ICAI DAR ES SALAAM (T) CHAPTER

NEWSLETTER

November
2024

ICAI WOFA
WORLD FORUM OF ACCOUNTANTS | 31ST JAN - 2ND FEB 2025 NEW DELHI, INDIA
Accountability Meets Innovation (AI): For A Sustainable Planet

Our social media accounts

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ICAI PRESIDENT MESSAGE

CA. RANJEET KUMAR AGARWAL
PRESIDENT
The Institute of Chartered Accountants of India

Dear Members,

I compliment the Tanzania (Dar es Salaam) Chapter of the Institute of Chartered Accountants of India for organizing the 9th Annual Conference on the theme "Business Strategies" on November 16, 2024.

Business Strategies are relevant in today's dynamic and interconnected global economy particularly in steering the organisations towards achieving their long-term goals. Further, as businesses navigate complex challenges and seize emerging opportunities, the role of chartered accountants and auditors is pivotal. They provide the critical financial insights and assurance that underpin sound decision-making, risk management, and sustainable growth. This conference will undoubtedly delve into the latest trends, technologies, and regulatory developments that are shaping the business landscape.

Our members abroad have been proving themselves in India as well as foreign soil on the basis of competence and commitment towards the profession. ICAI has always endeavoured to assist and support its members and keep them sensitized and abreast of the pressing issues and concerns for the profession, thus making them future ready as well as future fit.

The Tanzania (Dar es Salaam) Chapter of ICAI, formed in 2015 has been playing an important role for the members of the ICAI in enhancing their skills and professional knowledge by organizing Conferences like this on pertinent themes.

I compliment the Tanzania (Dar es Salaam) Chapter of ICAI for all the professional initiatives taken for the betterment of the profession and I am sure that in time to come, one will see the Tanzania (Dar es Salaam) Chapter of ICAI raising the banner of India Chartered Accountancy profession to higher level of professional excellence for the benefit of the whole stakeholder community.

I assure of my full support in all the endeavours of the Chapter in enhancing the brand image of ICAI and creating opportunities for the members.

With regards,
CA. Ranjeet Kumar Agarwal
President
The Institute of Chartered Accountants of India

MESSAGE FROM HIGH COMMISSIONER

BISHWADIP DEY
HIGH COMMISSIONER
CHIEF GUEST

विश्वदीप डे
भारत के उच्चायुक्त
BISHWADIP DEY
High Commissioner of India

सत्यमेव जयते

भारत का उच्चायोग
दारेस्सलाम
High Commission of India
Dar es Salaam

Message

06 November 2024

I am delighted to learn that Dar es Salaam Chapter of the Institute of Chartered Accountants of India (ICAI) is organizing the 9th International Conference on Digital Africa in Dar es Salaam and a souvenir is being brought out to commemorate this special occasion.

The Chapter in Dar es Salaam is a vital institution and I am pleased to note that they have continued to deliver highest standards in their professional field and in doing so remain an indispensable institution in promoting economic linkage between India and Tanzania. Your contribution to the financial world is immense and invaluable. May you continue to inspire and lead with integrity and precision.

I am sure that Dar es Salaam Chapter will continue to scale greater heights.

I convey my best wishes to ICAI Dar es Salaam Chapter and its Members for their future endeavours.

(Bishwadip Dey)
High Commissioner of India

MESSAGE FROM CPA PIUS A. MANENO

CPA PIUS A. MANENO
Executive Director, National Board of Accountants and Auditors (NBAA)

Dear Members and Participants,

It is with great pleasure that I extend my warmest greetings to all of you on the occasion of the 9th Annual Conference organized by the Dar es Salaam (T) Chapter of ICAI. This year's theme, "Business Strategies," is not only timely but critical as we navigate the complexities of a rapidly evolving global business environment.

At NBAA, we are proud of our ongoing collaboration with ICAI, and our Memorandum of Understanding (MoU) reflects our shared commitment to the development of the accountancy profession in Tanzania and beyond. Through this partnership, we have successfully supported numerous initiatives, workshops, and conferences on topics that are vital to the growth and evolution of our profession.

The 9th Annual Conference is yet another example of the collaborative spirit that drives us toward excellence. As accountants and auditors, our role in shaping effective business strategies is crucial. We are not just financial stewards but also strategic advisors who contribute to the long-term success of businesses and economies.

This conference presents a valuable opportunity for knowledge sharing, networking, and fostering a deeper understanding of how we can lead businesses towards sustainable growth. I encourage all participants to actively engage in the discussions and take full advantage of the insights that will be shared by the esteemed speakers.

On behalf of NBAA, I wish the Dar es Salaam (T) Chapter of ICAI continued success and look forward to our future collaborations that will continue to enhance the standards and capabilities of the accountancy profession in the region.

Thank you and best wishes for a successful conference.

Warm regards,

CPA Pius A. Maneno

Executive Director, National Board of Accountants and Auditors (NBAA)

MESSAGE FROM THE CHAIRMAN

CA DHARMENDRA K. AGRAWAL
Chairman
ICAI Dar es Salaam (Tanzania) Chapter

Dear Members,

As we move forward with renewed energy and enthusiasm, it fills me with pride to see the enthusiasm and participation from our members. From July till now, our chapter has successfully conducted various seminars, workshops, and networking events that have enhanced professional knowledge and strengthened our community.

I am particularly excited to remind you of the upcoming Annual Conference on 16th November, which promises to be an insightful gathering of industry leaders and professionals, focusing on the latest trends and challenges in the accounting and finance world. This event will serve as a platform for deep learning and collaboration, and I encourage all of you to attend and make the most of this opportunity.

In celebration of Diwali, our chapter has celebrated a Diwali Pooja at the temple, a moment for us to come together, offer our prayers, and celebrate the festival of lights with positivity and gratitude. It was well attended and celebrated by chapter's members and their families along with our corporate members' families.

Looking ahead, one of the most significant events on the horizon is The World Forum of Accountants (WOFA), which will take place in January 2025 in New Delhi. This global event will bring together accounting professionals from across the world to engage in discussions that will shape the future of our profession. It is a matter of great Honor that we will be hosting this prestigious forum, and I urge all members to actively participate and make the most of this global opportunity.

As we approach the end of the year, I want to express my gratitude for your continued support and engagement. Together, let us strive to elevate the profession and make meaningful contributions to our community.

Wishing you and your families a joyful Diwali and a successful year ahead!

Warm regards,
Thanking you,
CA Dharmendra K. Agrawal (Chairman)

MESSAGE FROM THE VICE CHAIRMAN

CA VIKAS SHARMA
Vice Chairman
ICAI Dar es Salaam (Tanzania) Chapter

Dear Members,

As we close another productive quarter, I am thrilled to share some highlights from our recent activities at the DSM Chapter of ICAI.

In our commitment to professional development, we organized a series of informative seminars covering diverse topics such as Power Query, Mental Health and Stress management, Block chain Strategy, LinkedIn Marketing, Data Privacy, and Insights into the Tanzania Finance Act. These sessions have enriched our knowledge and skills, preparing us for the challenges and opportunities ahead.

Additionally, we celebrated our community spirit with family sports events, including a marathon at the Indian High Commission, Dar Es Salaam, Tanzania in honor of our 75th anniversary of our Parent ICAI, Delhi(India), and a cricket match that brought our families together. We also marked the joyous occasion of Diwali with a Sundarkand Path at the temple—an inaugural event for our chapter that truly highlighted our commitment to cultural enrichment.

Looking ahead, we are excited to announce a full-day conference focusing on strategic topics, scheduled for the 2nd or 3rd week of November. Our organizing team is finalizing an impressive lineup of speakers, and I encourage everyone to participate. As we approach our 10th anniversary in January 2025, the Management Committee is brainstorming ways to make this milestone celebration a memorable event for our members and their families. Further details will be shared by the end of November.

Thank you for your continued engagement and support as we strive to diversify and enhance our offerings. Together, we are making our chapter a vibrant community.

JAI HIND, JAI TANZANIA, JAI ICAI !

Warm regards,
CA Vikas Sharma
Vice Chairman
DSM Chapter of ICAI

FINDING YOUR PURPOSE – CORNERSTONE OF GROWTH & GRATIFICATION

CA NIRLEP BHATT
EX CHAIRMAN - DOHA ICAI
BUSINESS PERFORMANCE MANAGENT

Executive Summary:

Mark Twain quoted, "The two most important days in your life, are the day you are born and the day you find out WHY." Those who live a purposeful life, tend to have more success, joy & more significantly, gratification. Having a sense of purpose also reflects positively on your goal setting & performance management. As goals, with a purpose, are likely to solidify self-belief and conviction, have an increased resilient against setbacks & have more focused approach. Purpose -driven leaders know not just what they are doing, but why, and the impact that they are having on the organization, and the organization on the world. Let's delve into the given topic. Read on.

Introduction:

Purpose is interrelated with "goals" and "meaning", but not the same as either. Goals are specific actionable aims we have, while goals can be accomplished, meaning is a broader, subjective response. Meaning occurs when we ascribe personal significance to things. Purpose, however, is less tangible. It can be described as a guiding principle that frames our sense of meaning and our goals.

According to researcher, William Damon, who wrote "A Path to Purpose", Purpose is "a stable and an over-reaching intention to accomplish something that is at the same time meaningful to the self and consequential for the world beyond the self." Your purpose can help you organize your life, give you a clear direction, and motivate you - especially when you encounter life's inevitable setbacks and disappointments. Purpose is the invisible compass that guides us through life, leading us to fulfillment and meaning. A study published in Applied Psychology found that individuals with high levels of eudemonic well-being - a sense of purpose, control and a feeling like what you do is worthwhile, tend to live longer, with better mental health.

It's a main driver to stay motivated when things get tough, so you can set and meet short- and long-term goals. And maybe most of all, it makes you feel like you are making a difference in the world. If you lack enthusiasm about future, you don't feel you are making a difference or you are not able to recognize your accomplishments, then it can be concluded that you are lacking a purpose in life. Let's identify how to cultivate purpose & take critical actions.

Here are some of the steps to find your purpose

1. Zero in on your strengths: - Ask friends, family, peers & mentors what comes to mind when they think of you and how do you & your strengths matter to them. Use their feedback, about your contribution to their lives, to think about how you can apply these attributes in a way that would give meaning to your life and the lives of others.

2. Obstacles of your life :- Think about the obstacles you have overcome. Look at the people around you, share your experiences & find ways to help who are going through the same thing.

3. Address your fears: If some of the goals of your life seem unattainable, think what's holding you back? This can be an intriguing exercise as some of them can be emotional barriers, whicle some involves logic based on your experience. Make a list of any fears that come to mind and be your own devil's advocate. Then work around these fears.

4. Purpose timeline. Your purpose need not to remain stagnant and changes over time. Think about what it was at different points in your life, with particular focus on periods of evolution or transition. Did you learn any lessons in past that you can apply to your current situation?

5. Look for role models. Are there people whose work you admire? Align your purpose with what great things you see in those who inspire, those to whom you look upto & those whose life and work you like to emulate. Consult them and if possible, be mentored by them.

