



NEWSLETTER -DECEMBER 2016

The demonetisation has taken the Indian economy by storm. The intention is to root out black money and bring it into tax net. It is a well-intended move and has the potential to shore up the fiscal deficit. The tax collected through this move can then be used for scaling up social and physical infrastructure that has a multiplier effect on the overall economy. There is also disruption in the economy as the cash withdrawn from the system has not been infused with the new currency due to capacity constraints of the printing presses approved for such purpose. The immediate impact is on the consumption side as people not using the digital and online methods for conducting transactions involving money have to limit their consumption up to the withdrawals permitted for such time. This is the analysis we have been getting from various corners of the country after the move has been initiated. However, my concern from this move is entirely on different plane.

Since the time of this move, persons with black money are rushing around to find ways and means to cover up and save such wealth. The conversion of liquid money into Gold and Real Estate immediately came into the mind of all concerned. However, with restrictions imposed on the sale and purchase of these assets, the only other way was to seek professional help from CA, Lawyer and other such professionals. This is where I want to raise a red flag.

The professionals from all fields have their code of conduct and there are professional ethics that they are supposed to follow and maintain. However, these professionals are suggesting various ways to cover up and save this black money falling into the tax net. All this is being done to earn a quick buck and becoming a partner in the activity that has been causing a great harm to the society and the economy. I can imagine the desperation of not so well off persons for undertaking these kinds of activities, but the professionals who have high

educational qualifications and sufficient material wealth should not collude with the culprits under any pretext. The objective of cleaning up the ills of our society cannot be achieved without the help of these luminaries as they are the best brains of the country and ought to utilise their skills for the betterment of the society and economy. By suggesting means to cover up the black money, they might become efficient but they will certainly be not effective. The professional ethics demand that efficiency should succeed effectiveness. The professionals take the oath to bind themselves with the code of conduct developed by the professional bodies and earn their living by not putting their conscience at stake.

My request to all professionals is to probe themselves and answer the following questions

- Are you doing the right thing?
- Are you inviting right clients?
- Are you serving the collective interest with your actions?

We need to be conscious of the fact that professionals form less than 1% of the total population and they are sought after because of their skill and intellect. The material prosperity cannot elude them and therefore, their actions should be in consonance of the well enshrined principles that their professions cherish and intend to achieve. In the wake of greed and desperation, they should never compromise with their professional ethics.

I know I might sound boring and tend to advise those who are advisors to all, but the fact of the matter is that professionals indulging in these activities are causing great harm to them and bringing bad name to the profession that has set high standards for their members.

Let's resolve that in the coming years, we will control our greed and direct our ambitions to the efficacious way of doing the things. The goal achieved with untoward ways and means is of no significance as it would lower our self- respect.

Remember it is not the end that is important but the way followed to achieve it.

Have a great thought and Happy New Year.