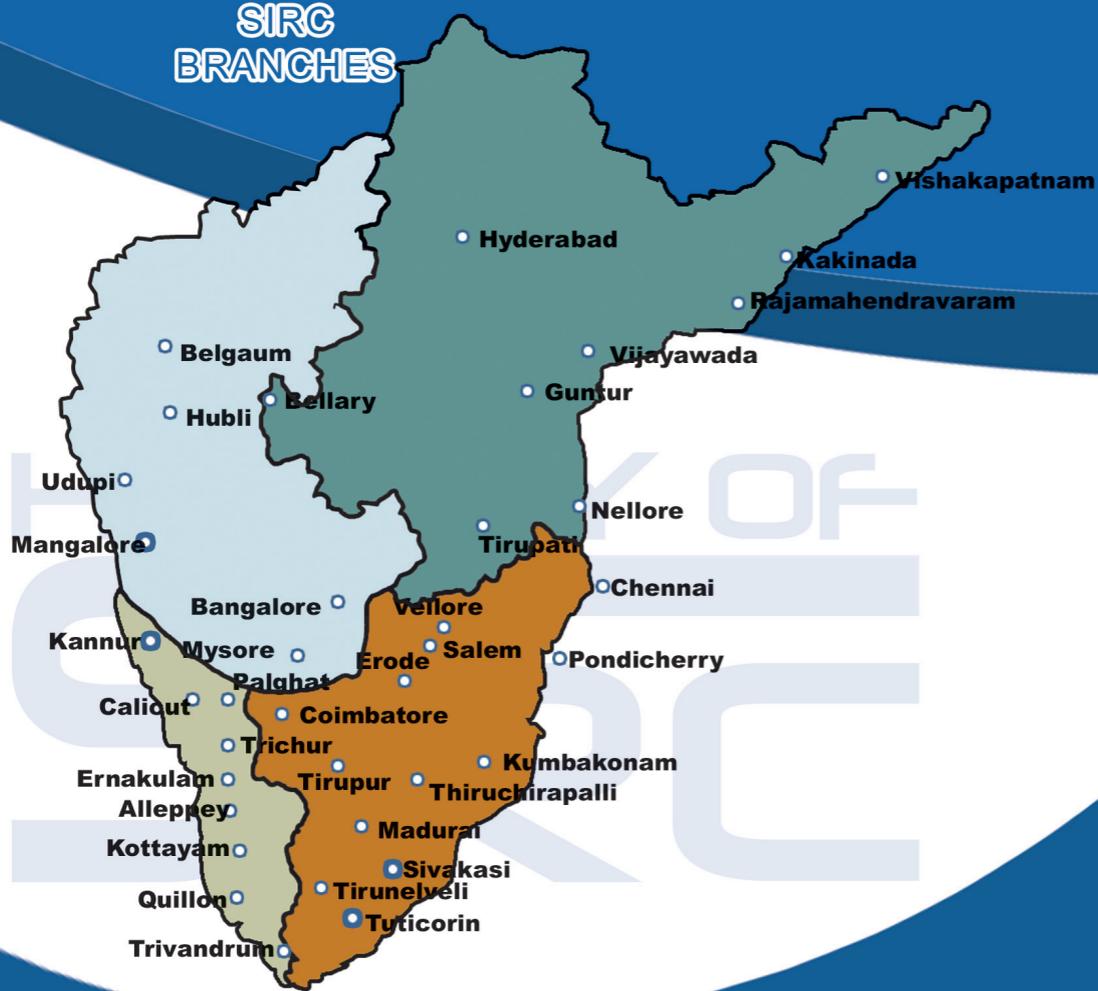




HISTORY OF
SIRC



SIRC
BRANCHES



Southern India Regional Council of
The Institute of Chartered Accountants of India
Chennai



SIRC
of
ICAI



HISTORY OF
SIRC



Southern India Regional Council

1952 - 1962 - 1972 - 1982 - 1992 - 2002 - 2012



Southern India Regional Council of
The Institute of Chartered Accountants of India
Chennai



FIRST PRESIDENT
OF ICAI
CA. G.P. KAPADIA



FIRST CHAIRMAN
OF SIRC
CA. R.N. RAJAM IYER

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA



MOTTO

Ya esa suptesu jagrati kamam kamam Puruso nirmimanah |
Tadeva sukram tad brahma tadevamrtamucyate |
Tasminlokah sritah sarve tadu natyeti Kascan etad vai tat ||

य एष सुप्तेषु जागर्ति कामं कामं पुरुषो निर्मिमाणः ।
तदेव शुक्रं तद् ब्रह्म तदेवामृतमुच्यते ।
तरिमंल्लोकाः क्षिताः सर्वे तदु नात्येति कश्चन । एतद् वै तत् ॥

(That person who is awake in those that sleep, shaping desire after desire, that, indeed, is the pure. That is Brahman, that indeed, is called the immortal. In it all the worlds rest and no one ever goes beyond it. This, verily, is that, kamam kamam: desire after desire, really objects of desire. Even dream objects like objects of walking consciousness are due to the Supreme Person. Even dream consciousness is a proof of the existence of the self.)

No one ever goes beyond it: of Eckhard: 'On reaching God all progress ends.'

Source : Kathopanishad

HISTORY OF SIRC

Southern India Regional Council



Southern India Regional Council of
The Institute of Chartered Accountants of India
Chennai

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The Institute of Chartered Accountants of India , Chennai

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HISTORY OF SIRC: INDEX

S. No.	Description	Page No.
1	At the Helm of Affairs - Photographs	
2	Other Members of SIRC OF ICAI - Photographs	
3	Foreword by Chairman, SIRC	
4	Messages	
5	Photographs of Past Presidents of ICAI from Southern Region	
6	Photographs of Past Chairmen of SIRC	
7	History of SIRC – Introduction – Chapter I	1
8	History of Accounting Profession and Formation of ICAI	3
9	Formation of Five Regional Councils of ICAI	6
10	History of SIRC – A Decade 1952 – 62	8
11	History of SIRC – A Decade 1963 – 72	23
12	History of SIRC – A Decade 1973 – 82	39
13	History of SIRC – A Decade 1983 – 92	62
14	History of SIRC – A Decade 1993 – 02	78
15	History of SIRC – A Decade 2003 – 12	98
16	Regional Conferences of SIRC of ICAI	123
17	FIRST's in SIRC	134
18	Landmark Decisions of ICAI/SIRC (At a Glance)	136
19	Awards for SIRC and its Branches (A Brief Write-up)	139
20	Awards for SIRC and its Branches by ICAI	142
21	Awards instituted by SIRC for Branches of SIRC and Branches of SICASA	147
22	Final - Gold Medalists from Southern Region	155
23	Details of Annual General Meetings	157
24	Details of Extra-ordinary General Meetings	163
25	Details of Regional Council Meetings – SIRC	167
26	Role of Committees of SIRC	172
27	Chartered Accountants Day organized by SIRC of ICAI	175
28	S. Vaidyanath Aiyar Memorial Lecture	178
29	V. Sankar Aiyar Memorial Lecture and Ashok Kumbhat Memorial Lecture	179
30	P.P. Gururaja Upadhyaya Memorial Lecture	180
31	International Study Tours	182
32	Inter-Regional and Joint Regional Conferences	183
33	Cohesion between ICAI and ICAI Employees	184
34	Officers Staff of ICAI - Chennai	186
35	Did You Know	188

36	Names of Members in the SIRC since its inception	190
37	Office-bearers of SIRC	203
38	Names Of Office Bearers Of Branches Of SIRC Since 1962	207
39	Dignitaries gracing the various occasions / functions of SIRC	239
40	Broad Outline of the Functions of SIRC	241
41	Functioning of SIRC Library	252
42	Contact Details of SIRC and Branches of SIRC	254
43	Contact Details of Branches of SIRC	255
44	63 Momentous Years of ICAI	256
45	Notification of formation of Regional Councils	268
46	Notice and Minutes of the First Meeting Minutes of SIRC	269
47	First Accounts of SIRC	270
48	Regional Conferences Of SIRC Of ICAI	271
49	Notification of First Six Branches of ICAI	279
50	Names of Chairmen of SICASA	280
51	S. Vaidyanath Iyer Memorial Lectures	281
52	V. Sankar Aiyar Memorial Lecture & Ashok Kumbhat Memorial Lecture	283
53	Infrastructure – ICAI Building	284
54	Members in Parliaments and Legislative Assemblies and Members in Judiciary	287
55	IAS and IPS from CA's – Southern Region	289
56	Members in Nation Building	290
57	Statutory Auditors of SIRC	291
58	Jurisdiction of SIRC as on 1 st April 2012	292
59	Chartered Accountants Day	293
60	Endowment Prize Fund	294
61	Branches of SIRC – Formation Details	296
62	Branches of SICASA – Formation Details	297
63	CPE Study Circles/Chapters/Groups and CPE Study Circles for Members in Industry	298
64	Progression – Membership Strength	300
65	List of Universities recognized the CA Course for pursuing Ph.D.	301
66	ICAI Chapters outside India	306
67	Acknowledgement & Disclaimer	308

At the Helm of Affairs



CA. Jaydeep Narendra Shah
President - ICAI



CA. Subodh Kumar Agrawal
Vice President - ICAI

Office Bearers of SIRC of ICAI



CA. K. Viswanath
Chairman



CA. D. Prasanna Kumar
Vice-Chairman



CA. P.V. Rajarajeswaran
Secretary



CA. P.R. Suresh
Treasurer

Other Members of SIRC of ICAI



CA. P.R. Aruloli



CA. Babu Abraham Kallivayalil



CA. Gopal Krishna Raju



CA. V.X. Jose



CA. S. Murali



CA. Naresh Chandra Gelli V



CA. E. Phalguna Kumar



CA. G.V.V. Satyanarayana



CA. K. Shanmukha Sundaram



CA. C.S. Srinivas



CA. Sumermal D. Ostawal

Central Council Members from Southern Region



CA. M. Devaraja Reddy



CA. Madhukar Narayan Hiregange



CA. V. Murali



CA. K. Raghu



CA. Rajendra Kumar P



CA. G. Ramaswamy



CA. S. Santhana krishnan



CA. J. Venkateswarlu



CA. K. Viswanath
Chairman, SIRC of ICAI

FOREWORD

9th February 2013

The roots of the formation and growth of the Institute of Chartered Accountants of India is as old as the history of excellence, independence and integrity of India since 1949. More than six decades of growth as partners in nation building and spreading its excellence of service in every sector of the economy speaks of its credibility and capacity. The Southern India Regional Council of ICAI (SIRC of ICAI) has played a pivotal role in the performance and growth of the ICAI not only in its formative years but even now, and is robust and very active.

I had an occasion to go through one of the deliberations of a meeting held at the SIRC premises on 1st July 1996 which appeared in the SIRC Newsletter of August 1996 issue, wherein the members present recalled certain important events at SIRC and the efforts taken in acquiring the land for ICAI at Chennai. One of the views expressed at the meeting by Shri A.K. Sivaramakrishnan, Former Central Council Member was that the History of the Regional Council could be written.

This suggestion was lingering in my mind ever since I took over as Chairman of SIRC in February 2012. It was also the desire of SIRC that the formative years of SIRC and its growth should be documented to be kept as an archive for posterity. It was also felt that having completed the Diamond Jubilee of SIRC in March 2012, it would be befitting and appropriate that we travel back to the last 60 glorious years of SIRC. The first step in this direction was taken during September 2012 to initiate steps to record the history of SIRC since 1952, and it was taken up as a project for completion by January 2013.

Considering the enormous amount of documentation and validation of information required in preparing the history of SIRC, I knew it would be a challenging task to trace the history and track the events of the past 60 years, but the dream and desire to accomplish the task was foremost in our minds which made it possible to present this booklet "History of SIRC". I am sure that this booklet will enlighten and educate the regional members and students and community at large, and would be a treasure of information for the future. The retirement of Shri T.V. Srinivasan, Deputy Secretary of ICAI came at a time when our thinking was gaining momentum and he was assigned the task of compiling and preparing this booklet for publication by SIRC. His service at the SIRC for over 4 decades and his knowledge and familiarity with the proceedings of the council, and of the various events at the SIRC due to his involvement over these years, helped greatly in completing this project. I acknowledge with thanks, the diligent hard work, and painstaking effort put in by him in searching, collecting, collating and reviewing the information and data contained in this booklet.

It is my pleasure to share with the readers that this booklet was prepared in a span of four months with data collection from the Journal of the Institute since 1952 when the first issue of the Journal was brought out on 1st July 1952, from the SIRC Newsletter since 1975 when the first issue of the SIRC Newsletter was published on 1st July 1975, from

the proceedings of the various meetings of the Regional Council and General Meetings of the members of the SIRC.

I would like to recall that when the Institute celebrated the 50th Year of the introduction of Companies Act, 1913, it had decided to bring out the “History of Accounting Profession” and we have to-day the monumental work done by our First President CA. G.P. Kapadia in print which was released in the year 1973 which traces the history of the accounting profession and the growth of ICAI from 1949 to 1972. A Similar exercise was taken up under the guidance of another Past President CA. P.N. Shah, CA. A.H. Dalal, Past President, ICAI and CA. H.N. Motiwalla, Former Central Council Member, ICAI, in the year 1998 on the occasion of Golden Jubilee Year of ICAI and the publication was released in the year 2001 which further traces the development of the accounting profession in India and the ICAI in particular. These two publications were excellent sources of information for the preparation of the booklet, which I acknowledge.

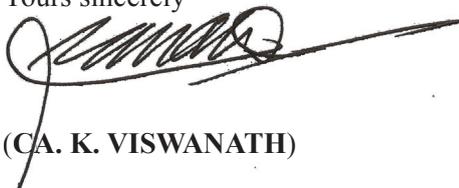
It is also significant to note that when the centenary of the introduction of Companies Act, 1913 is to be observed in this year 2013, in my opinion, it is a befitting occasion to bring out a booklet on the “History of SIRC” in the year 2013. I would also like to mention that the booklet not only contains information on the formation and evolution of SIRC, but also refers wherever required, to the important information and data relating to the Institute of Chartered Accountants of India as also the Branches of SIRC, Southern India Chartered Accountants Students’ Association and Branches of SICASA.

SIRC is honoured to have the Message of Good Wishes from our beloved President CA. Jaydeep N. Shah, beloved Vice-President CA. Subodh Kumar Agrawal and the Secretary of the Institute Shri T. Karthikeyan all of whom have encouraged this initiative of SIRC.

It is also my privilege to acknowledge the support of my colleagues in the Regional Council and the encouraging words of many of my colleagues in the profession in completing this project. During the process of preparation, at a point of time, I had the guidance and suggestion for improvement of the contents by our beloved CA. G. Narayanaswamy and CA. V. Jagadisan, both of whom were Former Central Council Members of ICAI and Padma Shri T.N. Manoharan, Past President of ICAI who went through the draft in spite of their busy professional schedules and commitments, and I thank them for sparing their valuable time for the completion of this project.

The input given by Dr. P.T. Giridharan, Joint Director, ICAI, Dr. T. Paramasivan, Senior Deputy Director, ICAI and Shri D. Vijayaragavan, Deputy Secretary, ICAI were very vital in the course of preparing the booklet and I express my sincere thanks and acknowledgement to them. The logistic and administrative support rendered by every officer and staff of the Institute at Chennai, and support from ICAI, New Delhi contributed greatly to this project, and I wish to express my appreciation to all of them.

With best regards
Yours sincerely

A handwritten signature in black ink, appearing to read 'K. Viswanath', with a long horizontal stroke extending to the right.

(CA. K. VISWANATH)



PRESIDENT'S MESSAGE

CA. Jaydeep Narendra Shah
President, ICAI

Following a glorious tradition of excellence for more than six decades, The CA profession today is an integral part of India's success story. The persistent pursuit of perfection, integrity, skills and knowledge has placed the profession at high position in the present professional order of the country. The Institute of Chartered Accountants of India (ICAI) today has a very strong intellectual heritage and tradition of trust.

The Institute works through its regional councils & branches and each and every effort is made towards rendering dedicated services to the profession. The regional councils are the support organs that are indispensable to the functioning of the ICAI. The Southern India Regional Council (SIRC) is one of the vital support organs of the ICAI which since its inception has been dedicatedly catering to students and members which count to almost 2, 54,480 & 43,418 respectively.

I appreciate the commendable and consistent work done by the Southern India Regional Council during its 61 glorious years of service to the profession and society at large. It has been actively organizing various knowledge imparting & disseminating programs for students and members from time to time at different places covering the entire region of Southern India. I place my compliments on record for the untiring efforts and the hard work being put in for the service of the profession.

I would like to compliment the Chairman, officer bearers, management committee, all the present and past management committee members, staff and the entire team of the Southern India Regional Council (SIRC) for their hard work in nurturing the profession in Southern India.

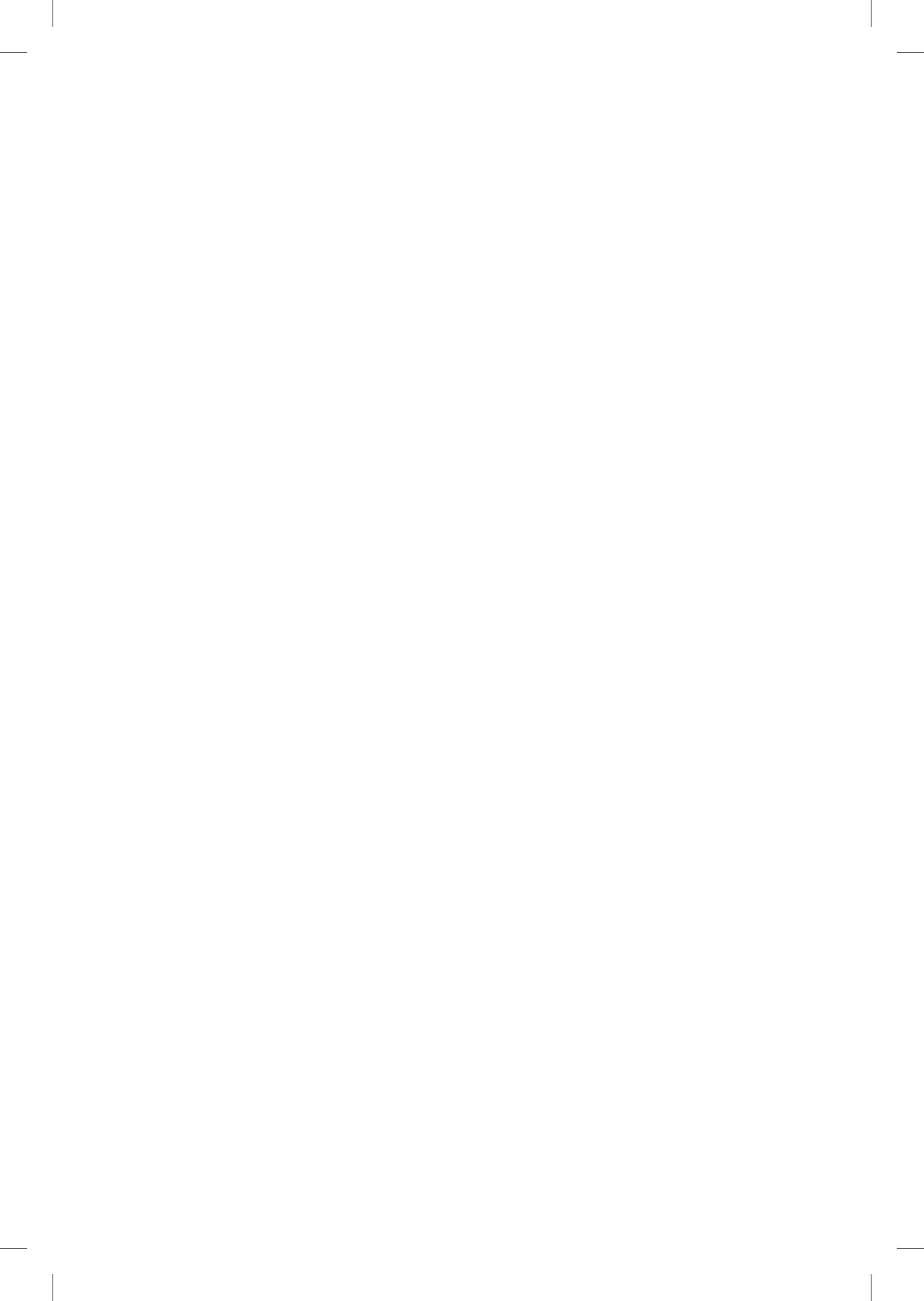
I wish success and the best of the fortune to the SIRC of ICAI in all its future endeavours.

Best Wishes

CA. Jaydeep Narendra Shah
President

The Institute of Chartered Accountants of India

11th February, 2013





VICE-PRESIDENT'S MESSAGE

CA. Subodh Kumar Agrawal
Vice-President, ICAI

The Institute of Chartered Accountants of India (ICAI) is a statutory body responsible for regulation and development of Chartered Accountancy profession in the country. ICAI produces world class Chartered Accountants and sets the benchmark for highest quality of financial reporting for different organisations.

The profession has moved much beyond the role of merely being an accountant to the corporate world. It has reached the realm of nation building by value addition to the process of economic and social development in the country.

The ICAI works through its regional councils, branches and overseas chapters which are its essential extensions and are the ones which directly interact with the members and students. The Southern India Regional Council (SIRC) of the ICAI has completed its 61 magnificent years of service to the profession. It comprises of 36 branches throughout the Southern India which have been actively rendering services to a large number of members and students.

I am pleased to note that the SIRC of the ICAI is coming up with its "History Book" highlighting all the noteworthy events and memories which have contributed significantly to the profession. I appreciate the Chairman, officer bearers, management committee, all the present and past management committee members, staff and the entire team of the Southern India Regional Council (SIRC) for their untiring and consistent endeavours in fostering the profession.

I wish the SIRC best of the luck in all its plans for the betterment of profession and hope that they would continue to serve the members and students with more zeal and determination

Best Wishes

CA. Subodh Kumar Agrawal
Vice-President

11th February, 2013

The Institute of Chartered Accountants of India



T. KARTHIKEYAN
Secretary



**THE INSTITUTE OF CHARTERED
ACCOUNTANTS OF INDIA**
(Set up by an Act of Parliament)
ICAI Bhawan,
Indraprastha Marg, P.B No. 7100,
New Delhi - 110 002. India

Message

It gives me a great pleasure to note that the Southern India Regional Council of The Institute of Chartered Accountants of India has decided to come out with the booklet "History of SIRC" which among others deals with the decade-wise vital information and data culled out from Journal of the Institute 'The Chartered Accountant' from 1952 onwards, SIRC Newsletter, Minutes of Regional Council, Annual General Meetings, Extra ordinary Meetings and other available sources at SIRC.

The contribution of SIRC in the development of the profession has been vital. I am confident that not only persons connected with the Southern Region but others also will find the history quite informative and interesting. I am sure that the booklet would serve as a useful reference material for budding Chartered Accountants and young professionals.

I congratulate CA. K. Viswanath, Chairman, SIRC and his team for the splendid initiative and its timely accomplishment.

I extend my best wishes on this occasion.

