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## OPPORTUNITIES FOR CAs

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### 22.1 Introduction

As would be evident from the discussion so far, the capital market is probably the most dynamic and vibrant sector. The regulations are of an evolving nature and keep abreast with the changing times. This is one sector where there are enough opportunities for all. CAs especially can make a great contribution, not just in the certification assignments but also in representation before various authorities.

### 22.2 Certification

There are numerous provisions under the SEBI Regulations which require a CA's certification, e.g., in the case of an ESOP, preferential issue, etc. These have been highlighted at appropriated places throughout the Book. Several Regulations require the certification by the Auditor of the Company. Hence, at minimum, CAs should be conversant with those Regulations which require their certification in the capacity as the Auditor.

### 22.3 Representation

Just as CAs are involved in the assessment and appellate process up to the Tribunal level under the Income-tax Act, they can play a similar role under the SEBI Act and allied Regulations. A CA can make/ assist in representations before the Investigative Department, Adjudicating Officer, Enquiry Officer, Whole-time Member, SEBI Chairman. Several of the SEBI cases are based on analysis of stock market data, order logs, trade logs, volume data, price trends, etc. This requires a lot of analytical skills for which CAs are better suited.

### 22.4 Appeals

The appellate forum under the SEBI law is the Securities Appellate Tribunal or the SAT. For any order of the SEBI which can be appealed against, the forum is the SAT. The SAT is also the forum for appeals under the SCRA. Currently, there is only one SAT and that is at Mumbai. It consists of a 3 member bench, i.e., a Presiding Officer and two other members. The Presiding Officer must be a sitting or a retired

Judge of the Supreme Court or a sitting or a retired Chief Justice of a High Court. Thus, the SAT is an extremely prestigious Tribunal and its importance can be judged from the fact that an appeal against the order of the SAT lies directly before the Supreme Court. Hence, in the hierarchy it is at par with a High Court. The SEBI Act was expressly amended in 1999 to provide that an appellant before the SAT may appoint a Chartered Accountant to represent his case. A similar amendment has also been enacted under the SCRA.

#### 22.5 Audit by SEBI

SEBI monitors and governs the various market intermediaries by specific Regulations. All of these Regulations contain a power for SEBI to inspect the books of accounts, documents and other records of these intermediaries. Based on this inspection, the SEBI may take any action against the intermediaries. SEBI has power to appoint a CA to carry out this investigation on its behalf and the Auditor so appointed has the same powers of inspection as SEBI. In most of the cases, the SEBI appoints a CA to carry out this inspection.

#### 22.6 Advisory

This Book would give a fair idea about the diverse and complex nature of the numerous SEBI Regulations and Guidelines. While structuring a transaction, several of these Regulations need to be woven together to arrive at a complete picture. The scope for advisory and consultancy services in the capital market sphere is quite vibrant and dynamic.