

THE ORACLE

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From the desk of the Chairman

CA. Gautham Pai D.
Chairman – ICAI Mangaluru



Dear Members

Greetings of the day

The month of May has indeed been very qualitative for us the Mangaluru Branch & a good lot of activities were conducted. Amidst the heat of the Summer, the Exams & the General Elections, the month saw us host the DISA course, celebrate National Technology Day, host a Workshop on GST Demands & Appellate Remedies & finally to conclude a session on Start-up to support the ecosystem. The month of June has a lot lined up & will be Member Centric, engaging all to equip for the season ahead.

DISA Course was hosted by the Branch & 32 participants took part & made use of this Course. The Course was scheduled to complete in a span of three weeks. We had the Vice Chairman of the Digital Accounting & Assurance Board, CA. Dayaniwas Sharma joining us during the course & interacting with the participants. National Technology Day was celebrated on May 11th with a session on AI in ICAI by the Chairman of the AI in ICAI Committee CA. Dayaniwas Sharma & a session on Professional Opportunities for members in the new era of Technology by CA. Anand Jangid. The Branch also hosted a Two-Day Workshop on GST Demands & Appellate Remedies organized by the GST & Indirect Taxes Committee on May 24th & 25th. The Joint Commissioner of Commercial Taxes, DGSTO, Mangaluru & the Chairman of Confederation of Indian Industry, Mangaluru Chapter were invited as Chief Guest & Guest of Honour for the Inaugural of the Workshop. The Workshop saw excellent participation & the best of the resource persons were invited to share their knowledge & wisdom. Finally on May 31st a Start up Session specifically for those in the Start up Ecosystem was organized to benefit them & give an insight as well as hand hold them with the basics must know knowledge & perspective.

The month of June also awaits us with lot of expectations & the biggest highlight is the CA Students National Conference on June 14th & 15th at Town Hall, Mangaluru. As always it is that event of the year where students keenly wait to meet, learn, socialise & network more importantly. For Members, a Full Day Workshop on Standards on Auditing & Code of Ethics is planned for June 14th & a One Day Seminar on Direct Taxes is planned for June 15th. Further International Yoga Day will be celebrated on June 21st & International MSME Day on June 27th. The Branch is also organizing a Residential Refresher Course to Varanasi & Ayodhya from June 25th – 28th & a unique program is conceptualized. CA Day is fast approaching & on June 30th an event country wide will be organized in the nature of CA Run for Viksit Bharat to highlight our fraternity's role in nation building.

I request our Members to motivate their students to take part in the Conference & benefit themselves for the enriching sessions planned. Further the Branch is gearing up to organize events to upskill the Members & ensure we all gear up for the demanding Audit season which is welcoming us & going to span next 4 months & more. We request all of you to actively take part in all the activities of the Branch & support as you always do. The participation is all the motivation we need to go further.

Thank you

From the Lens of the Past President

PAOs are Catalyst of Socio Eco Reform - Challenges and Strategy



CA. Atul Kumar Gupta

Introduction

This research paper, while appreciating the valuable contribution made by Professional Accounting Organizations (PAOs) (like Institute Chartered Accountants of India) of around the globe, aims to touch upon various challenges being faced by such Organization as also to provide guidance to innovate and out of the box efforts that may help resolve them. Having had the opportunity to remain on helm of affairs at the Institute of Chartered Accountants of India (ICAI) as its President and now the board member of International Federation of Accountants (IFAC) and of the XBRL International, the experience gained over a period of more than 21 years engaging with various Professional Accounting Organizations and interacting with distinguished members of such Organization, coupled with various reforms, provided an insight about the valuable role that PAOs are playing in the overall ecosystem, the challenges faced and facilitating a way forward. Engagement with Professional Accounting Organizations at their different levels and in diverse capacities, such as chair of committees with mandates in different Professional spheres, then Chair of a region, later the Vice President and finally position of the President, during the last 21 years bestowed an understanding that I shared through a vision document as to what a Professional Accounting Organization should aspire for to be able to not only act as a facilitator of knowledge, growth and guardian of trust, but also get recognition for the voluntary services extended to stakeholders. For that, they must always remain on their toes because serving the public interest naturally invites challenges. To mitigate these challenges, PAOs not only have to continuously perform and sustain themselves, but they also need to ensure that the members and the student associated with them serve the larger public interest.

This Research Paper tends to enumerate the diverse role the Professional Accounting Organizations are playing for which they should not only be encouraged, but recognized, respected, and supported as well. Besides, this research paper covers varied challenges the Professional Accounting Organizations presently facing, strategy that ought to be employed to counter those challenges and innovative initiatives that may be endeavored by Professional Accounting Organizations to realize the objective.

Role of Professional Accounting Organization (PAO)

A Professional Accounting Organization plays a very important role, inter alia, in generating or developing the resources in terms of the trained Professionals having the capabilities to perform functions in relation to socio economic reforms in each jurisdiction.

1.0 Guardian of Trust

Professional Accounting Organizations like ICAI are normally set up by the government of the respective jurisdiction with the underlined objective of not only regulating, but also to develop, the Accounting Profession. Over the years, it has been observed that a set of like-minded Professionals in one or more jurisdictions join and set such Organization as not-for-profit/Autonomous or non-government Organizations. These Organization focus on furthering the Professional acumen of their constituent members on the one hand, and on developing essential tools to deal with complex situations that are often faced in Professional engagements, on the other. These, in turn, help Professionals to effectively discharge their duties, and, at the same time, assist their clients/Organizations to benefit from their knowledge and expertise to the fullest. As hinted in the 'introduction' supra, the Professional Accounting Organizations act as facilitator of knowledge and growth as well as guardian of trust. The Professionals, during education and training, usually get evaluated on certain parameters. In other words, such an evaluation tends to assess aptitude. At the same time and during the above course, a question often binds some Professionals as to what the difference between is 'a Business' and 'a Profession'. 'A business' could be defined or explained in ways more than one, however, suffice it would say that 'a business' essentially envisages an activity undertaken or enterprise entered for profit and/or creating wealth. As regards 'a Profession', the same is guided by a code of ethics or a code of conduct, best practices followed across the globe – whose central pillars include EXCELLENCE, INDEPENDENCE, and INTEGRITY, which, in turn, translate broadly to assurance or trust. Here, it is pertinent to not jump to the conclusion that a business is devoid of integrity. It is just that while the focus of a business-person centers around remaining compliant with related laws, in the case of a Professional, if and where one is faced with two interpretations on a given issue – one legalistic and the other ethical, the stricter interpretation is preferred even when the former is legal and non-violative of any provision of law. Besides, the Code of Conduct or Code of Ethics entails disciplinary mechanism for any, though rare, erring Professional. Putting it differently, if and where any Professional diverges or fails – even slightly or unknowingly – to follow the above Code, such a Professional is subjected to a disciplinary mechanism framework of a jurisdiction concerned. It is in this backdrop that an assurance or a report of investigation by a Professional is accepted at face value and trusted not only by the related client/Organization, but by the members of society. That is the reason why Professional Accounting Organizations put in place all possible mechanism, including the continuing education of their members, in order to ensure that their members continue to tread the right path so that 'the guardian of the trust' – the hallmark of Professional Accounting Organization is not faced with any jeopardy.

1.1 Enabling Investment Eco-System

That apart, the ethical conduct of the Professionals creates an environment whereby the jurisdiction gets the investment of more and more resources not only from the domestic market but also from the international community. It is often observed that where there is well-structured Professional Accounting Organization exist in a given jurisdiction and have a pool of Professionals, increasing number of companies/corporates in such jurisdiction are getting listed themselves at the global jurisdictions/platforms. Consequently, local jurisdictions get more funds from investors outside of those jurisdictions which help to propel economic activities, and as a result, prosperity. This kind of cycle goes on for the well-being of all stakeholders. Thus, the Professionals serve the public interest in a subtle but unique way. No investor – whether local or global – will ever part with their hard-earned money by way of investment in a particular entity/business/Organization unless they are sure of, and assured way of reports by the Professionals, the financial well-being of a given entity.

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1.2 Empowering Youth

It is again very important that the Professionals continuously engage themselves in creating an ecosystem whereby more and more capacity is built by way of empowering the youth and the economically weaker sections of the society as these Professional courses are meant for masses rather than for a certain class or classes. Anyone can join pursue Accounting /commerce courses offered by different Professional Accounting Organization in their respective jurisdiction. Just to illustrate an example of the Chartered Accountancy Course in India by the Institute of Chartered Accountants, of which, the author has had the privilege to remain at the helm of affairs, offers the course of Chartered Accountancy for a mere INR65,000, which is way less than US\$1000, for its entire duration of three and half years. Thus, it can be well understood how effectively the Professional Accounting Organization in India has engaged itself to empower the youth in India, apart from, of course, its neighboring countries.

Not only that the total Chartered Accountancy Course fee in India is less than US\$1000, the Chartered Accountants Regulations, 2008 – which govern the overall scheme of education and training – provide that those pursuing the above course –are, during the course of their practical training undergone as ‘articled assistant’ as part and parcel of the said Course, facilitated with a monthly stipend even to meet up the aforesaid INR65,000 so that anyone choosing to pursue the Chartered Accountancy Course as a career is not deprived to do so for want of financial means. Apart from the stipend, there are scholarship schemes by many PAOs in place to help needy and meritorious students. The said Course is one of the top Professional courses in India because not only it begets respect only from the corporate world but from the society. Besides, upon successfully completing the Course, one gets an ample employment opportunity for a very handsome remuneration. An annual remuneration of INR 1 million is not rare. Additionally, they have the option to set up their own practice and render service on one’s own or in partnership with other likeminded Professionals. Speaking in other words, what naturally attracts the youth to the Chartered Accountancy Course and prompts them to undergo related practical training is the recognition and the economic prosperity that the Course offers. The added prompter is, of course, the very low cost and the monthly stipend during practical training. There are examples aplenty where a person from the poor economic background who join this Course and successfully complete the same, not only empower themselves, but the entire family.

1.3 Catalyst of Women Empowerment

When women empowerment is talked about, it is well known that every section of the society is engaged towards that, and Professional Accounting Organizations are not lagging behind. There are many countries-jurisdictions where legal provisions are in place which provide that specific class(es) of corporate entities will have a minimum of one-woman director. While women constitute close to 50% of the world’s total population, however, the percentage of women pursuing Professional courses is not so much promising.

Though women are joining workforce in increasing numbers over the years, however, yet their numbers as Professionals leaves much to desire. One of the reasons for this scenario is that in many cases, the immediate need is to nurture or extend economic support to the family members. Here, the Professional Accounting Organization can and they do play an important role whereby they not only provide education on a very subsidized cost vis-a-vis the value the education provides, but also the education enabled leads to empowerment as the same offers virtual working. That’s why in recent past the surge in number of enrollments by female student in Professional courses. In India, more than 43% students pursuing the Chartered Accountancy Course are today the girls’ students. Not only that, with their hard work and perseverance they are bagging the best ranks in the examinations. Resultantly, close of 30% of membership strength of the ICAI presently comprises of women Chartered Accountants. Hence, the Professional Accounting Organization not only empowering the youth but also are proving to be a significant tool for women empowerment and as mentioned earlier also contributing to the socio-economic reform in their respective jurisdictions. There is no denying that increasing and speedy socio-economic reforms lend strength in building nations as such reforms encourage more and more investments – both

domestic and foreign as also entities/corporates getting themselves listed at the international/global level and thus accelerating growth.

1.4 Pool of Talent

The Professional Accountants not only engage in the assurance services but also provide valuable support to their employing Organizations in their capacity as Chief Financial Officer or any other key management personnel. By their education and training as Chartered Accountants/CPA, they not only understand the nitty-gritty of financial statements, but also have the competence to master the business as well by putting in place better financial management. Besides, they are the catalyst of investments and resource mobilization thereby enhancing growth and capacity-building of the Organization. It is not without reason that entities/corporates are having increasing number of Professional to helm. One would agree that Professionals with strong intellectual mind, greatly contribute to success of the organization.

1.5 Foundation of Financial Literacy

Another significant contribution by the Professional Accounting Organization is in the realm of financial literacy in the society. It is hard to deny for the well-being of society that its members are financially literate. This assumes added importance when financial inclusion of the masses vis-à-vis integration with the banking system is taking place at a rapid pace. That apart, financial literacy of citizen helps in a better financial management, which, in turn, leads to optimum utilization of available resources and increased savings/investments. This is specially so for women to enhance their role in the process of decision-making and thus empowerment. It is not without reason that Mahatma Gandhi, Father of the Nation-India, said - If you educate a man, you educate an individual, but if you educate a woman, you educate an entire family. There is another similar African proverb - If you educate a man, you educate an individual. But if you educate a woman, you educate a nation. Likewise, women across races are known for thrift money and hidden savings. Any financially literate women would prefer to bank their hidden savings, rather than keeping the same at home, and earn regular interest. Similarly, savings could be employed into systematic investment plans and/or investing them in mutual funds, equity etc. to maximum their wealth. Not only that, the so employed savings would enlarge overall the availability of funds for the developments needs of society as well as of industry leading to overall growth - social and economic - for the benefit of one and all. Last, but not least, financial literacy also protects them from the various kinds of frauds and thereby cheating - the instances of which one comes across every now and then.

It is the backdrop of the above, that the Professional Accounting Organization - as part of their corporate social responsibility or otherwise - are engaging themselves in spreading financial literacy by way, including, of organizing the various events and facilitating related experts' interaction with not-so-literate sections of the society. For this purpose, Professional Accounting Organizations continue to take financial literacy as a special mission and thus are developing/enlarging their pool of Professionals.