T. Karthikeyan



Presidents of ICAI from Southern Region



CA. C.S. Sastri
1955 - 56



CA. P. Brahmayya
1962 - 63



CA. R. Venkatesan
1968 - 69



CA. N.C. Krishnan
1974 - 75



Mr. Ashok Kumbhat
1982-83



CA. R. Balakrishnan
1986-87



CA. N.C. Sundararajan
1992-93



CA. B.P. Rao
1994-95



CA. G. Sitharaman
2000-01



CA. R. Bupathy
2003 - 04



CA. T.N. Manoharan
2006 - 07



CA. G. Ramaswamy
2011 - 12



Chairmen of SIRC of ICAI



CA. R.N.Rajam Iyer
April-May 1952



CA. C.S. Sastri
1952 - 1954



CA. T.C. Minakshi
sundaram
1954-1955



CA. R. Sivabhogam
1955 - 1958



CA. P.T. Sampath
Kumaran
1958-1959



CA. K. Rama
chandra Rao
1959-1960



CA. D. Rangaswamy
Oct 1960 - June 1961



CA. Karra
Dakshina Murthy
June 1961 - Sep 1961



CA. L.N. Vasudevan
1961-1962



CA. R. Ramakrishnan
1962-1963



CA. S. Sankaran
1963 - 1964



CA. C.S. Hariharan
1964-1965



CA. A.R. Narasimha
murthy
1965-1966



CA. K.A. Arjunan
1966-1967



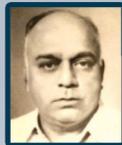
CA. S.N. Ramakrishna
Raja
1967-1968



CA. P. Gopalkrishna
Rao
1968-1969



CA. N. Srinivasan
1969-1970



CA. K. Sivarama
krishnan
1970-1971



CA. M.S. Ranganath
1971-1972



CA. G.V. Raman
1972-1973



CA. P. Gopal
1973-1974



CA. K.R. Kumar
30.09.1974-
26.04.1975



CA. K. Ananthachari
27.04.1975 -
29.09.1975



Mr. Ashok Kumbhat
1975-1976



CA. G. Satyanarayana
1976-1977



CA. K.R. Perumal
1977-1978 upto
15.10.1977



CA. G.N. Anantha
Acharya
01.12.1977-1978



CA. C.B. Joseph
1978-1979



CA. C. Srivatsan
1979-1980



CA. S.G. Ramachandran
1980-1981



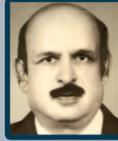
Chairmen of SIRC of ICAI



CA. A. Ramabrahmam
1981-1982



CA. K. Ramaswamy
1982-1983



CA. N. Manthiramurthy
21.09.1983-15.11.1983
16.11.1983 - Sep 1984



CA. P. S. Kumar
1984-1985



**CA. M. Bheema
Bhat**
1985-1986



**CA. A. Bhawaral
Nahar**
1986-1987



**CA. Jose
Pottokaran**
1987-1988



CA. S. Vijayaraghavan
1988-1989



**CA. K N Rama
subramaniam**
1989-1990



**CA. S.S.R.Koteswara
Rao**
1990 Upto 22.01.1922



CA. N. Nityananda
1992 - 1993



CA. A. Arjunraj
1993-1994



CA. R. Nagarajan
1994-1995



CA. C. Murali Krishna
1995-1996



CA. M.C. Joseph
1996-1997



CA. K. Ravi
1997-1998



**CA. A.S. Vishnu
Bharath**
1998-1999



CA. G. Ramaswamy
1999-2000



**CA. Eswara
Prasada Reddy**
2000-2001



**CA. L. Ravi
Shankar**
2001-2002



CA. V. Murali
2002-2003



CA. K. Raghu
2003-2004



CA. J. Venkateswarlu
2004-2005



CA. V. C. James
2005-2006



CA. M. Kandasami
2006-2007



**CA. K.S. Madhava
Murthy**
2007-2008



**CA. Rajendra
Kumar P**
2008-2009



CA. M. Devaraja Reddy
2009-2010



**CA. Babu Abraham
Kallivayalil**
2010-2011



**CA. K. Shanmukha
Sundaram**
2011-2012



CA. K. Viswanath
2012-2013



HISTORY OF SOUTHERN INDIA REGIONAL COUNCIL OF THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

Chapter – I

Introduction

The universe has seen many changes from time immemorial and left behind treasures for posterity. The term “posterity” does not limit to a particular time frame or period but forever. Mankind owes a lot to civilization in any part of the world through which human life is surviving. Looking back at thousands of years of civilization and its impact on the human trajectory of activities it would not be possible had not the past being recorded in depth and accurately.

Creating records for many countries would not be as difficult a proposition as it ought to be. But for countries like India, it is an indomitable task altogether, to collate and comprehend the essence of the information and creating an indelible record of the evolution of this great country which has spread its wings in all the four corners of the universe. Records are meant for guiding the future with a clear vision and we have the best resources available to trace back the history of the universe from the Vedas and Upanishads followed by epics which advocated many facets of human life.

The distinct feature of archive creation in this country was not only through verbal or written documents but also through sculptures which depicted the style of living, civilization of those periods, trading and more notably the transactions in kind or in any other form which is the fore-runner for the present day commerce and trade across the globe, with changes happening over the centuries.

Mathematics plays a very important role in any form of trade and it is to the credit of our great country, India, that we are the pioneers in inventing the mathematical figure zero (0) and many other functional aspects to determine the value of any commodity.

Accounting in whatever name it was called is recording of the transactions and its effect on the economy. With accounting as the base came the next level in the form of “taxation” enabling the administrators to mobilize resources for their country and then came the various forms of taxation. The foundation that was laid in the ancient periods is standing in good stead for the administrators of to-day around the world and India can be proud of having built up the system and recording the happenings.

The intention of tracing back to the ancient period was only to illustrate how the accounting profession has come to stay in India and the accounting profession upto the first half of 20th century and the formation of an accounting body established by an Act of Parliament that came into existence from 1st July 1949, ie., The Institute of Chartered Accountants of India. The formation of ICAI was followed by the formation of five

Regional Councils in Bombay (now Mumbai), Madras (now Chennai), Calcutta (now Kolkata), Kanpur and Delhi on 1st April 1952 and subsequent formation of Branches in all the Regional Councils from time to time with the object of regulating the profession of accountancy in India.

What this booklet is all about:

This booklet, while dealing with the above in a nutshell, would predominantly focus on the evolution of Southern India Regional Council of the Institute of Chartered Accountants since 1st April 1952 and the 61 glorious years of service to the professional community and to the nation at large.

The booklet is just a compilation of events that are notable and treasure-worthy for posterity in so far as the activities of SIRC are concerned and of course the nucleus of SIRC vis-à-vis the Branches and the Students' Association and the service to the profession in every sphere of its activity through its wings.

The inspiration to bring out this booklet could be traced back to the publication brought out by the Institute viz., "Accountancy Profession in India" in the year 1973. The year 1963 marked the end of the first fifty years since the profession was first formally recognized (50th Anniversary of the passing of Indian Companies Act, 1913). To commemorate the occasion, the Institute decided to publish a historical account of the growth and development of the Accountancy Profession in India during the past fifty years. (Ref: 37th Meeting of the Council reported in Vol. XI – October 1962 – Page No. 147). Mr. G.P. Kapadia, Past President, ICAI was requested to undertake the responsibility of preparing the text for this monumental work. Tracing the history from the vedic period, the historic publication was released in 1972.

Similar publication was brought out in the year 2000 tracing the history of ICAI from 1972 to 1997 authored by Shri P.N. Shah, Past President, ICAI, Shri A.H. Dalal, Past President, ICAI and Shri H.N. Motiwalla, Former Central Council Member, ICAI.

Chapter - II

HISTORY OF THE ACCOUNTING PROFESSION and Formation of the Institute of Chartered Accountants of India

Origin of ICAI:

Though this booklet would delve into the origin and history of the Southern India Regional Council of the Institute of Chartered Accountants of India, the history would not be complete in all respects without making a reference to the extensive research done by the First President of the Institute of Chartered Accountants of India CA. G.P. Kapadia which culminated in the publication of “History of the Accounting Profession in India”. It is therefore imperative that the readers of this booklet be aware of the origin of the accounting profession in India dating back to 1857 when the first Company Legislation in India came on the statute book.

In the year 1913 the accounting profession was recognized through a statutory provision in the form of Indian Companies Act, 1913 providing a clause requiring the companies to have their accounts audited by the auditors. Two decades later (in the year 1932) came the Accountancy Board which in effect had led to the establishment of the Institute of Chartered Accountants of India in the year 1949 by an Act of Parliament as a statutory body to regulate the profession of accountancy in India. The path towards the objective of creation of an independent accounting body was not without dissension and a reading of the History of the Accounting Profession (Chapter V – What is in a Name? - Page Nos. 170 – 229) would reveal the amount of arguments put forward in the nomenclature of the accounting body by the leading luminaries during the discussion on the Companies (Amendment) Bill introduced in the Legislative Assembly on 23rd March 1936 followed by deliberations over the years through Select Committee, Indian Accountancy Board, etc., putting forward the reasoning for such a nomenclature “The Institute of Chartered Accountants of India”.

Formation and Evolution of ICAI:

Thus came the Institute of Chartered Accountants of India (ICAI) as a statutory body established under the Chartered Accountants Act, 1949 (Act No. XXXVIII of 1949) from 1st July 1949 for the regulation of the profession of Chartered Accountants in India through introduction of CA Bill in the Constituent Assembly of India (Legislative) on 4th September 1948. The First Council comprised of 15 members of which 11 were the members from the Indian Accountancy Board. The first meeting of the Council was held on 15th August 1949 at Delhi. Mr. G.P. Kapadia and Mr. G. Basu were elected as the First President and Vice-President of the Institute. The First Council was inaugurated by Shri KC. Neogy Union Minister for Commerce. At that point of time, the total number of members to the Council was 20 and from September 1952 the strength was increased to 25 members from the five regions, i.e., 7 from Bombay, 5 from Cal-

cutta, 5 from Madras, 2 from Delhi and 1 from Kanpur besides 5 members nominated by the Government of India.

The design of the common seal of the Institute with the name of the Institute on the outer circle, Garuda in the centre and Sanskrit inscription, Ya esa suptesu jagarti, i.e., “That person who is awake in those that sleep” was approved. This logo was conceptualized by the great Nationalist Philosopher Sri Aurobindo Ghosh. The relevant portion published in the Institute Journal in July 2006 (Page No. 122) and repeated in the July 2008 and 2012 issue is re-produced below.

“The ICAI Logo was conceptualized by the great Nationalist Philosopher Sri Aurobindo Ghosh: “When the Institute was formed in the year 1949 in the month of July 1949, C.S. Sastri, a noted Chartered Accountant of Madras went to Sri Aurobindo and requested him through a letter to give an emblem to the newly formed Institute in which he was an elected member from the South. Sri Aurobindo gave him the emblem with a Garuda in the centre and quotation from the Upanishad (Kathopanishad) Ya esa suptesu jagarti, that person who is awake in those that sleep. The emblem was placed at the first meeting of the Council of the Institute in New Delhi on 15th August 1949 and was accepted amongst many other emblems placed by other members of the Council. So that became the emblem of the Chartered Accountants of India. Very few people know about it and most of the Chartered Accountants do not know it. (Excerpts from My Reminiscences authored by Prasanta Mukherjee)”

Initial Initiatives of ICAI:

With a view to providing more effective way of catering to the needs of the students, in the year 1954, the Institute established a Committee known as the “Coaching Board” to provide theoretical education. Mr. G. Basu, a Past President was appointed Chairman of the Board and Mr. B.R. Malhotra became the first Director of Studies in which position he served for 14 years until his retirement in 1970. (Decision to constitute the Coaching Board was taken at the meeting of the Council at the 13th Meeting held on 26th and 27th May 1954. (Ref. History of Accounting Profession – Page No. 333). The nomenclature of the “Coaching Board” was subsequently changed to “Board of Studies” in the year 1977.

It will be interesting to note that the term of apprenticeship in the early years until 18th July 1964 when the Chartered Accountants Regulations, 1964 came into being is attainment of 16 years and premium was permitted with a fixation of minimum premium @ Re. 1/- and maximum @ Rs. 3,000/-, refundable in full or in such installment as the employer deemed fit but not later than 14 days after the date of completion or termination of the articles.

Until 1st April 1952, the Institute functioned centrally from Delhi after which five Regional Councils were formed in Bombay, Madras, Calcutta, Kanpur and Delhi and thereupon from 1st October 1974, the administrative functions of members and students were de-centralized initially at Madras and thereafter in a phased manner at

Bombay, Calcutta, Kanpur and New Delhi in a span of two to three years. During the year 1953-54, the Chartered Accountants Regulations were amended to provide that the Regional Councils should function, at all times, subject to the control, supervision and direction of the Central Council. The Institute further de-centralized limited activities like receipt of registration papers of students, issue of study materials, etc., in other big cities and also opened an administrative office at Dubai.

In the last 63 years the Institute has grown by leaps and bounds and to-day as the premier accounting body and second largest in the world, it has spread its wings from the membership strength of 1573 in the year 1949 (Refer Page No. 129 – Twelfth Annual Meeting of the Council – Vol. X –Part IV – October 1961) to nearly two lakhs Chartered Accountants on its rolls spread across the country with 5 Regional Councils, 128 Branches and 22 Chapters abroad. Some of the significant achievements (illustrative and not exhaustive) of the Institute in the last 63 years have been appended to this booklet. (Appendix-I).

FIRST ISSUE OF ICAI JOURNAL-JULY 1952

THE CHARTERED ACCOUNTANT



JOURNAL OF THE INSTITUTE OF
CHARTERED ACCOUNTANTS OF INDIA

COUNCIL 1951-52

<p style="text-align: center;"><i>President</i></p> <p style="text-align: center;">G. P. KAPADIA</p>	<p style="text-align: center;"><i>Members</i></p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">S. N. BANERJEA</td> <td style="width: 50%;">S. GHOSE</td> </tr> <tr> <td>G. BASU</td> <td>K. N. GUTGUTIA</td> </tr> <tr> <td>B. D. BIRDY</td> <td>B. K. KAUL</td> </tr> <tr> <td>F. A. COLE</td> <td>M. S. KRISHNASWAMI</td> </tr> <tr> <td>P. C. DAS GUPTA</td> <td>P. R. MEHRA</td> </tr> <tr> <td>M. K. DEB</td> <td>N. R. MOLY</td> </tr> </table>	S. N. BANERJEA	S. GHOSE	G. BASU	K. N. GUTGUTIA	B. D. BIRDY	B. K. KAUL	F. A. COLE	M. S. KRISHNASWAMI	P. C. DAS GUPTA	P. R. MEHRA	M. K. DEB	N. R. MOLY	<p style="text-align: center;"><i>Vice-President</i></p> <p style="text-align: center;">S. B. L. VAISH</p>
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G. BASU	K. N. GUTGUTIA													
B. D. BIRDY	B. K. KAUL													
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<p style="text-align: center;"><i>Secretary</i></p> <p style="text-align: center;">S. VENKATARAMAN</p>														
<p style="text-align: center;"><i>Institute Office</i></p> <p>100, Gurdwara Road Hutments New Delhi</p> <p>TELEPHONES : } 44019 Secretary's Residence } 44146 Secretary's Office } 45691 Office General</p> <p>TELEGRAMS : "CICA", New Delhi</p>	<p style="text-align: center;"><i>Journal Office</i></p> <p>C/o Post Box No. 1354 Madras 1.</p> <p>TELEPHONE : 3450 TELEGRAMS : Care "BALANSHEET", Madras.</p>													
<p style="text-align: center;"><i>Bankers</i></p> <p style="text-align: center;">IMPERIAL BANK OF INDIA, NEW DELHI</p>														

Chapter – III

Formation of Five Regional Councils including SIRC at Madras

Birth of Five Regional Councils:

Visualizing the growth of the profession for providing the best services to the members and students within the Regional level and to have closer and better access to their needs, the Institute of Chartered Accountants of India decided to form five Regional Offices at Bombay, Madras, Calcutta, Kanpur and Delhi and a notification in this regard was issued in the on 22nd April 1951. (Refer Page No. 419 of the History of Accounting Profession in India (Appendix-II). The said notification provides for formation of Regional Councils effective from 1st April 1952. The decision to constitute the Regional Councils at the five regional constituencies specified by the Central Government was taken by the Council at its meeting held on August 1950.

Objectives for forming Regional Councils and its jurisdictional limits:

The broad objectives for forming the Regional Councils were indicated to be the raising of the standard and status of the profession by ensuing observance of the rules, establishing more educational and social contacts amongst the members, facilitating exchange of views on professional subjects, etc., The Regional Council in Southern Region was known as Madras Regional Council and the bye-laws for regulating the functioning of the Regional Councils were also framed by Notification No. 1-CA(2)/51 dated 22nd April 1951 and these came into force with effect from 6th October 1951.

While the initial notification covered the States of Madras, Travancore-Cochin, Mysore, Hyderabad and Coorg, and later on Andhra by Notification dated 30th January 1954 (Ref. Vol. II – Part VIII), with the division of the country into different States, there was re-organization of the regions as well and the Madras Regional Council comprised of the States of Andhra Pradesh, Kerala, Madras, Mysore and the Union Territory of Pondicherry and the nomenclature of the Region was changed as Southern India Regional Council in which name SIRC is known for to-day. To-day the Southern India Regional Council consists of the States of Andhra, Karnataka, Kerala, Tamil Nadu and the Union Territory of Pondicherry and Lakshadweep.

At the time of formation of Regional Councils, they were formed as Bombay Regional Council, Madras Regional Council, West Bengal Regional Council, Uttar Pradesh Regional Council and Delhi Regional Council, which at present is known as Western India Regional Council, Southern India Regional Council, Eastern India Regional Council, Central India Regional Council and Northern India Regional Council with headquarters at Mumbai, Chennai, Kolkata, Kanpur and New Delhi respectively.

The history of SIRC has in effect inter-twined with the history of ICAI and the foregoing paragraphs provide an inner and intrinsic idea of the unfolding of the subsequent chapters in store for the readers.

It is to the credit of Madras Regional Council that the office of the Journal Section was functioning at Madras during the earlier days of publication of the Institute Journal “The Chartered Accountant” in the year 1952.

Where SIRC functioned first and its infrastructure at the initial stages:

The Regional Council which started functioning initially from “Catholic Centre, Armenian Street, George Town, Madras - 1, then briefly at No. 189-B, Mount Road, Madras – 2 and then moved on to No. 334, Thambu Chetty Street, Madras – 1.

In the year 1956-57, the Land and Building Committee of ICAI was authorized to write to the Regional Councils to send suitable recommendations regarding the construction of buildings or the purchase of old building in their regions to house the Offices of the Regional Councils in order to give a boost to the activities of the Regional Councils. At the 39th Meeting of SIRC held on 5th December 1959, the process of acquiring the building was discussed in response to the letter of ICAI. Mr. S. Venkataraman was requested to assist the land and building committee for acquiring the land at Nungambakkam High Road. In the year 1960, the Institute had its own building at Nungambakkam High Road and SIRC started functioning from 1962.

The Regional Council moved into its own premises to Nungambakkam in the year 1962 at No. 23, Nungambakkam High Road, Madras-34. Upon acquiring the building, the 52nd Meeting of the SIRC was held for the first time at the newly acquired premises at Nungambakkam High Road, Madras.

In regard to the hiring of the building auditorium and any other place at the Institute it was decided that the rent would go to the Central Council which could be used to meet municipal tax and periodical repairs. However the Regional Council, subsequently, decided that the premises should not be rented to outsiders.

The total area of the premises acquired by ICAI is 21 Grounds, 1981 Sq. ft. Presently it has the main building with ground and first floor, an annexe building with ground and two floors and the other annexe with ground and three floors. The extent of each floor and the dates of inauguration of the floors are given separately as Annexure to this write-up.

Recently during the month of November 2012, ICAI had acquired land ad measuring 10 acres at Irungottukottai, near Sriperumbudur

CHAPTER – IV

SOUTHERN INDIA REGIONAL COUNCIL OF THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA A Decade at SIRC – 1952 - 62

First Regional Council: 1952-55

Consequent to the formation of the Madras Regional Council, the first meeting of the Regional Council was held in the year 1952. The notice for the first meeting of the Regional Council was issued by Mr. S. Suryanarayanan as the Secretary to the Regional Council on 14th April 1952. The first meeting of the Regional Council was held on 1st May 1952 at Madras chaired by Mr. R.N. Rajam Aiyar in which Mr. C.S. Sastry was unanimously elected as Chairman of the Regional Council. The other office-bearers elected at the meeting were –

Mr. R. Venkatesan	Vice-Chairman
Mr. V. Soundararajan	Secretary
Miss R. Sivabhogam	Treasurer

The Notice and the Minutes of the First Meeting is appended as **Appendix – III**.

During the year 1952-53 the Regional Council constituted three sub-committees to deal with –

- a. Draft Amendments to the CA Regulations and for providing further suggestions therefor;
- b. To formulate a scheme and the condition on which coaching classes are to be conducted
- c. To sponsor a Students' Society under the auspices of the Regional Council.

Besides four more Sub-Committees were formed on –

- i. Education and Study
- ii. Law
- iii. News and Publication
- iv. Research

The election to the various committees of SIRC was held in the initial stages and presently, the Regional Council authorizes the Chairman to constitute the committees which are placed before the meeting of the Regional Council.

The activities of the Regional Council was periodically sent to the Central Council and the same was published under the caption “Regional Councils” in the Institute Journal through which the members are informed of the various activities held by SIRC. Announcements of conferences of SIRC were also published in the Journal.

The Second Annual Report of the Regional Council that appeared in the Institute Journal of October 1953 (Ref: Vo. II – Part IV – October 1953 - Pages No. 174 – 177) referred to the following activities that the Madras Regional Council performed.

- Holding of two series of interesting lectures for the students appearing from Final Examination comprising of 37 lectures which was also attended by Chartered Accountants.
- Shifting of the office of the Madras Regional Council to No. 334, Thambu Chetty Street, Madras – 1 on a monthly rental of Rs. 125/-
- First Extra-ordinary General Meeting of the Madras Regional Council was held on 29th March 1953. Followed by the meeting, Sir S. Varadachariar, Retired Judge, Supreme Court of India spoke on “Profession of Accountancy”.
- The first accounts of the Madras Regional Council for the year ended 31st March 1953 was published. (Page Nos. 176 and 177 of Vol. Part IV – October 1953. (Annexure – III)

During the early days of SIRC, there was no formal Students’ Association constituted by the Central Council. The Regional Councils by themselves organized special lectures on various subjects involving the Chartered Accountants and the Professors of Colleges. A Sub-Committee of the SIRC was looking after the classes. A summary of the report of the conduct of the Coaching Classes was placed before the Regional Council and for receiving the views of the members for its improvement. For the first time, the Regional Council refunded the tuition fee of two candidates who won the Gold Medal – one all India and another on auditing paper known as Fergusons Prize in the mid 50s.

