



JULY 2021
VOL. 53-A PART 4
PAGES 132
PRICE: ₹100

BCAJ

THE BOMBAY CHARTERED ACCOUNTANT JOURNAL

CURIOSITY TO CREATIVITY

ANNUAL SPECIAL ISSUE

**EFFECTS OF THE
PANDEMIC ON**

THE CA PROFESSION
THE ECONOMY
THE HUMAN PSYCHE

**WHAT HAS CHANGED AND WHAT IS
UNLIKELY TO GET REVERSED**

EDITORIAL

PROTECH: 'VIRTUAL' IS NOW 'REAL'

*I very frequently get the question: 'What's going to change in the next ten years?'
I almost never get the question: 'What's not going to change in the next ten years?'
I submit to you that the second question is actually the more important of the two.*

The above statement is attributed to Jeff Bezos of Amazon.

This issue of the **BCAJ** (launched in 1969), is our **Annual Special Issue** and it commemorates the **Founding Day of the BCAS** which was established on **6th July, 1949**. This special issue carries special articles on contemporary issues in addition to the normal articles and features. **It is based on the theme 'Effect of the pandemic: What has changed and what is unlikely to get reversed'**.

Three of our special articles are on the **Profession, the Economy and the Human Psychology**. They are authored by CAs (in practice and in the industry), an economist and a psychiatrist, respectively. They have woven their thoughts lucidly and with great perspicacity. I hope you will enjoy reading their perspectives on the effect of Covid and how much of this change is likely to stay.

We all know how much has changed (and much of this may not reverse):

- Running to the **train station** has changed to running to the **work station**;
- **Couriering** is replaced by **scan and email**;
- **Signing with pen** on paper is replaced by affixing a **digital signature certificate**;
- **Office** is replaced by **digital workspace / cloud**;
- **WFH** could become **WFA** (work from anywhere);
- **Occasionally WFH** will be flipped to **occasionally work from the office**;
- **Paper** is substituted by **PDF**;
- So far as the **BCAS** is concerned, the meaning of **'residential'** has changed to taking a 'residential' course from our residences rather than going out to a resort.

Just as there is Fintech – a finance and technology portmanteau – it is time that we have **ProTech** or Professional Services and Technology. Practice sans technology will eventually add up to zero. Knowledge is no longer a sufficient condition. Technology will make

much of it redundant. Being an ACA (associate CA) or FCA (fellow CA) will not be enough – we will have to re-qualify to become TCAs where 'T' stands for technology. Lapping up technology into all our offerings or being 'slapped' by technology are the only two options!

In the words of Naval Ravikant – **'Your company may not be in the software business, but eventually, a software company will be in your business.'** Let me rephrase that – **'If you do not bring a software company into your business, one day a software company will take over your business.'**

We are seeing this already. Tax filing portals are valued in India at attractive valuations. What used to be optional and 'adjournable', cannot be postponed, and the pandemic could be the last and final call as the future gets fast-tracked to become the present.

But there is also a positive side of Covid. Today, I would believe that one may not need an office in a swanky, expensive location. With the tax office becoming redundant, the proximity angle has ended up in the recycle bin. Firms may not need offices all over the country. One can operate from an 'address', and one will not have restrictions of 'location' as digital regulators and digital clients will interact flawlessly with accounting firms. This could result in more competition. Many firms may even lose out to tech companies as much of the profession is 'open' to non-COPs or non-CAs because exclusivity has diminished.

Clearly, 'Virtual' is now 'Real.'



Raman Jokhakar
Editor

BCA JOURNAL

53rd Year of Monthly Publication

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