

# CHAPTER 6

## Forensic Accounting Profession in India

### 6.1.Introduction

Following the consequences of the global financial crisis and the collapse of major corporations, FA has emerged as a critical field gaining attention worldwide (Honigsberg, 2020). FA offers a variety of tools for corporate fraud investigation that may help detect or prevent corporate fraud (Akinbowale et al., 2020). However, several challenges restrict the growth and recognition of FA as a distinct profession (Yang & Lee, 2020). These challenges are primarily related to the regulation of FA (Arslan, 2020) and the standardization of FA professional work (Huber, 2013).

Occupations are not static but evolve along a continuum toward professionalization (Pavalko, 1988). Professions are critical to societal integration and modernization (Brante, 1988). In recent times, there has been a global surge in the requirement for FA professionals and their services, which has subsequently led to an increase in the number of FA educational programs as well as firms rendering FA services (Van Akkeren & Tarr, 2014; Hegazy et al., 2017; Alshurafat et al., 2019). Numerous studies have addressed the issue of formalizing FAE (Rezaee et al., 2016; Wang et al., 2016; Alshurafat et al., 2020). However, recognition of an occupation requires rigorous specialized knowledge, training, ethical standards, and commitment to serve society (Buhai, 2016). Several studies have explored the professionalism of accounting (Annisette, 2000; Yapa, 2006; Yapa, 2021); however, limited attention has been given to the professionalization of FA.

Examining FA's professional status is thus pivotal for academic research and practical application (Arslan, 2020). The existing literature on FA reveals ongoing debate regarding its legal status, as highlighted by Huber (2012). Societal factors shape professions, and their development is determined by the location and period in which large-scale elements affect both the structural and cultural aspects (Abbott, 1988). Notably, the legal recognition of FA varies across different jurisdictions (Alhusban et al., 2020; Arslan, 2020). Addressing the issue of recognizing FA as a distinct profession in the Indian context adds valuable insights to this ongoing debate. This chapter addresses the research question of whether FA in India aligns with the sociological criteria of a profession.

## 6.2 Demand for FA Services in India

**Table 6.1: Demand for FA Services in India**

Demand Perspective of FA	Consulting		Investigating		Non-Scientific Testimony	
	<i>FAPs</i>	<i>Academicsians</i>	<i>FAPs</i>	<i>Academicsians</i>	<i>FAPs</i>	<i>Academicsians</i>
Increase	67.2	69.1	94.1	85.4	72.9	61.8
Decrease	2.8	5.7	0.8	-	2.8	7.6
Remain same	20.1	18.2	5.1	11.8	12.7	15.9
Not sure	9.9	7	-	2.9	11.6	14.6
$\chi^2$	5.375		23.282		13.029	
p value	0.146		0.000		0.005	

Source: Author's Computation

Table 6.1 presents the future demand for FA services across three specific service categories: consulting, investigating, and nonscientific testimony. These findings reveal that both groups generally anticipate an increase in demand for consulting services (FAPs: 67.2%, Academicsians: 69.1%), with no statistically significant difference ( $\chi^2 = 5.375$ ,  $p = 0.146$ ). However, for investigating services, FAPs (94.1%) exhibit a significantly stronger expectation of increased demand compared to academicsians (85.4%), as indicated by a significant difference ( $\chi^2 = 23.282$ ,  $p < 0.001$ ). Similarly, for non-scientific testimony, FAPs (72.9%) anticipate a greater increase in demand than academicsians (61.8%), with a statistically significant difference between the two groups ( $\chi^2 = 13.029$ ,  $p = 0.005$ ). These findings show general alignment on the expected increase in demand, particularly for consulting services, but highlight notable divergences in opinion between the groups in the areas of investigating and non-scientific testimony services. The findings corroborate with Rezaee et al. (2015).

## 6.3 Analysis of Key Themes Through the Framework of Professional Theory

Further, for the qualitative approach, the data coding and analysis method as per the sociological model yielded several pivotal themes in alignment with the theoretical framework proposed for this study, as discussed in chapter 2. The identification of themes adhered to the theoretical and deductive methodology. These eight themes namely “intellectual technique”, “relevance to social values”, “training”, “motivation”, “autonomy”, “commitment”, “sense of community” and “code of ethics” are substantiated

by direct quotes extracted from the interviews. These themes reveal the essential skills, societal impact, training gaps, motivating factors, and ethical considerations that contribute to the evolving nature of FA as a profession. Table 6.2 succinctly presents each theme, offering a clearer understanding of how FA aligns with or diverges from recognized criteria for professional status in India.

