

Eastern India Regional Council

Rajpur Chapter of Cost Accountants

THE Chapter organized a continuing education programme on Internal Audit on May 4, 2014. CMA Mriyunjay Acharjee, being the key speaker concentrated on risk based Internal Auditing and highlighted the changing scenario of Internal Audit in this present context. He also opined that the modern management tools like SAP, ERP etc should be well perceived by internal auditors to make the audit report strategically important. CMA Dr. Sanjiban Bandyopadhyay, Council Member, inaugurated the programme and mentioned about the action of the Institute regarding Company's Act 2013 and also induction of Cost and Management Accountants as Internal Auditors. CMA N. Sinha Choudhury, ex-chairman EIRC, insisted on the requirement for good reporting standard by auditors. This report will not mislead the client and the profession could maintain its reputation. CMA



P. Bhattacharya and CMA V. Mukhopadhyay, EIRC members were present in the seminar and chairman of the Chapter, CMA P. Mandal ended the programme with a proposed vote of thanks.

Hazaribagh Chapter of Cost Accountants

THE Chapter conducted two career counseling programmes on April 4, 2014 and May 2, 2014 respectively where chairman of the chapter, CMA Raj Kamal Prasad Singh, secretary of the chapter CMA Radhey Shyam Sinha, and Treasurer of the chapter CMA Arun Kumar Prasad took the initiatives and made the students aware of the CMA course and its opportunities.



Northern India Regional Council

Lucknow Chapter of Cost Accountants

ON April 13 and 19, 2014 the Chapter organized a seminar on 'Internal Audit & Recent Development in Our Profession'. Dignitaries present were CMA Sudhanshu Dwivedi, Director Finance of VVNVL, CMA Rakesh Bhalla, Chairman of NIRC, CMA N K Mourya, Zonal Manager of RECI, CMA Saurabh Srivastava, Vice Chairman of NIRC, CMA S K Bhatt, RCM & Treasurer of NIRC, CMA Debajyoti Majumdar, Manager Finance & Taxation, Sahara India Pariwar & Management Committee of Lucknow Chapter of NIRC. CMA S K Bhatt briefly stated the role of internal audit in the corporate sector. CMA Debajyoti Majumdar focused on internal audit and said that internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organization's opera-



tions. Special Chief Guest Ms Anamika Singh, Daughter of Hon'ble Rajnath Singh, President of BJP, praised the CMA profession and she said the profession provides a quality of work which helps to develop nation in the field of finance and economy. CMA Rakesh Singh, Immediate Past President of the Institute gave the assurance to the students and the members to build up CIRC at Lucknow and CMA Sunil Kumar Singh explained the route for establishment of CIRC by presenting Power Point Presentation in front of

members, students & other eminent dignitaries. At the end of seminar, there was 'Open House Discussion on Recent Development of our Profession'. The queries raised by the members and students had been beautifully resolved by the eminent dignitaries present there. On April 26 and 27, 2014, the Chapter organized a camp for 'Enrolment of Aadhar Card' for members and students. The effort was highly appreciated and the period of the enrolment of Aadhar Card extended since May 2, 2014 to May 5, 2014.

Southern India Regional Council

Kottayam Chapter of Cost Accountants

ON April 28, 2014 a one day seminar on 'Service Tax & Reverse Charge Mechanism' had been organized by the Chapter. CMA H Padmanabhan, Vice Chairman, SIRC inaugurated the occasion. CMA S Ramachandran, Treasurer, SIRC, CMA Benoy Varghese and CMA P T Raju Chairman & Secretary of the Chapter respectively were among the dignitaries present in the seminar.



Madurai Chapter of Cost Accountants



ON May 3, 2014 the Chapter conducted a professional development programme on the theme 'Show Cause Notice under Service Tax Provisions-Practical Aspects'. There was elaborate discussion on the provisions relating to the issue of show cause notice under service tax provisions, adjudication of penalty procedures, also pointed out wide exposure of the Cost Accountants in indirect tax matters especially in service tax matters etc. CMA S. Kumararajan, chairman, PD Committee introduced the Chief Guest and CMA Dr. I. Ashok, chairman of the Chapter, welcomed the members and students.

