



# PRESIDENT'S COMMUNIQUÉ

**CMA Biswarup Basu**

President

The Institute of Cost Accountants of India

*“The one plant should be sown and another be produced cannot happen; whatever seed is sown, a plant of that kind even comes forth.”*

**- Sri Guru Nanak Ji**

My Dear Professional Colleagues,

**W**e have come quite close to end of the year 2020 and very soon will be entering to a new year 2021 with new opportunities and challenges. I think the year 2020 made for an invaluable lesson for all of us. Crippled with the pandemic, this year has taught us how much we depend on one another like never before. The downward slide of the economy is a challenge faced globally due to the pandemic coupled with the loss of jobs in India and other parts of the world. Although the path forward may feel uncertain but one thing is very clear that we have to come together, work together, and support each other to overcome these challenges.

The Institute wholeheartedly supported the Government in the fight against the COVID-19 pandemic and has been regularly sharing its suggestions and recommendations which can help the Government and Industry to manage these challenging circumstances. Further, all the possible measures have been taken by the Institute for the convenience of the members, students and other stakeholders of the Institute. I want to assure everyone that the as always, the Institute is fully committed to take every possible step in the overall interest of its members and student community.

## **Extension of the last date of filing of the Cost Audit Report for the year 2019-20**

The Ministry of Corporate Affairs has extended the last date

of submission of the Cost Audit Report by the Cost Auditor to the Company / Board of Directors upto December 31, 2020. The circular issued by MCA in this regard is available at: [http://www.mca.gov.in/Ministry/pdf/GeneralCircularNo.38\\_01122020.pdf](http://www.mca.gov.in/Ministry/pdf/GeneralCircularNo.38_01122020.pdf)

On the basis of the requests received from the members, the Institute approached the Cost Audit Branch and the Ministry of Corporate Affairs to extend the last date of submission of the Cost Audit Report by the Cost Auditor. We are thankful to the members who raised the concern through their request to the Institute.

## **Rescheduling of Online Examinations for December, 2020 Term**

Considered and based on feedback received from stakeholders, the Institute has rescheduled the examinations for December, 2020 term. The online Intermediate and Final Examinations that were scheduled from 10<sup>th</sup> – 17<sup>th</sup> December, 2020 will now be held from 3<sup>rd</sup> – 10<sup>th</sup> January, 2021. The revised schedule of the examinations is available on the website of the Institute. I wish the very best to all students who appear for the examination.

## **Representation for inclusion of Cost Accountants under ECB**

I wish to inform the members that the Institute has submitted its representation to the Reserve Bank of India for the Inclusion of ‘Cost Accountants’ for Certification under External Commercial Borrowings (ECB) Policy.

## **Representation for inclusion of Cost Accountants under Real Estate (Regulation and Development) Act, 2016**

Section 56 of RERA Act allows Cost Accountants to appear before the Appellate Tribunal or Regulatory Authority or the Adjudicating Officer on behalf of the applicant or appellant, but CMAs have not been authorized to certify the cost of the real estate project, apartment, plot or building under section 4(2)(1)(D) of the Real Estate (Regulation and Development)

Act, 2016 which is our sole domain area.

In order to safeguard the interest of millions of home buyers, the Institute has been continuously taking up with the Ministry of Housing & Urban Affairs to authorise Cost Accountants also, for certification under sub-clause (D) of clause (l) of sub-section (2) of section 4 of The Real Estate (Regulations and Development) Act, 2016. The Ministry of Housing & Urban Affairs has forwarded our representation to the Ministry of Corporate Affairs on 2<sup>nd</sup> November 2020 to furnish its comments.

### **IFAC Council Meeting 2020**

I along with CMA Balwinder Singh, Immediate Past President of the Institute attended the Ordinary Council Meeting of International Federation of Accountants (IFAC) held on 11<sup>th</sup> to 12<sup>th</sup> November 2020 through video conferencing.

### **IIRC Council Meeting**

I wish to inform that CMA Balwinder Singh, Immediate Past President and Institute's representative to the Council of International Integrated Reporting Council (IIRC), UK attended the IIRC Council Meeting (Virtual) held on 24<sup>th</sup> November 2020. IIRC has been continuously working in the corporate reporting field with the drive towards a cohesive, holistic reporting system building momentum. The Council meeting provided a vital opportunity to build on this momentum and to chart the IIRC's next steps. The IIRC team has also been busy consulting on revisions to the <IR> Framework. Over 1,000 individuals attended consultation workgroups, ensuring the feedback received is entrenched in the experiences of preparers and users around the world, this feedback and the proposed revised International <IR> Framework was presented to Council members at the meeting.