1.6 Catalyst of Tax Reforms

A Professional Accounting Organization is to propagate and create a sense of an understanding of the various tax regimes in its particular jurisdiction. It is well known fact for the governments of the countries/states to impose different kind of taxes to sustain their administrative, civic and governance activities. At the same time, they are also obligated to infuse the required funds for the various developmental activities for that purpose, such governments are compelled from time to time to not only bring in new taxes, but also to rationalize the prevailing tax regimes. Simultaneously, it is incumbent upon such governments to widely publish their tax policies and the amendments brought about therein, especially the nitty gritty of those amendments which facilitate citizen to understand the appreciate them and, in turn, to ensure compliance therewith. Here, the Professionals having been trained by the Professional Accounting Organization play a very important role as a bridge between the government and the Assessee such that they engage

in educating, creating awareness and providing necessary clarification and guidance to the citizen, especially the businesses, corporate entities and the taxpayers. The engagement so undertaken by the members of the Professional Accounting Organization not only assist the businesses, corporate entities and the taxpayers alike to clearly make out their obligations and consequent necessity to maintaining proper records, but also encourage in increased compliance with related provisions of law(s). Parallely, inputs shared by the stakeholders and the taxpayers during such exercises, e.g., frequent changes in policies, hindrances in compliance and the like, is collated and submitted by the Professional Accounting Organization to the government coupled with related international best practices for appropriate redressal. Such exercises assume greater importance in the present-day context when more and more digital compliance is becoming the order of the day world over. It is pertinent to mention here that the efforts taken by the members of the Professional Accounting Organization – which are generally pro bono – help in whipping up taxpayers' sense of patriotism and they're being a partner in nation building. This then translates into better and increased tax collection on the one hand, and society's overall socio-economic development on the other. Therefore, the pivotal role played by the members of Professional Accounting Organization – though, more often than not, gets overlooked thereby not getting the deserved recognition – is no less, in a manner of speaking, than that of the taxpayers themselves.

1.7 Resilient Market

It would not be an exaggeration if one has to say that the Professional Accounting Organization, in their own unique way are contributing to create an ecosystem of a very strong market. As earlier stated, members of the Professional Accounting Organization on account of the competence attained during their education and training are notable Professionals. They very well understand the financial statement, related reports as tools of financial management. Equally, they are well versed with the related laws and practices. As such, they act as a prudent and trustworthy stakeholder which protects the legitimate interest of their clients and help them accelerate economic growth. At the same time, they help in ensuring that public interest is not compromised or harmed in any way by ensuring that the laws are complied with in letter and spirit. As pillar of the trust, they extend their support in the governmental efforts in the overall ecosystem to further develop and consolidate market that attracts the investment – domestic and foreign alike, leading to accelerated economic growth.

1.8 Strong Financial Management

Another one, among many, significant role played by the members of Professional Accounting Organization relates to the realm of optimum financial management in the Government sector. Related examples are aplenty. To cite one the project undertaken by The Institute of Chartered Accountants of India, in not-too-distant past, is in relation to administrative reform, i.e. conversion from cash basis of Accounting to accrual basis of Accounting by the Indian Railways, Government of India. Besides, the ICAI extended all its efforts to the Indian Railways to develop latter's Accounting policies as also as to how put in place a better financial management. Likewise, the Professional Accounting Organization in different parts of the world are extending their expertise and support to their jurisdictional governmental and other authorities, including urban local self-government Organization, in ensuring proper books of accounts, their periodic inspections as also their audit in the backdrop of best global practices. This results into not only prudent practices but also leads to better financial management and optimum utilization of resources. There is no dearth of examples where the members of Professional Accounting Organization in the backdrop of their overall competence were sought and they successfully assisted such authorities to raise money from capital market by employing suitable methodologies, including by way of bonds.

The kind of role played by the Professional Accounting Organization discussed above supports jurisdictions served not only in terms of socio-economic reforms but also in terms of catalyst

2. Challenges before PAOs

However, there is another aspect that cannot be lost sight of. In that the Professional Accounting Organization also faces challenges in terms of their activities and initiatives undertaken.

2.1 Global Landscape – Member portability in global eco-system

The first challenge is with regard to movement of members of jurisdiction of a given Professional Accounting Organization at global landscape. In the today's world, local has transformed into global. Nations and their economies are reaching out to one another in a variety of sphere, including commerce and trade, for mutual cooperation and development. However, in the case of members of Professional Accounting Organization, as the position stands today, the movement like the one above has not been facilitated. Such a position also obtains in cases where a member of given Professional Accounting Organization has also equipped oneself by way of participating in and successfully completing the subject specific course contents, with the requisite requirements of another Professional Organization. For this reason, globalization of Accounting Professionals has not progressed despite economies of related jurisdiction-nations having been actively engaging in and successfully globalized. If on the similar lines, globalization of Accounting profession is facilitated and encouraged, the ultimately benefits thereof would accrue to the global society – be it individuals, Organizations, corporate entities and the like. So much so even the governments and their agencies across jurisdictions could take advantage of profession's globalization as they then would have a much wider and diverse human Professional resource to choose from to suit with their needs.

Though it needs a mention that some of the Accounting Professional Organizations in different parts of the world have entered into some arrangements by way of memorandum of understanding and the like to engage in a pre-determined activity, the movement of members of such Organization to pursue their Professional interests is not permitted. Such being the case, the Institute of Chartered Accountants of India has – both continuously and actively – been engaging with its counter-parts in different countries. As a result of such engagement, the outreach of the Institute of Chartered Accountants of India increased from 29 countries to 45 countries when the author served the Institute of Chartered Accountants of India as its President during 2020-2021. Recognition of qualification of these Organization is not to the extent that offer employment and other opportunity in other judications or at the global landscape. This is a very important aspect especially when certain Organization of individuals – some choose to call them the Professional Organizations – are offering courses in different parts of the world and asserting that their qualification is a global qualification and securing the same will ensure employment and other gainful opportunities across the globe. The fierce marketing by such Organization of individuals have led to reduction the intake of jurisdictional Professional Accounting Organization and as a result straining their finances on the one hand and making resource mobilization even more strenuous.

2.2 Resources Constraints

The other challenges that the Professional Accounting Organization face relates to resource mobilization both in terms of knowledge and funds. It is no secret that increased intake of students translates to availability of enhanced funds. Those enhanced funds then are employed for enhancing the infrastructure – human, physical and knowledge – resources. Such enhanced resources then generate more intake and so on year after year. In other words, this then serves as a virtuous circle. To illustrate, the private sector – which is not under much regulatory control, more so with regard to course and other fees – engaged in imparting education in engineering etc. is a bright example and beneficiary of the virtuous circle briefly discussed above. This also explains how some of those private players have been able to built-up world class infrastructure and human capital.

Unfortunately, Professional Accounting Organization have not been able to keep pace similar to that by the above private players for variety of reason – the primary being that they are essentially, if one may so call, social and not for profit Organizations and subject to strict regulatory control having been set up by the government as discussed in the beginning of this paper. This at times leads the some of the prospective students to assume that this chartered accountants/CPA is very stagnant kind of course where they will get a reasonable career – both remuneration and recognition- but did not offer much growth opportunities. And further that the same course did not offer them the international or global career as was the case, e.g., with engineering/technology. Accordingly, the intake of students with the different Professional Accounting Organizations has not grown in line with other professions. Such comparative a smaller number of intakes naturally results in their less outgo as members joining the Accounting profession and more so in the area of public practice as the Chartered Accountants or Certified Public Accountants. Scenarios like this increasingly limit the resource mobilization avenues by the Professional Accounting Organizations. This challenge is faced on a day-to-day basis by the Professional Accounting Organizations since the resources available with them even to meet their routine expenditure were limited, whereas they were charged with the responsibility to create a hub of knowledge.

2.3 Adoption of Technology

The next challenge faced by the Professional Accounting Organization is in relation to access to and adoption of the latest technology. Technological advancement is fast paced and at the same time frequent technology obsolescence. Technological innovation entails huge investment in terms both of capital and human. In the case of Professional Accounting Organization, unlike the virtuous circular discussed before, they are faced with vicious circle whereby lesser resources result in lesser financial investment in technological and other infrastructure. In the absence of availability of the state of art technology due to financial crunch, the Professional Accounting Organization have not been able to take advantage of and employ best of technology. Thereby, affecting their services to members and students to some extent. The present-day state of art technology facilitates, among other, data mining in a variety of ways, including in a way that appropriate support is extended to the members and students. It is not unknown that the technology is being made use of today by those with resources to provide the assurance and many other services. However, since the large majority of members of Accounting profession comprise of small and medium practitioners, they do not have much access to the above resources. As such, this majority of members and other stakeholders across countries look to the Professional Accounting Organization for help and support in terms of adoption of technology. However, and sadly, Professional Accounting Organization themselves lacking resources are unable to invest much in technology. In the absence of the state of art technology and tools, the members in general are compelled to carry on their functions in traditional manner, that may have the potential to affect the quality of their assurance services.

Consequently, the gap between large and small and medium practitioners continues to widen as the need for adoption of latest technology remains constant for both sets of practitioners.

2.4 Capacity Building of Stakeholders

Another challenge which the Professional Accounting Organization are facing relates to facilitating continuing Professional education to, or continuing Professional development of, their members. The Continuing Professional education – as a concept – germinated as a result of liberalization and globalization of economies in the last decade or two of the last centuries, the same was made mandatory for the members in public practice offering assurance services ago as it was incumbent upon the members to not only be aware of but also to remain abreast of fast changing developments corollary to the above liberalization and globalization of economies. Continuing Professional education – as it suggests – is a continuous process and journey of transformation whereby in order to teach one has to unlearn and then relearn.

Putting it differently, in order to learn the a new, or an amendment in a law, one has to let go of what was learnt earlier. It became necessary to have skill upgradation through continuing Professional education to ensure that members of Professional Accounting Organization consistently provide quality services to the various stakeholders.

Coming back to this challenge, it is pertinent that the Professional Accounting Organization take requisite efforts to facilitate members comply with the requirement of their mandatory continuing Professional education. Obviously, any Professional Accounting Organization would derive its members from its jurisdiction's different parts/regions/locations, which naturally are apart and often far flung. Such being the case it would be difficult and at times not feasible for members to travel to and assemble at a given point of place to participate in a programmed of continuing Professional education. A similar position would emerge having regard to the number of members and the space available to accommodate them all at the above place, besides, of course, travel cost, travel time involved. These kinds of difficulties multiply when, God forbid, a disaster occurs or a decease like coronavirus – witnessed across countries only a couple of years back and quite fresh in memory - spreads and plays havoc. The only solution to deal with such a situation is to take recourse to and adopt the state of art technology whereby the members could be facilitated to comply with mandatory requirement of continuing Professional education or development from the comfort – as may be the case, of their homes, offices or place of employment. This will also obviate, for example, the necessity of travelling and incurring related cost – in terms of money as well as time - by the members to participate in the aforesaid programmed, apart from not adding to travel related pollution. However, as discussed before, due to lack of resources, most Professional Accounting Organization find themselves in no position to deploy requisite investment in the state of art technology, and its frequent upgradation.

2.5 Attract New Age Profession

The other challenge before the various Professional Accounting Organizations is about the aging of members on their rolls. Large number of Professional Accounting Organizations were established or set up by way of legislative enactments in 1950s, 1960s or 1970s or the period soon after the respective countries attained their independence, there were large number of persons, who were at the relevant time engaged in the practice of Accounting or accountancy, become respected Professionals by virtue of their joining such Professional Accounting Organization. Putting it differently, it would perhaps be in order to assume that majority of membership of those Accounting Organization comprised of such members and later the addition to or increase in the overall membership was gradual as that was subject to successfully completing the educational curriculum and passing the rigorous examinations. Therefore, the persons who joined the profession in the 1960s & 1970s, they are all now past the age of their prime and senior citizen. Usually, the point of aging comes about when the average age of members of a profession range between 45 years and 60 years and it suggests that membership numbers would gradually fall in the ensuing decade of 2030s, especially those engaged in assurance service unless newer members take up such services in increasing numbers as against the present scenarios across jurisdictions which show that a large chunk of newer members prefers to take up jobs in corporate sector or industry for variety of reasons. This, alas, is despite a greater number of students joining the profession of Accounting. As such, aging is an issue which also needs to be addressed suitably by the Professional Accounting Organization not only in terms of the position that adequate number of members are not available but also because a large number of members in the Professional Accounting Organization comprise of small and medium practitioners besides being engaged as proprietors. Such proprietor-practitioners, on the other hand, are faced with a challenge in relation to succession planning. It is not uncommon to come across instances where these proprietary firms, after having been painstakingly established over a period of decades, are forced to get closed in the absence of any offspring having joined and chosen to take forward the profession.

