBI and C&AG, in recognition of the Board's endeavor are stated below:-

- SEBI with effect from April 1, 2010, has made it mandatory for the listed entities, that limited review/statutory audit reports submitted to the concerned stock exchanges shall be given only by those auditors who have subjected themselves to peer review process and who hold a valid certificate issued by the 'Peer Review Board' of the Institute.
- C&AG has recognized Board's work; as it seeks details from the CA firms about their Peer Review Status in the application form for allotment of audit for Public Sector Undertakings. Furthermore, from last few years, the C&AG annually seek details from ICAI of those firms which have been issued certificate by the Board.

Coverage of more firms under Peer Review process

The Board as a regulator for review of assurance services of CA firms in India has increased its scope of assurance services by coverage of more firms for peer review. Cases of non-compliances observed in the Financial Statements which may not affect the True and Fair view but indicates negligence on the part of the auditor, are forwarded by the FRRB so that the quality control framework applied by the member may be ascertained. Also, Peer Reviewers are now required to report on the coverage of the practice unit under Quality Review and the necessary compliance as regards submission of Compliance Report to Quality Review Board. Also, resources and investments made by PU for

development and communication to its personnel in support of its QC system is also to be reported by the Practice Unit. The summary report is forwarded to QRB periodically, for its review and necessary action. Such efforts will make the regulatory mechanism of the Institute more effective.

The Peer Review Board has considered and issued 11,411 Peer Review Certificates till June 30, 2019.

5.19 Professional Development Committee (PDC)

Since its establishment in 1962, Professional Development Committee (PDC) has been making vigorous efforts towards exploring ample opportunities for the members of the Institute in different sectors of the economy. Apart from exploring uncharted territories in the professional development, the Committee strives to strengthen the communication process with multitude of users across the different sections of the society and educate them about the role of Chartered Accountants. In the year 2019, the Committee is also looking after the various tasks being performed by the Committee on Co-operatives and NPO Sectors in the year 2018-19. With a view to enhance skill sets of Chartered Accountants in the existing and new areas, it also organizes seminars, workshops on contemporary areas of interest.

(I) Development of Software for Allotment of Bank Branch Audit by all PSBs

The Institute has over the years expressed its concerns on the issue of appointment of auditors of Public Sector Banks by the Banks' Board themselves. The Management of Public Sector Banks do not have any major ownership interest, this autonomy of appointment of auditors by management is fraught with risk in a very important and sensitive sector like banking.

To address the issue, PDC has developed the automated application for selection of Bank Branch Auditors without any manual intervention. With the usage of software so developed by large number/ all banks the process of allotment will become uniform apart from fair, transparent and equitable. Accordingly, PDC had demonstrated the software to most of the banks and as a result of continuous persuasion for utilization of the software, for last year, the Software was used by 7 Banks namely Punjab National Bank, Central Bank of India, Bank of Baroda, Dena Bank, United Bank of India, Punjab & Sind Bank, Oriental Bank of Commerce, Public Sector Banks.

(II) Panel to Various Authorities

Bank Branch Auditor's Panel to RBI and NABARD: PDC in its endeavour to explore equitable professional opportunities for CA members, for the year 2018-19, hosted the MEF application which contained pre-populated data of applicants' from ICAI's records for the case of their filing the form. Members were also facilitated in uploading the Financial Documents online in addition to submission of Declaration digitally signed or Scanned Declaration.

As per the applications received, the Bank Branch Auditors' Panel 2018-19 was prepared as per RBI norms and was submitted to RBI, NABARD etc.

Panel to Security Exchange Board of India (SEBI): Every year, SEBI conducts inspection of mutual funds under Section 61 (1) of the SEBI (Mutual Fund) Regulations, 1996. Till now, CA firms which were interested in conducting the inspection on behalf of SEBI, used to apply as per the eligibility norms regarding their empanelment with SEBI. Last year, for the first time, SEBI approached ICAI asking for a panel of Chartered Accountant firms/ LLPs. Accordingly, a panel has been submitted to the SEBI and this will pave the way for more professional opportunities for our members. Professional Development Committee has also submitted the panel to the following authorities:

- Pension Fund Regulatory and Development Authority, New Delhi
- Serious Fraud Investigation Office (SFIO)
- State Express Transport Corporation, Tamil Nadu
- Indian Institute of Bank Management, Guwahati
- Finance Department, Government of Gujarat
- The Financial Advisor and Chief Accounts Officer, Indian Institute of Management Tiruchirappalli
- Central Warehouse Corporation(CWC), Delhi etc.

(III) Unique Document Identification Number (UDIN)

To curb the malpractices of misrepresentation of Chartered Accountants' services and forgeries of signatures of CA's by Non CAs, ICAI has taken the initiative of UDIN by creating a platform namely "UDIN portal" wherein any Regulator/Stakeholder can visit and verify the authenticity of Report/Certificates/Documents certified by Practicing Chartered Accountants in real time without any manual intervention.

Henceforth, every Practicing Chartered Accountant has to generate an 18 Digit system driven random number to put on every Certificates/Reports/Documents and Regulators/Stakeholders can visit the UDIN portal and verify the credentials of Chartered Accountant who has certified that Reports/Certificates/Document.

As per the decision of the Council of ICAI, UDIN has been made mandatory for all Chartered Accountants who are in Full-time Practice in a phased manner as following:

- From 1st Feb. 2019 onwards, for all certifications.
- From 1st April 2019 onwards, for all GST and Tax Audit Reports.
- From 1st July 2019, for all Assurance/Attest functions.

ICAI has taken up the matter with various Regulators and Authorities to accept the documents certified by CAs with UDIN only and also to include a mandatory column for mentioning UDIN in all the Forms/Reports certified by CAs.

The UDIN Portal so developed by ICAI allows only full-time Chartered Accountants to generate UDIN. Using this UDIN system, regulators having UDIN number, on a single click, can verify the credentials of Chartered Accountant and the authenticity of the document.

The UDIN operates on secured platform as it does not require uploading of any document or sharing of any confidential details.

UDIN is one of the landmark reforms of the year 2018-19 and ICAI is the pioneer in the world to conceptualize the concept of UDIN. With this concept, frauds and forgery of CAs signature by unscrupulous elements will now be a thing of past. Many member bodies of the South Asian Federation of Accountants (SAFA) has shown interest in this unique initiative of the ICAI and a SAFA Task Force under the convenorship of ICAI has been formed at the SAFA Level.

(IV) Tendering

The Tendering of Professional Services has always been an area of concern. PDC has taken up the various issues including the evaluation criteria in Tendering with CVC at various point of time.

It has been observed that sometimes organizations float the tenders without mentioning any Minimum Fees or quote very low minimum fees. On the other hand, Members of ICAI are also responding to the tenders which do not mention of any Minimum Fees which is violating Council Guidelines. To address such issues related to Tendering, a Group for "Monitoring the Tendering issues" has been formed. It will also monitor the tenders floated and their standardization, taking up with CVC for determining the manner of evaluation of tenders related to professional services, to develop a mechanism for monitoring and analyzing the responses of the members and referring the deviations at appropriate level.

Further during the year various representations were sent to various authorities on various issues such as quoting the minimum fee of the assignment in the tender document, for stringent / restrictive eligibility conditions, to make it equitable etc.

(V) Certificate Courses conducted:

The Committee for Co-operatives and NPO Sectors of ICAI conducts two Certificate Courses ON Cooperatives and NPO. During the year, the Committee conducted 2 batches of Certificate Course on Cooperatives at Gwalior and Kolkata and 2 batch of Certificate Course on NPO at Noida and Siliguri.

(VI) Consideration of Tie ups with Educational Institutes like IIMs.

ICAI has entered into a MOU with IIMA wherein it was agreed to partner in co-hosting of customized training programmes exclusively designed, developed and delivered for Chartered Accountants by IIMA. The two batches of the said course were conducted by the Young Members Skill & Innovation Development Committee wherein 35 Chartered Accountants have attended the Programme and was a huge success and to take the initiative further, the Professional Development Committee is conducting the course from 7th to 11th October, 2019, exclusively designed for Chartered Accountants to acquire managerial excellence in functional and operational areas.

(VII) CA Directors Interactive Meet

- With the intent to have continued dialogues with the Chartered Accountant Directors on the Board of Banks & Public Sector Entities, Professional Development Committee organized yearly interactive meet of CA Directors on 14th June, 2018 at New Delhi in the presence of Shri Dr. Navrang Saini, Whole-Time Member, Insolvency and Bankruptcy Board of India as Chief Guest, the then President & Vice-President, Past Presidents.
- This year, the scope of the meet was widened by including the CA Directors of Asset Management Companies, Insurance Companies & Public Sector Undertakings in addition to Banks and was jointly organized with Corporate Laws Corporate Governance Committee.
- More than 40 CA Directors participated and the meet was highly appreciated which covered the Technical sessions on contemporary topics such as Corporate Governance, Internal Financial Control, Risk Management in Banks, Cyber Security etc.

(VIII) Series of Seminars for Central Statutory Auditors at various locations

A series of interactive seminars with the CSAs were organised by PDC jointly with AASB to discuss about revised directions/circulars by RBI and recent developments in Standards on Auditing such as SA 700, SA 570, SA 26,, SA 299. These seminars aim to familiarize Central Statutory Auditors (CSAs) of the recent regulatory developments pertaining to banks.

Under above series, four seminars were held at Mumbai, Delhi, Kolkata & Chennai on 19th January, 23rd January, 30th January and 7th February, 2019 respectively.

(IX) State Level Co-ordination Committee (SLCC) Meeting on the working of Non-Banking Financial Companies & Unincorporated Bodies

ICAI has represented Chartered Accountants community as they serve as the auditor of the NBFCs Department of Non-Banking Supervision, Reserve Bank of India normally holds State Level Coordination Committee\meeting (once in a every quarter) to regulate Non-Banking Financial Companies (NBFCs) and deposit accepted activities of incorporated bodies (UIBs) at each of their regional offices. Such meetings is conveyed by Regional Director of respective regional office of RBI and attended by Principal Secretary/Secretaries of various departments such as Finance, Home, Law etc. of respective states, National Housing Board (NHB), Securities Exchange Board of India (SEBI), Registrar of Companies (RoC), Insurance Regulatory and Development Authority of India (IRDA), Registrar of Chit Fund, Department of Chit Fund and The Institute of Chartered Accountants of India (ICAI).

(X) Inputs sought by C&AG on their draft revised norms for Empanelment

ICAI offers its inputs to C&AG as and when sought to review the present arrangement for empanelment of CA firms and to fine tune the allotment of PSEs audits to the empanelled CA firms.

(XI) Other activities

- *Meeting with RBI, NABARD & IBA:* ICAI representatives met RBI, NABARD and IBA on 3rd June, 2019 and several concerns relating to the profession like gaps in audit, divergence in Audit and Inspection Report, LFAR and Auditors' Qualification and adherence to Accounting Standards etc. were discussed. Various other matters such as upward revision in audit fee, separate fee for tax audit, the issues faced by various Auditors while conducting Bank Audits, limited number of branches to be allotted to one auditor and consideration of Sole Proprietorship firm for the allotment of audit of RRBs etc. were also discussed. *Meeting with RBI on "Cyber Security Framework":* ICAI representatives met the team of CSITE Cell of Department of Banking Supervision, RBI on 18th April, 2019 at Mumbai for additional certification to be done Statutory Central Auditors on "Cyber Security Framework". On acceding to the request of ICAI, RBI has advised SCAs the methodology to be followed by them to assess the level of compliance by banks in this regard. Further, RBI advised that the Certificate in this regard may be submitted by SCAs along with the Long Form Audit Report (LFAR).
- *Exploring Professional Opportunities at Indian Post Payment Banks (IPPBs):* A communication has been written to Shri Ananta Narayan Nanda, Secretary, Department of Posts & Chairperson for exploring the utilization of the professional skills of Chartered Accountants in various areas at IPPBs.
- *Appointment of Statutory Auditor of Jammu and Kashmir Bank:* ICAI being conscious about the autonomy given to Banks for the appointment of auditors, the matter for maintaining the past practice of the appointment of Statutory Auditor of Jammu and Kashmir Bank Ltd for the year 2018-19 by the office of C & AG was taken up vigorously with RBI. Accordingly, for this year, the appointment of auditors was done by C & AG only.

- *Technical support to Reserve Bank of India (Department of Cooperative Bank Supervision):* The Committee provided technical support to Reserve Bank of India (Department of Cooperative Bank Supervision) in terms of providing faculties for their Workshop for Statutory Auditors of Urban Co-operative Banks held in June, 2018 at RBI, New Delhi.

(XII) Representations submitted

- *Representation to State Bank of India:* Representation was sent to State Bank of India for not treating the declaration taken by them from the statutory branch auditors/audit firms for not having been appointed as statutory central/branch auditors of any private sector/foreign bank during the current year as the Auditor/Audit Firm can do Branch Statutory Audit of a Public Sector Bank simultaneously with Statutory Audits of 4 Private Sector Banks and 4 Foreign Banks. SBI acceded to our request.
- Two Representations submitted in March, 2018 to Secretary cum Registrar, Office of the Registrar Cooperative Societies, Government of National Capital Territory of Delhi regarding extension of last date for submission of application form by CA/CA firms for empanelment of their names as Auditor in the Office of Registrar Cooperative Societies, for conducting the Audit of the Societies registered with the Department, Govt. of N.C.T. of Delhi.
- Representation submitted in April, 2018 to Commissioner for Cooperation and Registrar of Cooperative Societies, State of Maharashtra, Pune regarding extension of time period for cooperative society's auditors to submit refund application for seeking refund of 20% of audit fees as deposited over the years with the concerned District Deputy Registrar and District Special Auditor in Maharashtra.
- Representation submitted in January, 2019 to Registrar of Co-operative Societies, Gujarat State regarding empanelment of auditors for Cooperative Societies in Gujarat and related issues/concerns.
- *Representation submitted to Ministry of Agriculture and Farmers' Welfare:* Representation submitted in January, 2019 to Joint Secretary (Coop.) & Central Registrar, Department of Agriculture, Cooperation and Farmers' Welfare, Ministry of Agriculture and Farmers' Welfare, regarding audit provisions in various State Cooperative Societies Act
- *Bank Branch Audit allotment in IDBI Bank:* Pursuant to the re-categorization of IDBI as Private Sector Bank with effect from January 21, 2019, ICAI represented to RBI and IDBI for continuing the Branch Audit of IDBI for this year in the manner to accommodate all continuing auditors and accordingly IDBI continued with the continuing auditors.

(XIII) Publication released during the year:

- *Quick Insights on Professional Opportunities for Chartered Accountants:* With an aim to provide heightened focus of Chartered Accountants who are in Practice on various emerging Professional Opportunities such as RERA, Ind AS, Companies Act, 2013, Artificial Intelligence, Blockchain, Cyber Security and Data Analytics (ABCD of Technology), GST, Registered Valuers, Forensic Audit, International Taxation, Insolvency Practice, PSU & Bank Audit etc. PDC has brought out the publication 'Quick Insights on Professional Opportunities for Chartered Accountants' as an e-book. It contains information about empanelment opportunities and other professional opportunities available at trending areas along with important contact web-links.
- *"Frequently Asked Questions for NPOs on GST":* The Committee has released the publication in a Question and Answer format to bring conceptual clarity on various issues related to GST for NPOs for the benefit of members and stakeholders at large.

5.20 Committee on Public Finance & Government Accounting (CPF&GA)

A. CPF&GA

Publications released by the Committee

- The Committee has revised its publication "Commonly Used Terms in Public Finance & Government Accounting" which shall be useful in understanding the terminology/economic terms related to public finance & economics.
- Research Study on "Accounting & Audit Reforms in Urban Local Bodies in India" and released brochure on "Quick Insight on Accrual Accounting".

Training Programmes/Workshops

The Committee organized number of programmes with Government Departments/PSUs at various places including Gangtok, Mumbai, Shimla, New Delhi Chhatisgarh, Jim Corbett, etc.

B. Committee on Public Finance & Accounting Standards for Local Bodies (CPF&ASLB)

In the year, 2019-20, a new Committee i.e. Committee on Public Finance & Accounting Standards for Local Bodies (CPF&ASLB) has been constituted which strives to assist Central & State Governments and Local Bodies in successful implementation of the accounting reforms and public finance management. The Committee primarily focuses on capacity building of the finance officials of various tiers of Government in India by various means such as organizing workshops, developing relevant e-training modules and formulating Accounting Standards for Local Bodies (ASLBs) etc.

5.21 Public Relations and CSR Activities

The PR & CSR Committee was reconstituted this year as “Public Relations Group”. The mission of the Public Relations Group is to develop, strengthen and enhance the image of the ICAI as a premier accountancy body and the sole regulatory authority for the profession of Chartered Accountancy in India through various ways and means, as considered appropriate within framework of the CA Act.

The PR Group further endeavors to foster good relations and aims to bridge the perception gap with internal & external publics and to provide better networking opportunities and to enhance visibility of ICAI. The Group regularly undertakes various initiatives and help Media houses / stakeholders/ Chambers of Commerce / Trade bodies and others to understand & acknowledge the contribution of ICAI & CA profession in economic growth of the nation & society at large.

The PR Group also focuses on Corporate Social Responsibility (CSR) that captures the true essence of social responsibility through a myriad of activities that leads to welfare of the society and promotes sustainable environment.

(I) Activities held during the year

- *Workshop for Media:* With an aim to bridge the perception gap and help media understand & acknowledge the contribution of ICAI & CA profession in economic growth of the nation & society at large, PR Group decided to undertake a series of Workshops for Media all across the country. In this series, the first media workshop was organised in New Delhi with an endeavor to make the media fraternity aware of various important and technical issues being dealt by ICAI. The workshop witnessed overwhelming response from the media, where senior media persons interacted with the expert speakers from ICAI to understand the topics and clear their doubts. Wide media coverage was given to the issues raised during the workshop.
- *CA Day 2018 & Platinum Jubilee Celebrations:* The Group requested all Regional Councils & branches of ICAI to celebrate “CA Day or CA Day week (July 1st - July 7th)” in a structured manner by undertaking mandatory and specified activities throughout the country in order to make collective impact. The launch of Platinum Jubilee celebrations of ICAI & CA Day 2018 was widely publicized by PR Group by undertaking the below mentioned initiatives.
- *Special Mnemonic for ICAI Platinum Jubilee Year:* A special Mnemonic was developed and officially launched on July 1, 2018 by Hon’ble President of India at function organized at New Delhi. The Mnemonic is being used in all communication of ICAI during the year.
- *Publications:* Coinciding with launch of Platinum Jubilee Celebrations, important publications were developed & released in the august presence of eminent dignitaries.
- *History of Accountancy Profession in India-Volume III:* A Group was constituted to bring out Volume III of the publication “History of Accountancy Profession in India” under the aegis of PR Group. This publication is a humble attempt to portray the efforts made by ICAI for the development of Indian accountancy profession and highlights the contribution of our forefathers, Past Presidents and the Central Council.
- *Treasure Trove of Wisdom from Visionaries-Speeches of Past Presidents, ICAI-Volume II:* In an attempt to express sincere gratitude to our Hon’ble Past Presidents for their tireless efforts, commitment & strong perseverance in the interest of the profession, the Group released the publication “Treasure Trove of Wisdom from Visionaries-Speeches of Past President’s-Volume II”. This distinctive publication communicates the significant journey of the Institute in last seven decades through the compilation of speeches of Past President’s delivered during the Annual Function of the Institute.
- *Audio Visual (AV) Films:* In order to showcase the important role played by the Institute in its last 7 decades before the important guests / Dignitaries / Stakeholders, few AV films were developed by PR Group and played to mark the CA Day at New Delhi.

- *AV on Platinum Jubilee of ICAI:* The AV traces the history of Accountancy Profession and milestones achieved by ICAI over last 7 decades, well narrated by Bollywood actor Boman Irani.
- *ICAI- A Treasure Trove:* Our predecessors, the Hon'ble Past Presidents left no stone unturned to pave the way for a bright future & have dedicatedly guided the profession to reach this exemplary position. The AV on Treasure Trove is a tribute to our forefathers.
- *AV about the publication "History of Accountancy Profession in India-Volume III":* The AV was conceptualized to display before the audience the importance of bringing out 3rd Volume of the publication that captures major changes, milestones and achievements of ICAI during last 20 years.
- *Video bytes of President & Vice-President on the occasion of CA Day:* On the occasion of CA Day, a video clip with messages from President and Vice-President addressing the CA Fraternity was prepared and uploaded on ICAI website. The same was also played during the CA Day function. The link of the same was forwarded to all concerned for reference.
- *Special Video Messages of eminent dignitaries:* To encourage and motivate the CA fraternity, the video bytes of eminent dignitaries - CA. Piyush Goyal, CA. Suresh Prabhu and CA. K. Rehman Khan were recorded and played on July 1st during the function held at Vigyan Bhawan.
- *Updation of Corporate Film-2018-19:* The ICAI Corporate Film is played during the various important events, Seminars/Conf. etc. organized by the HO/ DCOs/RCs/Branches. The Group had updated the ICAI Corporate Film for the year 2018-19 and the same was uploaded on ICAI Tv for the reference of all concerned and a link of the same was forwarded to all concerned for reference.

(II) Other Initiatives undertaken during CA Day 2018 Celebrations

- *The Goodwill messages on this occasion were invited from various Dignitaries. Like every year, a special issue of Chartered Accountants Journal was brought out to commemorate CA Day. Total 24 messages were received and published in the July'18 issue of Chartered Accountants Journal.*
- *Advt.s in Magazines: Towards brand building of ICAI and reiterating the significance and contribution of CAs,* advt.s were published in July issue of News / Business magazines i.e. The Week, Business Today, Outlook & Outlook Business.

(III) Promoting ICAI Election 2018 : Audio Visuals & Posters

- *With an aim to create better awareness, drive home the importance of participating in elections & communicating the actual election process to all members, few Audio Visual Films regarding the Voting Process, Inviting Members to Cast Vote, Process of Preferential Voting and Reminder Video were developed to motivate the Members especially new members to vote and also bring clarity about the ICAI Election process. Further, the final AVs were also circulated through Whatsapp groups/ social media to encourage & educate the members to vote.*
- *To publicize triennial elections of ICAI & to bring clarity among the Members about Election process and systems to be followed , a Poster was developed and put across polling booths pan India.*
- *For wider reach the Posters & Audio Visuals were also uploaded on social media and ICAI website.*
- *Letter(s) to Editors in response to misreporting by media: ICAI came across certain media reports projecting the profession and its members in bad light. The PR Group took strong note of the manner in which the news items were printed in leading newspapers bringing disrepute to the profession. Accordingly, Letters were issued to the Editors of newspapers that published adverse reports damaging the reputation and tarnishing the image of the profession of Chartered Accountants in the eyes of public. It was advised to publish suitable corrigendum in the respective matter.*
- *ICAI also filed complaints to The Press Council of India (PCI), against few publications for publishing malicious reports. The matter was followed-up and PCI reprimanded two publications namely Economic Times and Hindustan (Hindi) for misreporting and presenting the Chartered Accountant fraternity in poor light. The Press Council upholding its inquiry reports had issued a strong 'censure' to The Economic Times, while the Hindustan was issued a 'warning' with directions to publish the order passed by the PCI in the newspaper immediately. The matter regarding other publications is also being followed up with PCI.*
- *Important Media Clippings-Communication to all India Members:* It was decided by the PR Group that the important media clippings related to CA profession/ ICAI or any other news of relevance, should be forwarded to all India members on weekly basis to keep members informed of the latest news & updates. The 1st mailer to all India Members was started from May onwards.
- *ICAI Year Book 2018-19:* A comprehensive document capturing significant initiatives undertaken & achievements made by the Institute/Committee's/ Deptt.'s/ Regional offices/ Branches during the year is brought out in the publication-"Year Book". The PR Group collated information from all Committees/Branches/Regional Offices and designed & compiled the document "Year Book: 2018-19: 70 years of Serving, Supporting & Strengthening India's Growth Story."

