

Esteemed Colleagues,

India celebrated its 60th Independence Day this year. We look back with satisfaction at the remarkable progress our economy has made. Despite many adverse factors, India is poised to emerge as a strong economic power. Besides addressing the need for empowering India with adequate infrastructure, the Government should take steps in order that prosperity flowing from buoyancy of the economy percolates down to the masses, instead of confining to the creamy layer of the society. The gap between the rich and the poor is widening beyond comprehension, which can give rise to social unrest, if not remedied. The remedial measures include providing education to the millions of children who are out of school and endeavouring to turn India into a manufacturing power house generating employment to the masses. On these aspects, ICAI is exploring the ways and means of contributing to assist the Government to bring about the change.

New CA Curriculum

The Government approval for new CA curriculum has been obtained and the course has been launched. Option has been given to the existing PE-I students to switchover to Common Proficiency Test (CPT) course. The students can enrol and submit examination application form upto 9th October, 2006 so as to appear for the first CPT to be held on 12th November, 2006, the results for which will be declared on 1st December, 2006. Students undergoing PE-II after passing PE-I or Foundation Examination can, if they so desire, join articleship training and pursue the new curriculum.

Students, on passing CPT, would qualify to take up articleship training straightaway. CPT, an objective type

single paper test for 200 marks, will be held once in three months and shall cover Accountancy, Mercantile Law, General Economics and Quantitative Aptitude. Pass percentage required is 50%. There will be negative marking of quarter percentage for every wrong answer. The new curriculum is expected to attract the cream of the younger generation as the prospect of becoming a Chartered Accountant at the age of 21 years coupled with the career opportunities awaiting them should be enticing enough.

MOU with UAE

A Memorandum of Understanding (MOU) between The Institute of Chartered Accountants of India (ICAI) and Centre of Excellence for Applied Research and Training (CERT), Ministry of Education of UAE Government has been signed in Abu Dhabi. The MOU provides for devising international curriculum as per the local requirements; review of existing education and skill sets in the area of accounting and auditing; prepare a strategic plan for development of accountancy and auditing profession in UAE to ensure independence and impartiality; and to explore the establishment of an independent Institute for promoting chartered accountancy as a profession in UAE.

Paradigm Shift

Earlier, the set goals in the business world revolved around achieving of impressive turnover, net worth position, earnings per share, market capitalization and expansion of asset base, so on and so forth. In the current scenario, the infusion of social responsibility seemed to have swung the scale in favour of acquiring intangibles. Business entities are concentrating on creation of goodwill; quality of product/service; brand value and image building; customer

Institution Above Individual

satisfaction; human resource development; employee welfare measures; more than ever before. Enterprises who shifted their focus from 'tangibles' to 'intangibles' in this sense have progressed remarkably well.

Realisation has dawned on many that if these intangibles are well secured, tangibles follow as a consequence. The situation is not different on the professional front too. If a professional firm does not adhere to values, it cannot command respect. The credibility that a profession enjoys in the eye of public depends on the cumulative effect of the social responsibility, which its members demonstrate in their functioning.

Some of us survive on account of the goodwill created by our forefathers. Some of us enhance such goodwill by exemplary conduct. Unfortunately, it is experienced that the conduct of a few has diminishing effect on the goodwill of the profession. We need to introspect as to which category we should belong and the answer is obvious.

Fee based approach in everything we do would be fatal in the long run whereas Value based approach would bring reputation. Mahatma Gandhi said that there is enough for everyone's need but not for the greed. The Father of the nation also indicated that 'ends' do not justify the 'means'. It might pay to be unethical in the short run, but in return one loses self-esteem and peace of mind, which is too precious a price one should dread to pay and suffer.

When we charge the fee, let it be a consideration only for our services and not a price for compromising on values and principles. As the business world seeks to shred profit motive

approach in certain activities and attempts to imbibe values in every spectrum of its activity, is it not our bounden duty to practice these as elite professionals with greater vigil and zeal? While every business management is transforming to be professional in its approach, no profession should be carried on commercial lines. At the end of the day, money does not provide a sound sleep but peace at heart and contentment does. Ultimately, a contented person is never poor and the one lacking it is never rich, however, wealthy he may be.

Lord T.B. McCauley said, "the measure of a man's real character is what he would do if he knew he would never be found out". Everyone aspires to grow and reach greater heights. It will be nice to always bear in mind that ability may take us to the top but it requires character to stay there. Quality in service without compromising on ethical values begets not only prosperity in the long run but undoubtedly helps us to command respect. In matters

of innovation and empowerment, one should swim with the current, but in matters of values and principles, one should stand like a rock. I am sure our profession will sharpen the focus on the intangibles and thereby excel in enhancing the credibility.

Jai Hind, Jai ICAI

Yours sincerely,

CA. T N MANOHARAN

New Delhi, September 21, 2006



H.E. Mr. Rameshwar Thakur, Hon'ble Governor of Orissa and Andhra Pradesh in conversation with ICAI President CA. T.N. Manoharan when the latter called on him at Raj Bhawan, Bhubaneswar.

Service Above Self