**Table 6.2: Summary of Key Themes and Insights in FA Professionalism**

Themes	Key Points
Intellectual Technique	<ul style="list-style-type: none"> <li>• Relies on multidisciplinary knowledge, involving investigating, consulting, and data gathering.</li> <li>• Requires skills like communication, problem-solving, critical thinking, and analytical proficiency.</li> <li>• FA is distinct from traditional accounting roles.</li> </ul>
Relevance to Social Values	<ul style="list-style-type: none"> <li>• Contributes to fraud prevention, corporate governance, and legal support.</li> <li>• Enhances transparency and societal trust by safeguarding financial systems.</li> <li>• Promotes ethical practices and prevents financial crimes.</li> </ul>
Training	<ul style="list-style-type: none"> <li>• Specialized training is vital for FAPs, involving both theoretical knowledge and practical exposure.</li> <li>• No structured FA training programs currently exist in India, leading to a gap in professional preparedness.</li> </ul>
Motivation	<ul style="list-style-type: none"> <li>• Driven by continuous learning and diverse challenges within FA.</li> <li>• Provides promising career opportunities due to rising financial frauds.</li> <li>• FAPs contribute to societal well-being, making it a fulfilling career path.</li> </ul>
Autonomy	<ul style="list-style-type: none"> <li>• Views on the need for a separate governing body for FA varies.</li> </ul>

	<ul style="list-style-type: none"> <li>• Lack of clear autonomy in regulating FA as an independent field; current governance is by ICAI standards.</li> <li>• Hindered by structural and cost-related barriers.</li> </ul>
Commitment	<ul style="list-style-type: none"> <li>• Existence of FA standards by ICAI elevates FA quality.</li> <li>• Participants appreciate these standards, though limited to ICAI members.</li> <li>• Calls for broader regulation to include all FAPs and ensure comprehensive adherence to ethical standards.</li> </ul>
Sense of Community	<ul style="list-style-type: none"> <li>• Limited initiatives for fostering collaboration and networking among FAPs.</li> <li>• Need for seminars and joint courses to build a cohesive community.</li> <li>• FA growth in India is in early stages, lacking a strong sense of professional community.</li> </ul>
Code of Ethics	<ul style="list-style-type: none"> <li>• FAIS guides ethical practices, mainly followed by CAs.</li> <li>• Need for broader government regulation to make FA standards mandatory for all FAPs.</li> <li>• Emphasis on aligning with international ethical standards for consistency and credibility.</li> </ul>

**Source: Author's Compilation**

### 6.3.1 Intellectual Technique

In the context of FA as a practice in India, it encompasses various roles and responsibilities. Through interviews conducted with professionals in the field, it became evident that these roles encompass a variety of tasks, including "*investigating, consulting, and data gathering*" (FAP). From these interviews, it became clear that the intellectual technique of FA in the Indian context relies heavily on multidisciplinary knowledge. As one participant noted, "*FA is like an umbrella, encompassing various knowledge domains, including psychology*" (FAP).

Another respondent recorded, “*FA involves a specialized set of skills and expertise that may be distinct from traditional accounting roles*” (Academician).

According to the participants, the scope of topics within the FA domain in India may encompass areas such as "insolvency and bankruptcy," "internal control check," "investigations and fraud risk," "commercial disputes," "expert witness testimony," "business valuation," "preventing corruption and money laundering," and "IT forensics." The interviewees emphasized that excelling in these areas of practice demands specific professional and personal skills. These skills include effective "communication skills," "investigative abilities," and "critical thinking." Moreover, participants mentioned the importance of "auditing skills," "synthesis skills," "research capabilities," "deductive analysis," "problem-solving skills," and "analytical proficiency." These skills align with prior empirical evidence on FA skills, as highlighted by previous studies (DiGabriele, 2009; Davis et al., 2010).