(IV) Partnering in Initiatives of Government

- During the period Feb-Dec, 2018, Ministry of Corporate Affairs (MCA) had undertaken various activities promoting flagship programmes & campaigns. ICAI as a True Partner in Nation Building & to take forward the initiatives of the Government towards Corporate Social Responsibility (CSR), has actively contributes to the health and welfare of society.
- Following campaigns of the Government were undertaken PAN India by associating all Regional Councils /Branches

Sr. No.	Campaigns
1.	Observed Swachhta Pakhwada (August 1-15, 2018) initiated by Ministry of Drinking Water & Sanitation
2.	Swachhta-hi-Seva (Sept. 15- Oct 2, 2018) initiated by Ministry of Drinking Water & Sanitation
3.	Commemoration of 150 th birth anniversary of Mahatma Gandhi (Oct 2, 2018 to October 2, 2020)
4.	Vigilance Awareness Week (Oct 29, 2018 to Nov 3, 2018) initiated by Central Vigilance Commission
5.	Rashtriya Ekta Diwas/National Unity Day (Oct 31, 2018) initiated by Ministry of Home Affairs
6.	Constitution Day (November 26, 2018) initiated by Ministry of Social Justice & empowerment
7.	Invited Nominations for Prime Minister's Awards of Excellence in Public Administration 2019

- *Swachhta Abhiyaan:* Swachh Bharat Abhiyan (SBA) or Swachh Bharat Mission (SBM) was launched by Hon'ble Prime Minister of India Shri Narendra Modi on October 2, 2014 to take forward Mahatma Gandhi's dream of Clean India through mass awareness campaigns. October 2, 2014 was indeed a moment of pride for ICAI when Hon'ble Prime Minister nominated ICAI along with other personalities and organisations to be associated with this noble campaign. Since the time ICAI was nominated to take forward this societal initiative, the Institute has been undertaking several campaigns and conducting Mass Awareness Programmes through its 5 Regional Councils and 164 Branches.
- This year too, several activities were undertaken like cleanliness drives/ take Swachhta Pledge/Tree Plantation/create awareness about environment conservation through Green Marathon etc. Several initiatives towards realising the vision of the Prime Minister are undertaken on regular basis and especially on important occasions like CA Day, Independence Day, Gandhi Jayanti etc. The aim is to sensitize and raise awareness on need for cleanliness and its associated benefits amongst the members, students and stake holders, officials and staff of ICAI.
- *5th International Day of Yoga:* To commemorate this occasion, ICAI had taken an initiative to encourage all members and students to inculcate Yoga for a healthy body and mind. The Group requested all Regional Councils & Branches of ICAI to celebrate 5th International Day of Yoga throughout the country on June 21, 2019. All concerned were advised to celebrate this day by undertaking specified activities. A good response was received to this initiative.

(V) Other Initiatives

- All major initiatives taken by the Institute were promoted through Social media in addition to print/electronic & online media.
- The Media interactions increased through one to one interviews, constantly apprising the media of the latest developments regarding the curriculum, profession, introduction of new courses, new guidelines for CAs, visit of foreign delegations, other activities and events etc.
- The Group promoted the potential & scope of Chartered Accountancy Profession in today's dynamic context by way of articles as well as through interactive meetings/releases issued to the press at national /regional level and through various TV Channels.
- To create awareness and promote the core domain of ICAI, advts were published in News/Business magazines.
- Provided logistic support to various departments within ICAI, to the regional Offices and Branches with a view to develop communication link between ICAI and its offices/related organizations.
- As part of the PR exercise, organized appropriate coverage in Print and Electronic Media for different Seminars/ Programmes / Events of ICAI.
- Articles on contemporary issues were published in major Business Publications.

5.22 Research Committee

Research Committee is one of the oldest non-standing Committees of the Institute of Chartered Accountants of India (ICAI) established in the year 1955. The primary objective of Research Committee is to undertake research in the field of accounting and other affiliated areas with a view to enhance the value of services rendered by the profession. It formulates Guidance Notes on accounting aspects which are issued under the authority of the Council. It also brings out Technical Guides, Studies, Monographs, etc., on generally accepted accounting and/or auditing principles. The Committee, through its sub-committee, the Shield Panel, also conducts an annual competition, 'ICAI Awards for Excellence in Financial Reporting' with a view to improve the presentation of financial statements.

ICAI Awards for Excellence in Financial Reporting for Financial Year 2017-18: These awards are being presented annually since 1958. Selection of awardees in specified categories is made through a robust three tier process: first review by Technical Reviewers followed by review of short listed annual reports by Shield Panel and final review by External Jury.

July meeting for the competition year 2017-18 was held on January 19, 2019 at Mumbai and was chaired by Shri U.K. Sinha, former Chairman, Securities and Exchange Board of India (SEBI). Others members of the Jury, who participated in the meeting to select the awardees, were CA. N.P. Sarda, Past President ICAI, Shri T.V. Mohandas Pai, Chairman of Manipal Global Service & Former CFO, Infosys Technologies Ltd., Shri Pravin Kutumbe, Member (Finance and Investment), IRDAI, Shri Nilesh Shah, Managing Director, Kotak Mahindra Asset Management Company Ltd., Shri Sanjay Jhanwar, Managing Partner, M/s Chir Amrit Legal LLP, Shri Anil Bafna, Sr. Partner, A Bafna & Co., Ms. Pinky Mehta, CFO, Aditya Birla Capital Ltd., Shri M. K. Sharma, Non-Executive Chairman and Independent Director of United Spirits Ltd.

As per the scheme of awards, one Gold Shield and one Silver Shield are awarded for the best entry and the next best entry, respectively. Apart from the above-mentioned awards, Plaques are awarded for commendable entries. Hall of Fame award is bestowed on an entity which wins five consecutive Gold Shields in a particular category.

A function to honour the awardees of 'ICAI Awards for Excellence in Financial Reporting' was held on February 2, 2019, New Delhi, Hon'ble Shri Justice P. P. Bhatt, President, ITAT was the Chief Guest at the occasion. A total of 10 awards – Two Gold Shield, Six Silver Shields and 2 Plaques were given away.

5.23 Committee on Capital Market and Investors' Protection (CCM&IP)

The Committee on Capital Market and Investors Protection was constituted by the Council as a Non Standing Committee of the ICAI in the year 1993-94. Further in the year 1998-99 the name of the Committee was changed to "Committee on Financial Market and Investors Protection". Consequently, in the year 2017-18 the erstwhile Committee on Financial Market and Investors' Protection was merged to the Banking Financial Services and Insurance Committee. Now the committee is reconstituted as Committee on Capital Market and Investors Protection in the year 2018.

The Committee provides suggestions on various Bills/Regulations/Notifications/circulars and other documents relating to Capital Market for submission to the Government/Regulator. Besides this the Committee regularly interacts with Reserve Bank of India (RBI) and Indian Banks Association for example, relating to Depositors, Non-performing Assets Management, Bank operation and supervision, issues relating to securitisation, role played by CAs, Non-Banking Finance companies – NBFCs (Department of Non-Banking Finance companies of RBI), Regulatory authority of Co-operative Banks, Strategies / recommendations relating to their investment patterns, Securities and Exchange Board of India e.g., matters relating to Primary and Secondary Markets, Take-Overs, Amalgamation, Mergers, (tax-havens, Participatory Note, hot-money, corporate governance regulatory compliances etc.), Mutual Funds, Foreign Institutional Investors, Intermediaries, Securities Laws etc, Forward Markets Commission (FMC) including NCDX and MCX, Stock Exchanges on the issues relating to Capital Markets and Investors Protection.

The Committee held the following activities during the year:

- With an aim to emerge as partner in the Nation Building and to spread awareness among the public at large about the do's and do not's of investing their money in financial securities and to promote financial literacy, the Committee organises Investor Awareness Programmes (IAPs) under the aegis of Investor Education and Protection Fund Authority (IEPFA) of the Ministry of Corporate Affairs. The same are organised through various Resource Persons and Programme Organizing Units (Regional Councils, Branches, Study Circles, Study Chapters and Study Groups) across the length and breadth of the country.
- The Committee has organized 671 Investor Awareness Programmes across India under the aegis of IEPF Authority Ministry of Corporate Affairs Government of India. In line with the speech of the Hon'ble President of India, Shri. Ram Nath Kovind on the occasion of Platinum Jubilee celebrations of the Institute of Chartered Accountants of India on 1st July, 2018 wherein he had requested the ICAI to conduct programmes to create financial literacy among the women of our Country. Accordingly, total of 38322 people were educated including 15372 women participants were educated in the above mentioned IAP's in FY 18-19"

- Presently, the Committee is entrusted with the task of conducting Certificate course for All India Members of ICAI, i.e. "Certificate Course on Forex and Treasury Management".
- The Committee has successfully conducted 51 Batches of Forex and Treasury Management course till date. During the period, committee has successfully completed 7 batches of the Certificate Course on Forex and Treasury Management, wherein total 46 Members of ICAI has enrolled in the course curriculum of the Certificate course on Forex and Treasury Management.
- The Committee has declared the result of an evaluation test held on 24th and 25th November 2018 of past batches of Forex and Treasury Management Certificate Course on 21st January, 2019. The total number of participants appeared for the examination were 69 out of which 63 members have qualified the examination.
- The Committee had successfully organized Certificate Course on Forex and Treasury Management in two phases from 12th -17th March, 2018 and 11th – 16th June, 2018 which was designed for the officials of Hindustan Petroleum Corporation Ltd, Pune, as per the MOU signed with HPCL, Pune wherein 18 members enrolled and qualified the examinations.
- The Committee is increasingly playing a pro-active role in conducting various Seminars, Workshop and Webcast for the professional enhancement of members.
- The second edition of the background material on certificate course on Forex and Treasury Management i.e. "Theory and Practice of Forex and Treasury Management" (Module I, II & III) was released at ICAI Convocation 2019 which was held on 09.02.2019 at, Delhi.

5.24 Ind AS Implementation Committee

Ind AS Implementation Committee was constituted in the year 2011 with the objective to provide guidance for smooth implementation of Ind AS in the country. During the council year 2017-18, the said Committee was reconstituted as Ind AS Implementation Group. However, the purpose and initiatives of the group remained the same. In May 2019, the Council of ICAI reconsidered the status of this Group and decided to reconstitute it as Ind AS Implementation Committee.

The Institute of Chartered Accountants of India (ICAI) assumed a crucial role for spurring the need for globally accepted accounting standards and the implementation of the IFRS-converged Indian Accounting Standards (Ind AS). ICAI strived harder than ever to stress on the implementation of these standards and its adoption throughout the nation bearing in mind the crux and the rationale behind formulation of these standards to ensure they prevail on implementation. On this day, we stand, admiring the progress our nation has made towards such shift as the phaseal adoption of Ind AS has been completed in respect of specified class of companies. Arduous efforts have been made by the Ind AS Implementation Committee for promulgating the need and importance of adoption of Ind AS. It has strived with great determination for the no hiccup transition to Ind AS from the previously used GAAP. Numerous initiatives have undertaken by the Ind AS Implementation Committee to provide guidance to the members and other stakeholders on the notified Ind AS.

In order to ensure implementation of Ind AS in the same spirit in which these have been formulated and to provide appropriate guidance to the members and other stakeholders, the Ind AS Implementation Committee issues Educational Materials on Ind AS, which contains summary of the respective Ind AS and the Frequently Asked Questions (FAQ) covering the issues, which are being faced or are expected to be encountered frequently while implementing the Standard. During the period, six (6) Educational Materials on seven (7) Ind AS have been issued. So far, fifteen (15) Educational Materials on sixteen (16) Ind AS have been issued by the Committee. The Committee is working to bring out Educational Materials on all the Ind AS.

In addition to the above, the Committee has revised its publication titled "Indian Accounting Standards (Ind AS): An Overview (Revised 2019)", which is the fourth edition of the publication containing an overview of various aspects related to IFRS-converged Indian Accounting Standards (Ind AS) such as roadmap for the applicability of Ind AS, carve-outs from IFRS/IAS, changes in financial reporting under Ind AS compared to financial reporting under accounting standards, summary of all the Ind AS etc. It captures all the recent amendments to Ind AS notified by the Ministry of Corporate Affairs in March 2019 specifically issuance of new leases standard (Ind AS 116) and other consequential amendments thereto.

As the implementation of Ind AS began in the country, a number of issues were being raised by the members, preparers and other stakeholders with regard to applicability/implementation of Ind AS. For addressing transition related queries in a timely and speedy manner, an Ind AS Technical Facilitation Group (ITFG) (formerly known as Ind AS Transition Facilitation Group) was constituted in the year 2016 which issues clarification bulletins addressing implementation issues from time to time. The Group comprises of experts from accountancy firms, industry representatives and other eminent

professionals. During the period, six (6) ITFG Clarification Bulletins have been issued. Till date, the Group has brought out clarifications on 148 issues through its 20 clarification bulletins.

Furthermore, for ease of reference of members, a publication titled 'Compendium of ITFG Clarification bulletins (including clarifications issued till December 2018)' has been brought out which contains a topic-wise compilation of all the issues clarified in the ITFG Clarifications Bulletins at one place.

"Support-desk for Implementation of Ind AS" has also been launched in order to address the difficulties being faced by the members at as early as possible wherein the members can submit their queries, questions, suggestions online by clicking on a link.

This Committee is also taking adequate steps to enhance the knowledge of the members and other stakeholders for proper implementation of Ind AS by conducting workshops, seminars and Certificate Course.

The Committee organises 12-days Certificate Course on Ind AS throughout the country and abroad to impart knowledge about Ind AS. Comprehensive session plan of the course has been designed with a view to make members competent in field of Ind AS. During the period, 29 batches of Ind AS Certificate course have been conducted wherein around 1100 members have been trained. So far, around 9790 members have been successfully trained in the Certificate Course on Ind AS across various locations throughout the country and abroad.

The Committee also organises One/Two days Awareness Programme/ Workshop/Outreach Programme on Ind AS at various locations across the country. In these awareness programmes, training on the basic Standards which form the premise for preparation and presentation of financial statements under Ind AS, difference between Ind AS and existing AS are also specifically covered in order to educate the members and stakeholders about how accounting under Ind AS would be different from existing AS.

In addition to above, the Committee also organises in-house training programmes on Ind AS for officials/employees of various regulators, organisations and corporate houses. During the period, various training programmes on Ind AS have been organised for Allahabad Bank and Aditya Birla Finance Limited.

In addition to above initiatives, the Committee organises webcasts on Ind AS from time-to-time to create awareness on Ind AS. Recently 2 webcasts on the new leases standard Ind AS 116, *Leases* was organised by the Committee and the same are readily available at the icaitv.com.

The Committee is making every possible effort to create knowledge and awareness about Ind AS and to make this transition smooth.

5.25 Audit Committee

The Constitution of Audit Committee of the Institute is governed by the Council. Audit Committee reviews the reporting process and disclosure of financial information of the Institute to ensure that the financial statements are true and fair. It ensures the independence and integrity while appointing auditors at various units of the Institute. The Audit Committee operates through five Regional Audit Committees located at each of its Regional Councils.

5.26 Digital Transformation & Process Re-engineering Group (DT&PRG)

(I) ICAI Mobile App ICAI

Now and ICAI Social Media Platforms have been instrumental in Popularization of various ICAI's events and Key Achievements and Initiatives on no cost basis amongst students, members and other.

ICAI Mobile App ICAI Now and ICAI Social Media Platforms have been instrumental in Popularization of various ICAI's events and Key Achievements and Initiatives on no cost basis amongst students, members and other stakeholders of ICAI.

The app has been downloaded by 5 lakhs of Users. It has been rated as 4.2/5 on App Stores and listed in top 100 Free Education Category.

(II) ICAI Social Networking

ICAI Social Media accounts have been configured on Facebook, Twitter, LinkedIn and YouTube.

ICAI Social Media Networking presence is continuously increasing and total number of Followers has crossed 5,89,000+ users (Facebook 90,000+, Twitter 81,000+, LinkedIn 3,73,000+ and YouTube 45,000+)

5.27 Quality Review Board (QRB)

The Quality Review Board was constituted on 28th June, 2007 by the Central Government pursuant to the powers vested in it under Section 28A of the Chartered Accountants Act, 1949 to perform the following functions:

- To make recommendations to the Council with regard to the quality of services provided by the members of ICAI;
- To review the quality of services provided by the members of ICAI including audit services; and
- To guide the members ICAI to improve the quality of services and adherence to the various statutory and other regulatory requirements.

One of the functions of the Council under clause (o) of sub-section (2) of Section 15 of the Chartered Accountants Act, 1949 is to consider the recommendations of the Quality Review Board made by it with regard to the quality of services provided by the members of ICAI. The aforesaid clause (o) also provides that the details of action taken on such recommendations shall be published in its Annual Report. In accordance with the aforesaid provisions, during the period under Report, the Council received 1 reference under Section 28B(a) of the Chartered Accountants Act, 1949 from the Quality Review Board with regard to the quality of services provided by the members. The same was considered by the Council at its meeting held during the financial year April 2017 to March, 2018. The following is the details of action taken:

- Number of references referred to the Director (Discipline) for making further investigation under the disciplinary mechanism of ICAI-1.
- Number of references where comments of the Technical Reviewer were decided to be issued as an Advisory to the members / firms – NIL.
- Number of references which were decided to be closed – Nil.
- Number of references pending for consideration of the Council – Nil

5.28 Management Committee

Management Committee, constituted in 2015 as non-standing Committee of the Council, is mandated to consider matters pertaining to formation of Branches, setting up of Chapters abroad, MoUs/ MRAs with national/ international bodies, appointment of central auditors of ICAI, annual accounts of the Institute, matters referred by the Central Government and other regulatory bodies, proposals for amendments in the Chartered Accountants Act, 1949, Rules and Regulations framed thereunder, Regional Councils and Branches matters, Members / CA firms / LLPs / mergers / demergers / networking related matters and proposals received from other committees / departments of the Institute having administrative and policy implications and making its recommendations to the Council wherever required.

5.29 Valuation Standards Board (VSB)

The Valuation Standards Board has been constituted to focus at issuing Valuation Standards from ICAI. The Board also focuses on providing Interpretations, Guidance and Technical Materials from time to time for implementation of the Standards.

Achievements and Initiatives

(I) ICAI Valuation Standards, 2018 were issued, to be followed by Chartered Accountants in their Valuation assignments.

Recognising the need to have the consistent, uniform and transparent valuation approach and harmonise the diverse practices in use in India, the Council of the Institute of Chartered Accountants of India (ICAI) at its 375th meeting has issued the Valuation Standards. These valuation standards are the first set of standards on valuation in India.

The Standards lay down a framework to ensure uniformity in approach and quality of valuation. The following Valuation Standards have been issued by ICAI:

- ICAI Valuation Standard 101 – Definitions
- ICAI Valuation Standard 102 - Valuation Bases
- ICAI Valuation Standard 103 - Valuation Approaches and Methods
- ICAI Valuation Standard 201 - Scope of Work, Analyses and Evaluation
- ICAI Valuation Standard 202 - Reporting and Documentation
- ICAI Valuation Standard 301 - Business Valuation

- ICAI Valuation Standard 302 - Intangible Assets
- ICAI Valuation Standard 303 - Financial Instruments

These standards have to be applied by reading it together with the Preface to the ICAI Valuation Standards and Framework for the Preparation of Valuation Report in accordance with the ICAI Valuation Standards. The Valuation set up concepts, principles and procedures which are generally accepted internationally having regard to legal framework and practices prevalent in India. These standards are at present recommendatory and are proposed to be made mandatory.

(II) Formation of ICAI Registered Valuers Organisation

The Institute of Chartered Accountants of India has formed ICAI Registered Valuers Organisation which is a Section 8 private Company to enroll and regulate registered valuers or valuer member in accordance with the Companies (Registered Valuers and Valuation) Rules, 2017, and functions incidental thereto. ICAI RVO is registered for Securities or Financial Assets Class.

(III) Representation submitted to Ministry of Corporate Affairs

For the year 2018-2019 the following Representation/ Suggestions were submitted to MCA/IBBI:

- Regarding nomination on “Committee to advise on Valuation Standards” and to recognize ICAI Valuation Standards as National Standards.
- Issues with regard to Companies (Registered Valuers and Valuation) Rules, 2017.
- Comments on the Draft Report of the Committee to advise on Valuation matters

(IV) Launch of ICAI RVO Learning Management System

ICAI RVO has launched its Learning Management System which is an e-learning platform which delivers the concepts of the syllabus prescribed by the Insolvency and Bankruptcy Board of India for the Asset Class- “Securities or Financial assets” in the form of study material and supplemented by mock test in Multiple Choice Questions format. This Learning Management System facilitates the members in preparing for IBBI Valuer Examination.

(V) Study Modules for Educational Course by ICAI RVO:

Four Study Modules for Educational Course have been prepared to help the members in understanding the subject better:

- Module 1 covers in detail Overview and Concepts of Valuation
- Module 2 covers in detail Valuation Approaches and Methods
- Module 3 covers Judicial Pronouncements
- Module 4 covers Relevant laws & Regulations as per the Syllabus

(VI) Series of Publication- Valuation: Professionals' Insight

The Valuation Standards Board has published “Valuation: Professionals' Insight- Series- 1” Series- 2 and Series- 3”. This publication series has now cumulative 61 articles. This publication provides practical insights and case studies on various aspects of Valuation which would be highly useful to valuers, users of valuation reports and learners of valuation.

(VII) Outreach programme of ICAI Valuation Standards with SAFA countries

The ICAI is engaged with SAFA countries, for use of ICAI Valuation as there are no Valuation Standards in these Countries. The Board is beginning the engagement by conducting education programs on valuation in these countries and encouraging use of ICAI Valuation Standards.

(VIII) Meeting of the Committee to advise on Valuation Matters constituted by Ministry of Corporate Affairs under Rule 19 of Companies (Registered Valuers and Valuation Rules), 2017.

ICAI is a member of the Committee to advise on valuation matters under Rule 19 of the Companies (Registered Valuers and Valuation) Rules, 2017. The Committee has been formed to make recommendations to the Central Government on formulation and laying down of valuation standards and policies for compliance by companies and registered valuers. The Advisory Committee has submitted its report to the Ministry of Corporate Affairs which stated that India does not have Valuation Standards and the ICAI Valuation Standards do not have a track record. Therefore, ICAI has submitted its dissent note alongwith the reasons.

(IX) Distinguishing Features of ICAI Valuation Standards vis-à-vis IVSC.

The Ministry of Corporate Affairs had requested ICAI to submit Distinguishing Features of ICAI Valuation Standards 2018 vis-à-vis International Valuation Standards issued by IVSC. In this regard, a detailed document enumerating the distinguishing features of ICAI Valuation Standards 2018 vis-à-vis International Valuation Standards issued by IVSC has been submitted to Ministry of Corporate Affairs.

(X) Awareness programmes on ICAI Valuation Standards 2018 to be conducted by Regional Councils and Branches Webcast

- The Valuation Standards Board is regularly conducting half a day awareness programmes on ICAI Valuation Standards 2018 jointly with the Regional Councils and Branches.
- Valuation Standards Board jointly with ICAI RVO conducted a webcast on “Valuation Standards & Code of Ethics for Registered Valuer” on 18th April, 2019. The purpose of the webcast was to provide knowledge to the large number of audience regarding valuation standards to be followed and the code of ethics to be complied while taking up a specific valuation assignment. The webcast was addressed by Dr. Navrang Saini, Whole time member, Insolvency and Bankruptcy Board of India (IBBI). The webcast was viewed by more than 4000 members.

(XI) Amendment in the Companies (Registered Valuers and Valuation) Rules, 2017

ICAI regularly submits representations to the Ministry of Corporate Affairs (MCA). On November 13, 2018 the Ministry of Corporate Affairs has made amendments to the Companies (Registered Valuers and Valuation) Rules, 2017 vide Fourth Amendment Rules. One of the major amendment is that, now a Chartered Accountant having three years of experience who is not a graduate is eligible to become Registered Valuer. Prior to amendment a Chartered Accountant was to be a graduate to become Registered Valuer.

(XII) Publication- Frequently Asked Questions on Valuation

The Valuation Standards Board jointly with ICAI Registered Valuers Organisation has published “Frequently Asked Questions on Valuation” in February, 2019. This publication comprehensively covers questions on Valuation of Financial assets or Securities. The publication has been designed in a question and answer format to assist our members and other stakeholders to enable them to have conceptual clarity on the various Valuation aspects.

(XIII) Technical Guide on Valuation

The Valuation Standards Board has revised and updated the Publication, “Technical Guide on Valuation”. The publication has been designed in a question and answer format to assist our members and other stakeholders to enable them to have conceptual clarity on the various Valuation aspects. This publication comprehensively covers questions that are being asked while undertaking Valuation of Financial assets or Securities.

5.30 Taxation Audits Quality Review Board

In its commitment to serve the nation and in order to improve the reporting of compliances under various taxation laws (both Direct as well as Indirect), the Taxation Audits Quality Review Board for the first time has been constituted by the Council Year in the year 2018-19. It is envisaged that the reviews carried out by the Board, will ensure that the members will exercise greater diligence while certifying the various reports prescribed under direct and indirect taxation and in the long-run would improve the overall reporting and certification done by them.

(I) Selection of Tax Audit Reports: Scope widened

With an objective to widen the scope of review, the Board has modified its terms of reference in the current Council Year to encompass within itself the word ‘persons’ in place of the word ‘entities’ as stated earlier. Accordingly, for the Council Year 2019-20, the Board has decided to review the tax audit reports of top 100 individuals, firms and LLPs each having turnover of more than Rs. 100 crores and top 100 trusts having turnover of more than Rs. 10 crores. In this regard, a letter has been sent to Member (IT&C), CBDT requesting to assist ICAI to provide the Tax Audit Reports along with other attachments as uploaded by the tax auditor in respect of the above mentioned assesseees.

(II) Status of Review of Tax Audit Reports selected during the Council Year 2018-19:

The Board has selected 100 companies during the Council Year 2018-19 for review of their tax audit reports pertaining to Assessment Year 2017-18 on suo motto basis. In this regard, 95 tax audit reports have been received from the tax auditors. Preliminary Review of these reports has been completed by the Technical Reviewers empanelled with the Board. Out of these, 30 preliminary review reports have been assigned to Taxation Audits Quality Review Groups constituted under the convenorship of various Board members for undertaking secondary review of the reports. In respect of the remaining 5 tax audit reports, a letter has been sent to Chairman, CBDT requesting to assist ICAI in providing the tax audit reports of these enterprises so that a detailed review may be undertaken by the Board.

