

PRESIDENT'S COMMUNIQUÉ



"It is not the strongest of the species that survives, nor the most intelligent that survives. It is the one that is most adaptable to change."

-- Charles Darwin

CMA AMIT ANAND APTE

President

The Institute of Cost Accountants of India

My Dear Professional Colleagues,

Namaskaar!!!

I would like to take this opportunity to wish you and your family a wonderful and memorable New Year 2019. I am thankful to all for the continued support and dedication to the development and growth of the Institute. I am sure that our profession will touch a new high this year and will play its role of helping the society, stakeholders and country effectively.

We are proud to inform you that **CMA (Dr.) P V S Jagan Mohan Rao**, Central Council Member of the Institute has assumed office as President of **South Asian Federation of Accountants (SAFA)** for the year 2019 w.e.f. January 1, 2019. On the eve of his taking over as President of SAFA, we met Shri Suresh Prabhu, Hon'ble Union Minister of Commerce & Industry to extend New Year greetings.

Partnership with Government of India to train accountants

I am delighted to share that the Institute of Cost Accountants of India will partner the Government of India to train more than one lakh accountants specifically on GST related compliances and accounting in the next six to eight months. The move of the government is tipped to help 12 million GST assesses in filling their returns in a hassle free manner. This course can be pursued by anyone with the background of accounting. The detailed curriculum of this course is expected to be announced by

the Government very soon.

59th National Cost Convention & SAFA Events in Pune

As you all are aware that the Institute is organising its 59th National Cost Convention (NCC 2019) during its Platinum Jubilee Year on the theme "Cost & Management Accountants - Power of the Past – Force of the Future" on 20th & 21st January, 2019 at Hotel JW Marriott, Pune. We would also be hosting various SAFA events on the sidelines of the NCC. I earnestly request all the members of the Institute to block your dates, participate actively in this Annual National event of the Institute in large numbers to show the strength of CMA profession and make this mega event a grand success.

Global Student's Summit 2K19

I am happy to share that the Institute is organising a Global Student's Summit 2K19 on the theme "CMAs - Today's Student, Tomorrow's Executive" at Thrissur, Kerala on 6th & 7th February 2K19. This Global Student's Summit will host Students from various parts of the country and abroad, participating in Brain storming sessions on Motivation, Leadership, Career Grooming, Management Competitions, Paper Presentation, Quiz Biz and Elocution Talents.

Meeting with Hon'ble Chief Minister of Kerala

I wish to share that representatives from the Institute met Hon'ble Chief Minister of Kerala, Shri E P Jayarajan, Hon'ble Industries Minister of Kerala, Shri Sivasankar IAS,

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PS Government of Kerala and Shri B Raghavan, Chairman, SC/ST Development Corporation Government of Kerala. During the visit, Hon'ble Industries Minister of Kerala explained Skill Development Project ASAP new venture to the Institute's representatives. Hon'ble Industries Minister received CAT E-Bulletin of the Institute and Research Bulletin was given to Shri Sivasankar IAS, PS Government of Kerala which was released by Hon'ble CM of Kerala.

Empanelment of Auditors by C&AG

The CAG of India has issued a notification through which C&AG has invited applications from Chartered Accountants for empanelment of auditors for the year 2019-20 under Sections 139 (5) and 139(7) of the Companies Act 2013. Section 139 deals with Appointment of "Financial Auditor" and Section 139(5) / 139(7) deal with appointment of auditor for Government Company or any other company owned or controlled, directly or indirectly, by the Government.

During the earlier years, this empanelment was called for auditors without mentioning sections. This used to create a confusion as to whether the same is for the purpose of internal auditor also. However with the present notification, it is clear that the empanelment of Chartered Accountants with CAG is meant for audit of financial record only and not for Internal Audit under section 138 of the Companies Act.

This initiative of CAG should remove difficulty that the Cost Accountants used to face while filing tenders of Internal Audit since many companies used to also ask for CAG empanelment number as one of the conditions in the tendering process.

We are thankful to CAG of India for considering our representation wherein the Institute had highlighted the difficulty faced by our members and bringing about this change in the notification.

The Institute had represented to C&AG that in order to ensure unbiased implementation of the provisions of section 138 of the Companies Act, 2013 relating to internal audit and to bring parity between the two professions, the ideal way is to have empanelment of both Chartered Accountants as well as Cost Accountants by the C&AG for Internal Audit purpose. However since C&AG office does not have any panel for Internal Audit, it was requested to issue a clarification stating that the empanelment of

Chartered Accountants with C&AG is for Audit under Section 139 (Financial Audit) of the Companies Act only and not for Internal Audit as required under Section 138.