In the Indian context, it is worth noting that FA often necessitates collaboration and teamwork due to its intricate nature. As one FAP has aptly put it, "*An outstanding FAP cannot be an individual effort; it is a collective endeavor*". Given the multidisciplinary nature of FA in India, it is not uncommon for FAPs to specialize in specific areas of expertise. As illustrated by one FAP:

*"I primarily work as a consultant, specializing in advising business firms on fraud prevention strategies. While I possess expertise in this area, I have limited knowledge and involvement in digital forensics".*

Indeed, FA is a highly specialized field in India, requiring experts with specific skills. According to an academician, the techniques used in FA goes beyond what is typically taught in accounting and auditing. They believe,

*“With the help of FA, students will have strong foundation in FA principles, theories, and techniques gained through their academic studies. This knowledge base should enable them to apply specialized FA methodologies in various scenarios.”*-as stated by a FAP.

In the world of academia in India,

*“It’s widely recognized that FA has its own unique techniques and methods. When teaching FA to students here, professors go beyond regular accounting and auditing courses.”- an academician added.*

Another academician puts it this way:

*"When we expect a graduate or postgraduate student to excel in FA in India, we stress the importance of them gaining specific skills. These skills include the ability to investigate thoroughly, think critically, and solve complex problems."*

This approach reflects how Indian educators aim to prepare future FAPs with the right skills and knowledge to meet the specific needs of the field in India.

FAPs believe that there is a vast difference between FAPs and an accountant.

*“FAPs should stay updated with industry trends as it is crucial for forensic accountants to fulfill the skills needed for their practice. FA requires a specific set of skills beyond traditional accounting practices. While accounting professionals possess a solid foundation in financial reporting, auditing, and tax regulations, FA involves the application of these skills in investigative and legal contexts”.*

It is thus essential to

*“Understand the Fraud Triangle, looking at the transactions from business and management perspective than from an accountant perspective and most importantly the motive behind the initiation of transaction than the documents” (FAP).*

In the Indian context, a notable convergence of perspectives emerges between academicians and FAPs concerning the intellectual techniques integral to the field of FA. A consensus is evident among all participants, showing their collective recognition of the multifaceted nature of FA’s intellectual techniques. As delineated within their respective professional profiles, these participants collectively encompass a comprehensive spectrum

of skills and competencies requisite for fulfilling the diverse array of responsibilities within FA.

### 6.3.2 *Relevance to Social Values*

From a social perspective, being "relevant to social values" means that professionals in any field should use their expertise to tackle societal problems. Some of the excerpts from interviews highlighting FA's relevance to social values are presented below.

*“In India, FA is vital for fraud prevention, legal support, corporate governance, economic development, corruption prevention, consumer protection, education, job creation, and government accountability, all contributing to ethical financial practices and societal well-being”* (FAP).

During interviews, professionals also talked about how FAP do noble work by stopping money laundering, preventing financial crimes that harm businesses and people, and shielding individuals from fraud.

*“FA is not just about financial investigations; it's about making sure financial systems are ethical, transparent, and accountable”* (FAP).

*“FA helps keep individuals, organizations, and society safe from financial wrongdoing and builds trust in financial markets. It's like a safeguard for our economy and society”* (Academician).

*“FAP can help to bring wrongdoers to justice, which can deter future crimes and promote public trust”*, an academician commented.

*"An FAP plays a crucial role in legal proceedings, ensuring that justice is upheld. Their expertise helps resolve financial disputes fairly and strengthens the importance of a just legal system in society”* (Academician).

*“At times, parties resolve their disputes outside of the courtroom by enlisting the assistance of a forensic accountant”* – an FAP stated.

Moreover, FA extends its influence on various types of organizations that have a direct impact on societal issues. A substantial number of FAPs are engaged with law

enforcement agencies, such as the Central Bureau of Investigation (CBI) and police services. In doing so, FA actively contributes to addressing social challenges. One notable facet of this contribution is the recovery of the proceeds of criminal activities and the prosecution of individuals involved in tax evasion. Consequently, FA is recognized as a valuable asset to society.

*“We are frequently called upon by CBI officers to lend our expertise in identifying vulnerabilities within financial systems and in the detection of fraudulent activities”* (FAP). This collaborative effort aids in strengthening the fabric of financial integrity and aligns with the overarching goal of maintaining a just and compliant society.