2.6 Collaboration among peers

Yet another challenge faced by the Professional Accounting Organization is with regard to networking of members/firms. In keeping with their well-meaning code of ethics and/or the code of conduct, Professional Accounting Organization permit their members, to a very limited extent, to enter into arrangement of network among them within the jurisdiction. They are, however, neither permitted at cross-jurisdictional level nor at global level to network with their counter-parts. This kind of code of ethics or code of conduct, no doubt, are good intentioned and in the interest of membership in general. However, given the fast-changing developments, the same lack in creating or facilitating an enabling environment whereby a member of a given Professional Accounting Organization can access more and more resources not only in terms of the capital infusion but also in terms of the opportunities to enlarge their clientele . As far as the assurance services are concerned, Professional Accounting Organization in different jurisdiction are forced to take steps to ensure that member in their respective jurisdiction alone will render such services. Similarly, even when it comes to non-assurance services, members of different Accounting Professional Organization are faced with huge disadvantage, in that while, on the one side, they themselves have limited availability of resources, on the other, they prohibited to enter into networking arrangements with either the members of other professions or members in a different jurisdiction. However, those in the private sector engaged in rendering similar non-assurance services or transnational consultancy firms not being subject to strict or much regulatory framework, freely and frequently enter into such arrangement – mutual benefit being the central objective and also there being no pre-requisite of Professional qualification. Such challenging scenario adversely affects the competitive edge of members of Professional Accounting Organization. Non assurance services entail many factors which prompt and sustain the growth of an Organization. These factors include the access to capital and to global market. In a scenario where while the members of a Professional Accounting Organization are subjected to the code of ethics both for assurance and non-assurance services, other private players or those engaged in consultancy services are not required to abide by identical code, the former are naturally cannot compete with the latter. Without doubt, the respect commanded by the profession in the society is because of strict code of ethics. However, such a code and consequent respect cast upon the members of Professional Accounting Organization a huge cost in terms of opportunities and resultant financial well-being. It would be well to argue that with the passage of time and the changing environment world over, these Codes need to be revisited and revised in keeping with changing needs and scenario in a manner that facilitates ease of practicing the profession, especially when lesser and lesser number of newer members are joining the profession as assurance service provider for the reasons briefly discussed hereinbefore. Such a revision will also benefit Professional Accounting Organization themselves in terms of increased revenue, thereby to speed up its developmental activities including technology advancement.

3.0 Way Forward

The first aspect that the Professional Accounting Organization need to stress upon is to initiate and expedite suitable efforts whereby substantial increase takes place in the number of students and, in due course of time, the members. Why? Because such increase will, besides serving resource perspective, also cater to prospective larger public interest and ecosystem.

3.1 Global Recognition of Qualification – Credit Score System

It needs no emphasis that global recognition of qualification of a Professional Accounting Organization can, and will, play a great role in realization of the above aspect. In other words, if and where the qualification of a Professional Accounting Organization has recognition at global level, increased number of potential students would get attracted to that Organization for pursuing the profession as, upon qualification, they have the comfort and assurance that they can avail employment and other opportunities in various parts of the globe. Having said that, in today's world of cutting-edge competition, global recognition of qualification is really hard to accomplish for various reasons, including different fiscal and taxation laws across countries. In this backdrop, Professional Accounting Organization are exploring, and entering into, mutual recognition agreement. Here, say two Professional Accounting Organization, based on their respective course curriculum, agree to provide exemption in or relaxation in the requirement of passing the examination in certain papers. To illustrate, the Chartered Accountant from Institute of Chartered Accountants of India desirous of recognition by the Institute of Chartered Accountants in England and Wales need, in terms of the mutual recognition agreement entered into between and by the above two Institute, to appear and pass only certain pre-determined papers/subject. These papers/subjects generally relate to fiscal or taxation laws of concerned jurisdiction. However, the challenge here is that for recognition of qualification of a given jurisdiction with every other jurisdiction in relation to which the mutual recognition agreement is already in place, one would need to appear in and passed the examination in pre-determined papers/subjects of such other jurisdiction. This is not only cumbersome but also time consuming. Ideally, Professional Accounting Organization need to work on and put in place a mechanism of, or similar to, credit score as is the case with certain global universities. What that briefly means, for instance, is that if an individual has passed out as graduate from a particular stream and subsequently wants to pursue post-graduate course in commerce or any other course stream of study (different from the one pursued in graduation) in another university, that individual will be eligible for a credit score based on a pre-determined parameter. To amplify, assuming that the other (post-graduate) courses required a credit score of 60 points to qualify, and the credit score or points aggregate to 54 (worked out or calculated based on the above-mentioned pre-determined parameters), the individual concerned will need to study, qualify and earn to his credit score of another or remaining 6 points only. Accordingly, if the Professional Accounting Organization develop their education ecosystem where there is a mechanism of credit score and such credit score is recognized by other Professional Accounting Organization, that mechanism will benefit all stakeholders as the same will enable and facilitate easy and smooth portability of membership from one Professional Accounting Organization to another. Telecom sector is a bright example in this regard that enables portability of number from one service provider to another without any restriction. Similarly, it would be a great idea to work the related nitty gritty out, develop and put in place a mechanism for portability of membership based on the pre-determined credit score accorded to membership of individual/different Professional Accounting Organization. It is believed that such an endeavor by Professional Accounting Organization, when fructified, will, for sure, fetch or attract larger number of prospective students into their ecosystem and that, in turn, will help them by way of financial resource to address some of their outstanding issues/challenges touched upon hereinbefore.

Such a mechanism, at the same time, will help not only enlarge presence across jurisdictions of a Professional Accounting Organization, but will also provide tools to address challenges in relation to global outreach briefly talked about hereinbefore. The same will facilitate Professional Accounting Organization become a part and parcel of and interact with various international frameworks or platforms like the IFAC (International Federation of Accountants) or various regional fora or forums like CAPA (Confederation of Asian and Pacific Accountants) and SAFA (South Asian Federation of Accountants).

Interaction of and participation by Professional Accounting Organization in the activities of the above Organization and/or forums will provide them with both exposure and a lot of opportunities to learn about the ecosystem of Institutes/Professional Organization forming part of the above international and regional frameworks, whereby they may get to choose and adopt newer matters or approaches to deal with a given scenario. Besides, the same may offer opportunities to make use of each other's resources for mutual advantage.

3.2 Members Employability/Scalability is the key

Similarly, the other issue that merits attention is in relation to the employability and the scalability of the Professionals associated with Professional Accounting Organization. Soon after joining, the students are undergoing various stages of course examination/training, including skills in communication and information technology, then they are tested on the skill matrix. It is very important that whenever the Professional Accounting Organization are conceptualizing and developing this entire ecosystem of education mode, the first and the foremost aspect which should be borne in mind should be ponder over as to whether the Professionals being generated are employable and/or whether there is scope to scale up. If and where students upon successfully qualifying the aforesaid stages of examination/training find it difficult to get employment or remain under-employed for longer period, the message that will go future prospective students will certainly be adverse. As such those who would have the course of accountancy as their first choice would naturally explore and join some other course of study – of which there is no dearth – that, in a manner of speaking, ensured suitable employment upon successfully completing the same. Therefore, it is incumbent upon the Professional Accounting Organization to take vigorous efforts to engage with various segments of industry/Organization /institution, bring home to them the knowledge and skills the Professionals possess and persuade them to participate in the campus placement program organized by the Professional Accounting Organization. Here, it is noteworthy that most students upon qualifying are desirous to go the industry vis-à-vis assurance services or private practice. Where participating companies get the opportunity to interact first hand with the newly qualified Professionals, find the same satisfactory and offer employment opportunity to those Professionals, this is a win-win situation for both – the participating companies and the Professionals. Why? Because, these companies get the best talent and that too, at minimal cost – as they need not issue advertisements which cost a huge sum, neither they need to spend a whole lot of effort/time/money in inviting applications, scrutinizing them, settling panel for different rounds of interview/interaction. Similarly, these newly qualified Professionals need not send applications to different companies/Organizations seeking employment. Besides, most such Professionals would get employed through campus placement program soon after the result is declared – as these programmed are usually organized only after a few weeks of declaration of result. The third beneficiary will be the campus placement program organizing Professional Accounting Organization themselves as the participating companies etc. would be happily willing to share the cost of program by way a participation fee. There cannot be any denial that the above experience helps to create virtuous cycle, thereby not only the participation companies/Organizations choose to join the next campus placement program to fulfill their vacancy requirement, as the word of mouth has already spread, more and more newer companies/Organizations also consider joining such program. In the backdrop of that scenario, the Professional Accounting Organization may enhance amount of participation fee in order to generate some funds – of course over and above to defray the cost of organizing the program in question – to bring to fruition its other outstanding wish listed objectives. . Hence to create and sustain the above virtuous cycle, it is not only desirable but necessary that the Professional Accounting Organization take efforts and engage with experts from various fields of study, including those from industry etc., to periodically revisit their course contents and course-correct having regard to the overall prevailing environment with their primary focus centered on how soon their students upon qualifying fetch rewarding career opportunities. . Parents'/guardians' first objective in helping their children/wards remains as to how much would it cost and how rewarding the chosen course prove.

And the second, as to the likely duration of time that chosen course would take to successfully complete. While the courses offered by the Professional Accounting Organization fetch full marks, the same unfortunately cannot be said of the second. A few such Organization – realizing early the need of periodically revisiting – revisited their course contents twice in a short span of less than a decade, course-corrected having regard to the prevailing need and expectations of industry etc., and reaped fruit. Having said that, it may also be pointed out that such frequent changes, particularly when they are many in number, may not always be feasible as they are subject to public opinion and regulatory approvals, besides the Professional Accounting Organization concerned being perceived generally as short-sighted.

3.3 Assist for Cross-Border Movement

Similarly, it needs a mention, it is observed that even after successfully completing the course, some Professionals are found wanting in certain fields and/or to cater to the demands of given set of industry/Organizations etc. and to sustain they find no option but to further undertake study in those specific fields. This not only causes stress but also entails additional cost in terms of both money and time. Therefore, the Professional Accounting Organization need – during the course of such periodic revisit – to factor in this aspect as well in process of their revisit and bring about course-correction accordingly. While doing so, care also needs to be taken that the afore-said fields/specialization are not only in relation to jurisdiction of the Professional Accounting Organization concerned but also to surrounding/regional/ global. Putting it differently, course-correction effected by the Professional Accounting Organization should be such that the same sustain both long term and cross-jurisdictions. The said factoring in will facilitate their easy employability of the members of Professional Accounting Organization.

Equally important here is to mentioned that the process of course-correction briefly discussed above should be in such a way that besides making the members of Professional Organization globally competitive also aims to get them global acceptability, and potential portability, thereby enhancing their employability and even more remunerative. Then, the Professional Accounting Organization will certainly be able to scale up their operations and generate more resources to accomplish their various other activities. Here, the availability or facility of credit system in education – already dealt upon, in short, will come handy. Similar efforts on part of Professional Accounting Organization can be to facilitate member to spread their wings in other jurisdiction on the basis of reciprocity. This not only will facilitate in monetary terms for them but also assist in acquiring capital, knowledge & technology thus will attract new talent to join profession.

3.4 Explore Alternative Sources

To meet scarcity of its funds, a Professional Accounting Organization being a public service entity, engaged in public interest and being the epitome their trust, it is important that its survival is ensured. For the purpose, such Professional Accounting Organization should – apart from the government's financial support, where there is any, should rightly and always aspire for and explore alternative sources of revenue. Responsibility needs to be assigned to a set of persons or a separate committee or which ought not monitor cost optimization but explore alternative source of revenue to support main or primary objective of Professional Organization. One of such alternative sources, may, for example, be – To provide the specialized training to the various corporate in their respective field of operations. Another instance that crosses the mind relates to taking up research project for corporate. Providing these sorts of training or taking up research project will cost little extra Burdon on the Professional Organization since they already have related expertise with them. At the same time, such training etc. will fetch them regular and substantial revenue. Similarly, there is plenty of arena in events can be organized by the Professional Accounting Organization to offer a common platform to various stakeholders to showcase their respective expertise as also to offer an opportunity to network among the them, and in turn will get a lot of sponsorship opportunities which may be yet another alternative source of revenue. Likewise, there may be the many such alternative source of revenue which may be thought of and explored by the Professional Accounting Organization based on their available infrastructure,

pool of resources available to support their core activities for which they were aimed for or for which they were established.

3.5 Adapt Digitization

Yet another important future oriented aspect is in the realm of resort to Information Technology enabled services or taking advantage of accelerated digitalization that proved a boon to the mankind across borders during the unfortunate spread of coronavirus. These days, like IT Professionals, members of Professional Organization are not only living in the different locations within the jurisdiction of Professional Organization but also frequently moving to, or basing themselves in, different parts of the globe to make best use of the available opportunities. Now, if they are required to interact with their Professional Accounting Organization and it is required to be on a physical form or physical mode, it will be very difficult for them to do so on account of travel and other related costs. Likewise, if the Professional Organization do not have the complete life cycle of a member or a student available, there are bound to be challenges as far as the decision-making in relation to them are concerned generally and during, God bid, any disaster, e.g., coronavirus particularly. The Professional Accounting Organization will immensely benefit to adopt as many IT enabled services as feasible for their members and their students by way of their respective portals. This will besides be enhancing their efficiency to the optimum level will facilitate quick data mining to arrive at various decisions. It is hard to deny that the IT enabled services will provide a lot of ease of compliance or day-to-day doings to both for students and members when they want to communicate with their Professional Accounting Organization. Even the tools of Artificial Intelligence (IA) can be employed to help understand or visualize as to what kind of specialization attract interest of member or student and such understanding can be made use of during the course of periodic revisit to course contents discussed in short before.

The Institute of Chartered Accountants, the author of papers has had the opportunity to serve as the President, got the opportunity to be a team member who put in place self-service portals for members and students in the ICAI and the result thereof has been so encouraging that whereas earlier the normal/physical documented processing which took, on an average, 10 to 15 days, the same through the said portals now took less than a minute. Even the process of admission to and grant of membership, which earlier took at least a few days to complete verification of all the documents, now the same is getting completed on the very same day of applying. Such an experience always boosts the sense of belonging among the members and students with the Professional Accounting Organization and being a part of an overall ecosystem.