6. Become a mentor and share your knowledge and skills. People often cite the encouragement and wisdom they've obtained from others who took the time to care about their careers. A mentoring relationship is a caring one that enables us to give and receive love. The relationship, interaction & exchange of ideas with mentors, can serve as catalyst in the journey of self-improvisation & finding a purpose.

7. Practice Gratitude & Self -acceptance: Inculcate & Practice growth mindset, amidst failures. Express Gratitude to your own journey and to those around you. It's worthwhile to develop mindfulness & self-awareness, to be the best version of yourselves in any given circumstance.

Purpose Driven Leadership

Purpose-driven leaders are a rare breed. What inspires them is not fame, fortune, power or traditional notions of success, but a sense of calling–something they're passionate about that goes beyond their own self-interest. They find meaning in pursuits that align with their personal values and goals.

In today's fast-paced and competitive world, it's more important than ever to lead with purpose. Purpose driven leaders can inspire their teams to not only achieve great things but also to create a positive impact on society & all stakeholders. They are able to create a culture of excellence where employees feel empowered and motivated to achieve their best. To become a purpose-driven leader, define your purpose, communicate it to your team, align your actions with your purpose, empower your team, and measure your impact. Let's see few examples of Purpose-Driven leadership.

Let's take an example of TOMS Shoes – TOMS purpose is to provide shoes to those in need. Toms Shoes grew rapidly thanks to its pioneering "One for One" business model. For every pair of shoes purchased, it donates a pair to a child in need. Tom's success is driven by Unique Giving model, Collaboration with other organizations & Customer Engagement as customers are also engaged in the company's purpose, as, they can track the impact of their purchases through the Toms Giving Tracker, and they can also volunteer their time to help the company's charitable partners.

Conclusion:-

It's a profound quote that – "life is never made unbeatable by circumstances, but only by lack of meaning & purpose". Failure to explore and nurture the purpose not only deprives us of personal fulfillment but also limits our potential to make a meaningful impact on the world. Leaders who understand the power of purpose, on the other hand, experience tangible benefits in both their personal and professional lives. When we are connected to our purpose, we are more motivated, creative, and collaborative - qualities that benefit not only ourselves but also our teams, organizations, and society.

ESG Growth in Tanzania: Paving the Way for a Sustainable Future

CA DHARMENDRA K. AGRAWAL

Chairman
ICAI Dar es Salaam (Tanzania) Chapter

In recent years, Environmental, Social, and Governance (ESG) principles have gained significant attraction in Tanzania, reflecting a global shift towards sustainable and responsible business practices. As the world grapples with climate change, social inequalities, and governance challenges, Tanzania is making commendable strides in integrating ESG criteria into its economic and development strategies.

Environmental Initiatives

Tanzania's rich biodiversity and natural resources are critical to its identity and economy. Recognizing this, the government has implemented several initiatives to promote environmental sustainability. Key among these is the establishment of protected areas and national parks, which not only conserve wildlife but also attract eco-tourism, a vital revenue stream.

Additionally, Tanzania has invested in renewable energy projects, including solar, wind, and hydropower, to reduce dependence on fossil fuels and minimize carbon emissions. The government's push for reforestation and sustainable land management practices aims to combat deforestation and land degradation, ensuring the preservation of ecosystems for future generations.

Social Progress

Social sustainability is another pillar of Tanzania's ESG growth. The government has prioritized improving healthcare, education, and social welfare systems. Initiatives such as the Tanzania Social Action Fund (TASAF) provide financial support to vulnerable communities, helping to reduce poverty and improve living standards.

Moreover, there is a strong emphasis on gender equality and women's empowerment. Various programs aim to increase women's participation in the workforce, support female entrepreneurship, and protect women's rights. These efforts contribute to a more inclusive and equitable society.

Governance Reforms

Good governance is essential for sustainable development, and Tanzania has undertaken significant reforms to enhance transparency, accountability, and efficiency in both the public and private sectors. The government has strengthened regulatory frameworks to ensure that businesses adhere to ethical practices and ESG standards.

Anti-corruption measures have been intensified, with the establishment of the Prevention and Combating of Corruption Bureau (PCCB) playing a crucial role in promoting integrity and trust. Additionally, public sector reforms aim to improve service delivery and foster a culture of accountability and responsiveness to citizens' needs.

ESG Growth in Tanzania: Paving the Way for a Sustainable Future

Government Actions Driving ESG Growth

1. Policy Frameworks and Legislation: The Tanzanian government has introduced various policies and regulations to support ESG initiatives. The Environmental Management Act and the National Strategy for Gender Development are examples of legislative efforts to address environmental and social issues.

2. Public-Private Partnerships (PPPs): Collaborations between the government and private sector have been pivotal in driving ESG growth. PPPs in infrastructure development, renewable energy projects, and social programs have proven effective in leveraging resources and expertise.

3. Incentives for Sustainable Practices: To encourage businesses to adopt sustainable practices, the government offers incentives such as tax breaks, grants, and subsidies for green technologies and sustainable projects.

4. Capacity Building and Awareness: Educational campaigns and training programs aim to raise awareness about ESG principles among businesses, communities, and policymakers. These initiatives help build the necessary skills and knowledge to implement sustainable practices effectively.

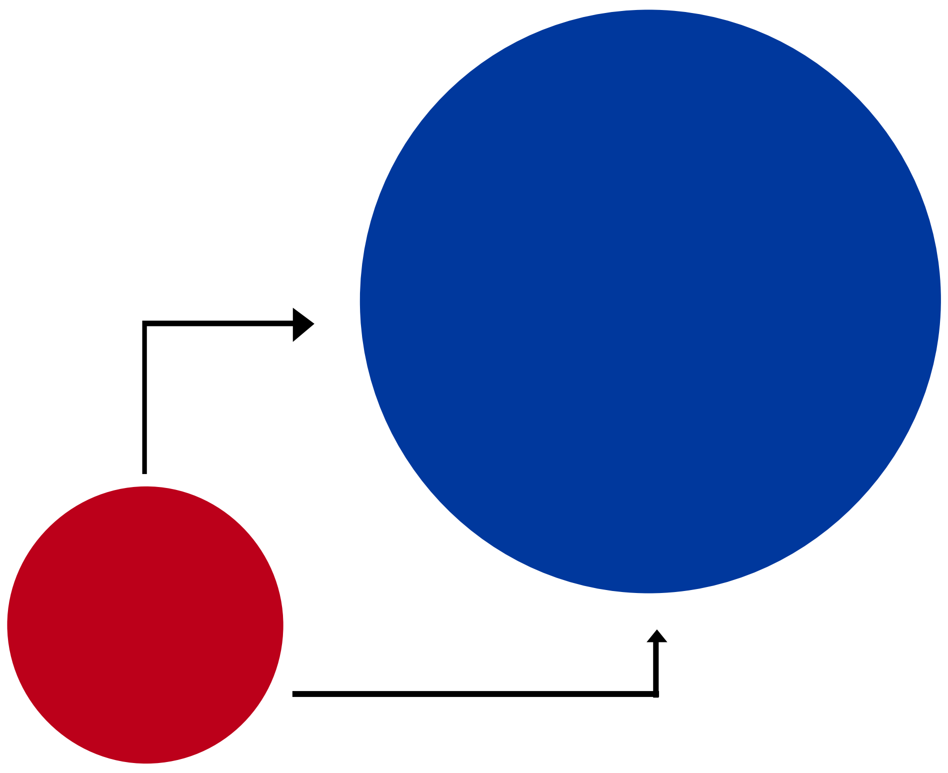
Conclusion

Tanzania's commitment to ESG principles is evident in its proactive approach to environmental conservation, social development, and governance reforms. As the country continues to integrate ESG criteria into its development agenda, it sets a positive example for other nations in the region. The collective efforts of the government, private sector, and civil society are crucial in ensuring a sustainable and prosperous future for Tanzania.

CA Dharmendra K. Agrawal
Chaiman
DSM Tanzania Chapter of ICAI

BLUE OCEAN STRATEGY

CA BINU PAUL



BLUE OCEAN STRATEGY is the simultaneous pursuit of differentiation and low cost to open up a new market space and create new demand. It is about creating and capturing uncontested market space, thereby making the competition irrelevant. It is based on the view that market boundaries and industry structure are not a given and can be reconstructed by the actions and beliefs of industry players.

WHAT ARE RED OCEANS AND BLUE OCEANS?

In their classic book, Blue Ocean Strategy, Chan Kim & Renée Mauborgne coined the terms 'red ocean' and 'blue ocean' to describe the market universe.

RED OCEANS are all the industries in existence today – the known market space. In red oceans, industry boundaries are defined and accepted, and the competitive rules of the game are known.

Here, companies try to outperform their rivals to grab a greater share of existing demand. As the market space gets crowded, profits and growth are reduced. Products become commodities, leading to cutthroat or 'bloody' competition. Hence the term red oceans.

BLUE OCEANS, in contrast, denote all the industries not in existence today – the unknown market space, untainted by competition. In blue oceans, demand is created rather than fought over. There is ample opportunity for growth that is both profitable and rapid.

In blue oceans, competition is irrelevant because the rules of the game are waiting to be set. A blue ocean is an analogy to describe the wider, deeper potential to be found in unexplored market space. A blue ocean is vast, deep, and powerful in terms of profitable growth.

BLUE OCEAN STRATEGY VS RED OCEAN STRATEGY

Learn the key differences between Red ocean and Blue ocean Strategy.

RED OCEAN STRATEGY	BLUE OCEAN STRATEGY
Compete in existing market space	Create uncontested market space
Beat the competition	Make the competition irrelevant
Exploit existing demand	Create and capture new demand
Make the value-cost trade-off	Break the value-cost trade-off
Align the whole system of a firm's activities with its strategic choice of differentiation or low cost	Align the whole system of a firm's activities in pursuit of differentiation and low cost

TANZANIA'S JOURNEY OF ECONOMIC GROWTH AND ITS BUSINESS ENVIRONMENT

CA KAPIL GARG

Tanzania, a nation rich in natural resources, diverse ecosystems, and vibrant cultures, has undergone significant transformation since its independence in 1961. From a largely agrarian economy to one that's diversifying into sectors like mining, tourism, and energy.

Let's look at Tanzania's evolution and its business landscape.

Early Economic Foundations (1960s–1980s)

After gaining independence, Tanzania's first president, Julius Nyerere, implemented a socialist economic model known as "Ujamaa," or African socialism. Ujamaa focused on self-reliance, nationalizing industries, and collectivizing agriculture to foster a more equal distribution of resources. It promoted social cohesion, economic growth slowed as state-owned enterprises (SOEs) often struggled with inefficiency and underperformance. Foreign investment was limited, and Tanzania's economy remained heavily dependent on agriculture, with few avenues for diversification. Agriculture contributed nearly half of Tanzania's GDP during this period, with coffee, cotton, and tea as major exports. However, without significant industrial development, economic growth stagnated.