Activities At Regional Councils & Chapters

Regional Council and Chapters Co-ordination Committee

The Regional Council and Chapters Co-ordination Committee had organized Regional Council and Chapters Co-ordination Meet for the Chapters under Western India Regional Council at Indore, Madhya Pradesh on 01st December 2018, where the representatives from the Western India Regional Council & Chapters discussed the issue being faced by them, ways to readdress the issues and gave suggestions for the development of the Profession.

Annual Seminar 2018 of Asansol Chapter

I along with my council colleagues attended the Annual Seminar of Asansol Chapter of the Institute organized on the theme "New Corporate India- CMAs as Facilitators" at Asansol on 2nd December, 2018.

Inauguration of CMA Bhawan, Pune

I am happy to share that CMA Bhawan at Pune was inaugurated at the auspicious hands of Shri Prakash Javadekar ji, Hon'ble Union Minister Human Resource Development on 9th December, 2018. I congratulate the Managing Committee members of Pune Chapter and CMA Dhananjay V. Joshi in particular for the efforts taken in coming up with this state of art infrastructure.

40th Cost Conference of EIRC

Eastern India Regional Council of The Institute of Cost Accountants of India jointly with Durgapur Chapter of Cost Accountants organised the 40th Cost Conference-2018 on the theme during "Changing Economic Realities – Role & Challenges for CMAs" on 15th & 16th December, 2018 at CMERI Auditorium, Durgapur.

Banking and Insurance Committee

As informed in my earlier monthly communiqué, we commenced observance of "Insurance Month" across the country. The period of celebrations is from 16th December 2018 to 15th January 2019. Banking & Insurance Committee organized a Seminar on the topics "Insurance & Sustainability" and "Health Insurance Affordable Healthcare" at Chennai on 27th December 2018. The Regions and Chapters are requested to organize programs

on various aspects of Insurance during the month and give suggestions and guidance on specific matters to be taken with the feedback from members from insurance sector in their area.

I urge the members to give constructive suggestions, ideas to bi@icmai.in to make this endeavor a grand success.

International Affairs

International Road shows on IBC and meetings

I wish to share that FICCI organized an International Road shows on IBC with the support of IBBI on 5th December, 2018 at New York, USA and 7th December 2018 at Toronto, Canada with the primary focus of evincing interest of foreign investors in IBC, dissemination of current opportunities in stressed assets, addressing investors' concerns, etc. Our council members attended the event and shared views and thoughts as a speaker in the session on "Ensuring Certainty and sustained approach to IBC for ensuring Investor Confidence" held on 5th December, 2018 at New York, USA.

Meeting with CPA Canada

Our council member had a meeting with Ms Tashia Batstone, Senior Vice President- CPA Canada in Toronto, Canada on 7th December, 2018 to take forward Institute's discussions about possibilities of mutual recognition of the professional qualifications and professional development programmes offered by both Institutes.

SAFA meetings & events

SAFA International CFO Conference under the theme "The Future of Finance: Digitize, Drive and Transform" was organised by the Institute of Cost and Management Accountants of Bangladesh on 8th December, 2018 in Dhaka, Bangladesh. I am happy to inform that our council member joined the conference as resource person in Session on "Challenges of Future Corporate Reporting". Representatives from the Institute attended the SAFA Committee meetings on 9th December, 2018 and 56th SAFA Board meeting & 89th Assembly Meeting on 10th December 2018 in Dhaka, Bangladesh.

Insolvency Professional Agency (IPA) of Institute of Cost Accountants of India

The Insolvency Professional Agency of the Institute organized various Round table Interactions, workshops

and webinars during the month on: Draft Specimen of Evaluation Matrix and Information Memorandum, Draft Specimen of Request for Resolution Plans and Resolution Plan, Online Disclosure Module & New Monitoring Policy of IPA of Institute of Cost Accountants of India, Facility for storage and retrieval of Information for Insolvency professionals provided by NeSL.

IPA also organized IP Conclave at Hyderabad jointly with IBBI, ICSIIP and IIIPI and Awareness Program on IBC, 2016 jointly with IBBI at Guwahati and Shillong.

IPA jointly with ICSIIP is organizing a National Conclave on Corporate Insolvency and Valuation on 8th January, 2019 at Pune.

I am happy to inform that representative from the Institute attended the conference on "Insolvency and Bankruptcy Code, 2016: A Roadmap for the Next Two Years" being organized by the Insolvency and Bankruptcy Board of India and the Vidhi Centre for Legal Policy on 18th December 2018 at the India Habitat Centre, New Delhi. The conference featured a key-note address by speaker Shri Arun Jaitley, Hon'ble Union Minister for Finance & Corporate Affairs and the valedictory address by Dr. Rajiv Kumar, Vice Chairperson, NITI Aayog.