3.6 Technology enable Trust

One more aspect which is related with the fundamentals of the existence as far as the Professional Accounting Organizations are concerned is to build and sustain the trust. To build trust, Professional Organization not only need to have on their role capable Professionals, but such Professionals also need to scrupulously follow the code of ethics as well as code of conduct and such other guidelines/directions issued by their respective Professional Organization. These Organization also need to take recourse to and adopt the various technological tools in such a way that they become an enabler for building this trust. Talking again of the Institute of Chartered Accountants of India, one of the unique initiatives taken by them in this age of new normal is developing and putting in place the system of Unique Documentation Identification Number (UDIN) – a digit's system generated unique number for every document that a practicing member of that Institute certifies or attests. Though remained voluntary for some time, the same has been made mandatory since the year 2019. The said number can be self-generated by the practicing-chartered accountant by logging into the related portal on the website of the Institute and place the same on the document being issued or attested by them. The primary objective is to save documents issued by the chartered accountants in practice from any possible manipulation or fraud and secondary being that the certificate so issued can be easily traced back and verified at a click of a button in case of any doubt raised by any stakeholder. Such number also comes to the rescue of the issuer if and when authentication of the certificate or document attested is put

to question. The system so devised by the Institute of Chartered Accountants of India has received wide appreciation from all stakeholders and due recognition from the regulatory Governmental Authorities.

3.7 New Age CPD

The next important initiative which the Professional Accounting Organization need to take is about more and more focused approach towards the Continuous Professional Development (CPD) or Continuous Professional Education (CPE). Though the subject matter has already been discussed, in short, supra, it needs no iteration that it is important and in the interest of the members of a Professional Accounting Organization to continually engage in the cycle of learning, unlearning (what is learnt) and relearning (updating and consolidating what has already been learnt in the backdrop of changes brought about in the related subject matter by the legislative and/or regulatory authority). It needs no emphasis that due to frequent changes in the technological or digital domain, it is significant that the members of Professional Organization keep track of and remain, at all times, abreast of such changes. These changes are one of the causes that the Professional Organization coming out with their new standards so that their members keep themselves acquainted with them, sustain and continually maintain/upgrade their Professional capabilities.

At the same time, it is very important that the Professional Accounting Organization constantly upgrade themselves to be in a position to offer all these CPD program in a virtual environment. Why so? Because, the time is, and will always remain, a constraint due to which it would be difficult for anybody to every time visit and physically participate in the above programmed. Simultaneously, the Professional Accounting Organization need to focus their attention on identifying newer and emerging areas which may have the potential to provide Professional opportunities to their members. This will help them to bridge any possible gap and/or to develop their own specialization in those newer emerging areas and facilitate them impart the related education to the members; meaning thereby a continuous capacity building measures will be put in place. If so required, they may consider launching short duration certificate courses in the areas above-mentioned. These courses will serve two-fold – one, will motivate members to upgrade their skill-set to remain fully equipped to serve their clientele confidently, and two, this may turn out to be a source of revenue for the Professional Organization. It will not be an exaggeration to say that the members' performance is one of the important pillars in maintaining the sanctity and reputation the profession as a whole and the confidence therein of the stakeholder in the financial ecosystem in entirety. The members through their performance serve a direct connect between a Professional Organization and the whole set of segments comprising stakeholders – as it is they who interact with stakeholder on regular/day-to-day basis.

3.8 Empowerment of SMPs

The next and very challenging aspect which the Professional Accounting Organization need to look into is - how to develop their small and medium practices and help them scale at least to the middle-rungs level. Is it really necessary? Without doubt, YES. Because, as stated supra, a large majority (no hesitation in saying almost 99%) forms part of small and medium practitioners manned by the proprietors or comprising of 2 or 3 partners. The scenario is not limited to any given Professional Organization but is a world-wise phenomenon and therefore a global concern. In this backdrop, they are faced with a lot of challenges in terms of the non-availability of the resources and therefore forced to make do with whatever basic/ limited technology or manpower is available with them. Being or left without the deep pockets, such practitioner finds themselves unable to either engage with or employ manpower with the high calibrating the absence of which they find themselves less than competitive and often loose out to practitioners with deep pockets. Having regard to the above scenario background, now gradually global collaborations among the Professional /practitioners are taking place by way of mergers or amalgamations or other identical arrangements. The funds for the same and other related investments come with a rider that only the amalgamator (the larger firm or the firm into which other firms have agreed to merge

with) will be the auditor or the consultant/service provider. This kind of rider further enhances the gravity of the challenge that was sought to be overcome by the small and medium practitioners.

Similar other aspect countered by the small medium practitioners these days is in relation to absence of succession planning. Why such an absence? Because there are many countries where the proprietors are running their operations and there is no denial that upon attaining particular age, it would not be possible for them to continue with their operations. At that stage, they are left with no choice but to sign off without encashment of the goodwill or efforts taken and about put in by them during the course of their practice in the last 30/40 years which they took to build their Professional reputation unless and until there exists an ecosystem whereunder they may shift or transfer their such hard earned practice to or in favor of some other interested practitioner within or without a given jurisdiction. Such kind of a mechanism, if available, will help these senior practitioners to get some fund against transfer of goodwill.

With regard to these challenges, the Professional Accounting Organization need to devote their dedicated efforts to evaluate the overall magnitude of the related present ecosystem multi-dimensionally. While on the one-side, the Professional Organization are required to make their member-practitioners increasingly more competitive and knowledgeable, be it human resources, infrastructure or apt state of the art technology on the other-side, Professional Organization have the obligation to guide members in general and senior members in particular as to how they can in place a blue print of a better and satisfying succession planning or the resource mapping, if one chooses to term it so, at the time of, or even much before, taking retirement plunge.

The author with experience of serving two Professional Organization will suggest, in the context of the above that the Professional Accounting Organization should explore, develop and make the relevant useful tools available to this small and medium practitioners free or even at a very concessional fee to facilitate them compete with the larger firms which already have the advantage of technology above-referred to besides, PAOs also need to provide the necessary ecosystem that facilitate promote their activities. They always lack resources to disseminate information about their activities to various stakeholders.

3.9 Industry Ready Professionals

The next point needing focus of the Professional Accounting Organization is with regard to the industrial training or corporate skill development as part of training to students so that they are the industry ready resources soon after successfully completing examinations. No doubt, the Professional Accounting Organization are doing yeoman's service imparting education to the young minds and have provided for their training in real-life scenario under the guidance and supervision of Professional Accountants in practice and also subjecting them to periodic examinations to test the quantum and quality of education/training received by them. However, it is very important to acknowledge that "it is attitude, more than the attitude, that will determine altitude" whereas all along somehow emphasis laid has been on aptitude. It is not to suggest that aptitude has no meaning, but what is meant here is that a person having a good aptitude will probably qualify the examinations with flying colors, but if the said person does not possess attitude as how to engage as a team member/player or for that matter what is leadership all about and how to behave in an industrial/corporate environment, in such a scenario there is a probability that the said person may find it hard to taste succeeds. Hence, it is incumbent upon the Professional Accounting Organization to imbibe the sense of or fine difference between aptitude and attitude in their students, and to prompt them to work on the latter. Ordinarily, when a student chooses to pursue a Professional course, s/he is aware that about imparting of training during the course of their education itself for pre-determined period of time, not many students get to understand – at least during the first year of their training – that they have the option to undertake industrial training in any of the pre-approved industries and further that the same can be undertaken in the pre-defined of their training or after completing certain period of training under the guidance and supervision of practicing Professional Accountant. Therefore, Professional Organization will do well to engage their efforts in creating related awareness among the students – especially

those who newly joined their course. Industry experience gained will also help the concerned students to pass their examination with flying colors, but such students will imbibe in themselves the kind of attitude they need to possess and continually polish that will help them both as students and as Professionals after successfully completing the examination. The industrial training under discussion may be at the domestic/jurisdictional level to begin with, but may, after the support from desirous international/global bodies corporate-industrial house etc. has been enlisted, be made permissible level at the international level. Accordingly, the Professional Accounting Organization need to put to use their scarce resources in such a way that the opportunities for the industrial training get duly monitored but such opportunities are made available to desirous students willing to undertake industrial training at the global level. This will greatly benefit students because it is often seen that student(s) undertaking industrial training in a given industry/corporate, those Organizations are absorbed in the same Organization once they qualify their examinations, for the reason that it is natural that during the course of industrial training, students will develop or build up certain kind of a repo with who's who in the industry imparting them training. Accordingly upon joining that industry as a regular employee, it will not be difficult to further build and cement the repo, meaning thereby they will be able to contribute in the success of the Organization, and easily climb rungs of ladder of success in that company. So, it is very hard to deny that the industrial training plays a very important role and the Professional Accounting Organization need to see as to how related Mandate/infrastructure is created, because these days over 90% of students look at the industry or the service sector as their career path.

3.10 Part of Global Education Eco-System

The next one which is akin to the earlier one whereby member portability becomes possible. PAOs have to ensure that their students are more squarely scalable and that they are in a position to compete with and get themselves employed at the global level. Therefore, necessary steps need to be accelerated so that their education ecosystem matches with and is at par with the global education parameters - may it be the global standards as set by the IFAC as per the current market requirements. It is incumbent upon the Professional Accounting Organization, and in their own interest, to ensure that course-contents are revisited periodically - may be with an interval of 3 to 5 years down the line. Why? Because, fast-paced changes are taking place around the world and in order to sustain, these Organization - or, for that matter, any other Organization - need to keep track of such changes and in order to sustain, these Organization - or, for that matter, any other Organization - need to keep track of such changes and disseminate the same suitably to their constituents. Similarly, it is significant for these Organization to adapt themselves with the requirement of the global ecosystem by constantly keeping a close watch as to what kind of subjects, what kind of skills need to be imparted to their students so that when they qualify, s/he should be equipped with requisite tools of scalability and the employability.

Such ecosystem needs also to be inclusive of personality traits. For example, the knowledge of IT sector, awareness against frauds, imbibes personality trait & explore opportunities matching with understanding of forensics, significance of communication skills, and so on. Frankly, there are many aspects, it is believed, need to be suitably factored in and incorporated by the Professional Accounting Organization to make sure their members are all-round Professionals. The aspect as to how any new development or addition of any new subject in the course-content translates into creation of newer opportunities for the members is something that any Professional Accounting Organization should always aspire on a continuous basis because conventional activities are getting automated being repetitive in jobs nature and require less skepticism. Accordingly, routine and repetitive will, sooner than later, be outsourced to the technology by virtue of the artificial intelligence and the block chain technology resulting in shrinking conventional area Professional opportunities for members. Having due regard to the above background, it is essential that the Professional Accounting Organization - being vested with the resources, the connect, the networking and the related information - take appropriate vigorous

steps and regularly engage with the regulatory authorities, try to ascertain as to what kind of a new opportunities are likely to come up for the Professionals and assure those authorities about the competence and readiness of their Professionals to take those opportunities up. It may perhaps be better appreciated by way of an example. In India when it came to be understood in year 2015 that the integrated GST system was likely or supposed to be introduced in the year 2017, the Institute of Chartered Accountants of India started imparting the related education to the members of the profession by way of Continuous Professional Education Programmed as also to its students from the year 2015 itself and the ICAI trained more than 5000 Professionals as experts so that these Professional experts may further train others in such a way that the moment GST was introduced in India, the so trained Professionals immediately took that up as a task for them, as they knew introduction of GST in India will offer a lot of Professional opportunities for members of the ICAI and others. The ICAI did not rest there. It took efforts to develop research papers in relation to GST and released them as background papers or materials so that practical aspects and nitty-gritty can be disseminated among the members of the profession so that they, even in newly brought in legislative changes, are duly equipped and continue to render the best-in-class quality services to various stakeholders. Likewise, there are the many emerging opportunities at the global level which can provide a lot of impetus to and motivate the members irrespective of whether they are in practice or in industry. However, it is for the Professional Accounting Organization to collaborate, become part of international communities, Forum like IFAC, CAPA Accountancy Europe, PAFA/SAFA and also initiate steps to identifying such opportunities, preparing related reading/other materials and disseminating the same to their members. The same suitably may also be considered for inclusion in the course-contents for the benefit of the students. In short, it is the Professional Accounting Organization to take up the initiative in due earnest and facilitate kind of first stage benefit to their members.

3.11 Strong Pillar for Regulators

Yet another role which, it is believed, the Professional Accounting Organization should explore is in relations to extending support the local regulators on a regular basis. It is well-known that stakeholders in the profession, irrespective of jurisdictions, include regulators – be it in relation to taxation or corporate and so on.

These regulators in the course of their functioning often interact with Professional Accounting Organization in order to better appreciate the nitty-gritty of any audit reports or assurance certificate issued by a Professional, therefore, the role played by a Professional Accounting Organization and a regulator is complementary in nature. One may go beyond and engage shoulder-to-shoulder with the various regulator to create an enabling environment for the growth. With the passage of time and the fast-paced evolving technology day-to-day transactions are increasingly being conducted through the electronic means of payment, the number of frauds in the banking sector, for instance, are increasing now. With regard to creating awareness as to how the citizen of the country should remain diligent, the Professional Accounting Organization can play an important role to spread financial literacy among the citizen of the society. Similarly, when tax base is sought to be expanded by the government, Professional Organization can play their role in creating awareness and educating public in general for, an instance in India when in 2017 the GST was introduced, the ICAI, at that point of time, had organized a large number of camps to educate the industry, the small businessmen, small traders and the like to facilitate them get resolved their queries on the spot and by virtue of that millions of person got registered with the GST department and similarly the millions of persons who were not the income tax assessed earlier, they also joined them and got themselves regulated by the tax department. By this approach PAOs will not only exploring new revenue for their members but also gaining recognition in the eyes of regulators for its members.