In one of the earlier programmes of students, Hon’ble Justice P. Govinda Menon, Judge, Madras High Court (who later became the Judge, Supreme Court of India) was the Chief Guest which speaks of the importance the Madras Regional Council accorded even at the initial stages, to the activities of the Students’ Association by inviting high dignitaries. (Ref: Vol. IV – Part VIII – Page No. 338)

It is interesting to note that the Regional Council, besides its statutory requirements of holding the Annual General Meeting also held Extra-ordinary General Meeting as per the then prevailing Regulations, in the earlier stages other than requisitioned Extra-ordinary General Meeting wherein dignitaries were invited to address at such meetings. It was also the practice of the Madras Regional Council to send the text of speech of dignitaries and some of them got published in the Institute Journal “The Chartered Accountant”. (Ref: Vol. II – Part X – April 1954 – Page 485).

During this year, the Institute issued a Draft Notification for syllabus of CA Course – No. 1-CA(3)/53 dated 11th November 1953 – Page 223 to 234 and the Regional Councils offered their views.

The Annual General Meetings of the Regional Council which were in the month of September was changed to be held between 15th June and 15th July and at present the Regulation requires the Annual General Meeting of the Regional Councils to be held latest by 15th September and in the event of not able to conduct, the Regional Council shall seek the permission of the President of the Institute for extension of time and to fix a date for the Annual General Meeting.

Shri R. Venkatesan, then a sitting member of the Madras Regional Council got elected to the Central Council and the Institute published the Notification bearing No. 69 RCE-(1)/53 dated 26th September 1953 for By-Election for the vacancy caused by Mr. R. Venkatesan.(Page No. 192 and 193 – Vol. II – Part IV) and in the resultant vacancy Shri M.S. Krishnaswamy was elected. (Ref. Vol . II – Part VII - January 1954 of CA Journal – Page No. 334).

Role of SIRC in the early 50's:

In order to expand the services to the members, the Madras Regional Council issued two circulars under the signature of the then Secretary of Madras Regional Council to the various Chambers of Commerce and Trade Association informing the introduction of the Employment Register to assist the companies for placement of Chartered Accountants in their organizations. (Ref. Vol. I – Part – I - July 1954 – Page No. 34). This system was followed upto the late 90s until the Central Council under the Committee for Members in Industry introduced the Campus Recruitment Scheme through Campus Interviews which came into force from 1995 and got stabilized during the next couple of years and successfully catering to the requirements of the organizations and the members aspiring for career growth in organizations.

In the absence of newsletter at that point of time, important meetings were circulated amongst the members and during the year 1954, SIRC issued the circulars in connection with the President's Visit, All India Conference of Members, Opening of Library, Coaching Classes, Employment Assistance Facility and Appointment of Valuers under the Estate Duty Act.

For the records, it is to be noted that during the year 1958, the Institute Publications were sold at Vanguard House, First Line, Second Line Beach, Madras – 1.(Ref: Vol. VI – Part V – Page No. 336).

Functioning of SIRC Library in 50's:

In the early stages of the functioning of SIRC the library was kept open between 2.30 p.m. and 7.00 p.m. to cater to the needs of members. Over a period of time, when the Regional Council started functioning at the present premises at Nungambakkam High Road, the timings were modified.

During the year 1955-56, the Central Council sanctioned a one time special grant of Rs. 4,000/- in addition to annual grant-in-aid to all the Regional Councils except Delhi Regional Council to augment the stock of books in their libraries. (Ref: Vol. I – Part XII – Page No. 535 – Proceedings of the Council). A review of the functioning of the library over the years is being dealt separately for the benefit of the readers (**Appendix – IV**).

For Library, Separate Bank Account, which was in the initial stages were in a composite account of SIRC, was opened for better control of the funds of the library. At the 45th Meeting of the Regional Council held on 17th December 1960, the auditors were requested to certify the number of books in the library on a honorary basis.

Important Decisions of ICAI with reference to Regional Councils :

First Regional Council (1952-55)

One of the important decisions during the year 1954 taken by the Institute relating to the Regional Councils was that the Regional Councils are not to be permitted to challenge the resolutions passed by the Central Council or treat them with any disrespect. (Ref. Recommendation of Executive Committee of ICAI – (Page No. 209 – Vol. III – Part IV).

A notification was issued bearing Notification No. 54-EI(1)/54 – dated 18th June 1954 wherein the number of seats for the Regional Councils was stipulated. According to the Notification, the proportion of elected seats on the Regional Council shall be one seat for every seventy five members of the Institute in the respective region; Provided however that there shall be at least five elected members in each Regional Council. (Ref. Page No. 23 – Vol. III – Part I). It also referred the term of the Regional Council which states that the duration of each Regional Council shall be three years from the date of declaration of results of election to the Regional Councils on the expiry of which it shall stand dissolved.

The Regional Councils were also informed by the Central Council that they are not competent to forward any of their resolutions to any person other than the Central Council without the prior permission of the Central Council and it was also made clear that there was no intention to deprive the rights of the Regional Council (Ref. March 1955 issue of the Journal – Page No. 392 and 393). The matter of representing before the authorities were time and again referred and guidelines issued from the Central Council and in force.

In the year 1954, 34 members from South India attended the First All India Conference of Chartered Accountants held at New Delhi from 2nd to 5th April 1954.

During the year 1954, though there was no formal Students' Association constituted by the Central Council, the Madras Regional Council formed the Chartered Accountants Students' Association and 60 students attended the final classes held between 16th July and 31st October 1954.

During the year 1955-56, when Ms. R. Sivabhogam, a lady member of the Institute was elected to the high office as Chairperson of Madras Regional Council, history was created and it was recorded that this was the first occasion in India when a lady member of the Institute has been elected to this high office in a region. It is pertinent to note that Ms. R. Sivabhogam is the only lady member among over 700 members in the Region at that point of time. (Ref. Page No. 456 – Vol. III – Part X). It was also a history in the annals of SIRC that she continued as Chairperson of Madras Regional Council for the next two consecutive years, viz., for the years 1956-57 and 1957-58.

An important decision was taken by the Central Council in regard to the Regional Councils relating to circulation of papers for decision by an amendment passed by Notification No. 1-CA(5)/55 dated 15th October 1955, which is extracted herebelow:

“No decision on any question shall be taken by circulation of papers, unless not less than two-thirds of the members agree to decide on such questions by circulation of papers. In the event of such majority not agreeing, the Chairman or the Vice-Chairman as the case may be shall withdraw the papers from circulation and have the question decided at a meeting of the Regional Council.

When the papers relating to any question are circulated for decision among the members a period of not less than fifteen days commencing from the date of such circulation shall elapse before any decision is taken on the question.

Every decision taken by circulation of papers shall be noted by the Regional Council at its next meeting.”

(Ref. Vol. IV – Part – V – November 1955 – Page No. 174)

Second Regional Council – 1955-58:

The election to the Second Regional Councils was held on 1st April 1955 and this relates to elections to Bombay, Madras, West Bengal, Uttar Pradesh and Delhi Regional Council. (Ref: Vol. III – Part VI – December 1954 – Page 273 – Notification No. 54 EL(1)/54 dated 18th December 1954). It may be noted that at that point of time the names of Regional Councils were referred to as above.

For the purpose of records the first annual accounts of the Madras Regional Council is appended (**Appendix – V**) relating to the period ended 31st March 1953. During the year 1953-54, the accounts of Madras Regional Council showed a surplus of Rs. 2,964/-, Central Grant: Rs. 3,000/- - Accumulated Fund – Rs. 7,676/- Cash and

Bank Balance – Rs. 4,643/-. (Ref.: Page No. 211 – October 1954 issue)

Norms for training of Articled Clerks:

At the **Third Extra-ordinary General Meeting** of Madras Regional Council held on 5th December 1954 for the purpose of considering the proposals of the Council for prescribing a quantum of work for the members who want to take and train articled clerks the meeting decided against agreeing in principle to the fixation of any quantum. It is pertinent to note that later on the number of articled clerks to be trained was based on the number of years of continuous practice and their status as an Associate or Fellow Member.

Chartered Accountants Benevolent Fund – Initiation:

During the year 1955, the Institute contemplated Benevolent Fund and decided, at that point of time, that the starting of such Funds was, however been left in the hands of the Regional Council, who, if they started such Funds, would be required to manage them also. The matter was discussed at the Fourth Extra-ordinary General Meeting of SIRC held on 26th March 1955 to elicit the opinions on the rules and regulations of the CA Benevolent Fund Scheme and the meeting decided to refer the scheme back to the Central Council to be considered by them on an All India basis.

However the Central Council by itself, later on, formed the Chartered Accountants Benevolent Fund on which a brief would be recorded elsewhere in this booklet for the benefit of the information of the members. (Ref: Page No. 29 – Vol. III – Part IV – Page No. 209).

In the election to the Madras Regional Council for the term 1955-58, it is interesting to note that there were only nine nominations for the nine seats and all were declared elected un-contested.

Central Council Meeting at Madras for the first time:

In the year 1956, Madras was chosen the venue for holding the Central Council Meeting and was held on 31st March, 2nd and 3rd April 1956. One of the features was that the Mayor of Madras Shri V.R. Ramanatha Iyer gave a Reception to the President and Members of the Council. (Ref: Vol. IV – Part XI – Page No. 495). The intention of recording this incident was to show the esteem the Chartered Accountants had with the government and civic authorities and it is a well known practice that the people in power were given receptions and in this instant case it was otherwise. A great honour indeed to the profession.

Mandatory Requirement of Eligibility Certificate from Coaching Board:

During the year 1956, the Institute made it mandatory for all the articulated clerks who joined articles on or after 1st July 1956 to obtain the Certificate from Coaching Board for them to be eligible to sit for the C.A. Examinations.

Election by Poll:

The process of election to the Council and Regional Councils were modified which was until then was by post to election by poll. This decision was taken at the meeting of the Central Council of ICAI held at Madras on 31st March, 2nd and 3rd April 1956. The Council at this meeting decided to amend the CA Regulations, 1949 so as to provide that the election to the Council and Regional Councils should be conducted in future by poll instead of by post and further decided to open polling centres where the number of members is 10 or more and where there are less than 10 members they will be allowed to cast their votes by post.

It was also decided that the election shall be by Single Transferable Voting Pattern. (Ref: Vol. II – History of Accounting Profession – Page No. 340)

Gist of activities as recorded in the Annual Report and other records:

The Annual Report of the Madras Regional Council contains the various activities during the year of the report and the 6th Annual Report of the Madras Regional Council refers to the following events. (Ref: Vol. VI – Part VI – December 1957)

The concept of Study Circle Meetings on 1st and 3rd Saturdays of every month started on 1st December 1956.

A delegation from the Madras Regional Council met the Chief Minister of Andhra Pradesh in August 1957 and Chief Minister of Mysore State in December 1957 for considering representation in the Upper House of the State Legislature for nominating a Chartered Accountant. (Ref: Ref: Vol. VII – Part V – Page Nos. 138 and 139).

While until the end of 1957, the Madras Regional Council organized programmes for students under the aegis of the Regional Council. In the year 1957, the Institute brought into the effect the existence of formal Students' Association and constituted Students' Associations in five Regional Councils. (Ref: Constitution of Students' Association – No. 1-CA(1)/57 dated 27th March 1957 – Insertion of Chapter IV-A after Regulation 42B and before Chapter V – Chapter IV-A Students' Association). Shri S. Vaidyanath Aiyar, President, ICAI inaugurated the Madras Chartered Accountants Students' Association in the month of December 1957. Shri R. Venkatesan, Shri R. Balagangadharan and Shri D. Rangaswamy were requested to supervise the control of activities then.

The Chartered Accountants Students' Association Rules were framed and the affairs of the Students' Association are now managed by a total of 15 members comprising of 3 members nominated by the Regional Council of which one shall be the Chairman and 12 student members. The names of Chairman of the Southern India Chartered Accountants Students' Association are given as an Appendix. (**Appendix – VI**).

A reference can also be seen in the deliberations of the 11th Extra-ordinary General Meeting of the Madras Regional Council. During the deliberations, attention of the members were drawn to Article 171 of the Constitution of India which stipulates nomination of a person in the field of art, education, co-operation or social service and hence decided to request nomination of a Chartered Accountant pre-eminent in art, education, co-operation or social service.

It is for the information of the readers that until 1958, viz., for the first and second Regional Councils, the term of the Regional Council was from April whereas the term of the Central Council was from September and the members of the Central Council took office on 16th September. From the election to the Regional Councils commencing from 1958, the election to both Central and Regional Councils became co-terminus and to give effect a notification was issued by the Institute extending the term of the existing Regional Councils constituted on 2nd April 1955 to 15th September 1958 which is re-produced below. (Ref: Notification No. 1-CA(2)/56 - Published in Part III Section 4 of the Gazette of India dated the 22nd February 1958).

[**No.-1-CA(2)/56:** In pursuance of Bye-law 50 of the Chartered Accountants Regional Council Bye-laws, the Council of the Institute of Chartered Accountants of India is pleased to extend the life of the Bombay Regional Council, the Madras Regional Council, the West Bengal Regional Council, the Uttar Pradesh Regional Council and the Delhi Regional Council constituted on 2nd April 1955 upto and inclusive of the 15th September 1958, after which date these shall stand dissolved.

S. Vaidyanath Aiyar
President]

Decision for opening of Branches of Regional Councils:

In the year 1959-60, the Council decided to set up branches of Regional Councils in cities with not less than 50 members, other than cities where Regional Headquarters were located. It was also decided that they were not to have a separate entity distinct from the Regional Councils and were put under the control, supervision and direction of the Council exercised through the Regional Council concerned. The Directions for the functioning of the branches of the Regional Councils were laid down by the Council. The first set of 6 branches was formed according to the approved guidelines in the year 1962 in Ahmedabad, Poona, Bangalore, Coimbatore, Hyderabad Secunderabad and Madurai. The effective date of constitution of these six branches was 1st April 1962, exactly 10 years after the formation of the five Regional Councils. (Notifications issued for formation of Branches of SIRC are re-produced in **Appendix – VII**).

Post Qualification Courses – MAC:

Besides the Intermediate and Final Examinations, with a view to enhance the academic values of the members, a Post Graduate Course was introduced, viz., Management Accountancy Course from November 1959 (Ref: Page No. 75 of September 1958 issue of Journal). It is to the credit of Madras Regional Council that one of the members belonging to this Region successfully completed the Management Accountancy Course in the initial examination. The Examination was held on 5th, 6th, 7th, 9th and 10th November 1959. (Refer Page 312 – April 1959 issue).

Third Regional Council – 1958-61:

The Third Regional Councils were constituted by Notification No. 54-EL(12)/58 dated 18th August 1958, effective from 16th September 1958. During this year, the nomenclature hitherto called as Madras Regional Council was changed to Southern India Regional Council with territorial jurisdiction of the States of Madras, Andhra Pradesh, Kerala and Mysore. (Ref: Vol. VII – Part IV – Page No 112 – Notification No. 1-CA(3)/58). Similarly the nomenclature of other Regional Councils were changed as Western India, Eastern India, Central India and Northern India Regional Councils from the year 1958.

Later on by Notification issued in 1973 the new jurisdiction of Regional Councils were also notified and in respect of SIRC it included the States of Andhra Pradesh, Kerala, Mysore (now Karnataka), Tamil Nadu and the Union Territories of Pondicherry and the Laccadive, Minicoy and Amindivi Islands. (Ref: History of Accounting Profession – Vol. II – Page No. 341).

In the first election to the Council and Regional Councils through poll at the polling centres and by post by members permitted by the Regulations, the number of voters in the Southern Region was 1126 and 934 members voted in the said election with the percentage of polling at 82.9%. (Ref: Authentication – Refer Page No. 129 – Twelfth Annual Meeting of the Council – Vol. X –Part IV – October 1961).

Similarly by Notification No. 1-CA(4)/59 dated 7th May 1959, the nomenclature of the Students' Association were changed and accordingly came into being the nomenclature "The Southern India Chartered Accountants Students' Association (Ref: Page No. 135 of Vol. VIII – Part IV). One of the decisions in regard to the Students' Association was that 20% of the receipts of Students' Association are to be set apart as reserve. (Ref: Page No. 135 of Vol. III – Part IV).

One of the important decisions of the Council was the amendment to Sec. 17 of Chartered Accountants Act envisaging representation by co-option in Non-Standing Committees by having those who are not members of the Council, with certain restriction of such co-option. For the purpose of records, it is to be noted that Mr. P.L. Tandon, Vice-Chairman, Hindustan Lever Ltd., was the first to be co-opted to the Research Committee of the Council.

S. Vaidyanath Aiyar Memorial Lecture:

The Regional Councils, as part of their activities are conducting the S. Vaidyanath Aiyar Memorial Lecture in honour and memory of late Shri S. Vaidyanath Aiyar, Past President of ICAI. The decision to institute S. Vaidyanath Aiyar Memorial Fund through voluntary contributions from members could be traced to a Circular letter sent by the Central Council in February 1960. Wide coverage was given when instituted and names of contributors were also published in the Journal. A deliberation took place in the 13th Annual General Meeting of SIRC held on 11th July 1964 as to the treatment of excess of expenditure on account of conducting the S. Vaidyanath Aiyar Memorial Lecture and it was decided that the lecture being a part of SIRC activity, any excess of expenditure is to be borne by SIRC.

In this regard it is to be noted that at present the Central Council reimburses to a maximum of Rs. 3,000/- from the S. Vaidyanath Aiyar Memorial Fund in regard to the conduct of the Lecture to all the Regional Councils. Correspondence in regard to the increase in the grant was made which was not considered but however the Regional Councils were permitted to obtain sponsorship to cover the cost of holding the programme. (Details of Memorial Lectures held is covered in Appendix – VIII).

Chartered Accountants Benevolent Fund:

The Chartered Accountants Benevolent Fund was set up by the Institute in the year 1960 and got it registered in 1963 under the Societies Registration Act XXI. (Ref: Page No. 426 – History of Accounting Profession – Vol I). A reference to this can also be noted in Vol. XI – Part VIII – February 1963 – Page No. 323). The Chartered Accountants Benevolent Fund Rules and Regulations of the Fund was published in January 1961 Journal of ICAI. (Ref.: Vol. No. 9 – Part IX – March 1961 – Page No. 371-372). Through this Fund, the members and the family members of the deceased are provided financial assistance. The contribution to the Fund is exempted under Sec. 80G of the Income-tax Act, 1961.

Infrastructural Development at SIRC:

The Central Council during the year 1959-60 decided to go in for own building for the Regional Councils and during the year 1960, the site at No. 23, Nungambakkam High Road (Rs. 51/1 in the registration district of Madras-Chengleput of Sub-district of Thygarayanagar was acquired by the Institute by a sale deed executed on 14th December 1960 ad measuring 21 grounds and 1981 Sq. ft (4593.151 Sq. mt. or 49440.264 Sq. ft) at a total cost of Rs 2,20,000/- with M/s. V. Ramakrishna Sons (Private) Limited, represented by Shri V.M. Rao, Managing Director of the Company and the Institute by Shri C.P. Mukherjee, President, ICAI (Ref: Page No. 130 – Twelfth Annual Meeting of the Council – Vol. X –Part IV – October 1961)

The complete details of building both main and annexe are appended as **Appendix – IX.**

Fourth Regional Council – 1961-64:

The election to the Fourth Regional Councils for the term 1961-64 was held and at this election the ratio of number of seats to be elected is in the proportion of 250 as against 200 then in force in respect of the Central Council and 125 as against 100 then in force in respect of the Regional Councils. (Ref: January 1961 – Page No. 285)

The Fourth Regional Councils were constituted vide Notification No. 54-EL(13_71 dated 4th Sep. 1961 for the term 1961-64. In this term, the sitting Chairman of SIRC Shri D. Rangaswamy vacated his office on 11th June 1961 in view of his decision to contest the elections to the Central Council and this was the first occasion a sitting Chairman resigned the position.

Though not pertaining to the Regional Councils, for the purpose of posterity and records of the Institute, the information pertaining to the following is recorded in this booklet.

During the year 1961, the Council decided that after the May 1961 CA Examinations, the Regional Councils should take over from the Coaching Board the responsibility of conducting revision classes for the students preparing for the ICAI Examinations. Hitherto the Coaching Board organized at Regional level the coaching classes with supervisory authority by the Regional Council. The Coaching Board also reimbursed the cost of conducting the Revision Classes with stipulation of minimum number of students. The revision classes were extended other than Chennai to Bangalore with the stipulation that the minimum number of students should be 20. (Ref: Page No. 389 – Vol. X – Part X – April 1962).

First 6 Branches of Regional Councils:

In the year 1961, a Notification was issued by the Council for setting up of six Branches, two in Western Region and four in Southern Region. The Branches are – Ahmedabad, Poona, Bangalore, Coimbatore, Madurai and Hyderabad and Secunderabad effective from 1st April 1962. (Ref: Page No. 417 – Vol. X – Part XI - May 1961 and Page No. 389 – Vol. X – Part X – April 1962).

During the year 1962, the Council published the Directions of the Central Council regarding functions of Branches of Regional Councils (Ref: Page No. 411 – May 1962). At that time total number of members in Managing Committee was only 4 besides the Members of SIRC who belong to the city in which the branch exists.

Voluntary basis Free Service by SIRC:

One of the important communication received from the Council to the Regional Council was, as a recommendatory in nature, to provide on voluntary basis free advice to assesses in tax matters with income not exceeding Rs. 5,000/- but would not require the member to represent their case before the Income tax authorities. (Ref: Page No. 390 – Vol. X – Part X – April 1962).

In this regard, it is for the records of SIRC that in the late 90s SIRC introduced a system by which two members would be available in the Institute Premises chosen from the panel of experts from the profession between 4.00 and 6.00 p.m. on specified dates to provide guidance to the younger members of the profession and the dates of their presence was also published in the SIRC Newsletter. Though there was initially good response, over a period of time the services were not fully taken advantage and hence not continued later on.

Social Cause:

During the India-China War in the year 1962, the Regional Council formed a Committee to collect donations for the Prime Minister's Fund. The President of ICAI made an appeal through the Journal of the Institute for contribution by members and students to raise substantial amount for this purpose. (Ref. Vol. XI – December 1962 – Part VI).

Important Events:

One of the important landmarks for the profession is recorded here which has a bearing in the History of SIRC when the Government of Madras issued a Gazette Notification on 8th March 1961 under Part VI – Section 2 giving therein the Govt. Notification No. – G.O. Ms. No. 315, Public (Elections-II) 25th February, 1961 – Refer Page No. 284 – January 1963 of History of Accounting Profession in India) considering the Chartered Accountants as equivalent to that of a graduate of a University in the territory of India for election to the Madras Legislative Council Election under the Graduates Constituency.

Mr. G. Basu, Past President, ICAI elected to the Lok Sabha as a Congress Candidate from the Burdwan Constituency – A Past President and a First Chartered Accountant getting elected to the Lok Sabha through elections. Was also a Member of the Legislative Council from 1952. (Ref: Vol. X – Part X – April 1962 – Page No. 346). **This is the first time that a Past President of ICAI got elected to the Lok Sabha.** The names of members from this Region who have occupied the positions in the Legislative Assemblies and Parliament are appended separately as **Appendix – X.** (This list is compiled based on the data available with SIRC).

It is to the credit of the Southern India Regional Council that the Fourth All India Conference of the Institute and first ever at this Region was held on 27th to 30th July 1963 which was originally proposed to be held from 8th to 10th December 1962 and got postponed due to national emergency declared. (Ref: Page No. 494 – June 1963). The 9th All India Conference of Chartered Accountants was held on 6th, 7th and 8th January 1978 at Music Academy, Chennai.