A Shift Towards Market Liberalization (1990s)

By the late 1980s, the limitations of the socialist model prompted Tanzania to adopt economic liberalization policies. Under pressure from international institutions, our country began moving towards a free-market economy. The government started privatizing state-owned enterprises and relaxing regulations, opening the doors for private and foreign investments. This shift marked a turning point, enabling Tanzania to tap into new economic sectors. The 1990s saw an influx of investments, particularly in mining and manufacturing. Tanzania's vast mineral wealth, especially in gold, became a significant attraction for investors. Tanzania joined the East African Community (EAC) and other regional organizations, fostering trade ties with neighboring countries and boosting export potential.

Rapid Growth and Structural Reforms (2000s)

With the economy opening up, Tanzania entered a period of rapid growth. The government implemented structural reforms to enhance the business environment and attract foreign direct investment (FDI).

Gold mining became one of the largest industries, placing Tanzania among Africa's top gold producers. Foreign companies, including Barrick Gold and AngloGold Ashanti, established large mining operations, creating jobs and increasing export revenue.

Globally known for Mount Kilimanjaro, the Serengeti, and Zanzibar, Tanzania's tourism sector flourished in the 2000s, becoming a top source of foreign exchange. Hotels, tour operators, and safari businesses thrived as the government focused on promoting the country as a top African destination.

Recognizing the need for infrastructure to support growth, Tanzania invested in roads, ports, and electricity, paving the way for businesses to expand and connect with regional and international markets.

Emerging Opportunities and Challenges (2010s)

As Tanzania's economy continued to grow, the government aimed to transform Tanzania into a middle-income country by 2025, launching initiatives to attract investment in manufacturing, energy, and digital sectors. Tanzania launched industrialization strategies to reduce dependence on raw exports and promote value-added industries. Local and foreign companies invested in manufacturing, especially in textiles, food processing, and construction materials.

With recent discoveries of natural gas, Tanzania began exploring its potential to become a regional energy hub. Investments in natural gas infrastructure, pipelines, and renewable energy attracted multinational firms and enhanced power access in rural areas. During this time, the Tanzanian government increased regulations in the mining and energy sectors, aiming for more equitable resource distribution. While this policy shift helped Tanzanians gain more from their natural resources, it created challenges for foreign companies that needed to adapt to stricter local regulations and higher taxes.

Current Trends and Future Outlook (2020s and Beyond)

Tanzania's business landscape in the 2020s is shaped by a balance between economic growth, regulatory stability, and increasing demand for infrastructure and technology. With a strong population growth rate, the need for job creation, urbanization, and economic inclusivity are central to Tanzania's plans.

Tanzania's digital economy is taking off, with a rise in mobile banking, e-commerce, and fintech services. The government has prioritized digital infrastructure to support innovation, and Tanzanian tech startups are gaining traction in both local and international markets.

To combat climate change and secure energy resources, Tanzania is promoting renewable energy, including solar and wind projects. Both government policies and private investment are driving a green energy transition.

Tanzania is strengthening its trade relationships within the East African Community (EAC) and other African free-trade agreements. These partnerships improve access to larger markets and support the growth of Tanzanian exports in agriculture, textiles, and processed goods.

Major projects, including the Standard Gauge Railway (SGR) and the Bagamoyo Port development, signal a commitment to improving logistics and transportation, fostering more efficient trade. Urbanization is also creating new demand for real estate, retail, and urban services.

Challenges Facing Businesses in Tanzania

While opportunities abound, businesses in Tanzania still face several challenges:

Though Government is making all efforts to smoothening the environment for businesses and investors,

Regulatory complexities, especially around land acquisition, tax compliance, and import-export procedures, sometimes slow down business operations. Tanzania has sometimes experienced policy changes that impact certain sectors such as mining and energy.

High borrowing costs and stringent lending criteria make financing difficult, especially for small and medium-sized enterprises (SMEs).

Despite improvements, rural infrastructure still lags, impacting logistics and agricultural businesses.

Roadmap

Tanzania's business environment is expected to continue evolving, with a focus on sustainable development, industrialization, and inclusive growth. As the government supports infrastructure projects and policy reforms, businesses can expect better opportunities to thrive in sectors such as renewable energy, digital services, and manufacturing.

Conclusion

The evolution of Tanzania from a socialist economy to a diverse and rapidly growing market has been marked by resilience, strategic shifts, and adaptability. As Tanzania strives toward middle-income status, it offers a dynamic environment for businesses ready to contribute to and benefit from this transformation. With a young population, rich resources, and an expanding market, Tanzania is on a promising path for businesses that can navigate its unique challenges and embrace its opportunities.

So we heartily welcome you to beautiful Tanzania – A Land of Opportunities.

Complied by:

CA Kapil Garg

B Com, FCA, CPA (T) DipIFR

Past Chairman of DSM (T) Chapter of ICAI

(Years 2018, 2019 and 2021)

Partner at Balakrishna Sreekumar & Co,

Certified Public Accountants.

"How Mid-Level Finance Professionals Can Break Through to the C-Suite —and Succeed"

CA SURENDRA TADIKAMALLA
Secretary ICAI Dar es salaam (Tanzania) Chapter

Introduction

Technical expertise can go you far in finance—but only so far. The journey from mid-level management to C-suite positions (such as CEO/CFO/CAO/COO) requires more than just financial knowledge. It takes leadership, strategic vision, and the capacity to drive change throughout an organization. Despite years of hard work and effort, many mid-level financial professionals fail to make this transition because they are still focused on operational responsibilities. In today's business environment, top executives must excel at strategic thinking, decision-making, and inspiring others."

The transition from mid-level management to leadership requires a fundamental shift in mindset and approach. In the initial phase of a finance career, there is a greater emphasis on technical competence, which includes mastering accounting principles, regulatory compliance, and financial reporting. However, these skills alone do not guarantee career growth from mid-level to executive suite positions. As you advance in your career, the dynamics of what organizations value shift significantly.

Companies no longer just need an accountant or outstanding financial analyst at the top level. They require leaders with the ability to think strategically, make business decisions, and innovate in a rapidly changing environment. Many mid-level professionals fail at this point. They frequently lack leadership qualities like vision, strategic thinking, and the capacity to motivate others, despite having spent most of their talents on operational duties and financial management.

Another major reason is that most mid-level finance professionals receive little to no formal training in the leadership and strategic skills required for these top roles. As a result, many find themselves excelling at managing financial operations but are unprepared to take on the broader responsibilities of a C-suite executive or top-level positions.

This article explores the specific challenges that hinder mid-level finance professionals from reaching the C-suite and provides practical solutions to overcome these obstacles.

Challenges

The main challenges and possible solutions to reaching the top level, like C-suit jobs, include:

1.The Comfort Zone problem

One of the major obstacles to professional growth is the comfort zone trap. Many mid-level professionals become comfortable in their existing roles and responsibilities. They know the processes and systems, as well as the day-to-day tasks. While this stability can be appealing, it also leads to stagnation. Growth happens when you take on new challenges, step outside of familiar routines, and push yourself to acquire new skills.

Solution

To reach a top position in your professional career, one has to step out of their comfort zone and challenge yourself to learn new skills and explore different areas of the business.

Example: If you've been concentrating on internal reporting, look for opportunities to participate in strategy discussions or cross-functional projects. This will increase your exposure to new opportunities and show top management your adaptability.

Actionable strategy

Set a goal to attend strategy meetings or join a project outside your department within the next quarter. This exposure will increase your understanding of the broader business

2. Overemphasis on current job responsibilities

Many mid-level finance professionals frequently find themselves occupied with operational tasks such as managing the month-end process, compliance, or handling financial reports. These responsibilities, while important, can prevent professionals from focusing on strategic initiatives or leadership development. Time management becomes a major challenge, as there are only a few hours in the day.

Solution

Use automation tools to streamline routine tasks and empower junior team members to take ownership of specific areas. This allows you to focus on higher-level priorities, such as leadership development and strategic planning.

Example: Use software to streamline financial reporting and encourage junior team members to take ownership of routine tasks. This will allow you to focus on projects that require strategic thinking and leadership involvement.

Actionable strategy

Identify one financial process that you spend lot of time on every month (example month end reports). Research and implement an automation tool (like Power BI/RPA/NetSuite) within the 4 months and delegate part of this process to your junior team. Reinvest the free time into strategic projects.

3. Underdeveloped leadership skills

While technical proficiency can elevate finance professionals to mid-level roles, leadership development distinguishes individuals who go beyond mid-level jobs. Many mid-level professionals prioritize operational responsibilities and often undervalue the leadership skills that will be necessary for higher-level positions.

At the executive level, leadership is much more than just managing a team; it's also about inspiring people, creating a vision, and implementing change. Leadership qualities such as emotional intelligence, strategic thinking, and decision-making are frequently lacking in mid-level professionals. It is challenging to show competence for an executive position without these abilities.

Solution:

Develop key leadership skills such as emotional intelligence, decision-making, and strategic thinking. Executive training, mentorship, and real-world experience can help develop these.
Example: Lead a cross-functional team through a significant change initiative, where you not only manage the financials but also assist the team through the transition, promoting teamwork and shared vision.

Actionable strategy

Identify one leadership skill (e.g., emotional intelligence, decision-making, or effective communication) that you feel needs development. Enroll in an executive training course (e.g., from LinkedIn, Coursera or a university executive program) or seek mentorship from a senior leader within the next 3 months

4. Resistance to change

The financial environment is changing quickly as a result of market dynamics, laws, and technology improvements. Professionals who refuse to adopt new technologies or remain with traditional methods face the risk of falling behind.

It's critical for mid-level financial professionals to stay up to date on changes in the industry. This involves accepting the digital transformation, learning about financial technology (such as blockchain and artificial intelligence), and adjusting to new business practices. Ignoring this could make you seem disconnected and less prepared for leadership responsibilities.

Solution

Be proactive in learning new skills, adopting financial technologies, and staying informed about regulatory changes. Embrace digital transformation as an opportunity to improve efficiency and position your organization ahead of competitors.

Example: Familiarize yourself with blockchain technology and its implications for financial reporting and audit processes. By adopting new tools early, you demonstrate innovation and preparedness for future industry shifts.

Actionable strategy

Pick one new trend or technology that's emerging in the financial industry (e.g., blockchain or AI). Enroll in a webinar or short course to deepen your understanding of how this trend will impact your field. Then, propose how your company could adopt this technology to enhance efficiency or innovation.

5. Limited Networking

Networking is a powerful tool for career growth, yet many mid-level professionals neglect it. Lacking a strong professional network, it's difficult to gain access to new opportunities, receive mentorship, or get support from influential figures within or outside the organization.

Many professionals are so focused on their current roles that they fail to invest time in building relationships that could help them grow. A strong network can provide access to new opportunities, provide professional guidance, and offer exposure to different parts of the company.

Solution

Attend industry events, join finance-related organizations, or engage in online communities. You never know when a connection might lead to a new job offer, project, or mentorship opportunity that can help elevate your career. This increases your visibility and enhances your professional brand within your sector.