Membership Department

With the new financial year around the corner, I would like to gently remind the respected members in practice that their current Certificate of Practice (CoP) is valid till 31st March, 2019. To avoid last minute rush CoP holders can renew their CoP well in advance, for which a separate advisory will be hoisted soon in the Institute's website.

I take this opportunity to welcome all the new 52 Fellow members who were upgraded from Associate memberships and also to all the 286 new Associate members who were granted membership during the month of November 2018.

Professional Development and CPD Committee

National CMA Practitioners Convention 2018

I am happy to inform you that the Institute under Chairmanship of the Chairman of PD Committee in association with the Bhubaneswar Chapter organized National CMA Practitioners' Convention (NCPC-2018) on the theme "Emerging Professional Avenues: Capacity Building of CMAs" on 23rd December 2018 at

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Bhubaneswar, Odisha. I Congratulate the Bhubaneswar Chapter for successfully organising the event.

Shri Shashi Bhushan Behera, Hon'ble Cabinet Minister, Finance, Excise and Public Enterprise, Government of Odisha was the Chief Guest of the event and Shri Bhartruhari Mahtab, Hon'ble Member of Parliament, Lok Sabha was the Guest of Honour of the NCPC 2018. Technical sessions in the NCPC were taken by the eminent Professional Experts. Professional Development Committee released the Guidance Note on Special Economic Zone (SEZ) on this occasion.

Programs with MSMEs

I wish to inform that I was invited to address Professional members and Industrialists in a seminar organised by PD & CPD Committee of the Institute with Tamilnadu Small and Tiny Industries Association (TANSTIA) at Guindy Chennai on 06th December 2018. Shri KT Raghavan, Secretary State, BJP and Senior Advocate, High Court of Madras, Shri M. Hindunathan, General Secretary, TANSTIA and Shri S. Anburajan, President TANSTIA graced the occasion with their presence.

PD & CPD Committee & Branding Cell in association with TANSTIA organized Seminar with SALEM Productivity Council & TANSTIA on 19th December, 2018 at SPC Bhawan, Salem Tamilnadu. CS S. Solaiyappan, Former Chairman of ICSI, Salem Chapter graced the occasion as the Chief Guest of the Seminar.

Representation to Government, PSUs, Banks and Other Organizations:

PD Directorate is sending representation letters to various organizations for inclusion of cost accountants for providing professional services. I am pleased to inform you that on the basis of the representations sent by the PD Directorate, UP Housing & Development Board, Lucknow included the Firm of Cost Accountants for preparation of Accounts & Audit Manual.

Further, National Health Mission, Panchkula Haryana, Hutti Gold Mines Company Limited, Odisha State Police Housing & Development Corporation LTD., Madhya Pradesh Power Transmission company Ltd. Jabalpur, Food Corporation of India Assam, District Health & Family Welfare Society, Intelligent Communication Systems India Ltd. (ICSIL), NLC India Limited, Bharat Heavy Electricals Limited (BHEL) Haridwar, West Bengal

Tourism Development Corporation Limited, Artificial Limbs Manufacturing Corporation of India (ALIMCO), MMTC, National Aluminium Company Limited (NALCO), Andaman and Nicobar Islands Khadi & Village Industries Board, Port Blair, Chhattisgarh State Cooperative Marketing Federation Ltd, Dedicated Freight Corridor Corporation of India Ltd., UP Housing & Development Board, Lucknow etc., have included Cost Accountants in their Tenders/EOIs during the month of December 2018.

Continuing Professional Development Committee

I sincerely appreciate our Regional Councils and Chapters for organizing more than 50 programs, seminars and discussions on the topics of professional relevance and importance for the members such as, Reformed Taxation System-Catalyst to Sustained Economic Growth, Contemporary Role of CFO, Industrial Finance & Stock Audit, GST Audit, Annual returns & TDS under GST, Internal Audit of Upstream Oil Companies, The Companies (Registered Valuers and Valuation) Fourth Amendment Rules, 2018, Assessment Procedures in Direct Taxation, VAT and GST, CMA Value Proposition, SARFAESI Act and its Amendments, Cost Audit and so on.

The Institute was associated with Confederation of Indian Industry for "9th Financial Markets Summit 2018" on 7th December 2018 at Mumbai and associated with Centre for Excellence in Project Management for "26th Global Symposium-Managing Uncertainties in Today's Competitive Environment" on 10-11th December, 2018 at New Delhi. The Institute was also associated with PHD Chamber of Commerce & Industry for conducting conferences on "Annual Return & Audit" on 3rd December 2018 and 12th December 2018 and on "Tax Laws & Systems in India-Way Forward" on 19th December 2018. I hope our members would be immensely benefited with these programmes.