Trivandrum Chapter of Cost Accountants

ON March 17, 2014 a joint professional development programme had been organized by the Chapter in association with ICSI Trivandrum Chapter on the theme 'Directors and Auditors-Role and Challenges under Companies Act, 2013'. The seminar had been led by Council Members CMA (Dr) P.V.S Jagan Mohan Rao, CMA D.L.S Sreshthi, CMA P. Raju Iyer, Chairman, SIRC, CMA H Padmanabhan, Vice Chairman, SIRC, Dr. Biju Ramachandran, Chairman, SIRC of ICSI, CS Harikrishnan, Chairman, Trivandrum chapter of ICSI and many other members. Dr. Biju Ramachandran discussed the provisions relating to Company Secretaries under the new Act.

The Chapter conducted a professional development programme on March 23, 2014 on the topic 'Basel III Reforms' led by CMA (Dr) Devakumar P.S., Associate Professor of Govt. Women's College Thiruvananthapuram. He discussed the need for Basel III reforms, recommendations, and the stages by which the reforms are going to be introduced in India under the guidance of Reserve Bank of India. CMA Joseph Louis, chairman of the chapter gave a brief of Basel III functioning of banks all over the world. CMA S.Veerapudran, secretary of the chapter proposed the vote of thanks.

Cochin Chapter of Cost Accountants

THE Chapter organized a Campus Placement programme on April 27, 2014. CMA H Padmanabhan, Vice Chairman, SIRC lighted the lamp and inaugurated the programme. CMA Santhosh Kumar, chairman of the chapter, CMA Selvan A, secretary of the chapter, and other representatives from the companies were among the dignitaries present in the occasion.



Coimbatore Chapter of Cost Accountants

FROM April 3, 2014 till April 8, 2014 the Chapter arranged participation of intermediate students in stock verification work at a local company for the first time. This was arranged to impart practical training in manufacturing companies which would be of great help for the students in near future. A MOU for Satellite Centre had been signed on April 12, 2014 with Dr. G.R. Damodaran College, Coimbatore for conducting the Foundation Course at the college. On April 17, 2014, an interactive session on the theme 'Companies Act, 2013 – Scope for CMAs' had been conducted by Council Member CMA Dr.P.V.S. Jagan Mohan Rao. The PDP in-charge introduced the speaker and he gave a detailed analysis on the scope for CMAs in the Companies Act, 2013. On April 26, 2014, CMA R. Maheswaran, Vice President Finance & Infrastructure, KGiSL Technologies & Infrastructures Pvt. Ltd., Coimbatore delivered a speech on the theme 'An Insight into the Special Economic Zones'.



Western India Regional Council

Ahmedabad Chapter of Accountants

BETWEEN March 30, 2014 to April 13, 2014, the Chapter organized an Advance Excel Training Program of 16 Hours for Final qualified students. CMA Pradip Desai, Chairman of Training & Placement committee and CMA P D Modh, Chairman of Oral Coaching Committee briefly discussed about the usefulness of Advanced Excel program in accounting system. The Chapter conducted a seminar on Service Tax organized by Central Excise where CMA Dr. S.C Mohanty, President of the Institute shared his speech. CMA V H Savaliya, CMA Ashish Bhavsar and CMA J B Mistri were among the faculty members who gave a brief presentation in this event. On April 24, 2014 the Chapter organized an interaction of the final qualified students and the members with CMA Dr. S.C Mohanty, President of the Institute.



Indore Chapter of Cost Accountants



THE Chapter organized a CEP Programme on 'Advance Computing Technique through VBA' on April 19, 2014. Shri Parmeshwar Patidar was the resource person for the seminar and CMA Dr. Niranjan Shastri, Treasurer & Ex Chairman of the Chapter highlighted the theme of the seminar. CMA Vijay P. Joshi, Secretary of WIRC was present and CMA Shailendra Jain delivered vote of thanks.

Pimpri-Chinchwad-Akurdi Chapter of Cost Accountants

THE Chapter organized a seminar on 'Internal Audit with difference in the Era of Indirect Tax and Companies Act 2013' on April 26, 2014. CMA Ashok Nawal, Treasurer of WIRC & MD of Bizsol India Services Pvt. Ltd being the keynote speaker in the technical session deliberated in brief on the updates regarding current events in Internal auditing, current and best practices in audit, risk assessment and report writing skills etc. CMA Pradeep Deshpande, secretary of the Chapter proposed the vote of thanks.



Pune Chapter of Cost Accountants

THE Chapter organised a CEP dated April 5, 2014 on the theme 'Discussion ED on Cost Accounting Standard on Manufacturing Cost- CAS 22'. Council Members, CMA Sanjay Bhargave, CMA Amit Apte and CMA Neeraj Joshi, Vice Chairman of WIRC made a detailed discussion on the said theme which proved to be very thoughtful. Members in large numbers participated in the discussion and made the seminar an eventful one.

