

## The Legacy of *Integrity, Independence & Excellence* Continues

The Institute of Chartered Accountants of India has hit yet another historic milestone. It has completed the 63<sup>rd</sup> year of its glorious existence as the defender of a great legacy of professional *integrity, independence and excellence*. It's an occasion of national pride, glory, and, at the same time, introspection. This legacy is our responsibility. To preserve it for posterity is our duty. "...*The prudent heir takes careful inventory of his legacies and gives a faithful accounting to those whom he owes an obligation of trust.*," rightfully said the 35<sup>th</sup> American President John F Kennedy, which is worth taking note of by present day accounting professionals. Today, we should be all the more mindful of our role as a link in a continuous strong chain of the practitioners of excellence, who have exuberantly and ethically served our nation for decades.

Having resolutely upheld a very demanding tradition of excellence to make accountancy profession an integral part of India's success story, the ICAI has indeed come a long way since its inception on 1<sup>st</sup> July 1949. From a humble beginning with just 1689 members and 257 students, the Institute today proudly boasts of being the second largest accounting body in the world with a mammoth total of about 1,97,000 members and about 10 lakh students whose needs are being catered to through a Central Council, five regional councils, 128 branches and 21 foreign chapters besides a centre of excellence.

The story of ICAI has been a story of professional panache and perseverance, wherein it took all the trials and tribulations in stride to convert challenges into opportunities and emerge victorious. We have more than lived up to the expectations of the founding fathers of the nation, when they granted autonomy to the profession through the Chartered Accountants Act, 1949. The fact that this Act was enacted even before adoption of the Constitution of India, shows the paramount importance that the founders of the nation placed on the profession to act as a torchbearer of the virtues of transparency and integrity. Here, let's recall the speech of Mr. K.C Neogy, the then Minister for Commerce, delivered at the first meeting of the first Council held at New Delhi on 15<sup>th</sup> August 1949 in which he said that, "*it was appropriate that a great and important profession in the country was launching upon a career of autonomy on Independence Day*" and hoped that the "*Council would maintain a level of professional conduct and professional standards which would bring resounding glory not only to the profession but to the country as well.*" Today, we can legitimately claim that we have lived up to his expectations as one of the most vibrant forces of socio-economic growth and the backbone of financial discipline of the nation. The faith that the legislators put in accountancy profession 63 years ago, has, in return, paid rich dividends to the country ever since, and the phenomenon continues to this day.

Over the last 63 years, the CA profession has undergone a paradigm shift. The ICAI's persistent pursuit of perfection, skills and knowledge has placed the Chartered Accountant in an exalted position in the present professional order of the country. Today, the Chartered Accountants are not only the backbone of the Indian financial system but are also an 'institution of public trust' besides being 'conscience keepers of economy'. From traditional bean counters, the Chartered Accountants have now metamorphosed into a multi-dimensional professional, offering complete business solutions as 'information and decision specialists'. The role of a CA has shifted from backroom to

boardroom. He is no longer a statistician but a strategist.

With the ever-expanding horizons of the Indian economy, the accountancy profession has always been at the forefront, assuming new roles and responsibilities for nation's growth—fully justifying the CA professional's motto "*pride of service in preference to personal gain*". Today, the CA profession is not only spearheading the government's accounting reforms but is also involved in the policy making processes at various levels of the government.

"*Chartered Accountants: Partners in National Development*"—These words of acknowledgement and recognition used by visionary former President of India Dr. A. P. J. Abdul Kalam for the Chartered Accountant fraternity amply sums up the great role, power and potential of the Accountancy profession in the country.

The ICAI and the accountancy profession have indeed come a long way but still there are miles to go. There are still many challenges to be met, many frontiers to be conquered and histories to be made. Newer and newer opportunities are emerging in the garb of challenges, particularly in domains of 'IFRS', 'e-Commerce', 'environmental accounting', 'BPO/KPO', 'arbitration', 'corporate governance', 'due diligence & valuation', 'ERP Control Design,' 'risk management,' 'consultancy', 'international taxation' and 'mergers and acquisitions,' etc.

The need of the hour is to have multi-disciplinary partnerships and build domain expertise and specialisations, because the days of generalists are getting over. Alvin Toffler has rightly said that "*the illiterate of the 21<sup>st</sup> century will not be those who cannot read and write, but those who cannot learn, unlearn, and relearn*". Further, the sheer pace of change makes it a big challenge for the profession in the present hi-tech era of knowledge economy, liberalisation, privatisation and globalisation which has put sharper focus on the role of accounting profession. Charles Darwin has rightly said that "*it is not the strongest of the species that survive, nor the most intelligent, but the one most responsive to change*". Other key formidable challenges for the profession are 'ever-increasing expectations of the society and the so perceived utility-expectation gap'.

The ICAI turning 63 is not just an occasion for the professionals to rejoice but also 're-invent it' and renew their resolution to provide enlightened value-added services to the society with a futuristic vision. It's time to become an effective all-time bridge between fiscal administration and business community.

It's high time that Indian accountants inculcated 'big picture perspective,' looked beyond the numbers into a great future, and in the process, turned 'Vision into Value'. Today, more than ever before, the Indian accounting firms need to combine the best of both—'Big Firm Capability and Small Firm Personality'. In spirit, they should be large enough to know all the needs of clients and small enough to know their names when they call." They have to have the knowledge and insights to uncover opportunities and a commitment to see them through.

Today's CAs should leave for future generations such a legacy of excellence, which is greater than what they inherited.

### -Editorial Board

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