(III) Revision of Publication “Issues on Tax Audit”

The Board has decided to revise the Publication “Issues on Tax Audit” as issued by the Direct Taxes Committee of ICAI in the year 2000 and last revised in 2003 to update and guide the members in respect of tax audit reporting requirements incorporating the developments which have taken place in past few years.

5.31 Committee on Insolvency & Bankruptcy Code

This year a new Committee has been constituted Committee on Insolvency & Bankruptcy Code to give specific focus on Insolvency and Bankruptcy Laws. It is an emerging area and it has created a new professional opportunity for the members. This Committee aims to bring in awareness about this new area of practice in the Insolvency Resolution sphere to the members at large and facilitates in educating the members on the practical aspects and procedures of the Law.

(I) Publication on ‘Frequently Asked Questions on the Insolvency and Bankruptcy Code, 2016 - Revised July, 2019 Edition’:

- The Committee has released the publication ‘Frequently Asked Questions on The Insolvency and Bankruptcy Code, 2016 - Revised July, 2019 Edition’ incorporating the amendments that have taken place in the Insolvency and Bankruptcy Code, 2016.

(II) Update on Insolvency & Bankruptcy Code:

- Committee on Insolvency & Bankruptcy Code of ICAI has brought out Update on Insolvency and Bankruptcy Laws for the benefit of members. These Updates which will be brought out on a regular basis will provide Case Updates, News Update as well as give information on the initiatives of the Committee.

(III) Programmes / Workshops organized:

- One day programme was organized on Insolvency and Bankruptcy Code at Nagpur in May, 2019.
- Awareness Programme was conducted on IBC and IBBI Limited Insolvency Examination at Ghaziabad, in June 2019.
- Programmes conducted jointly with Indian Institute of Corporate Affairs under Ministry of Corporate Affairs on Graduate Insolvency Programme for Young Members, as recognised by Insolvency and Bankruptcy Board of India at Jaipur, Mumbai and Noida in April- May, 2019.

(IV) Webcast

- The Committee conducted a Live Webcast on ‘Insolvency : An Emerging Profession with Multifold Opportunities’ in April, 2019.
- Conducted Live Webcast on ‘Graduate Insolvency Programme for Young Members’ in May, 2019, which was addressed by Dr. M. S. Sahoo Chairperson, Insolvency and Bankruptcy Board of India and senior official from Indian Institute of Corporate Affairs (IICA), Ministry of Corporate Affairs.

5.32 Women Members Empowerment Group

Women Members Empowerment group constituted by the Council in the year 2019 to augment the move to recognize the presence of women members in the profession and take initiatives for making them as mainstream performers at all levels; from corporate leadership to academics to practice.

The Group performed the following important activities:

- Women Portal (<https://womenportal.icai.org/>) provides women members a medium through which they can post their requirements and can explore flexi working options available for them based on region/branch. It also aims to provide a common platform to women members to update their knowledge and share their views and concerns.

- To inspire women members to set and achieve higher goals, group has invited success stories from women members and uploaded on Women portal.
- To recognize the presence of women members, group has uploaded details of women members associated with ICAI.
- Group has planned uploading the inspirational videos of eminent women member for inspiring the aspirants and women professionals to be successful in their endeavors, so far pilot video has been uploaded on Motivational video of CA. R M Vishakha, MD & CEO, IndiaFirst Life Insurance Company Ltd.
- The Group has organized 10 Women Members Empowerment Programmes across India along with the SETU programme, i.e. bridging gap between women Members and practicing CA firms at Gandhinagar, Bhubaneswar, Indore, Bhopal, Chennai, Salem, etc. Over 1100 participants have attended the programmes. The programme structures were formulated in such a manner so as to empower women members in both social as well as professional field.

6. Committee for Export of CA Services & WTO

During the year, Accountancy and Finance Services Sector has been identified as one of the 12 Champion Sectors by Government of India, in order to promote the Chartered Accountancy Services exports in India, and to achieve the mandate of Government of India. During the Council Year 2018-19 Council had newly constituted non-standing Committee for Export of CA Services and WTO to work on the initiatives of Champion Sector and its allied areas.

(I) Joining hands with Government of India to enhance export potential for Accounting and Finance Sector (Champion Sector)

- *Proposal for Champion Sector:* As the Services sector contributes significantly to India's GDP, exports and job creation, increased productivity and competitiveness of the Champion Services Sectors will further boost exports of various services from India, ICAI is working upon various initiatives of Champion Sector under the guidance with Ministry of Corporate Affairs and Ministry of Commerce and Industry. ICAI through CESWTO has submitted its proposal on Action Plan of Champion Sector.



- *GST Account Assistant:* In order to disseminate and promote employability of graduates in India in the areas, this Committee alongwith ICAI ARF, as an initiative of Champion Sector under the guidance of Ministry of Corporate Affairs worked on GST Account Assistant Scheme for Indian graduates. The Screening Committee for Champion Sector had approved amount of Rs. 975 crores for GST Account Assistant Scheme as proposed by ICAI, through ICAI ARF. This scheme would facilitate developing second tier of GST Assistant for

supporting Indian Industry in prompt compliance of GST. The scheme will pave way forward for the graduates in India for their employment generation.

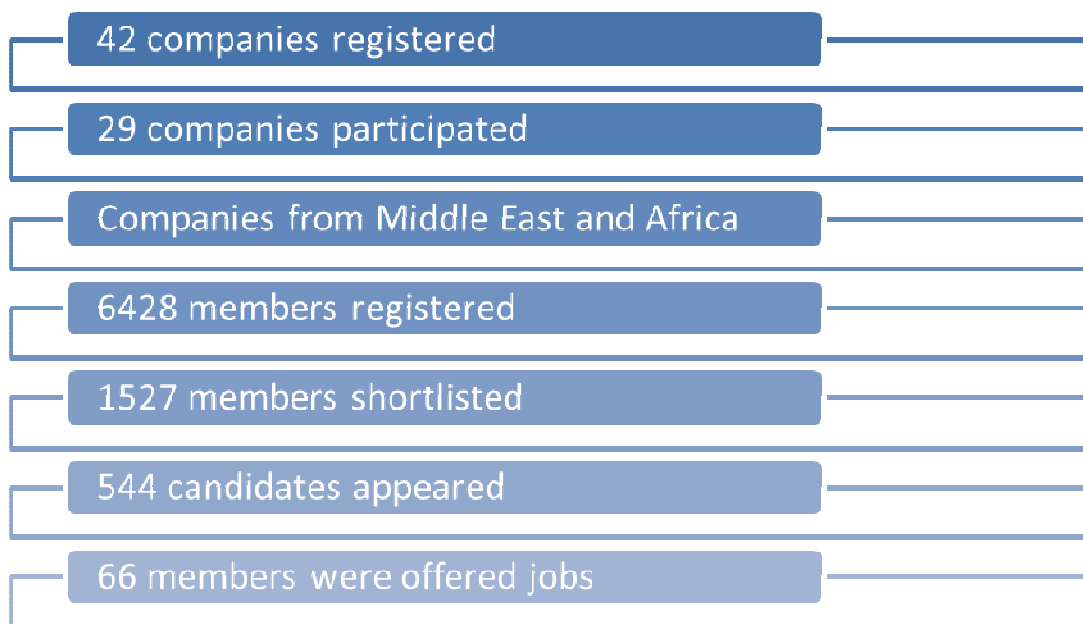
- *MoU signed with Invest India:* Coinciding with the Platinum Jubilee Celebration, ICAI under the aegis of the Committee for Export of CA Services & WTO of ICAI signed an Memorandum of Understanding (MoU) with the Invest India on February, 2019. The objective of the MoU is to collaborate and promote foreign investment in India and Indian investments outside India. The MoU also intends to provide necessary guidance and advice to the potential inbound and outbound investors and to promote the facilitate India as an investment friendly destination.
- *Knowledge Partner:* As a partner in Nation building, the Institute of Chartered Accountants of India (ICAI) through CESWTO had participated as a “Knowledge partner” at the Global Exhibition on Services (GES) from 15th to 18th May 2018 and had been allotted a Pavillion to showcase ICAI role in ‘Partner in Nation Building’ at the Exhibition. Hon’ble President of India inaugurated the Global Services Exhibition on 15th May 2018 to be followed by launch of 12 Champion Sectors including Accounting and Finance Services Thereafter, the Hon’ble President of India along with CA. Suresh Prabhu also visited the ICAI pavilion. CA. Suresh Prabhu along with Special Secretary Commerce and Shri Sudhanshu Pandey, Joint Secretary made a detailed visit to ICAI pavilion during the day.

(II) Meetings

- Inter-ministerial meeting in connection with 2nd meeting of Joint Administration Committee under expanded India-Chile Preferential Trade Agreement.
- WTO Policy Review Board for Trade & Services wherein request was made for joint collaboration & MRA for promoting Export of CA Services.
- Draft note for Expenditure Finance Committee (EFC) on Champion Services Sector Scheme (CSSS).
- Inter-ministerial stakeholders consultations under India-Peru negotiations.
- Movement of Natural Persons (MoNP) with respect to Trade in Services set up for implementing the provisions of the Chapter on Trade in Services agreed under India-Japan CEPA.
- Issues for 4th Joint Sub-Commission on Trade meeting between India & Vietnam
- India- China 4th meeting on Joint Working Group on Trade in Services
- Regional Comprehensive Economic Partnership (RCEP) Stakeholder Consultations on Trade in Services under RCEP agreement was held on 22nd April, 2019 wherein ICAI expressed its interest in going forward for technical collaborations for capacity building in the mutual interest areas with the 15 countries of RCEP agreement which would be followed by mutual recognition agreements in future.

(III) Overseas Campus Placement of Indian Chartered Accountants abroad in co-ordination with ICAI Chapters Overseas

- ICAI in line with its mission to partner with the Government of India champion sector initiative for increased export of accounting services, organised Overseas Campus Placement drive between 14th -16th September 2018 under the aegis of Committee for Export of CA Services & WTO, Committee for Members in Industry & Business and International Affairs Committees. While these were conducted through videoconferencing mode at Jaipur, Kolkata, Hyderabad and Bangalore; both physical interactions and videoconferencing were made available at Mumbai, Delhi and Chennai centres.
- Being the maiden initiative; this drive had many a positives; despite slump and slowdown in Middle East, with limited efforts ICAI had drawn interest of 42 companies and that too only Middle East with one company from Africa.



(IV) Promoting Foreign Language amongst members

The Institute has a large focus on export of Chartered Accountancy services wherein more than twenty thousand of its members are based overseas. Moreover, with new employment being generated in overseas, the need has been felt that ICAI trains its members and students in language skills pertaining to French, German, Spanish, Japanese, Arabic and Chinese. The same is being mandated by Ministry of Commerce and Industry in its Action Plan for Champion Sector.

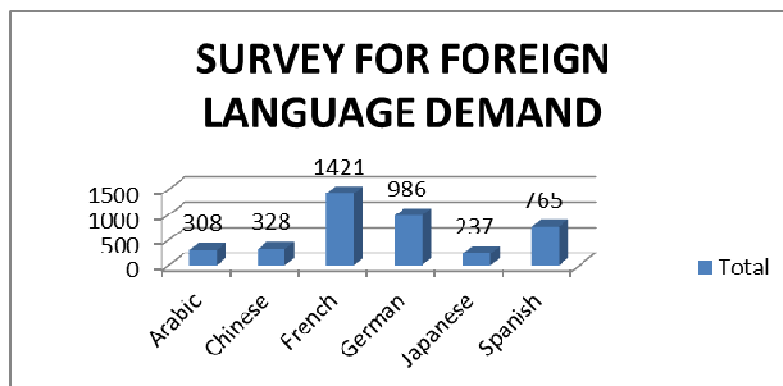
- Spanish Language Learning Courses through Instituto Cervantes, Spanish Embassy Cultural Centre - 9 batches ranging from 45-50 candidates completed & 5 batches in Delhi and 4 batches in Mumbai
- German Language Learning Courses through Goethe Institut Max Mueller Bhavan (official German culture Institute and promotes learning of German language in India) - First batch of German course started in January, 2019
- French Language Learning Course through Alliance Française De Delhi - First batch of French Course to be started in February, 2019
- Awareness Session on Arabic Language: One day session on Arabic Language has been hosted by Overseas office of ICAI in Dubai Knowledge Park in association with Eton Institute in Dubai which was successfully attended by 100 members in order to assess the demand of Arabic language in Dubai on 14th May, 2019. Japanese, Arabic and Chinese language learning course are under active consideration

(V) Survey for ICAI members abroad for boosting export of accounting services from India

- 214 members responded
- Respondents were from Middle East, UK, Canada, Ireland, Asia, Australia and African regions.
- Survey was intended to bridge the expectation gap and to understand the issues of members abroad.
- Their suggestions and inputs were called to assist ICAI in promoting brand Indian CA globally and to address various barriers/limitations which the Indian CAs face overseas.

(VI) Survey for seeking preference for foreign language course from ICAI Members and Students

The Committee has launched the Online Survey for assessing the demand for foreign language. Till date the Committee has received 4045 responses as per detail below :-



(VII) Services to Members

- Launch of Online good standing services - Application and issuance of good standing certificate made online w.e.f. June 2018 and Members can get the certificate in a week's time.
- This initiative is a landmark initiative for our members abroad and for the members aspiring to go abroad. The said e-service would be available for members to facilitate them for easy placements, qualification upgradation abroad.

(VIII) International Capacity building

- Training on Bhutanese Accounting Standards/IFRS organized by Department of Revenue & Customs, Ministry of Finance, Bhutan with the technical support of ICAI from 7th to 9th May, 2019
- A delegation of 21 senior provident fund officers from Nepal visited ICAI on 11th April, 2018
- First Live Webcast on 'Investing Opportunity in India – Professional Opportunities ahead' on 30th January, 2019, New Delhi by Shri Deepak Bagla, MD & CEO, Invest India.
- Webcast on "Opportunities, Modalities & Incentives for Export of Services – Especially for Chartered Accountants" on 19th June, 2019 by CA. Hans Raj Chugh, Central Council Member, ICAI.

7. OTHER ACTIVITIES

7.1 Committee on Management Accounting

The Committee on management Accounting provides advanced Knowledge and specialized training on various areas of management Accountancy, including finance and other allied subjects. A specialized Diploma Course on Management and Business Finance has been developed by the Committee. For launching this Post Qualification Course on Management & Business Finance, the Committee is working on the course curriculum and syllabus of the same. The Committee is collaborating with a reputed Business School for jointly conducting one week Residential Programme which will give practical insights to the members on management concepts, leadership skills and decision making for carrying out their management functions more efficiently and effectively.

Initiatives for Members

- Course curriculum and syllabus of the Post qualification course on Management and Business Finance PQC (MBF) which had been notified in the government gazette by Ministry of Corporate Affairs last year, is under preparation. The Committee has conducted meetings with various management institutes to develop one week's residential programme of the Diploma course.
- The Committee conducted one residential programmes for the participants of Certificate Course on Master in Business Finance during the month of Nov-Dec 2018.
- The Committee conducted examination of Certificate Course on Master in Business Finance for the members during the month of May-June, 2018.

Industry/Corporate Initiatives/Programmes

- The Committee organized a One Day Programme on Financial Reporting & GST on 15th Dec, 2018 at Indore branch which was hosted by Indore branch of CIRC of ICAI.

7.2 Committee for Members in Entrepreneurship & Public Services (CME&PS)

The Committee is to maintain a mutually advantageous live connect between ICAI, members in Entrepreneurship and members in Public Services. Committee also takes up projects which are mutually beneficial. Activities aimed at generating additional opportunities for young Chartered Accountants are also initiated.

(I) Regional Meet of ICAI Members in Public Service in Delhi on May 25, 2018

The Committee for Members in Entrepreneurship and Public Service organized a Regional Meet of ICAI Members in Public Service at New Delhi on 25th May 2018. The Regional meet was attended amongst other CA Members in Public Service by CA. Anil R. Dave, Hon'ble Retired Judge Supreme Court of India, CA. Vibhu Bakhru, Sitting Judge, Delhi High Court, CA. Deepak Kumar Kedia, Additional Director, Enforcement Directorate, Delhi, CA. Rakesh Rathi, D.I.G. of Police, Central Bureau of Investigation, Delhi, CA. Upender Gupta, IRS, Commissioner (GST) Department of Revenue, Ministry of Finance.

During the Regional meet, ICAI launched a Mobile Application to provide a easy connect of CA Members in Public Service with ICAI and to facilitate updations of their records easily. Important discussions on measures to improve the competencies and skill sets of Professional Accountants were discussed. Further, deliberations on how to meet the expectation gap of the stakeholders and improve the public image of ICAI was also discussed. The Members also discussed the changing needs of the profession arising out of the change in the digital technologies. Further, during the regional meet ICAI felicitated CA. Upendra Gupta, Commissioner, GST for receiving Prime Ministers award for Excellence in Public Administration presented to "Team GST, Department of Revenue, Government of India".

(II) Residential Meet of ICAI Members in Public Service at Tirupati on January 25-27, 2019

The Committee for Members in Entrepreneurship and Public Service organized a Residential meet of ICAI Members in Public Service from 25th-27th January 2019 under the Chairmanship and Vice-Chairmanship at Tirupati.

The Residential Meet was inaugurated and graced by CA Prafulla Premsukh Chhajed, Vice-President, ICAI. The Meet was attended by Members in Public Service namely CA. Arun Kumar Gujarathi, Hon'ble Ex- Speaker of Maharashtra Legislative Council, CA. Bhanudas K. Murkute, Hon'ble Ex MLA, Maharashtra legislative Council, CA. Deepak Kedia, Additional Director, Enforcement Directorate, CA. Manish Borad, Accountant Member, Income Tax Appellate Tribunal, CA. Manoj Kumar Aggarwal, Accountant Member, Income Tax Appellate Tribunal, CA. Amit Mittal, IRS, Joint Commissioner of Income Tax CA. Mahesh Kumar, IRS Commissioner of Income Tax (Advance Pricing Agreement) CA. Sarika Jain, IRS Asst CIT, Mumbai CA. Sumit Kumar Agrawal Asst. Commissioner, Central GST & Central Excise, Division-II, Raipur CA. Ajay Agrawal, IRS Raipur Audit Commissioner, Raipur Chhattisgarh, CA Satish Kumar Garg, Principal Director of Audit (Railways), CA Saurabh Deshmukh Director, Ministry of Communications CA. Umesh Kumar Agarwal Joint Commissioner of Income Tax CA. Neha Jain Assistant Director (Cost) Ministry of Commerce and Industry New Delhi CA. Amit Arora, Journalist & Anchor, Doordarshan.

During the Residential Meet, the Committee for Members in Public Service and Entrepreneurship launched a separate website of Committee so as to strengthen the connect between ICAI and Members effectively.

The Meet was graced by Special Address by CA. Arun Kumar Gujarathi, Hon'ble Ex- Speaker of Maharashtra Legislative Council on the topic "How to Enhance Public Trust and Confidence" in which he dwelled upon the issue of the importance of building public trust so as to enhance the credibility of Chartered Accountant Profession and remain of value and utility to the profession. Further, CA Deepak Kedia, Additional Director, Enforcement Directorate addressed on the topic "Anti Money laundering Act- Role of Chartered Accountants" wherein he dwelled upon the issue of enhancing the understanding of Chartered Accountants on the issue of Anti Money laundering Act so that they can be of value addition to the society. Several other issues on the recent developments impacting the accountancy profession and suggestions for communicating the positive strengths of CA profession amongst the Government, Regulators, media, Students and other stakeholders was also discussed. The Members in Public Service also dwelled upon the current issues on recent developments in Electronic Systems, E-Compliances and more effectively on the system as to how to improve the disciplinary mechanism so as to enhance the public confidence in the ICAI regulatory system.

(III) Webcast

Launch of Website for Committee for Members in Entrepreneurship and Public Service and mobile application for Committee for Members in Entrepreneurship and Public Service to provide an elective interface of ICAI with members in Public Service and enable them to update their profile with ICAI.

7.3 Legal Advisory Wing

The following important activities were undertaken by the Legal Wing during the period:

- Total number of cases disposed of by the various High Courts under Section 21(6) of the Chartered Accountants Act, 1949 during the period from 1.4.2018 to 31.3.2019 are five.
- Rendering effective legal assistance in the form of legal opinions, studies and reports, as required from time to time by the Council /Executive Committee / various Non Standing Committees and departments of the Institute.
- Providing appropriate legal advice on diverse range of substantive and procedural questions of law arising in administrative functioning of the Institute to firmly secure the interest of ICAI, as required by the operational departments
- Supervising and overseeing the review, negotiations, drafting and vetting of contracts, tender documents and other legal documents, as required by the operational departments and various committees of ICAI.
- Serving on various Standing and non-standing Committees, Study groups and task force, as required, to take care of legal niceties in framing of policies.
- Advising in the matters of taking recourse to legal remedies whenever necessary and assisting the operational departments and committees in preparing reply to legal notices received.

7.4 Infrastructure Development Committee (IDC)

In the year 2014, Infrastructure Development Committee was formed as a non-standing Committee of the Institute. This Committee formulated Infrastructure policy for Branches and Regional Councils/offices. Since 2014, the ICAI has a robust infrastructure policy in place, which ensures financial prudence and discipline. The policy defines what all facilities can be provided, composition of local Infrastructure Committees, policy and procedure for acquisition of land/building, indicative area, permissible grant from Head Office, powers and delegation vested with various authorities within the Institute. Since the policy itself defines the financial powers, all infrastructure projects from the year 2014 onwards are being approved by IDC, instead of the Finance Committee. Since formulation of Infrastructure policy, the ICAI has initiated following projects:

Purchase of new Infrastructure	Construction proposals approved	Gifted Property
Kannur, Jalandhar, Jabalpur, Goa, Gurugram, Moradabad, Pali, Agra, Gorakhpur, Karnal, Kishangarh, Latur, Patiala, Ujjan and Ratlam	Ajmer, Surat, Hubli, Bhopal, Rajamahendravaram, Centre of Excellence Jaipur, Bathinda, Bareilly, Jodhpur, Raipur, Kannur, Ghaziabad, Goa, Moradabad, Raipur and Rohini	Bengaluru Gifted Property

Out of total 164 Branches set up by the ICAI so far, 99 branches are having their own premises which include 14 Branches (presently functioning from Rented Premises) who have procured land on which construction is either commenced or construction is under-way. 16 Branches (functioning from own premises) have procured land where either construction has started or construction is under-way. 51 Branches do not own either land or building. The Region-wise break-up as on 15th July, 2019 is as under:

S.No	Particulars	Remarks					Total
		WIRC	SIRC	EIRC	CIRC	NIRC	
1	Total Nos. of Branches	35	45	13	47	24	164
2	Nos. of Branches having own premises	21	33	6	29	10	99
3	Nos. of Branches having land on which construction is started or yet to be started (functioning from rented premises)	1	1	0	7	5	14
4	Nos. of Branches having land on which construction is started or yet to be started besides the own premises (functioning from own premises)	5	2	1	7	1	16
5	Total nos. of Branches having neither land or building	13	11	7	11	9	51

7.5 International Affairs Committee

(I) Initiatives of IAC for recognition of professional opportunities abroad

In order to spread its wings internationally, ICAI has been entering into qualification reciprocity agreements with accounting bodies globally to recognize qualification of members at either ends. These agreements foster working relations between the two accounting institutes. During the year qualification reciprocity agreements were signed with different accounting bodies as per details below:-

- The MRA between ICAI & SAICA was formally signed on June 04, 2018 in Johannesburg by CA. Naveen N D Gupta, the then President, ICAI & Ms. Fanisa Lamola, the then CEO, SAICA. CA. Prafulla Chhajed, the then Vice President, ICAI and Dr. K J Srinivasa Hon'ble Consul General, Johannesburg, South Africa were also present at the event. The MRA would facilitate mutual recognition of each other's qualification and admit the members in good standing by prescribing a bridging mechanism between the two Institutes.
- The MoU between ICAI & CPA Canada has been signed on November 17, 2018 in Toronto, Canada. This MoU between ICAI & CPA Canada would facilitate mobility of members across the borders and further strengthen the ties between India and Canada.
- MRA with CPA Ireland was signed on October 05, 2018. This agreement would allow members of ICAI and CPA Ireland to recognize each other's qualification.
- The Union Cabinet chaired by Hon'ble Prime Minister Shri Narendra Modi on 7th March 2019 has approved the Renewal of the MoU between the ICAI and & Institute of Chartered Accountants in England & Wales ICAEW. The MoU would provide for mutual Recognition and Examination arrangements for the members of the two largest Institutes of the world. The date for signing of the MoU is being worked upon and is expected to be signed soon.