3.12 Research Orientation

Last, but not the least, the Professional Accounting Organization need to dedicate their attention and create an ecosystem on research activities. They can do Data Mining in such a way that based on their international exposure to best practices various reports can be developed and share with local government which can enable them to initiate various socio – eco reform thus enables growth with inclusivity.

Conclusion

PAOs like ICAI are the partner of a nation building and they act as foundation of growth, socio-eco reform, inclusivity. In spite of their valuable contribution, at times, they struggle due of limited resources, technology adaption and many other which need to address. As they are pillar of trust and their success ensue governance eco system in their jurisdiction, with the challenges mentioned in research paper and solution suggested, the author is of the opinion that we can certainly overcome most of the challenges and have more resilient PAOs globally to serve the larger public interest.

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“There is no possibility of mistaking midnight for noon; but at what precise moment twilight becomes darkness is hard to determine.” - Lord Cranworth.



Article by Ankush Shetty

Interpretation in the context of reading statutes, in simple terms, is the exercise of learning the true intention of the Legislature through the language employed in the statute. The language is considered to be the primary determinant of the legislative intent. Conventionally, the letter of the law (*litera legis*) has been accepted as the primary evidence of the intention of the legislature (*sententia legis*). It must be presumed that the Legislature has accurately transcribed its true intention in the statute- nothing more and nothing less!

It is certainly possible that a provision in a statute is capable of more than just one interpretation. This is because words in a language may convey different meanings in different contexts. In such cases, the Judiciary is entrusted with the responsibility of deciphering the true intention of the legislature and expounding the law, without giving into the temptation of legislating. Once a statute has been enacted, clarifications cannot be provided by the individual legislators who participated in the legislative exercise. If deficiencies are discovered in any statute subsequent to its enactment, the only way in which the Legislature can amend, repeal or, clarify provisions is by going through the rigour of the process of legislation all over again. Further, there is no scope for the Judiciary to approach the Legislature, seeking clarifications about the legislative intent. This is why the principles of interpretation have assumed importance over time.

One must, however, acknowledge that it is virtually impossible for the legislature to contemplate all scenarios beforehand and draft an unambiguous and all-inclusive legislation, so as to eliminate the need for interpretation altogether. There are numerous instances where the legislature has demonstrated lack of foresight which has eventually resulted in the subsequent insertion of clarificatory 'Explanations'. One classic example of this is the insertion of

Section 9(1)(i) of the Income tax Act 1961, which 'clarified' that any share or interest in a company/entity registered/incorporated outside India shall be deemed to be and shall always be deemed to have been situated in India, if the share or interest derives, directly or indirectly, its value substantially from the assets located in India. But in cases where the urge to clarify is not felt by the Legislature, interpretation is an effective tool to gain an insight into the minds of the lawmakers thereby ensuring that the purpose of the legislation is carried out effectively. While interpreting statutes, one must attach importance to not just the object and scope of the statute but also, the circumstances in which the law was enacted. It must also be understood that the rules of interpretation are not rules of law and therefore should not be applied like the rules of

law. Generally, when the words used in a statute are unambiguous, their literal meaning must be given effect to regardless of the consequences. Any interpretation that renders the effect of a provision nugatory, must be avoided altogether.

Without getting into the subject of the differences between the terms 'Interpretation' and 'Construction', which has now been relegated into a state of being merely an academic discussion, let us understand a few rules in the Interpretation of Statutes:

Note: In the ensuing paragraphs where references have been drawn to case laws, excerpts from the judgements have been reproduced 'as is' in many instances, so as to convey the essence of the decisions without diluting their sanctity.

1. Rule of Literal construction:

i. Natural and grammatical meaning: The words employed in a statute must be ascribed their natural, ordinary, or popular meaning. Unless the object of the statute or the context suggests something to the contrary, sentences have to be construed according to their grammatical meaning. Caution must be exercised to ensure that such literal construction does not lead into absurdity. Since the text of the statute is an expression of the intention of the Legislature, the Courts primarily restrict themselves to the text while interpreting statutes, unless of course, there is an ambiguity. This is termed as 'literal interpretation'.

In *Suthendran vs Immigration Appeal Tribunal*, (1976) 3 All ER 611, a question related to section 14(1) of the Immigration Act, 1971 (UK) was addressed. Section 14(1) of the said Act provided that "a person who has a limited leave under this Act to enter or remain in the United Kingdom may appeal to an adjudicator against any variation of the leave or against any refusal to vary it." The words 'a person who has a limited leave' were construed to exclude a person 'who has had' such limited leave and it was held that the section applied only to a person who at the time he lodged his appeal, was lawfully in the United Kingdom i.e., whose leave had not expired at the time of filing the appeal.

Another example is the case of *Workmen of National and Grindlays Bank Ltd vs National and Grindlays Bank Ltd* AIR 1976 SC 611 - In construing section 6(a) of the Payment of Bonus Act, 1965 the Supreme court observed that the words "depreciation admissible in accordance with the provisions of sub-section (1) of section 32 of the Income-tax Act" have to be given their natural meaning and these words could not be read as "depreciation allowed by the Income tax Officer in making assessment on the employer." It was, therefore, held that it was for the Industrial Tribunal to determine the depreciation admissible in accordance with section 32 of the Income tax Act and the tribunal could not just accept the amount allowed by the Income tax Officer as depreciation under that section.

In *Raghunath Rai Bareja vs Punjab National Bank* (2007) 2 SCC 230, it was held that departure from the literal rule should be done only in very rare cases and ordinarily there should be judicial restraint in this connection.

In determining the meaning of a word or a phrase in a statute, the first question to be asked is "What is the natural or ordinary meaning of that word or phrase in the context of the statute?" It is only when the natural meaning leads to some result which cannot reasonably be supposed to have been the intention of the legislature, that it is proper to look for some other possible meaning of the word or phrase.

ii. What matters is the 'Exact' meaning!

The exact meaning of the words used in a statute has to be considered while constructing the provisions literally. It is presumed that the Legislature has employed the words in a statute considering their exact meaning and not their crude meaning. In the case of *Mayor, Councillors and Burgesses vs Taranaki Electric Power Board*, AIR 1933 PC 216, the Privy Council addressed the question as to the true meaning of the word 'adjoining'. It was pointed out that the exact meaning of the word was 'conterminous' as distinguished from its crude meaning of 'near' or 'neighbouring'; the former meaning was therefore preferred. While selecting the ordinary meaning of a word, one should, therefore, prefer the exact meaning unless the context clearly indicates otherwise.

iii. Technical words have to be understood in their technical sense!

Extending the principle of construing words by ascribing to them, their natural and ordinary meaning, while interpreting legislations relating to a particular trade, business, profession, art or science, words having a special meaning in that context are understood in that sense. In the case of *Indian Aluminium Cables Ltd vs UOI*, AIR 1985 SC 1201, the Supreme Court has applied this rule in construing words in a taxing statute which describes the goods that are liable for taxation. The Supreme Court "has consistently taken the view that in determining the meaning or connotation of words and expressions describing an article in a tariff Schedule, one principle which is fairly settled is that those words and expressions should be construed in the sense in which they are understood in the trade by the dealer and the consumer. The reason is that they who are concerned with it, and it is the sense in which they understand it which constitutes the definitive index of the legislative intention." The true test for classification, in this case, was the test of commercial identity.

iv. Legal sense of words:

There are instances where certain words acquire a technical meaning owing to their consistent usage by the Legislature in a particular sense. It is also not uncommon for words to acquire a certain meaning due to their authoritative construction by superior courts. When such words are used in a subsequent legislation, they are understood in that sense, when used in a similar context. This is also sometimes referred to as the 'legal sense' of such words. In the case of *State of Punjab vs Inder Singh*, AIR 1998 SC 7, the Supreme Court has held that when a word has acquired a special connotation in law, dictionaries cease to be helpful in interpreting that word. To explain with an example, in the case of *State of Madras vs Gannon Dunkerly & Co*, AIR 1958 SC 560, in construing the expression, 'tax on sale of goods' as they occur in entry 48, List II, Government of India Act, 1935, the Supreme Court rejected the argument that supply of materials under a building contract amounts to sale and held that the words "sale of goods" have been used in the entry in the legal sense which comprises of two essentials:

(i) agreement to sell movables for a price and,

(ii) property passing therein pursuant to that agreement.

The words of legal import occurring in a statute should be construed in their legal sense. The rationale underlying this is that those words have acquired a definite and precise sense in law, and it must be presumed that the legislature has intended for them to be understood in that sense. Therefore, while interpreting an expression used in a legal sense, one has to ascertain the precise connotation which it possesses in law.

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2. Rule of Reasonable Construction (Golden Rule):

This rule is considered to be an extension of the literal rule of construction. Going by the literal rule, the words used in a Statute have to be construed using their natural and ordinary meaning. However, when such literal construction yields absurd results, this rule permits the courts to depart from the literal meaning so as to reasonably construct the provision in accordance with the object of the Statute. The rule emphasizes upon the principle that a provision in law cannot be interpreted so as to divorce it completely from common sense. To illustrate this with an example, in the case of *Uttar Pradesh Bhoodan Yagna Samiti v. Brij Kishore & Ors* 1988 AIR 2239, the Supreme court held that the expression 'landless persons' used in Section 14 of U.P. Bhoodan Yagna Act, 1953, which provided for the grant of land to landless persons, was limited to 'landless labourers' who are versed in agriculture and have no other means of subsistence. The Act aimed at distribution of land to landless labourers who were engaged in agriculture. A businessman, though landless, could not claim benefits under the Act.

3. Purposive construction (Mischief rule); Rule in Heydon's case:

The 'Mischief rule', as it is popularly called, comes into play when words used in a statute are capable of more than one interpretation. Also referred to as 'purposive construction', this rule considers the following four matters in construing an act:

- a. What was the law before making of the Act?
- b. What was the mischief or defect that the earlier law did not provide?
- c. What is the remedy that the Act has provided?
- d. What is the reason for the remedy?

The rule then directs the courts to adopt that construction which suppresses the mischief and advances the remedy. An interpretation which promotes the object sought to be achieved by the legislation should be adopted over an interpretation which defeats such object. In the case of *MSR Leathers vs S Palaniappan* (2013) 1 SCC 177, the Supreme Court has applied this principle to Section 138 of the Negotiable Instruments Act, 1881 and held that a prosecution based on a second or successive default in payment of cheque amount should not be impermissible only because prosecution based on first default, followed by a statutory notice and a failure to pay, had not been launched. The Court further observed that the entire purpose of section 138 is to compel the drawers to honour their commitments made in course of their business or other affairs, and that there is no reason why a person who has issued a cheque which is dishonoured, and who fails to make payment despite statutory notice served upon him, should be immune to the prosecution simply because the holder of the cheque has not rushed to the Court.

4. Harmonious construction:

It is imperative that the Statute is read as a whole, in a manner that there is no inconsistency either between different parts of the same section or between different sections. The Courts are required to avoid such conflicts, wherever possible, by harmoniously constructing the conflicting sections (or parts thereof) so that all such sections (or parts thereof) are given effect to. Applying this rule, it has been held in the case of *South India Corp (Pvt) Ltd vs Secy Board of Revenue, Trivandrum*, AIR 1964 SC 207, that the general provision under Article 372 of the Constitution regarding continuance of existing laws is subject to Article 277 of the Constitution which is a special provision relating to taxes, duties, cess or fees lawfully levied at the commencement of the Constitution.

The principle that every effort should be made to give effect to all the provisions of an Act by harmonising any apparent conflict between two or more of its provisions was well demonstrated when the conflict between two equally mandatory provisions in the Industrial Disputes Act, 1947 – viz., Section 17(1) and section 18(1) was addressed.

Section 17(1) of the Act requires the publication of every award of the Labour tribunal within 30 days of its receipt by the Government, while Section 17(2) states that such award, on publication, becomes final. Section 18(1) of the Act, on the other hand, provides that a settlement between employer and workmen shall be binding on the parties to the agreement. The question is whether the Govt. was still required to publish the award under section 17(1) of the Act, in the event of a settlement being arrived at after the receipt of the Tribunal's award by the Govt. but before its publication. In construing these two equally mandatory provisions, the Supreme court held, in the case of *Sirsilk Ltd vs Government of Andhra Pradesh* AIR 1964 SC 160, that the only way to resolve the conflict was to hold that by the settlement, which becomes effective from the date of signing, the dispute comes to an end and the award becomes infructuous and the Government should refrain from publishing it.

The rule of harmonious construction was also applied in resolving conflict between sections 276B and 278B of the Income tax Act, 1961. Section 276B prescribes punishment for failure to remit the tax deducted at source to the credit of the Central Govt. The punishment includes rigorous imprisonment with an imposition of fine. Section 278B, on the other hand, makes a Company and its officers liable for the offences under the Act. It is clear that the punishment by way of imprisonment under section 276B could not be applied to a Company. The question, therefore, arose whether a company could at all be prosecuted under section 276B. Resolving the conflict by harmonious construction, it was held that the Company would be liable for the offence, but it will be liable to be punished only by the imposition of fine. It was held in the case of *MV Javali vs Mahajan Borewell & Co* (1997) 8 SCC 72, by adopting the rule of harmonious construction, the mandatory sentence of imprisonment in section 276B was interpreted to mean that it will be imposed where it is possible to impose it.

If one encounters a situation where two sections of an Act cannot be reconciled at all, it is often said that the last must prevail. But this should be accepted only as the last resort. It is for the court to decide in such cases as to which one of them is the leading provision and which one is the subordinate provision. The Supreme court held, in the case of *UOI vs Dileep Kumar Singh* (2015) 4 SCC 421, that section 47 of the Persons with Disabilities (Equal Opportunities, Protection of Rights and Full Participation) Act, 1995 was the 'leading provision', being a positive provision, and that Section 73 was the 'subordinate provision' being a machinery provision, and accordingly section 73 must give way to section 47.