Further, raising awareness about fraud, fraud prevention, and fraud detection is a critical step towards reducing corruption and fraud-related cases in India. In the context of FA, this endeavor holds immense benefit to society and can have a profound impact on the ethical and financial landscape of the nation.

*“FAE plays a vital role in spreading awareness about fraud, helping prevent and detect corruption and fraud cases in India. What we truly need is to teach people how to recognize and avoid fraud. So, any effort in that direction benefits society”* (Academician).

Through an examination of the perspectives shared by participants, it becomes evident that there exists a convergence of views between academicians and FAPs concerning the relevance of social value by the FA.

### 6.3.3 Training

Pavalko's (1988) model asserted the importance of training to be recognized as a profession. During interviews, it was emphasized that specialized training is crucial for FAPs, and it differs from the training accountants typically receive.

*“In the ICAI program, we receive practical training that introduces us to new software and techniques essential for FA. However, there is still no mandatory training program implemented for us.”* – a FAP stated.

*“Interestingly, in India, there are currently no institutes offering training specifically for FAP”*- Another FAP added.



Interviewees stressed the significance of training in the making of a successful FAP. This training is instrumental in developing expertise in the field of FA. However, interviewees also emphasized that effective training should blend theoretical knowledge and practical experience in real FA engagements. In other words, it should be taught alongside actual work in the field.

*“There is a need of a program that combines postgraduate coursework with hands-on work experience. This approach benefits both students and employers. Students gain theoretical knowledge and practical skills, while employers receive cooperative and well-prepared individuals who can contribute effectively to their work. This integrated approach is seen as beneficial for students seeking jobs in the field”* (Academician).

FAPs in the Indian context emphasize the paramountcy of adopting an experiential educational approach to groom new FAPs. One FAP articulated this perspective as:

*“In my view, an individual who has pursued FA studies at the university level, devoid of practical hands-on experience, needs to go through a lot even after graduating with FA degree. Observing them actively engage in a professional work environment is crucial in assessing their aptitude, mindset, and attitude suitability for this specialized field. In India, it is still a dream to have a university producing FAP.”*

Furthermore, another FAP underscored the significance of on-the-job training as a pivotal criterion in the recruitment of forensic accountants:

*“Our firm prioritizes candidates who, while having at least a graduate or postgraduate degree, possess practical knowledge in the field of FA”.*

Interviewees provided insights into the landscape of academic training in the Indian context. One participant noted, *“There is a notable absence of dedicated FA courses in India”* (Academician). Academicians acknowledged the advantages of incorporating FAE and training for aspiring FAPs. This educational training is expected to cover areas such as critical thinking, communication skills, analytical techniques, and FA's legal and theoretical aspects.

Furthermore, there is a consensus on the lack of awareness about FA among students and limited administrative support. In this regard, one academic made a positive remark:

*“FA needs to be given importance in academic fraternity. Presently, very less significance is given”* an academician added.

As it is evident from the perspectives of the two participant groups, a mutual recognition of the complementary nature of FA training exists. It is worth noting that both groups have acknowledged a common concern, namely, the inadequacy of FAE, which poses a significant challenge to the advancement of the FA profession.

#### 6.3.4 Motivation

One recurring theme that emerged from the interviews was the innate attraction of the challenges posed by FA. FAPs revealed the prospect of each assignment serving as a new learning opportunity, enriching their skill set through exposure to diverse matters. As one FAP articulated, *“Because of the diversity in the matters that I deal with, it is interesting.”* This emphasis on continuous learning and intellectual growth is a powerful motivational driver. The dynamic nature of FA, requiring FAPs to stay abreast of evolving practices and regulations, emerges as yet another motivator. The profession's demand for robust analytical skills and the need to consistently update one's knowledge base serve as intrinsic motivators for professionals.

*“FA helps me to keep updating the knowledge and involves lot of analytical skills”* (FAP).

Respondents also highlighted the evolving nature of FA as a motivational factor. They expressed enthusiasm for participating in a field that constantly expands beyond traditional auditing. This excitement stems from the prospect of contributing to a developing area of expertise within the Indian financial landscape.