Actionable strategy

Attend at least one finance-related networking event within the next 60 days. Set a goal to connect with five professionals in your industry and follow up with them on LinkedIn. Over time, develop these relationships by sharing insights, exchanging ideas, or exploring collaboration opportunities.

6. Lack of continue learning

Another factor leading to stagnation is a lack of commitment to continuous learning. Many finance professionals believe that once they have their degrees and qualifications, they've learned enough. However, C-suite executives are often characterized by their interest and dedication to personal growth. They stay informed about industry trends, take on new learning opportunities, and continuously improve their skills.

For mid-level professionals, continuous learning—whether through seminars, executive programs, or self-study—is essential for staying competitive and proving your ability to adapt to future business needs.

Solution

Regularly participate in executive education programs or leadership development workshops to enhance your skills and expand your knowledge in areas such as digital transformation or corporate governance.

Actionable strategy

Sign up for an executive education course in areas such as digital transformation, leadership, or strategic management by the end of this quarter if financially feasible. If a course isn't possible, commit to reading one industry-related book per quarter to stay on top of trends.

7. Failure to build a personal brand

In today's professional world, personal branding is as essential as the work you do. Many mid-level finance professionals fail to promote their own achievements or develop a personal brand that highlights their unique value. Personal branding involves more than just self-promotion—it's about positioning yourself as a thought leader, a strategic thinker, and a trusted advisor in the organization.

Those who don't actively build their brand may become invisible to key decision-makers, missing out on opportunities for advancement. Speaking at conferences, writing industry articles, or taking on high-visibility projects can help you to enhance your profile and demonstrate the leadership qualities needed for a C-suite role.

Solution

Use platforms like LinkedIn to share insights on industry trends or write articles that showcase your expertise. Attend conferences or webinars as a speaker or panelist. This visibility can position you as a thought leader in your field.

Actionable strategy

Write and publish an article on LinkedIn (or an industry journal) within the next three months. Focus on an emerging trend in finance or share insights from a recent project you led. Establish yourself as a thought leader by consistently sharing valuable content related to your field.

In addition to the approached outlined above, mid-level professionals should also focus on the following strategies :

1. You need to prepare your own SWOT analysis.

Once a person decides to upgrade or achieve growth in their professional career, they should conduct a personal SWOT analysis (Strengths, Weaknesses, Opportunities, and Threats). This helps you understand your career status and what you need to improve. Perform this SWOT analysis annually to keep your strengths, weaknesses, opportunities and threates up to date as your career evolves

For example, you may discover that, while you excel in financial analysis (strength), your leadership abilities require improvement (weakness). Perhaps there are new trends in financial technology (opportunity) or an organizational change that will affect your function (danger). The idea is to capitalize on your strengths and improve your weaknesses while remaining aware

2. Seek out mentorship

Mentorship is one of the most potent instruments you can use for professional advancement. Finding the proper mentor, especially someone who has already taken the path to a C-level role, can help you move quickly toward executive leadership. You can gain essential insights, counsel, and knowledge from a mentor's extensive business experience.

A mentor can offer you insightful feedback that others may be reluctant to provide. This can be essential in identifying your blind spots—whether it involves improving your communication style, strengthening your strategic perspective, or elevating your leadership presence.

Imagine you are a mid-level finance manager aiming to transition into a CFO position. Engage with a senior executive within your organization or a contact in your professional network who has effectively managed this transition. During your discussions, your mentor could share their experience transitioning from a number-focused role to a strategic partner for the CEO. They might provide insights on how they developed the skill of swaying board members or how they managed collaboration across departments.

3. Develop relevant soft skills:

One of the most overlooked aspects of career growth is the development of soft skills. Schools typically do not teach soft skills, unlike technical skills, which you can learn through formal education and experience. However, they are critical for leadership roles, especially at the C-suite level. As mid-level finance professionals aim for executive positions, mastering these skills becomes a game changer. Soft skills, including strategic thinking, emotional intelligence, communication & influence, team management, and motivation, are pivotal in distinguishing top leaders.

Strategic thinking: Finance is not just preparing financials or the bottom line anymore. Companies are expecting finance professionals to be part of key business decisions. Finance professionals need to develop strategic thinking. It's all about understanding the bigger picture, anticipating market shifts, aligning finance goals with company goals, and providing key insights for critical decision-making. Professionals at the mid-level do not possess this leadership ability, which prevents them from ascending to the highest positions.
Communication and Influence: Effective communication is one of the major hurdles for mid-level professionals to reach C-suite jobs. Finance professionals should be able to explain their ideas and financials to convince or influence the stakeholders, including the CEO, board of directors, investors, suppliers, and so on. Often, professionals fail to develop this crucial skill for a C-suit level job.

Team management and motivation: As you advance from mid-level to top-level positions, you must lead teams and collaborate with individuals from various departments. This includes motivating team members to achieve a common goal, creating a collaborative environment, and effectively delegating tasks.

Emotional intelligence (EQ) is one of the most vital, yet often underdeveloped, soft skills in leadership. In the C-suite, your success depends not only on your intelligence but also on your ability to manage relationships, understand emotions, and handle high-pressure situations with composure. It involves self-awareness, empathy, building relationships, handling conflicts, and resilience under pressure.

Developing EQ allows leaders to effectively manage team dynamics and handle high-pressure situations. Research shows that 90% of top performers have high emotional intelligence

4. Enhance business knowledge

To successfully transition from mid-level roles to the C-suite, finance professionals must develop a deep understanding of the overall business and how it operates. While technical expertise in finance is critical, what differentiates top leaders is their ability to connect financial strategies to the broader business context. This includes understanding how the company makes money, competes in the market, and has growth or improvement potential.

At the most basic level, every company exists to generate revenue. However, finance professionals need to go beyond just knowing how much money is coming in—they need to understand the underlying drivers of that revenue. This includes identifying key revenue streams, customer segments, and product or service offerings that bring in the most profit. By understanding these factors, finance professionals can make more informed decisions that support the company's financial health and long-term sustainability.

Example: If you're working at a manufacturing company, it's not enough to know the total sales revenue. You need to dig deeper and understand which product lines are the most profitable, what drives customer demand, and how pricing strategies impact revenue. With this knowledge, you can work with the sales and marketing teams to adjust pricing or focus resources on high-performing products to boost overall profitability.

5. Develop a strategic perspective.

In today's rapidly evolving financial landscape, developing a strategic perspective is essential for mid-level finance professionals aiming to reach C-suite roles. The ability to look beyond day-to-day operations and anticipate future trends, challenges, and opportunities is what sets successful leaders apart. A strategic mindset enables you to align financial decisions with the long-term goals of the organization, helping to drive growth and sustainability.

A strategic perspective involves staying informed about emerging trends that could impact the finance sector or your specific industry. The world of business is constantly changing due to advancements in technology, regulatory changes, economic fluctuations, and shifting consumer behaviors. Finance leaders who can anticipate these shifts and adjust their strategies accordingly are better positioned to lead their organizations through uncertainty.

Example: In the era of digital transformation, a finance professional who recognizes the impact of automation and artificial intelligence on accounting processes can proactively invest in new technologies. By doing so, they can streamline operations, reduce costs, and position the company as a leader in efficiency, rather than reacting to changes after competitors have already adapted.

Conclusion

Breaking into the C-suite is more than just a professional achievement; it's about changing your leadership, thinking, and value proposition. By implementing these strategies, mid-level financial professionals can not only succeed but prosper as strategic leaders. Success is more than simply being at the right place at the right time; it is about creating that opportunity through determination, preparation, and leadership. With the appropriate mindset, skill set, and personal brand, the C-suite will not only be attainable; it will become your next goal.

Future of Audit in the Artificial Intelligence Era

CA RAJESH AGGARWAL

When all professionals are pondering the future store for them after the advent of AI, let us very briefly sail through the past of audit and gradually move from the present to the future of this profession. Truly, from the advent of AI, every auditor or even others in the profession seems to be somewhat worried and thinking about the future of the audit profession. Someone rightly said that the world of auditing stands at a crossroads. Artificial intelligence (AI) is rapidly transforming industries, and its impact on auditing is undeniable. While some envision a future dominated by AI algorithms crunching numbers and issuing automated reports, others believe human expertise will remain paramount. This paper delves into the contrasting perspectives of present-day auditors and AI on the future of audit, exploring the potential impact of AI and the critical role human auditors will continue to play.

Introduction

The history of audit shows how societies have sought to ensure financial accountability. From rudimentary checks in ancient times to the sophisticated techniques used today, the core principle remains: to build trust and transparency in financial reporting. Today, auditing continuous to evolve and technology is playing more prominent role with auditors.

Benefits of AI & Limitations of AI

Let us see some benefits as well as limitations of present age AI with some empirical studies.

BENEFITS OF AI:-

1. Data Analytics: AI algorithms can analyze vast amounts of structured and unstructured data to identify patterns, anomalies, and trends that may indicate potential risks or errors. Let us see how AI algorithm analyze vast data and how predictive analysis is done by AI with five examples.

Example 1.

Suppose, a hospital wants to predict which patients are at risk of developing some sort of life threating condition based on given symptoms of blood pressure, sugar etc. Manually, scrolling though excel data and doing analysis is a time-consuming task and even subject to experience of doctors.

AI can process millions of data with utmost accuracy. AI will automatically create data points, like in above example connecting patients having both blood pressure and sugar to form a group having similar cases of liver damage in near future. AI can also correlate that which drug proved effective to prevent liver damage and which drug proved ineffective.

Example 2.

Suppose, I am auditing a large online retailer. I am reviewing past transactions to identify suspicious activity. But what if I can predict potential fraud before it happens?

AI can help in this matter to some extent. AI is trained to analyze and identify in large data for distinguish between patterns of fraudulent transactions and genuine transactions. Transactions which are fraudulent general follow a trend like unusual purchasing time, diverting large orders to new address, specific product linked to fraud. Once trained, the AI immediately recognize and trigger a transaction in real time.

Some predictive analytical outcome of AI can be: -

- Majorly orders placed during last 16 years at 3 am had 30% cases of being fraud.
- Majorly orders tagged with given mail id or having specified mail extension, proved to be fraud.
- Majorly items ordered through the given pin code or location proved to be fraud.

Needless to mention that the above analysis done by AI can help any Organization from huge financial losses. Greater internal control can be placed to prevent such occurrence.

Example 3.

An auditor while reviewing quotations obtained from parties by purchase department and preparations of comparative statement of quotations, may need to go through multiple emails given to various vendors. It is a tedious job and subject to human error.

Data analytics can help auditors in above scenario. AI algorithm can be trained to identify specific details from emails like vendor name, product specifications, quantities and price. AI can also categories email based on predefined criteria, separating purchase quotes emails from other types of emails.

Example 4

Civil work contracts are complex documents having project scope, material, labour cost, and timeliness. Every auditor knows that comparing these details are time consuming. Moreover, all contracts may not have same parameters which may have been intentionally or unintentionally omitted by contract cell.

