



Dear Colleagues,

It is usual, and this I say on the authority of all the last letters written by my predecessors at the time of laying down Office, to wax lyrical about the year that was, and to sound a little maudlin and sentimental. I would like to confess that my first instinct was to go with history, and do the same. I have changed my mind, and am not going to become sentimental. The reason is that I feel that our brand of professionalism and sentimentality do not go together. We must be objective about what we have been and done and what we are being and doing, and in that, while feelings are important because they affect one's efficiency and effectiveness, sentimentality has no value.

It is usual also, to thank everybody for the cooperation and support that one has received, and I also acknowledge that as fact. And in this also there is an institutional flavour. Support and cooperation are what every President seeks, and invariably gets. That is because as a profession we are one, and we acknowledge the leader and do not envy him his task. But I would be an ingrate if I did not specifically say that what I have received from the past Presidents, the council colleagues and members has certainly exceeded my expectations. It has made me humble, because just as the task has been huge so have the resources that have been made available to me by all my professional brethren. I have never faced a refusal, nor, to be honest, have I faced a situation where reason and rationality did not do their work. For this also I am thankful.

As I said, I do not want this last letter of mine to you to be a sentimental one. As a person, I have always tried to be positive, and I think the test of one's positivism is at times like these, when one is going away. The question is, what do I leave behind? What is there to which I myself, and my colleagues can look back to as forming the seeds of what happened after? There are institutional answers to these questions, and there are personal ones. Let me share with you the institutional answers first.

This Institute has gone through quite a few ups and downs. That in spite of all that (which are of course part of the life of any institution) we have steadily progressed and have continued to gain national and international credibility, is what I believe to be a tribute to our essential strength of purpose and commitment. This is what is reflected in the general attitude of the society towards ourselves as a community of professionals which, in spite, again, of what the accountancy profession has recently been through, confirms our integral position in society.

There are seeds that we planted last year. Peer Review is one. The making of CPE into a mandatory requirement another. The opening of doors to responding to advertisements by multilateral

agencies and governments and Public Sector Undertakings a third one. The capping of fees, the fourth. And the setting up of the Financial Reports Review Panel, the fifth. All these, and others on which the Council took decisions, will have their effects on the future of our profession. What we have done is what we believed to be in the best interest of ourselves as a community and within the bounds that society has laid for us. How they take shape is what again we as a community will have to see, and as an institution, guide.

During the year I have shared with you many of my thoughts; some have been philosophical, and some have been my ideas about the future. I have received encouraging responses, and I have received depressing commentaries although, to be quite candid, the number of encouraging responses has been much larger. That encourages me to now share with you some of my personal learning.

Public life itself is an adventure, and a position in public life is big adventure. Anybody, myself included, who steps into this search for adventure is therefore likely to discover surprising things about himself, and about others - but mostly himself. Our scriptures have said that learning begins with the exploration of the meaning of ignorance. And as one learns more, the more difficult becomes the task of dealing with one's ignorance. I think a commitment to continually look at one's ignorance and to learn from that, is the hallmark of the professional. If this is too philosophical, forgive me. But there is no other way that one can really summarize what an individual goes through during his year as President of this Institute. It is a mirror that continues to show one where one is falling short of the expectations of a hundred thousand people. Believe me, there is no greater humbling experience. And therefore, that is what I carry with me as I leave this office for the last time.

January is the time when things slow up all over. Nevertheless, there have been some events that will bear mention. The Auditing and Assurance Standards Board held a conference in Hyderabad, which was hugely successful. The Hyderabad Branch hosted another Conference on the 1st of February, this time the All India Conference for Members in Industry.

Overall, the year has been the good one. The number of Auditing and Assurance Standards promulgated by our Institute is now at par with those published by the International Auditing and Assurance Standards Board. We have carried our professional development activities in various States quite far. A number of countries are also interested in collaborating with us on development of professional opportunities globally. And results are beginning to show. The Chairmen of IFAC and the International Accounting Standards Board, publicly lauded the Institute and the role played by it in the accountancy sector nationally and internationally. The Institute committed itself to improving infrastructure facilities, and at the Head Office substantial improvements have already been made. The Bhoomi Poojan for the Institute's building for research in accounting has taken place on the 2nd of February, 2003.

The Information System Audit course began in Sri Lanka on the 27th of January. I was there for the inauguration and felt justly proud of what we have achieved in this area. Incidentally, quite a number of other countries have shown their interest in having this course conducted for them in their countries. We hope that these initiatives will come through.

By now, all of you know that I am in the habit of leaving you with a dilemma to ponder over. And

FROM THE PRESIDENT

in this, my last letter to you as President, I would like to keep up that habit.

The issue that confronts me is that today, life has become a metaphor for the doable. Society itself sanctions and encourages that. This do-ability is the engine of growth and development. In our own way, and for a small sector of the universe called life, we are circumscribing this do-ability, and we are also discovering that without such bounds being put on do-ability, the whole complex fabric of the economy may fall apart. The issue then is, if we are right, and events have proved that, then should not the same rules be extended to other spheres, including the business advice that we give? How are we always sure that our business advice is not in ethical conflict with our role as auditors (not in the same company perhaps, but elsewhere). Does the change in the identity of the person availing of our advice change the rules of applied ethics? If not, then what kind of ethics should we really adopt? Can we circumscribe our own business advice? To what extent, and to what effect?

Answers, dear colleagues, are not readily forthcoming. Nor should they be; for here we touch upon very fundamental rules of the game. Nevertheless, answers are needed. We cannot, each one of us, continue to be two people, prescribing and proscribing at the same time. I leave you with this dilemma, for, as I see in it, may well lie the destruction of many other Enrons.

New Delhi,
2 February, 2003



Ashok Chandak
President

The true meaning of life is to plant trees, under whose shade you do not expect to sit

—Nelson Henderson