While recording the History of SIRC, it is but necessary that certain important events or decisions are also finding a place in the booklet which has relevance for the purpose of knowledge dissemination or of informative value.

The students undergoing articles were provided concession for undertaking journey for their professional work and the Railway Board had provided the concession which was listed in S. No. 5 of Annexure to Rule 114 of RCA Coaching Tariff No. 16 – (Ref. Vol. V – Part II – August 1956 – Page 96). This facility was used by the articulated clerks and SIRC had also issued bonafide certificates even until 1980 to them to avail the concession.

A similar exercise was taken up by SIRC for providing concession to travel by bus in the metro of Chennai and the Pallavan Transport Corporation considered the request of the SIRC and granted bus pass at a concessional rate as was given to the college students. The Regional Council took upon itself to collect the amount from the students, obtain the bus pass and distribute to the respective students. This was prevalent in the late 70s and thereafter withdrawn by the Corporation.

A Brief on the deliberations at the Extra-ordinary General Meetings:

On going through the records it has been observed that though SIRC fully moved to the new premises at Nungambakkam High Road in the year 1962, the 12th Extra-ordinary General Meeting of SIRC was held at this newly acquired premises on 23rd March 1961 and Mr. F.H. Vallibhoy, Commissioner of Income-tax was the Chief Guest. The 10th Annual General Meeting of SIRC was also held on 30th September 1961 at this newly acquired premise in which Raja Sir M.A. Muthiah Chettiar was the Chief Guest.

Until the 10th Annual General Meeting of SIRC it was a convention that the notice of the meeting was read at the meeting (An item was specifically mentioned in the Agenda to the Notice about the reading of the Notice) which was at the 10th Annual General Meeting was dispensed with as it was felt by the members that the Notice has already been circulated and not required to be read at the meeting. Similarly at the 40th Meeting of the Regional Council it was decided that the Notice of the Meeting need not be read but can be taken as read. Later on this concept was not part of the agenda in the RC Meetings.

The auditors for the Regional Council were appointed at the Annual General Meeting and subsequently from the year 1988 the powers to appoint were delegated to the Regional Council to be decided at the meeting of the Regional Council.

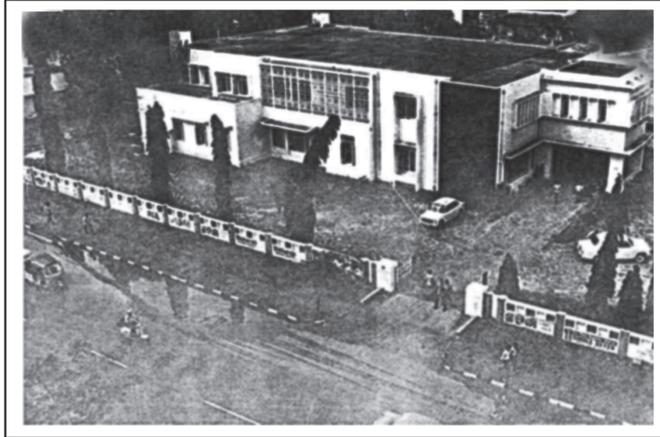
At the **10th Annual General Meeting** held on 30th September 1961, the members queried about the holding of the Annual General Meeting outside the Headquarters with reference to the 9th Annual General Meeting held at Hyderabad on 17th September 1960 in which Shri Bhimsen Sachar, Governor of Andhra Pradesh was the Chief Guest. It was clarified to the members that there was no specific reference in the bye-laws that the Annual General Meeting should not be held outside the Headquarters and justified the action of the Regional Council in holding the meeting at Hyderabad.

Until the year 1988, the accounts of the branches of the Regional Council was to be incorporated in the accounts of the Regional Council and sent to the Central Office and subsequently the consolidation of branch accounts was being done at the Central Office. Similarly the accounts of the Regional Council were adopted at the Annual General Meeting and from the year, the accounts are only to be received by the members. Similarly in respect of appointment of auditors, the powers were vested with the Regional Council from the year 1988.

The numbering of the records of the minutes was based on the term of the Regional Council and later re-numbering chronologically from the beginning was made. Even the notice and agenda of the meeting was with reference to the term of the Regional Council at that time until the 56th meeting of SIRC and later on the numbering of the meeting was started from the 57th Meeting of the Regional Council held on 13th June 1964 and continued in the chronological order. The Regional Council as at December 2012 held 210 meetings.

The journey at the first phase for SIRC between 1952 and 1962, though on a slow pace at the initial stages gained momentum and laid a strong foundation to cater to the needs of members, students and other stake holders. Many innovative and purposeful initiatives taken by the Regional Council during this period were carried forward by the successive Regional Councils.

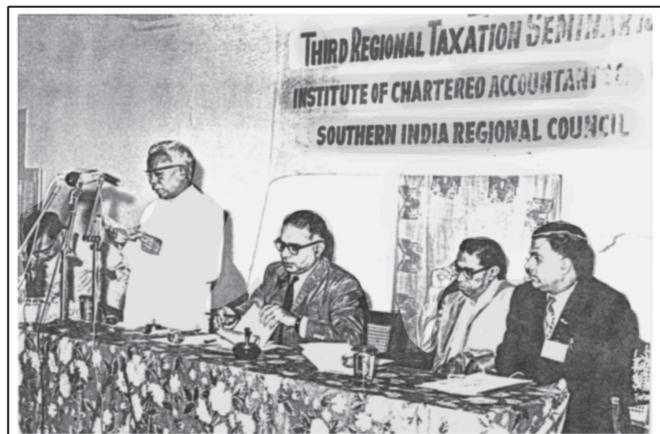
With the passage of 10 years when SIRC functioned directly with the members within its territorial jurisdiction, the formation of four branches at Bangalore, Coimbatore, Madurai and Hyderabad and Secunderabad opened up further channels of communication and interaction for the Regional Council. The next chapter is being devoted to the growth of SIRC in the next decade, viz., Between 1963 and 1972 when few more Branches also came into place thus enlarging the wings of the Regional Council and at the same time, the scope of functional responsibilities towards the members and the students.



An Aerial view of ICAI Building



Hon'ble Shri K. Kamaraj, Chief Minister of Tamil Nadu at the SIRC Programme.



Hon;ble Shri M. Bhakthavatsalam, Chief Minister of Tamil Nadu inaugurating the Third Regional Taxation Seminar at Chennai

CHAPTER – V

SOUTHERN INDIA REGIONAL COUNCIL OF THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

A Decade at SIRC – 1963 - 72

A solid foundation laid by the Regional Council by unstinted and sincere efforts of the members of the Regional Council with successive Chairmen of the Regional Council guiding the affairs of the Regional Council which acted as the key factor for SIRC to expand its horizon of activities for the benefit of members and students in the Region. The administrative set up was geared up to take the initiatives and decisions of the Regional Council forward and during the year 1962, the Office of the Regional Council was shifted from No. 334, Thambu Chetty Street, Madras – 1 to No. 23, Nungambakkam High Road, Madras -34 which is the centre of the city, with larger space for performing its activities.

This chapter would focus on the developmental activities of SIRC in a decade spanning between 1963 and 1972 not only for the benefit of information of members but also for the posterity.

Union Territory of Pondicherry annexed to SIRC:

The jurisdiction of SIRC was expanded with the addition of Union Territory of Pondicherry (now Puducherry) and members belonging to this Union Territory became members of the Institute and annexed to SIRC. A Notification published in the Gazette of India Extraordinary is re-produced below:

“The Pondicherry (Laws) Regulations, 1963 (No. 7 of 1963) published in the Gazette of India Extraordinary – (Section I-Part-II) dated the 18th July 1963 by virtue of which the Chartered Accountants Act, 1949, has been extended to the Union Territory of Pondicherry and is to come into force with effect from the first day of October 1963. (Ref: Page No. 252, 296 331 and 457 - Vol. XII). Consequent upon the inclusion of Union Territory of Pondicherry in the map of ICAI, the members residing in the said jurisdiction voted for the first time in the elections to the Central and Regional Councils held in 1964.”

The ratio of members to be elected to the Central and Regional Councils were increased from 250 to 290 for the Central Council and 125 to 145 for the Regional Councils. (Notification No. 1-CA(31)/1/63 dated 13th February 1964. (Ref. Vol. XII – Page No. 473-474). However there was no change in the composition of the members of the Central Council and SIRC which remained at five members and nine members respectively. (Notification No. 54-EL(1)/2/64). For the first time in the history of SIRC, a nominated member to the Central Council appointed by the Government of India Shri R.N. Rajam Iyer, a member of the Institute from Southern Region and First Chairman

of SIRC became part of the SIRC between the period 1964 and 1967, by virtue of his nomination to the Central Council from the Southern Region. He was welcomed to the Regional Council during the opening remarks of the Chairman, SIRC at the 61st Meeting of SIRC held on 26th September 1965 and termed his nomination as a great honour to the profession. Shri R.N. Rajam Iyer was also a Member of the Executive Committee for the year 1965-66.

Decentralization of Valuation of Answer Papers:

The valuation of answer papers of Coaching Board was decentralized with the first level of decentralization commencing at Calcutta effective from 25th December 1963 and later on with Bombay and Madras. However, the valuation of papers submitted by students belonging to Central and Northern Region was valued at Delhi itself. (Ref. Page No. 390 of January 1964 journal). The decentralization of valuing papers in respect of Southern and Western was made effective from 1st April 1964. (Ref. Page No. 486 – March 1964 – Vol. XII). A full time Assistant Secretary was appointed during the year 1964 and Shri B.R. Venkatesan was the first officer to take charge and administer the functions of SIRC. It is pertinent to note that Shri B.R. Venkatesan is a member of our Institute who is presently residing in Chennai.

At the meeting of the Regional Council held on 14th March 1964, it was decided to have a structured staff pattern with specific fixation of pay to the staff and it was decided to appoint with the approved pay structure for the position of UDC, LDC and Peon and salary paid out of the funds of SIRC while the salary and other allowances for Shri B.R. Venkatesan, Assistant Secretary would be paid by the Central Office.

Until 1973, the appointments for SIRC were made by SIRC itself and later on from the year 1974 all appointments of SIRC were made from ICAI, New Delhi.

Introduction of Specimen Signature Card for election purposes:

The introduction of identifying the voters through specimen signature came into force for the election to the Central and Regional Councils from the term 1964-67 and a circular was issued in this regard as part of the decision taken by the Council. (Circular No. 3-CA(Misc.)/63 dated 20th March 1963 – Ref Page No. 401 – Vol. XII – February 1964 issue).

Hosting of All India Conference of CAs:

SIRC had the honour of hosting the Fourth All India Conference of Chartered Accountants at Madras between 26th and 30th July 1963 during the Presidentship of Shri P. Brahmayya who hails from Madras. Dr. A. Lakshmanaswami Mudaliar, Vice-Chancellor, Madras University was the Chief Guest and inaugurated the Conference.

Extension of Jurisdictional Limit for opening of Branches:

Upon opening of Branches of Regional Council at six places in the year 1962, the jurisdictional limit for opening a Branch of Regional Council was prescribed by which a branch can be opened where there are 50 members residing in the city or within a distance of 10 miles from the city limits. This jurisdictional limit was later modified when the Council at its 58th Meeting held in December 1970 decided to extend the jurisdiction of Branches from the present 10 miles radius to 50 miles radius thus increasing the number of members which a Branch can serve as also enabling more branches being set up wherever it is found necessary. This to a great extent paved the way for opening of more branches in the course of years. However there were modifications to these criteria for opening of Branches of Regional Council which would be brought out in the subsequent recording of events in this booklet. After following the system of calculating the distance from the concept of “miles” to “Kilometers” the regulatory provision in regard to the jurisdictional limit was changed to 50 members and 16 Kilometers and later on to 100 members and 50 Kilometers radius. As per the latest guidelines, approved at the 291st Meeting of ICAI held on 16th and 17th December 2009, the criteria was revised for opening of a Branch of Regional Council which is recorded at the appropriate place in this booklet.

Students’ Association:

The Chartered Accountants Students’ Association formed in the year 1957 had the governing rules that the number of members to form a quorum at the Annual General Meeting of the Association as 20 members personally present which was during the year 1963 reduced to 7 members personally present.

By Regulation earlier the Chairman of Students’ Association was elected by the Managing Committee of the Students’ Association which was subsequently amended as “by the Regional Council”, which is still prevalent. (Notification in Page No. 564 of Vol. XIII).

The Southern India Chartered Accountants of India Students’ Association organized its **First Regional Conference** in the month of May 1964. The SICASA had the privilege of hosting the All India Students’ Conference at Madras in July 1971 between 29th and 31st July in which 700 delegates from all over the country participated. The Conference was inaugurated by His Excellency Shri K.K. Shah, Governor of Tamil Nadu. During this conference a Sight Seeing Tour was also organized to Mahabalipuram in which 200 delegates participated. (Ref: Page No. 268 of Vol. XX).

In order to give stimulus to the research activities of the Institute, the Union Government had sanctioned Rs. 50,000/- to ICAI of which a sum of Rs. 30,000/- was set apart for general research in accounting and Rs. 20,000/- for research in management accounting. This has given certain fillip to the research activities both at the Central and Regional Level. (Page No. 469 – Vol. XII)

Secondment Of Articles

The Central Council decided at its meeting held in September 1963 to introduce the scheme of secondment of articles. (Ref. Page No. 343 – Vol. XII).

Articles by those in Armed Forces

The Regulation pertaining to the eligibility to join articles was amended to give effect for recognizing the service in the armed forces as part of articles to the articulated clerks joining the course. Regulation (Ref. Page No. 299 of November 1963 journal).

Recognition to the Profession

During the year 1964, one of the members in Southern Region Shri M. Anandam of Hyderabad was elected as Deputy Chairman of Andhra Pradesh Legislative Council. (Ref. Page No. 249 of Vol. XIII – Nov. 1964 issue). Similar honour for one of our members was when Shri K.R. Rahman Khan got elected as Chairman of the Karnataka Legislative Council later during the years 1993-94.

Fifth Regional Council – 1964-67:

The Fifth Regional Councils were constituted effective from 16th day of September 1964 and the SIRC had the new team of members for the term 1964-67. (Ref. Page 240 – Vol XIII).

Partners in Nation Building:

At the meeting of the Central Council held on 15th and 16th September 1964, it was decided that the service with armed services is deemed to be in practice and resultant calculation of number of years in practice for all practical purposes, viz., training of articulated clerks were given effect. (Ref. Page No. 297 of Vol. XIII).

One of the major initiatives taken by the Central Council which had involved all the Regional Councils was rendering professional service, free of charge, to the heirs of jawans and officers of the Armed Forces killed in the War with China in their Income-tax, Wealth-tax and Estate Duty Matters. The Central Council had set up cells of local members of the profession at different places and in respect of Southern Region, firms of Chartered Accountants were identified at different places in the Southern Region and such names were published in the journal. (Ref. Page No. 393 of Vol. XXI).

Collection of Voluntary Contributions:

In the initial stages, under Regulation 114 (Page No. 111 of Vol. XIII) regional council may collect voluntary contributions for any specific activity with the prior sanction of the Council and this clause was subsequently deleted by an amendment (Ref. Page No. 435 of Vol. XIII).

Incorporation of Accounts of Regional Councils in the Accounts of Central Council:

Earlier the accounts of SIRC did not reflect the accounts of the branches and by amendment to the Regulations relating to the Regional Councils, the accounts of branches were also incorporated in the accounts of the Regional Council. Similarly the accounts of the Regional Council were only appended to the accounts of the Institute earlier and by an amendment it was specified that the accounts of Regional Council is to be incorporated in the accounts of the Council (Ref. Regulation 114). (Also refer Important Decisions of Council – Page No. 473 of Vol. XIII).

Holding of Annual General Meetings:

In the year 1965, the regulatory provision relating to the period by which the Annual General Meetings are to be held by the Regional Councils was changed from 15th day of May and 15th day of June every year to 15th day of June and 15th day of July every year. However the present regulations governing the functions of the Regional Council stipulate that the Annual General Meeting of the Regional Councils shall be held latest by 15th September every year and in the event of not being held within the prescribed time, the Regional Council shall apply to the President of ICAI for extending the time limit. It is also in respect of the Students' Association and in case the Annual General Meeting of SICASA could not be held, a request has to be sent to the President who will fix the date of the meeting.

In regard to the business before the Annual General Meeting, the words specified in the Regulations 128, viz., to adopt the accounts, to appoint auditors was deleted by another amendment. (Ref. Final Notification No. 1-CA (4)/1/65 dated 19th March 1965 – Ref. Page No. 636 – May 1965 – Vol. XII). – It was also made applicable for the Annual General Meeting of the Students' Association – (Ref. Page No. 637 of Vol. XIII).

Appointment of Auditors:

The appointment of auditors until the year 1966-67 was on a honorary basis and during the year 1966-67, the auditors were appointed on a remuneration of Rs. 100/- which was enhanced to Rs. 150/- in the year 1968-69 and Rs. 200/- in the year 1969-70. The amount was enhanced to Rs. 250/- in the year 1972-73 and Rs. 300/- in the year 1973-74. During the year 1976-77, it was increased to Rs. 750/- and in the year 1980-81 @ Rs. 1000/-. The names of auditors of SIRC since inception are separately recorded in this booklet. (Appendix – XI).

Excerpts from the Annual General Meeting Deliberations:

At the **21st Annual General Meeting** held on 14th June 1972, it was decided that the number of members in the Region in the beginning and the end of the financial year be included in the Annual Report which procedure until now is followed under the caption "Members".

At the **23rd Annual General Meeting** it was decided to print the names of Past Presidents from Southern Region and Past Chairmen of SIRC in the annual report and for the first time the Annual Report of 1973-74 contained the information. The word “Past” was suggested to be removed and to be printed as Presidents of ICAI from Southern Region and Chairmen of SIRC and followed. This system is still followed but however the publication of the data is once in three years.

It is interesting to note that the expenses incurred for holding the study circle meetings organized by SIRC until the mid 70s were borne by the Chairman of SIRC and no funds from SIRC were taken for the purpose.

When the Institute occupied the newly acquired premise at Nungambakkam High Road, the office was functioning at the first floor while the Company Law Department and Income Tax Department were functioning in the ground floor and by the end of 1974, the ground floor was also occupied by SIRC.

While at the earlier stages the Regional Councils were required to hold two meetings of members in a year, the Council has subsequently decided that there need be only one compulsory meeting which shall be called the Annual General Meeting. This was also taken note by the Members at the 56th Meeting of SIRC held on 14th March 1964. This important decision taken was published in Page No. 719 – Vol. XIV – Part XI) which is reproduced for the benefit of records and information to the members.

[8. Regional Councils and their Branches and the Students’ Associations and their Branches:

The Council has decided that there need be only one compulsory meeting (viz., the Annual General Meeting) in a year in the case of the constituencies of the Regional Councils and their branches and the Students’ Associations and their branches. According to the existing Regulations, Rules, Directions, etc., two General Meetings of the constituency are required to be held.

The Council also decided that –

- (1) The Accounts of the branches of Regional Councils and those of the Students’ Associations be incorporated first in the accounts of the Regional Council or the Students’ Association concerned, as the case may be, and thereafter in the accounts of the Council.
- (2) that the accounts of these branches need not be passed at the Annual General Meeting of the constituency.]

By a Notification the Central Council formulated procedures for filling up of a casual vacancy and there were instances of such filling up of casual vacancy at SIRC on account of death of a member in office when Shri K.R. Perumal, Chairman-in-office died during the term 1976-79 and Shri P.V.S.R. Prasad was nominated in the resultant vacancy.

Management Accountancy Programmes:

The subject on Management Accounting was given prominence in the 60s when the Institute and the Regional Councils organized many programmes on the subject. The Southern India Regional Council organized one such course in a capsule form with detailed syllabus at Madras. The Course was scheduled for a period of five to six months with 160 lectures proposed. The First Intensified Course on Management Accounting was inaugurated on 4th April 1965 by Mr. Raghu Nath Rai, President of the Institute. The wide coverage of the entire syllabus of the course was lauded by the President during his inaugural address. Incidentally, this is the first of the kind of programme organized under the Institute Programme of developmental activities. A total of 58 members attended the course and periodical reporting was sent to the Central Council and got published in the ICAI Journal. (Ref. Vol. XIV–Page No. 53, Page No. 159 of Vol. XIV). At the end of the programme a total of 153 lectures were taken as against the proposed 160 lectures and the course commenced on 14th April 1965 concluded on 2nd January 1966.

The reporting of activities of the Regional Councils was published in the Institute Journal in the initial stages under the caption “Institute News” and later on a separate column was allotted titled “Regional Council’s News / News from the Region which focused on the activities reported by the respective Regional Councils. The activities of the Branches also were published after the formation of Branches.

S. Vaidyanath Aiyar Memorial Lecture:

The Regional Council during the years in the 60s conducted the S.Vaidyanath Aiyar Memorial Lecture as a series of lectures at different places and in the year 1966, the Regional Council decided to hold the meeting at Bangalore, Coimbatore and Ernakulam at its 62nd Meeting held on 8th January 1966. However the Regional Council is presently holding the S. Vaidyanath Aiyar Memorial Lecture once in a year for which the Central Council grants from the S. Vaidyanath Aiyar Memorial Fund, a sum of Rs. 3,000/- and suggested to the Regional Council to go in for sponsorship to cover the cost of holding the programme on a self-supportive basis.

Others:

By a Notification the Council prescribed that the Regional Council shall not borrow or obtain credit and shall be self-supporting apart from such grant the Central Council may be given from time to time. (Page No. 217 of Vol. XV).

It is interesting to note that the then Government of Madras instituted an award in the name of “The Government Institute of Commerce Endowment Fund” and awarded once a year for the best candidate of the year from the State of Madras and Shri S.A. Muraliprasad and Shri S. Kesavan were the recipients. (Ref: Page 639 – Vol. XIV and Page No. 68 of Vol. XV).

Sixth Regional Council – 1967-70

The Sixth Regional Council was constituted on 16th day of September 1967. (Page No. 167 of Vol XVI). The new team of members took office for the term 1970-73

Number of Members to the Council and Regional Councils:

For the election to the Central Council and SIRC for the term 1967-70, the number of members to be elected remained constant viz., five Central Council Members and nine Regional Council Members.

Opening of Branch of SIRC at Ernakulam:

The Fifth Branch of the SIRC was set up when the Council issued a Notification setting up a Branch of SIRC at Ernakulam effective from 1st December 1967. (Ref: Page No. 348 of Vol. XVI – Part VI along with Baroda Branch).

Representation before the legislatures:

One of the important decisions of the Central Council which is recorded for the purpose of information to the members is that the Council decided to approach appropriate authorities for securing representation of the profession in legislatures both in the Centre and in the States. (Important Decisions taken at the 49 and 50th Meeting of Council-Ref. Page No. 388 of Vol XVI).