AI can be suitably trained to identify and extract key information from the text, like project specification, pricing breakdown, and contractual terms. Missing information's, comparatives can suitably be handled by auditors after this analysis done by AI.

Moreover, AI can refer old contractual terms with new one and provide detailed analysis on same w.r.t whether applicability of such terms would be beneficial for Organization or not.

Example 5

Suppose, an auditor wishes to analysis overtime of 10000 workers. AI powered data analytics can be a powerful asset for analyzing the overtime of 10000 workers. AI can be connected to payroll system to extract relevant employee and overtime data. AI can identify and handle inconsistencies or errors in data, such as missing entries or invalid overtime hours. Beside handling multiple audit issues related to overtime, AI can build an interactive dashboard for auditors. It can help auditors drill down specific areas of concern. Data driven results can help auditors in providing recommendations for more cost effective and cost saving scenarios.

3. Natural Language Processing (NLP): Traditionally, while reviewing financial statements an auditor has to manually shift through pages to identify potential risks. NLP techniques enable machines to interpret and understand human language, facilitating the analysis of textual data such as financial statements, contracts, and audit reports. Thus, it has capacity to extract meaningful conclusions from a query provided by humans in text form. Thus, if helps to speed up a task assigned to it.

4. Robotic Process Automation (RPA): RPA automates repetitive tasks and processes, such as data entry and reconciliation, freeing up auditors' time to focus on higher-value activities.

For example, an auditor may wish to compare inventory data from company's warehouse management system with that of the accounting system. A RPA bot can be set up automatically to download the data from both the systems, compare them and flag the discrepancies for further review by auditor.

Limitations Of Ai And What Ai Cannot Do In Audit

Limitations of AI in Audit Environments

- **Black Box Problem:** Many AI algorithms function as "black boxes," meaning their decision-making processes are opaque. This lack of transparency makes it difficult for auditors to understand how AI arrives at conclusions, potentially hindering audit justification and raising concerns about explainability. Regulatory bodies may require explanations for AI-driven audit findings, which can be challenging without clear insights into the algorithm's reasoning.Data Dependence: AI is only as good as the data it's trained on. Biased, incomplete, or inaccurate data can lead AI tools to generate misleading or erroneous results. Auditors must carefully evaluate data quality and implement controls to ensure AI algorithms are fed with reliable information. This includes addressing potential biases within historical data that might skew AI's risk assessments.

- **Focus on Patterns, Not Judgment:** AI excels at identifying patterns and anomalies in large datasets. However, it lacks the human ability to apply judgment, interpret complex situations, and assess the going concern assumption, which is a crucial aspect of audit opinion formation. Auditors still need to exercise professional skepticism and critical thinking when evaluating AI-generated risk assessments.
- **Limited Creativity and Adaptability:** AI struggles with situations outside its training parameters. It may not be able to adapt to novel situations, identify previously unseen risks, or respond effectively to unexpected changes in the client's business environment.

- **Ethical Considerations:** The use of AI in audits raises ethical concerns regarding bias and fairness. Algorithms trained on historical data may perpetuate existing biases, leading to discriminatory outcomes. Auditors must be vigilant in identifying and mitigating potential bias within AI tools. Additionally, the use of AI for continuous monitoring could raise privacy concerns, requiring careful consideration of data security and ethical implications.

Let us discuss some examples to demonstrate what AI cannot do.

Example 1. An engineer taking bribe to certify work completion.

AI currently cannot directly address the issue of an engineer certifying work completion by taking a bribe. AI excels at identifying patterns and anomalies within data, but detecting a bribe requires understanding human intent and the nuances of human behavior, which is beyond the capabilities of current AI technology. However, AI can be a valuable tool for auditors and project managers to indirectly identify potential red flags that might warrant further investigation.

Example 2.

One time purchase of paint was made amounting USD 25000 for painting entire factory building, campus etc. All documentation for incoming and issues were done properly and with appropriate authorization. However, instead of applying paint to factory building was applied to the local politician's house. All paperwork done properly for intentional misappropriation by everyone.

AI cannot detect the paint diversion in such case. Only, human auditor can raise query that if paint of considerable value were purchased and issued why the factory walls still remains unpainted.

Example 3

A corporate house prepared a menu chart that daily 6 different items will be served in lunch and dinner to employees at concessional rates. Accordingly, budget was made and approved for the year. However, later Unit management served 2 items to employees. AI cannot detect that instead of 6 different items as per menu card only 2 items are being served to employees.

Example 4

Every month INR 25 lakhs are being paid for housekeeping activities by a big Corporate House. Contract copy states 45 such areas which needs to be cleaned. Actually only 5 areas are cleaned while payment is made by false certification that all 45 areas are cleaned as per work order. AI cannot detect where 5 areas or 45 areas are cleaned. Human oversight and investigation are required to prove lapses in cleaning protocols.

Example 5

Reimbursement to employees is being made by certain Corporate Houses for purchase of professional books and newspapers amounting Rs60000 per year. However, it is subject to providing of original invoice by employee. Certain set of employees ordered books and return the courier thus getting full refund while submitted the online invoice generated for getting reimbursement. AI cannot detect whether the employee is having possession of books for which he is getting reimbursement.

Of course, in all of the above cases AI can act to a limited extent, like purchasing books from company approved vendors only however AI need to work in conjunction with human oversight and investigating skills to uncover and prevent potential abuse of laid down policies.

Changes required in the existing standards/guidance notes/manuals etc. aligning with AI

A question will necessarily occur as to whether there is any need to make suitable changes in existing accounting and audit standards/guidance notes/manuals etc. issued by various Professional bodies across the world?

I believe, the answer is YES. Here's how AI might impact auditing and the standards that govern it:

Increased Focus on Data Quality and Governance:

- AI relies heavily on data quality for accurate results. Existing standards might need to emphasize stricter data governance practices, including data collection, storage, and access controls. Auditors will need to assess the quality and integrity of the data used by AI tools.

New Skills for Auditors:

- While AI automates tasks, auditors will require new skillsets. Understanding AI capabilities, limitations, and potential biases will be crucial. Standards might incorporate guidelines for selecting appropriate AI tools for specific audit procedures.

Transparency and Explainability:

- The "black box" nature of some AI systems can create challenges. Standards might require auditors to understand how AI arrives at its conclusions and ensure these are documented for review. This promotes transparency and allows for human judgment to be applied when needed.

Focus on Risk Assessment:

- AI excels at analyzing vast amounts of data to identify anomalies and potential risks. Auditing standards could be revised to leverage AI for risk assessments, allowing auditors to focus their efforts on high-risk areas.

Evolving Continuous Auditing:

- Real-time data analysis is a strength of AI. Standards might evolve to incorporate continuous auditing techniques, where AI constantly monitors transactions and flags potential issues for human auditors to investigate.

Standardization for AI Tools:

- As AI tools become more prevalent, establishing standards for their development and use in audits might be necessary. This could ensure consistency, reliability, and mitigate the risk of bias in AI-driven audit results.

Collaboration Between Humans and AI:

- Standards might emphasize the importance of collaboration between human auditors and AI. Human expertise remains crucial for professional judgment, interpreting results, and ensuring overall audit quality.

The specific changes to auditing standards will depend on how AI is ultimately integrated into the auditing process. However, existing standards will need to adapt to this evolving landscape.

Ethics in AI

There isn't a worldwide single Ethical standard for AI. The United Nations Educational, Scientific and Cultural Organization (UNESCO) adopted the first-ever global standard on AI ethics in November 2021. This "Recommendation on the Ethics of Artificial Intelligence" is a non-binding framework, but it represents a significant step towards international consensus. The recommendation outlines key principles for ethical AI development and deployment, emphasizing concepts like human rights, fairness, transparency, and accountability.

National and Regional Efforts:

Many countries and regional blocs are also developing their own AI ethics frameworks. The European Union (EU) has a proposed AI Act that includes ethical considerations, and other countries like China and the United States have issued their own guidelines. These efforts highlight a growing global recognition of the need for ethical guardrails around AI.

Challenges and Considerations:

While these developments are promising, there are challenges to achieving a truly worldwide ethical standard for AI. Different countries have varying priorities and political systems, which can complicate reaching a unified agreement. Additionally, the rapid pace of AI development makes it difficult to establish a static set of rules.

The Road Ahead:

Despite the challenges, the international community is actively engaged in discussions around AI ethics. Organizations like UNESCO, along with collaborations between governments, tech companies, and ethicists, are paving the way for a more ethical future of AI.

Conclusion: -

The future of auditing lies in a harmonious marriage of human expertise and artificial intelligence (AI). Traditional audit methodologies, built on experience and professional skepticism, will continue to hold value. However, the integration of tailor-made AI tools offers the potential to revolutionize the process, making it more efficient, insightful, and ultimately, more effective. This document explores the ideal future state where AI and traditional audits merge to create a robust and future-proof auditing ecosystem.

We conclude with words of wisdom from Stephen Covey (Author of several books including 7 Habits of Highly Effective People): "Remember technology is a great servant but a terrible master."

Mankind will always need to apply judgement over results extracted through artificial intelligence. CA's and not AI will be held responsible for gross negligence in duty under CODE OF ETHICS of ICAI even after advent of AI, in near future. "Auditors relied upon data extracted from AI for their audit conclusions" will not be tenable anywhere!

So let us embrace the full potentiality of AI and use it to assist us while at the same time upholding our professional judgement to arrive at any audit opinion

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Besides above, author had referred various freely available online material on the topic and compared AI relationship in correlation with the audit..

TANZANIA BUDGET AND CA DAY

ICAI DSM Chapter Tanzania Celebrates 76th ICAI Anniversary and Hosts Belated CA Day with a Discussion on Tanzania's Budget 2024-25

On 5th July 2024, the Dar es Salaam (DSM) Chapter of the Institute of Chartered Accountants of India (ICAI) in Tanzania organized a grand event to commemorate the 76th anniversary of the ICAI. This event also served as a belated celebration of CA Day, which is observed annually on 1st July to honor the foundation of the ICAI and the contributions of Chartered Accountants worldwide. The gathering combined the spirit of the ICAI anniversary with an insightful discussion on the Budget 2024-25 released by the Government of Tanzania.

The highlight of the event was the Budget 2024-25 discussion led by the esteemed speaker Donald Nsanyiwa, a Tax Partner at Ernst & Young (EY) Tanzania. Mr. Nsanyiwa provided a detailed analysis of the government's fiscal policies and key reforms introduced in the budget, which are crucial to Tanzania's economic trajectory. His expertise shed light on the new tax regimes, economic growth strategies, and the implications of the budget for businesses, investors, and individuals.

Key Takeaways from the Budget Discussion

Donald Nsanyiwa's presentation covered several significant aspects of the Tanzanian government's Budget 2024-25, including:

- Tax Reforms: Mr. Nsanyiwa highlighted the modifications in corporate taxation, excise duties, and VAT policies. He also explained how these changes are intended to boost revenue collection while supporting sectors critical to economic growth.
- Public Investment Priorities: A detailed overview was provided on the government's infrastructure investment plans, particularly in sectors like energy, transportation, and agriculture.
- Support for SMEs: The speaker outlined the government's efforts to promote small and medium-sized enterprises (SMEs) through tax relief measures and financial incentives.
- Economic Diversification: Mr. Nsanyiwa emphasized the strategic initiatives aimed at diversifying Tanzania's economy, reducing its dependence on agriculture, and promoting industrialization and tourism.