### **7<sup>th</sup> International Conference (Virtual) on Business Research**

I am pleased to inform you that the SRM Institute of Science & Technology invited me and CMA P Raju Iyer, Vice President to deliver welcome address at 7<sup>th</sup> International Conference on Business Research (ICBR) – 2020 organised by the College of Science and Humanities, Department of Commerce in association with CIMA, ACCA, Hrudyaa and ISDC on 24<sup>th</sup> & 25<sup>th</sup> November 2020. Students, scholars and academicians participated in the International Conference on subject of utmost significance.

### **Conference by Indian Chamber of Commerce**

I was invited as Chief Guest to address at the Conference jointly organised by the Indian Chamber of Commerce (ICC) and National Foundation for Corporate Governance on "Corporate Governance: Effective Reporting in the Director's Report" powered by TransUnion CIBIL on 27<sup>th</sup> November 2020. Welcome address was delivered by Shri

Alok Kumar Chattopadhyay, DD & Advisor (F&Admin), Indian Chamber of Commerce. Special Guests for the Conference CS Rupanjana De, PCS, Former Secretary, EIRC –ICSI, CMA D. P Nandy, Sr. Director – ICAI, CS Ashok Purohit, Assistant Company Secretary, Emami Ltd., Mr. Arka Majumdar, Partner, Argus Partners discussed the role & importance of Effective Reporting on Compliance, Disclosure Norms of Directors' Report, Legal Consequence and Resolution of Non-Disclosure.

### **Webinar by NIRC**

I along with CMA P. Raju Iyer, Vice President, CMA Balwinder Singh, Immediate Past President and CMA Vijender Sharma, Chairman PD & CPD Committee and International Affairs Committee participated in the webinar organized by the NIRC of the Institute on "Project Funding & Risk Management Analysis & Interactive Session with Members on Banking and Financing Activities" on 8<sup>th</sup> November 2020. The webinar was well received by the participants.

### **Webinar by EIRC**

EIRC of the Institute organized a Webinar on "Direct Tax - The Recent Changes in 26AS, New ITR Forms & TDS related issues" on 12<sup>th</sup> November 2020. Shri Shaikh Shamsheer Alam IRS, Additional Commissioner, Income Tax Department, GOI graced the webinar as its Chief Guest. I had the opportunity to address the participants as Special Guest of Honour. CMA P. Raju Iyer, Vice President and CMA Chittaranjan Chattopadhyay, Chairman, Indirect Taxation Committee & BFSI Committee of the Institute participated as Guests of Honour. Guest Speaker was CMA Shymalendu Bhattacharya, Addl. Assistant Director (Trg) (Retd.), Direct Taxes, Regional Training Institute. I congratulate CMA Ashis Banerjee and other members of Managing Committee of EIRC for organising this Webinar to update the members and participants on the recent changes in Direct Taxes w.r.t. Form 26AS, New ITR Forms & TDS related issues.

*I now present a brief summary of the activities of various Departments/Committees/ Boards of the Institute, in addition to those detailed above:*

### **BOARD OF ADVANCED STUDIES & RESEARCH**

The Board of Advanced Studies & Research in association with National Institute for Micro, Small and Medium Enterprises (ni-msme), Hyderabad organized a Virtual National Seminar on "Cost Management Strategies for MSMEs in Post COVID-19" on 6<sup>th</sup> November 2020. I had the opportunity to inaugurate the virtual event along with Ms. S. Glory Swarupa, Director General, ni-msme and the welcome address was delivered by CMA Debasish Mitra, Chairman, Board of Advanced Studies & Research, ICAI. A special address was delivered by CMA P. Raju Iyer, Vice President, ICAI. The vote of thanks was offered by



CMA Dr. D. P. Nandy, Sr. Director, ICAI and Mr. Sandeep Bhatnagar, Director, ni-msme.