Remission in Articles:

One of the important decision of the Council during the year 1968 was the concept of remission in the period of articles whereby earlier the remission of one year in the articles period was granted to students who have attained certain proficiency in the degree examination as stipulated by the Council and first appearance pass in the Intermediate Examination and by an amendment, the facility was extended to the articulated assistants who passes their Intermediate Examination in their first appearance securing minimum of 60% marks in the aggregate irrespective of his performance in the degree examination. (Ref. Page No. 688 – Vol. XII – June 1968 issue.) – Draft Notification appeared in Page no. 690 and the effective date of operation was made from 7th September 1968. Ref. Page No. 225 of Vol. XVII).

Branch of SICASA at Ernakulam:

Consequent on the setting up of a Branch of SIRC at Ernakulam, the Council formed the Branch of C.A. Students' Association Ernakulam with effect from 1st July 1968 by Notification No. 1-CA(26)68. (Page No. 65 of Vol. XVII).

In the year 1968, Shri N.C. Krishnan, Central Council Member from Southern Region was nominated as the Under Sheriff of Madras. (Ref. Page No. 483 of Vol. XVI).

It is for the purpose of records that are brought to the information of the members that the Institute had in the year 1969 decided to change the nomenclature of articulated clerks to “articled trainees”. However it may be noted that the decision was not implemented at that point of time and during the year 2006, the nomenclature has been changed to “Articled Assistants”.

Co-option to Committees of Regional Councils:

During the year 1969, the Council has made amendment to the Chartered Accountants Regulations thereby giving effect that the Regional Council may co-opt members of the profession who are not members of the Regional Councils to be members of the Committee with the condition of ceiling prescribed by the Council. (Ref Page No. 558 of Vol. XVII). As per the then prevailing stipulation more than 2/3 of the members could be co-opted to any committee and that a provision was also made subsequently in the year 1970 that non-members could also be co-opted to have the benefit of their expertise with the ceiling that not more than 1/2 of the members co-opted can be co-opted amongst the non-members. The Notification in this regard was issued by the Institute. (Page No. 416 of Vol. XVIII). The same has subsequently been changed where the number of members to be co-opted should be 1/3 of the members of the committee.

Ratio of Members for determining the number of posts in the Central and Regional Councils:

The Council modified the ratio for the election of members to the Central and Regional Council effective from 1970 elections from 390 to 470 i.e., 1:470 and for the Central Council and from 195 to 235 viz., 1: 235. (Ref: Page No. 322 of Vol. XVIII). Until 1970, the number of members to be elected to the Regional Council remained at nine members and for the term 1970-73, the number of members to be elected to the Regional Council rose to 10; however the number of members to be elected to the Central Council remained constant at five members.

The ratio of members to be elected to the Central was modified from 470 to 600 viz., 1:600 and for the Regional Council from 235 to 300 viz., 1:300 and the change was applicable for the election to the Central and Regional Councils from 1973. However the number of members to be elected to the Central and SIRC remained at five members and 10 members respectively. The jurisdictional limit of Southern Region was enlarged including the places at Lacadive, Minicy and Amindivi Islands.

Birth Centenary of Mahatma Gandhi:

The Central Council requested all the Regional Councils and Branches of Regional Councils to organize in a befitting manner the Birth Centenary Celebrations of Mahatma Gandhi. Under Item No. 16 of the 72nd Meeting of SIRC held on 22nd May 1969, it was decided to celebrate the occasion in a befitting manner. The Southern India Regional Council celebrated the occasion on 7th November 1969. Hon’ble Shri M. Karunanidhi, Chief Minister of Tamil Nadu was the Chief Guest on the occasion. On

this occasion, Hon'ble Justice Mr. G. Ramanujam, Judge, Madras High Court also addressed the gathering. It is very interesting to note that the celebration was organized at our Institute Premises in the first floor and an important occasion with the Hon'ble Chief Minister of Tamil Nadu visiting our premises and gracing the occasion. (Page No. 487 of Vol. XVIII – January 1970 issue).

Programmes:

The Fourth Regional Taxation Seminar was held at Hyderabad on 28th February and 1st March 1970 which was inaugurated by Hon'ble Justice Shri P. Sriramulu, Andhra Pradesh High Court. 161 delegates attended the seminar. Shri K. Vijaya Bhaskara Reddy, then Finance Minister of Andhra Pradesh also graced the occasion when an Official Lunch was organized.

The S. Vaidyanath Aiyar Memorial Lecture held on 19th December 1970 had the gracious presence of Shri Khandubhai Desai, Governor of Andhra Pradesh who inaugurated the Lecture Meeting. Prof. Louis Goldberg from University of Melbourne, Australia delivered the lecture on Auditor's Report – Its Functions and Significance. This is the only occasion when a professional from outside India delivered the S. Vaidyanath Aiyar Memorial Lecture out of all lectures organized by SIRC which needs recording in this booklet.

The Fifth Regional Taxation Seminar was organized at Yercaud Road, Salem on 11th September 1971 with 159 delegates. Hon'ble Justice E.S. Venkataramaiah, Judge, High Court of Mysore inaugurated. (Page No. 449 of Vol. XX).

On 19th February 1972 SIRC organized a Seminar on Company Law and Auditing which was inaugurated by Justice O. Chinnappa Reddy, Judge, High Court of Andhra Pradesh. (Page No. 901 of Vol. XX). The intention of recording such events was to showcase that the Regional Council had on many occasions had the gracious presence from the judiciary.

One of the initiatives taken by SIRC was formation of Study Panels on various industries and services on the suggestion made by the Central Council for setting up of such Study Panels. (Refer for list of industries and services – Page no. 519 of Vol. XIX. SIRC had a panel of experts to structure accounting in hospitals which presented its report in 1973.

Seventh Regional Council – 1970-73

The Seventh Regional Council was constituted with effect from 16th September 1970 and new team of members took office for the term 1970-73.

Five More branches of Regional Council were opened by a Notification No. 1-CA(42)/71 dated 21st August 1971 at Surat (Western Region), Mangalore, Salem, Tiruchirapalli and Vijayawada (Southern Region). The branches in Southern Region are

the 6th, 7th, 8th and 9th Branches of SIRC, having already having branches at Bangalore, Coimbatore, Hyderabad, Madurai and Ernakulam, Ernakulam being the 5th Branch) (Ref: Page NO. 272 of Vol. XX – Part III – September 1971).

Consequent upon the setting up of the above Branches, the branches of SICA-SA was formed by the Institute at Trivandrum, Vijayawada, Salem, Tiruchirapalli and Mangalore by Notification No. 1-CA(50)/72 dated 1st September 1972 effective from 1st July 1972.

The Central Council increased the number of Managing Committee Members in a branch from 4 to 6. (Ref: Council Important Decisions – Page No. 336 of Vol. XXI). A Notification to this effect was issued bearing No. 1-CA(58)/1/72 dated 6th December 1972. (Page No. 505 of Vol. XXI).

Ex-officio Members of Regional Councils:

By a Notification No. 1-CA(49)/71 dated 7th November 1971, the Regulation envisaged with regard to the ex-officio members as under.

“All Members of the Regional Council – Provided if no member of RC is residing in the city, the RC shall nominate a **member of the Institute residing in the city** on the MC. Subsequently it has been changed to the effect that the ex-officio members to the branches where there is no member of SIRC is residing **are to be nominated amongst the members of the Regional Council.**”

Payment of Stipend:

Though the payment of stipend was made mandatory effective from 1st April 1973 for those who joined articles on or after 1st April 1973, the Institute suggested to the members to offer stipend to articed clerks through request which appeared in the journal. (Ref. Page No. 84 of Vol. XV and Page No. 527 of Vol. XVI).

During the year 1972, the Central Council decided to make payment of stipend mandatory for all articed clerks enrolled on or after 1st April 1973 and shall be paid a monthly stipend at the following rates and the Government approved the rates. The year 1973 was significant from the point of students when the Institute decided to make the payment of stipend mandatory effective from 1st July 1973 and not from 1st April 1973 which was originally proposed at the time of issue of draft notification.

Bombay, Madras, Calcutta, Kanpur and Delhi:

First Year: Rs. 60/- Second Year – Rs. 100/- Third Year: Rs. 150/-

In other places

First Year: Rs. 30/- Second Year: Rs. 50/- Third Year: Rs. 75/-

(Ref: Page No. 219 of Vol. XXI and Page No. 833 of Vol. XXI).

Important Decisions during the period 1963-72:

While going through the deliberations of the meetings of the SIRC, certain information in regard to the functioning of the SIRC is being included in this booklet for the purpose of records and posterity. Some of the important decisions / information are for the period of 1963 – 1972.

The recording of the minutes in relation to the election of office-bearers was made in such a way that where there was a contest, the same is recorded with details of number of votes polled for each candidate. Subsequently the decision was that irrespective of the contest the recording would be as “unanimously elected” and the election process was confined to the declaration of the result.

With the advent of 10 branches in SIRC and to provide the best library services to the members and students, SIRC released library grants out of its funds to the Branches. The Hyderabad Branch was given Rs. 300/- as library grant in the early 60's. The Regional Council later decided to provide the library books instead of providing the grant as is required by the Branches.

In the initial stages, at SIRC, the library deposits kept along with general funds with a stipulation that it should not to be used for any purposes other than library related works. Later on a separate bank account was opened for the library deposits and refunds in the early 70s.

The Southern India Regional Council took a decision to let out the premises for others subject to the condition that the regular functioning of the Regional Council and coaching classes should not to be affected. Accordingly the first floor was let out to Tagore Academy, Madras for them to conduct free of charges Bengali Classes at the SIRC Premises and no rent was charged. However Electricity and Water charges as applicable subject to a minimum of Rs. 20/- per mensum was collected. During the year 1963, the request for extending the facility was refused since the SIRC required more space for its functioning.

Extract of certain decisions at the Meetings of the Regional Council:

CABF

At the **53rd Meeting** of SIRC held on 4th February 1963, it was decided to popularize the CABF and letters were sent across to all branches and appeal to members for contribution to the CABF. Presently, periodical announcements are made in the SIRC Newsletter.

As for the recommendation for financial grant to the members is concerned, the same was done by the Regional Council as part of agenda item and presently the Chairman of the Regional Council authorizes any one of the members of the Regional Council to send their recommendations which are duly forwarded by the Chairman, SIRC to the Member-Secretary, CABF.

Grants

The members of the Regional Council at the above meeting, i.e., 53rd Meeting of SIRC, with a view to optimize utilization of the ICAI Premises at Chennai requested the Central Council to shift certain works like Research activities, Coaching Board activities and payment of fees and to request for Rs. 50,000/- grant per year for the works. However the request was not considered in as much as that the functions are to be handled centrally.

During the 60s, the budgets of the Branches of SICASA was considered by the Regional Council and recommended to the Central Council. Presently the request of branches of SICASA for funds is being considered by the Central Council directly.

TA/DA to Members

On a reading of the minutes of the 54th Meeting of SIRC, it is noticed that the TA/DA was fixed by SIRC for its members to attend the meetings of SIRC. At present, the TA/DA is paid based on the guidelines fixed by the Central Council communicated to the Regional Councils from time to time.

Chairmen of Committees

It was also noticed that the Chairman of Committees both Standing and Non-Standing were elected at the meeting of the Regional Council itself and in later years the Regional Council members authorize the Chairman to nominate the Chairmen and Members of the Committees which is still prevalent.

It is also pertinent to note that the Central Council Members were elected as Chairman of SICASA and later on the Regulation has been amended making it mandatory that the Regional Council shall nominate three members of SIRC to the SICASA of which one shall be the Chairman of the Committee. The current practice is that three members are nominated of which one will be a member of the Central Council. The intention was that the initiatives can be taken forward at the highest level with Board of Studies.

While at present the Chairmen of Branches of SICASA are nominated by the Managing Committee of the respective Branches of SICASA, in the earlier years, the Chairman of SICASA for the Branches was nominated by the Regional Council. Similarly the auditors for the Branches of SICASA were elected at the Regional Council Meeting. However at present the auditors of the Branches of SIRC are requested to audit the accounts of the respective branches of SICASA and no additional audit fee is paid.

The election of office-bearers to the Regional Councils was to be held in the latter of September every year which came into force through an amendment to Chartered Accountants Regulations, 1964. (Page No. 538 of Vol. XVI).

The schedule was later changed as during the latter half of January and then during the latter half of February and at present it is between 16th and 28th February every year.

The preliminary, revised and capital budgets which are presently sent to the Central Office for approval and sanction, during the 60's the Regional Council was considering and approving in the meetings of the Regional Council.

At the **56th Meeting** of SIRC, there was an initiation by SIRC to have hostel facility to the CA Students and it was decided to approach the State Government which however did not materialize.

Consequent on the joining of Shri B.R. Venkatesan, Assistant Secretary of the Institute at Madras in the year 1964, the operation of bank account until then done by the office-bearers as approved by the Regional Council was modified to the effect that the operation of the bank account shall be jointly by Shri B.R. Venkatesan, Assistant Secretary with any one of the office-bearers/members approved by the Regional Council. This system was continued until 1988 when the Regional Council decided that the official of the Institute would not be the signatory to the cheques and the operation of bank account of SIRC was confined to the office-bearers/members as is approved and passed as a resolution by the Regional Council.

At the **66th Meeting of SIRC** held on 11th May 1967, the members noted the transfer of Shri B. Ramaraj, Education Officer, ICAI to Madras who took over the administration in place of Shri B.R. Venkatesan. Accordingly the Shri B. Ramaraj was made the signatory to the operation of bank accounts in place of Shri B.R. Venkatesan.

At the **67th meeting of SIRC** held on 26th August 1967, the letter of the Secretary of the Institute was considered in regard to displaying of newspaper cuttings wherein the companies are advertising for filling up of vacancies by Chartered Accountants and the Regional Council decided to display such advertisements in the Notice Board for the benefit of information to the members.

At the **70th Meeting of SIRC** held on 21st September 1968, a proposal was made for construction of auditorium-cum-examination hall at the premises of SIRC which was not approved by ICAI at that time.

At the **81st Meeting of SIRC** held on 20th May 1972 the request for having the portrait of late Shri R.N. Rajam Iyer, First Chairman of SIRC received from his nephew was considered but decided against having the portrait at the premises. However it is pertinent to note that during the year 1995, the Regional Council had the portraits of all the Past Chairmen and Past Presidents of ICAI from Southern Region in the premises.

Deliberations at the Annual General Meeting:

At the **17th Annual General Meeting** of SIRC held on 15th June 1968, it was decided that the annual report of the Regional Council is only to be circulated and not required to circulate the proceedings of the Extra-ordinary General Meeting to the members at the Annual General Meeting.

At the **21st Annual General Meeting** held on 14th June 1972 under the item “Appointment of Auditors for SIRC”, voting was held on account of more than one name was to be considered for appointment of auditors.

The decade of 1963-72 had a unique programme when the Centenary Celebrations of Mahatma Gandhi was organized, Intensified Course on Management Accounting held spanning for six months with 152 lectures. The new regulatory provisions came into being in many aspects providing a fillip to the functioning of the Regional Councils like the inclusion of Union Territory of Pondicherry with Southern Region, extension of jurisdictional limit for opening of branches of Regional Councils, etc.,

More importantly the initiative of the Council in forming Branches of Regional Council started in the year 1962 had given a new dimension to the activities of the Regional Councils enabling it to reach out to the members more closely. The growth of activities at branches bore testimony to the initiative and vision of the Council in serving the professional fraternity.



Hon'ble Shri M. Karunanidhi, Chief Minister of Tamil Nadu addressing the members on the occasion of Centenary Celebrations of Mahatma Gandhi on 7th November 1969 at SIRC Premises.

CHAPTER – VI

SOUTHERN INDIA REGIONAL COUNCIL OF THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

A Decade at SIRC – 1973 - 82

With the setting up of more branches in Southern Region, the period between 1973 and 1982 saw a sea change in the activities of the Regional Council with enlarged functional responsibilities, supervision and control of the activities of the Branches of Regional Councils. The ten year period between 1973 and 1982 saw the setting up of the branches at Belgaum, Visakhapatnam, Kumbakonam, Tirunelveli, Calicut, Alleppey, Guntur, Kottayam, Trichur and Mysore in Southern Region which provided further opportunities to the Regional Council to serve the members through its branches. With the ever-increasing activities both at Madras and at Branches, the administrative machinery was geared up to meet the requirements and expectations of the members and students.

The period also is very important with the construction of additional floor and more importantly the Institute passed through the Silver Jubilee Year in the 1974 which was celebrated in a befitting manner across the country. SIRC also passed through the Silver Jubilee in the year 1977 and celebrated the occasion in a befitting manner.

The year 1973 was one of the significant years in the annuals of ICAI when the book “History of Accounting Profession” written by Shri G.P. Kapadia was released at the Annual Meeting of ICAI on 14th September 1973 by Hon’ble Shri H.R. Gokhale, Union Minister for Law, Justice and Company Affairs. (Ref: Page 193 of Vol. XXII).

The period also assumes greater significance as the Institute commenced its process of decentralizing the activities relating to members and students including enrolment of members, registration of firms and students, initially at Madras in the year 1974 and later on at all other Regions during this period.

The number of members to the Regional Council which was at 11 saw an increase in its strength to 12 and the number of members to the Central Council from the Southern Region became 6 from 5 members.

The period is also very important from the point of view of the staff in so far as the appointment was concerned. From the year 1974, the appointments hitherto made by the Regional Council were made directly by the Institute at New Delhi and on the rolls of the Institute and in the mid 70’s the pay scale as determined by the Third Pay Commission was implemented.

The method of presentation of agenda related matters were improved further and at the **87th Meeting of SIRC** held on 27th May 1974, a system was implemented

as to the presentation and discussion on the matters which were pending in the earlier meetings, viz.,

- i) Action taken arising out of previous meetings which can be referred to the Council for information and noting and
- ii) Items arising from the previous or earlier council meetings which are yet pending.

This system was re-defined and refined and at present the agenda includes an item wherein the Action Taken Report as well as the Action Pending Report is placed for deliberation at the Regional Council Meeting, in line with the procedure adopted by the Central Council.

Decentralization of ICAI Functioning at Chennai:

The Central Council nominated Shri V. Jagadisan, Central Council Member to be in-charge for smooth transition and for making decentralization effective. Shri N. Subramanian, Assistant Secretary, ICAI was made in-charge of the Decentralized Office for formalizing the set up and guiding the affairs of the office of the Decentralized Office. (Ref. Page No. 59 of Vol. XXIII).

At the **87th Meeting of the Regional Council** held on 27th May 1974, the Regional Council discussed matters pertaining to the decentralization of the activities of ICAI at Madras and the space available for its functioning vis-à-vis the space for the activities of the Regional Council. The space requirement was resolved after the decision of the Income-tax Department vacating the ground floor provided by ICAI. One of the welcome and important features of the decentralization was that the reach out to the members in Southern Region has enormously increased and more effective servicing was done.

The New Office of the Institute viz., the Decentralized Office at Madras to deal with enrolment of members and students was inaugurated by Shri N.C. Krishnan, President, ICAI on Friday the 28th October 1974 by cutting open a ribbon at the entrance of the building. After lighting the oil lamp, he signed the Accounts Book declaring the opening of this office. (Page No. 283 of Vol. XXIII). The regular functioning of the Decentralized Office started from 1st November 1974. (Ref. Page No. 453 of Vol. XXIII).

The decentralization also provided an opportunity for the Regional Council to involve in its affairs in its initial stages and assist the professional fraternity to the extent possible. The administration also flourished with appointments made at different levels and the Regional Council and Institute were agog with activities throughout the year.

It is to the credit of Southern Region, that the decentralization was effected first in this Region. Many more initiatives of the Institute started from Southern Region like

the Academy of Accounting, computerization of records, installation of data centre and others which would be dealt appropriately in detail later in this booklet.

SIRC Vs Branches of SIRC – Supervision and Control:

One of the important functions of the Regional Council was to supervise and control the activities of the Regional Council and during the period the Regional Council has to recommend for the grants including the capital grant for the branches, which required enormous amount of administrative work in deciding the eligibility to receive the grant. At the 88th Meeting of the Regional Council held on 30th September 1974, it was decided that grants should not be recommended to such branches which are not active, thus creating an awareness and responsibility of the branches to deliver for what it was intended to when setting up the branches of Regional Council. Though understandably at the initial level some of the branches could not sustain the activities, over a period, with the support and guidance of the Regional Council, every branch had enhanced their activity level. The report of the Branches are considered and reviewed at the Regional Council and a reading of the Institute Journal during the said period would give an idea as to the effectiveness of the branches serving the members and students.

The capital grant sought by the Branches of SIRC was recommended by the Regional Council earlier and presently it is done through the Regional Budget and Finance Committee constituted by the Institute with one of the members of the Council in the respective Region to be the Chairman of the Committee and the Chairman of the respective Regional Council and the Administrative Head are the other members of the Committee.

Eighth Regional Council – 1973-76:

The Regional Councils were constituted from 16th September 1973 for the three year of 1973-76. (Ref: Page No. 160 of Vol. XXII).

During the term 1973-76, Shri G. Ramanujam, General Secretary, Indian National Trade Union Congress (INTUC) was nominated to the Central Council by the Government and by virtue of his residing place, he was the Ex-officio Member of the Regional Council. He was the second member to be nominated to the Council hailing from Southern Region besides Shri R.N. Rajam Iyer. It is for the records that while Shri R.N. Rajam Iyer is a Chartered Accountant and also the First Chairman of SIRC, Shri G. Ramanujam is not a Chartered Accountant and having his background in labour movements.

Silver Jubilee Year of ICAI:

At the **85th Meeting of SIRC** held on 29th Sep.1973, a suggestion was made by Shri V. Jagadisan to have a new building and a Silver Jubilee Committee which was formed and the meeting further decided to seek grant from the Central Council. One of

the decisions during 1975 was to seek donations from the members and others for the “Silver Jubilee Celebrations Fund” created for the construction of annexe building at the premises of the Institute at Madras.

The Central Council requested all the Regional Councils and Branches to celebrate in a befitting manner the Silver Jubilee Year of ICAI during the 1975 on completion of 25 years of existence of the Institute on 30th June 1974 and from 1st July 1974 for a year to be celebrated as the Silver Jubilee Year of ICAI. (Ref. Page No. 559 of Vol. XXII). Even prior to the announcement, the Regional Council at its 85th Meeting held on 29th September 1973 suggested to have a new building and a Silver Jubilee Committee was formed. The meeting also decided to seek special grant from the Central Council to SIRC and its branches to organize the programmes.

On the invitation of the Central Council the Chairman and Secretary of SIRC attended the Silver Jubilee Celebrations Committee Meeting organized by the Central Council at New Delhi on 18th January 1974.

To commemorate the occasion the Institute organized an All India Chartered Accountants Students’ Silver Jubilee Meet in the year 1974 at Abbotsbury, Madras.

On 1st July 1974, SIRC organized a Fellowship Gathering. Shri K.K Shah, Governor of Tamil Nadu was the Chief Guest. Past Presidents from Southern Region and Past Chairmen of SIRC were honoured on the occasion with memento. It is very unique that on this occasion, the members of Madras city who were enrolled in the year 1949 were also honoured. (Page No. 62 of Vol. XXIII). The Regional Council released a Commemorative Souvenir on the occasion and Donation Prize Tickets were sold to augment the resources for the conduct of the celebrations.

Infrastructure Development:

On 17th January 1975 Bhoomi Pooja was performed and Foundation Stone was laid by Shri N.C. Krishnan, President, for the annexe building in the Southern Region. (Ref: Page No. 414 of Vol. XXIII - February 1975 Journal).