The discussion also touched on the potential challenges and opportunities that businesses and individuals might face under the new budget framework. The audience, comprised of professionals from various industries, appreciated Mr. Nsanyiwa's ability to break down complex economic and tax policies into actionable insights.

CELEBRATING ICAI'S LEGACY AND CA DAY

The event opened with a reflection on ICAI's 76-year journey and its pivotal role in shaping the global financial and accounting landscape. The DSM Chapter of ICAI has been instrumental in fostering professional growth and collaboration among chartered accountants in Tanzania, and this occasion celebrated the contributions of ICAI members to the accounting profession both locally and internationally.

A ceremonial cake-cutting was held to mark the occasion, with the cake being cut by all present and former chairmen of the DSM Chapter, along with the Chief Guest from the High Commission of India. This act symbolized unity, leadership, and the continued growth of the chapter in Tanzania. The atmosphere was filled with excitement and pride as attendees celebrated the accomplishments of the ICAI and the vibrant community of Chartered Accountants in Tanzania.

The attendees also observed the belated CA Day with great enthusiasm, reflecting on the values of integrity, excellence, and public trust that guide chartered accountants worldwide. The event was a fitting tribute to the ICAI's legacy and its commitment to upholding the highest standards of the accounting profession.

ICAI DSM CHAPTER TANZANIA HOSTS EVENT ON INTRODUCTION TO POWER QUERY IN MS OFFICE

On 2nd August 2024, the Dar es Salaam (DSM) Chapter of the Institute of Chartered Accountants of India (ICAI) in Tanzania organized a specialized event focused on "Introduction to Power Query in MS Office". The event aimed to enhance the technical skills of ICAI members and other professionals by introducing them to the powerful data analysis tool, Power Query, available in Microsoft Office.

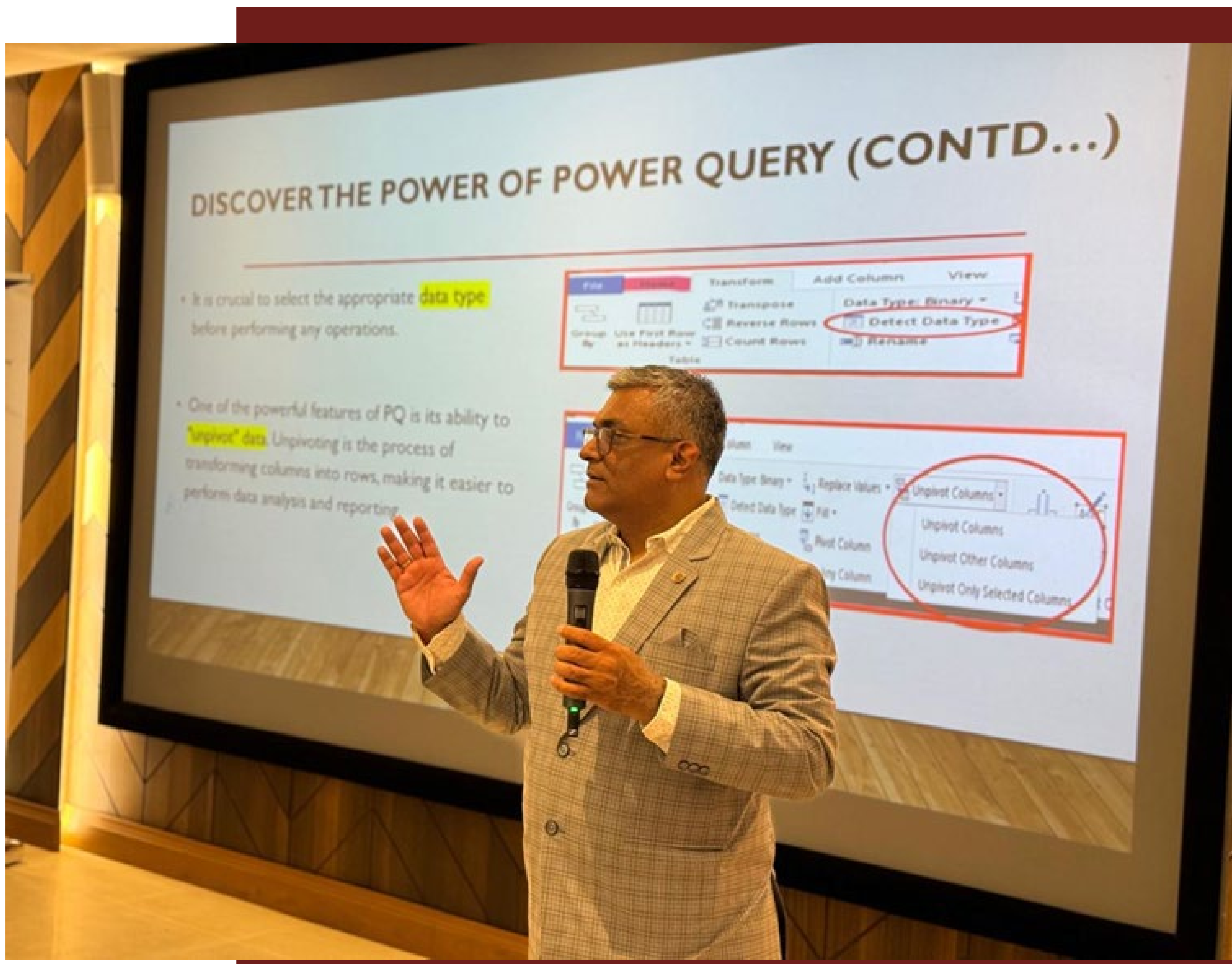
The session was led by CA Milind Kapadia, an experienced Cost Auditor at Said Salim Bakhresa & Co. Ltd., who brought his extensive knowledge of data analytics and financial management to the audience. With Power Query becoming an essential tool for finance professionals and accountants, the event was timely and addressed the growing need for efficient data handling and transformation in everyday tasks.

The workshop provided participants with a solid foundation in using Power Query to automate data importation, transformation, and analysis within MS Office applications like Excel. CA Milind Kapadia structured the session to include practical demonstrations and real-world applications, allowing attendees to follow along and grasp the capabilities of the tool.

Some of the key topics covered in the session were: Introduction to Power Query, Data Import and Transformation, Automating Tasks, Merging and Appending Data & Real-time Use Cases

The event was well-received by participants. CA Milind Kapadia's clear and hands-on approach allowed attendees to actively engage with the tool during the session. The interactive format encouraged questions, and CA Kapadia addressed practical challenges and scenarios professionals might face in their daily work.

Many participants expressed appreciation for the session, stating that the introduction to Power Query opened up new possibilities for enhancing productivity and data management in their respective roles. The DSM Chapter of ICAI continues to provide opportunities for its members to stay updated with the latest tools and technologies that can optimize their work processes.



ICAI DSM CHAPTER TANZANIA HOSTS CPE EVENT ON DATA PRIVACY ACT & LINKEDIN NETWORKING

On [Insert Date], the ICAI DSM Chapter Tanzania organized an insightful Continuing Professional Education (CPE) event that focused on two critical topics in today's business environment: the Data Privacy Act and LinkedIn Networking. The event, held both in person and virtually, aimed to educate members and other participants on the growing significance of data privacy regulations and the importance of leveraging LinkedIn for professional networking.

The event featured two distinguished speakers—CA Ashok Shridharan, who provided an in-depth overview of the Data Privacy Act, and CA Surendra Tadikamalla, who shared valuable insights on optimizing LinkedIn for professional growth and networking. Both sessions were interactive, engaging, and filled with practical takeaways for the attendees.

CA Ashok Shridharan opened the event with a session on the Data Privacy Act, addressing its increasing importance in today's digital age. He explained the legal responsibilities that businesses face in handling personal data, including the need for explicit consent, data security, and transparency. He emphasized how failure to comply with these regulations could result in severe penalties, including financial fines and reputational damage.

He also touched on the practical challenges companies face when implementing data privacy policies, particularly for small and medium-sized enterprises (SMEs). Through real-world examples, CA Shridharan offered strategies to overcome these obstacles, advising businesses on cost-effective ways to ensure compliance and protect customer data.

The second session, led by CA Surendra Tadikamalla, focused on how professionals can maximize their LinkedIn presence. He stressed the importance of having an optimized profile, offering tips on crafting a compelling headline, writing a strong summary, and showcasing achievements to attract potential employers or business partners.

CA Tadikamalla also shared effective networking strategies, encouraging participants to engage meaningfully with their connections by sharing content, joining relevant LinkedIn groups, and interacting regularly with their network. He emphasized how active participation on LinkedIn can significantly boost one's professional visibility and lead to career opportunities.

The event was highly appreciated by attendees, who gained practical knowledge on both complying with data privacy regulations and building their professional networks through LinkedIn. The ICAI DSM Chapter continues to provide valuable educational sessions, helping members stay current on essential professional trends and tools.

DATA PRIVACY ACT & LINKEDIN NETWORKING

ICAI DSM Chapter Tanzania Hosts CPE Event on Blockchain Strategy and Mental Health

The ICAI DSM Chapter Tanzania recently organized a Continuing Professional Education (CPE) event that focused on two timely and significant topics: Blockchain Strategy and Mental Health & Stress Management. The event featured two distinguished speakers, CA Dhanesh Mehta, who provided insights on the business applications of blockchain, and Dr. Sara William Nyello, Assistant Medical Manager at ARIS, who addressed mental health challenges and stress management techniques for professionals.

Blockchain Strategy by CA Dhanesh Mehta

CA Dhanesh Mehta, an expert in blockchain technology, opened the session with a deep dive into Blockchain Strategy and its growing impact on businesses. He explained how blockchain, originally created for cryptocurrencies like Bitcoin, has now evolved into a transformative technology with applications across various industries.

Key topics included how blockchain enhances data security, improves transparency, and enables decentralized transactions, reducing reliance on intermediaries. CA Mehta highlighted use cases from sectors such as supply chain, finance, and healthcare, showing how businesses can adopt blockchain to improve efficiency and trust. He encouraged attendees to start exploring blockchain solutions that align with their organizational goals, emphasizing that understanding and leveraging blockchain will soon become a key competitive advantage.

Mental Health & Stress Management by Dr. Sara William Nyello

Following the technical session, Dr. Sara William Nyello, a medical professional and Assistant Medical Manager at ARIS, led a session on Mental Health and Stress Management. She focused on the rising importance of mental well-being, particularly in fast-paced, high-pressure environments like the corporate world.

Dr. Nyello emphasized the need for professionals to prioritize their mental health, noting that unmanaged stress can lead to burnout, anxiety, and physical health issues. She provided practical tips for managing stress, including mindfulness techniques, regular physical activity, and the importance of work-life balance. Additionally, she discussed the stigma surrounding mental health, urging attendees to seek help when necessary and foster a supportive work environment.