The Chapter organized a CEP on 'Energy Audit' on April 26, 2014. CMA Chaitanya Mohrir chairman PD Committee introduced and felicitated the speaker CMA Deepak Gokhale who explained the need of Energy Audit and explained the mechanism of the same.



SURVEY ON INTERNAL AUDITING PRACTICES IN INDIA

The Institute has taken a professional initiative to study and understand the **Internal Auditing profession in India** by conducting a survey of the Indian organizations. All professionals who are engaged in Internal Auditing assignments are encouraged to participate in this survey.

We shall be highly grateful if you could kindly spare your valuable time to fill in the Questionnaire (link given below) on internal auditing practices in your organization to participate in this survey.

The survey results will help the Internal Auditors to benchmark their internal audit functions with peers in the same or other industries. The findings of the survey will also be shared with the participants.

It is committed that the identity of the participating organizations will be kept strictly confidential unless otherwise permitted by the organization/participant itself/himself.

Your kind support in this initiative of the Institute will help in improving the internal auditing practices in India and will be highly appreciated.

The last date for submitting the filled in questionnaire is 25th June 2014.

Link for Survey on Internal Auditing Practices in India: <http://www.icmai.in/detail/updates/720>

CFO Summit 2014

Inaugural Session

The CFO Summit was initiated by lighting the lamp of knowledge by the dignitaries on the dais. While delivering the welcome address at the CFO Summit organized by the Institute on 19th May, 2014 at New Delhi, CMA Dr. S C Mohanty said that the role of chief financial officer has changed dramatically over the past decade. Besides managing accounting, working capital, inventory, capital expenditure and cost control, they are now being called upon to act as strategic resource and work towards sustainable growth. He further said that corporate restructuring has become common to the corporate sector in order to grow and survive in the present ongoing corporate environment for increased efficiency and profitable growth. He added that The Cost and Management Accountants possess expertise in Cost Management which can drive value creation and help develop sustainable businesses for inclusive growth by enabling industry to offer quality goods and services at affordable prices. CMA- CFOs can lead the much needed business transformation through strategic use and application of their expertise to implement an effective Cost Management information system which will facilitate strategic decision making.

Mr. Rajiv Takru, IAS Revenue Secretary Ministry of Finance, Government of India was The Chief guest of the CFO summit. Shri. Rajiv Takru, IAS stressed that the responsibility of the professionals is towards society and not for improving the bottom line of the company. He further added that all their functions should be in furtherance of the benefits to the society. He said that proper cost estimate of the projects will help avoid NPAs. He said that professionals should exercise self control, act professionally and always ensure correct reporting of information. A strong emphasis should be given to ethics which in India is unfortunately taken as akin to religion. The profession has to rise and start pointing out what is right and what is wrong. It is important for you to do your job professionally, there may be consequences. If you certify something which is wrong it is not breach of professional etiquette but a criminal offence.

On this occasion the following publications of the Institute were also released by the Chief Guest Sh. Rajiv Takru, IAS Revenue Secretary :

1. Compendium of Cost Competitive Practices in India
2. Research Study on Shareholding Pattern of Corporate Sector in India
3. Cost Audit – Key to Sustainable Growth

While concluding the inaugural session, Vice President of the Institute CMA Dr. A S Durgaprasad said that today's CFOs face challenges not only in the finance domain, but also externally due to market forces, political situation, and competition. In view of the same it is essential that the CFOs should expand their horizon beyond the financial statements and focus on Sustainability and Integrated Reporting.

Technical Session 1 - Role and Expectations of CFOs – Preparing CFOs for Finance Leadership

CMA Rakesh Singh Central Council Member and Immediate Past President of the Institute while welcoming the Chairman and panelists of the First Technical Session said that the Macro agenda of the country is based on growth and development, therefore the role of CFO has to be looked in the context of national agenda. CFOs are the trustees of financial resources. Development with sustainability has to be the central point of a CFOs responsibility towards society. Transparency and accountability are key agenda for the CFOs. He Congratulate the President and the Institute for organizing the CFO summit.

