

TO OUR READERS



“Can the members of ICAI provide a business model for enhancing the momentum of our economic activity and enable us to realize the GDP growth rate of 10 per cent and maintain it consistently for 10 years...?” was the question posed by His Excellency, Dr. A.P.J. Abdul Kalam, The President of India, while sharing his vision for the profession, at the inaugural session of the International Conference on “Accountancy Profession: Adding Value to New Horizons of Economic Growth” organised by the Institute on 1st September, 2005 at New Delhi.

The role of the accounting profession in the case of the manufacturing and services sectors is well carved out and recognised. Unfortunately, at a time when the country is facing a major challenge in the improvement of the social and economic condition of 260 million people below the poverty line, the role of Chartered Accountants in the transformation that the Indian economy is currently undergoing, is yet to be fully explored and structured. In the background of the domain knowledge that a Chartered Accountant possesses, the first citizen of the country has raised a call to the profession to become a partner in the process of Na-

tion Development. In his address, which would be written in golden letters in the history of the profession, His Excellency has also outlined the following strategies for the profession to follow:

- ❖ Value creation through fostering good governance and competitiveness in the manufacturing and services sectors.
- ❖ Value maximisation by suggesting procedures that result in high yields and bring transparency in the financial reporting of developmental projects.
- ❖ Development of a business plan enabling PURAs (Providing Urban Amenities in Rural Areas) to be run as an enterprise with local participation.
- ❖ Preparation of revival packages for sick SSIs and business plans for harnessing agriculture-based business opportunities to help generate large-scale employment opportunities for the rural population.
- ❖ Preparation of IT-based accounting and management support systems for micro-enterprises.

Considering the size of the country, the task is indeed gigantic. The Institute at its level, for quite some time, has been persuading the Central Government, and various State Governments not only for reforms in the government accounting, but also to evolve systems and processes that enhance productivity in utilisation of resources, accountability for the results, and transparency

in financial reporting. Our thrust on end-use certification and impact assessment study for developmental projects would help in the maximisation of the benefits of the government policies and programmes to the intended beneficiaries. Emphasis has also been laid on capacity building measures for the profession, and more importantly, for institutional development of implementation agencies in the Government.

The address of His Excellency, the President of India, has given the profession a way forward, i.e., involvement of Chartered Accountants at the local level together with the district authorities, trade and industry and bankers, in areas that can act as wealth generators for the rural population. At the professional level, we need to rise to the call given, by reorienting our thinking and approach, and formulating appropriate strategies for professional development and continuing professional education. Much more vigorous efforts would be required to persuade the Central and State Governments to put in place, an enabling framework, at the local levels to encourage initiatives and dynamism for the fulfillment of the cherished dream of our beloved President of India. A model business plan with a successfully demonstrated pilot project in different thrust areas might perhaps be necessary as a path-breaking exercise.

- Editorial Board

The Institute of Chartered Accountants of India