

# What the Leading Visiting Dignitaries Said About Accountancy Profession

The Institute of Chartered Accountants of India (ICAI) has completed 62nd Year of its glorious, highly purposeful and nationally beneficial existence on 1<sup>st</sup> July, 2011. As such, the ICAI and the accountancy profession it regulates, have, all along these 62 years, won the acknowledgement, accolades and admiration and advices of the leading lights of the times. We dug up our archives to pick related quotations of some of such personalities from their interviews and write-ups in this journal, and messages and speeches delivered during different programmes of ICAI between June 2010 and June 2011. Following are their selected words of wisdom in quotes.

## CA. Rameshwar Thakur, Governor of Madhya Pradesh and Past President of ICAI



"Accountancy professionals in this age of globalisation will have to progressively raise their standards to match global parameters with emphasis on greater accountability and transparency. They will be able to match the needs of the nation in its ever increasing development activities in the years to come. It is also necessary to develop in-house facilities and local level facility centres on free or least-cost basis, to provide professional guidance by the brilliant members to the young practitioners, small firms and individuals engaged in the profession"

*(8<sup>th</sup> June 2010, in a Message published in the Journal)*

## Mr. Vinod Rai, Comptroller & Auditor General of India



"The contribution of the ICAI in regulation of the accounting profession and providing leadership has been exemplary. The members of the ICAI should continue to uphold high standards and discharge their professional duties with due diligence. Each member of the Institute must play a role in enhancing professionalism, credibility and ethics. Maintaining independence and ensuring compliance of reporting obligations under the relevant statutes, laws and standards is of utmost importance. The accounting profession is in a very dynamic phase in its history. It is imperative to keep pace with the rapid developments and adopt globally accepted best practices. The ICAI as a premier accounting body has, therefore, its role cut-out... Auditing is a significant tool for ensuring good governance. There is an urgent need of performance audit whereby it is ensured that the money spent by the Government should be spent for the purpose it is allotted, and it is also accounted for. The services of chartered accountants are crucial support for the government in its various endeavours, including efforts for good governance."

*(In an interview to ICAI published in July 2010 Journal and address at ICAI international conference on 5<sup>th</sup> January, 2011)*

## CA. Rahman Khan, Deputy Chairman Rajya Sabha

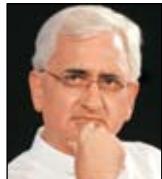


"The institute and the profession will face new challenges, particularly when India is embarking on high growth rate and also emerging as economic power... The profession should redefine its role as a watchdog of public expenditure and investments. It should come out of its traditional role of client centric approach and emerge as representative of the civil society to maintain financial ethics and propriety in the civil society. We as a Professional Fraternity should look beyond the profession. Wherever there is growth and development, there is need for financial prudence and fiscal discipline. We must put in efforts to be the true Partner in Nation Building. The Motto of the Institute "Ya Esa Suptesu Jagarti"

needs to be followed in thought, deed and in true spirit... Only chartered accountants can help the Government plug leakage and misappropriation of funds and ensure value for money to the ordinary citizens. The Government accounting reforms are still pending and it is only the accountants who can facilitate flawless transition from cash based to accrual accounting in Government."

*(In an interview to ICAI published in July 2011 journal, and address at ICAI International Conference on 4<sup>th</sup> January, 2011 in New Delhi)*

#### **Mr. Salman Khurshid, the then Union Minister of State for Corporate Affairs**



"After the software revolution in our country, what we need today is to unlock the huge potential of our accountants for the world, which will be required in larger and larger number, particularly when IFRS is accepted globally... We work closely with ICAI and admire the work done by ICAI. We are willing to be your partners and to push your ideas. With an outstanding performance record of the ICAI, I would like to see ICAI taking the lead. This is the reason why they are the nodal agency for what I call the accountancy revolution in India (Convergence)... Indian accountancy profession is among the professions that we would want the world to look at. The world must recognise Indian accountancy profession's special ability and talent. We are there to ensure that... IFRS is the next big revolution happening in India after software revolution and it will offer vast opportunities for Indian CAs across the world, and India has special DNA for accountancy. Good things like good wine take time to mature and the time has to come to celebrate Indian accountancy profession."

*(In an interview to ICAI published in July 2011 journal, address at CA Day Function on 1<sup>st</sup> July 2010 and address at ICAI International Conference on 4<sup>th</sup> January, 2011 in New Delhi)*

#### **Mr. Ashok Chawla, the then Finance Secretary, Government of India**



"The profession that you belong to, I think, is one of the most important stakeholders in business, industry, finance in the entire economic architecture, whether it is at the corporate level, whether it is at the level of a country, whether at the level of the entire world... Your institute is also unique. It is a statutory body and also a self-regulating organisation. It is not just a body of the profession, not just the body of the member who practice this profession, this is also a body to set standards... You are, therefore, responsible for the way the business and this entire profession are going to look like in the next 50 years. It is a great responsibility that you discharge to the institute, to the world of business and to the country."