(II) Globalizing ICAI's Brand Equity

ICAI currently has 34 Chapters abroad that promote Brand CA ahead of similarly placed qualifications and act as a gateway to promote career opportunities for the Indian Chartered Accountants. During the period, 3 ICAI Chapters were inaugurated as per details below:-

- The 32nd Malaysia (Kuala Lumpur) Chapter of ICAI was inaugurated on July 06, 2018.
- The 33rd Japan (Tokyo) Chapter of ICAI was inaugurated on September 18, 2018.
- The 34th Ireland (Dublin) Chapter of ICAI was inaugurated on January 17, 2019.
- ICAI to host the World Congress of Accountants on November 18-21, 2022 in Mumbai, India

(III) India Selected to Host WCOA 2022

World Congress of Accountants (WCOA) is held every four years under the auspices of the International Federation of Accountants (IFAC), the worldwide organization for the accountancy profession and is one of the most prestigious global events of Professional accountants where about 6000 delegates gather and exchange views on accounting & allied areas. ICAI, being a member of IFAC, had bid to host the WCOA 2022 and after rigorous assessment regarding the abilities and experience of the member body; suitability of proposed venue; attractiveness to potential delegates, including site visits of IFAC delegation on June 01-02, 2018 at Delhi & Mumbai respectively, ICAI won the bid to host the WCOA 2022 in Mumbai.

The baton of the 21st World Congress of Accountants (WCOA) was formally handed over to CA. Naveen N D Gupta, the then President, ICAI by Dr. In Ki Joo, President, IFAC at the closing ceremony of the 20th WCOA 2018 held in Sydney. H. E. Shri B. Vanlalvawna, Consul General of India in Sydney was also present to witness the historic event.

(IV) Delegations visiting ICAI

- Mr. Abdulwahid Aboo, former Member of IFAC SMP Committee visited India from 13th to 23rd April 2018 and addressed the members in Delhi, Jaipur, and Mumbai for Capacity Building of SMPs in India. The lectures were coordinated by the Committee of Capacity Building of Members in Practice of ICAI.
- A delegation from IFAC comprising of Ms. Rachel Grimes, the then IFAC President, Mr. Fayezeul Choudhury, the then CEO, IFAC, and Dr. Gary Pflugrath, the then Senior Director, IFAC Public Policy & Regulation visited Delhi and Mumbai on June 1 and 2, 2018 respectively for site visits for hosting WCOA 2022 in India. The delegation visited the proposed venues International Exhibition cum convention Centre (IECC) at Delhi and met Shri Arvind Kejriwal, Hon'ble Chief Minister of Delhi, Mr. Injeti Srinivas, Secretary, Ministry of Corporate Affairs, and Shri Arjun Ram Meghwal, the then Union Minister State, Ministry of Parliamentary Affairs; and Ministry of Water Resources, River Development and Ganga Rejuvenation.

- On June 02, 2018, the delegation visited Dhirubhai Ambani International Convention and Exhibition Centre (DAICEC) {JIO World Centre}, the second probable venue as shortlisted by IFAC in India. Further the delegation met with Shri Vinod Tawde, Hon'ble Minister of Education, Govt. of Maharashtra ; Shri Mukesh Ambani, Chairman and Managing Director, Reliance Industries Limited (RIL).
- The then IFAC President Ms. Rachel Grimes was the Guest of Honour at the launch of the Platinum Jubilee celebrations of ICAI on July 01, 2018 which was inaugurated at the august hands of Hon'ble President of India Shri Ram Nath Kovind ji at Vigyan Bhawan, New Delhi. At the occasion, she formally announced that ICAI has won the bid to host WCOA 2022 in Mumbai, India.
- A delegation from CPA Australia comprising Ms. Deborah Leung, Head of International, Mr. Mark Chau, Regional General Manager Business Development International and Mr. Leslie Leow, Regional Manager – MESA, visited ICAI HO on 30th April 2019 to discuss the renewal of Mutual Reciprocity Agreement (MRA) between ICAI and CPA Australia which is getting expired in September 2019. Both the Institutes also discussed other important areas for mutual collaboration.
- Dr. In Ki Joo, President, IFAC and Mr. Russell Guthrie, CFO & Executive Director, IFAC had visited ICAI to be a part of the ICAI Platinum Jubilee celebrations on July 01, 2019. The celebrations were inaugurated by Shri M. Venkaiah Naidu, Hon'ble Vice President of India. Discussions were also held for successful conduct of WCOA 2022 on November 18-21, 2022 in Mumbai, India.

(V) Conferences/Programs

- ICAI and CPA Australia jointly organized a series of workshops in June 2018, September 2018 and June 2019 in Tier I and Tier II cities for creating awareness about the opportunities in Australia after qualifying CPA Australia exams through MRA route.
- ICAI had organized the Meeting of Public Sector Financial Management Committee (PSFMC) of Confederation of Asian & Pacific Accountants (CAPA) on 10th March 2019 at New Delhi. In conjunction to the CAPA PSFMC Meeting, ICAI also organised the ICAI – CAPA Joint Roundtable Stakeholder's Meeting on Public Sector Financial Management on 11th March 2019 at New Delhi. The discussions were aimed to give a brief overview of Public Sector Financial Management in India and the role of the accountancy profession in improving financial management in the public sector. Representatives from over 15 countries attended the event. Mr. Shashi Kant Sharma, Former Comptroller & Auditor General of India graced the occasion as Chief Guest.
- The Stakeholders' Meeting was attended by more than 60 senior officials from CGA, C&AG, Ministry of Railways, Ministry of Finance, Ministry of Communications, Ministry of Housing and Urban Affairs, World Bank, Asian Development Bank, Department of Posts, and representatives from different Municipal Corporations of Delhi.
- ICAI hosted the two days Meeting of International Forum of Accounting Standard Setters (IFASS) on 12th & 13th April, 2018 at Hotel Taj Mahal Palace, Mumbai to deliberate on the emerging paradigm of accounting standards. International Forum of Accounting Standard Setters (IFASS) (formerly known as National Standard-setters, NSS) is a grouping of national accounting standard-setters from around the world, plus other organisations that have a close involvement in financial reporting issues. IASB Vice-Chair. Ms. Sue Lloyd and IFASS Chair Ms. Liesel Knorr along with the representatives from more than 25 countries and various other accounting bodies across the globe participated in the meeting. Shri Vinod Rai, former Comptroller and Auditor General of India and IFRS Foundation Trustee was the Chief Guest at the occasion.

(VI) Technical Co-operation to under developed countries

- ICAI provided technical assistance to ICAN in further strengthening their examination systems wherein officers from ICAN visited ICAI on 8th April, 2019 to peruse the examination system and discuss various activities related to smooth conduct / flow of Examinations. The delegation was very appreciative of the efforts taken by ICAI in this regard.
- ICAI & CPAPNG are going to sign a bilateral co-operation MoU and in pursuance thereof, ICAI has received a request from CPAPNG to improve their course curriculum for their CPA Module. ICAI has undertaken this evaluation/study to improve their modules. ICAI had also supported CPA PNG in attaining full membership of IFAC.
- *Memorandum of Understanding between ICAI and National Board of Accountants and Auditors (NBAA), Tanzania* - ICAI has signed a Technical Memorandum of Understanding (MoU) with the National Board of Accountants and Auditors (NBAA), Tanzania on 6th September 2018 post the approval of Union Cabinet chaired by Prime Minister Shri Narendra Modi on 18th July 2018. The MoU is to establish Mutual Co-operation in the areas of Member Management, Professional Ethics, Technical Research, Continuing Professional Development, Professional Accountancy Training, Audit Quality Monitoring, Advancement of Accounting Knowledge, Professional and Intellectual Development.

- *Memorandum of Understanding (MoU) between ICAI and the Institute of Certified Public Accountants of Kenya (ICPAK)*- ICAI and the Institute of Certified Public Accountants of Kenya (ICPAK) have signed a Memorandum of Understanding on January 21, 2019 to establish Mutual co-operation and collaboration in the areas of Knowledge Sharing through Joint Research, Quality Support, Capability and Capacity Building, Trainee Accountant Exchange Programmes and conducting Continuous Professional Development Courses, Knowledge Sharing Workshops and Conferences.
- *Memorandum of Understanding between ICAI and Bahrain Institute of Banking and Finance (BIBF)*, Bahrain- ICAI has signed the Memorandum of Understanding (MoU) with the Bahrain Institute of Banking and Finance on 30th July 2018 post the Union Cabinet chaired by Prime Minister Shri Narendra Modi has approved MoU on 18th July 2018 to work together to strengthen the accounting, financial and audit knowledge base within Bahrain. Since Bahrain does not have a local professional accountancy Institute and it is the ICAI which has the collaboration with BIBF, this in turn is likely to build positive impact for Indian Chartered Accountants currently working in Bahraini markets and those intending to move to this country relatively easier.
- *Memorandum of Understanding between ICAI and Saudi Organisation for Certified Public Accountants (SOCPA)*- *Memorandum of Understanding (MoU) with Saudi Organisation for Certified Public Accountants (SOCPA)*-The Union Cabinet chaired by the Prime Minister Shri Narendra Modi on 4th July 2018 gave approval for the Memorandum of Understanding (MoU) signed in 2014 and approval for renewal of MoU between the Institute of Chartered Accountants of India (ICAI) and Saudi Organisation for Certified Public Accountants (SOCPA) in Saudi Arabia. The MoU promotes mutual co-operation framework in the areas of corporate governance, technical research and advice, quality assurance, forensic accounting, issues for Small and Medium-sized Practices (SMPs), Islamic finance, Continuing Professional Development (CPD) and other subjects of mutual interest related to accountancy profession. The MoU is expected to be signed soon.
- *Union Cabinet approval of MoU with Certified Professional Accountants Afghanistan (CPA Afghanistan)* The Union Cabinet chaired by the Prime Minister Shri Narendra Modi has approved the signing of a MoU between the Institute of Chartered Accountants of India (ICAI) and Certified Professional Accountants Afghanistan (CPA Afghanistan) on October 24, 2018. The MoU will establish mutual co-operation framework in the areas of Capacity Building of "Afghanistan Accountancy Board (AAB)", strengthening the IT Capacity and Quality Assurance in Afghanistan. The MoU with CPA Afghanistan is expected to be signed soon.

(VII) Working for building blocks

- *Revision of Global E-Kits*: ICAI currently has 34 Chapters abroad that promote Brand Indian CA ahead of similarly placed qualifications and act as a gateway to promote career opportunities for the Indian chartered accountants. ICAI has launched Global Career E-Kits on many countries where it has a Chapter for the benefit of membership community. These Global Career E-Kits covers general information of related jurisdiction such as demographic details, economic environment, useful business information, visa requirements etc. In addition, useful information such as contact details of local chapter, information on MoU/MRA and FAQs for members abroad is also included in these E-Kits. These E-Kits are likely to assist members to establish a preliminary interface with the jurisdiction to serve in times to come. During the period of the report 11 E-Kits covering 14 Chapters of ICAI have been thoroughly revised and updated.
- *ICAI's 1st Overseas Campus Placement Program*: ICAI Committee(s) for Exports of CA services & WTO (CES & WTO), Professional Accountants in Business & Industry (CPABI) and International Affairs Committee together collaborated to organize the first ever Overseas Campus Placement Programme of the Institute on September 14-16, 2018 at various centres all over India. The salient feature of this placement drive is that it is available not only for freshly qualified Chartered Accountants but also to experience Chartered Accountants. Over 6400 members registered for the said Overseas Campus Placement Programme.

7.6 Right to Information Act, 2005

The Right to information Act, 2005 provided the right to information for citizens of India to access the information under the control of Public Authorities in order to promote transparency and accountability in the working of every public authority. The Institute of Chartered Accountants of India (ICAI) a statutory body set up by an Act of Parliament i.e. The Chartered Accountants Act, 1949 is a public authority as envisaged under section 2(h) of the RTI Act, 2005. In compliance of the provisions of the RTI Act, 2005 and direction of the Central Information Commission, officers of the Institute have been designated as Central Public Information Officer, Central Assistant Public Information Officer, First Appellate Authority (FAA) and Transparency Officer.

Disclosure under Section 4 (1) (b) of RTI Act, 2005

In terms of the Section 4(1) (b) of the Right to Information Act, 2005, necessary disclosures have been made by the Institute by hosting them on the website of the Institute www.icaai.org and the same are updated from time to time. Total 761 applications have been received and replied in the year 2018-19.

7.7 XBRL

For the effective participation of the regulators, technologists, corporates and academicians in the endeavour of the Institute for the promotion of XBRL in India, the Institute has facilitated the incorporation of XBRL India as a section 25 company with the main objective of promoting and encouraging the adoption of XBRL in India as the standard for electronic business reporting in India through development of taxonomies, facilitation of education and training on XBRL. Also, considering the growing importance of XBRL internationally, XBRL India has taken membership of XBRL International Inc. to facilitate and get updates of XBRL filing globally. XBRL India is an established Indian jurisdiction of XBRL International. Currently, The Institute of Chartered Accountants of India (ICAI) and the Institute of Company Secretaries of India (ICSI) are the members of XBRL India under the category of “Regulators and Stock Exchanges” and “Universities and Educational Institutions” respectively.

XBRL India is developing and maintaining XBRL taxonomies for Ministry of Corporate Affairs (MCA). XBRL India has developed two taxonomies for Ministry of Corporate Affairs, one is Commercial & Industrial (C&I) taxonomy for companies following Accounting Standards and the other one is Ind AS Taxonomy for companies following Ind AS. Through guidance and support provided by XBRL India, Ind AS taxonomy has been successfully implemented and XBRL filing of the financial statements for the financial year 2017-18 has been successfully done.

(I) XBRL filing requirements by the Ministry of Corporate Affairs (MCA)

- *Amendments in Ind AS taxonomy:* Ind AS taxonomy has been amended in view of the following reasons:
 - Implementation of new Revenue Standard viz Ind AS 115, ‘Revenue from contracts with customers’ and withdrawal of Ind AS 11 & Ind AS 18 for the financial year 2018-19,
 - Amendments in other Ind AS, viz Ind AS 7, ‘Statement of Cash Flows’
 - Amendments in Ind AS compliant Schedule III
 - Ministry of Corporate Affairs specific requirements
- The Revised Ind AS XBRL Taxonomy as approved by the Council of ICAI and Taxonomy Development and Review committee of XBRL India, submitted to Ministry of Corporate Affairs.
- *Commercial & Industrial (C&I) taxonomy:* For annual filings of the financial statements of a selected class of companies, the Commercial & Industrial (C&I) taxonomy 2016 has been amended in view of changes as per latest amendments in Accounting Standards and submitted to the Ministry of Corporate Affairs (MCA) for XBRL filling. The updated taxonomy shall be available for XBRL filing of financial statements by the selected class of companies.

7.8 ICAI-ARF

ICAI Accounting Research Foundation (ICAI ARF) was established in January, 1999 as a Section 25 Company (now Section 8 Company under the Companies Act, 2013) for doing core research in the areas of accounting, auditing, capital markets, fiscal and monetary policies. The following is the detail of projects undertaken by ICAI ARF during the last year:

- *Indian Railways* - During the year, while executing the “Roll out of accrual accounting in all the Zonal Railways, Production Units and other offices across Indian Railways” Project, ICAI ARF submitted accrual based Financial Statements of Indian Railways for the years 2015-16 and 2016-17 along with those of its 17 Zonal Railways and 8 Production Units. The Concept Paper on Mapping of Finance Code-II, as finalized after several rounds of discussion with various officials of the Accounting Reforms team, CRIS, and Railway Board, proposing two approaches to facilitate accrual based accounting at transaction level itself which will fulfill the requirement of existing system apart from those of accrual accounting. Has also been submitted.
- ICAI ARF submitted Concept paper on retirement benefit fund planning and accounting thereof for Indian Railways – Ministry of Railways, Government of India.
- *Tamil Nadu Civil Supplies Corporation* : ICAI ARF completed the project and submitted the Report to Develop Integrated Accounting System including a complete IT enabled Management Information System for Tamil Nadu Civil Supplies Corporation.

- *Dedicated Freight Corridor Corporation of India Limited* :ICAI ARF submitted the report suggesting Methodology for replacement of WPI (Series 2004-05) with WPI (Series 2011-12) for payment of price variation to contactors.

7.9 ICAI Registered Valuers Organisation

ICAI Registered Valuers Organisation is a section 8 Private Company formed by the Institute of Chartered Accountants of India to enrol and regulate Registered Valuers or valuer member as its members in accordance with the Companies (Registered Valuers and Valuation) Rules, 2017, and functions incidental thereto.

(I) Educational Course (50 hours) by ICAI Registered Valuers Organisation which is a precondition to become Registered Valuer:

- The initial phase of ICAI Registered Valuers Organisation has been focused on building its membership base and conducting 50 hours of educational course for its valuer members which is a precondition for becoming Registered Valuers and preparing Educational material for the Educational Course.
- In this direction, from June, 2018 onwards, ICAI RVO has conducted the 30 batches for the 50 hours training across the country.
- As on August, 2019, 2000+ members have been trained by ICAI RVO for its Educational course of 50 hours.

(II) Registration of Registered Valuers with IBBI for the Asset Class Securities or Financial Assets:

The Insolvency and Bankruptcy Board of India under the Asset Class Securities or Financial Assets has registered 662 Registered Valuers as on 31st July, 2019 out of which, 396 Registered Valuers are ICAI RVO members which contributes to 59% of the membership.

(III) Study Modules for Educational Course by ICAI RVO:

Four Study Modules for Educational Course have been prepared to help the members who enrolls with ICAI RVO for the Educational Course, in understanding the subject better

- Module 1 covers in detail Overview and Concepts of Valuation
- Module 2 covers in detail Valuation Approaches and Methods
- Module 3 covers Judicial Pronouncements
- Module 4 covers Relevant laws & Regulations as per the Syllabus

(IV) Adoption of ICAI Valuation Standards 2018 by ICAI RVO

ICAI through its Valuation Standards Board has brought out ICAI Valuation Standards 2018 which are first of its kind in India. ICAI RVO under rule 8 of the Companies (Registered Valuers and valuation) Rules, 2017 has adopted ICAI Valuation Standards 2018. The ICAI Valuation Standards 2018 are Mandatory for the members who are enrolled with ICAI RVO under the Companies Act 2013 till the time the Valuation Standards are issued by the Government as per the said Rules. The ICAI Standards are recommendatory for Chartered Accountants for valuation under other Statutes.

(V) Launch of ICAI RVO Learning Management System

ICAI RVO has launched its Learning Management System which is an e-learning platform which delivers the concepts of the syllabus prescribed by the Insolvency and Bankruptcy Board of India in the form of study material and supplemented by mock test in Multiple Choice Questions format. This Learning Management System facilitates the members who are primary members of ICAI RVO, in preparing for IBBI Valuer Examination.

(VI) Publications

ICAI Registered Valuers Organisation jointly with the Valuation Standards Board of ICAI has issued the following Publications:

- **Valuation: Professionals' Insight (Series I, II and III)**
- **Technical Guide on Valuation**
- **Frequently Asked Questions on Valuation**

7.10 INDIAN INSTITUTE OF INSOLVENCY PROFESSIONALS OF ICAI

Indian Institute of Insolvency Professionals of ICAI (IIPI), a wholly owned subsidiary of the Institute of Chartered Accountants of India, is a Section 8 Public Company formed by the Institute of Chartered Accountants of India to enroll and regulate insolvency professionals as its members in accordance with the Insolvency and Bankruptcy Code, 2016 and read with regulations and functions incidental thereto.

It has been awarded with the registration certificate as the First Insolvency Professional Agency of India by Hon'ble Union Finance Minister Shri Arun Jaitley on 28th November 2016 at Delhi. IIPI has attracted members from a diverse stream including Chartered Accountant, Company Secretary, Cost Accountant, Advocates and Management Professionals. Out of total 2698 Insolvency Professionals registered with Insolvency & Bankruptcy Board of India (IBBI), 1679 i.e. are from IIPI.

Movement of Membership

IPA of	Total Registrations (as on 31 st March)*							
	FY '17	%	FY '18	%	FY '19	%	Total March '19	%
ICAI	33	34.4	1067	62.2	418	64.5	1518	61.7
ICSI	51	53.1	511	29.8	176	27.2	738	30.0
ICWAI	12	12.5	138	8.0	54	8.3	204	8.3
Total	96	100.0	1716	100.0	648	100.0	2460	100.0

* Source: IBBI Data

The initial phase of IIPI's operations have been focused on building its membership base. However, with the strengthening of the same, the activities have become more broad-based.

INITIATIVES

- **Association with World Bank Group** - IIPI entered into an arrangement for conducting joint programmes in association with World Bank Group (WBG).
- **Train the Trainers program with World Bank Group**- An intensive knowledge dissemination initiative was taken with IBBI in three batches to soak the Insolvency Professionals with knowledge of IBC, Regulations, Cross Border Insolvency and Individual Insolvency.
- **Association with CII** – A Conference on IBC was organised at Delhi in association with CII, Deloitte and AZB Partners in March, 2019.
- **Association with IMC and BSE**- A seminar was organised jointly at Mumbai in association with IMC and BSE on IBC- Challenges, Opportunities, Learning and way forward.
- **Pre-Registration Educational Course** – IIPI has Organized 16 Pre-Registration Training Courses at different centers across the country in the Financial Year 2018-19. IIPI have already completed four programs in the Financial Year 2019-20.
- **Round Tables were conducted by IIPI** - To review and discuss the possible implementable prospects of CIRP and Liquidation in Mumbai, Kolkata, Bangalore and Delhi to place suitable suggestions and recommendations for modifications to IBBI.
- **Study Group Meetings for Insolvency Professionals by IIPI** - IIPI has participated in various meetings of Study Groups of Insolvency Professionals to address issues and concerns in the Insolvency Resolution process.
- **Learning Management System of Indian Institute of Insolvency Professionals of ICAI** - IIPI jointly with ICAI, has designed a Learning Management System to enable the professionals to prepare for the Limited Insolvency Examination to become an IP.
- **IIPI Weekly Newsletter** - IIPI Weekly Newsletter, giving the details of important events and developments relating to the Insolvency Profession are being hosted on the website.
- **International Conference** - International Conference on "New Corporate Insolvency Regime" in association with National Council for Insolvency and Bankruptcy Code, ASSOCHAM India, SIPI, INSOL India, Edelweiss, United Nations Commission on International Trade Law, A&M
- **Association with ASSOCHAM, PHD Chambers and EIRC**: Seminars were extensively organized in association with ASSOCHAM, PHD Chambers and EIRC and seminars were conducted to touch the different aspects of IBC and unfold operational facts and understanding.
- **IP Conclave** - IBBI Insolvency Professionals Conclave was organized by IIPI on 26th May 2018 in Mumbai in association with IBBI.
- **Association with BFSI sector Skill council and NSDC** - IIPI has joined hands with BFSI sector Skill council and NSDC to conduct (a) One-Day upskilling program for all the Insolvency Professionals (IPs) registered (b) To commence "Insolvency Associate Course" as a support service for IPs.

- **Webinar & Web conferences**– Frequent Webinars and Web-Conferences were arranged to touch base with the remotest IP and keep them updated with the latest amendment, notification or circular or change in process in context to IBC making the interface interactive to lead to a proper communication and address to their queries.
- **Workshops in association with IBBI**: IIPAI frequently organizes workshops and advanced trainings in association with IBBI pan India for the IPs.
- **A Workshop on the proposed Inspection Manual for IPs** was held and the draft format of the Manual and Inspection Framework was submitted to IBBI.
- **Online Utilities** - IIPAI has developed various online utilities functional in its website www.iipicai.in to capture the status of insolvency & liquidation assignments which includes:
 - Uploading of Public Announcements.
 - Filing of relationship disclosures
 - Uploading the details of Fees and other expenses incurred in CIRP and Liquidation
 - IIPAI made Enrolment application Form Online
 - Developed payment gateway to facilitate members of IIPAI to pay all types of fees online
 - IIPAI is in the process of developing an integrated ERP package, a single window facility for its members.

8. OTHER MATTERS

8.1 ICAI Celebrates its Platinum Jubilee Annual Function, Dedication to the Nation

The Institute of Chartered Accountants of India organised its Platinum Jubilee Annual Function on 4th February 2019 Hotel, The Ashok in New Delhi. It was time not only to look back at the milestones and landmarks that the Institute achieved in the Council Year 2018-19, it was also time to look ahead towards a bright future. Chief Guest on the occasion, Comptroller and Auditor General of India (C&AG of India) Shri Rajiv Mehrishi called ICAI and Indian CAs as of vital importance for the growth of our nation and our economy. On the occasion, outgoing Central Council members were honoured and meritorious CA students and outstanding Regional Councils, Branches and overseas Chapters were felicitated for their outstanding accomplishments. Attended by more than 1400 stakeholders, the successful grand Platinum Jubilee Annual Function of the Institute witnessed the release of various ICAI publications too.

8.2 Platinum Jubilee Chartered Accountants' (CA) Day – 1st July, 2019

This year, celebrations on 1st July were very special one, since The Institute of Chartered Accountants of India (ICAI) celebrated its Platinum Jubilee CA Day. Chief Guest on the occasion, Hon'ble Vice-President of India, Shri M. Venkaiah Naidu launched the celebrations at Vigyan Bhawan in New Delhi. Calling the Chartered Accountants change agents, Hon'ble Vice-President said that the Chartered Accountants are also the conscience keepers of the profession since it is they, who ensure that their clients pay their taxes truthfully. Secretary of the Ministry of Corporate Affairs Shri Injeti Srinivas and IFAC President Dr. In-Ki Joo also joined the celebrations as guests of honour on the occasion. Earlier IFAC President was also part of a technical session, organised hours before the formal launch of Platinum Jubilee CA Day, at the same venue to update our members' knowledge base. In fact, the celebrations had begun in the morning itself with the hoisting of ICAI flag in the Institute's headquarters.

