

The QUINTESSENTIAL CHARTERED ACCOUNTANT

A man must fill his life with meaning, meaning is not automatically given to life. – Chaim Potok

Eighty years of existence is celebration indeed. Be it in a human life or the life of an institution. The culmination of a 1000 full moons is a good time to remember, rejoice and reflect on the people and events that went by –a time to commemorate the memories and accomplishments and felicitate the people who made this possible

The similarity ends there. 80 years in a human is perhaps the time to sit back and enjoy the well-earned rest. The context of an institution is entirely different for herein begins another re-birth, rediscovery and even reinvention. In addition to our reflections on our past, this is perhaps a crucial time to ponder over the future as well. A future that **must** be filled with meaning and relevance to the times we operate in

80 years is both an accomplishment as well as an onerous responsibility. A responsibility to deliver to our stakeholders and the society who made this existence possible. We could not have turned 80 at a better time.

The New Companies Bill is clear vindication of the stand of the powers that be vis a vis the CA profession. The National Financial Regulatory Authority and not the ICAI will determine the right and the wrong of our professional acts. The CA profession has been singled out for mention for regulation of discipline by NFRA although secretarial and cost audits are important as well

Bank audits are clearly on their way out and protection for this profession is over. Audit rotation has been made mandatory. Whether this bill is a promising legislation with bold moves that will enable the Small and Medium firms or just another bald script that will be susceptible to myriad interpretational loop holes, only the exquisite mystery of the rules will reveal. The devil and the divine will be in the detail that we await.

We celebrated our valedictory of our 80th year on the 23rd and 24th of August 2013 and there some leaves that I would like to take out three leaves out of this book of events and the contemporary changes that we are witness to, to highlight what we need to be for the rest of the many years that we are likely to exist for and prosper in

First, the event began with an inaugural with the Honourable Governor of Andhra Pradesh, Sri ESL Narasimhan, who delivered his address. And this address set the tone and the texture of what we are today as a profession and what has brought us here. He spoke of "Trust Deficit", a situation of loss of faith in the auditing fraternity and the need to win the trust back.

The **second** highlight was a play by a fellow Chartered Accountant and his team of CA's that left us in splits and more importantly left us thinking. A rare combination of humour with message that can come from an intellectual and not just intelligent CA that we should all aspire to be. We need more of CA Srivatsan's and may his tribe prosper. The play was themed around three generations of practising CA's, their attitudes, values and beliefs that guide their lives and the comical yet thought provoking character of a tea boy essayed exemplarily by CA Giridharan. The threat of large MAF's was the base tone of the entire script and a standing ovation was not enough justice to the play. A dancing ovation may have been! . The play was an operatic attempt at reinforcing the much needed Confidence of SMP's today

The third and possibly the magnum opus that people would remember for ever is the concluding address by Swami Bodhamayananda of the Sri Ramakrishna Math. He recalled the life and times of great men of hard work, conviction and clairvoyance such as Mahatma Gandhi and Swami Vivekananda as well as of human life and inspiring stories that exist in the outside world

I have attempted to summarise the key perspectives of the event – the speakers, the audience reactions and the sidelines which were as interesting and as exciting as the proceedings themselves

Lets start with the Trust deficit and the other aspects which may need the active intervention of organisations such as the SoA to rescript the face of our beloved profession

If one stepped a little back to explore the reasons why this trust was lost, the apparent and most cited reason is one of quality deterioration. This is only partly true. Whilst this may be one factor, this is not just an India phenomenon but a worldwide situation where the need for knowledge and specialisation has not been respected and we turn out to be masters in none of the service lines we offer. It would be a bit difficult to deny that a bit of casualness has crept in, a casualness that got detected by the IT systems in place to check compliance (for instance the tax audit ceiling) and evasion that ended presenting us in a wrong light

Two, the trust was lost because we failed to unite as a profession or speak in one voice when the situation demanded. Our leaders could have perhaps, managed perception much better in the last few decades. We failed to drive, pursue or even align ourselves to a National Agenda, something we could have effortlessly accomplished given the quality of our education.

Three, we failed to speak out against the national problems of corruption and administrative delays and as Martin Luther King said “All that is necessary for the triumph of evil is that good men do nothing”. In our silence not broken by even murmurs of dissent, we have perhaps contributed to the main stream of issues that confront our nation today. I am not judging whether what we did was right or wrong in relevance to the context but merely making a statement on what has led to a trust deficit

Four, this trust deficit has become extremely counterproductive to the profession and threatens our very existence. From the management’s responsibility for fraud and error enshrined in the Kingston Cotton Mills case, we are now the epi-centric target of any fraud and our responsibilities under all the new pronouncements are clear and clearly onerous

Five, we existed and remained content in the xylos of taxation, accounting and audit when our advise would have been far more valuable on policy initiatives. Simply stated we failed to infiltrate and position ourselves in the places where we could have contributed most positively to National Growth

Six, the fact that we are guided by a regulation that was drafted in 1949 is not helpful either. As a service organisation, should we not have, in the least an office of an ombudsman. Also as a public organisation subject to RTI laws, we must publish our Standard operating procedures in the portal of ICAI so that our processes are transparent and objectively assessable. We are yet to be ISO certified. Acts such as this would redefine the much battered image of our profession

Seven, the articleship training that we impart to our students is the cornerstone of our profession. Frequent changes in the academic pattern have resulted in complete skew of demand and supply and a bewildered state compounded by academic and coaching

pressures not to mention that there are no checks and balances over the quantity and quality of training imparted

Eight, as a profession, we have not espoused any Social Responsibility cause in a big way although our numbers grant us enormous reach. Hence we have very limited visibility beyond the spheres we operate in

The satvik monk, on ascending the podium, was transformed into a fiery and passionate speaker as he extolled the CA's to lead by example. He drew a parallel to the death of Mahatma Gandhi that clearly summarised what we should be

When Gandhi passed away, U Thant, the then Secretary General of the United Nations wanted the flags of all member nations to fly at half-mast which was not a customary practice as Gandhi was only an Indian leader. When challenged on this, Mr Thant is stated to have replied that it was an occasion when not a character called Gandhi was assassinated, but "humanity" was assassinated and this merited world respect

This is the kind of respect that we as a profession need to command. This was the central message of the events and the need of the hour is for the SoA to reinforce the confidence of fellow professionals and to encourage them to do more work outside of the traditional domains and be true partners in Nation Building.

And as the Governor remarked

"SathamAnam bhavathy SathAyu: Purushasyatha
Indhriya yEva Indhriya tE Prathithishtathi"

May the SOA continue for another hundred years with all faculties intact to continue to serve the causes that it means to do and to do so in the best possible manner