5. Avoid addition or substitution of words:

During the course of interpretation of statutes, one must ensure that words are not read into a provision, unless there is an absolute necessity to do so. It is just as wrong to substitute other words for the words used in the statute. To illustrate the application of the above principle with a case law:

In *A.K. Singhania vs Gujarat State Fertilizer Co. Ltd & Anr* (2013) 16 SCC 630, the Supreme Court refused to read into Section 141 of the Negotiable Instruments Act, 1881, more than what was mandated under the said section. The Supreme Court held that as per Section 141 of the Act, the Directors are responsible to the Company 'for the conduct of the business of the company' and not just the particular business for which the cheque was issued. They would, hence, fall within the mischief covered under Section 138 of the Act. It would therefore not be necessary to allege and prove that the Directors have any specific role in respect of the transaction leading to the issuance of the cheque.

6. Casus Omissus:

This is a re-emphasis of the principle that the Judicature should only expound the law and not overstep its boundaries to legislate. This is similar to the principle highlighted in the above paragraph that, a matter which should have been, but has not been provided for in a statute, cannot be supplied by courts.

Section 24(2) of the Right to Fair Compensation and Transparency in Land Acquisition Rehabilitation and Resettlement Act, 2013 provides that where an award under section 11 of the Land Acquisition Act, 1894 has been made five years or more prior to the commencement of the 2013 Act, but physical possession of the land has not been taken or the compensation has not been paid, the land acquisition proceedings under the 1894 Act shall be deemed to have lapsed. The Supreme Court held, in the case of Sree Balaji Nagar Residential Association vs State of Tamil Nadu, (2015) 3 SCC 353, that the Legislature has consciously omitted to extend the period of five years indicated in section 24(2) of the Act. This is so even if the acquisition proceedings were delayed on account of an order of stay or injunction granted by a court of law or for any other reason and this omission cannot be supplied by the courts.

7. Avoid rejection of words:

The restriction on reading words into the provisions of a statute also extends to rejection of words employed in a Statute. Any interpretation that renders any part of the statute redundant or devoid of any meaning should not be accepted, except for compelling reasons. There is a presumption that the Legislature does not waste its words and that every word has been inserted for a purpose. Applying the above rule, the Supreme Court held, in the case of Chloro Controls India Private Limited vs Severn Trent Water Purification Inc, (2013) 1 SCC 641, that the expression 'one of the parties or any person claiming through or under him' in Section 45 of the Arbitration and Conciliation Act, 1996 is wider than the word 'party' in section 8 of the Act, and therefore not only a party to the arbitration agreement, but also any person claiming through or under a party to the arbitration agreement, can move the court under section 45 to refer the disputes raised before it to arbitration.

8. When can Courts depart from the Rule?

While discharging their responsibility of interpretation, the Courts can correct obvious drafting errors and consequently add, omit, or substitute words. In the case of Inco Europe Ltd vs First Choice Distribution (2000) 2 All ER 109, (HL), it was held that Courts exercise considerable caution before adding or omitting or substituting words. Before interpreting a statute in this manner, the court must be abundantly sure of three matters:

- (a) the intended purpose of the statute or provision in question.
- (b) that by inadvertence the draftsman and Parliament failed to give effect to that purpose in the provision in question; and
- (c) the substance of the provision Parliament would have made, although not necessarily the precise words Parliament would have used, had the error in the Bill been noticed.

Sometimes even when these conditions are satisfied, the courts may restrain themselves from interpreting the statutory provision in accordance with the underlying intention of the Parliament

especially when the alteration in language is too far reaching or when the subject matter calls for strict interpretation, such as penal provisions.

I. When is 'Addition' permitted? Addition of words is permissible only in such cases where the choice lies between either adding words which appear to have been accidentally omitted, or adopting a construction which deprives certain existing words of all meaning.

Section 17 of the Consumer Protection Act, 1986 constitutes a State commission for each State but there is no provision in the Act limiting their territorial jurisdiction. But as the intention of the Parliament could not have been that dispute arising in one State could be taken cognizance of by the State Commission of another State, applying purposive construction, limitations of territorial jurisdiction on the lines provided in Section 11 with reference to District Forums with suitable modifications were read into Section 17 - *Union Bank of India vs Seppo Rally*, AIR 1999 SC 62.

II. When is 'Rejection' permitted? Despite there being clarity in the legislative intent, the incompetence of the draftsman, at times, results in the insertion of certain words in the statute rendering the language ineffectual. Since courts lean strongly against reducing a statute to futility, it is permissible in such cases to reject a few words to make the statute effective and workable. A classic example of this principle is furnished by a Privy Council decision in an appeal from Natal. The Colonial Ordinance there in question provided:

Any natural born subject of Great Britain and Ireland resident within this district may exercise all and singular the rights which such natural born subject could or might exercise according to the laws and customs of England in regard to the disposal by last will or testament of property, both real and personal, situated in the district, to all intents and purposes 'as if such natural born subject resided in England'.

The intention of the Legislature was plain from the title and preamble that the Ordinance was passed to enable the British subjects in Natal, where Roman Dutch law was being administered, to make bequests according to English law. The difficulty in giving effect to the intention was created by the last nine words. The Supreme Court of Natal held that although the object of the statute was clear, the language used was entirely ineffectual in that a resident in the colony could only make a bequest "as if he resided in England", and the law of England referred him back to the Roman Dutch law of Natal as the *lex situs* or *lex domicilii*. The Privy Council reversing this judgment held that as the broad intention of the Legislature was not in doubt, the last nine words could be rejected as immaterial to make the statute effective.

III When can provisions be considered 'superfluous'? At times, the Legislature tends to use superfluous words or provisions owing to its ignorance of law or as a matter of abundant caution. The presence of superfluous provisions hinders the process of interpretation since the courts start with the presumption that every portion of the statute has some purpose, and its presence is necessary to effectuate that purpose. It is only when the other provisions of an Act indicate that a particular provision owes its origin to a misunderstanding of the law or to abundant caution, the court reaches the conclusion that the provision is superfluous. Lord Macnaghten said - "It is not very uncommon in Act of Parliament to find special exemptions which are already covered by a general exemption". In the same case, Lord Herschell said - "Such specific exemptions are often introduced *ex majori cautela* to quiet the fears of those whose interests are engaged, or sympathies aroused in favour of some particular institution, and who are apprehensive that it may not be held to fall within a general exemption."

Note: This Article is a humble attempt to summarise my understanding of 'interpretation of statutes'. For brevity, the content in this article has been restricted. This will be followed by another article on interpretation that will cover topics such as 'internal and external aids to interpretation', rule of '*Ejusdem generis*' and other legal maxims and principles concerning interpretation.

GST classification on Renting cum Catering services

CA Nithesh Nayak



Introduction:

Renting office space is a common practice for businesses of all sizes, offering flexibility and convenience without the commitment of property ownership. Whether you're a startup, a small business, or a large corporation, leasing office space provides a physical location where you can conduct your operations, meet with clients, and foster collaboration among your team members.

For businesses (herein referred to as lessee/recipient) that frequently host client meetings or events, having catering services available can make it easier to provide refreshments and meals for guests. It creates a professional and hospitable environment for client interactions, enhancing the overall experience.

The supplier (lessor) charges on a per-head basis which includes both rental and catering services.

Facilitating such events would encourage more businesses to lessor along with an opportunity to open up a new business vertical & it would give a sense of satisfaction to the lessee for having such additional facilities provided by the lessor apart from the renting out of office space, this would ensure one-stop solution/contract for lessee while conducting such event.

This article revolves around the following topic:

- 1) Would the business customer/recipient be eligible to claim ITC on food provided along with a leasing space?
- 2) Would the eligibility to ITC change where an event organiser provides such leasing of space along with food?

GST Provision:

Section 12(3) of the CGST Act 2017, services directly in relation to immovable property will be the location of such property. The expression 'in relation to' encompasses a wide range of services that have a proximate nexus with the immovable property which would include the right to use immovable property/renting among others.

In terms of section 12(7) of the IGST Act 2017, the place of supply for organizing an event including ancillary services supplied to a registered person will be the location of the recipient. When the recipient is not registered, the place of supply will be the location of the venue itself.

The services referred to herein said clause would be "by way of organizing the event" at the venue and not letting/renting which would be covered in the above provision.

The proviso to section 17(5)(b)(i) ITC in relation to food & beverages, outdoor catering would be eligible where an inward supply of such goods or services or both is used by a registered person for making an outward taxable supply of the same category of goods or services or both or as an element of a taxable composite or mixed supply.

In terms of Section 2(30) of the CGST Act, 2017 "Composite Supply" means two or more taxable supplies of goods, services, or a combination of both which are naturally bundled & supplied in conjunction with each other in the ordinary course of business, one of which is a principal supply.

In terms of Section 2(90) of the CGST Act, 2017 "Principal supply" means the supply of goods or services which constitutes the predominate element of composite supply & to which any other supply forming part of that composite supply is ancillary.

The Concessional rate of 5% on the supply of outdoor catering along with renting of premises is provided under HSN 9963 - Notification No. 11/2017 entry No. 7(V) composite supply of 'outdoor catering' together with renting of premises (including hotel, convention centre, club, pandal, shamiana or any other place, specially arranged for organising a function) at premises other than 'specified premises' provided by any person other than –

a. supplies liable to charge 18% (where accommodation provided > Rs. 7,500/day)

Such a concessional rate to be charged comes with a condition that, ITC on inward supply cannot be taken.

This entry implies that outdoor catering is the principal supply and renting of premises in the ancillary/supporting supply.

In case of renting of premise or organizing a business promotion / exhibition, the leasing activity by the lessor or organizing would be considered as the principal supply & catering of food during would be considered as ancillary supply albeit being naturally bundled. Wherein all parameters in the said supply such as POS, TOS Rate & HSN, etc would be considered that of leasing/rental services or organizing an event.

A reference is also drawn to a few erstwhile case laws, which provide for the test of the predominate element of composite supply

☒ It was held in the case of M/s Intex Technologies India Pvt [TS-81-HC-2023(KAR)-VAT] filed before the Hon'ble High court of Karnataka, held the intention of the purchaser while buying mobile set is to buy the phone along with the charger & thereby charger cannot be differently taxed keep in view dominant intention test.

☒ It was case of M/s Samsung (India) Electronics Pvt Ltd [TS-12-HC-2018(ALL)-VAT] filed before the Hon'ble High court of Allahabad, held that the predominant & paramount intention of the transaction must be recognized to be a sale of phone when the same is sold along with charger as the primary intention of the buyer is to purchase the phone.

Possible HSNs for services:

1. Rental services provided along with outdoor catering (ancillary) – HSN 997212 – 18%.
2. Event management services – HSN 998596 – 18%

Author Analysis

1. Would the business customer/recipient be eligible to claim ITC on food provided along with a leasing space?

Where the supplier is able to classify the services based on the above analysis, GST would be eligible to the recipient. The supplier may also be eligible to the credit including on food and beverages as it is utilised towards outward supplies being part of a composite supply.

2. Would the eligibility to ITC change where an event organiser provides such leasing of space along with food?

The customer would be eligible to the customer where services are taken from an event organiser, who arranges for leasing of space and also arranges catering services for the end customer, wherein composite supply of services is provided by the event management services.

However, renting out space for personal events such as birthday parties & marriage, etc., would still be covered under entry 7(V) of NN. 11/207 and ITC in relation to the supply of foods would be blocked for the supplier (other than 18% applicability). This is assuming that the test of the predominate element of supply would be catering services thereby being classified under HSN 9963. For recipients, ITC would be ineligible since it is for non-business purposes/ covered under food & beverage related services.

Conclusion

The interplay between the renting or organizing of event services along with catering could be seen as a win-win situation for both the supplier & the recipient of services in terms of claiming ITC. This would apply only when the predominant element of the supply is renting/leasing services.

As the Industry standard is to consider the same as catering services, it is suggested to ensure appropriate documentation to clarify the principal supply.

Conservative view could be to make representations through industry/associations, requesting for a clarification by way of Circular on the classification of said services. Option to pay taxes under protest could also be explored.

The views expressed in this article are personal to the authors and are an attempt to interpret the nascent GST law. We recommend professional assistance where required.

Disclosure of interest by directors – Practical relevance of such disclosures from perspective of Statutory Auditors



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Under the Companies Act, 2013, there is a specific provision that relates to disclosure of interest or concern by directors of the company. However, such obligation and duty to disclose originates from the fiduciary duties of directors towards the company. Under the Companies Act, 2013, few such important fiduciary duties have been codified in section 166 of the Act. According to the said provisions: (i) A director of a company shall not involve in a situation in which he may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the company (section 166(4) of the Cos. Act), and (ii) A director of a company shall not achieve or attempt to achieve any undue gain or advantage either to himself or to his relatives, partners, or associates and if such director is found guilty of making any undue gain, he shall be liable to pay an amount equal to that gain to the company (section 166(5) of the Cos. Act). These provisions have been further elaborated into independent compliances under the Companies Act which relates to disclosure of interest of directors in different entities and dealing with conflict of interest of directors in different situations.

In this article, the author discusses few important provisions and compliances w.r.t. directors' disclosure of interest or concern under section 184 of the Companies Act.

