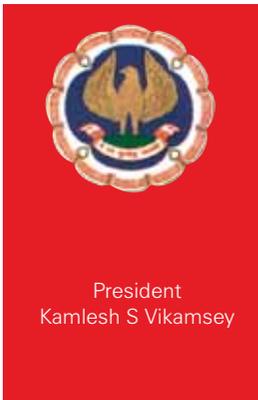


# THE PRESIDENT



President  
Kamlesh S Vikamsey

Dear Members,  
September 1, 2005 would be remembered as a golden day in the history of the accountancy profession in India not only for the reason that His Excellency, the President of India, Dr. A.P.J. Abdul Kalam addressed the profession at the ICAI's International Conference, but also for his singular statement on vision of "ICAI 2049". While acknowledging the role of the profession in maintaining integrity, reporting and monitoring the financial health of India's wealth generating institutions, he impressed upon the accounting fraternity to pool its resources to become a partner in the nation's endeavour towards amelioration of the condition of those living below the poverty line. As is evident from his address, published elsewhere in this issue, he carved out a clear-cut role for the profession in rural development, educa-

tion and health care, fusion of information and communication technology, and auditing.

The ICAI has all along sought to integrate the profession with the process of economic development of the country as its avowed obligation. It has been actively pursuing the Govern-

ments, both at the Central and the State levels, to use the domain knowledge of accountants to bring efficiency, transparency and accountability in the mobilisation and use of public funds. With a view to introducing more transparency and effective accountability, it has taken lead from the front through formulation of accounting principles and successful demonstration of implementation thereof in urban local bodies. It has been providing active support to the office of Comptroller & Auditor General of India to enable the Government to undertake reforms in Government accounting. As was underlined by the 12th Finance Commission, the reforms in Government accounting would capture the assets creation and hidden liabilities like pension and would give a complete picture of state of affairs and financial performance of the Government, compatible with the proposed linking of outlays with measurable outcomes.

In respect of agriculture sector, the role of the Chartered Accountants is increasingly becoming important with the institutional changes in the agricultural credit delivery mechanism with the setting up of the Regional Rural Banks in 1975 and NABARD in 1982. By Provisions of Urban Amenities in Rural Areas (PURA) schemes, the government is seriously considering to involve Chartered Accountants to undertake an intensive review of operating aspects of subsidies so as to accomplish the intended objectives.

Education, health and infrastructure requires substantial investments. Chartered Accountants possess adequate knowledge, skills and capabilities necessary for raising finances and effective utilisation of the same.

In fact, their involvement by the Government in some of the Ministries in the Central Government and some of the States for designing institutional framework for the delivery mechanism or for end-use certification or for impact assessment has led to value maximisation with larger benefit devolving to the intended beneficiaries. The involvement of the Chartered Accountants has, however, been limited to fewer areas and for limited purposes. There is, therefore, an immediate need to further intensify the efforts to persuade the Central Government and State Governments to use the domain knowledge and expertise of the Chartered Accountants in every facet of the Government functioning. In the coming days, the Institute's policies and programmes in the areas of education, professional development and continuing professional education would be reviewed and restructured to incorporate the vision of His Excellency, the President of India.

On this solemn occasion, His Excellency, Dr. A.P.J. Abdul Kalam administered the following oath to all those who were present at the International Conference.

"I realize the profession I am entering is the trusteeship of financial management and I will assist whichever institutions I audit keeping in view the societal obligations. I will not only bring out the problems of financial management for protecting the interest of all the stakeholders of the enterprise, but also suggest possible solutions with ethics as a way of life."

Let all of us take this pledge to re-orient ourselves and become true partners in national economic development.

Likewise, His Excellency, Mr. Rameshwar Thakur, the

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Governor of Orissa and former President of the ICAI, while inaugurating the All India CPE Conference on Accounting the Profession — ‘Spreading the Wings’ at Bhubaneswar held in August, emphasised the role of the profession in the economic development of country. His address demonstrated in no uncertain terms, the value that the accounting qualification adds in formulation and implementation of developmental schemes of the Government.

The International Conference would also be remembered because of participation of a large number of delegates from 13 countries, which included H.E. Francisco Da Camara Gomes, Head of Delegation of European Commission, H.E. Nasser Al-Rawahy, Deputy President, State Audit Institution of Oman, Mr. Anthony Martin Hegarty, World Bank, Mr. John Kellas, Chairman, International Auditing and Assurance Standards Board of International Federation of Accountants, Ms. Tatiana Krylova, Head of the Investment and Enterprise Competitiveness Branch, UNCTAD and Mr. Geoff Brayshaw, Past President of the Institute of Chartered Accountants of Australia amongst others. The delegates shared their experiences with the Accountants fraternity and particularly stressed the need for convergence of global Accounting and Auditing Practices, and good Corporate Governance for the ultimate upliftment of the profession and economies across the world respectively. The interaction in the sidelines of the Conference might see, in the coming days, collaborative efforts between ICAI and the State Audit Institution of Oman, ICAI and the World Bank, and ICAI and UNCTAD.

In the Conference Hon’ble Shri. V.N Kaul, Comptroller and

Auditor General of India (CAG) lauded the Institute’s contribution in accounting reforms and more so in government accounting particularly the accounts of urban local bodies. The icing on the cake was from our own Shri Suresh P. Prabhu, Hon’ble Member of Parliament who said that by bringing more Chartered Accountants in the economic activity; the nation will grow. Smt. Komal Anand, Secretary, Ministry of Company Affairs commended that the Chartered Accountant is a person on whom every section of the society can rely on and rely strongly on, and his certification would inspire confidence as coming from a person fully competent and holding charter from the supreme legislature of the country. Equally articulate was the address by Shri. K.M. Chandrasekhar, Secretary, Department of Revenue who termed the profession as a strong, efficient and dedicated bridge between the tax payers and tax collectors.

The ICAI continues to forge ahead in its role of development of the brand image of the Indian accountants internationally, and for the development of the accountancy profession in other countries. The ICAI has agreed to help the Institute of Chartered Accountants of Nepal in introduction and institutionalisation of a disciplinary mechanism, Peer Review System and the Post-qualification course on Information Systems Audit. Orientation workshops in these areas were successfully held in Kathmandu. The Post-qualification course in Information System Audit in Nepal is likely to be operationalised by the end of this year. The Institute is committed to providing institutional support to the accounting bodies not only in south Asia, but also in other parts of the world.



It is heartening that over the years the profession has transformed itself into looking beyond the traditional areas of accounting and auditing, to provide value added services in the entire gamut of economic activity. In the integrated knowledge economy, the Chartered Accountants are like catalysts whose strength must be harnessed fully for the transformation of the society and for generation of wealth of the nation. I would call upon the members of the profession to see the immense opportunities for professional development in the areas of economic development and become partners in the process of Bharat Nirman.

I conclude with the words of Dr. A.P.J. Abdul Kalam:

“When learning is purposeful, creativity blossoms,  
When the creativity blossoms, thinking emanates,  
When thinking emanates, knowledge is fully lit,  
When knowledge is lit, economy flourishes.”

Let us all salute this great visionary and march ahead with a zeal to contribute to the growth of the economy.

With warm regards,  
Sincerely yours,

**Kamlesh S. Vikamsey**  
President

New Delhi, September 2, 2005.