On 10th September 1975, the Research Block of the Silver Jubilee Building of the Regional Council was inaugurated by His Excellency Shri K.K. Shah, Governor of Tamil Nadu. Shri N.C. Krishnan, the Immediate Past President of ICAI presided. (Ref: Page No. 268 of Vol. XXIV - Photo appeared in Page No. 269 of Vol. XXIV).

Excerpts of deliberations at the Meetings of SIRC:

Circulation of Draft Minutes of the earlier meeting:

Until the **89th Meeting of SIRC**, the minutes of the previous meeting of the Regional Council was not part of the agenda but circulated in advance to the members.

It was opined that though the minutes were already circulated it would be difficult to locate the previous minutes and suggested that the minutes of the previous meeting should be attached with the agenda related papers and his suggestion was accepted. This system is even now followed in the Regional Council.

SIRC and the All India Students' Conference:

The responsibility that the Regional Council undertakes can also be seen when a deliberation took place at the 89th Meeting of SIRC held on 24th February 1975 where discussion centered on the final accounts of the All India Chartered Accountants Students' Conference held in the year 1974 sent directly to the Central Office and the members wanted that the accounts will have to be placed before the Regional Council and not to be sent directly to Central Office as it was viewed by the members that since SICASA was involved and works under the direction and supervision of the Regional Council. Sequel to the decision of the Regional Council, the accounts sent to ICAI was circulated to the members.

Publication of SIRC Newsletter:

At this 89th Meeting of SIRC, members considered the proposal to start the Newsletter for SIRC. The members also deliberated about the publication of advertisements in the proposed Newsletter which the members were told that the request is under the consideration of ICAI, but the decision to bring out the Newsletter at that time was deferred in the absence of approval from ICAI. However, the first issue of the Newsletter was brought out from July 1975 onwards on a monthly basis except for the months of April to July 1989 and presently the 38th Volume is in circulation to the members. Initially the SIRC Newsletter contained four pages with details of programmes of SIRC held and important announcements and later on increased to 8 papers, 16 pages and so on with more focus on publication of articles on professional subjects and presently on an average 20 page or 24 page newsletter is published.

The foundation for the success of this Newsletter started in this decade of 1973-1985 and a reading of one of the minutes of the meeting of SIRC show that the appreciation of the President of ICAI was recorded in the course of opening remarks of the Chairman, SIRC at the 92nd Meeting of SIRC held on 23rd February 1976. The Newsletter in those days also carried the activities of the Branches of Regional Councils. This has been, over a period of time, dispensed with as almost all the branches are publishing their respective Branch Newsletter and circulate to the members residing in their jurisdiction.

Election of Chairman of SIRC – Convention:

A landmark decision in regard to the election of Chairman of the SIRC was taken at the 90th Meeting of the Southern India Regional Council held on 7th May 1975 and at this meeting a resolution was passed for adherence of the convention of Chairman getting elected to the SIRC. The relevant convention as approved at the 90th Meeting of SIRC held on 7th May 1975 is reproduced below:

“At every election meeting of the Regional Council the outgoing Chairman shall read out the convention arrived at the 90th Meeting of the Regional Council held at Madras on 7th May 1975.

The election of Chairman for the Regional Council will be on the following basis.

The Vice-Chairman in office shall be elected as the Chairman of the Regional Council unless more than 75% of the members present express by voting that he shall not be elected as Chairman of the Regional Council. If the Vice-Chairman is not elected as Chairman as aforesaid, then only nominations shall be called for the office of the Chairman of the Regional Council.”

Under Item No. 5 of the 90th Meeting, the observing of convention was agreed regarding election of Chairman of SIRC. The convention was discussed and made as part of recording.

In other words, the Chairman of the Meeting at the commencement of process of election to the post of Chairman shall first read out the convention referred to in the 90th Meeting and on the acceptance of the members to follow the convention, the Chairman declares the Vice-Chairman in office as elected to the office of Chairman. During those periods the election for the post of Vice-Chairman, Secretary and Treasurer was conducted on the newly elected Chairman occupying the chair. At present, for the purpose of election, the Regional Council nominates two of the members of the Central Council to be the Election Officers and finally the Chairman declares the election, duly proposed and seconded by members.

It is for the information of the readers, it is recorded while referring to the election of Chairman that there was a unique occasion when the Chairman of the Regional Council was elected through “Resolution by Circulation”.

Election of Chairman through “Resolution by Circulation”:

It is in the month of April 1975, when the incumbent Chairman resigned his post, the resultant vacancy was filled up by election made through “Resolution by Circulation”, first time in the history of SIRC. Two Resolutions were passed under second proviso to Regulation 118 of CA Regulations, 1949. Two Resolutions one dated 11th April 1975 and the other dated 15th April 1975 relating to acceptance of resignation of Shri K.R. Kumar as Chairman, SIRC and election of Shri K. Ananthachari as Chairman of SIRC and recording the services of Shri K.R. Kumar as Chairman and the other one relates to operation of bank account.

These resolutions by circulations were noted at the 90th Meeting of SIRC.

One more resolution was passed at the meeting for the inclusion of the new Chairman as the Chairman of Executive Committee and other committees where Shri K.R. Kumar was Chairman and made Shri K.R. Kumar as member of the respective committees.

The convention since 1975 has been followed except on one occasion when the incumbent Vice-Chairman Shri N Bhagavathi Pillai who joined employment outside India had expressed his intention not to be considered for any post for the year which was taken note at the 106th Meeting held on 29th September 1980 and the question of following the convention of Vice-Chairman to the post of Chairman did not arise and at this meeting, amongst the members, Shri S.G. Ramachandran was elected as Chairman who was at that time was Secretary of SIRC.

Letting out the Hall at SIRC:

At the **91st Meeting of SIRC** held on 29th September 1975, a decision was taken to let out the Research Block Hall @ Rs. 200/- and Rs. 250/- per day for the Govt. Departments and other institutions respectively and to charge Rs. 5/- per hour and a minimum of Rs. 25/- per day towards electricity charges.

Naming of the Halls:

In regard to the naming of the hall as may be suggested by the contributor, it was then referred that the entire cost of the building should be met by the person who wants to name the building. However there was a change in the rules when the naming of the building was made for 50% of the cost. However the rules had underwent changes and new guidelines have been formed where it was permitted to name only the hall and not the building and putting the plaque.

CICA Newsletter:

During the year 1975, the Institute made the delivery of the Institute Journal on subscribing to it and discontinued the free supply. However it brought out a Newsletter titled "CICA Newsletter" which was sent free of cost to all the members of the Institute and was also made available to students on a subscription of Rs. 10/- per annum. The first CICA Newsletter was brought out in July 1975 viz., Vol. I, No. 1. Incidentally, the SIRC Newsletter was also published and sent to members free of cost. This information is recorded to make a reference as the booklet also referred about the significance of the journal of the Institute.

Ninth Regional Council – 1976-79:

The Ninth Regional Councils were constituted from 16th September 1976 for the three year of 1976-79 and new team of members took office in September 1976.

However the Central Council withdrew CICA Newsletter and made once again the journal delivered free of cost to the members effective from July 1978 (Ref: Page No. 338 of Vol. XVI). A reference to the minutes of the 91st Meeting of SIRC held on 29th September 1975 shows that the Regional Council wanted the journal to be given free of cost.

A decision was taken to at the 92nd Meeting held on 23rd February 1976 to let out the room in the outhouse portion to ITAT and it was proposed that the rent proceeds to be utilized for

- a) clearing the loan received from Central Council for construction of annexe; and
- b) for the activities of Regional Council.

However finally decided to credit to the account of Central Council under it is reconsidered at a later date.

At the **93rd Meeting of SIRC** held on 24th May 1976, one minute silence was observed in memory of members deceased. This is otherwise done in Annual General Meeting even now but not at the Regional Council Meeting. However tribute and two minutes silence is observed in memory of members deceased who held the position at SIRC.

At this meeting a suggestion was made for nominating member in the Council for reservation of a few seats for practicing lady Chartered Accountants in the Regional Council and it was decided to consider co-option of lady Chartered Accountants in some of the committees of SIRC.

Meetings of Committees of SIRC:

It would be interesting to note that a suggestion came up at the **94th Meeting of SIRC** held on 29th September 1976 for consideration of payment of travelling expenses to members for attending the committee meetings so that the committee could meet often.

The current procedure is that the members of the Regional Council would be entitled for reimbursement for their travel by Air for attending the meetings of the Regional Council and they as well as the co-opted members would be entitled for reimbursement of Second Class AC fare for attending the meetings of the Committees, besides the Daily Allowance and actual conveyance incurred.

At the **95th Meeting of SIRC** held on 31st January 1977, views were expressed for a verbatim proceeding to be recorded which was not considered and decided that only the practice of recording the decisions of the meetings would form part of the minutes.

At the **95th Meeting** of the Regional Council held on 31st January 1977 it was decided to collect the delegate fee from the Chairmen, Rapporteur and Paper-writers except in cases where they are from Govt. Departments or non Chartered Accountants or non-members of the Institute and decided to continue the existing procedure. At present, no delegate fee is charged from the them except that there were instances were they themselves opt voluntarily to pay.

Shri K.R. Perumal, Chairman, SIRC dies in harness:

Shri K.R. Perumal, Chairman in-office in the term 1977-78 died on 15th October 1977 immediately after the inaugural session of a Seminar where he was performing his duties in the capacity of Chairman. At the 98th Meeting of SIRC held on 1st December 1977 a Condolence Resolution was passed on the demise of Shri K.R. Perumal in harness (as Chairman, SIRC) on 15th October 1977. The suggestion of having the portrait of Shri K.R. Perumal was accepted by the Regional Council and it was further decided that the cost of the portrait would be borne by the members of the Regional Council.

Under Item No. 4 of the **98th Meeting of SIRC** held on 1st December 1977, while considering co-option of a member in the resultant vacancy on the death of Shri K.R. Perumal, suggestions were made at the meeting whether to co-opt a member who had already been in the Regional Council and contributed a great deal of work or a lady member. However the suggestion of Shri N.C. Krishnan that the 12th man who lost in the last election be considered for co-option was accepted and the Regional Council recommended the name of Shri P.V.S.R. Prasad to be co-opted.

It may be recorded that between 16th October 1977 to 30th November 1977, the Vice-Chairman acted as Chairman and formally got elected as Chairman at the meeting of SIRC held on 1st December 1977.

It is for the records that the Treasurer of SIRC was not part of the Executive Committee in the year 1977-78 but on becoming Secretary co-opted to the Committee. However the current procedure is that the four office-bearers of SIRC would be the members of the Executive Committee.

Cyclone Relief Fund:

At this meeting, the Regional Council instituted a Fund called "Cyclone Relief Fund" to help the people who suffered in the cyclone and a separate bank account was opened with Indian Overseas Bank, Nungambakkam Branch, Madras.

At the **99th Meeting of SIRC** held on 11th May 1978, a decision was taken to the effect that the study circle meetings should not normally be led by non-Chartered Accountants like Income-tax Inspectors and if to be conducted such information need not be published in the Newsletter. It was also decided to omit the letters ACA, FCA after the name of the member.

A change in the presentation of the Memorandum of Appointment of Audi-

tors was made thereby the word “**Remuneration**’ was changed to “**Honorarium**” and presently it is recorded as “**audit fee**”.

The honorarium for the auditors for auditing the accounts of SIRC and SICASA fixed at Rs. 250/- in the year 1972-73 was increased to Rs. 300/- in the year 1973-74 and to Rs. 750/- in the year 1976-77, and to Rs. 1,000/- in the year 1980-81.

During the initial period a separate account was maintained for SIRC Newsletter and system was in place to apportion the expenses of newsletter to the accounts of various programmes and the net deficit thereof has been transferred to the Income and Expenditure Account of SIRC. Though there is no separate account for SIRC Newsletter, the procedure to transfer the net deficit to the Income and Expenditure Account is even now adopted at the Regional Council.

At this meeting, on the initiative of a Central Council Member to involve the Regional Councils in the programmes of the Central Council, the Secretary of ICAI wanted the Regional Council to suggest venue, speakers and other arrangements which became a forerunner for the SIRC to be part of the ICAI Programmes and presently the SIRC is hosting many of the Central Council Programmes organized in the Southern Region.

At the **107th Meeting of SIRC** held on 14th May 1981, it was decided to debit 50% of the electricity charges to the Central Council account consequent on the functioning of the Institute decentralized at Madras. At present separate meters and recording are done for SIRC and the Decentralized Office.

During the month of August 1979, Shri Ashok Kumbhat, Central Council Member, ICAI, Shri S.G. Ramachandran, Chairman, Taxation Committee of SIRC and Shri N. Bhagavathi Pillai, Secretary of SIRC who are members of the Taxation Committee of SIRC gave evidence before the Study Group III of the Estimates Committee of the Lok Sabha on 29th June 1979 at Madras.

At the **109th Meeting of SIRC** held on 17th February 1982, it was decided to have a concise report presented by the Chairman of each Committee besides the minutes placed at the meeting and deliberations took place.

At this meeting the issue of granting leave of absence to members for the Regional Council Meeting was discussed and specifically with reference to the request of Shri N. Bhagavathi Pillai who sought leave of absence for the entire meetings of the Regional Council. The request of leave of absence for the meetings of the Regional Council held and to be held was not considered but however the Committee granted leave of absence to the said meeting viz., the 109th meeting and the Chairman was requested to suitably write a letter that request should be for the respective meetings.

At the **110th Meeting** of the Regional Council held on 20th May 1982, the Re-

gional Council did not consider the request for leave of absence given by a member on behalf of the member of SIRC and the procedure adopted then was that wherever the leave of absence was sought then only it was referred as having been granted.

The meeting also sought from the Central Council the legal view as to the powers of the Regional Council to refuse leave of absence and the circumstances under which it can be refused.

Extension of the Term of SIRC:

The term of the Southern India Regional Council viz., 1979-82 was extended by the Central Council and it was suggested that the team of office-bearers of 1981-82 could continue until the new Regional Council is notified and assumed office. However the Regional Council did not accept and elections were held at the 111th Meeting of SIRC held on 18th December 1982. At this meeting the resignation of Shri Y.S. Dagliya as Member, SIRC was accepted and it was decided to recommend to the Central Council for issue of notification.

At the **112th Meeting of SIRC** held on 12th March 1983, the members noted the notification issued by the Institute relating to the extension of term of SIRC for a period of three months from 16th March 1983 or till the date of the constitution of the 11th SIRC.

The recommendation of SIRC held at its **113th Meeting** held on 13th May 1983 to co-opt Shri T.S. Gopalakrishnan to the Regional Council in the resultant vacancy caused by the resignation of Shri Y.S. Dagliya was not approved by ICAI in view of the term of the present Regional Council to expire shortly.

One of the highlights of the activities of SIRC during the late 70s and 80s were the Budget Speech by Shri Nani A. Palkhivala attracting a large gathering of members of the profession and the public and on an occasion ie., on 15th April 1981 the recorded speech was played at SIRC. This information is provided to indicate how effectively and purposefully this programme was organized at SIRC.

At the **23rd Annual General Meeting of SIRC** held on 15th June 1974, the names of the Past Presidents and Past Chairmen of SIRC was published in the Annual Report which was highly welcomed. At the 24th Annual General Meeting held on 12th June 1975, it was decided to change the heading "Past Chairmen and Secretaries" to "Chairmen and Secretaries of SIRC" which finds a place in the SIRC Newsletter even now but however once in three years with the heading "Presidents of ICAI from Southern Region and Chairmen, Vice-Chairmen, Secretaries and Treasurers".

For the purpose of records it is referred in this booklet about a resolution passed

in September 1972 by the Central Council relating to the practicing as an Advocate by a member of the Institute. (Ref: Page No. 470 of January 1973 issue) which is reproduced below:

“Resolved under Regulation 166 of the Chartered Accountants Regulations, 1964, that, in addition to his practice of the profession of accountancy, a Chartered Accountant in practice, who is otherwise eligible be permitted to practice in High Courts and the Supreme Court as an advocate in respect of matters of his clients arising out of the provisions of the Companies Act, the Income-tax Act, the Expenditure Tax Act, the Estate Duty Act, the Gifts Tax Act, the Wealth-tax Act, the Companies (Surtax) Act or any other Direct Tax Laws or arising out of any Sales Tax Law of any State Government or Central Government”.

By a Notification No. 1-CA (58)/2/72 dated 6th December 1972, the number of members of the Students' Association at Branches was increased from four to 6 members.

Programmes:

The Institute organized series of seminars and one such seminar viz., Fifth All India Seminar on Taxation was held at Bangalore on 2nd and 3rd June 1973. The Seminar was inaugurated by Hon'ble Shri A. Narayana Pai, Chief Justice, Mysore High Court. Dr. V.K.R.V. Rao, the eminent economist addressed the seminar on “Some Reflections of India's Tax System” – The details of papers discussed and summary of conclusions reached were also published in the July 1973 Journal. (Ref: Vol. 22 – Page No. 19).

The Southern India Regional Council organized a Course on Managing Accounting, first of its kind in the Region as a Course for six weeks from 19th February 1973 to 1st April 1973. The course was inaugurated by Shri M.V. Arunachalam, Managing Director, Tube Investments of India Ltd., and attended by 37 members. (Ref. Page No. 25 of Vol. XXII – July 1975 issue). Encouraged by the response SIRC organized yet another course for six weeks from 3rd September 1973 to 14th October 1973. The course was inaugurated by Shri H.C. Kothari, Managing Director, Kothari & Sons, Madras on 3rd September 1973. (Page No. 360 of Vol. XXII)

Implementation of New Scheme of Education and Training:

The year 1973 is also significant from the point of view of improving the standard of education when the new curriculum came into place with Entrance Examination introduced for those who secure less than 50% in the aggregate in the degree examination and for others direct entry as was prevalent earlier. (Ref. Page No. 71 of Vol. XXII).

At the initial stages of the implementation of the new scheme the registration

was confined to specific dates viz., 1st of January, April, July and October and later on in a year, the registration was permitted to be done on any date as was prevalent earlier and existing at present.

Mock Parliament:

While the Regional Council regularly conducted seminars, study circle meetings and courses, a unique and novel programme was organized by SIRC in the form of “Mock Parliament” on 22nd September 1973 at SIRC Premises. The IT Amendment Bill, 1973 and Taxation Laws (Amendment) Bill 1973 were introduced by Shri G. Narayanaswamy who acted as the Finance Minister and introduced the bills. Shri V. Jagadisan acted as Leader of the Opposition who also prepared the entire proceedings of the Mock Parliament. Shri B.B. Naidu, a member of the Institute and Shri S. Padmanabhan, Advocate acted as the speakers. The Mock Parliament had interesting question hour. The Mock Parliament was attended by several officials of Income Tax Department and Law Department. (Ref. Page No. 361 of Vol. XXII).

Until 31st March 1974, the payments towards students registration fee and other student related fees have to be paid favouring the Coaching Board and from 1st April 1974, it was decided by the Council that all payments should be made favouring Secretary, ICAI and no separate account was maintained. (Ref. Page 601 of Vol. XXII).

Until 1st April 1975, there was separate account maintained for the Regional Council fee and by a notification the Institute deleted sub-regulation (6) and the Regional Council fee was merged with the membership fee effective Date 1st April 1975. (Ref: Notification 1-CA(63)/74).

A notification bearing No. Notification No. 1-CA(65)/74 dated 2nd Sep. 1974, issued in regard to the issue of notice of meetings of the Students’ Association refers to the issue of notice of meetings of SICASA whereby in the absence of Secretary, the Chairman of SICASA may issue the notice for the meeting either himself or empower another member of the Managing Committee to do so.

Mock Income-tax Appellate Tribunal:

The Southern India Regional Council organized periodically the Mock Income-tax Appellate Tribunal and the first in this regard was held on 15th November 1974 at Chennai which are being held periodically. One of the programmes was also video-graphed and shown during the earlier stages of video graphing came into place which was well received by the members.

Members honoured with Padma Shri Award:

In the year 1975, the profession was honoured when Shri R.K. Khanna, (Past President of ICAI – 1972-73) was awarded Padma Shri by the Government of India for his contribution to sports and other related activities. Two other members who received the Padma Shri Award are Shri T.N. Manoharan (2010) and Shri Y.H. Malegam (2012), Past Presidents of ICAI.

Exemption under Sec. 35 (1) (ii):

During the year 1975, the Government has given recognition to the Institute under Sec. 35 (1) (ii) of the Income-tax Act as an institution established for purpose of scientific research and as a result of its recognition, all donations given to the Institute for “scientific research” would be exempt under the Income-tax Act, 1961.

Kilometers replacing Miles for calculation of distance Vs Setting up of Branches of Regional Councils:

When the calculation of distance was replaced from “miles” to “Kilometers”, the Institute also modified the relevant provision relating to the setting up of branches of Regional Council and replaced the distance in Kilometers. There were provisions initially wherein the requirement for setting up of branches was that there should be 50 members within a radius of 50 miles then changed to 40 Kilometers and with a view to enlarging the activities and interaction with the members by opening of branches, there was a change effected wherein the radius within which a minimum of 50 members are required for setting up of a branch was made as 16 Kilometers. With the ever increasing strength of membership, it was later modified to the effect that the branches of Regional Council can be set up where there are 100 members and above within a radius of 50 Kilometers and recently there has been changes in the year 2009. Relevant and existing regulation is reproduced below itself for immediate recording of the change in the regulations in this regard.

The Council at its 291st meeting held on December 16 & 17, 2009 has considered and approved revised norms for formation of new branches of Regional Councils. The revised norms are as under:

- The existing position that branch of a Regional Council may be set up in a city other than headquarters of the Regional Council provided that not less than 150 members have their addresses registered in the city or within a distance of 50 Kms from the city limits be continued ; or
- Further, town(s) / places where the number of members was more than 100 but less than 150 as also the number of students was more than 250 at such a town/place or within the radius of 50 Kms from such town /place, a new branch could also be set up at such town(s)/places ; or
- A branch can also be formed, if there is no existing branch in any of places falling under the jurisdiction of a District, but there are 100 members in a District taken as a whole, on the line branches were set up in the States of Himachal Pradesh and Jammu & Kashmir under sub regulation (2) of Regulation 159 of the Chartered Accountants Regulation, 1988.

Exclusive Programmes for Members in Industry:

One of the Conferences held in Southern Region needs a mention in this booklet when a **National Conference of Accountants in Industry** was held at Bangalore between 6th and 8th June 1975 organized by the Professional Development Committee of ICAI and considered to be the **first and exclusive conference** for members in industry. SIRC also organized exclusive seminars for members in industry in the year 1993 followed by few more seminars later on with focus on topics of relevance to the members in industry which was well received.

Residential Seminars:

The concept of holding the Regional Residential Seminar by SIRC seems to have started in the year 1975 when a Residential Seminar was held at Courtalam from 23rd to 25th August 1975. The Institute and SIRC have now been regularly conducting such Residential Seminars.

Advisory Group:

This year the Post Graduate Course Committee of the Institute appointed Advisory Groups in different places in the country and Madras was chosen as one such place where few members were identified and their names were published for the purpose of assisting and guiding the candidates appearing for Post Graduate Course in Management Accounting. (Ref. Page No. 362 of Vol. XXIV).