*“Particularly in India, FA is in nascent stage, it is a developing area other than traditional auditing”* (FAP).

In the realm of FA, researchers have noted that the educational aspects of this discipline serve as a motivating force for students pursuing FAE. As expressed by an academician, *“It is an area in which students can discover a promising career path.”* Another academician added, *“The surge in financial fraud, corporate misconduct, and white-collar transgressions in India has precipitated a robust demand for forensic accountants.”*

*Instructing within this domain empowers academicians to equip students with the skills and knowledge required to embark on a career replete with abundant professional prospects."*

A predominant theme among participants is the motivation stemming from avenues for professional development and research opportunities.

One academician reported: *"teaching FA can also enhance an academician's professional development. It requires staying current with evolving accounting standards, legal regulations, and investigative techniques."*

Further, *"teaching FA often goes hand-in-hand with conducting research in the field. This research can lead to publications in reputed academic journals, contributing to the body of knowledge in FA."*

The perceived benefit to clients and society emerged as a key motivator for FAPs. *"I believe that clients who engage our services derive substantial value from our endeavors"* (FAP). One academician commented: *"teaching FA provides an opportunity to contribute to society by producing experts who can combat financial crimes and promote transparency and accountability in the business world"*. Conclusively, the discourse on motivating factors within the practice of FA is multi-dimensional. Nevertheless, an underlying sociological perspective underscores the intrinsic motivation to contribute to the betterment of society as a pivotal condition for constituting the motivation construct. The findings reveal a complementary but inconsistent viewpoint between and among the two distinct participant groups in this regard.

#### 6.3.5 *Autonomy*

Autonomy constitutes a fundamental element within the professionalism theory framework, as articulated by Pavalko (1988). It includes the capacity of professionals to govern and oversee specific aspects of their conduct, provided such autonomy remains harmonious with the overarching regulatory framework, as elucidated by Huber (2012). Within this study, it becomes evident that participants held divergent viewpoints concerning the imperative nature of autonomy for formally recognizing FA as a

profession. Table 6.3 presents a comparison of perceptions between FAPs and academicians on key aspects of the autonomy construct.

**Table 6.3: Perspectives on the Evolution and Governance of FA**

Statement	Mean		SD	
	FAPs	Academicians	FAPs	Academicians
It has evolved as a multi- disciplinary field of activity dominated by Chartered Accountant.	3.82	3.74	1.18	3.74
There should be separate professional body for governing FA services.	3.62	4.00	1.34	1.33

**Source: Author’s Computation**

The perspectives on the evolution and governance of FA reveals that both FAPs and academicians agree that FA has evolved as a multidisciplinary field predominantly managed by CAs, with mean scores of 3.82 and 3.74, respectively, and SDs of 1.18 and 3.74, indicating slight variations in their views. Notably, there is a stronger consensus among academicians (mean = 4.00, SD = 1.33) as compared to FAPs (mean = 3.62, SD = 1.34) on the need for a separate professional body to govern FA services. It indicates a significant inclination among academicians towards more structured and specialized governance for the field. These perspectives within the professional and academic community emphasize the importance of considering multiple perspectives in discussions about the evolution and governance of the field.

*“A separate professional body should be there which requires proper designing, implementation and Government support”* (Academician).

*“Separate professional body will enhance the efficiency and may provide clear direction to all the stakeholders”* – another academician noted.

An additional purpose of a separate FAP body could be to establish and uphold standards for FAE and regulate entry into the profession. There are Government (statutory bodies like ICAI), private institutions (e.g. Indiaforensic) and global players (e.g. Association of

Certified Fraud Examiners) providing certifications of FA in India. However, there is no government interference in assigning a professional body the responsibility of FA or establishing a separate FA professional body.

*“Separate FA institute would improve the standards and the quality of FAE”* (Academician).

However, a contrasting view was opined by another FAP:

*“It is next to impossible to establish a separate professional body for FA; starting from diverse scope of FA; to cost of establishing a new professional body and its recognition.”*

*“FA cannot be separated from the domain of accounting and hence it has to be backed by existing accounting bodies.”* - added by another FAP.