As per the past practice, based on the communication forwarded by the PR Group to the Regional Councils and Branches, the members/ students/ officials across the country got united in their efforts to celebrate this prestigious occasion by undertaking social activities and programmes.

8.3 Central Council Library

The Central Council Library of the Institute caters to the information requirements of its stakeholders. Its aim is to provide comprehensive and upto date collection of primary and secondary print and non-print material to the present and anticipated members/students, research scholars and officials of ICAI. Library has assumed greater responsibilities of serving committees, departments in imparting knowledge and valuable information through books, e-books, journals, magazines, on-line databases, print newspapers as well as e-newspapers. Central council library is responsible for updating and providing journals and books required for the various committees work.

The Central Council Library is fully computerized and working through Liberty- library management software. Library material including database of Books, Journals & Articles can be searched through Subject, Author, Title, Topic, Keyword, & Publisher wise. These records are available on Internet Online Services www.icaai.org under "know your Institute – Central Council Library"-online search OPAC-Liberty for the books, Journals, articles etc. in the library.

Under the Column "Accountants Browser", an index of articles relevant to accounting profession are published every month in the journal "The Chartered Accountant". One may note that The "Accountants Browser" is an index of

important/Professional Articles with archives of past articles. Reference service from library is also provided to the Researchers & Scholars, faculties, students and members.

A number of online databases have been acquired by the Library, details of which are available on www.icaai.org – Central Council Library. These On-line knowledge databases have been installed in the Central Council Library premises as well as at various Departments and also installed in Regional Council Libraries of ICAI, to facilitate the search for required material by the students, Members, Faculties and the Research Scholars. Several online journals have also been subscribed in the Library. Details of the new resources added in the Central Council libraries at Head office and Noida office library respectively for the period 1st April-2018 to 30th June, 2019, are as follows:

CENTRAL COUNCIL LIBRARY (H.Q).

S.NO.	Title	Figures
1.	Journals (Print)- national & International	37
2.	E-Access to Journals subscribed	7
3.	Online Resources	13
4.	No. of new arrival Books added during the period	643

CENTRAL COUNCIL LIBRARY SEC.62, NOIDA

S.NO.	Title	Figures
1.	Journals (Print) - national & International	28
2.	Online Resources	08
3.	No. of new arrival Books added during the period	109

Central Council Library is regularly updating its resources to provide the professional Members, students, faculties & other stakeholders with the latest & upto date knowledge and information.

8.4 Editorial Board

The Editorial Board is a non-standing committee of the Institute of Chartered Accountants of India (ICAI) with a MISSION to convey regularly to the members the professional knowledge, matters of interest of profession through the journal '*The Chartered Accountant*'. The reach and impact of the Journal can be gauged by its circulation figure which stands at about 3 lakhs today.

A 'Brand Ambassador' of ICAI and the most visible indicator of the Institute's profile for the members, students and external audiences, *The Chartered Accountant* today matches the global standards of professional Journals. The Editorial Board is continuously surging ahead with its mission to keep the ICAI members and other readers of the journal up-to-date on various profession-oriented topics and issues.

ICAI Kerala Flood Relief Fund: The Institute contributed Rs.73,33,927 towards Prime Minister National Relief Fund to help victims of devastating Kerala floods.

Following are the most significant achievements of the Editorial Board during the period 1 April 2018 to 30th June 2019:

(I) Initiatives towards Partner in Nation Building

Editorial Board has undertaken a number of initiatives towards partnering in Nation Building by way of knowledge upgrade and dissemination through its monthly journal, *The Chartered Accountant*, as well as otherwise. Some significant initiatives in this regard are as under:-

(II) Publication of Articles of National/Professional interest:

About 300 articles/features of national-professional-economic interest were published in the ICAI's journal *The Chartered Accountant* in coordination with various government organs, ICAI Committees, Member authors and other stakeholders.

(III) 'I GO GREEN WITH ICAI' Initiative

- **Micro-site:** As part of a multifarious Green Drive of the ICAI, the green-thinking members and other readers of *The Chartered Accountant* journal have been given an option to opt for various electronic versions of *the* journal while discontinuing the hard copy, to save trees. A micro-website has been made live to secure the responses in this regard.

- *Green Discount to Members opting to not receive hard copy of the journal:* With effect from 1st April 2019, the ICAI Members have been offered Rs 500 discount in membership fee if they opt not to receive hard copy of the journal. More than 25000 members have taken this option so far.

(IV) Initiatives for the Members/Students

Editorial Board has always been very active in taking initiatives for the knowledge enhancement and professional development of the Members and Students through its monthly journal, *The Chartered Accountant*. Some significant initiatives in this regard are as under:-

(V) **Coverage of Quality and Contemporary Contents in *The Chartered Accountant Journal*:**

- **Wide range of topics covered:** From April 2018 and July 2019 issues of the journal, more than 300 articles/features and reports on various topics were published under various innovative and contemporary theme issues.
- **New Features ‘Our Achiever’ and ‘What the Legends Said’ introduced:** A new feature in the name of ‘Our Achiever’ was introduced w.e.f March 2018 issue of the journal under which interviews of outstanding ICAI members, who have excelled in various walks of life, were published. With effect from March 2019 issue, another new feature ‘What the Legends Said’ was introduced as part of which the relevant quotes of Past Presidents are published.
- **New Feature ‘Ind AS Alert’ Introduced:** A new feature ‘Ind AS Alert’ has been introduced with effect from November 2018 issue of the journal to keep the members/readers up-to-date with latest developments vis-à-vis Indian Accounting Standards.
- **July 2018 Issue and July 2019 issues Brought Out as Collector’s Editions:** The July 2018 issue, coinciding with CA Day and ICAI entering Platinum Jubilee year, and the July 2019 issue coinciding with Platinum Jubilee CA Day, were brought out as Collector’s Edition.

(VI) **Many Facets of Digital Versions of *The Chartered Accountant Journal* Upgraded for the convenience of Members and Students:**

- *eJournal:* The electronic version of *The Chartered Accountant journal*, which is available online on ICAI website www.icai.org hi-tech user-friendly e-magazine, was further upgraded. The updated version of e-Journal is faster and more responsive, carrying better user experience and offering better mobile compatibility, which is in line with the expectations of our new generation of chartered accountant.
- *Journal in PDF format:* However, for the added and alternative convenience of readers, particularly for separate content-wise downloads, the journal continues to be hosted in the PDF format and also in Indexed mode. The archives of digital journal are available on ICAI website from July 2002 onwards.
- *Journal on Mobile:* Further, this eJournal is now also available on mobile, compatible on iOS (IPad/IPhone etc.) and Android devices. It can be accessed at <http://www.icai.org/> under ‘e-journal’ tab. The eJournal is also available on ICAI Mobile App.
- *Journal Highlight emailers:* As an add-on service, the highlights of every issue of journal in capsule form and the President Message in the journal are now mass-emailed to all the members.
- *All Journals since 1952 in DVD:* In an important initiative to provide a single point reference window to the readers of *The Chartered Accountant journal* and leverage the technology to serve them better, a DVD of past issues of the journal is also available for readers and other stakeholders. While a DVD of 10 years of the journal (July 2002-June 2012) in PDF format is already available for members at a nominal cost, an HTML version DVD containing 63 years of *The Chartered Accountant journal* (July 1952 to June 2015) has also been released. In this HTML-version DVD in a searchable mode, readers can global search the contents through key words relating to accounting, auditing, taxation, etc., besides searching by month, year, volume, category (like Circulars & Notifications, ICAI News, Legal Decisions, etc.), author, etc.

8.5 Triennial elections for the term 2019-22 to the 24th Council and 23rd Regional Councils successfully conducted in December, 2018. In a first, the counting of votes was decentralised and commenced at each of Regional centres separately.

9. MEMBERS

9.1 Membership

During the year ended 31st March, 2019, 9,505 new members were enrolled by the ICAI bringing the total membership to 2,91,698 as on 1st April, 2019.

During the year ended 31st March 2019, 6,752 associates were admitted as fellows, in comparison to the figure of 3,367 in the previous year.

Total Members as on 1.4.2019

Category of Members	Fellow (1)	Associate (2)	Total of Columns (1) and (2)
In Full Time Practice	83272	55602	138874
In Part-time Practice	3558	8278	11836
Not in Practice	12011	128977	140988
Total	98841	192857	291698

9.2 Convocation

Since November 2008, the Institute has been organizing Convocation to confer membership certificates to newly enrolled members. ICAI has successfully organized 1st round of “Convocation 2019” for the newly enrolled members covering the period from December, 2018 to April, 2019 on 30th -31st August & 1st September, 2019 at following nine places under five Regional Offices:-

- | | |
|--------------|--------------|
| 1. Ahmedabad | 6. Kolkata |
| 2. Mumbai | 7. Jaipur |
| 3. Pune | 8. Kanpur |
| 4. Chennai | 9. New Delhi |
| 5. Hyderabad | |

9.3 Chartered Accountants’ Benevolent Fund

Established in December, 1962, the Chartered Accountants Benevolent Fund provides financial assistance to needy persons who are or have been members of the Institute as well as their dependents, for maintenance, their emergent educational and medical needs etc.

The financial and other particulars of the Fund are as follows:

Details of Membership

1.	Total Life Members as on 31 st March, 2018	1,34,596
2.	Total Life Members as on 31 st March, 2019	1,36,137
3.	Total Additions of New Life Members (as on 31 st March, 2019)	1,541

Details of Financial Particulars

	During the year ended 31 st March, 2019 (Rs.)	During the year ended 31 st March, 2018 (Rs.)
1. Total Assistance provided	1,12,70,000	92,10,500
2. Administrative Expenses	2,014	1,000
3. Surplus of the Fund during the year	1,24,95,000	2,04,80,000
4. Balance of the Fund	4,93,29,000	3,68,34,000
5. Balance of Corpus	20,63,28,000	19,86,23,000

9.4 S. Vaidyanath Aiyar Memorial Fund

The data of life membership of the Fund is under preparation. The balance in the credit of the Fund was Rs. 52,97,000 as on 31st March, 2019 as against Rs.47,97,000/- as on 31st March, 2018.

9.5 Chartered Accountants Student's Benevolent Fund (CASBF)

The Fund was established in August, 2008 with the aim and objective to provide financial assistance to the students registered with ICAI. The Scholarships for the year 2018-2019, 1073 articled assistants who are registered for IPCC and IIPCC have been granted assistance @ Rs. 1500 p.m. and 256 articled assistants who are registered for final course granted financial assistance @ Rs. 2000/- p.m. The balance in the credit of the general fund was Rs. 14,31,53,000/- as on 31st March, 2019 as against Rs. 13,91,82,000/- as on 31st March, 2018.

STATISTICS MEMBERS

AS ON 01/04/2019

FELLOWS :	In Full Time Practice	83272
	In Part-time Practice	3558
	Not in Practice	12011
		98841
ASSOCIATES :	In Full Time Practice	55602
	In Part-time Practice	8278
	Not in Practice	128977
		192857
TOTAL MEMBERSHIP :		291698

	FELLOWS				ASSOCIATES				
	In Practice				In Practice				
Region	Full Time	Part Time	Not In Practice	Total	Full Time	Part Time	Not In Practice	Total	Grand Total
Western	24186	1075	3486	28747	19691	3256	49349	72296	101043
Southern	17715	893	2829	21437	8536	1707	24109	34352	55789
Eastern	7961	272	1185	9418	4014	528	11005	15547	24965
Central	16264	458	1615	18337	11779	1073	20670	33522	51859
Northern	17140	859	2896	20895	11575	1710	23844	37129	58024
TOTAL	83272	3558	12011	98841	55602	8278	128977	192857	291698

10. Board of Studies:

Board of Studies (BoS) of the Institute is responsible for the administration of the Chartered Accountancy curriculum and imparting theoretical instruction to students who are undergoing Chartered Accountancy course. Significant initiatives and achievements of the Board during the period are mentioned below:

(I) New Scheme of Education and Training

Study Materials: The Study Materials of all subjects under the New Scheme of Education and Training including Electives have been printed and uploaded on the ICAI's website. The revised edition of the Study Materials of select subjects were released this year and also webhosted at BoS Knowledge Portal.

Questions and Case Studies for Practice: In order to assist students in their preparation for the forthcoming examinations, Questions for Core Papers and Case Studies for Elective Papers have been uploaded on the ICAI's website.

Revision Test Papers: Revision Test Papers for all papers under old and new schemes have been uploaded at the BoS

Knowledge Portal and printed for the convenience of students.

MCQ based Assessment : In order to sharpen the analytical and comprehension skills of students and to have an objective assessment of their performance in the examination, ICAI had introduced an assessment system in which 30% of the questions asked in the examination of Select Papers would be multiple choice based questions of 1 and 2 marks. This system was put in place for May 2019 examination for both Intermediate and Final levels under both the old and new scheme of education and training.

Intermediate (New Course)		IIPCC (Old Course)	
Paper	Subject	Paper	Subject
2	Corporate and Other Laws	2	Business Laws, Ethics & Communication
4	Taxation	4	Taxation
6	Auditing & Assurance	6	Auditing & Assurance
7	Enterprise Information System & Strategic Management	7	Information Technology & Strategic Management

Final (New Course)		Final (Old Course)	
Paper	Subject	Paper	Subject
3	Advanced Auditing and Professional Ethics	3	Advanced Auditing and Professional Ethics
4	Corporate and Economic Laws	4	Corporate and Allied Laws
		6	Information Systems Control and Audit
7	Direct Tax Laws and International Taxation	7	Direct Tax Laws
8	Indirect Tax Laws	8	Indirect Tax Laws

Webhosting of MCQs for 30:70 assessment in select subjects

Objective type assessment (30 Marks) based on MCQs has been introduced in select subjects of Intermediate/IIPCE and Final (Old) & (New) Course from May, 2019 examination. Accordingly, MCQs in each of these subjects are webhosted at the BOS Knowledge Portal.

Section-wise and skill-wise and weightages hosted at the BOS Knowledge Portal

The section-wise and skill-wise weightages for subjects at the IIPCE and Final levels under the old scheme of education and training applicable for May, 2019 examination were webhosted at the BoS Knowledge Portal. Further, section-wise and skill-wise weightages for certain subjects at the Intermediate and Final levels under the new scheme of education and training, in respect of which partial objective type assessment has been introduced from May, 2019 examination were revised and revised weightages were webhosted at the BOS Knowledge Portal.

Open House Question Answer Sessions

Open House Question Answer sessions for all subjects of Intermediate and Final (including Electives) were conducted for all students of IIPCC, Inter, Final (Old) and Final (New). The questions asked in these sessions has been compiled and uploaded at the BOS Knowledge Portal for the benefit of the students at large.

Scholarships granted to students

The Board of Studies awards Scholarships twice a year under various categories, namely Merit, Merit cum need, Need Based and Weaker Sections, Endowment. Accordingly, during the year, the Board of studies awarded 1646 Scholarships to selected students under above categories.

(II) Computer Based Test for Assessment of Practical Training

ICAI has recently started to conduct online MCQ-based tests for students after completion of first and second year of practical training. Seven tests have been conducted so far on September 23, October 21, December 2, December 30, 2018, February 3, March 10, April 21 and July 7, 2019 covering around 80,000 students at both levels. The purpose is to create a seriousness amongst the students for pursuing their 3 years practical training and also to ensure that the training is imparted in all important areas required for a student to learn. The average of the grades assigned in these tests will be reflected in the Final marksheet of the student. Students can appear for the same level test for two more times to improve their grades by paying a fee of Rs.200.

(III) Live Virtual Classes

The Board of Studies (BoS), ICAI started Live Virtual Classes (LVC) in August 2018 for Intermediate and Final levels as pilot project. The classes had the following features:

- Live lectures
- Delivered on computers and mobiles
- Availability of recorded lectures
- Smart classes having the state of art technology
- Expert faculty with rich experience
- Interactive classes with the facility to raise questions during live classes
- Exam focused approach
- Separate sessions on case study based Elective papers
- Separate question answer sessions
- Periodical tests to review performance
- Coverage of entire syllabus
- These classes were held on week days during morning and evening beyond office hours. (Morning: 7 to 9.30 AM) (Evening: 6 to 8.30 PM)
- Around 500 students took the benefit of LVC.

Live Virtual Classes targeting November, 2019 (Inter) and May 2020 (Final) examinations has been launched with economical fee of Rs. 4000/- and Rs. 4750/- respectively.

(IV) Monthly Interaction with Regional Councils, Branches and Students

Monthly interaction of Chairperson, Vice-Chairman and Director, BOS has been initiated with Regional Councils, Branches and students through webcast so that the connect can be strengthened. BoS has compiled and uploaded Frequently Asked Questions (FAQs) on Institute's website relating to various academic and other initiatives of the BoS.

(V) Students' connect through social media sites

The Board of Studies has improved the Face book page of the Institute and made it more informative for students so as to connect with students in a better way, like –

- Communicate important news and announcements about the Institute and its activities through this channel
- Stay in touch with students, engage and inspire them
- Create a community of students for discussion and debate about a variety of issues
- Provide theme-based content (text, images videos etc.) to the students on daily basis to create interest and provide relevant information.

(VI) BoS : One Stop Referencer

A booklet namely **BoS : One Stop Referencer** has been published for the benefit of Regions, Branches, Members, Students and other stakeholders. This booklet contains detailed information about the BOS initiatives and activities, contact details of the respective officials handling the activities.

(VII) Training Course on GST :

The BOS jointly with the Indirect Taxes Committee has organized a 30 Hrs weekend Virtual Training Course on GST from July 14 till Aug 12, 2018 and trained more than 3000 students.

(VIII) Revamping of Students Conference Structure

The Board has restructured the layout of program structure of Students Conferences so as to make it more participative for not only students who are on the dais but for the students who are in the audience.

(IX) Toll-Free helpline for Students as part of Student support initiative BOS

The toll-free helpline 18001211330 established at BOS Noida, has been successfully running since May 2017. Between April 2018 and June 2019, more than seventy two thousand students from across the country have benefited from the

service.

(X) Virtual Management and Communication Skills Course

Virtual Management and Communication Skills (MCS) course has been launched from 4th February, 2019 for the candidates who have qualified CA final w.e.f 2002 (November onwards) till 2018 but have not applied for Membership of the Institute..

The candidates who have qualified CA final but have not applied for Membership of the Institute due to non completion of Management and Communication Skills Course can undergo the Management and Communication Skills through virtual mode. The aforesaid candidates can undergo the course anytime anywhere. After completing the Virtual MCS course of 90 hours they can apply for membership of the Institute.

(XI) Features of Virtual Management and Communication Skills Course-

- No class room teaching. The student will be undergoing the course through online mode. The duration of Virtual MCS course shall be 90 hours.
- Maximum time allowed to the student for completing the course is 180 days. Incase the student is not able to complete the course during the aforesaid period; extension of 90 days shall be given to the student. The student has to pay 50% of the course fee for re-validation of the registration in the aforesaid course.
- Separate portal/Learning Management system (LMS) is there where the student can register and undergo the course.
- The student will be able to view day wise session in seriatim.
- At the end of the each session, there will be an objective type online test. The certificate will be issued after student clears all the test. 50% marks are mandatory for clearing the test. In case, student is not able to clear the online test, the student will appear in re-test.

(XII) Programme with Indian Institute of Management, Ahmedabad:

A Memorandum of Understanding has been signed between the Institute of Chartered Accountants of India and Indian Institute of Management, Ahmedabad.

As a part of mutual cooperation a 5 days Residential Programme - “Advanced leadership programme for Chartered Accountants”, was organised at IIM Vastrapur, Ahmedabad from Dec 24-28, 2018. The programme aims at providing an opportunity for Chartered Accountants to reflect upon new perspectives, dimensions and strategies to steer organizations towards their goals. It would help the participants to imbibe leadership skills such as articulation, negotiation, conflict resolution, teambuilding and change management.

(XIII) Students Activity Portal

The Board of Studies has developed a Student Activity Portal to help its students to get themselves registered from anywhere anytime for various students’ programmes being organised by Regional Councils and Branches. The students can login from time to time to register for events like, Student Seminars, Student Conferences, Mock Tests, Workshop, Special Counselling Programme for CA Students, CA Students Talent Search, CA Students festival, Sports Competition etc.

It helps in the systematic management of student activity at the level of programme organising units and Board of Studies.

(XIV) Article Placement Portal

Articleship and Industrial Training Placement portal - a common platform for members, organisations and students to interact with one another and facilities members/organisations to search, shortlist and schedule interviews with the interested students. Students can also apply / search vacancies indicating their preferences of place and areas. The Portal is user friendly and will help in bridging the requirement gaps between members/industries and students seeking articleship / industrial training.

(XV) Reading Room Portal

174 Libraries/Reading Rooms/Additional Reading Rooms are functional to provide conducive reading atmosphere for CA students across the country. The students can login to the Reading Room Portal by entering with their Username and Password and register anytime anywhere. The other features of the reading room portal are as under:-

- Securing seat by paying monthly fees in advance.
- Flexible registrations by students for a day/ a month.
- Fees as low as Rs. 20 per day.
- 24 x 7 online services available.
- Confirmation of the seat within 24 hrs. of Payment.
- Updated information available on the Portal to help students to register.

(XVI) Distance Education for CA Course

e-Learning Initiatives for Students: The distance education for the Chartered Accountancy Course is provided by ICAI in the form of Video Lectures and e-Books through the ICAI Cloud Campus <http://cloudcampus.icai.org> for all the three levels of CA Course. The Distance Education initiative enables students to learn anytime and from anywhere as per their convenience i.e. from their homes/ offices.

Video Lectures: Video Lectures for all subjects are made available for all levels of CA Course for explaining concepts and step-by-step practical problem-solving process on the blackboard – a key skill requirement from examination perspective. Presently, 664 lectures covering 559 hours for old scheme of education and training are available on the ICAI Cloud Campus and 347 lectures of 590 hours are available for the New Scheme.

e-Books on Digital Learning Hub: Chapter-wise e-Books for all the subjects of the new scheme of education and training are available on the ICAI Cloud Campus through Digital Learning Hub. For Foundation Course, the video lectures and self-assessment quizzes are also embedded in the e-Books.

(XVII) Soft Skill Courses organized for Students

The Regional Offices and Branches have been organized and trained the students since April 01, 2018 to June 30, 2019 is as under:

Course	No. of Batches	No. of students Trained.
ICITSS- IT	2023	59722
AICITSS- Adv. IT	1762	58709
Total	3785	118431

Status of Declaration of results of the Advanced Integrated Course on Information Technology and Soft Skills (AICITSS) - Advanced Information Technology Test. After concerted efforts by the office, the current status of AICITSS - Adv. IT Exam held on following dates is as under:

Sr.	Test Date	Students Appeared in Test	Students Qualified Test
1	January 21, 2018	2,956	2,843
2	February 18, 2018	5,070	4,890
3	March 18, 2018	5,183	5,121
4	April 22, 2018	2,373	2329
5	July 08, 2018	8,239	8,097
6	August 19, 2018	6169	5920
7	September 16, 2018	3336	3213
8	October 07, 2018	2112	2054
9	January 06, 2019	9969	9330
10	March 03, 2019	10105	9767
11	April 27, 2019	11030	10614
12	May 17, 2019	3573	3436
	Total	70,115	67,614

The Council at its 379th meeting held on December 17, 2018 decided the attendance of the students pursuing soft skill and IT courses through biometrics machine.

In the view of above Biometric machines have been installed at 18 locations and mapped with the online portal.

ICITSS- Orientation Course: 1423 batches were organized by the Regional Offices/Branches/chapter outside India and 63242 students have undergone the course.

AICITSS- Management and Communication Skills Course: 1417 batches were organized by the Regional Councils and their Branches/ Chapter outside India and 64616 students have undergone the course.

Motivation to the students undergoing MCS course: In order to motivate and harness the oratory skills of the students undergoing MCS course an incentive/reward scheme has been introduced. The scheme is named as Best Presenter of the Batch. Each student in the batch has to make his/her presentation in the last 2-3 days of the session. The best presenter is awarded with a cash reward of Rs.1100/- along with the letter of appreciation while the 2nd and the 3rd best presenter are being given the letter of appreciation.

(XVIII) Faculty Training Programmes

ICAI successfully organised Faculty Development Programme on AICITSS (Management and Communication Skills Course) course at Delhi, Hyderabad, Bangalore, Chennai, Ahmedabad, Chandigarh and Mumbai wherein 549 faculty members participated who are presently taking classes/ are willing to take classes of AICITSS- MCS Course organized by Board of Studies. The objective of the FDP is to standardize and ensure uniform delivery of the sessions all across POU's.

(XIX) Important Events

Conferences/ Conventions/ Seminars and other activities Students' Conferences : National Conference, CA Student Conference and International Conference for CA students: During the period 2018-2019, Board of Studies organised 5 National Conferences at Jaipur, Chandigarh, Indore, Kolkata, New Delhi and Mumbai, in addition to 35 CA Student Conference organised at various places all over the India and International Conference at Ahmedabad and around 26,000 students participated in these students conferences.