The CPE event received positive feedback from participants, who appreciated the diversity of the topics covered. The Blockchain Strategy session offered practical insights into how blockchain can be applied to modern businesses, while the Mental Health segment underscored the importance of emotional well-being for sustained professional success. The ICAI DSM Chapter Tanzania continues to offer valuable educational opportunities, helping its members stay informed on the latest trends and challenges in the professional world.

ANNUAL CONFERENCE

On November 16, 2024, the ICAI DSM Chapter Tanzania successfully hosted its Annual Seminar, focusing on the theme of Business Strategy. The event gathered professionals from various industries to explore strategic frameworks, innovations, and leadership principles crucial to today's business environment.

The seminar was graced by Chief Guest His Excellency Bishwadip Dey, High Commissioner of India to Tanzania, whose presence added a distinguished touch to the proceedings. Guest of Honor CPA Pius Maneno, Executive Director of the National Board of Accountants and Auditors (NBAA), and CA Dheeraj Khandelwal, ICAI Central Council Member, also attended, enriching the discussions with their insights and industry perspectives.
CPA Irene Morris, Manager at EY Tanzania, opened the seminar presentations with an enlightening briefing on the Blue Ocean Strategy, which sparked lively engagement among attendees. Following this, CA Surendra Tadikamalla led a dynamic quiz session on the same topic, engaging participants with thought-provoking questions. The quiz's competitive energy captivated the audience, and winners were celebrated and rewarded for their knowledge and enthusiasm.

Azim Mukri, Consulting Manager at Deloitte Tanzania, then took the stage to share insights into Digital Transformation, guiding members through the role of digital advancements in reshaping industries. Following a short break with refreshments, Antonia Godfrey, an experienced HR Strategist, delivered an impactful session on Leadership and Organizational Culture, emphasizing the importance of cultivating a supportive and adaptable work environment. Later, CA Surendra Tadikamalla encouraged active participation through a stimulating case study session, which energized attendees and fostered collaborative problem-solving.

The seminar concluded with CA Nirlep Bhatt, Ex-Chairman of ICAI Doha Chapter, who delivered an engaging talk on Business Performance Management. His insights provided valuable takeaways on optimizing business processes for enhanced performance.

Following the knowledge-packed sessions, attendees enjoyed a delightful dinner, providing an opportunity to network and reflect on the day's learnings. The ICAI DSM Chapter Tanzania's Annual Seminar successfully inspired members with actionable insights and practical strategies to navigate and excel in their professional journeys.

ICAI DSM Chapter Tanzania Hosts Successful Family Cricket Event on August 25, 2024

The ICAI DSM Chapter Tanzania recently organized a Family Cricket Event on August 25, 2024, which turned out to be a huge success. The event brought together ICAI members, their families, and the broader community for a fun day of cricket and social interaction. Held at Masaki Sports Park, the gathering provided a perfect opportunity for members to relax and bond outside of their professional lives.

The day featured friendly cricket matches where participants of all ages joined in, making it a highly engaging event for both cricket enthusiasts and casual players. While the competitive spirit was evident on the field, the emphasis remained on enjoying the game and fostering relationships among members and their families. The mix of competitive and casual matches ensured that everyone, from seasoned players to beginners, had an opportunity to participate and enjoy the sport.

In addition to the cricket matches, family members played a few other games, and enjoyed Sunday morning with delicious breakfast. The event was not only about cricket but also about bringing families together and reinforcing the importance of work-life balance within the ICAI community.

Attendees praised the event for its organization and inclusiveness, with many appreciating the opportunity to connect with friends in a relaxed setting.

The successful cricket event has left members looking forward to future family gatherings, reinforcing the chapter's dedication to boost strong relationships within the ICAI network.

CAREER COUNSELING

On October 28, 2024, the ICAI DSM Chapter Tanzania organized a career counseling session at the Indian School in Dar es Salaam. The event aimed to provide students with valuable insights and guidance on career paths, professional development, and the various opportunities available in the field of accountancy and finance.

The event received an enthusiastic response from students, parents, and educators, emphasizing the importance of informed career choices for young minds. The ICAI DSM Chapter, with a dedicated focus on empowering the youth, brought in experts from the accounting and finance industry to address questions and provide guidance to students interested in pursuing a career in finance, accounting, and related fields.

The ICAI DSM Chapter's initiative reflects its ongoing commitment to educational outreach and community support, providing resources that enable students to make well-informed choices about their futures. The event also reinforced the chapter's role as a bridge between the Indian and Tanzanian communities, cross-cultural understanding and collaboration in educational development.

A week later, the Chairman of the ICAI DSM Chapter, Mr. Dharmendra Agrawal, was honoured with a special award by the High Commissioner of India to Tanzania, His Excellency Bishwadip Dey, and the Principal of the Indian School, Dar es Salaam. This recognition celebrated Mr. Agrawal's dedication and contributions to the ICAI DSM Chapter's mission to promote professional knowledge and development within the community

Special Award

SUNDARKAND PATH

ICAI DSM Chapter Tanzania Hosts Spiritual Family Event with Sundarkand Path to Kick Off Diwali Celebrations

The ICAI DSM Chapter Tanzania recently hosted a Spiritual Family Event featuring the Sundarkand Path to begin the Diwali festivities with devotion and unity. The event brought together members and their families for the recitation of the Sundarkand, a powerful chapter from the Ramayana known for invoking positivity, strength, and prosperity.

The spiritual gathering set the tone for the upcoming Diwali celebrations, offering attendees a peaceful and reflective start to the festival of lights. The Sundarkand Path filled the atmosphere with devotion and a sense of togetherness, marking the event as a spiritually enriching experience for all participants.

In addition to the Sundarkand recitation, the event featured a range of activities for children, making it a vibrant and inclusive family celebration. Kids actively participated in a rangoli competition, diya painting, dance performances, singing of shlokas, and a lively fancy dress program. These activities added an element of creativity, joy, and excitement to the spiritual gathering, allowing the younger generation to connect with the cultural significance of Diwali.

SUNDARKAND PATH

The event also included a sense of community bonding, with dinner served to all attendees, enhancing the warmth and camaraderie of the evening. Families enjoyed the opportunity to share a meal together after the spiritual proceedings, reflecting on the essence of Diwali—spreading light, joy, and harmony.

The successful event was a memorable way to kick off the Diwali season, blending spirituality with fun, creativity, and family unity. The ICAI DSM Chapter Tanzania continues to foster such inclusive gatherings, promoting cultural traditions while strengthening community ties.

Artworks presented by Kids

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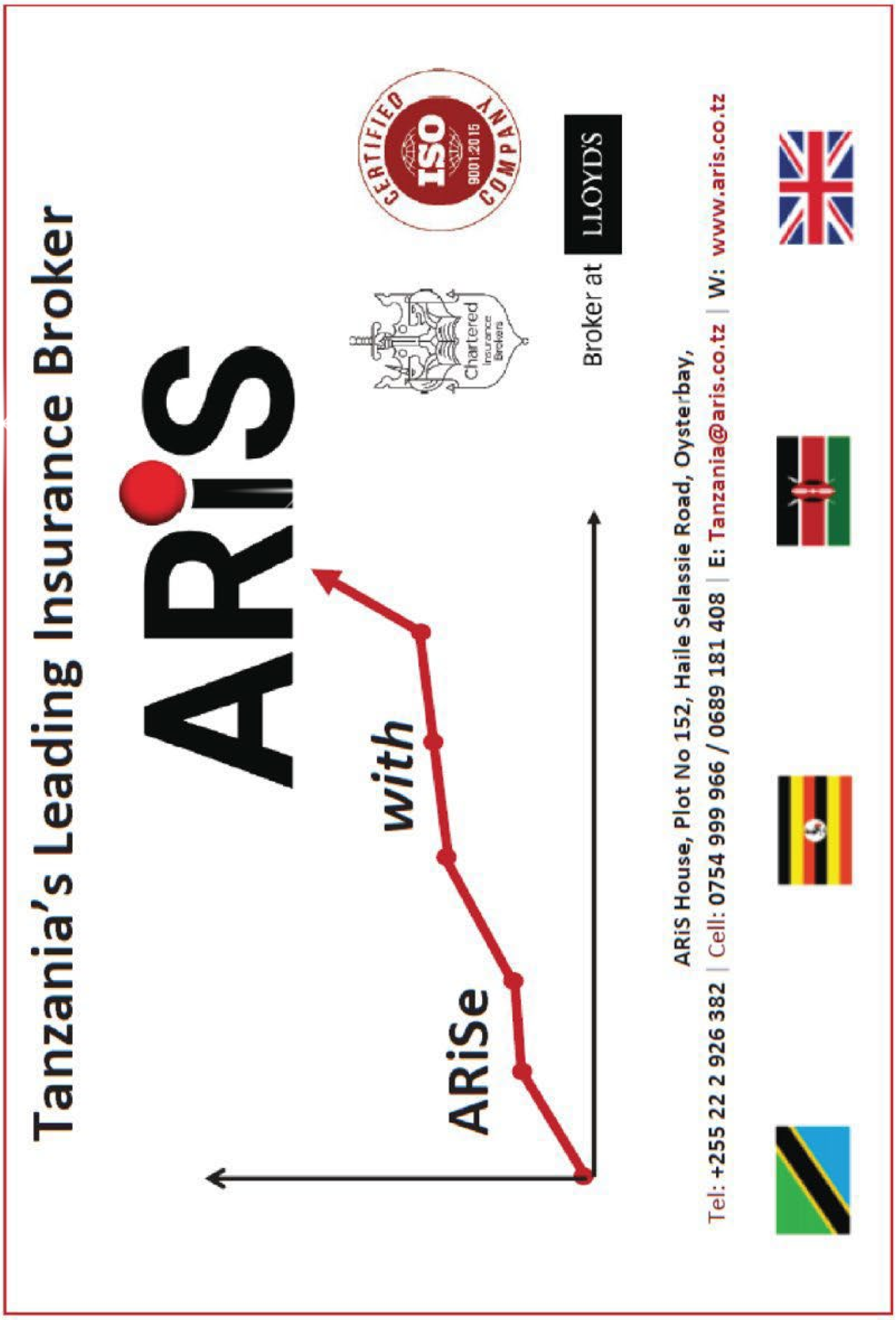