Speakers at the technical sessions were Dr. E. Vijaya, Faculty member, ni-msme and CMA Sukrut Mehta, Practising Cost Accountant. They highlighted two important aspects of the MSME sector - Financial Challenges for MSMEs in Post COVID -19 and Cost Management Strategies for MSMEs in Post COVID -19. The event was participated by a good number of entrepreneurs along with members and students of the Institute.

## DIRECTORATE OF CAT

### Webint

CAT Directorate Team is appreciated for series of WEBINT organised with a minimum of three per week and at times four numbers in a week, that includes covering various aspects of IND AS, Women's Exclusive - Life and Work Management, Companies ACT 2013 with Companies (Amendment) ACT 2020 and most importantly "Youngsters - Be Entrepreneurs" and unique initiative to encourage youth, passed outs and freshers in practicing field to build up a career and become an entrepreneur.

### CAT Meetings and Development

We are glad to share that the expansion of CAT Course of the Institute is wide spreading and Government of India, especially the Ministry of Social Justice, Ministry of Minorities, Ministry of Welfare and Skill Development, Ministry of Finance have appreciated the efforts of the Institute and series of meetings are going on for Institute role for catering the need of the youth of the Country. I compliment all members of the Committee for Accounting Technicians under the Chairmanship of CMA H. Padmanabhan and the officials of the CAT team for their excellent execution.

The CAT Syllabus is in the verge of improving and we compliment the role played by CMA P V Bhattad, Former President, CMA Sushil Behl, Government Nominee and CMA Balwinder Singh, IPP and Chairman, T & EF Committee for major roles and contributions.

### Examination Foundation Course (Entry Level) Part - I Examination - January 2021 term

CAT Directorate issued Notification for the Foundation Course (Entry Level) Part - I Examination - January 2021 Term and is scheduled to be held on 17<sup>th</sup> January, 2021. The examination will be held through online mode wherein candidates can appear using mobile/laptop/desktop/tab from their home only. The last date of receipt of the Examination Application form is 30<sup>th</sup> December, 2020. I wish students all the best for this exam.

### CAT Level II Assessment Tests - November 2020

Though I had informed in my last communiqué about the commencement of CAT Level II Assessment Tests, I reiterate that these tests will be available at the Institute's website till December 31, 2020 only. I urge students, who have already passed Foundation Course (Entry Level) Part-I examination, to take up these tests well in advance to the deadline.

### New ROCCs

I am happy to note that the CAT family is continuously growing across the length and breadth of the country. The Directorate of CAT rolled out two new ROCCs in the cities of Deoria, Uttar Pradesh & Vengola P.O. Perumbavoor, Kerala (ROCC code N-245 and S-217 respectively). The establishment of these ROCCs would harness the potential of the CAT Course in these two states.

## PROFESSIONAL DEVELOPMENT & CPD COMMITTEE

I am pleased to inform you that Institute has introduced the UDIN Amnesty Scheme, 2020 of the Institute of Cost Accountants of India effective for one month from 1<sup>st</sup> December, 2020 upto 31<sup>st</sup> December, 2020.

In case(s) where the Practising Cost Accountant has not generated UDIN within 15 days of signing the document from 1<sup>st</sup> October 2019 to 30<sup>th</sup> November 2020 are permitted to generate the UDIN under this Amnesty Scheme through UDIN portal of the Institute. For details, refer scheme. Further, the Institute has also revised FAQs on UDIN and same is available at UDIN Portal.

Professional Development and CPD Committee organised a Webint on "A Dialogue on the best practices in Cost Management Accounting An Industry Perspective and Practitioners Perspective" on 7<sup>th</sup> November, 2020, wherein inaugurated the 1<sup>st</sup> Batch of online Mandatory Capacity Building Training (e-MCBT). Many Practising Cost Accountants, Insolvency Professionals, Registered Valuers and GST Practitioners participated in the webint.

I appreciate the efforts of PD & CPD Directorate for organizing e-MCBT for the new practitioners who have acquired COP from 1<sup>st</sup> Feb 2019 to sensitize them with the practical aspects of the allied areas of practice.

PD Directorate sent representation letters by mail to various organizations for inclusion of cost accountants for providing professional services. I am pleased to inform you that on Institute's representation, National Aids Control Organisation (NACO) has sent letter to all project Directors of all State/UT Aids Control Societies for taking appropriate action regarding conducting of Internal Audit/Concurrent Audit by the Cost Accountants.