Cost Accounting Standards Board (CASB)

I am happy to note that the CASB in association with Dehradun Chapter of the Institute organized a Seminar on Cost Governance on 7th December 2018 in Dehradun. Chairman, CASB addressed the delegates and highlighted the role of Cost Accounting Standards and Standards on Cost Auditing in Cost Governance. There was also a session on Practical aspects of Cost Governance. I hope that the delegates found the seminar enriching and fulfilling.

CASB has also planned another seminar on Cost Governance jointly with the CAASB in Jaipur on 5th January 2019 in association with the Jaipur Chapter of the Institute. The details are available on the website.

Cost Auditing and Assurance Standards Board (CAASB)

I wish to inform you that the CAASB has released the Exposure Draft of FAQs on Standards on Cost Auditing (SCAs 101- 104) seeking public comments upto January 21, 2019. The exposure draft of FAQs is available on the website of the Institute. I request the members to go through the same and offer their comments / suggestions within the last date.

I am pleased to inform that the CAASB in its 36th meeting held on 29th December 2018 at Mumbai has discussed the draft of Standard on Quality Control to be issued by the Board. The Board is expected to come out with the Exposure Draft of the same in its next meeting. I wish the CAASB success in its initiatives.

Corporate Laws Committee

I am pleased that in order to create awareness and capacity building in the area of Corporate Laws, the Corporate Laws Committee of the Institute is celebrating "Corporate Laws day" on pan India basis on 4th January 2019. During the day the Regional Offices and Chapters of the Institute will be organising the workshops / seminars and quizzes to be attended by the members, students and representatives from Corporates. Regions and Chapters will also be organising Career counselling in colleges / universities in their respective jurisdiction on that day. I urge the members and students to attend the events in large numbers and make this initiative a grand success.

Committee on Public Finance & Government Accounting

The Committee organized Seminars on the theme "Unexplored Areas for CMAs" on 16th December 2018 & 29th December 2018 at Dehradun and Meerut respectively.

Technical Cell

I am pleased to inform you that the Technical Cell of the Institute has come out with the Guidance Note on Responsibility of Directors as regards Maintenance of Cost Records as per clause (xi) of sub-rule 5 of rule 8 of the Companies (Accounts) Rules, 2014. The Guidance Note was released on 9th December 2018 in Pune by Hon'ble Shri Prakash Javadekar, Union Minister of Human Resource Development. The Guidance Note will

be available for sale shortly. I appreciate the Technical Cell for taking this initiative in such a short period.

Taxation Committee

It gives me immense pleasure to congratulate Team – Tax Research and Chairman Taxation Committee for his torch bearing guidance, on the successful conduct of 3 days National Seminar on Taxation at Bhubaneshwar from 21st to 23rd December 2018, on the theme "Reformed Taxation System – Catalyst to Sustained Economic Growth". The Seminar was inaugurated by His Excellency; Hon'ble Governor of Odisha, Shri Ganeshi Lal. Shri Surjya Narayan Patro, Hon'ble Cabinet Minister Co-operative and Food Supplies, Government of Odisha, Shri Sashi Bhushan Behera, Hon'ble Cabinet Minister, Finance, Excise and Public Enterprise, Government of Odisha and Shri Bhatruhari Mahtab, Hon'ble Member of Parliament, Lok Sabha also graced us with their presence. The seminar has been a huge success with above 400 corporate delegates and participants. Six noteworthy publications were released on the burning issues on Direct and Indirect Taxation namely: (i) Handbook on TDS, (ii) Compilation of GST Notifications and Circulars, (iii) Revised Hand-Book on E-way Bill, (iv) International Taxation and Transfer Pricing, (v) Export under GST, (vi) Guidance Note on GST Audit. The department has also successfully launched the Third Batch of Certificate Course on GST across 10 locations. Further, the Tax Research Department of the Institute in association with Indore- Dewas Chapter organized a seminar on "GST Regime - A Road Map for Make in India" on 1st December, 2018 at Indore.

I wish prosperity and happiness to members, students and their family on the occasion of New Year, Guru Gobind Singh Jayanti, Lohri, Birthday of Swami Vivekananda, Makar Sankranti, Pongal, Netaji Subhas Chandra Bose Jayanti, Basant Panchami and Republic Day and pray for the success in all of their endeavours.

Thanking you!!!

Warm Regards,



CMA Amit A. Apte
1st January, 2019