

From October, 1963 issue:

### Editorial

# Role of Chartered Accountants in the Changing Context

**A**ddressing the Council members of the Institute of Chartered Accountants of India, the Union Minister for Industry, Mr. Nityanand Kanungo, referred to the shortage of chartered accountants in the country. This important issue has been engaging the attention of the Council. While the number of members in the profession is to be increased rapidly, at the same time, another important aspect also needs to be kept in view, the quality of chartered accountants and the high standards of the profession need to be zealously guarded.

The growing demand for chartered accountants should set the members of the profession thinking on their role in the changing economic context in the country. It is being increasingly recognised that they are no longer to confine themselves merely to accounting for past events, but have to widen their horizons in terms of new concepts like management accounting. Only then will they be able to contribute effectively to the process of economic growth. William A. Paton, eminent American Accountant, has rightly pointed out, at the Eighth International Congress of Accountants: "That accounting is the major instrument in the drive to make two blades of grass grow where one grew before other has long been recognised.... Accounting is an outstanding professional field, with very substantial accomplishments to date and with a great potential. And I think we are fully justified in rejecting the role of mere compiler, checker, or statistical helper. In my view, accountants both in the public and private areas are participants in administration, not merely the advisers of those in authority."

It is equally important to appreciate another factor. Members of the profession are finding that responsibilities of leadership are being placed on their shoulders in more spheres than one. The key position of chartered accountants in the industrial and commercial world, the high standards of professional conduct and the enormous prestige enjoyed by the profession as a result of these factors have created a situation in our developing country wherein large numbers of people in other walks of life are looking up to chartered accountants for leadership.

Members of the profession should not be found wanting in this new responsibility. It becomes their bounden duty to shoulder this responsibility of leadership with humility, dignity and knowledge. For this purpose, they should equip themselves with general knowledge, particularly of economic affairs, and cultivate a broader outlook, as also a mature understanding of men and matters. If they are so equipped, then they will be able to provide proper leadership not only in their own field of work, but also in other walks of life. This is a distinct service they can render in a developing country, where much will depend, for at least some more years to come, on the right type of leadership at various levels and in different fields. ■