International Conference for CA Students at Ahmedabad: The Board of Studies has organized a two days International Conference for CA students in Ahmedabad on 5th and 6th January, 2019. The conference, hosted by Ahmedabad Branches of WIRC & WICASA of ICAI, was highly successful with more than 3200 students attending it. The theme of the conference was "Knowledge & Training with Ethical Quotient - Pathway to Professional Excellence". Shri Suresh P. Prabhu, Hon'ble Union Minister of Commerce & Industry and Civil Aviation graced the occasion as Chief Guest in the inaugural session. Hon'ble Justice Shri Mukesh Kumar Rasikbhai Shah, Supreme Court of India and Shri PP Bhat, President, Income Tax Appellate Tribunal (ITAT) were the Guests of Honour. The inaugural session was attended by Hon'ble President CA. Naveen N. D. Gupta, Hon'ble Vice-President CA. Prafulla Premeek Chhajer, CA. Dhinal Ashvinbhai Shah, Chairman, BOS in the presence of many Central Council Members. There were also presentations from foreign students and the Conference was a grand success.

CA Students Talent Search 2018: Board of Studies has organised the National Level 'CA Students' Talent Search' on 28th June, 2018 at "NDMC Convention Centre, Delhi wherein 69 Final Contestants across the country participated in Quiz, Elocution, Instrumental Music and Nukkad Drama. The event was graced by Ms. Rachel Grimes (President, IFAC) as the Chief Guest. Hon'ble President CA. Naveen N. D. Gupta, Hon'ble Vice-President CA. Prafulla Premeek Chhajer, Chairman, BoS CA. Dhinal Ashvinbhai Shah, Vice-Chairman, BoS, CA. Vijay Kumar Gupta, CA. Atul Gupta, Central Council Member and SAFA delegate also witnessed the event.

To fine-tune the oratory and presentation skills of elocution contestants, grooming sessions were organized on 27th June, 2018. Dr. P. C. Jain, Government Nominee, CA. Bhawana Singhal, CA. Arun Garg, CA. Manpreet Singh were the Jury of above contests. The event was a grand success and the following are the details of winners:-

Winner Details			
	Ist Winner	2nd Winner	3rd Winner
	Name	Name	Name
Quiz Contest	Mr. Palash Maheshwari	Ms. Pushpa Paliwal	
	Mr. Mayur Rajput	Ms. Revati Naidu	
Elocution	Ms. Srinithi U	Mr. Akash Gangopadhyay	Mr. Nikhil Sachedva

Instrumental Music	Mr. Chirag Jain	Mr. Atul Dang	Mr. Mudit Bhattar
Nukkad Drama	Mr. Nikhil Sachdeva [Team Leader]	Ms. Sakshi Prajapati [Team Leader]	Mr. Rahul Agarwal [Team Leader]
	Ms. Shivam	Ms. Swati Sarathe	Mr. Pulkit Agarwal
	Ms. Surbhi Gupta	Ms. Paridhi Bhatnagar	Ms. Darshana Malpani
	Ms. Kunjam	Ms. Nehal Sharma	Mr. Sumit Goyal
	Mr. Piyush Goyal	Ms. Sharmistha Dana	Mr. Aman Agarwal
	Ms. Purnima Barik	Ms. Charu Ahuja	

Teachers' Day on 5th September, 2018: The Board of Studies celebrated Teachers' Day across the country through Regional Councils and Branches on 5th September, 2018 so as to have a strong Teacher and Student relationship amongst the Principal and their Articles.. During the programme, the Regional Council and branches organized Essay and Poem Competitions.

To create a feel of reverence and gratitude in students for their mentor the Board facilitated the students with e-cards and a Webcast was also scheduled from 10.00 am to 11.00 am from ICAI, Delhi Office, which was addressed by CA. N.D. Gupta, Past President, ICAI and Rajya Sabha Member; CA. Prafulla Premeek Chhajer, Vice-President, ICAI; Dr. P.C. Jain, Central Council Member; CA. Zaware Shiwaji Bhikaji, Central Council Member.

Joint Seminar: Two day Joint Seminar was organized with Pondicherry University, Puducherry held on 6th & 7th April 2018.

Residential Programme on Professional Skills Development at Centre of Excellence, Hyderabad

Four batches (Two batches at Centre of Excellence, Hyderabad and Two batches at Centre of Excellence, Jaipur) were held during the year and 145 students were trained.

Recognized CA qualification for pursuing Ph.D. by the following Universities:

With the constant follow up with various Universities, the Board of Studies has been successful in obtaining recognition for CA Course from 103 Universities, 6 IIMs and 2 IIT Bombay & Madras (Total 111) for the purpose of pursuit of Ph.D./Fellow Programme.

11. Regional Councils and their Branches

The ICAI has five Regional Councils, namely Western India Regional Council, Southern India Regional Council, Eastern India Regional Council, Central India Regional Council and Northern India Regional Council with their Headquarters at Mumbai, Chennai, Kolkata, Kanpur and New Delhi respectively. Currently it has 164 Branches, 34 Chapters outside India and 15 Regional Libraries all over India.

11.1 Award for Best Regional Council, Best Branch of Regional Council, Best Students' Association and Best Branch of Students' Association.

These awards are given by the ICAI every year. The awards are given on the basis of overall performance and established norms. For the year 2018 these Shields were awarded at the Annual Function held on 4th February, 2019 to the following winners:-

- 1. Best Regional Council**
 - First Prize : Western India Regional Council
 - Second Prize : Eastern India Regional Council
- 2. Best Branch of Regional Councils**
 1. Mega Category
 - First Prize : Indore Branch of CIRC of ICAI
 - Second Prize : Pune Branch of WIRC of ICAI

2. Large Category
 - First Prize : Baroda Branch of WIRC of ICAI
 - Second Prize : Ernakulam Branch of SIRC of ICAI
 3. Medium Category
 - First Prize : Aurangabad Branch of WIRC of ICAI
 - Second Prize : Siliguri Branch of EIRC of ICAI
 4. Small Category
 - First Prize : Bhilai Branch of CIRC of ICAI
 - Second Prize : Salem Branch of SIRC of ICAI
 5. Micro Category
 - First Prize : Sivakasi Branch of SIRC of ICAI
 - Second Prize : Tuticorin Branch of SIRC of ICAI
- 3. Best Students' Association**
- First Prize : Western India Chartered Accountants Students' Association
 - Second Prize : Eastern India Chartered Accountants Students' Association

4. Best Branch of Students' Association

- a. Large Category:
 - First Prize Pune Branch of WICASA of WIRC & Aurangabad Branch of WICASA of WIRC of ICAI
 - Second Prize Baroda Branch of WIRC of ICAI
- b. Medium Category:
 - First Prize Sivakasi Branch of SICASA of SIRC of ICAI
 - Second Prize Nanded Branch of WICASA of WIRC of ICAI

11.2 Decentralised Offices

Recognising the value of expeditious and personalised service which are achievable through the process of decentralisation, the Council of the ICAI has set up eighteen Decentralised Offices as under:-

Mumbai	Chennai	Kolkata	Kanpur	New Delhi	Ahmedabad
Bangalore	Hyderabad	Pune	Jaipur	Nagpur	Surat
Vadodara	Thane	Ernakulam	Coimbatore	Indore	Chandigarh

12. FINANCE AND ACCOUNTS

The Balance Sheet as on 31st March, 2019 and the Income & Expenditure Account for the year ended on that date duly audited by the Auditors are published hereinafter.

13. APPRECIATION

The Council is grateful to members of the profession who functioned as co-opted members on its Committees, persons nominated on the Boards/ Committees constituted under the Chartered Accountants Act, 1949, the Regional Councils, its branches, and their members, and to the non-members who assisted the Council during the year 2018-19 in the conduct of its educational, technical and other developmental activities and in its examinations.

The Council wishes to place on record its appreciation of the continued assistance and support given by the Central Government and its nominees on the Council during the year 2018-19.

The Council wishes to place on record its heartfelt gratitude to Hon'ble Vice-President of India, Shri M. Venkaiah Naidu,

Shri Rajiv Mehrishi, Comptroller & Auditor General of India, Shri Injeti Srinivas, Secretary, Ministry of Corporate Affairs, Dr. In-Ki Joo, President, International Federation of Accountants (IFAC), and other dignitaries who were kind enough to grace the various programmes of the ICAI.

The Council also desires to place on record its sincere appreciation to the various functionaries at State level who graced programmes organised by the organs of the ICAI.

The Council also acknowledges its appreciation of the sincere interest evinced by various Central and State Governments in the numerous initiatives taken by the ICAI and the steps already/ being initiated by them, pursuant to such initiatives.

The Council also acknowledges its appreciation of the sincere and devoted efforts put in during the year 2018-19 and thereafter by all officers and employees of the ICAI.

STATISTICS AT A GLANCE
MEMBERS REGISTERED
(From 1st April, 2007)

TABLE I

Year (As on)		Western Region	Southern Region	Eastern Region	Central Region	Northern Region	TOTAL
1 st April, 2007	Associate Fellow Total	31159 16896 48055	18237 13646 31883	7829 6488 14317	9642 8882 18524	14182 12880 27062	81049 58792 139841
1 st April, 2008	Associate Fellow Total	32364 17646 50010	19203 14034 33237	7939 6738 14677	10045 9472 19517	14642 13398 28040	84193 61288 145481
1 st April, 2009	Associate Fellow Total	34294 18442 52736	20666 14516 35182	8193 7002 15195	10578 10007 20585	15951 13951 29902	89682 63918 153600
1 st April, 2010	Associate Fellow Total	36390 19181 55571	21733 15076 36809	8512 7192 15704	11252 10615 21867	17104 14461 31565	94991 66525 161516
1 st April, 2011	Associate Fellow Total	38608 19831 58439	22998 15612 38610	9154 7406 16560	12329 11182 23511	18547 14943 33490	101636 68974 170610
1 st April, 2012	Associate Fellow Total	45273 20510 65783	25505 16132 41637	11069 7578 18647	15963 11720 27683	23332 15431 38763	121142 71371 192513
1 st April, 2013	Associate Fellow Total	52846 21522 74368	28020 16918 44938	13258 7815 21073	20606 12327 32933	27743 16051 43794	142473 74633 217106
1 st April, 2014	Associate Fellow Total	56595 22313 78908	29401 17460 46861	14035 8007 22042	22978 12915 35893	29467 16508 45975	152476 77203 229679
1 st April, 2015	Associate Fellow Total	60229 22838 83067	30126 17864 47990	14514 8137 22651	24702 13441 38143	31137 16986 48123	160708 79266 239974
1 st April, 2016	Associate Fellow Total	64235 23700 87935	31919 18495 50414	15046 8223 23269	27353 14071 41424	32774 17521 50295	171327 82010 253337
1 st April, 2017	Associate Fellow Total	67746 25742 93488	33591 19711 53302	15580 8718 24298	30036 15618 45654	34632 18933 53565	181585 88722 270307
1 st April, 2018	Associate	70683	34733	15606	32094	36988	190104

	Fellow	26736	20280	8912	16494	19667	92089
	Total	97419	55013	24518	48588	56655	282193
1 st April 2019	Associate	72296	34352	15547	33522	37129	192857
	Fellow	28747	21437	9418	18337	20895	98841
	Total	101043	55789	24965	51859	58024	291698

MEMBERS*(From 1st April, 1950)***TABLE II**

	Associate	Fellow	Total
As on 1 st April, 1950	1,120	569	1,689
As on 1 st April, 1951	1,285	672	1,957
As on 1 st April, 1961	4,059	1,590	5,649
As on 1 st April, 1971	7,901	3,326	11,227
As on 1 st April, 1981	16,796	8,642	25,438
As on 1 st April, 1991	36,862	22,136	58,998
As on 1 st April, 2001	51,603	44,789	96,392
As on 1 st April, 2002	54,666	47,064	1,01,730
As on 1 st April, 2003	60,619	49,637	1,10,256
As on 1 st April, 2004	63,384	52,707	1,16,091
As on 1 st April, 2005	68,052	55,494	1,23,546
As on 1 st April, 2006	73,778	57,168	1,30,946
As on 1 st April, 2007	81,049	58,792	1,39,841
As on 1 st April, 2008	84,193	61,288	1,45,481
As on 1 st April, 2009	89,682	63,918	1,53,600
As on 1 st April, 2010	94,991	66,525	1,61,516
As on 1 st April, 2011	1,01,636	68,974	1,70,610
As on 1 st April, 2012	1,21,142	71,371	1,92,513
As on 1 st April, 2013	1,42,473	74,633	2,17,106
As on 1 st April, 2014	1,52,476	77,203	2,29,679
As on 1 st April, 2015	1,60,708	79,266	2,39,974
As on 1 st April, 2016	1,71,327	82,010	2,53,337
As on 1 st April, 2017	1,81,585	88,722	2,70,307
As on 1 st April, 2018	1,90,104	92,089	2,82,193
As on 1 st April, 2019	1,92,857	98,841	2,91,698

STUDENTS REGISTERED*(From 31st March, 2009)*

During the year	Foundation as per new CRET	Final	New Final	CPT	PCC	IPCC & IIPCC	Intermediate	ATC	Total
2009-10	-	24,172	-	1,67,073	1,860	80,745	-	3,376	2,77,226
2010-11	-	57,175	-	1,55,217	329	67,984	-	1,906	2,82,611
2011-12	-	47,515	-	1,61,712	-	85,053	-	2,099	2,96,379
2012-13	-	45,102	-	1,61,084	-	1,02,406	-	2,615	3,11,207
2013-14	-	39,348	-	1,54,742	-	96,285	-	3,209	2,93,584
2014-15	-	36,950	-	1,41,241	-	66,570	-	881	2,45,642
2015-16	-	31,669	-	1,25,140	-	77,962	-	1,249	2,36,020
2016-17	-	27,611	-	1,07,392	-	81,886	-	1,430	2,18,319
2017-18	9,788	26,291	14,056	73,804	-	22,657	63,693	-	2,10,289
2018-19	45,048	-	27,966	-	-	-	53,654	-	126,668

COMPOSITION OF THE COUNCIL - (2019-2020)

President CA. Prafulla Premsukh Chhajed	Members of the Council	
	Elected Members	
Vice-President CA. Atul Kumar Gupta	CA. Anil Satyanarayan Bhandari	Mumbai
	CA. Jay Chhaira	Surat
Period 12 th February 2019 onwards	CA. Prafulla Premsukh Chhajed	Mumbai
	CA. Chandrashekhar Vasant Chitale	Pune
Secretary to the Council Shri Rakesh Sehgal Acting Secretary	CA. Tarun Jamnadas Ghia	Mumbai
	CA. Nandkishore Chidamber Hegde	Mumbai
Government Nominee	CA. Nihar Niranjan Jambusaria	Mumbai
	CA. Shriniwas Yeshwant Joshi	Mumbai
	CA. Durgesh Kumar Kabra	Mumbai
	CA. Dheeraj Kumar Khandelwal	Mumbai
	CA. Aniket Sunil Talati	Ahmedabad
	CA. Babu Abraham Kallivayalil	Kochi
	CA. Dayaniwas Sharma	Hyderabad
	CA. Prasanna Kumar D	Visakhapatnam
	CA. Rajendra Kumar P.	Chennai
	CA. G. Sekar	Chennai
	CA. M.P. Vijay Kumar	Chennai
	CA. Ranjeet Kumar Agarwal	Kolkata
	CA. Sushil Kumar Goyal	Kolkata
	CA. (Dr.) Debashis Mitra	Guwahati
	CA. Manu Agrawal	Kanpur
	CA. Pramod Kumar Boob	Jaipur
	CA. Anuj Goyal	Ghaziabad
	CA. Satish Kumar Gupta	Jaipur
	CA. Prakash Sharma	Jaipur
	CA. Kemisha Soni	Indore
	CA. Hans Raj Chugh	New Delhi
	CA. Atul Kumar Gupta	Gurgaon
	CA. Pramod Jain	New Delhi
	CA. Charanjot Singh Nanda	New Delhi
	CA. Rajesh Sharma	New Delhi
	CA. (Dr.) Sanjeev Kumar Singhal	New Delhi
	Shri. Anurag Agarwal, Jt. Secretary, Ministry of Corporate Affairs	New Delhi
	12 th February 2019 – 14 th August, 2019)	
	Shri Manoj Pandey, Jt. Secretary, Ministry of Corporate Affairs	New Delhi
	(w.e.f. 14 th August, 2019)	
	Shri Gyaneshwar Kumar Singh, Jt. Secretary, Ministry of Corporate Affairs	New Delhi
	Ms. Ritika Bhatia, Principal Director (Commercial-II) O/o Comptroller & Auditor General of India	New Delhi
	Dr. Ravi Gupta, Associate Professor, Sri Ram College of Commerce	New Delhi
	University of Delhi	
	Shri Sunil Kanoria	New Delhi
	Shri Chandra Wadhwa	New Delhi
	Dr. P.C. Jain	New Delhi
	Shri Vijay Kumar Jhalani	New Delhi

Shah Gupta & Co.
Chartered Accountants

Khanna & Annadhanam
Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

To the Council of The Institute of Chartered Accountants of India

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Institute of Chartered Accountants of India ("the Institute"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Income and Expenditure and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements prepared in all material respects in accordance with the Chartered Accountants Act, 1949, give a true and fair view of the financial position of the Institute as at March 31, 2019, its financial performance and its cash flows for the year then ended in accordance with the Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI).

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by ICAI. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Institute in accordance with the ethical requirements that are relevant to our audit of the financial statements and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management for the Financial Statements

The Institute's Management is responsible for the preparation and fair presentation of these financial statements in accordance with the Chartered Accountants Act, 1949 and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the management is responsible for assessing the Institute's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Institute or to cease operations, or has no realistic alternative but to do so.

The management is responsible for overseeing the Institute's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Institute's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Institute's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Institute to cease to continue as a going concern.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Other Matters

- a) The Institute has authorised a large number of Chapters in India and abroad. The Institute has represented to us that since these Chapters are separate entities, their accounts are not required to be consolidated.
- b) We did not audit the financial statements of the Institute's Decentralised offices, Computer Centres, Students Associations, Regional Councils and their Branches (collectively known as Branches) whose financial statements reflect total assets of Rs.94467 Lakhs, total revenues of Rs.18903 Lakhs and net cash flows / (outflow) amounting to Rs.84 Lakhs as considered in the financial statements. The financial statements of these branches have been audited by other auditors whose reports have been furnished to us by the Management. Our opinion on the financial statements, in so far as it relates to the amounts and disclosures included in respect of these Branches is based solely on the reports of the other auditors.
- c) The financial statements of the Northern India Regional Council are unaudited and have been furnished to us by the Management and our opinion on the financial statements, in so far as it relates to the amounts and disclosures included in respect of this branch based is solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material in the context of overall financial statements of the Institute.

Our opinion on the financial statements, and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the management.

Report on Other Regulatory Requirements

Further, we report that:

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b) In our opinion, proper books of account have been kept by the Institute so far as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from the decentralised offices, computer centres, students associations, Regional Councils and their branches.
- c) The Institute's Balance Sheet, Statement of Income and Expenditure, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.

For Shah Gupta & Co.

Chartered Accountants
Firm Reg. No.109574W

Sd/-

CA. Rajeev Bansal

Partner

Membership No. 088598

UDIN: 19088598AAAABR8508

For Khanna & Annadhanam

Chartered Accountants
Firm Reg. No. 001297N

Sd/-

CA. B.J. Singh

Partner

Membership No. 07884

UDIN: 19007884AAAAAD9018

Place : New Delhi

Date: 24th September, 2019

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

ICAI Bhawan, Indraprastha Marg, New Delhi - 110 002

BALANCE SHEET AS AT MARCH 31, 2019

	Particulars	Note No	As at March 31,	
			2019	2018
I	SOURCES OF FUNDS		(₹ in Lakhs)	
	i SURPLUS AND EARMARKED FUNDS			
	a. Reserves and surplus	3	1,27,756	1,28,239
	b. Earmarked funds	4	68,591	39,370
	ii. NON - CURRENT LIABILITIES			
	a. Other long-term liabilities	5	1,591	1,219
	b. Long-term provisions	6	25,291	22,941
	iii. CURRENT LIABILITIES			
	a. Trade payables	7	4,132	3,677
	b. Other current liabilities	8	24,042	24,274
	c. Short-term provisions	6	1,628	1,307
	TOTAL		2,53,031	2,21,027
II	APPLICATION OF FUNDS			
	i. NON - CURRENT ASSETS			
	a. Property, Plant and Equipment	9	61,006	54,363
	b. Intangible assets	10	34	55
	c. Capital work-in-progress	11	5,555	10,877
	d. Non-current investments	12	1,18,177	76,535
	e. Assets held for Earmarked and other Funds	13	5,176	5,229
	f. Long-term loans and advances	14	3,433	3,397
	g. Other non-current assets	15	330	678
	ii. CURRENT ASSETS			
	a. Current investments	12	4,917	2,506
	b. Assets held for Earmarked and Other Funds	13	37,992	54,704
	c. Inventories	16	479	1,080
	d. Cash and bank balances	17	8,712	6,824
	e. Short-term loans and advances	14	3,295	2,714
	f. Other current assets	15	3,925	2,065
	TOTAL		2,53,031	2,21,027

See accompanying notes 1 to 28 forming part of the financial statements

For and on behalf of the Council

Sd/-
CA. Sudeep Shrivastava
 Joint Secretary

Sd/-
Rakesh Sehgal
 Acting Secretary

Sd/-
CA. Atul Kumar Gupta
 Vice-President

Sd/-
CA. Prafulla P. Chhajed
 President

In our report referred to even date

For Shah Gupta & Co.

Chartered Accountants

Firm registration number:109574W

For Khanna & Annadhanam

Chartered Accountants

Firm registration number:001297N

Sd/-
CA. Rajeev Bansal
 Partner, Membership No. 088598
 New Delhi, 24th September, 2019.

Sd/-
CA. B.J. Singh
 Partner, Membership No. 007884

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA
ICAI Bhawan, Indraprastha Marg, New Delhi - 110 002
STATEMENT OF INCOME AND EXPENDITURE FOR THE YEAR ENDED MARCH 31, 2019

Particulars		Note No.	For the year ended March 31,	
			2019	2018
			(₹ in Lakhs)	
I INCOME				
a) Fees	18		70,467	62,526
b) Seminars	19		4,312	5,761
c) Other income	20		14,597	12,322
Total income			89,376	80,609
II EXPENSES				
a) Seminars and training programmes	21		4,505	6,036
b) Employee benefit expenses	22		14,695	16,872
c) Printing and stationery			5,517	5,810
d) Professional fees paid to examiners and consultants			9,557	8,005
e) Depreciation and amortisation expense	9-10		2,688	2,257
f) Other expenses	23		24,075	22,770
Total expenses			61,037	61,750
III Net surplus (I-II)			28,339	18,859
IV Appropriation to funds / reserves:				
a) Education Fund [See Note 2.6 (iii)]			5,818	5,073
b) Employees Benevolent Fund [See Note 2.6 (iv)]			80	78
c) Members Benevolent Fund [See (Note 25.24)]			2,138	-
d) Earmarked Funds and Other Funds (Net of expenses)			2,831	2,296
e) Information Technology Training Reserves [See Note 2.6 (vii)]			1,780	1,001
f) Sinking Fund [See Note 2.6 (viii)]			276	-
g) World Congress of Accountants (WCOA), 2022 (Note 25.19)			1,500	-
h) General reserve			13,916	10,411
TOTAL			28,339	18,859

See accompanying notes 1 to 28 forming part of the financial statements

Sd/-
CA. Sudeep Shrivastava
Joint Secretary

Sd/-
Rakesh Sehgal
Acting Secretary

Sd/-
CA. Atul Kumar Gupta
Vice-President

For and on behalf of the Council
Sd/-
CA. Prafulla P. Chhajed
President

In our report referred to even date
For Shah Gupta & Co.
Chartered Accountants
Firm registration number:109574W

For Khanna & Annadhanam
Chartered Accountants
Firm registration number: 001297N

Sd/-
CA. Rajeev Bansal
Partner, Membership No. 088598
New Delhi, 24th September, 2019.

Sd/-
CA. B.J. Singh
Partner, Membership No. 007884

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA
ICAI Bhawan, Indraprastha Marg, New Delhi - 110 002
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019

	Particulars	For the year ended March 31,	
		2019	2018
		(₹ in Lakhs)	
I	Cash Flow from operating activities		
	Net surplus after prior period adjustments Adjustments for:	28,339	18,859
	-Depreciation and amortisation expense	2,688	2,540
	-Provision no longer required written back	(445)	(193)
	-Provision for doubtful advances	4	229
	-Interest income	(11,332)	(8,743)
	-Admission fees from members directly allocated to reserves	387	367
	Operating surplus before Working Capital changes	19,641	13,059
	Changes in working capital:		
	Adjustments for (increase) / decrease in operating assets:		
	-Inventories	601	(79)
	-Long-term loans and advances	216	(8)
	-Short-term loans and advances	(585)	(691)
	Adjustments for increase / (decrease) in operating liabilities:		
	-Other long-term liabilities	372	488
	-Long-term provisions	2,350	6,603
	-Trade payables	900	679
	-Other current liabilities	(218)	4,904
	-Short-term provisions	321	370
	Income tax (paid) / received (net)	23,598	25,325
		(252)	(402)
	Cash generated from operating activities (A)	23,346	24,923
II	Cash Flow from Investing Activities		
	-Purchase of non-current investments	(41,642)	(51,904)
	-Sale / redemption / (purchase) of current investments	(2,411)	5,585
	-Capital expenditure on Property, Plant and Equipment	(4,273)	(2,104)
	-Proceeds from sale of Property, Plant and Equipment	271	(197)
	-Decrease in earmarked and other funds	16,765	14,085
	-Interest income received	9,820	11,288
	Cash (used in) investing activities (B)	(21,470)	(23,247)
III	Cash Flow from financing Activities		
	-Donation received for buildings	-	11
	-Contribution received	27	83
	-Other fund received/(utilisation)	(15)	19
	Cash from financing activities (C)	12	113
	Net Increase / (Decrease) in cash and cash equivalents (A+B+C) Cash and	1,888	1,789
	Cash Equivalents at beginning of the year	6,824	5,035
	Cash and Cash Equivalents at closing of the year	8,712	6,824

See accompanying notes 1 to 28 forming part of the financial statements

Notes:

- 1) Cash and Cash Equivalents represent cash on hand and balances with banks (Refer Note. 17).
- 2) Figures in brackets represent outflows.