It is for the records only an information is included in this write up when in 1975, a member of the accounting profession (outside India and not a member of the Institute) was elected as the Prime Minister of Norway (Ref: Page No. 515 of Vol. XXIV).

In the year 1976, one of the Past Chairman of SIRC Shri R. Ramakrishnan was appointed as the Sheriff of Madras. It may be noted that Shri N.C. Krishnan, Past President of ICAI was also Under-Sheriff of Madras when he was the Central Council Member. Shri S.T. Vanchinathan, a member from Southern Region was also Under-Sheriff of Madras. Shri P.K. Mallik, then Vice-President, ICAI was appointed Sheriff of Calcutta. The information is provided only to highlight the importance and recognition the profession received and the presence of Chartered Accountants regarded, respected and recognized by the Government.

The Institute during the year 1976 brought out a column in the Institute Journal "The Chartered Accountant viz., "25 Years Ago". In one of the columns there was a reference on the "Reaction from Shri A.Mohamed Ubaidulla, Vice-President, Muslim Chamber of Commerce, Madras (He is also a member of our Institute)". About a resolution passed at the Conference of Accountants held at Madras for nominating a member of the profession (reservation for CA) OR at least the President of ICAI in the Lok

Sabha. (Ref: Page No. 695 of Vol. XXIV). It may be recalled that though no nomination as sought was made as such, the Parliament and many Assemblies had Chartered Accountants occupying pivotal positions through the electoral process. It is also important to note that many Chartered Accountants across the region were involved in decision making process of the Government through their nomination to the important committees either as Chairman or members of the Committee. An illustrative account of the members is appended to this booklet for the benefit of information to the members and to the posterity. (**Appendix – XII**).

The column “**25 Years Ago**” also contained excerpts taken from the Bulletin issued by the Institute until June 1952 before bringing out the Institute Journal. This Bulletin issued served the members from January 1950 to June 1952. It was first published from Calcutta and later on from Madras.

Pilot Course on Academy of Accounting:

As referred to earlier, it was to the credit of Southern Region that the Pilot Course on Academy of Accounting was inaugurated by Shri P.M. Narielvala, President, ICAI on 17th June 1976 at Madras which paved, by its success, the way for organizing similar Pilot Courses at other Regions and later on a full-fledged Academy of Accounting in all regions. While inaugurating the course, Shri P.M. Narielvala termed the initiative as a landmark in the history of the Institute. The curriculum included visit to industrial houses, study economics, play business game in teams and prepare project reports. A certificate was issued after the completion to all the participants. Academicians from Indian Statistical Institute, IIT and members of our Institute were the faculty and it was a three months course between 3.30 and 8.30 p.m. A detailed report on the Academy of Accounting and the curriculum was published in the Institute Journal. (Detailed Report in Page No. 132 of Vol. XV and Page No. 404 of Vol. XXV).

Mr. N.C. Krishnan, then Immediate Past President remarked that this initiative was for the first time in the annals of the Institute and the intention of the Institute was to arrange oral tuition in a disciplined way. Prof. T.S. Grewal, Director of Studies was also present and addressed the participants. Shri V. Jagadisan who co-ordinated the first initiative also spoke.

The new Regional Council was constituted on 16th September 1976 and new team of members to the SIRC took office. **The election in the year 1976 saw the number of members in Central Council increasing from 5 to 6 and the Regional Council from 10 to 11.** In this term of 1976-79 SIRC had **four members of the Regional Council from industry which is unique in the history of SIRC.** They are – Shri N. Bhagavathi Pillai of Madras Motors (Pvt.) Ltd., Shri V. Basavaraju of M/s. Backlyte Hylam Ltd., Hyderabad, Shri T.S. Gopalakrishnan of Neyveli Lignite Corporation, Neyveli and Shri P.R. Srinivasan of Bharat Heavy Electrical Limited (BHEL), Hyderabad.

An initiative was taken by the Institute to provide Free Advisory Service to Taxpayers through the Regional Councils by holding weekly meetings on Saturdays at the office of the Regional Council and panel was chosen amongst the members in different places and members from Southern Region were part of the panel for giving free advisory service. (Ref: Page No. 453 of Vol. XV).

SIRC on its part also provided Free Advisory Service to Small Tax Payers which was inaugurated by Shri S.T. Thirumalachari, IRS, CIT, Tamil Nadu on 25th January 1977. A report was also carried out in the Institute Journal as part of SIRC activities. Page No. 716 of Vol. XV).

SIRC organized a Three week course on MAC from September 14, 1976 and concluded on 14th October 1976.

A novel programme was organized by SIRC during the year 1976 titled "Colloquium on Taxation" which was held at Golden Beach, Mahabalipuram and attended by 26 delegates.

SIRC in the year 1977 organized a Nine Day Course on Taxation which was inaugurated by Hon'ble Justice Shri T. Rama Prasada Rao, Judge, Madras High Court on 7th February 1977. Twelve topics were covered in the course. Hon'ble Justice Shri V. Balasubramanian, Judge, High Court of Madras was the Chief Guest at the Concluding Session. (Page No. 716-717 of Vol. XV).

Yet another novel and innovate programme was organized by SIRC in the year 1977 when it held a Seminar-cum-Exhibition on Business Machines on 8th and 9th April 1977, a unique programme in nature and content organized by SIRC. Eight leading manufacturers of business machines and systems participated in the Exhibition. On display were machines manufactured by these firms and also illustrative materials on the successful application of business systems. (Ref: Page No.759 of Vol. XV).

9th All India Conference of Chartered Accountants:

SIRC and the Southern Region had the honour of being part of the 9th All India Conference of Chartered Accountants held at Madras on 6th, 7th and 8th January 1978 at Music Academy, Madras. The Conference was attended by 911 delegates and considered the highest number of participation at that point of time. Representatives from Australia, Bangladesh, Ceylon, Pakistan attended. The theme of the Conference was "Accounting Profession – Challenges of the Eighties". The Conference was inaugurated by His Excellency Shri Prabhudas B. Patwari, Governor of Tamil Nadu. Shri B.L. Kabra, President, ICAI and Shri B.R. Maheswari, Chairman of Conference Committee addressed the gathering. It was at this conference one committee for the first time constituted to assist the spouse of the delegates and for arranging sight seeing to Mahabalipuram and it was called "Ladies Sub-Committee".

At this conference a unique step was taken when the deliberations of the first day proceedings were given in a four page newsletter to all the delegates the next day morning and the second day proceedings on the third day morning and this initiative was all praise from the members. This was also done recently when the International Conference was held in January 2012 at Chennai Trade Centre, Chennai.

Tenth Regional Council – 1979-82

The 10th Regional Council constituted had 12 members as against 11 members in the earlier term and Central Council Members remained constant at 6 only. With one nominated member to Central Council hailing from Southern Region the total strength of members rose to 19 during this 11th Regional Council. During this term two members were members from industry. (Shri N. Bhagavathi Pillai, Shri M.N. Rangamani of M/s. Ashok Leyland)

During the year 1979, the Regulation 126 (1) was amended by a notification in regard to convening of extra-ordinary general meeting, viz.,

“The Regional Council shall, on a requisition made in writing by at least 5 percent of the total number of members in the region or one hundred members in the Region, whichever is less, convene an extra-ordinary general meeting.”.

This amendment was further amended during the year 2012 by a notification.

in regulation 149, for sub-regulation (1), the following shall be substituted, namely:-

“(1) The Regional Council shall, on a requisition made in writing by at least 10 per cent of the total number of members of the region or seven hundred fifty members in the region, whichever is less, convene an extraordinary General Meeting.”;

SIRC besides organizing conventional and professional subjects’ related programmes also even during the earlier period held a Three Day Course on “Your Personality – Master Key to Success” at SIRC Premises from 26th to 28th December 1979. Similar programmes were also organized periodically by SIRC.

SIRC also organized a Workshop on Taxation exclusively for young Chartered Accountants in Practice and in Industry on 7th Feb. 1979 at SIRC Premises. It is for the records mentioned here that SIRC under the Career Counselling Committee were holding an annual programme titled “Felicitation to Newly Enrolled Chartered Accountants” in Chennai covering the Southern Region members wherein sessions on prospects in practice and industry were handled by eminent members of our profession both from practice and industry. A booklet written by Shri P. Brahmayya, Past President, ICAI was distributed to the participants.

Full-fledged Academy of Accounting:

On the successful holding of the Pilot Course on Academy of Accounting in all the Regions, the Institute started the First Full-fledged Academy of Accounting at Madras which was inaugurated on 28th March 1980 by Shri Y.H. Malegam, President, ICAI. Shri T.S. Grewal, Director of Studies spoke.

Admission as Fellow Member-Revised Regulations:

One of the important amendments was made in the Chartered Accountants Regulations pertaining to members, which for the record purposes, mentioned in this booklet was relating to the regulatory provisions for admission to Fellow was amended whereby the break of practice and/or employment can be condoned for the purpose. (Ref: Page No. 188 of Vol. XXX). This is one of the paths breaking amendment since the regulations earlier required “continuous” service without any break, even it happens to be holiday when any member resigns from one employment and join another employment in the next available working day. In this process more number of members had the benefit of becoming Fellow Member and it is again for the records referred that the Institute on its own sent letters during the year 2008 to those members who have completed five years of membership as an Associate inviting them to become Fellow Members.

Chapters Abroad:

It is once again for the purpose of records, it is referred in this booklet about the formation of Chapters of the Institute outside India. The relevant criteria for such formation was that at least 20 members of the Institute in cities in foreign countries or at least 50 members in countries should be residing in such places. (Ref. Page No. 544 of Vol. XXIX.. – Guidelines published in Page No. 546 of Vol. XXIX). To-day the Institute has 22 Chapters outside India.

While going through the records of the SIRC it was noticed that prior to December 1980 programme or seminar on bank audit did not take place and it is for the first time presumably that SIRC organized a Refresher course on Bank Audit on 19th and 20th December 1980 at SIRC Premises. 103 delegates including 16 from banks attended. This Refresher Course was inaugurated by Shri M.V. Subba Rao, Chairman and Managing Director, Indian Bank.

Yet another feather in the cap of Southern Region was that when the Institute decided to hold one or two Council Meetings outside New Delhi on an experimental basis (Ref: Vol. No. XXX), it chose the first meeting of the Council outside the headquarters at Madras.

Ratio of Members for determining the number of seats in the Central and Regional Councils:

At the **84th Meeting** of the Council held on 14th, 15th and 16th September 1978, the ratio in regard to the number of members to be elected to the Central and Regional Councils were amended from 1:700 to 1:900 and for Regional Councils from 1:350 to 1:450.

Further, By a Notification issued in the year 1981 the Institute increased the ratio in regard to the number of members to be elected to the Central and Regional Council, viz., from 1:900 to 1:1175 for Central Council and from 1:450 to 1:590 for Regional Councils. (Ref: Notification in Page No. 781 of Vol. XXX).

Revised Stipend Rates:

The stipend rates for articled clerks were fixed based on cities earlier which was modified with enhanced stipend and the basis of stipend was based on the population, for metros, ie., Bombay, Calcutta, Madras and Delhi/New Delhi and cities having a population of one million and above and cities having a population of less than one million. (Page No. 474 of Vol. XXX).

When the Central Council conducted its 100th Meeting on 22nd, 23rd and 24th July 1982, a commemorative and Special Number of our journal was published during which period Mr. Ashok Kumbhat from Southern Region was the Vice-President.

The excerpts taken from one of the articles that was published in the special issue is very significant and interesting and hence forming part of this booklet, though it has otherwise no relevance to the History of SIRC as such.

The write up by Shri Kamal Gupta and Shri Ashok Kumar, Officers in the Technical Directorate of ICAI referred an important saying taken from the Ramayana.

“Is your income more than your expenditure and your expenditure less than your income” so asked Rama when Bharata met him in the forest” – Valmiki Ramayana – Ayodhya Kanda – Sarga 100. (Ref: The Institute – 1949 through 1982 (By Shri Kamal Gupta and Shri Ashok Kumar) – Page No. 77 of Vol. XXXI).

The authors express and explain the view that concept of accounting was even in epics. They also graphically analyzed the growth of the profession wherein in the article they had mentioned that it took 20 years to reach the strength of 10000 members and in the next nine years reached yet another 10000 members and the next 10000 members in just five years. Presently the membership strength in the country is around two lakhs which shows the growth of the profession in the last 63 years and the vital part played by the Institute, its five regions and branches of the Regional Councils in furtherance of the accounting profession.

As on October 2012, the number of members in the Southern Region is about 44000 of which near to 3400 members are residing outside India. It is for the statistical purpose to show that out of the total of around 7800 members all over India residing outside India, the number of members in the Southern Region residing outside India accounted for around 43% as compared to the balance of 57% of members taken together from all other Regions.

This decade of 1973-1982 was very significant in the history of the Institute having seen the implementation of the Decentralized Office at Chennai in the year 1974, introduction of payment of stipend to the articled clerks, introduction of the Academy of Accounting, formation of Chapters outside India. Similarly for SIRC, the decade marked the celebration of Silver Jubilee Year of ICAI by SIRC, construction of the Research Block in the ICAI Premises, publication of SIRC Newsletter from July 1975, adoption of convention for the election of Vice-Chairman to the post of Chairman and enlarging its activities towards the cause of members and students both by SIRC and through its Branches.



CA. N.C. Krishnan, President, ICAI laying the foundation stone of the annexe building of the Institute Building in the presence of functionaries of SIRC on 17th January 1975.



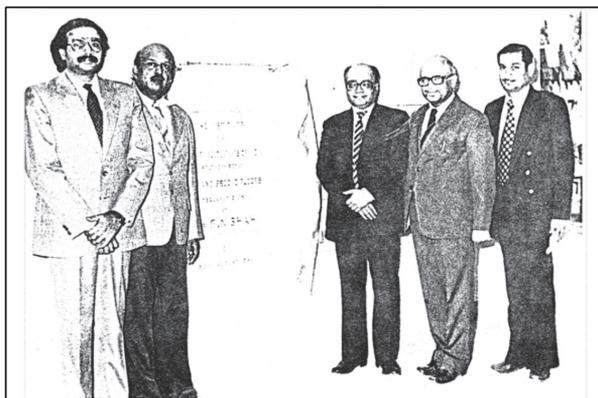
His Excellency Shri K.K. Shah, Governor of Tamil Nadu inaugurating the Research Block of the Institute at Chennai on 10th September 1975 in the gracious presence of CA. N.C. Krishnan, President, ICAI and other functionaries of SIRC on 10th September 1975.



Hon'ble Shri M.N. Chundurkar, Chief Justice of Madras High Court declaring open the Nahar Library Hall on 9th August 1987.



Hon'ble Shri M.N. Chundurkar, Chief Justice of Madras High Court declaring open othe Kumbhat Hall on 9th August 1987.



CA. P.N. Shah, Past President, ICAI declaring open the P. Brahmayya Memorial Hall oin the gracious presence of CA. S.K. Das Gupta, President, ICAI and other functionaries of SIRC on 30th August 1981.



Hon'ble Mr. H.R. Gokhale, Union Minister of Law, Justice and Company Affairs perusing the publication "History of Accounting Profession in India" prepared by Shri G.P. Kapadia which was released by him at the 24th Annual Function of ICAI held on 14th September 1973.

CHAPTER – VII

SOUTHERN INDIA REGIONAL COUNCIL OF THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

A Decade at SIRC – 1983 - 92

An infant nurtured walks slowly but steadily and set his /her goal in the next decade of his life by associating himself with the outer world, guided by the people around and the next decade of his life is spent in learning the nuances of life and marching towards his desired objective. Any organization is no exception to this law and when the SIRC was formed in the year 1952, it was nurtured by the Institute of Chartered Accountants of India for a decade upto 1962, the next decade of SIRC had the wisdom and support of members of the Council and the Regional Council who had by then acquired substantial expertise in leading the Institute in the formative years and later on and this decade of SIRC, in its activities, was supported by 4 branches formed in the year 1962 and 5 more branches expanded its wings of activities between 1973 and 1982.

The decade of history of SIRC between 1983 and 1992 was a period of consolidation of the efforts taken during yesteryears of hard learning and not only on the front of serving the members and students by organizing programmes on a continuous basis, it also, to serve with more amenities, concentrated on the infrastructure development. This decade of 1983 – 1992 saw the construction of two more floors in the annexe building and one more construction in the rear side of the main building having two more floors with ground and first floor.

This decade also witnessed three of the members of the Central Council from Southern Region elected to the high office of the President in Shri Ashok Kumbhat, Shri R. Balakrishnan and Shri N.C. Sundararajan.

This decade had also seen two instances when the term of the Southern India Regional Council was extended, once for a longer duration and the other of a shorter duration which would form part of this booklet later on.

Concept of Rotation of Auditors:

During this period, the Regional Council at its **33rd Annual General Meeting** held on 18th August 1984 brought into it a concept of rotation of auditors with a view to encourage younger members to audit the accounts of SIRC and SICASA and also the concept of joint auditors. M/s. R. Nagarajan & Co., Chartered Accountants and M/s. Padmanabhan Prakash & Co., Chartered Accountants were appointed as statutory auditors of SIRC on an honorarium of Rs. 1500/- each plus out of pocket expenses and they were requested to audit the accounts of the Southern India Chartered Accountants Association (SICASA) also on an honorary basis. The audit fee was increased to Rs.

2,500/- each in the year 1985 and Rs. 3,750/- in the next year 1986. Over a period of years, the audit fee has been increased considering the volume of services to be rendered by the statutory auditors and at present the auditors are appointed on an audit fee of Rs. 27500/- plus service tax.

During one of the Annual General Meetings of SIRC there were discussions on the inclusion of the activity report of the branches which were not accepted by the General Body. In this regard it is pertinent to note that during those years the accounts of the Branches of SIRC and SICASA were also consolidated with the accounts of the Regional Council and sent to the Central Council for further consolidation in the accounts of ICAI.

Shri Y.S. Dagliya, a member of SIRC resigned from his position with effect from 5th April 1982 but it was not accepted initially and later accepted and the Institute was requested to issue necessary notification. By a Notification No. 28-RC(2)/73 dated 2nd February 1983 the Institute notified that Shri Y.S. Dagliya a member of SIRC resigned from SIRC with effect from 5th April 1982. (Ref. Page No. 657 of Vol. XXXI). A reference had also been given in the previous decade history as the resignation was effected with effect from 5th April 1982, though notification was issued in the month of February 1983 pertaining to the current decade of history and hence finds a place again under this chapter.

It may be noted that the term of the SIRC was earlier extended for a period of six months from 16th September 1982 by Notification No. 54-EL(21)/82 dated 15th September 1982 and a further period of three months by Notification No. 54-EL(22)/83 dated 2nd March 1983. It is on account of the writ petition filed by a candidate in the Kerala High Court. (Ref: Page No. 29 of Vol. XXII - July 1983).

At the **112th Meeting of SIRC** held on 12th March 1983, the members noted the notification issued by the Institute relating to the extension of term of SIRC for a period of three months from 16th March 1983 or till the date of the constitution of the 11th SIRC.

By a Notification No. 54-EL(23)/83 dated 13th June 1983, the term of the 10th Southern India Regional Council was extended for a further period of three months from 16th June 1983 or till the date of the constitution of the 11th Southern India Regional Council whichever is earlier.

By Notification No. 54-EL(24)/83 dated 6th September 1983 the term of the Southern India Regional Council was further extended for a further period of three months from 16th September 1983 or till the date of the constitution of the 11th Southern India Regional Council, whichever is earlier. (Ref: Page No. 227 of Vol. XXII – October 1983).

The Institute in pursuance of Regulation 112 (7) of CA Regulations notified by Notification No. 54-EL(25)/83 dated 29th October 1983 the names of the members of the Institute elected to the 11th Southern India Regional Council in view of the High Court of Kerala dismissing the writ petition by its order dated 19th October 1983 as not pressed and consequently the stay granted by it stands vacated. (Ref: Page No 387 of Vol. XXII – December 1983 issue).

Shri Ashok Kumbhat from Southern Region was elected as Vice-President for the year 1982-83 and President for the year 1983-84.

It may be noted that though the term of the Regional Council was extended, the SIRC decided to go with the election of office-bearers at its 114th meeting held on 21st September 1983 which also finds a reference in the earlier chapter.

The Regional Council at its **113th Meeting** held on 13th May 1983 recommended to the Central Council for co-option of Shri T.S. Gopalakrishnan to the Regional Council in the resultant vacancy caused by the resignation of Shri Y.S. Dagliya which was not approved by ICAI in view of the term of the present Regional Council to expire shortly.

Unveiling of marble bust of First President of ICAI Shri G.P. Kapadia:

At the **106th Meeting of the Central Council** held from 20th to 22nd July 1983 it was decided to have the bronze or marble bust of Shri G.P. Kapadia at the Institute's Office and portrait of Shri G.P. Kapadia at the offices of the Regional Councils (Ref: Page No. 103 of Vol. XXII – August 1983). Subsequently on 16th September 1985, the statue was unveiled at New Delhi. (Ref: PAGE No. 317 of October 1985). SIRC also has the portrait of Shri G.P. Kapadia in the Council Hall and the Chairman Chamber. The SIRC has, during this year 2012, decided to have the Golden Colour metal bust of Shri G.P. Kapadia at the SIRC Office and the bust was unveiled by Shri K. Viswanath, Chairman, SIRC of ICAI on 31st January 2013.

For the first time a meeting of all Chairmen of Regional Councils was held at New Delhi on 19th December 1983. It may be noted that a meeting of Chairmen and Secretaries of Regional Council was held on the invitation of the Central Council in connection with the Silver Jubilee Celebrations Committee at New Delhi on 18th January 1974 which is a one-off occasion and hence the meeting held on 19th December 1983 is construed to be the first meeting which is annually held every year since then.

Eleventh Regional Council – 1st November 1983 to 15th September 1985:

The 11th Southern India Regional Council was constituted with effect from 1st November 1983 and its term shall end on 15th September 1985. (Ref: Page No 387 of Vol. XXII – December 1983 issue).

Sale of Publications:

The publications of the Institute were sold at the Central Office, Regional Offices and Branch Offices and the Institute introduced a scheme “VPP Mailing Scheme” for sending the Institute Publications. Through this scheme, the publications of the Institute as and when printed would be supplied including the revised editions but not the reprints to the members/firms who register themselves for the facility. This service was in addition to the supply of publications at the Regional and Branch Offices. Where the VPP was not accepted by members/firms, it will stand withdrawn. (Ref. Page No. 28 of Vol., XXII- July 1983). In the year 1988, the system of sending the Institute publications through VPP was dispensed with and in its place the system of paying an imprest amount of Rs. 300/- was introduced. The imprest amount would have to be replenished as and when the member/firm receives to the value already in imprest is exhausted. To-day we have the system of receiving the publications by paying the amount through internet.

Branches and Chartered Accountants Associations:

The number of branches of SIRC increased to 20 during this decade long period of 1983-1992. It may be noted that during the period 1962 - 1982, a total of 10 branches only were set up and doubled during this 10 years. With 20 branches in its fold, SIRC had increased its activities to cater to the members in a more effective way. During this period of 1983-1992, there were Chartered Accountants Associations where there was no branch of SIRC and on recommendation of SIRC, library grant was given to such Associations based on its activity and submission of annual accounts. Thus across the region, SIRC showed its presence in a greater level.