Shri Asim Kumar Mukhopadhyay Vice President Business Planning in Corporate Finance, Tata Motors, he said that in view of the changing business environment, Business model needs to be redefined. CFO has responsibility not only towards bottomline, but also towards CSR and sustainability. CFO must migrate to being the Chief Value Officer, value integrator and business partner for sustainable growth of the organization. CFO should be a facilitator, collaborator rather than a controller. The CFO Must unfold a vision, be a change driver, speak the language of CEO, be the growth champion and Performance Leader.

Shri Kulamani Biswal Director – Finance NTPC, congratulated the Institute on 56th foundation day and CMA Dr. S C Mohanty on acquiring Doctrate degree. He referred to a research study which reflects that only 27% of the Professional Accountants are CFOs in Europe. Thus there is a need for Professional Accountants to inculcate integrity, objectivity in their functions for creating, enabling, preserving, and reporting value. CFO has a central place in the organization along with the CEO. In the Companies Act 2013, CFO has been identified as a Key Managerial Personnel who has to be appointed by a Board Resolution. The responsibilities of CFOs have

been widened under the listing agreement. CFO must focus on Triple P viz People, profits and Planet as the primary drivers of Corporate strategy. CFO should work as a strategist rather than as a tactician to ensure sustainability of the organization

Shri V R Gupta Director(Finance) Central warehousing Corporation, he said that all organizations must have at least 30% professionals in the Finance department. This will not increase the cost, but will help in effective decision making. CFO should work towards creating a positive view about the finance department in the organization. Public Relations skills are very essential for CFOs. They should spend adequate time in maintaining relations with external stakeholders. He further stated that CFOs should develop good communication skills .

Prof. (Dr.) Asish Bhattacharya Chairman of the session that ethics is the key aspect of a CFOs job. He is the custodian of the financial resources of the organization. He must act in such a way that organizational value is enhanced in an ethical and transparent manner. He must acquire skills necessary to cope up with the changing business environment.

CMA Sanjay Gupta Central Council Member in his concluding remarks said that past few decades have witnessed significant growth in the demand and expectations of Finance leaders as they have become central to helping their organization's navigate an increasingly complex business world. They must focus on driving their businesses on the planks on ethics, sustainability and growth.

Technical Session 2 – Management Accounting - Redefined

CMA M Gopalakrishnan while welcoming the Chairman and panelists of the Second Technical Session on Management Accounting – Redefined , said that CFO has to become a Chief Value Officer and assume responsibility for the sustainable development of the organization.

Shri A N Raman Management Consultant chairman of the session Congratulated the organizers for having chosen this topic for the CFO summit. He said that Competency of Management Accounting knowledge would be the key differentiator for the CFOs. He dwelt on the emerging new definition of Management Accounting which inter-alia focuses on creating value for sustainable growth, Connect Management Accounting with Business strategy. He also expounded the changing dimensions of Management Accounting.

Shri Rakesh Dhamani Vice President (Finance) Times Group explained the cardinal principles of management accounting as practiced in Times Group. He gave a very vivid

presentation on the structure and flow of financial information ably supported by Information technology which helps evaluate the efficiency of operations of the different business segments and also the profitability of various products and lines of businesses. He highlighted the use of Flotilla, Waterfall, Dolphin Charts and decision support system in monitoring of business operations. He summed up by saying that management accounting becomes an art when you put science into it.

Shri Pankaj Wadhwa Vice President (Finance) Petronet LNG said that management accounting provides useful information for all the stakeholders. He said that Petronet LNG Uses the latest version of the ERP tool to monitor the risks that the organization faces and to facilitate information flow and control on enabling real time basis. He said the company has effective internal audit and cost audit practices.

Shri. D L S Shresti Central Council Member summarized the deliberations of the session and said that Management Accounting helps the company to grow sustainably. He also proposed a hearty vote of thanks.

Technical Session 3 – Corporate Restructuring for Sustainability and Growth

CMA (Dr.) P.V.S. Jagan Mohan Rao Central Council Member while welcoming the Chairman and the panelists of the Third Technical Session on Corporate Restructuring for Sustainable Growth said that Sustainability and growth can not be achieved unless we are ethical. He expounded the concept of ethics through rendering of various shlokas from the holy books. He further said that corporate restructuring is essential for sustainability of the organization as the business situation is changing.

Shri NK Gupta Director(Finance) Railtel Corporation India Limited Chairman of the session said that restructuring helps an organization to steer through the path of progress and growth. However the restructuring decision should be taken after due consideration by the top management as part of the overall growth strategy, and not only for mere tax advantages or other general factors. He said that Tech Mahindra a good case of Corporate restructuring as it helped the company to weather the storm caused by Satyam scam. He also shared his experience of restructuring of Railways over the years.