Disclosure of interest by director: Section 184 of the Companies Act is the relevant provision for the disclosure of interest by director. Sub-section (1) of section 184 of the Companies Act provides for a general disclosure of interest by a director and sub-section (2) of section 184 of the Companies Act provides for a specific disclosure of interest by a director. The same has been elaborated as follows:

Disclosure under section 184(1) of the Companies Act: According to the said provisions, every director shall disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals which shall include the shareholding, in such manner as may be prescribed. According to the corresponding Rules i.e. Rule 9 of the Companies (Meetings of Board and its Powers) Rule, 2014, the director shall make such disclosure in Form MBP – 1. This becomes an important document for Chartered Accountants in practice (i.e. Statutory Auditors of companies) which will help them in mapping and co-relating related entities from the perspective of related party transactions (under Companies Act) and other transactions and compliances.

As the Statutory Auditor of the company, it is necessary to confirm that such disclosures are made in the board meeting and accordingly necessary agenda item is included in the board meeting documents. The resolution for the above 3 occasions has been noted and passed by the board of directors acknowledging receipt of such declarations.

Disclosure under section 184(2) of the Companies Act: This is a very specific disclosure to be made by the director to the board of directors of the company. According to the said provisions, every director of a company who is in any way, whether directly or indirectly, concerned or interested in a contract or arrangement or proposed contract or arrangement entered into or to be entered into with certain entities – shall disclose the nature of his concern or interest at the meeting of the board in which the contract or arrangement is discussed. Such director shall not participate in such meeting.

Certain entities in relation to whom contracts or arrangements are entered into or proposed to be entered into, are as follows:

- (i) with a body corporate in which such director or such director in association with any other director, holds more than 2% shareholding of that body corporate, or is a promoter, manager, Chief Executive Officer of that body corporate; or
- (ii) with a firm or other entity in which, such director is a partner, owner or member, as the case may be.

This is a very specific disclosure as it relates to a proposed contract or arrangement entered into or proposed to be entered into by the company.

As the Statutory Auditor of the company, it is necessary to confirm that such disclosures are made in the board meeting and accordingly necessary agenda item is included in the board meeting documents. The resolution for the said disclosure is noted and passed by the board of directors acknowledging receipt of such declaration.

Under section 189(1) of the Companies Act, every company shall give the particulars of all contracts or arrangements under section 184(2) in Form MBP 4 and after entering the particulars, such register shall be placed before the next board meeting and signed by all directors present at the meeting.

Interesting point to note is that the said compliance under section 189(1) of the Companies Act is not applicable to disclosure of declarations received under section 184(1) of the Companies Act.

Section 184 of the Companies Act addresses another peculiar situation – wherein any director who is not so concerned or interested at the time of entering into such contract or arrangement, he shall, if he becomes concerned or interested after the contract or arrangement is entered into, disclose his concern or interest forthwith when he becomes concerned or interested or at the first board meeting held after he becomes so concerned or interested. Such events take place when an employee is promoted to a director or a non-relative becomes a relative of a director, etc.

In case of non-compliance of section 184(2) of the Companies Act: Under section 184 of the Companies Act, a contract or arrangement entered into by the company without disclosure under section 184(2) of the Companies Act or with participation by a director who is concerned or interested in any way, directly or indirectly, in the contract or arrangement, shall be voidable at the option of the company.

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- (i) with a body corporate in which such director or such director in association with any other director, holds more than 2% shareholding of that body corporate, or is a promoter, manager, Chief Executive Officer of that body corporate; or
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Exceptions to section 184 of the Companies Act: The provisions of section 184 of the Companies Act shall not apply in following cases:

(1) Nothing in section 184 of the Companies Act shall be taken to prejudice the operation of any rule of law restricting a director of a company from having any concern or interest in any contract or arrangement with the company;

(2) Nothing in section 184 of the Companies Act shall apply to any contract or arrangement entered into or to be entered into between two companies or between one or more companies and one or more bodies corporate where any of the directors of the one company or body corporate or two or more of them together holds or hold not more than 2% of the paid-up share capital in the other company or the body corporate. This clause creates a complete exception to section 184 of the Companies Act (i.e. sub-section (1) and sub-section (2) of section 184 of the Companies Act), wherein the directors of a company or body corporate holds less than 2% of the paid-up share capital in other company or body corporate.

Consequence of non-compliance of section 184 of the Companies Act: According to section 184(4) of the Companies Act – if a director of the company contravenes the provisions of sub-section (1) or sub-section (2) of section 184 of the Companies Act, such director shall be liable to a penalty of Rs. 1,00,000/-.

Earlier, such director was punishable with imprisonment for a term which may extend to one year or with a fine which may extend to Rs. 1,00,000/- or with both. The said non-compliance has been decriminalised by the Companies (Amendment) Act, 2020. Now, imprisonment related clause has been removed and 'fine' has been replaced by 'penalty'.

The reference of section 184 of the Companies Act has also been provided in section 167 of the Companies Act (relating to 'Vacation of office of director'). The office of director shall become vacant in the following cases:

(1) the director acts in contravention of the provisions of section 184 relating to entering into contracts or arrangements in which he is directly or indirectly interested [section 167(1)(c) of the Companies Act]

(2) the director fails to disclose his interest in any contract or arrangement in which he is directly or indirectly interested, in contravention of the provisions of section 184 [section 167(1)(d) of the Companies Act].

These two are also important provisions that Statutory Auditor shall be aware of at the time of audit of companies under the Companies Act.

Mind Over Markets: Mastering the Mental Game of Investing.



Mr. Prabhakar Kudva, Director, Samvitti Capital

- A Computer Science Engineer and a Business Management Graduate
- Astute active Investor and Trader since 15 years.
- One among 40 under 40 Investment managers by AIWMI (Association of International Wealth Management of India).
- Principal Officer and Fund Manager of the PMS Schemes that Samvitti manages.

One of the great misconceptions in investing is that success is determined by intelligence and skill. Don't get me wrong - being smart certainly helps. But at the end of the day, investing is far more a test of behaviour and psychology than IQ. No matter how intelligent we are, we are all susceptible to cognitive biases and emotional impulses that can lead us astray as investors. Understanding and managing these behavioural biases is one of the most important, yet underappreciated, determinants of long-term investing success.

Loss Aversion

One of the most powerful behavioural biases we face is loss aversion - the tendency to feel the pain of losses more acutely than the pleasure of gains. Behavioural economists have found that losses have about twice the psychological impact as gains of the same size.

This asymmetry causes us to make a number of irrational investing choices aimed at avoiding the pain of losses. We sell winning investments too soon to lock in gains, while stubbornly holding on to losing investments, not wanting to admit defeat. We take on too little risk in our portfolios, preferring the perceived safety of bonds and cash to the volatility of equities, even though stocks offer higher expected returns over time. After suffering losses, we retreat to the sidelines and miss out on the inevitable rebound.

Successful investors find ways to overcome loss aversion and treat gains and losses more objectively. They understand that volatility and temporary declines are simply the price of admission for the higher returns that stocks provide. They view bear markets opportunistically, as a chance to buy quality assets at discounted prices. Most importantly, they stay disciplined and stick to their long-term investing plan regardless of the market's ups and downs.

Overconfidence Bias

Another dangerous bias is overconfidence - our tendency to overestimate our skills, knowledge, and ability to predict the future. Overconfidence leads investors to chase hot stocks, time the market, make concentrated bets, and engage in excessive trading, all of which are detrimental to returns.

In reality, accurately and consistently predicting the short-term gyrations of the market is nearly impossible. Even the best investors are right maybe 60% of the time. Over a 50-year career, that tiny edge can compound into superior returns, but it's a far cry from the 80-90% success rate that many investors believe they can achieve.

The antidote to overconfidence is intellectual humility - recognizing that the future is inherently uncertain and that we don't have a crystal ball. Great investors develop strong views about the future, but hold those views weakly, always willing to change their mind in the face of compelling evidence. They build diversified portfolios to protect against the risk of being wrong.

Anchoring and Recency Bias

An additional bias that trips up many investors is anchoring - the tendency to rely too heavily on the first piece of information we encounter. In investing, a common anchor is the recent past. When markets have been rising strongly, we naturally assume they will continue rising indefinitely. When they've been declining, we extrapolate that decline far into the future. This recency bias causes us to make bad investment decisions by putting too much emphasis on the short-term and ignoring long-term historical trends.

In the late 1990s, investors anchored to the sky-high returns of the dot-com bubble and poured money into overvalued tech stocks at exactly the wrong time. In 2007, they anchored to the stellar returns of the real estate and infra stocks just before the market collapsed. After the crash of 2008, shell-shocked investors swore off stocks completely, missing out on an historic bull market over the next decade.

Wise investors understand that markets move in cycles and that the seeds of the next downturn are sown in every boom (and vice versa). They look to history as a guide, knowing that the economy and corporate earnings have consistently grown over the long run despite frequent setbacks and recessions. And they base their investment decisions on business and economic fundamentals, not short-term price movements.

Confirmation Bias

An additional cognitive bias that impacts investors is confirmation bias - our predisposition to seek out information that confirms our existing views while ignoring data that contradicts it. If you've bought a stock because you believe the company has great long-term prospects, you'll naturally gravitate to bullish opinions about it and dismiss bearish ones. Once our egos and emotions are invested in an idea, changing our minds is extremely difficult.

To counteract confirmation bias, the best investors actively seek out disconfirming information. They talk to people who disagree with them. They construct mental models of how their investment theses could be wrong. Changing your mind is one of the hardest things to do, but an openness to contrary ideas is essential for sound decision making.

The media can play a significant role in amplifying confirmation bias. In the digital age, investors are bombarded with news, opinions, and analysis 24/7. It's easier than ever to find information that confirms what we already believe. Many media outlets have figured out that confirming our biases is an effective way to attract eyeballs and engagement. They feed us a steady diet of sensational headlines, one-sided arguments, and cherry-picked data.

Social media takes this echo chamber effect to a whole new level. Our feeds are algorithmically curated to show us content that aligns with our existing beliefs and interests. We follow people who share our political ideology, our worldview, our taste in stocks. Over time, we become isolated in our own personalized filter bubbles, insulated from alternative perspectives.

To break free from media-fuelled confirmation bias, investors need to consciously seek out diverse viewpoints. That means reading publications and following thinkers who challenge your assumptions. It means studying the bear case for your favourite stock with as much rigor as the bull case. It means approaching media with a healthy skepticism, recognizing that much of what you read has been selected and framed to capture your attention, not to provide objective truth.

Herd Behaviour

A final bias worth mentioning is our strong tendency to follow the herd. As social creatures, we feel safest when we're part of the crowd. But in investing, the crowd is often wrong at the extremes. Following the herd during bubbles and panics can be disastrous to your wealth.

Herd behaviour is what causes asset prices to become divorced from fundamentals during manias and crashes. A self-reinforcing cycle takes hold where price appreciation draws in new buyers, which causes further price appreciation and an influx of even more speculators. Eventually, prices become so overstretched that the bubble collapses under its own weight. The opposite occurs during panics and crises.

The rise of algorithmic and high-frequency trading has arguably amplified herd behaviour in recent years. These computer-driven strategies are often trend-following in nature, buying assets that are going up and selling those that are going down. While they can help provide liquidity during normal times, they can also exacerbate volatility during periods of market stress.

The increased adoption of passive investing through index funds and ETFs may also be contributing to herd behaviour. As more investor money flows into these vehicles, they mechanically buy the stocks in the index, with less regard for fundamentals. This can create a momentum effect where the largest stocks get larger, not because of their superior business models but simply because of fund flows. Some worry that this dynamic could make the market more vulnerable to disorderly sell-offs, as a reversal in fund flows could trigger indiscriminate selling.

While technology has undoubtedly brought many benefits to investors - lower costs, greater transparency, easier diversification - it's important to be aware of how it can also amplify our worst behavioural impulses. Investors today need to be more vigilant than ever in sticking to their discipline and not getting swept up in the herd, regardless of which direction it's running.

The best defense against herd behaviour is independent thinking. Great investors are often iconoclasts, willing to reject popular opinion and go against the grain. They view extreme bouts of optimism and pessimism not as a signal to follow the herd, but as an opportunity to bet against it and purchase quality assets on the cheap. As Warren Buffett famously said, "Be fearful when others are greedy, and greedy when others are fearful."

Managing Our Behavioural Biases

There's no way to fully eliminate our behavioural biases - they are simply hardwired into our psychology. But by being aware of them and developing systems and guardrails to manage them, we can minimize their impact on our investment decisions.

Some tactics that can help include:

- Automating your investment contributions to avoid trying to time the market
- Developing a written investing plan and sticking to it regardless of market conditions
- Talking to a financial advisor who can provide an objective outside perspective
- Studying market history to put current events in their proper long-term context

But ultimately, successful investing comes down to temperament - having the emotional discipline to ignore short-term noise and focus on what really matters over the long run. We can't control what the market does, but we can absolutely control how we react to it. Learning to manage those reactions may be the most important determinant of investment success. It's not what happens to us, but how we behave that matters in the end.