Please visit the PD Portal for Tenders/EOIs during the month of November 2020, where Cost Accountants

are required in Chhattisgarh State Power Transmission Company Limited, Bharat Sanchar Nigam Limited, Uttar Pradesh State Sugar Corporation Limited (UPSSCL), Uranium Corporation of India Limited, NBCC (India) Limited, National Health Mission Haryana, Khurda Road Division-Engineering/ECOR, Rajiv Gandhi University of Knowledge Technologies, West Bengal Compensatory Afforestation Fund Management and Planning Authority (WB CAMPA), Madhya Pradesh Power Generating Company Limited, Central Coalfields Limited (CCL), Bureau of Indian Standards etc.

During the month around sixty webinars were organised by the different committees of the Institute, Regional Councils and Chapters on the topics of professional relevance and importance. We are sure our members are immensely benefited with the deliberations in the sessions.

## INTERNATIONAL AFFAIRS COMMITTEE

I wish to inform that the Institute has submitted a proposal to all Foreign Diplomatic Missions in India to impart Cost & Management Accounting Course in their respective countries and also sought their valuable inputs to enable the Institute to frame strategies and actions plan to take forward the proposed initiative of the Institute.

CMA Vijender Sharma, Chairman, International Affairs Committee along with CMA B.B. Goyal, Advisor, ICWAI MAF & Former Addl. Chief Adviser, Ministry of Finance, GoI and CMA S. M. Gomes, Director Studies of the Institute had the opportunity to meet HE Mr. Tahir Qadiry, Charge d'affaires and Mr. Sediqullah Sahar, Education Attaché for the Embassy of Islamic Republic of Afghanistan on 26<sup>th</sup> November 2020, H.E. Dr. Roger Gopaul, High Commissioner for the Republic of Trinidad and Tobago, and Mr. Sebastian Beliwine, Charge d'Affaires and Mr. Ernest Nana Adjei, Minister-Counsellor/ Political & Economic officer of Ghana High Commission on 1<sup>st</sup> December 2020 to discuss the proposal submitted by the Institute to impart CMA Course.

## TECHNICAL CELL

I wish to inform that in order to conduct wider consultations with regulators, industry associations and other stakeholders, the Technical Cell of the Institute has released Exposure Draft of the Concept Paper on Treatment of Finance Cost in Cost Statements seeking views of all stakeholders whether Interest & Finance Cost should be included in the Cost of Production or in the Cost of Sales. The paper contains arguments, both in favour of continuing with the existing practice of treating interest & finance cost as part of cost of sales and also those in support of changing the existing practice & including it in the cost of production. The Concept Paper shall be finalised by the Technical Cell in the light of suggestions/ comments received from the stakeholders. The exposure draft is available on the website of the Institute and can also be reached at <https://icmai.in/>

[icmai/Technical\\_Cell/Concept\\_Paper.php](https://icmai.in/Technical_Cell/Concept_Paper.php).

I urge the members to submit their views / comments / suggestions on the Exposure Draft latest by 16<sup>th</sup> December 2020 through email at [technicalcell@icmai.in](mailto:technicalcell@icmai.in).

## TAX RESEARCH DEPARTMENT

The examinations for all the Taxation Courses have been undertaken on the 8<sup>th</sup> of November, 2020 and 71% of the total candidates who appeared have cleared the examination successfully. We wish Good luck to all the candidates. The Pre-Budget Memorandum 2021-22 has been compiled separately both for Direct and Indirect Taxation and thereafter they have been submitted to the Ministry of Finance for its consideration. The Tax Bulletin's 74<sup>th</sup> and 75<sup>th</sup> issues have been released. Classes for all the Taxation Courses- (i) Certificate Course on GST, (ii) Advanced Certificate Course on GST, (iii) Certificate Course on Filing of Returns, (iv) Certificate Course on TDS are going on seamlessly. Apart from these, Crash Course on GST has been completed for the students of Sapient College of Mysore and Exam had also been conducted.

## BANKING, FINANCIAL SERVICES AND INSURANCE COMMITTEE

The Committee conducted a webinar on "Get Ready for LIBOR Phase Out 2021" on 29<sup>th</sup> October, 2020 and also a WEBINT on the topic "How to Prepare for IBBI Limited Insolvency Examination? (Old Syllabus upto 31.12.2020 only)" on 8<sup>th</sup> November, 2020 by our eminent resource person CMA Dr. P.Siva Rama Prasad, Former AGM of SBI.