For and on behalf of the Council

Sd/-
CA. Sudeep Shrivastava
 Joint Secretary
 In our report referred to even date
For Shah Gupta & Co.
 Chartered Accountants
 Firm registration number:109574W
 Sd/-
CA. Rajeev Bansal
 Partner, Membership No. 088598
 New Delhi, 24th September, 2019.

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Rakesh Sehgal
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CA. Atul Kumar Gupta
 Vice-President

Sd/-
CA. Prafulla P. Chhajed
 President

For Khanna & Annadhanam
 Chartered Accountants
 Firm registration number: 001297N
 Sd/-
CA. B.J. Singh
 Partner, Membership No. 007884

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1. General Information

The Institute of Chartered Accountants of India ("the Institute or ICAI"), having its Head Office at New Delhi, was established on 1st July 1949 under an Act of Parliament viz The Chartered Accountants Act, 1949 for the purpose of regulating the profession of Chartered Accountants in India. In terms of the said Act, the Council of the Institute is entrusted with the task of managing the affairs of the institute. For this purpose, the Council has constituted 5 Regional Councils, one each at Mumbai, Kolkata, Kanpur, Chennai and New Delhi, 5 Decentralised Offices, 13 Sub-Decentralised Offices, 164 branches and one overseas office in Dubai.

2. Summary of Significant Accounting Policies

2.1 Basis of Preparation

The financial statements comprising Balance Sheet, Statement of Income and Expenditure, Cash Flow Statement and Notes thereon are prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) and The Chartered Accountants Act, 1949. Indian GAAP here comprises of the accounting standards and other pronouncements issued by the Institute of Chartered Accountants of India. The financial statements are prepared on going concern, under the historical cost convention and on accrual basis unless otherwise stated. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year, unless stated otherwise except in the case of retirement benefits where upto the previous year the Institute's contribution to the provident fund scheme was considered as a defined contribution plan and for the current year it has been considered as defined benefit plan.

2.2 Use of Estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses of the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Actual results could differ from the estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialised.

2.3 Inventories

Inventories comprise publications, study materials, stationery and other stores. Inventories are valued at the lower of cost based on first in first out method ("FIFO") and the net realisable value after providing for obsolescence and other losses, where considered necessary.

Cost includes all charges in bringing the goods to the point of sale, including other levies, transit insurance and incidental charges.

2.4 Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.5 Cash Flow Statement

Cash flows are reported using the indirect method, whereby net surplus is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Institute are segregated based on the available information.

2.6 Appropriation to Reserves and Allocation to Earmarked Funds

- i) Fee received from members for admission as fellow of the Institute is credited to Infrastructure Reserve Account.
- ii) Donations received for buildings and for research are credited directly to the respective reserve account.
- iii) 25% of the Distance Education Fee, not exceeding 50% of the net surplus of the year is transferred to Education Fund.
- iv) 0.75% of Membership Fee (Annual and Certificate of Practice Fee) received during the year is transferred to the Employees' Benevolent Fund.
- v) From the earmarked funds the following transfers are made to Education Reserve Account:
 - a) From Accounting Research Building Fund 100% of cost of additions (net of deductions if any) to Building Fund relating to Accounting Research Building Fund.
 - b) From Education Fund 50% of cost of additions (net of deductions if any) to Fixed Assets.
- vi) Income from investments of Earmarked Funds is added to Earmarked Funds. The income is allocated based on opening balances of the respective earmarked funds on weighted average basis.
- vii) 25% of the Information Technology Training (ITT)/Advance Information Technology Training course Fee received during the year is transferred to Other Reserves for replacement of computers and other ITT centre infrastructure.
- viii) A sum equal to depreciation for the year (excluding amount transferred to the ITT Reserve) is transferred to Sinking Fund for repair and replacement of assets.

2.7 Property, Plant and Equipment

Property, Plant and Equipment is recognised when it is probable that future economic benefits associated with the item will flow to the Institute and the cost of the item can be measured reliably. Property, Plant and Equipment are carried at cost less accumulated depreciation and accumulated impairment losses, if any. The cost of Property, Plant and Equipment comprises its purchase price net of any trade discounts and rebates, import duties and other taxes (other than those subsequently recoverable from the tax authorities), directly attributable expenditure on making the asset ready for its intended use. Other incidental expenses and interest on borrowings attributable to acquisition of qualifying Property, Plant and Equipment up to the date the asset is ready for its intended use are also capitalised.

2.8 Intangible Assets

Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if

any. The cost of intangible assets comprises its purchase price net of any trade discounts and rebates, import duties and other taxes (other than those subsequently recoverable from the tax authorities), directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying assets up to the date the asset is ready for its intended use. Subsequent expenditure on tangible assets after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

2.9 Capital Work in Progress

Expenditure incurred on construction of assets which is not ready for their intended use is carried at cost less impairment, if any, under Capital Work-in-Progress. The cost includes the purchase cost including import duties and non-refundable taxes, if any, directly attributable costs.

2.10 Depreciation and amortization

A). Depreciable amount for assets is the cost of an asset, or other amount substituted as cost. Depreciation on Property, Plant and Equipment is calculated on the written down value method as per the useful life as approved by the Council. The useful life of the assets has been assessed based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

The rates used for the depreciation of Property, Plant and Equipment are as follows:

Class of Property, Plant and Equipment	Rate of Depreciation
i) Buildings	5%
ii) Lifts, electrical installations and fittings	10%
iii) Computers	60%
iv) Furniture and fixtures	10%
v) Air conditioners and office equipments	15%
vi) Vehicles	20%
vii) Library books	100%

B) Carrying amount of Leasehold land is amortised over the shorter of the lease term or its useful life.

C) Intangible assets, consisting of Computer software, is amortised over its estimated useful life on straight line method as follow:

The estimated useful lives of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

2.11 Revenue recognition

The Revenue is recognised as follows:

- i) Distance education fee received from the students is recognised pro-rata over the duration of the respective courses.
- ii) Class room training fee comprises fee received for Management Communication Skills Course ("MCS"),

Integrated Course on Information Technology & Soft Skills ("ICITSS"), Advanced Integrated Course on Information Technology & Soft Skills ("AICITSS") and Orientation Programme ("OP"). The income for classroom training and coaching classes is recognised when services are rendered and related costs are incurred.

- iii) Examination fee is recognised as revenue when the Institute renders the related service i.e when the examinations are conducted.
- iv) Seminar fee is recognised as revenue when the Institute renders the related service i.e when the seminars are conducted.
- v) Membership fee comprising of annual membership fee (including fee for certificate of practice and restoration fee) and entrance fee is recognised as under:
 - a) Annual membership fee (including fee for certificate of practice) is recognised as income when it becomes due for the year. Restoration of membership fee is recognised when it is received.
 - b) Entrance Fee:
 - One third of entrance fee collected at the time of admission as associate member is recognised as income in the year of admission and the balance is recognised in Infrastructure Reserve.
 - Entrance fee collected at the time of admission of person as fellow member is recognised in Infrastructure Reserve.
- vi) Student registration fees is recognised when student is admitted for the course.
- vii) Student Association income is recognised when student is admitted for the course.
- viii) Revenue from post qualification and certificate course is recognised in the period in which services are rendered.
- ix) In case of cancellation before commencement of the Certificate/ Post Qualification Course/Diploma Course, 10% of the fee is deducted and in case the course has commenced, no fee is refunded but the member will be given an option to attend remaining part of the course in subsequent batches.

2.12 Other income

- a) Income from sale of publications are recognised when the risk and rewards are transferred to the buyer which normally coincide with delivery of goods. Income includes consideration received or receivable, net of discounts and other related taxes, (if any).
- b) Income from students news letter and journal subscription is recognised on pro-rata basis over the period of subscription.
- c) Income from campus interviews and expert advisory fee are recognised when services are rendered and related costs are incurred.
- d) Interest Income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable

2.13 Investment

- a) The Institute's investments comprise of instruments in the form of domestic government securities issued by Central and State Governments, fixed deposits with nationalised banks domiciled in India and shares in Not-for-Profit entities.
- b) Investments are classified as current and long term investments in accordance with AS 13 Investments. Current investments are those that are readily realisable and intended to be held for not more than one year from the date on which such investments are made. A long term investment is an investment other than a current investment.
- c) Investments are initially recorded at cost and the cost includes acquisition costs such as brokerage, fees and duties. Accrued interest paid at the time of purchase is setoff against first receipt of interest.
- d) At each balance sheet date, current investments are carried at lower of cost and fair value. The fair value is determined on an individual basis. The Long term investments are carried at cost. However, the provision for diminution in value is made to recognise the decline in value, other than temporary, of investments. The premium paid at the time of purchase is amortised over the remaining maturity of the investments. Amortisation of premium is adjusted against the income under head 'Interest from Investments.'

2.14 Foreign Currency Transaction

Transactions in foreign currencies are accounted at the exchange rates prevailing on the date of the transaction.

Foreign currency monetary items outstanding at the balance sheet date are restated at the year- end rates. Non-monetary items are carried at historical cost.

Exchange differences arising on settlement / restatement of foreign currency monetary assets and liabilities are recognised as income or expense in the Statement of Income and Expenditure.

2.15 Employee benefits

Employee benefits include provident fund, gratuity fund, compensated absence, long service awards, pension scheme and post-employment medical benefits.

i) Short term employee benefits

The undiscounted amount of short-term employee benefits (ie. salary, allowances, exgratia etc) expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. The short-term employee benefits are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under :

- a) in case of accumulated compensated absences, when employees render the service that increase their entitlement of future compensated absences; and

- b) in case of non-accumulating compensated absences, when the absences occur.

ii) Post-employment benefits

Post-employment benefits are the benefits to employees, other than termination benefits, which are payable after the completion of employment. Accounting of post-employment benefits depends upon the classification of relevant plans as either defined benefit plan (DBF) or defined contribution plan (DCP). The post-employment benefit plans where the Institute pays fixed contributions into a separate entity or fund and it will have no obligation to pay further contributions if the separate entity or fund does not hold sufficient assets to all employee benefits relating to employee service in the current and prior period. On the other hand, post-employment benefit plans other than those classified as DCP are classified as DBP.

a) Defined Benefits Plans

For defined benefit plans in the form of gratuity and post retirement pension, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in the Statement of Income and Expenditure in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised represent the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes. Gratuity liability is funded with Life Insurance Corporation of India.

The contribution towards provident fund scheme to The Institute of Chartered Accountants of India Provident Fund Trust ('the Trust') is considered as defined benefit plan from the current year and is charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees. The Trust is managed by the governing body elected by the Institute.

The present value of the defined benefit obligations are ascertained by an independent actuary as per the requirements of Accounting Standard (AS) - 15 Employee Benefits.

b) Pension scheme

The Institute offers its employees benefits in the form of pension. The present value of the obligation as at the balance sheet date is recognised based on the actuarial valuation.

c) Post retirement medical scheme benefit to retired employees and spouse

The Institute offers its employees benefits in the form of medical scheme. The present value of the obligation as at the balance sheet date is recognised based on the actuarial valuation.

iii) Other Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date less the fair value of the plan assets out of which the obligations are expected to be settled.

2.16 Leases

The Institute classifies the leases as Finance and Operating Lease for accounting and disclosure purposes. The leases where the Institute assumes substantially all the risks and rewards of the ownership are classified as

finance leases. The leases where the lessor and not the Institute assumes substantially all the risks and rewards of the ownership are classified as operating leases.

Lease rental under operating leases are recognised in the statement of income and expenditure on straight-line basis over the lease term. In case of Finance Lease, assets are capitalised at lower of fair value of the leased asset and present value of minimum lease payments. The lease payments are apportioned between the finance charge and repayment of lease liability. Leased assets are depreciated over the shorter of lease term or useful life of the asset.

2.17 Impairment of Property, Plant and Equipment and intangible assets

The carrying value of assets at each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the statement of income and expenditure

2.18 Taxes on income

The Institute has been granted exemption from Income Tax under section 10(23C)(iv) and Section 11 of the Income Tax Act, 1961. As such no provision for income tax is made and no provision for deferred tax asset and liability is considered necessary.

2.19 Assets held for Earmarked and Other Funds

Earmarked fund and others funds in the form of deposits with banks maturing after a period of twelve months from the date of balance sheet are classified as non-current and others are classified as current. These are available for use freely at the discretion of the Council except to the extent of total of the earmarked, employee benefit funds.

2.20 Provisions and Contingencies

A provision is recognised when there is a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.

Contingent liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Institute, or is a present obligation that arises from past event but is not recognised because either it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or a reliable estimate of the amount of the obligation cannot be made. Contingent liabilities are disclosed and not recognised.

Contingent assets are neither recognised nor disclosed.

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE # 3 RESERVES AND SURPLUS

(₹ in Lakhs)

Particulars	General		Education		Infrastructure		Others*		Total	
	As at March 31,		As at March 31,		As at March 31,		As at March 31,		As at March 31,	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Balance at the beginning of the year	82,207	71,796	38,343	35,854	5,700	5,304	1,989	987	1,28,239	1,13,941
Add: Appropriation from Statement of Income and Expenditure	13,916	10,411	-	-	-	-	1,780	1,001	15,696	11,412
Transfer from / (to) General Reserve, Infrastructure Reserve and Other Reserve	-	-	-	-	-	-	-	-	-	-
Transfer from / (to) Earmarked Funds	(20,890)	-	4,339	2,489	-	-	-	-	(16,551)	2,489
Admission fees and allocated Entrance fees	-	-	-	-	387	367	-	-	387	367
Donation received for buildings	-	-	-	-	-	11	-	-	-	11
(Utilization)/Addition	-	-	-	-	(15)	18	-	1	(15)	19
Balance at the end of the year	75,233	82,207	42,682	38,343	6,072	5,700	3,769	1,989	1,27,756	1,28,239

* Others comprises Library Reserve, Class Room Training Reserves, Foreign Currency Translation Reserve (Dubai branch) etc.

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE # 4 EARMARKED FUNDS**(₹ in Lakhs)**

Particulars	Research Funds		Accounting Research Building Fund		Education Fund		Medals and Prizes Funds		Students Scholarship Funds		Members Benevolent Fund		Employees Benevolent Fund		Sinking Fund for Repair and Replacement of Assets (*)		Other Funds		Total	
	As at March 31,		As at March 31,		As at March 31,		As at March 31,		As at March 31,		As at March 31,		As at March 31,		As at March 31,		As at March 31,		As at March 31,	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Balance at the beginning of the year	2,479	2,282	854	793	29,713	25,204	265	236	167	127	-	-	789	661	-	-	5,103	5,026	39,370	34,329
Appropriation from Statement of Income and Expenditure	-	-	-	-	5,818	5,073	-	-	-	-	2,138	-	80	78	276	-	1,500	-	9,812	5,151
Transfer from / (to) Reserves and Surplus	-	-	-	-	(4,339)	(2,489)	-	-	-	-	-	-	-	-	20,890	-	-	-	16,551	(2,489)
Contribution received / Addition during the year	-	24	-	-	-	-	15	23	12	36	-	-	-	-	-	-	-	-	27	83
Interest income during the year appropriated through Income and Expenditure	198	173	70	61	2,416	1,925	19	15	11	10	-	-	64	50	-	-	88	83	2,866	2,317
Utilised during the year	-	-	-	-	-	-	(19)	(9)	(4)	(6)	-	-	(10)	-	-	-	(2)	(6)	(35)	(21)
Balance at the end of the year	2,677	2,479	924	854	33,608	29,713	280	265	186	167	2,138	-	923	789	21,166	-	6,689	5,103	68,591	39,370

Note

1. Total earmarked funds of Rs. 68,591 Lakhs (previous year Rs. 39,370 Lakhs) are held in fixed deposits and Government Securities (See Note 12 & 13)

*2. Sinking fund to the extent of accumulated depreciation less ITT Reserve till 31st March 2018 amounting to Rs. 20,890 lakhs has been transferred from General Reserve to Sinking Fund during the year. A sum of Rs. 276 lakhs being depreciation for the year net of ITT reserve for the year has been appropriated towards Sinking Fund.

Rs. 1,500 lakhs have been appropriated to finance estimated expenditure Rs.4,500 Lakhs for the World Congress of Accountants to be held in the year 2022. (See Note No.25.19)

**THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA
NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

(₹ in Lakhs)

NOTE # 5: OTHER LONG-TERM LIABILITIES	As at March 31,	
	2019	2018
Fees received in advance		
i) Education fees	1,579	1,206
ii) Journal subscription	12	13
Total	1,591	1,219

NOTE # 6: PROVISIONS	As at March 31,		As at March 31,	
	2019	2018	2019	2018
	Long-term	Long-term	Short-term	Short-term
Provisions for employee benefits :				
a) Post employment benefits				
i) Gratuity	-	567	392	454
ii) Pension	11,861	11,426	503	464
iii) Provident Fund	-	-	200	-
b) Provision for leave encashment	4,570	3,748	533	389
c) Provision for Branch Employees (Note-25.15)	3,500	2,800	-	-
d) Provision for Pay Revision (Note-25.16)	5,360	4,400	-	-
Total	25,291	22,941	1,628	1,307

NOTE # 7: TRADE PAYABLES	As at March 31,	
	2019	2018
Trade payables	4,132	3,677
Total	4,132	3,677

NOTE # 8: OTHER CURRENT LIABILITIES	As at March 31,	
	2019	2018
a) Fees received in advance		
i) Examination fees	7,046	7,231
ii) Journal subscription	25	21
iii) Membership fees	3,112	2,876
iv) Education fees	9,471	9,060

v) Post qualification courses fees	256	111
vi) Certificate courses fees	171	118
vii) Seminar fees :		
a) Seminar Members	110	105
b) Seminar Students	-	2
viii) Class room training fees	937	1,325
ix) Coaching class fees	105	84
x) other fees	63	64
Sub Total (A)	21,296	20,997
b) Other liabilities		
i) Capital Creditors	15	29
ii) PF, ESIC and Professional tax payable	109	96
iii) Withholding taxes	540	317
iv) GST Payable	784	1,389
v) Security and earnest money deposit	816	832
vi) Others	482	614
Sub Total (B)	2,746	3,277
Total (A+B)	24,042	24,274

**THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA
NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

(₹ in Lakhs)

NOTE # 9:Property,Plant and Equipment						Depreciation				
Gross Block										
Particulars	As at March 31,	Cost at the beginning of the year	Additions during the year	Transfers/ Deletions during the year	Cost at the end of the year	Accumulated depreciation at the beginning of the year	Charged for the year	Transfers/ Deletions during the year	Accumulated depreciation at the end of the year	Net book value at end of the year
Freehold land	2019	17,663	356	292	18,311	-	-	-	-	18,311
	2018	19,214	270	(1,821)	17,663	-	-	-	-	17,663
Leasehold land	2019	7,549	1,033	(792)	7,790	824	92	(76)	840	6,950
	2018	5,879	112	1,558	7,549	668	107	49	824	6,725
Buildings	2019	31,800	7,005	(70)	38,735	7,766	1,584	(348)	9,002	29,733
	2018	28,441	3,096	263	31,800	6,600	1,449	(283)	7,766	24,034
Lifts, electrical installations & fittings	2019	2,183	118	11	2,312	1,157	115	(5)	1,267	1,045
	2018	1,863	342	(22)	2,183	1,063	106	(12)	1,157	1,026
Computers	2019	5,233	260	(76)	5,417	4,948	239	(85)	5,102	315
	2018	5,129	178	(74)	5,233	4,767	242	(61)	4,948	285
Furniture and fixtures	2019	4,572	455	(192)	4,835	2,221	244	(48)	2,417	2,418
	2018	4,192	401	(21)	4,572	1,990	241	(10)	2,221	2,351
Air conditioners and office equipments	2019	5,387	322	(83)	5,626	3,135	354	(77)	3,412	2,214
	2018	4,801	634	(48)	5,387	2,850	325	(40)	3,135	2,252
Vehicles	2019	135	2	(1)	136	108	6	-	114	22
	2018	135	-	-	135	101	7	-	108	27
Library books	2019	1,041	25	(7)	1,059	1,041	26	(6)	1,061	(2)
	2018	1,009	32	-	1,041	1,009	32	-	1,041	-
Total	2019	75,563	9,576	(918)	84,221	21,200	2,660	(645)	23,215	61,006
	2018	70,663	5,065	(165)	75,563	19,048	2,509	(357)	21,200	54,363

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in Lakhs)

NOTE # 10: INTANGIBLE ASSETS	As at March 31,	
	2019	2018
Computer Software		
Cost at the beginning of the year	746	663
Additions Transfers/Deletions	5	62
	15	21
Cost at the end of the year	766	746
Amortisation at the beginning of the year	691	644
Charge for the year Transfers/Deletions	28	31
	13	16
Amortisation at the end of the year	732	691
Net book value at the end of the year	34	55
Net book value at the beginning of the year	55	19

NOTE # 11: CAPITAL WORK IN PROGRESS	As at March 31,	
	2019	2018
Opening balance	10,877	13,875
Add: Addition during the year	1,292	561
Less: Amount capitalised/adjusted during the year	(6,614)	(3,559)
Closing balance	5,555	10,877

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in Lakhs)

NOTE # 12: INVESTMENTS (at cost less diminution in value)	As at March 31,		As at March 31,	
	2019	2018	2019	2018
	Non-current	Non-current	Current	Current
a. Central Government Securities				
Quoted Securities				
1 8.27% Government of India 2020	2,548	2,588	-	-
2 7.80% Government of India 2021	2,559	2,588	-	-
3 6.35% Government of India 2020	998	995	-	-
	6,105	6,171	-	-
Unquoted Securities				
8.00% Government of India Taxable				
4 Bonds- cumulative	11,200	11,200	-	-
5 8% Saving (Taxable) Bond 2003- non cumulative	44,000	44,000	-	-
	55,200	55,200	-	-
	61,305	61,371	-	-
Book Value				
Market Value				
Quoted Unquoted	6,109	6,112	-	-
(Book value)	55,200	55,200	-	-
	61,309	61,312	-	-
b. State Government Securities				
Quoted Securities :				
1 7.75% Rajasthan UDAY SDL 2018	-	-	-	2,506
2 8.45% Punjab SDL 2023	2,557	2,572	-	-
3 8.45% Karnataka SDL 2024	3,058	3,068	-	-
4 8.45% Karnataka SDL 2024	2,038	2,045	-	-
5 8.62% Maharashtra SDL 2023	511	514	-	-
6 8.75% West Bengal GS 2022	510	514	-	-
7 8.39% Rajasthan Uday SDL 2022	1,527	1,537	-	-
8 8.39% Rajasthan Uday Bond 2021	3,870	3,904	-	-
9 8.49% Andhra Pradesh P SDL 2020	1,510	-	-	-
10 8.18% Andhra Pradesh SDL 2020	1,506	-	-	-
11 8.20% Punjab SDL 2019	-	-	1,003	-
12 8.85% Punjab SDL 2019	-	-	1,004	-
13 07.86 Rajasthan Uday 2019	-	-	2,910	-
14 8.44% Uttar Pradesh Uday 2023	1,004	-	-	-
15 8.01% Rajasthan Uday SDL 2020	2,497	-	-	-
SGS (A)	20,588	14,154	4,917	2,506

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in Lakhs)