Introduction of Alternate Medium – Hindi:

The Institute decided to introduce Hindi as an alternate medium effective from June 1984 Examination in three subjects of the Entrance Examination viz., Elements of Accounting, Logic & Elementary Business Mathematics and General Commercial Knowledge and Economics at the initial stage and to decide taking it further to Intermediate and Final Stages. (Ref: Page No. 311 of Vol. XXII). SIRC convened an Extra-ordinary General Meeting in the year 1984 (18th August 1984) as a requisitioned meeting to discuss about the implementation and the members suggested reconsidering the decision. However the Council went ahead and presently the medium of instruction is available for all levels of the Chartered Accountancy Course.

Accounts Related Matters – ICAI-vs-SIRC-vs-BRANCHES:

One of the important decisions of the Council taken at its meeting held from 21st to 24th December 1983 was in respect of organizational structure of Regional Offices. The Council decided to delegate more powers to Regional Offices and the Chairmen of Regional Councils was to be kept informed about all major decisions concerning the

administrative set up at Regional Offices. The Council also decided that periodic meetings of Chairmen of Regional Councils would be held at New Delhi in order to resolve issues concerning day-to-day management of Regional Offices. One of the highlights of the decision with reference to the functioning of the branches was that the branches in each Region will now onwards function under the direct supervision of the respective regional councils and their accounts will be incorporated in the accounts of the concerned regional councils. (Ref: Page No. 505 of Vol. XXII-February 1984). The incorporation of the branch accounts and SICASA and its branches with SIRC accounts commenced from the accounting year ended 31st March 1984 and a reference to this system is recorded in the minutes of the 118th Meeting of SIRC held on 24th May 1984 under Item No. 3 (i). The Regional Council considers and adopts the accounts of the Regional Council in two parts, once before consolidation of branch accounts and one after consolidation of branch accounts with the accounts of SIRC.

Number of Members in the Managing Committee of Branches – Revised:

There was a change in the Directions of the Central Council regarding the functions of the Branches of Regional Councils and the Institute by a Notification No. 1-CA(7)/36/84 dated 10th May 1984 increased the number of members to the Managing Committee of the Branches whereby a branch of Regional Council with a membership of 500 and less will have a Managing Committee comprised of 6 members and a branch with a membership exceeding 500 will have a Managing Committee of 8 members. (Ref: Page No. 820 of Vol. XXII – June 1984 and also Notification No. (Ref: Page No. 24 of Vol. XXXIII – July 1984 issue).

Setting up of Branches of Students' Associations:

The rules relating to the setting up of Branches of Students' Association was also modified during this period whereby a Students' Association can be set up with a minimum of 75 students within the city where the branch is located or within a radius of 16 KM and request should be routed through the Regional Council. The branches of Students' Association should only be at the place where the branches of Regional Council exist. (Ref: Page 66 of July 1983). It may be noted that as per the recent decision of the Institute taken in the year 2011, a Branch of Students' Association can be formed in a place where the Branch of Regional Council is situated and the restriction of number of members has been removed. A brief on the decision is included in the next chapter. **During the year 1984-85**, it was decided to decentralize the issue of study materials and Bangalore from our Region was chosen for issue of study materials followed by Hyderabad and Coimbatore and this facility over the period of years extended to other bigger cities to the extent required.

Co-terminus of Elections of Branches of Regional Councils with Central and Regional Councils:

One of the landmark decisions of the Council in regard to the functioning of the Branches of Regional Council was when a Notification No. 1CA(7)/140/84 dated 9th October 1984 was issued which stipulated that the elections to the Managing Committee of the Branches would become co-terminus with the amended Directions governing the branches of the Regional Councils. (Ref: Page No. 419 of November 1984 – Vol. XXIII) (Also refer the Annual Report of 31.3.1985 – Page No. 369 – October 1985 issue). The relevant provision is given below.

“The election of the Managing Committee shall be held once in three years, in the year in which the election to the Regional Councils of the Institute is held, at the Annual General Meeting of the members of the branch concerned. The election shall be conducted by poll of the members present at the meeting. No proxy shall be allowed.

They will assume office from 16th September next following the date of Annual General Meeting at which they are elected.”.

However when the new Council took over in the month of January 1992 when the elections to the Regional Councils were also held and the new Regional Councils were set up in January 1992, a new provision was added to the holding of the Managing Committee of the Branches which is still in force, thus making it co-terminus with the term of the Regional Council. The concept of “Special General Meeting” was included in the Directions of the Central Council regarding the Functions of the Branches of Regional Council which envisaged that a special general meeting shall be held between 1st and 31st day of December to elect the new members to the Managing Committee of Branches in the year the election to the Central and Regional Councils are held.

By another Notification No. 1CA(7)/144/85 dated 15th May 1985, the life of the existing Managing Committees of the Students’ Association, viz., WICASA, SICASA, EICASA and NICASA was shortened to end on September 15, 1985, in order to make it co-terminus with the election to the Central and Regional Councils – (Ref: Page No. 977 of July 1985 issue and also referred in Page No. 369 of October 1985 journal).

The rules of the Students’ Association was amended as per the decision taken at the Council Meeting held on 12th, 13th and 14th Feb. 1987 wherein it was stipulated that the quorum for the Managing Committee shall be complete only if at least one of the members nominated by the Regional Council is present and that the bank operation be at least by two members one of whom shall be the nominated member by the Regional Council. (Ref: Page 828 of April 1987). A notification in this respect was also issued by Notification No. 1-CA(7)/156/87 dated 25th March 1987 (Ref: Page No. 919 of May 1987). There was further amendment in regard to the operation of bank account when the Institute published a Notification bearing No. 1-CA(7)/161/87 dated 23rd September 1987 whereby the operation of bank account shall be by at least one member who is the Chairman or a member of the Regional Council nominated to the Students’ Association.

The contribution of Rs. 2.00 lakhs received from P. Brahmayya Memorial Trust

was recorded and acknowledged at the 115th Meeting of SIRC held on 16th November 1983 when a resolution was passed to thank the Trust and also resolved that the notices for study circle meetings and other events when they are conducted in the said hall would be issued in the name of the hall named after Late Shri P. Brahmayya and at the 116th Meeting of SIRC held on 17th Dec. 1983 the Regional Council decided to name the ground floor of the annexe building as P. Brahmayya Memorial Hall.

During the year 1983, a sum of Rs. 1.00 lakh was contributed by Shri Ashok Kumbhat and it was decided by the Regional Council to name one floor of the annexe building as “Kumbhat Hall” and the other floor was named as Nahar Library in appreciation of the contribution of Rs. 1.00 lakh by Shri A. Bhawarlal Nahar.

One of the important occasions in the annals of SIRC was that when two additional floors were inaugurated by Shri P.N. Shah, then President of ICAI at Chennai on 30th August 1984. The ground floor was named as P. Brahmayya Memorial Hall to perpetuate the memory of late Shri P. Brahmayya, Past President of ICAI. One half of the first floor set apart for the library was named as Nahar Library Hall. (Page No. 448 of Nov. 1984 issue).

The additional two floors referred to above was inaugurated by Shri P.N. Shah, President, ICAI on 30th August 1984.

The Academy of Accounting organized at Chennai and other places were discontinued and for those schedules have already been announced were held and beyond that no further Academy of Accounting was in place. (Ref. Page No. 625 of February 1985 issue).

Twelfth Regional Council – 1985 -88

The 12th Regional Council were constituted on 16th September 1985 and the members took their positions in the month of September 1985.

The Institute decided to commence Computer Centres in Bombay, Calcutta and Madras during the year 1985 for providing computer training to the members and students and the classes were held by ICAI. (Ref: Page 40 of July 1985 issue). The Computer Centre at Chennai, first of its kind in the history of ICAI was inaugurated by Shri P.A. Nair, President, ICAI on 17th February 1986 at Madras.

Shri R. Balakrishnan from Southern Region was elected as Vice-President of ICAI for the year 1985-86 and President in the year 1986-87 at the 120th Meeting of the Council held on 16th September 1986.

The Government by Notification No. 6287 (F. No. 197/157/77-IT (A1) dated 13th June 1985 recognized the Institute under Section 10 (23C) (iv) of the Income-tax Act, 1961 as an institution of national importance. (Ref: Notification in July 1985 issue of journal). It also has the reference of issue of letter of Commissioner of Income-tax

Delhi VI vide his letter No. CIT-VI/TE1/227/76/731 dated 20th November 1985 intimating that donations made to the Institute of Chartered Accountants of India will be eligible for relief under Section 80G of the Income Tax Act, 1961 subject to limits and conditions prescribed in the said section. (Ref: Page No. 565 of January 1986 issue). The exemption is given periodically to the Institute.

The contribution to the Chartered Accountants Benevolent Fund was also recognized under Sec. 80G of the Income-tax Act, 1961 (Ref: Page No 658 of Feb. 1986). The exemption is given periodically to the Institute.

One of the initiatives of SIRC was when it organized a programme on 20th November 1985 to felicitate the newly enrolled Chartered Accountants from Southern Region. This meeting was held once in a year immediately after the results of the May examination wherein the candidates who were successful in the November Examination held earlier and May Examinations were invited.

One of the landmark decisions taken by the Institute in regard to the setting up of branches of Regional Council was when there was a change in the requirement. It envisages for **setting up of a Branch of the Regional Council in a State without any branch**. The Council decided to amend Regulation 136 (2) to reduce the requirements from 100 members to 50 members for setting up a branch of a regional council in a State or Union Territory in which neither the headquarters of the regional council nor a branch of the regional council exists. This amendment received the approval of the Central Government (Ref: Page No. 390 of October 1987 issue). The resultant impact of this amendment was the setting up of a Branch at Jammu & Kashmir State and later on for setting up of a Branch of SIRC at Pondicherry.

The smallest branch of SIRC during the year 1986, Tirunelveli seems to be the pioneer for conducting the Model Test when it organized a model test for students of Intermediate in the month of October 1986. SIRC also started organizing the Model Test / Revision Tests at the Preliminary, Intermediate (inclusive of PCE/IPCC) and Final and was highly acclaimed by the students' fraternity. The faculty of SIRC was involved in setting the question paper and valuing the answer papers. During the year 2011, the Board of Studies took up the responsibility of preparing the questions for CPT, IPCC/ PCE and Final Course and all the Regions and the Branches have been organizing this test in a large scale throughout the country.

40th Year of Independence and Birth Centenary of Pandit Jawaharlal Nehru, the first Prime Minister of India:

During this decade one important function was organized throughout the Region and Branches when the Council decided to commemorate the 40th Year of Independence and Birth Centenary of Pandit Jawaharlal Nehru, the first Prime Minister of India. (Ref: Page No. 980 of June 1987). SIRC held a programme befitting the occasion on 27th May 1988 and His Excellency Shri P.C. Alexander, Governor of Tamil Nadu

was the Chief Guest. Shri C.V Narasimhan, Former UN Under Secretary General presented his reminiscences of Panditji. (Ref: Page 261 of Sep. 1988 issue).

Yet another important function organized by SIRC was the meeting held to felicitate those members of the region who have completed 25 years of membership. The Key Note address was delivered by Hon'ble Shri K. Rajaram, Minister for Industries, Govt. of Tami Nadu. Shri R. Balakrishnan, President, ICAI offered felicitation. SIRC continued this tradition of honouring the members when during the Golden Jubilee Year of ICAI, Gold Medalists from the Region were honoured in a colourful and befitting occasion from the hands of Hon'ble Chief Minister of Tamil Nadu Shri M. Karunanidhi in the year 1998.

The Branches do not lag behind in organizing programmes to commemorate the important events in their respective Branches. The Bangalore Branch celebrated its Silver Jubilee on 3rd July 1987. Dr Jeevaraj Alva, Hon'ble Minister for Higher Education, Govt. of Karnataka was the Chief Guest and inaugurated. Shri S.K. Das Gupta, Vice-President addressed the gathering. This trend of celebrating the recalling the past events of the branches are celebrating in a grand manner once a branch reaches the 25th or 50th year. A detailed write up of these functions would appear in this booklet in the relevant periods.

During the year 1988, the new Regulations, Chartered Accountants Regulations, 1988 replaced the existing Chartered Accountants Regulations, 1964 and widely published through the Institute Journal and other modes of communication with the members.

Recognition of ICAI for tax exemptions:

While the contributions received from members and others made to the Institute for scientific and research activities were exempt from tax under Sec. 35 (1) (iii) of Income-tax Act, 1961 in the earlier years, as a sequel to the omission of Sec. 35 of the Income-tax Act, 1961 by the Direct Taxes (Amendment) Act, 1987, the Ministry of Science and Technology, Department of Scientific and Industrial Research has initiated a new scheme for recognition of Scientific and Industrial Research Organizations from April 1988. After examining the details about the Institute, the department has accorded recognition to the Institute of Chartered Accountants of India under this new scheme and recognized ICAI as a Scientific and Industrial Research Organization. The recognition is valid from 1.4.1988 to 31.3.1989 ((Ref: Page No. 24 – July 1988).

Thirteenth Regional Council – 1988-1991 (Extended Period upto January 1992)

The 14th Council and the 13th Regional Council were constituted on 16th September 1988 and the members took their positions in the month of September 1988.

One of the notifications issued by the Institute with reference to the functions of

the branches was when it issued a Notification No. 1-CA(7)/2/88 dated 26th September 1988 which refers to the powers of the President of ICAI to appoint the date for the Annual General Meeting of Branches to such other date for the meeting as he may deem fit if for any reason the AGM does not take place within the specified date. Earlier the specific date was referred to in the Directions and this power given to President had a flexibility of fixing the date of Annual General Meeting.

The 7th All India CA Students Conference was held on 26th and 27th August 1988 at Hyderabad inaugurated by Hon'ble Justice Y.V. Anjaneyulu, Member, Law Commission and the Valedictory address was delivered by Hon'ble Shri P. Shiv Shankar, Union Minister for Human Resource Development. The earlier one held in Southern Region was at Madras in the year 1974 and SIRC was actively associated with this conference.

In the Draft Notification bearing No. 1-CA(7)/10/90 issued on 19th January 1991, the number of members required for setting up of a branch was amended from 50 members to 100 members and from 16 Kilometers to 50 Kilometers. (Ref: Page No. 672 of February 1991 issue) and in the same year came into force.

During the year 1990-91 Shri N.C. Sundararajan from Southern Region was elected as Vice-President of the Institute and became President of ICAI in the year 1991-92.

The year 1990 saw one of the important initiatives of the Institute and as in the past the initiative was started from Southern Region when the Council decided to implement the computerization of records of the members, firms and students. The EDP Centre at Madras was inaugurated by Shri K.M. Agarwal, then President, ICAI in the gracious presence of Shri N. C. Sundararajan, then Vice President, ICAI on 15th October 1990. The computerization process was highly successful which resulted in computerizing the entire records of the members, firms and students at all other regions.

For the first time, a meeting of Chairmen of Branches of SIRC was held at Madras on 14th October 1990 which has been a regular feature in the activities of the Regional Council since then.

Infrastructure Development:

On 3rd March 1991 the Foundation Laying Function of the proposed SIRC Building was inaugurated by Shri. A.H. Dalal, Past President, ICAI in the gracious presence of Shri. K.M. Agarwal, then President, ICAI and Shri. N.C.Sundararajan, then Vice-President, ICAI. which got completed in the end of 1992 and the inauguration of the first floor took place on 7th January 1993 and was named as Anantharamkrishnan Hall and the ground floor was inaugurated in the month of March 1993 and named as A. Dasaradharami Reddy Hall. The detailed reference to these functions would be dealt in the next chapter of this booklet.

Shri A. Sivasailam, Chairman, Amalgamations Group of Companies contributed Rs. 15.00 lakhs through one of the group companies, Tractors and Farm Equipments Company Limited (TAFE) towards furtherance of research activities of the Institute. (Appreciation recorded in Page No. 594 of January 1993 issue). The A. Dasaradharami Reddy Charities contributed Rs. 7.50 lakhs for the ground floor.

Elections to ICAI and Regional Councils & Fourteenth Regional Council – 1992-95

Yet another postponement of the date/s of election happened when the elections to the 15th Council and 14th Regional Councils were to be held on 2nd and 3rd August 1991. The election was however held on 6th and 7th December 1991. Until the year 1991 the election to the Central Council and Regional Councils were held in the month of August and the new team takes over in the month of September. The constitution of the Central and Regional Councils happen to be 16th September and the office-bearers of the Regional Councils are elected in the latter half of September. Consequently the elections to the subsequent Councils and Regional Councils were held in the month of December and the new team takes over on 18th January and the office-bearers of the Regional Councils on or after 18th January but before 31st January.

Later on though the elections to the Council and Regional Councils are held in the month of December, the assumption of office by the Central Council Members were from 5th February and elections to the office-bearers of Regional Councils between 11th and 25th February giving four days gap from the date of Council Meeting. There was further change in the dates of assumption of office to 12th February for the Central Council and the elections to the office-bearers of the Regional Councils and Branches were to be held between 16th and 28th day of February. For the purpose of continuity the events happened beyond this decade of recording between 1983 – 1992 are included in this Chapter itself.

The activities of the Regional Councils and Branches of Regional Councils were periodically published in the Institute Journal “The Chartered Accountant” as is given by the respective regions and branches. However, owing to space constraints, the Institute decided to publish only the salient features of Regional News items under the column “For the Attention of Regional Councils and Branches – ie., functions organized by them. (Ref: Page No. 1079 of June 1992 issue).

Chain Seminars:

The Continuing Professional Committee organized Chain Seminar on Financial Services across the Region in the year 1992. It would be important to record that in the year 1992 the Southern India Regional Council organized the Chain Seminar on Financial Services in 36 places across the Southern Region including the places where the Chartered Accountants Associations are functioning. The salient feature of this Chain Seminar was that the faculty would be addressing the members in a period of two

to three days at different places and the places are chosen in such a way that they are nearer to be covered either during the day or overnight. This initiative of the Institute and the steps taken by the SIRC was highly lauded. A publication was also brought out by the Institute which was uniformly distributed in all places where the seminars were held and it is for the first time such a uniform publication was distributed to the delegates.

Others:

At the Annual General Meeting of SIRC held on 15th September 1992, it was suggested that useful articles of foreign journals to be reproduced in the Institute Journal "The Chartered Accountant".

The Institute Journal since 1962 was publishing the names of office-bearers of the Branches of the Regional Councils until 1990 and later on the same was discontinued.

Until the 36th Annual General Meeting, the audited accounts of the Regional Council was adopted and from the 37th Annual General Meeting held on 31st August 1988, the audited accounts were received as in the case of the annual report being received by the members.

Until 1987, the powers to appoint the statutory auditors of the Regional Council vested with the members at the Annual General Meeting and the records of the Annual General Meeting show that an item finds a place for appointment of auditors which was from the year 1988 delegated to the Regional Council. Consequently, the agenda of the 37th Annual General Meeting held on 31st August 1988, there was no reference on the item relating to the appointment of auditors.

It was until the year 1983, the revenue and capital grants were sanctioned and sent to the branches directly by the Central Office and a reference to the minutes of the 117th Meeting of SIRC held on 4th April 1984 shows that the revenue grants would be paid by the Regional Council for which the Central Office has sent Rs. 20,000/- as initial money. However the capital grant continued to be sanctioned and sent by the Central Office to the branches of the Regional Councils.

The revenue grants are paid on a quarterly basis to the branches and a system in place at the Central Office that wherever the accounts of the Sale of Publications and its proceeds are not received by them, the revenue grant are withheld for better control of the mechanism of the publication account. The capital grant is sanctioned twice a year one on the basis of the Preliminary and the other on the basis of Revised Budget as approved by the Regional Budget and Finance Committee.

While perusing the records of the minutes of the meetings of SIRC, it was observed that the appointment of Chairmen of Branches of SICASA, besides the Chairman of SICASA was made only by the Regional Council. However presently one of the members of the Managing Committee of the Branches are nominated as Chairman of the respective branches of SICASA.

During the year, in the infrastructure front, there is a reference about the installation of PBX System during 1984-85 and in the same year, the air-conditioning was done for the Chairman Room and the Council Hall.

It is for the records mentioned in this booklet that there was a proposal for air-conditioning the Library and a reference to letter of 3rd April 1984 by then Secretary of ICAI refers to this and the extract of the letter is reproduced below. This issue was discussed under Item No. 8 (b) of the 118th Meeting of SIRC held on 24th May 1984.

“The Committee noted that as regards the air-conditioning of the libraries of the Regional Councils, there already existed a decision of the Council taken at its 92nd Meeting held in July 1980 (vide Item No. 60) where under the Regional Councils were permitted to have air-conditioning of the libraries provided no part of the capital cost was to be borne by the Institute though the cost of maintenance would be met by the Institute.”

However the air-conditioning of the library working area was done along with the air-conditioning of the other halls in the ICAI building at Madras was done in the year 2003 only.

At the 122nd Meeting of SIRC held on 25th September 1985 under Item No. 2 (earlier Item No. 5), the suggestion of Shri G. Narayanaswamy that the Central Council members from Southern Region who were the ex-officio members of the Regional Council would abstain from voting for election of office-bearers was well received. Shri G. Narayanaswamy expressed the hope that the healthy convention of abstaining from voting by the Central Council members in the election of office-bearers would be followed by the Central Council Members in future too, but, that would not however bind on them.

This reference is recorded in this booklet as there were one or two occasions when the Central Council Members chose to cast their votes in the election of the office-bearers of the SIRC.

At the 122nd Meeting of SIRC the Regional Council recommended to the Central Council for setting up of a Decentralized Office at Hyderabad as in the case of Bangalore.

While going through the records of the operation of bank account of SIRC it can be noticed that the operation of bank account was by the Administrative Head along with any one of the office-bearers of SIRC and this procedure was followed until a

Resolution was passed on 16th April 1986 whereby the operation of bank account was confined to office-bearers. However in the year 1989-90, besides the office-bearers there were two more elected members of SIRC and in 1992-93 one more elected member besides the office-bearers were authorized to operate the bank accounts of SIRC.

The concept of internal auditors came in at the 137th Meeting held on 20th September 1990. However presently the internal auditors are appointed by the Central Office both for Decentralized Office and SIRC.

A decade long journey of SIRC between the period 1983 and 1992 has many facet of important functions, infrastructure development, systematization of process of co-ordination between SIRC and its branches, amendments to Directions of Central Council regarding the functions of branches of Regional Councils by increasing the number of members to the Managing Committee, bringing the co-terminus concept of the elections to the branches, receiving the Best Branch Award thrice during the decade, computerization of the records of the members, firms and students were the hallmark of the functioning in SIRC in particular and in Southern Region in general.

The journey along in the last 40 years of the existence of the SIRC went ahead with more and more initiatives and vigor in the next decade between 1993 and 2002 to serve the cause of members and students and the society and more importantly this decade has the greatest moment of celebration when the Institute celebrated its Golden Jubilee in the year 1998 – 99 and SIRC in the year 2001-02. A detailed account of happenings in the decade spanning between 1993 and 2002 would be a fascinating reading of how the Regional Council had grown from strength to strength which would be dealt with in the next Chapter.