Gaining recognition for a new institute in the industry and among employers can be an uphill battle. *“It takes years to establish credibility and gain the trust of stakeholders”* (FAP). Further, ICAI has already issued standards on FA which are mandatory for their members. Creating a new institute would necessitate developing a separate regulatory framework, including licensing, accreditation, and compliance standards. This process can be time-consuming and complex (FAP). Moreover, *“the establishment of a standalone FA institute could lead to fragmentation within the accounting profession. This division may hinder the cohesiveness and uniformity that a single governing body provides such as ICAI”* (FAP).

The establishment of an autonomous FA entity is one avenue to secure autonomy. However, there are notable contradictory and inconsistent views within the two groups. This divergence pertained primarily to the notions of professional autonomy and the necessity for an exclusive FAP institution. Consequently, the prevailing landscape of FA within the Indian milieu does not presently align with the criteria stipulated for professional autonomy.

### 6.3.6 Commitment

In the Indian context, a robust framework of FA standards has been established within the field. This achievement stands in contrast to the concerns raised in the Australian context. As one FAP asserted, "*The presence of well-defined FA standards in India is a source of considerable pride*". These standards, developed by ICAI, hold a pivotal role in governing the conduct of FAPs engaged in FA.

*"India became the first country to issue FA standards. It will enhance the quality of work"*—an academician commented.

It is worth noting that the standards are specific to CAs and do not extend to every FAP in the field as published by ICAI. This focused approach ensures that those bearing the CA designation adhere to a stringent set of guidelines, thereby elevating the quality and ethics of FA services. Participants in the study expressed a unanimous appreciation for the existence of these standards, with one participant emphasizing, "*The presence of the ICAI-issued standards reinforces our commitment to maintaining high-quality work in the realm of FA*" (FAP). However, there is still a need for additional forms of regulation in India.

Both the participants group showed complementary views regarding the commitment construct. Although the current standards in the Indian context are compulsory for ICAI members only, FA meets this construct in the Indian context.

### 6.3.7 Sense of Community

The sense of community implies that professionals within a particular field can cultivate robust networking channels, engage in meaningful interactions, share innovative ideas, and collaborate to enrich their respective domains (Pavalko, 1988; Huber, 2012; Alshurafat, 2021). In the context of FA in India, perceptions garnered from interviews with both academicians and FAPs revealed that there is lack of initiatives from professional institutes to build a sense of community for FAPs in India.

*"The field of FA is incredibly diverse, catering to a wide array of experts. To engage everyone, professional institutes should proactively raise awareness through seminars. Collaborating with educational institutions for joint courses can further unify*

*and enrich the discipline, ensuring a more cohesive and informed community of professionals” (Academician).*

*“FA in India is still in the developing stage, and it will take time to build a strong community of forensic accountants” (FAP).*

*“FA is also useful in areas of financial reporting of frauds, business valuation, white collar criminal investigations etc. Considering the steep growth in frauds, it is safe to assume that a career in FA has a bright future ahead and professional bodies are doing their job constantly. But to create the environment of community, it may take time” (FAP).*

In the context of evaluating sense of community construct in India, the table 6.4 examines the perceived sufficiency or deficiency of FAPs.

**Table 6.4: Sufficiency/Deficiency of FAPs in India**

Statement	Mean		SD	
	FAPs	Academicians	FAPs	Academicians
<i>There is a lack of qualified forensic accountants</i>	3.71	3.96	1.28	1.42

**Source: Author’s Computation**

Table 6.4 implies that, on average, both FAPs and academicians acknowledge a perceived lack of qualified FAPs. However, the slightly higher mean score among academicians may indicate a comparatively more pronounced concern within the academic community. The low standard deviations further suggest a consensus within each group.

From the perspectives of participants, it has been observed that they have complementary views on the sense of community construct. They recognize the importance of community in building the profession. There is still a lack of initiatives to collaborate FAPs. Therefore, FA in the Indian context does not meet this construct.

### 6.3.8 Code of Ethics

As mentioned earlier, ICAI, ICMAI and ICSI are promulgating FAE. FAIS are a remarkable step in regulating the FA practice while ensuring ethical practice by the members of their professional bodies. To assess the present adherence to regulations and guidelines in FA services, FAPs were queried using a binary "Yes or No" format to solicit their professional opinions.