Dr. Sanjeev Gupta Managing Director Nexgen Financial Services Private Limited explained the elements of financial restructuring – definition of non - standard account, restructuring of loans, specially in the infrastructure sector, and Public Private Partnership projects

Dr. Sanjeev Singhal Vice President (Finance) Jubilant Life

Sciences Limited said that the need for Corporate restructuring arises due to the need for bringing in economy in operations, tax benefits, to focus on core strengths of the company and to improve competitive position. He explained different forms of Corporate restructuring. He shared select case studies of various companies and explained the process and implications of Corporate restructuring.

CMA PV Bhattad Central Council Member while summing up the deliberations of the session said that Corporate restructuring helps an organization to achieve sustainable growth

CMA-CFO award and Foundation Day function 2014

The CMA – CFO Award and Foundation day function of the Institute of Cost Accountants of India was held on 19th May, 2014 at Hotel Ashok, Chanakyapuri, New Delhi.

The event was presided by the Chief Guest Hon'ble Mr. Justice Deepak Misra , Judge Supreme Court of India. Ms. J. M . Shanti Sundharam, IRS Chairperson CBEC was the special guest.

The CMA-CFO award and Foundation Day function was initiated by lighting the lamp of knowledge by the dignitaries on the dais. CMA Dr. S C Mohanty President of the Institute welcomed the dignitaries on and off the dais. He said that for the Institute it has been a great journey for 70 years as a guarantee company and 56 years with statutory recognition starting with a humble beginning of 73 members and now reached to the strength of 64564 cost leaders, 4,48000 students and working through 4 RCs, 96 chapters and 9 overseas centers. The mandate for the Institute is to ensure optimum utilization of scarce resources to ensure quality product and services at affordable prices to the society. Development, Sustainability, and Inclusive growth greatly depends on cost competitiveness. Cost, Quality and Productivity optimization is the need of the hour to counter global challenges faced by business. Cost management is a tool to push business development and overall growth creating value through effective use of scarce resources to ensure growth with equity and social-justice.

Ms. J.M.Shanti Sundharam, IRS Chairperson, CBEC said that the ICAI is playing a very important role in cost

management and the Department relies on the Cost Accounting Standards released by the Institute in dealing with various cases. The CMAs should strive to advise companies on becoming cost competitive for sustainable growth of economy. She acknowledged and appreciated the support of the Institute in competency building of the CBEC officers through two training programs conducted at Ahmedabad and Chennai and few more to be organized at various locations. She also advised the CMAs to follow ethical practices in their interactions with the industry.

Dr. S K Gupta Director (Technical) of the Institute made a presentation on the objectives and evaluation methodology followed for the CMA-CFO award. The CMA-CFO awards for 2014 were presented to the following:

1. Public Sector Manufacturing: Mr. Kulmani Biswal Director – Finance NTPC
2. Private Sector Manufacturing: Mr. Hemendrakumar C. Shah Chief Financial Officer Elcon Engineering Company Limited
3. Services Sector: Mr. Hariharan Iyer Chief Financial Officer Gujarat Pipavav Port Limited

Hon'ble Mr. Justice Dipak Misra , Judge Supreme Court of India Congratulated the award winners and emphasized on Professional ethics and morality and said that a professional must practice Fiscal Morality, Morality of Language and, Physical morality. CMAs must offer cost effective advice since growth is possible only through cost effective production of goods and services. CMAs are Constitutionally responsible for achieving excellence. CMAs have a key and significant role to play in today's highly competitive business world. They should develop competencies to provide value addition through their professional services.

In his concluding remarks CMA Dr. A S Durgaprasad thanked all the dignitaries and guests for their presence and said that CMAs should develop morality and imbibe ethical practices in their interactions with the industry.

The event concluded with the national anthem.

NOTIFICATION

In pursuance of Regulation 146 of the Cost and Works Accountants Regulations, 1959, the Council of the Institute at its 286th Meeting held on 30th March, 2014 by virtue of power conferred therein has constituted the following Chapter of Cost Accountants covering the areas of Erode, Kangeyam, Bhavani, Perundurai, Gobichettipalayam, Anthiyur, Komarapalayam, Sankagiri and Tiruchengode of the Erode District of Tamil Nadu :

The Institute of Cost Accountants of India - Erode Chapter
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Kaushik Banerjee
 Secretary (Acting)