

Letter of ICWAI President to Corporate Minister for Changing Institute name from ICWAI to ICAI

M. Gopalakrishnan
PRESIDENT



THE INSTITUTE OF COST AND WORKS ACCOUNTANTS OF INDIA
(Set up under an Act of Parliament)
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Shri M. Veerappa Moily
Hon'ble Minister of Corporate Affairs
Government of India
Room No. 436
Shastri Bhavan
New Delhi 110001

Subject: Name change of ICWAI to ICAI /ICAI

Dear Sir,

The Institute of Cost and Works Accountants of India (ICWAI) was established under an Act of Parliament in 1959, under a name that was prevalent at that time for similar bodies across the world. Over the years, the role and function of cost and works accountants has undergone sea change and the nomenclature of "cost accounting" has changed world over to "cost and management accounting", with other cost accounting bodies also effecting the change in their name.

The ICWAI has been appealing the Government to change its name from the "Institute of Cost and Works Accountants of India" to the "Institute of Cost and Management Accountants of India" in line with the global practice and to make its members known by its true functions they are performing in line with the changing role of the professionals known earlier as cost and works accountants of similar institutes in developed and developing countries such as UK, USA, Canada, Pakistan, Bangladesh, Sri Lanka, etc. **The appeal was also considered by the Standing Committee on Finance in 2004-05 which strongly recommended the name change, in spite of objections only from ICAI.**

Being convinced about the legitimate demand of the ICWAI, the Ministry of Corporate Affairs proposed change of the name of the Institute to ICAI and placed the Cost and Works Accountants Bill 2010 before the Parliament. The Bill was referred to the Parliamentary Standing Committee on Finance which in its 25th Report on the Bill submitted on August 31, 2010, after recording the need for the change in the name, noted that due to the **"vehement opposition expressed by ICAI to the proposal in particular"** has **"prompted a rethink in the matter"** and was of the view that **"it would be preferable to rename the Institute as the "Institute of Cost Accountants";** it may, however, be noted that the Standing Committee has in their entire report recorded arguments in favour of change of the name of ICWAI to ICAI..

In case the Government decides to rename the ICWAI as the **"Institute of Cost Accountants of India"** the ICWAI would also be known as ICAI and the members would logically and rightfully be entitled to use the description of FCA or ACA as the case may be.

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The final call based upon purely political exigencies and *"vehement opposition expressed by ICAI to the proposal in particular" to the name change from ICWAI to ICMAI* is left to be taken by the Ministry of Corporate Affairs / Cabinet / Parliament of India. We have complete faith in the political leadership of the country and manipulations of the ICAI to suppress fellow countrymen to benefit foreign bodies should not be allowed. On behalf of the Council of the ICWAI, 56,000 members of the Institute and 4,50,000 students, we would like to state that from the point of equity, justice and fair play, the ICWAI should be allowed to change its name to enable it to have a level playing field in the global market and compete with other similar professionals. I request you to make your considered decision most suitable in national interest.

With kind regards

Yours sincerely

(M. Gopalakrishnan)