**Table 6.5: Adherence to Regulations and Guidelines in FA Services**

<i>Do you follow any specific published regulations or guidelines, such as guidelines for FA, while providing FA services?</i>	<b>Yes</b>	<b>No</b>
	89.80	10.17

**Source: Author's Computation**

Table 6.5 indicates responses from FAPs to a question regarding adherence to standards, regulations, or guidelines. The majority of FAPs affirm that they follow established standards, regulations, or guidelines in their professional practice. Around 90% FAPs suggest a strong commitment within the professional community to adhere to industry-recognized norms and guidelines. The remaining 10.17% of respondents participated before the time when adherence to the FAIS was not mandatory. When queried about the guidelines and laws followed while rendering FA services, the array of laws and regulations cited, emphasizes the meticulous and multifaceted regulatory landscape governing FA. The inclusion of standards set forth by professional bodies such as ICAI, ACFE guidelines, and compliance with anti-money laundering and data integrity acts reflects a commitment to ethical practices and a comprehensive approach to FA. Moreover, aligning with broader legal frameworks such as the Companies Act, BSA, BNS, and others indicates a recognition of the diverse legal considerations inherent in FA work. However, there is no Govt. involvement in regulating FA in India. Regarding the code of ethics, FAP commented,



*“The present FAIS is now mandatory, particularly for CAs”.*

*“The Govt. should provide regulatory powers to professional institutions like ICAI to set the guidelines and standards to properly develop the forensic skill set in India and to ensure proper usage of that skill set by Top Management of organization, Police, Court and Judges for legal purpose and by department of governments to detect fraud, corruption and misconduct of officers and personnels”* another FAP emphasized.

Indeed, while there are established standards in the field of FA, it is crucial to acknowledge that certain limitations require attention and potential amendments.

*“Govt. involvement is required to make FA standards mandatory for all other qualified forensic accountants in India”*, an academician added.

This commitment to strengthening the ethical framework reflects the evolving nature of the discipline and the recognition of the need to align with international standards and best practices. Therefore, within the unique landscape of FA in India, the development and refinement of an ethical code of conduct are essential steps to ensure that FAPs are guided by a consistent set of ethical principles, ultimately upholding the integrity and credibility of the profession. Despite calls for further enhancement of the existing FA code of ethics, this study found that the current ethical framework aligns with the professionalism construct.

#### **6.4 Discussion on FA as a Profession in India**

This chapter aimed to ascertain whether FA within the Indian milieu aligns with the requisite sociological characteristics of a recognized profession. Prior studies indicate varying degrees of professionalization in FA across diverse global contexts (Brennan, 2014; Van Akkeren & Tarr, 2014; Hegazy et al., 2017). Table 6.6 presents a comparison of different views from academicians and FAPs, along with an assessment of how consistent or conflicting these perspectives are within each group. The findings have revealed a clear need to focus on important sociological aspects of FA in India. Specifically, they emphasize the importance of autonomy and the strong dedication required for professional recognition in this field.

**Table 6.6: Response on FA as a Separate Profession or a Part of Accounting Profession**

<i>How would you classify FA as:</i>		<b>N= 668 (100%)</b>	$\chi^2$	<i>p</i> value
A	Separate profession	181 (27.1)	0.422	0.809
B	A part of accounting profession	190 (28.4)		
C	Both A and B	297 (44.5)		

**Source: Author's Computation**

The survey results on how FA is perceived within the profession indicate a diverse view among respondents regarding its classification. 27.1% of total respondents consider FA a separate profession, whereas 28.4% perceive it as a part of the broader accounting profession. The largest group, 44.5%, remarks it as both a separate profession and a part of accounting. The quantitative results align with the qualitative findings, indicating that FA is currently considered both a part of accounting and a distinct profession. However, there is a potential for it to evolve into an entirely separate profession in the future.