The month gone by – May 2024

DISA Course



THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA
DISA COURSE

POST QUALIFICATION COURSE ON INFORMATION SYSTEMS AUDIT (ISA)
Diploma in Systems Accounting & Information Audit (DSIA)

COURSE DURATION

01 st May 2024, Tuesday	08 th May 2024, Tuesday
02 nd May 2024, Wednesday	09 th May 2024, Wednesday
03 rd May 2024, Thursday	10 th May 2024, Thursday
04 th May 2024, Friday	11 th May 2024, Friday
05 th May 2024, Saturday	12 th May 2024, Saturday

13th May 2024, Sunday
14th May 2024, Monday
15th May 2024, Tuesday
16th May 2024, Wednesday
17th May 2024, Thursday
18th May 2024, Friday
19th May 2024, Saturday
20th May 2024, Sunday

Time: 10:00 AM to 12:00 PM
Fee: ₹ 15,000/- (one-time fee)

8:30 AM (Registration & Seating Arrangement)

By the President, Institute of Chartered Accountants of India

Dr. Anand Kumar Singh
President, Institute of Chartered Accountants of India

Dr. Anand Kumar Singh
President, Institute of Chartered Accountants of India

Dr. Anand Kumar Singh
President, Institute of Chartered Accountants of India



National Technology Day - May 11th




THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

CELEBRATING 75TH ANNIVERSARY

75th STUDY CIRCLE MEETING
ON THE OCCASION OF
NATIONAL TECHNOLOGY DAY
11th MAY 2024

Dr. Anand Kumar Singh
President, Institute of Chartered Accountants of India

Dr. Anand Kumar Singh
President, Institute of Chartered Accountants of India

Dr. Anand Kumar Singh
President, Institute of Chartered Accountants of India



The month gone by – May 2024

Two Day Workshop on GST Demands & Appellate Remedies - May 24th & 25th

75 The Institute of Chartered Accountants of India
(Bhilai Branch Office)

Workshop on GST Demands & Appellate Remedies
A Workshop for updating the Members on practical aspects of applying to GST Demand Notice & preferring Appellate.

Organized by: GST & Indirect Taxes Committee, ICAI
Hosted by: Bhilai Branch (BIR)

on May 24th & 25th, 2024 (Fri & Sat) at AJ Grand Elko Hotel
124-50, Opp. Raoti, Civil, Preeti Nagar, Raipur, Chhattisgarh

Speakers:

- Dr. Anand Kumar (ICAI)
- Dr. Chandra Shekhar (ICAI)
- Dr. Anand Kumar (ICAI)
- Dr. Anand Kumar (ICAI)

SAY-1

10:00 a.m. - 11:30 a.m. - Introduction to GST Notices & analysis of common errors in GST (ICAI vs 75, 76 etc.)

11:30 a.m. - 01:15 p.m. - Responding to GST Notices

01:15 p.m. - 03:45 p.m. - Case studies on GST

03:45 p.m. - 05:30 p.m. - Representing before authorities

SAY-2

10:00 a.m. - 11:30 a.m. - Introduction to appeals under GST

11:30 a.m. - 01:15 p.m. - Filing of appeals

01:15 p.m. - 03:45 p.m. - Adversely Affecting

03:45 p.m. - 05:15 p.m. - Practical approach to Client representation

Topic: Members' Honorarium (15,000) and staff: Rs. 10,000 (10,000) (10,000)

CA. Gautham Priya D. Chandra

CA. Anand Kumar (ICAI)

12 CPE Credits



Start-up Conclave - May 31st

SHINE YOUR FUTURE

The Institute of Chartered Accountants of India Mangaluru Branch (BIR)
presents

Startup CA Conclave Series

Date: **31st May**
05:00 PM to 10:00 PM
Venue: Bhilai Branch (BIR)

Topic: **The Beginner's Guide to Startup Registration**
LIPILU, Sankarajayam, Preeti Nagar, Raipur, Chhattisgarh

Speaker: **CA. Pawan Sharma**
President, ICAI, Preeti Nagar, Raipur, Chhattisgarh

QR Code:

inunity



Media Coverage

ಜಿಎಸ್‌ಟಿ ಬೇಡಿಕೆಗಳು, ಮೇಲ್ಪನ್ನವಿ ಪರಿಹಾರ ಕಾರ್ಯಾಗಾರ

■ **ವಿಳಿ ಸುದ್ದಿಯೊಳಗೆ** ಮಂಗಳೂರು ಐಸಿಎಐಎಫ್ ಜಿಎಸ್‌ಟಿ ಮತ್ತು ಪರೋಕ್ಷ ತೆರಿಗೆಗಳ ಸಮಿತಿ ಮಂಗಳೂರು ವತಿಯಿಂದ ಜಿಎಸ್‌ಟಿ ಬೇಡಿಕೆಗಳು ಮತ್ತು ಮೇಲ್ಪನ್ನವಿ ಪರಿಹಾರಗಳ ಕುರಿತು ಎರಡು ದಿನಗಳ ಕಾರ್ಯಾಗಾರದ ಉದ್ಘಾಟನೆ ಕಾರ್ಯಕ್ರಮ ನಗರದ ಎ.ಜಿ. ಗ್ಯಾಂಟ್ ಹೋಟೆಲ್ ನಲ್ಲಿ ನಡೆಯಿತು.

ಡಿಜಿಎಸ್‌ಟಿ, ವಾಗ್ವಿನ್ಯ ತೆರಿಗೆಗಳ ಜಂಟಿ ಆಯುಕ್ತರಾದ ಮೀರಾ ಸುರೇಶ್ ಪಂಡಿತ್ ಉದ್ಘಾಟಿಸಿದರು.



ಕಾರ್ಯಕ್ರಮದಲ್ಲಿದ್ದ ಮೀರಾ ಸುರೇಶ್ ಪಂಡಿತ್ ಮಾತನಾಡಿದರು. ಕಾರ್ಯಾಗಾರದಲ್ಲಿ ಸಿಎಐಎಫ್ ಮಂಗಳೂರು ಮಾಜಿ ಅಧ್ಯಕ್ಷ ಸಿಎ ಪ್ರಸನ್ನ ಶೆಟ್ಟಿ, ಚಾರ್ಟೆಡ್ ಅಕೌಂಟ್ ಅಸೋಸಿಯೇಟ್ ಕೆ.ಎಸ್.ಎಸ್. ಸಿಎ ಗೌತಮ್ ನಾಯಕ್ ಉಪಸ್ಥಿತರಿದ್ದರು. ಸಿಎ ಮಂಗಳೂರು ಕಾಲೇಜು ಅಧ್ಯಕ್ಷ ಗೌತಮ್ ಪಿ.ಡಿ. ಸ್ವಾತಿ ಸಿದ್ಧರು. ಸಿಎ ಕಾರ್ಪೊರೇಟ್ ಡಿವೀಯಲ್ ಪಿ.ರೇಶ್ ವಂದಿಸಿದರು. ಸಿಎ ಸಮಿತಿ ಸದಸ್ಯ ಮಮತಾ ರಾವ್ ನೆರವುಸಿದರು.

ಜಿಎಸ್‌ಟಿ ಬೇಡಿಕೆ, ಮೇಲ್ಪನ್ನವಿ ಪರಿಹಾರ: ಕಾರ್ಯಾಗಾರಕ್ಕೆ ಚಾಲನೆ



ಮಂಗಳೂರು, ಮೇ 24: ಐಸಿಎಐಎಫ್ ಮತ್ತು ಪರೋಕ್ಷ ತೆರಿಗೆಗಳ ಸಮಿತಿ ವತಿಯಿಂದ ಜಿಎಸ್‌ಟಿ ಬೇಡಿಕೆಗಳು ಮತ್ತು ಮೇಲ್ಪನ್ನವಿ ಪರಿಹಾರಗಳ ಕುರಿತು ಎರಡು ದಿನಗಳ ಕಾರ್ಯಾಗಾರಕ್ಕೆ ಶುಭವಾರದ ನಗರದ ವಾಗ್ವಿನ್ಯ ಹೋಟೆಲ್ ನಲ್ಲಿ ಚಾಲನೆ ನೀಡಲಾಯಿತು.

ಡಿಜಿಎಸ್‌ಟಿ, ಮಂಗಳೂರು ಇದರ ವಾಗ್ವಿನ್ಯ ತೆರಿಗೆಗಳ ಜಂಟಿ ಆಯುಕ್ತ ಮೀರಾ ಸುರೇಶ್ ಪಂಡಿತ್ ಆದರು ಕಾರ್ಯಾಗಾರದ ಉದ್ಘಾಟಿಸಿದರು.

ಗೌರವ ಅತಿಥಿಯಾಗಿ ಸಿಎಐಎಫ್ ಮಂಗಳೂರು ಚಾರ್ಟೆಡ್ ಅಕೌಂಟ್ ಅಸೋಸಿಯೇಟ್ ಫಾಕಮ್‌ಸಿ ಮಾತನಾಡಿದರು. ಸಿಎ ಮಂಗಳೂರು ಕಾಲೇಜು ಅಧ್ಯಕ್ಷ ಗೌತಮ್ ಪಿ.ಡಿ. ಸ್ವಾತಿ ಸಿದ್ಧರು. ಸಿಎ ಕಾರ್ಪೊರೇಟ್ ಡಿವೀಯಲ್ ಪಿ.ರೇಶ್ ವಂದಿಸಿದರು. ಸಿಎ ಸಮಿತಿ ಸದಸ್ಯ ಮಮತಾ ರಾವ್ ಕಾರ್ಯಕ್ರಮ ನಿರೂಪಿಸಿದರು. ಸಿಎದ ಅಧ್ಯಕ್ಷ ಸಿಎ ಪ್ರಸನ್ನ ಶೆಟ್ಟಿ, ಸಿಎ ಗೌತಮ್ ನಾಯಕ್ ಉಪಸ್ಥಿತರಿದ್ದರು. ಕಾರ್ಯಾಗಾರದಲ್ಲಿ 80 ಮಂದಿ ಭಾಗವಹಿಸಿದ್ದರು.

VIJAYAVANI

ಜಿಎಸ್‌ಟಿ ಬೇಡಿಕೆ, ಮೇಲ್ಪನ್ನವಿ ಪರಿಹಾರ ಕಾರ್ಯಾಗಾರ



ಜಿಎಸ್‌ಟಿ ಬೇಡಿಕೆಗಳು ಮತ್ತು ಮೇಲ್ಪನ್ನವಿ ಪರಿಹಾರಗಳ ಕುರಿತು ಎರಡು ದಿನಗಳ ಕಾರ್ಯಾಗಾರವನ್ನು ಮಂಗಳೂರು ವಾಗ್ವಿನ್ಯ ಹೋಟೆಲ್ ನಲ್ಲಿ ಆಯುಕ್ತ ಮೀರಾ ಸುರೇಶ್ ಪಂಡಿತ್ ಉದ್ಘಾಟಿಸಿ ಮಾತನಾಡಿದರು. ಸಿಎ ಮಂಗಳೂರು ಚಾರ್ಟೆಡ್ ಅಕೌಂಟ್ ಅಸೋಸಿಯೇಟ್ ಕೆ.ಎಸ್.ಎಸ್. ಸಿಎ ಗೌತಮ್ ನಾಯಕ್ ಉಪಸ್ಥಿತರಿದ್ದರು. ಸಿಎ ಮಂಗಳೂರು ಕಾಲೇಜು ಅಧ್ಯಕ್ಷ ಗೌತಮ್ ಪಿ.ಡಿ. ಸ್ವಾತಿ ಸಿದ್ಧರು. ಸಿಎ ಕಾರ್ಪೊರೇಟ್ ಡಿವೀಯಲ್ ಪಿ.ರೇಶ್ ವಂದಿಸಿದರು. ಸಿಎ ಸಮಿತಿ ಸದಸ್ಯ ಮಮತಾ ರಾವ್ ಕಾರ್ಯಕ್ರಮ ನಿರೂಪಿಸಿದರು.

ಡಿಜಿಎಸ್‌ಟಿ, ಮಂಗಳೂರು ಇದರ ವಾಗ್ವಿನ್ಯ ತೆರಿಗೆಗಳ ಜಂಟಿ ಆಯುಕ್ತ ಮೀರಾ ಸುರೇಶ್ ಪಂಡಿತ್ ಆದರು ಕಾರ್ಯಾಗಾರದ ಉದ್ಘಾಟಿಸಿದರು.

ಗೌರವ ಅತಿಥಿಯಾಗಿ ಸಿಎಐಎಫ್ ಮಂಗಳೂರು ಚಾರ್ಟೆಡ್ ಅಕೌಂಟ್ ಅಸೋಸಿಯೇಟ್ ಫಾಕಮ್‌ಸಿ ಮಾತನಾಡಿದರು. ಸಿಎ ಮಂಗಳೂರು ಕಾಲೇಜು ಅಧ್ಯಕ್ಷ ಗೌತಮ್ ಪಿ.ಡಿ. ಸ್ವಾತಿ ಸಿದ್ಧರು. ಸಿಎ ಕಾರ್ಪೊರೇಟ್ ಡಿವೀಯಲ್ ಪಿ.ರೇಶ್ ವಂದಿಸಿದರು. ಸಿಎ ಸಮಿತಿ ಸದಸ್ಯ ಮಮತಾ ರಾವ್ ಕಾರ್ಯಕ್ರಮ ನಿರೂಪಿಸಿದರು. ಸಿಎದ ಅಧ್ಯಕ್ಷ ಸಿಎ ಪ್ರಸನ್ನ ಶೆಟ್ಟಿ, ಸಿಎ ಗೌತಮ್ ನಾಯಕ್ ಉಪಸ್ಥಿತರಿದ್ದರು. ಕಾರ್ಯಾಗಾರದಲ್ಲಿ 80 ಮಂದಿ ಭಾಗವಹಿಸಿದ್ದರು.

WHAT'S IN STORE FOR THE MONTH OF JUNE

Date	Event	CPE Hours
June 13 th (Thur)	Start-Up Conclave Series - Session II	-
June 14 th (Fri)	Full Day Workshop on Standards of Auditing & Code of Ethics	6
June 15 th (Sat)	One Day Seminar on Direct Tax	6
June 21 st (Fri)	International Yoga Day	-
June 25 th - 28 th (Tue - Fri)	Residential Refresher Course in the ancient cities of Bharat - Varanasi & Ayodhya	6
June 27 th (Thur)	International MSME Day	2
June 30 th (Sun)	CA India Run for Viksit Bharat to commemorate CA Day	-