*(18<sup>th</sup> June 2010, in his address to the Council of the ICAI)*

#### **CA. Y.H. Malegam, the then Chairman NACAS and Past President of ICAI**



"There is perhaps no single technical challenge presently facing the profession which is more important than the convergence with International Financial Reporting Standard (IFRS). This challenge, therefore, needs a response which is well-orchestrated well-calibrated and which is responsive to the concerns of industry and members of the profession.... Convergence with IFRS has created understandable nervousness both in industry and the profession. Without underestimating; the problems involved, it is perhaps true to say that much of this nervousness arises out of a fear of the unknown. It is, therefore, necessary to have a clear understanding of the issues involved and the steps which are necessary in this connection"

*(July 2010, in an article published in Journal)*

### Mr. Dhanendra Kumar, the then Chairman Competition Commission of India



"In today's business, Chartered Accountants and business are so closely intertwined that it is not possible to imagine one without the other...Under the Competition Act, 2002 Act, the Commission has to undertake suitable measures for competition advocacy, creating awareness and imparting training about competition issues. This work can best be undertaken by Chartered Accountants who are the brains and key functionaries involved in any business activity. The Commission views the fraternity of Chartered Accountants as the most significant group of its friends and stakeholders who can play a really significant role in propagation of competition culture in the market as envisaged in the Act."

*(July 2010, in a write-up published in journal)*

### Robert L. Bunting, the then President of IFAC



"The financial reporting and disclosure of most governments globally still has considerable room for improvement. And given the dire fiscal positions of many governments, the need to improve the management of public sector resources has never been greater... Fortunately, though—using a relatively straight forward, if politically delicate, fix—governments today have an opportunity to dramatically improve their resource management in the future: A switch from cash-based to accrual-based accounting."

*(July 2010, in a write-up published in journal)*

### Mr. Pranab Mukherjee, Union Finance Minister



"Let me complement ICAI for their initiative to work with financial institutions in streamlining and fine tuning the financial reporting, auditing and accounting architecture of India. Such efforts create greater awareness among stakeholders about the challenges and opportunities that we have before us and help in identifying issues that need to be addressed for accelerating and sustaining the development tempo... The use of standardised accounting practices helps in mitigating the problem of information asymmetry between various stakeholders such as managers, owners and creditors. While managers have the incentive to be more forthcoming on good news about the company's performance and prospects, they may want to hold back bad news. The accountants as information intermediaries between managers and shareholders need to identify and recognise losses at an early stage, thereby mitigating asymmetry in information... ICAI needs to be lauded for taking various initiatives for the implementation of Indian Accounting Standards converged with IFRS in letter and spirit."

*(At the 42<sup>nd</sup> Annual Conference of SIRC of ICAI at Kochi on 27<sup>th</sup> November 2010, and address at ICAI International Conference on 4<sup>th</sup> January, 2011)*

### Mr. Ian Ball, CEO of International Federation of Accountants



"After financial meltdown, the role of accounting profession has come to be widely debated among many circles including policy makers and the regulators. It is the duty of the profession to respond to the debate for which the world at large is looking forward to. There is a need for strengthening the regulators and improving the quality of financial reporting by the corporate as well as the government... Financial information, structures and strategies need to be re-looked into. Business processes also need a re-look and review while financial information needs greater scrutiny."

*(5<sup>th</sup> January 2011, at the International Conference organised by ICAI in New Delhi)*

**Mr. Arun Maira, Member of Planning Commission**

"Accounting profession plays a vital role in good governance of society. The world faces the challenge of governance and sustainability and entire people should be included in growth process of the country. Accountants have to ensure growth on sustainable basis taking into account the national assets which is 'people'. Accountancy profession should keep in mind the interests of the society at large. Three L's, i.e. Localisation, Lateralisation and Learning are catalysts for change. Inclusive growth should be the target of the economy and accountants should strive to ensure the same. Accounting for the society is the way for growth of the profession."

*(5<sup>th</sup> January 2011, at the International Conference organised by ICAI in New Delhi)*

**Mr. C.R. Sundaramurti, Comptroller General of Accounts of India**

"The World Bank Report enlists the aspects of good governance as public sector management, accountability, transparency, human rights, legal and regulatory framework and participatory approaches. The CGA is taking cue from these aspects... As part of reform measures taken by CGA at micro level, a pilot project has been undertaken in two departments with the help of the ICAI... There is a need for paradigm shift in the Internal Audit and Internal Control System to make them more risk-oriented, in order to add value to the process of governance. Ultimately, the vision is to make Internal Audit an inherent part of management report."

*(6<sup>th</sup> January 2011, at the International Conference organised by ICAI in New Delhi)*

**Ms. Diana Hillier, Deputy Chair, International Auditing and Assurance Standards Board**

"Emergence of knowledge economy is posing newer challenges to auditors. The focus of the IAASB had been on helping the auditors in coping with these challenges. I congratulate the Institute of Chartered Accountants of India (ICAI) for completing its convergence process with Clarified ISAs... I seek inputs of ICAI regarding the proposed strategy and work program of the IAASB that included monitoring of the ISA implementation, promoting benefits of adoption of ISAs, assisting in the implementation of the ISQC 1."

*(6<sup>th</sup> January 2011, at the International Conference organised by ICAI in New Delhi)*

**Mr. Graham Meyer, CEO of Institute of Chartered Accountants in Austria**

"There is a need to improve the quality of the auditing standards. ISA 315, Identifying and Assessing the Risks of Material Misstatement through Understanding the Entity and Its Environment covered the significant aspects relating to risk assessment...There are three stages in the risk, first, Risk Assessment, covering the aspects relating to risks arising out of the material misstatements, second, Risk Responses covering aspects relating to responses to the risks of material misstatements and the third, Reporting, covering aspects relating to giving appropriate audit opinion."

*(6<sup>th</sup> January 2011, at the International Conference organised by ICAI in New Delhi)*