NOTE # 12: INVESTMENTS (at cost less diminution in value)	As at March 31,		As at March 31,	
	2019	2018	2019	2018
	Non-current	Non-current	Current	Current
16 7.56% Andhra Pradesh SDL 2021	2,478	-	-	-
17 7.64% Andhra Pradesh SDL 2021	2,976	-	-	-
18 8.37% Odisha SDL 2022	1,003	-	-	-
19 07.79% Himachal Pradesh SDL 2022	990	-	-	-
20 7.62% Maharashtra SDL 2021	1,984	-	-	-
21 6.90% Punjab SDL 2021	2,452	-	-	-
22 8.39% Rajasthan Uday Bond 2021	3,016	-	-	-
23 6.94% Odisha SDL 2021	1,464	-	-	-
24 8.21% Haryana Uday 2022	1,487	-	-	-
25 9.04% West Bengal SDL 2021	509	-	-	-
26 9.18% Punjab SDL 2021	511	-	-	-
27 9.13% Gujarat SDL 9/5/2022	2,434	-	-	-
28 8.90% Andhra Pradesh SDL 2022	2,525	-	-	-
29 9.01% West Bengal SDL 2022	508	-	-	-
30 8.86% Punjab SDL 2022	1,014	-	-	-
31 8.97% Bihar SDL 2022	509	-	-	-
32 8.95% Assam SDL 2022	1,524	-	-	-
33 8.92% Himachal Pradesh SDL 2022	1,015	-	-	-
34 9.01% Karnataka SDL 2024	528	-	-	-
35 7.93% Chattisgarh SDL 2024	1,520	-	-	-
36 8.45% Gujarat SDL 2023	2,582	-	-	-
37 8.25% Uttar Pradesh UDAY BOND 2023	509	-	-	-
38 8.39 Rajasthan Uday 2022	1,494	-	-	-
39 8.27% Rajasthan SDL SPL 2023	196	-	-	-
40 8.18% Haryana SDL UDAY 2024	46	-	-	-
SGS (B)	35,274	-	-	-
Book Value (A+ B)	55,862	14,154	4,917	2,506
Market Value	57,263	14,209	4,928	2,506
Sub-Total	1,17,167	75,525	4,917	2,506

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in Lakhs)

NOTE # 12: INVESTMENTS (at cost less diminution in value)	As at March 31,		As at March 31,	
	2019	2018	2019	2018
	Non-current	Non-current	Current	Current
c. Investment in equity instruments of subsidiaries (fully paid up)				
i. Institute of Insolvency Professionals of ICAI 10,00,000 Ordinary shares of Rs. 100 each	1,000	1,000	-	-
ii. Investment ICAI Registered Valuers Organisation	10	10	-	-
Sub-Total Book Value	1,010	1,010	-	-
Total (A+B+C)	1,18,177	76,535	4,917	2,506

NOTE # 13: Assets held for Earmarked and Others Funds	As at March 31,		As at March 31,	
	2019	2018	2019	2018
	Non-current	Non-current	Current	Current
Fixed deposits with banks	5,176	5,229	37,992	54,704
Total	5,176	5,229	37,992	54,704

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in Lakhs)

NOTE # 14: LOANS AND ADVANCES (Unsecured, considered good)	As at March 31,		As at March 31,	
	2019	2018	2019	2018
	Non-current	Non-current	Current	Current
a) Security deposits	81	190	352	362
b) Tax deducted at source	2,508	2,256	-	-
c) Input Tax Credit	-	-	-	-
d) GST on advances received from members	-	-	1,230	966
e) Other loans and advances	-	-	521	366
i) Loans and advances to employees	600	660	900	551
iii) Other receivables	244	291	296	698
Less: Provision for doubtful receivables	-	-	(4)	(229)
Total	3,433	3,397	3,295	2,714

NOTE # 15: OTHER ASSETS	As at March 31,		As at March 31,	
	2019	2018	2019	2018
	Non-current	Non-current	Current	Current
a) Interest accrued				
i. on fixed deposits with banks	44	28	960	1,045
ii. on investments	132	506	2,925	981
iii. on loans to employees	154	144	40	39
Total	330	678	3,925	2,065

NOTE # 16: INVENTORIES (At lower of cost and net realisable value)	As at March 31,	
	2019	2018
a) Publications and study materials	434	1,038
b) Stationery and stores	45	42
Total	479	1,080

NOTE # 17: CASH AND BANK BALANCES	As at March 31,	
	2019	2018
a) Cash on hand	42	43
b) Balances with banks in savings and current accounts	8,670	6,781
Total	8,712	6,824

**THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA
NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

(₹ in Lakhs)

NOTE # 18: FEES	For the year ended March 31,	
	2019	2018
a) Distance education	23,910	21,654
b) Class room training income	15,182	9,209
c) Coaching	1,160	1,285
d) Examination	16,867	16,870
e) Membership	10,870	10,830
f) Entrance	116	106
g) Post qualification courses	976	747
h) Certificate courses	1,386	1,825
Total	70,467	62,526

NOTE # 19: SEMINAR INCOME	For the year ended March 31,	
	2019	2018
a) Members	2,889	3,555
b) Students	695	834
c) Non members	711	1,328
d) E-Learning income	17	44
Total	4,312	5,761

NOTE # 20: OTHER INCOME	For the year ended March 31,	
	2019	2018
a) Interest income		
i. on bank deposit held in general funds	2,783	3,234
ii. from investments	5,613	3,114
iii. on bank deposits held for earmarked funds	2,866	2,317
iv. on loans to employees	70	78
b) Sale of publications	933	1,568
c) News letters	106	187
d) Journal subscription	277	113
e) Campus interview	970	782
f) Expert advisory fee	53	23
g) Provision no longer required written back	445	193
h) Miscellaneous income	481	713
Total	14,597	12,322

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in Lakhs)

NOTE # 21: SEMINARS AND TRAINING PROGRAMMES	For the year ended March 31,	
	2019	2018
a) Members	3441	4867
b) Students	943	973
c) Students Activity Expenses	83	155
d) E-Learning income	38	41
Total	4505	6036

NOTE # 22: EMPLOYEE BENEFIT EXPENSE	For the year ended March 31,	
	2019	2018
a) Salary, pension and other allowances	12,912	14,612
b) Contribution to provident and other funds	1,616	2,113
c) Staff welfare expenses	167	147
Total	14,695	16,872

NOTE # 23: OTHER EXPENSES	For the year ended March 31,	
	2019	2018
a) Postage and telephone	2,743	2,869
b) Rent, rates and taxes	5,542	5,242
c) Domestic Travelling	2,212	1,761
d) Overseas expenses:		
i) Overseas travelling	110	133
ii) Membership fees for foreign professional bodies	573	503
iii) Others	160	180
e) Repairs and maintenance	2,589	2,301
f) Class room training expenses	5,187	3,835
g) Advertisement and publicity	278	170
h) Meeting expenses	1,182	895
i) Merit scholarship	189	176
j) Audit fees : Head office	11	11
: Other offices	39	35
k) Payments from earmarked funds	35	21
l) Prior period adjustments (Net) (Note- 24)	115	748
m) GST expenses	1213	2,059
n) Provision for doubtful advances	4	229
o) Loss on sale of investments	-	285
p) Other expenses	1,893	1,317
Total	24,075	22,770

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in Lakhs)

NOTE # 24: PRIOR PERIOD ADJUSTMENTS (NET)	For the year ended March 31,	
	2019	2018
i) Income *	(969)	(116)
ii) Expenses*	1,084	864
Total	115	748

* Details of Prior Period Income & Expenses	For the year ended March 31,	
	2019	2018
i) Class room training Income	796	-
ii) Others	173	116
Total of prior period income	969	116
i) Class room training expenditure	308	-
ii) Depreciation on buildings	415	284
iii) Printing & Stationery expenses	-	218
iv) Others	361	362
Total of prior period expenses	1,084	864

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA
NOTES FORMING PART OF THE FINANCIAL STATEMENTS
25 Additional Notes to the Financial Statements

25.01 Contingent liabilities and commitments (₹ in Lakhs)

	2018-19	2017-18
a. Contingent liabilities		
i) Claims against the Institute not acknowledged as debts	2,603	1,830
ii) Income tax demand - (Refer Note # 25.03)	4,142	4,142
iii) The Institute has received two show cause notices of ₹ 15,797 lakhs from the Additional Director General, Goods and Service Tax Intelligence for payment of service tax on annual fee, certificate of practice fee, entrance fee, Seminar Fees and Coaching Class Fees etc. The Institute is of the opinion that it is not liable to service tax as mentioned in show cause notice (SCN). A writ petition was filed with Hon'ble Delhi High Court in this regard, on 08.04.2019 inter alia seeking stay of the proceedings pursuant to the SCN dated 09.08.2018 and 03.10.2018 issued by department. The writ petition was filed on 16.04.2019 and Hon'ble High Court of Delhi has allowed the writ petition and advised the Institute to reply to the aforesaid SCNs and further ordered that no final order shall be passed by the department till the decision of the writ petition. The next hearing is scheduled for 13th December 2019.		

b.	Capital Commitments	2018-19	2017-18
	Capital Commitments (Net of advances)	2,716	3,654

25.02 Other Receivables in Note 14 # under long term loans and advances include ₹ 243.75 Lakh for stamp duty refund receivable on cancellation of principal and supplementary agreements of acquiring property at Nagpur which has been rejected by the Joint District Registrar (JDR), Nagpur. The Institute has filed two appeals before the Chief Controlling Revenue Authority, Pune under section 53 of Maharashtra Stamp Act challenging the orders passed by JDR, Nagpur which are still pending for final adjudication. The Institute has been advised that it has a good legal case to receive the refund of stamp duty.

25.03 For the assessment year 2014-15, a demand of ₹ 4,142 Lakhs was raised by income tax department against the Institute. The ITAT has remanded the case back to the Assessing Officer. Letter to give effect to the order of Hon'ble ITAT for necessary rectification in Intimation u/s 143 (1) of the order issued on 19.03.2016, quantify taxable income and to give credit of TDS claimed and delete the aforesaid demand and issue the refund of ₹ 452 Lakhs along with interest u/s 234A of the Income Tax Act 1961 was filed on 10.10.2018.

The Income Tax Department has filed an appeal u/s 260A in the Hon'ble High Court of Delhi to set aside the aforesaid order of the Hon'ble ITAT. The matter is pending before the Court. The Institute has been legally advised that there is no apparent reason for the Hon'ble High Court to interfere in this matter and is expected to dismiss the appeal filed by the Department.

**THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA
NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

25 Additional Notes to the Financial Statements

- 25.04 Directly attributable expenses on the seminars activity have been charged to seminar expenses and related indirect expenditure is charged to functional heads of expenditure.
- 25.05 Out of the fee received from the students towards Students Registration Fee, a sum of ₹ 250 per student in respect of students registered after 1st April, 2009, is remitted to Chartered Accountants Students Benevolent Fund.
- 25.06 Leasehold land includes ₹ 6.17 lakhs paid for the plot of land in Indraprastha Estate, New Delhi (adjacent to existing head office) allotted by Land and Development Authority, New Delhi for which execution of Memorandum of Agreement and Lease Deed is in progress.
- 25.07 The Institute had initiated a process for digitization of entire activities by undertaking a project referred as 'Project Parivartan'. For this purpose, Institute had appointed a global integrated service provider (vendor) supervised by a globally reputed project management consultant at a total cost of ₹ 3,981 lakhs. A sum of ₹ 867 lakhs was incurred up to March 31, 2015.

Since the service provider did not carry out the development of digitization as per the requirement even after extended periods, the Institute cancelled the contract and encashed the bank guarantee of ₹ 295 lakhs in the month of June 2015 and the balance amount of ₹ 572 lakhs was written off in the year ended March 31, 2015.

The vendor submitted a proposal requiring the Institute to pay ₹ 807 lakhs including the amount encashed Bank Guarantee which has been rejected by the Institute and the agreement with service providers in February, 2017. No communication has been received from the vendors after contract was terminated.

During the year, Institute has sent a legal notice dated 31.10.2018 to the vendor requiring it to pay an amount of ₹2,140.79 lakhs along with applicable interest towards loss incurred on account of non execution of the project. The vendor in its response dated 20.03.2019 has contested that claim of Institute is time barred. Further action in this matter will be taken as advised by the legal advisor.

- 25.08 Land measuring 225 sq. mtrs area of ICAI Bhawan Faridabad, had been acquired by DMRC in January 2013 for which, Faridabad branch had requested for another piece of land, adjacent to the branch in compensation against the acquisition by DMRC. The matter is currently under consideration by Haryana Urban Development Authority.

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

25 Additional Notes to the Financial Statements

25.09 Other expenditure includes ₹ 114 lakhs (₹ 262 lakhs) being the reimbursement of costs incurred by Quality Review Board constituted under section 28-A of The Chartered Accountants Act, 1949. Other expenses also include contribution of ₹ 60 lakhs (₹ 67.50 lakhs) made to the Appellate Authority constituted under Section 22 of the Chartered Accountants Act, 1949. Expenses of the Quality Review Board and the Appellate Tribunal are required to be borne by the Institute. Other expenses also include grant of ₹ 15 lakhs (₹ 10 lakhs) made to Extensible Business Reporting Languages (XBRL) and one time expense support of ₹15 lakhs (₹ Nil) to Investment ICAI Registered Valuers Organization.

25.10 A detailed review of the various reserve funds and earmarked funds created in the earlier years and related earmarked investments has been taken up to restructure these funds as per the present requirements and functioning of the Institute.

The Institute is carrying following earmarked funds in the books of account from earlier years with no utilisation:

Particulars	(₹ in Lakhs)
Education Reserve	42,682
Education Fund	33,608
Research Building Funds	924

25.11 In the case of inter unit accounts relating to income and expenditure heads, the unreconciled differences aggregate to ₹ 552.62 Lakhs in debit and ₹ 546.59 Lakhs in credit. Net difference being ₹ 6.03 Lakhs in debit. Pending completion of reconciliation, the amount of net difference of ₹ 6.03 Lakhs has been included under 'Provision for Inter branch reconciliation account' and provided for. In the case of inter unit accounts relating to assets and liabilities, the unreconciled differences aggregate to ₹ 3,814.52 Lakhs in debit and ₹ 4,029.70 Lakhs in credit. The net difference of ₹215.18 Lakhs has been included in 'Fee Received in Advance'.

25.12 Although the income of the Institute is fully exempt under section 10(23-C)(IV) of the Income Tax Act, 1961, some of the vendors have deducted tax at source on payments made to the Institute. The refund of tax deducted at source is ₹ 2,508 Lakhs (₹ 2,256 Lakhs) is likely to be received on final outcome of the disposal of pending appeals referred to Note No. 25.03 above. On completion of assessment for the year ended 31.3.2016 at ₹ NIL income, the Institute has received a refund of ₹55.37 lakhs plus interest of ₹9.13 lakhs against TDS claim of ₹ 221 lakhs. The matter has been taken up with the tax department for refunding the balance amount of ₹ 165.63 lakhs.

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NOTES FORMING PART OF THE FINANCIAL STATEMENTS

25 Additional Notes to the Financial Statements

- 25.13 In view of the Management, the study circles, study chapters and overseas chapters are separate entities and their accounts are not consolidated.
- 25.14 Steps have been taken to carry out physical verification of fixed assets and reconciliation with books balances at the Head office and the Branches.
- 25.15 The Branch Employees Scheme 2006 has been replaced by new Branch Employees Scheme 2014 which has been approved by the Central Council but not yet implemented. Since 2014-15, a provision of ₹ 700 lakhs per year is being made in the accounts adding upto ₹3500 lakhs as on March 31, 2019. The shortfall / excess of provision will be determined when the revised scheme is fully implemented.
- 25.16 Consequent to revision of salary and allowances of employees effective 1.1.2016 and 1.7.2017 respectively, a provision of ₹ 960 lakhs (₹ 4,400 lakhs) was made in financial year 2018-19. Pending final review and decision on this matter, ₹ 1,071 lakhs have been paid to the employees as advance.
- 25.17 Out of the 189 units of the Institute that form part of the consolidation, the accounts of Northern India Regional Council are unaudited.
- 25.18 The reconciliation of GST paid, payable and GST input is in progress. An amount of ₹ 1,213 Lakhs (₹ 2,059 Lakhs) including ineligible input tax credit and input credit attributable to exempted supplies, has been charged off to the Income and Expenditure Account as 'GST Expenses'. GST payable at the end of the year of ₹ 784 Lakhs (₹.1389 Lakhs) has been included under other liabilities (Note No.8) and amount of ₹ 1,230 Lakhs (₹ 966 Lakhs) as GST input credit recoverable has been shown under 'Loans and Advances (Note No.14)'. The management is of the opinion that no material adjustments are likely to arise when the reconciliation is completed.
- 25.19 As per the present estimates, the Institute is likely to incur an estimated expenditure of ₹ 4,500 Lakhs for holding World Congress of Accountants in the year 2022 in India. It has been decided that out of surplus of the year 2018-19 and next two years, ₹ 1,500 Lakhs will be appropriated to a separate close ended fund to meet the financial requirements to organize the conference. The expenditure incurred each year will be debited to designated account 'Expenditure on WCOA -2022' and an equivalent amount will be transferred to the appropriation account from the said fund every year.

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

25 Additional Notes to the Financial Statements

- 25.20 During the year 2018-19, the Institute has created a sinking fund for Building Repairs and Asset Replacement to fund such expenditure in the future. Sinking fund to the extent of accumulated depreciation less ITT Reserve till 31st March 2018 amounting to ₹ 20,890 lakhs has been transferred from General Reserve to Sinking Fund during the year ₹ 276 lakhs being depreciation for the year net of ITT reserve for the year has been appropriated towards Sinking Fund. It is proposed to earmark investments in Govt. of India securities and income accruing on these securities will be appropriated to the fund.
- 25.21 Due to certain problems relating to data migration from the old package to the new package, the detailed listings of advance fee received from members amounting to ₹ 3,112 Lakhs and fee for distance education ₹ 9,471 Lakhs received from the students could not be extracted as of 31.03.2019 and made available to the auditors for verification.
- 25.22 As per Regulation 197 of The Chartered Accountants Regulations 1988, the auditors of the Council are required to compare the actual income and expenditure with the budget estimates approved by the Council and submit a report to the Council on the material departures. Steps are being taken to comply with this requirement in the near future.
- 25.23 The Institute in the process to setup necessary mechanism to ensure compliance and disclosure requirements and to identify the vendors of goods and services who are covered under The Micro Small and Medium Enterprises Development Act, 2006.
- 25.24 ₹ 2138 lakhs out of Membership Fee (Annual and Certificate of Practice Fee) received during the year has been transferred to the Members Benevolent Fund. Being the first year, the Council has approved 20% of the Membership Fee for the current year.

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Disclosure under Accounting Standards

26 Employee Benefits

Defined Benefit plans

The Institute has recognised an amount of ₹858.14 lakhs for the year ended March 31, 2019 (Previous year ₹ 597.36 lakhs) towards contribution to Provident Fund.

During the year, Institute has got the actuarial valuation done for the Institute of Chartered Accountants of India Provident Fund Trust. It has been advised that provident fund scheme is a defined benefit plan and not a defined contribution plan. The net shortfall of ₹200.15 lakhs (₹ Nil) has been provided for in the books of account. Upto 31.3.2018, Provident fund scheme was treated as a defined benefit plan and no actuarial valuation was carried out.

The Institute has provided the following defined benefit plans to its employees

Gratuity :	Funded
Post retirement Pension :	Non-Funded
Compensated Absence:	Non-Funded

26.1 Details of the Gratuity Plan are as follows

(₹ in Lakhs)

Description	2018-19	2017-18	2016-17	2015-16
1. Reconciliation of opening and closing balances of obligation				
a. Obligation as at beginning of the year	3,298	2,510	2,358	2,213
b. Current service cost	266	1,102	202	184
c. Interest cost	239	176	166	169
d. Actuarial (gain)/loss	442	(204)	44	(53)
e. Benefits paid	(340)	(286)	(260)	(155)
f. Obligation as at end of the year	3,905	3,298	2,510	2,358
2. Change in fair value of plan assets	2,277	2,325	2,292	2,232
a. Fair value of plan assets as at beginning of the year	188	165	183	191
b. Expected return on plan assets	4	6	2	6
c. Actuarial gain/(loss)	1,045	84	132	78
d. Contributions made by the Institute	(1)	(303)	(284)	(215)
e. Benefits paid	3,513	2,277	2,325	2,292
f. Fair value of plan assets as at end of the year				
3. Reconciliation of fair value of plan assets and obligations	3,905	3,298	2,510	2,358
a. Present value of obligation	3,513	2,277	2,325	2,292
b. Fair value of plan assets				
c. Amount recognised in the balance sheet Asset/(Liability)	(392)	(1,021)	(185)	(66)

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Details of the Gratuity Plan (Contd...)**(₹in Lakhs)**

	Description	2018-19	2017-18	2016-17	2015-16
4.	Expenses recognised during the year				
	a. Current service cost	266	1,102	202	184
	b. Interest cost	239	176	166	169
	c. Expected return on plan assets	(188)	(165)	(183)	(191)
	d. Actuarial (gain)/loss	438	(210)	42	(59)
	e. Expenses recognised during the year	755	903	227	103
		% invested	% invested	% invested	% invested
5.	Investment details	100	100	100	100
	a. Others - Funds with Life Insurance Corporation of India				
6.	Assumptions	7.62%	7.65%	7.45%	7.92%
	a. Discount rate (per annum)	7.65%	7.45%	7.45%	8.85%
	b. Estimated rate of return on plan assets (per annum)	Basic 3% :	Basic 3% :	Basic 3% :	Basic 3% :
	c. Rate of escalation in salary	DA 6%	DA 6%	DA 6%	DA 6%
		2%	2%	5%	5%
	d. Attrition rate	IAL 2012-14	IAL 2006-08	IAL 2006-08	IAL 2006-08
	e. Mortality table	Ultimate	Ultimate	Ultimate	Ultimate

26.2 Details of the Post Retirement Pension Plans

	Description	2018-19	2017-18	2016-17	2015-16
1.	Reconciliation of opening and closing balances of obligation				
	a. Obligation as at beginning of the year	11,890	11,115	5,086	2,684
	b. Interest cost	874	813	357	211
	c. Actuarial (gain)/loss	79	378	6,063	2,210
	d. Benefits paid	(480)	(416)	(391)	(19)
	e. Obligation as at end of the year	12,363	11,890	11,115	5,086
2.	Reconciliation of fair value of plan assets and obligations				
	a. Present value of obligation	12,363	11,890	11,115	5,086
	b. Amount recognised in the Balance Sheet Asset/(Liability)	(12,363)	(11,890)	(11,115)	(5,086)

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Details of the Post Retirement Pension Plans (Contd...)

(₹ in Lakhs)

	Description	2018-19	2017-18	2016-17	2015-16
3.	Expenses recognised during the year				
	a. Interest cost	874	813	357	211
	b. Actuarial (gain)/loss	79	378	6,063	2,210
	c. Expenses recognised during the year	953	1,191	6,420	2,421
4.	Assumptions				
	a. Discount rate (per annum)	7.60%	7.50%	7.30%	7.90%
	b. Rate of escalation in salary	Basic 3% : DA 6%	Basic 3% : DA 6%	Basic 3% : DA 6%	Basic 3% : DA 6%
	c. Attrition rate	2%	2%	5%	5%
	d. Mortality table	LIC 1996-98 Ultimate	LIC 1996-98 Ultimate	LIC 1996-98 Ultimate	LIC 1996-98 Ultimate

26.3 Employee Benefits (Contd..) Details of Leave Encashment

	Description	2018-19	2017-18	2016-17	2015-16
1.	Reconciliation of opening and closing balances of obligation				
	a. Obligation as at beginning of the year	4,137	3,873	3,468	3,097
	b. Current service cost	221	182	399	291
	c. Interest cost	301	274	227	216
	d. Actuarial (gain)/loss	851	188	127	115
	e. Benefits paid	(406)	(380)	(348)	(251)
	f. Obligation as at end of the year	5,104	4,137	3,873	3,468
2.	Reconciliation of fair value of plan assets and obligations				
	a. Present value of obligation	5,104	4,137	3,873	3,468
	b. Amount recognised in the Balance Sheet Asset/(Liability)	(5,104)	(4,137)	(3,873)	(3,468)
	Expenses recognised during the year				
	a. Current service cost	221	182	399	291
	b. Interest cost	301	274	227	216
3.	c. Actuarial (gain)/loss	851	188	127	115
	d. Expenses recognised during the year	1,373	644	753	622

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Details of Leave Encashment (Contd..)**(₹ in Lakhs)**

	Description	2018-19	2017-18	2016-17	2015-16
4.	Assumptions				
	a. Discount rate (per annum)	7.62%	7.65%	7.45%	7.92%
		Basic 3% :	Basic 3% : DA	Basic 3% : DA	Basic 3% :
	b. Rate of escalation in salary	DA 6%	6%	6%	DA 6%
	c. Attrition rate	2%	2%	5%	5%
	d. Mortality table	IAL 2012-14	IAL 2006-08	IAL 2006-08	IAL 2006-08
		Ultimate	Ultimate	Ultimate	Ultimate

27 Segment Reporting

The Institute's operations are confined to "regulation of the profession of Chartered Accountancy" and predominantly spread in India. Hence all its operations fall under single segment within the meaning of Accounting Standard (AS) - 17 Segment Reporting.

28 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

Sd/- CA. Sudeep Shrivastava Joint Secretary	Sd/- Rakesh Sehgal Acting Secretary	Sd/- CA. Atul Kumar Gupta Vice-President	Sd/- CA. Prafulla P. Chhajed President
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In our report referred to even date
For Shah Gupta & Co.
Chartered Accountants
Firm registration number: 109574W

For Khanna & Annadhanam
Chartered Accountants
Firm registration number: 001297N

Sd/-
CA. Rajeev Bansa
Partner, Membership No. 088598
New Delhi, 24th September, 2019.

Sd/-
CA. B.J. Singh
Partner, Membership No. 007884

RAKESH SEHGAL, Acting Secy.

[ADVT.-III/4/Exty./233/19]