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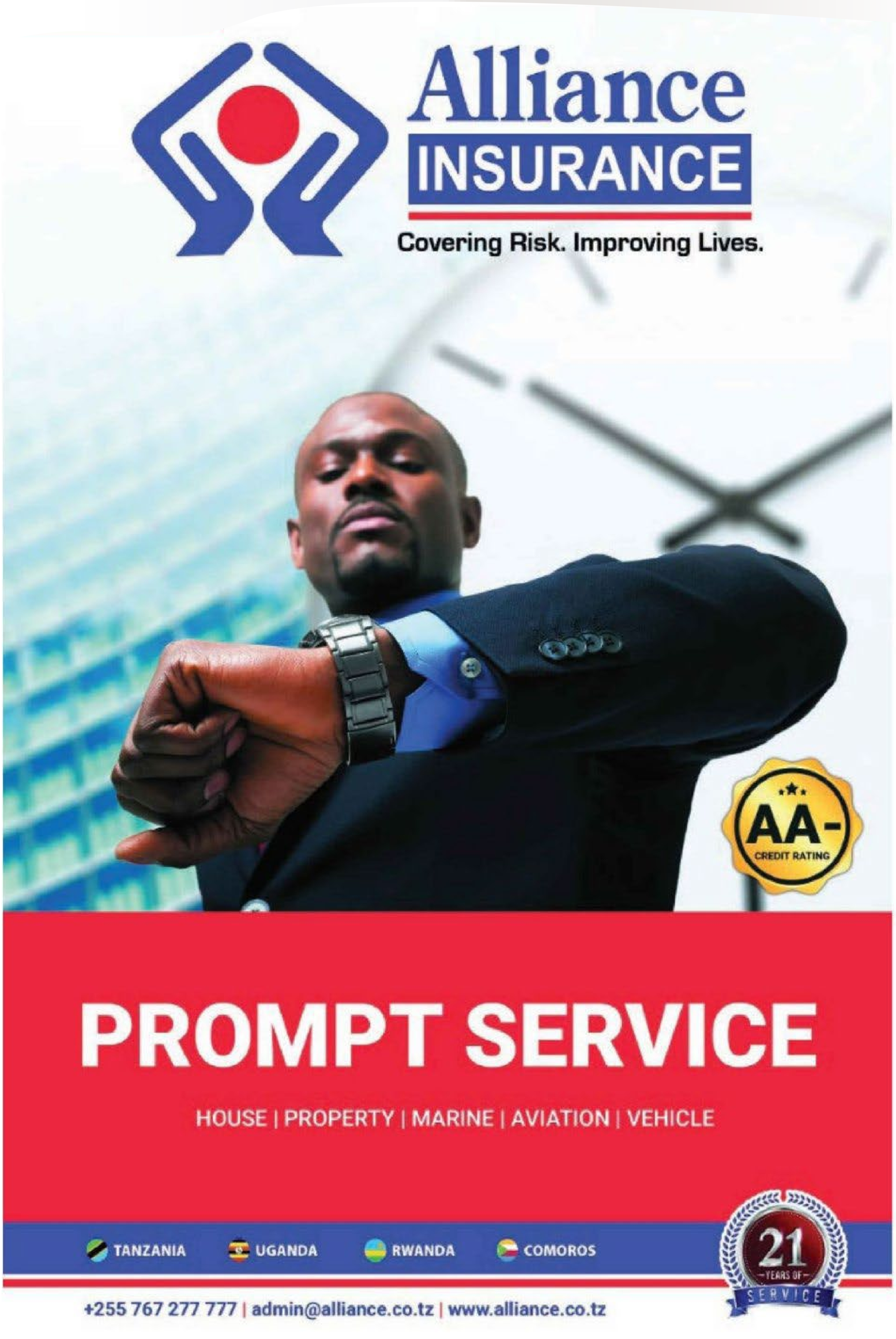

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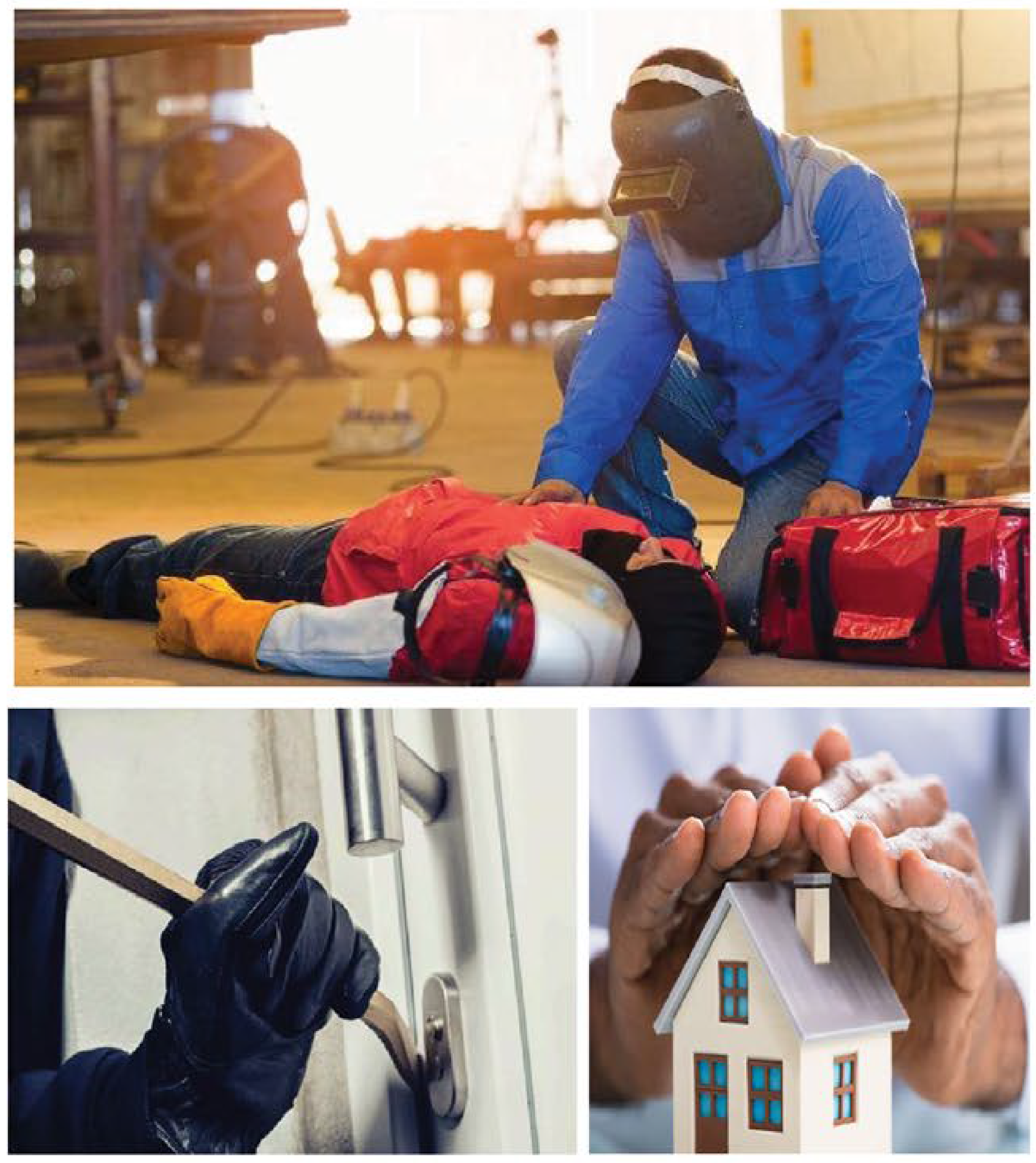

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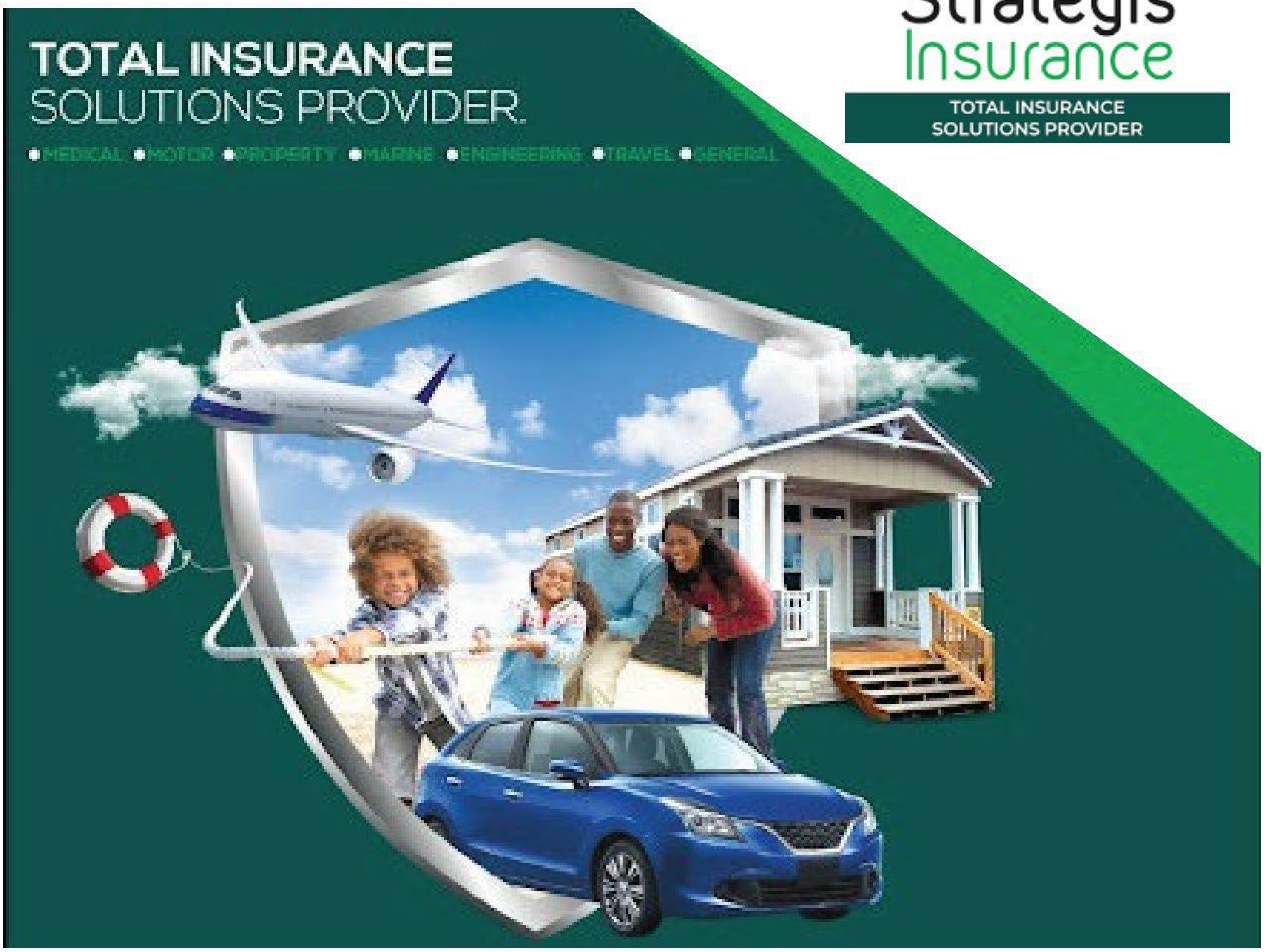

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ICAI DAR ES SALAAM (T) CHAPTER

NEWSLETTER

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