### 🕒 Launch of the 2<sup>nd</sup> Batch of Certificate Courses of BFSI Department

The department has also started admission for the three Certificate Courses namely Certificate Course on Concurrent Audit of Banks, Certificate Course on Credit Management of Banks and Certificate Course on Treasury and International Banking. The members are requested to enroll at the earliest as the courses are conducted for Capacity Building and Skill Development.

### 🕒 Conduct of Examination of BFSI Courses

The BFSI candidates for the 1<sup>st</sup> batch for the courses appeared for the examination during 28<sup>th</sup> to 30<sup>th</sup> November 2020 through Test from Home (TFH) format in the Post COVID-19 environment. Earlier, the Department has concluded the mock test scheduled for the Certificate Course on Concurrent Audit of Banks, Certificate Course on Credit Management of Banks and Certificate Course on Treasury and International Banking.



## ○ Certificate Course on Investment Management in association with NISM

The Department has started the 1<sup>st</sup> batch of 50 participants for the certificate course on Investment Management in association with NISM from 18<sup>th</sup> October, 2020. The 2<sup>nd</sup> batch admissions have also started and it is tentatively scheduled to start from 2<sup>nd</sup> week of December, 2020. We hope the members and the students would take the opportunity in taking registration in the course of capital markets.

## ○ Memorandum of Association with National Insurance Academy

The Institute of Cost Accountants of India will soon enter into a Memorandum of Association with the National Insurance Academy and thereafter a course in Insurance would be launched in collaboration with the Institute. It would benefit the members, students and others to update themselves in the Insurance domain.

## REGIONAL COUNCIL AND CHAPTERS COORDINATION COMMITTEE

The Committee under the Chairmanship of CMA (Dr.) K Ch A V S N Murthy has recommended the constitution of 2 new Chapters, the details of which will be published in due course by way of Notification. The committee will also be organising online regional meets with the respective region and chapters to address all issues at the regional and chapter levels.

## MEMBERSHIP DEPARTMENT

The month of November 2020 witnessed the granting of 109 new Associate memberships and upgradation of 33 Associate members to Fellowship. I warmly welcome and congratulate all the members.

Under the guidance of CMA (Dr.) V Murali, Chairman of the Members Facilities Committee, the membership department in collaboration with the Information Technology Committee headed by CMA Ashwinkumar G. Dalwadi is working towards building a very robust but user friendly integrated members' online system which will offer members superior user experience to the one existing now.

## MEMBERS IN INDUSTRY COMMITTEE

The Committee under the Chairmanship of CMA Debasish Mitra held its first 2020-21 term meeting during the month of November 2020. Among other activities the committee will be focusing on holding Industry Summits, Interactive Meetings and bringing out publications.

## ICMAI REGISTERED VALUERS ORGANISATION (RVO)

I am pleased to share that ICMAI RVO has taken the

following initiatives during the month of November 2020:

- 9<sup>th</sup> Online Batch for Securities or Financial Assets
- 5<sup>th</sup> Online Batch for Land & Building
- 5<sup>th</sup> Online Batch for Plant & Machinery
- Saturday Webinar on regular basis

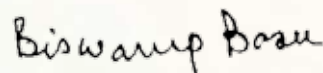
## INSOLVENCY PROFESSIONAL AGENCY (IPA) OF THE INSTITUTE

Insolvency Professional Agency of the Institute has organized Pre- Registration Training jointly by 3 IPAs during 31<sup>st</sup> October to 7<sup>th</sup> November 2020 and 23<sup>rd</sup> to 29<sup>th</sup> November 2020, NeSL – Platform for distressed Assets for IPs jointly by 3 IPAs on 4<sup>th</sup> November 2020 and 30 Hours Certificate Course on Insolvency Bankruptcy Code (Virtual) from 30<sup>th</sup> October 2020 to 6<sup>th</sup> November 2020 for the professional development of its members.

I wish prosperity and happiness to members, students and their family on the occasion of Christmas & Season's Greetings and wish them success in all of their endeavours and pray that the year 2021 will usher in a whole new bouquet of health, happiness and prosperity to all.

Stay safe and healthy!

With warm regards,



**CMA Biswarup Basu**

President

December 1, 2020