**Table 6.7: Outline of the Findings of Professional Theory**

<b>Construct</b>	<b>Complementary (or Contradictory) views among the participants</b>	<b>Consistency (or inconsistency) among the participants in each group</b>	<b>Criteria Fulfilment</b>
Intellectual technique	Complementary views	Consistency in views	Satisfied the criteria
Relevance to social values	Complementary views	Consistency in views	Satisfied the criteria
Training	Complementary views	Consistency in views	Criteria not satisfied
Motivation	Complementary views	Inconsistency in views	Satisfied the criteria
Autonomy	Contradictory views	Inconsistency in views	Criteria not satisfied
Commitment	Complementary views	Consistency in views	Satisfied the criteria
Sense of community	Complementary views	Consistency in views	Criteria not satisfied
Code of ethics	Complementary views	Consistency in views	Satisfied the criteria

*Note: The second column indicates the alignment or divergence between the perspectives of FAPs and academics. The third column reflects the coherence or divergence within the participants' views from each group.*

**Source: Author's Computation**

Table 6.7 synthesizes findings from the analysis of each construct related to FA professionalism. It evaluates whether perspectives among FAPs and academicians are aligned or divergent, labeled as ‘complementary’ or ‘contradictory.’ Complementary views suggest that both groups hold similar perspectives, whereas contradictory views indicate differing opinions. Consistency within each group is assessed based on the uniformity of opinions among participants. The ‘criteria fulfillment’ column represents whether the combined insights satisfy the requirements of the professionalism framework. This study found that participants displayed a keen awareness of the specialized intellectual techniques associated with FA, often surpassing the skills and knowledge of traditional accountants. This result aligns with the studies of Rezaee et al. (2016) and Alshurafat (2021), confirming that FAPs in India have sufficient expertise, likely gained through professional educational programs. The subsequent construct pertains to social values (Pavalko, 1988). FA significantly benefits society and impacts the nation's ethical and financial landscape. This finding is corroborated by prior studies (Sahdan et al., 2020; Alshurafat, 2021). Participants clearly understood how their expertise contributes to problem-solving and mitigation of social issues. They highlight the importance of training for success in FA but express concerns over the lack of structured programs in India. They advocate for an integrated approach, combining postgraduate coursework with practical exposure to real-world FA tasks. This finding is attuned with previous studies (Jones & Dosanjh-Zucker, 2018; Alshurafat et al., 2020). The motivation construct reveals a distinct set of drivers. FAPs are attracted to the challenges and continuous learning opportunities of the field. Respondents highlight the evolving landscape of FA in India and its role beyond traditional auditing. Additionally, the educational aspects of FA also offer students promising career paths amid rising financial fraud. The Indian perspective highlights the role of FA in combating financial crimes, promoting transparency, and fostering accountability in business, meeting the criterion. Regarding autonomy, while some participants support the establishment of a separate FA body, a majority of FAPs disagree with the idea, aligning with prior studies (Domino et al., 2017; Seda et al., 2019). The conflicting views accentuate the lack of a unified stance on professional autonomy and highlight the necessity of an exclusive FA institution in India. The commitment construct of FA in India is marked by the establishment of robust FA standards, which contradicts the concerns in the Australian context (Alshurafat, 2021). Although compulsory only for ICAI members, these standards are unanimously appreciated and contribute to meeting the commitment construct within the Indian FA context. Regarding a sense of community,

despite recognizing its importance for growth and collaboration, participants noted a lack of initiatives from professional institutes to foster such a community. While ICAI and ICMAI offer specific courses, the absence of broader initiatives indicates that FA in India currently falls short of the sense of community construct outlined by professionalism theory. However, there are calls for government regulation to empower professional bodies, highlighting limitations that need attention and potential amendments, reflecting a commitment to continuous refinement and alignment with international standards. Despite challenges, the commitment to strengthening the ethical framework in Indian FA meets the construct while highlighting the need for ongoing refinement to align with international norms.

## **6.5 Conclusion**

Whether FA qualifies as a distinct profession remains debated with varying expressions across different nations (Huber, 2012; Gosselin, 2014). This chapter delved into this area within the Indian context, leveraging insights from elite FAPs and Academicians. It adopted a sociological perspective rooted in the professionalism theory, delineating eight key constructs directly linked to a profession's societal role (Pavalko, 1988). The results find that FA in India partially aligns with the sociological criteria defining a profession. The current scenario reveals deficiencies in meeting the criteria of training, autonomy, and fostering a sense of community within the profession, signalling a need for strategic interventions and enhancements.