



CMA Rakesh Singh, President

You miss 100% of the shots you don't take.

-Wayne Gretzky

Dear Professional Colleagues,

The concept of sustainable development and ethical business practices have been an integral part of our culture and ethos from time immemorial. The very first entry in our accounting books is “*Subh Labh*”. This practice of starting with “Subh” which delineates the “Labh” that follows, is what the world has started talking now in terms of sustainable development and integrated reporting framework. The objectives of sustainable development includes meeting of the needs of the present *without compromising the abilities of the future generations to meet their own needs*.

The CMA Professionals have an important role to play in this area with their specialized domain knowledge. The cost reporting framework aims at highlighting the optimization of resources on a PPP (Planet, People and Profit) philosophy. The role we, from the emerging economy can play has been recognized through our membership of the Accounting Body Network (ABN) of Prince of Wales Foundation Accounting for Sustainability (A4S). On the domestic front, the Institute has been actively associated with the Global Reporting Initiative and has been working very closely with the Ministry of Corporate Affairs (MCA) on the Integrated Reporting initiatives and the Voluntary Business Responsibility Guidelines.

Our efforts have been duly recognized by International Federation of Accountants (IFAC) where we are likely to be getting the Chair on Sustainability. This honour has rarely been given to any accounting body outside Europe and USA.

### **Infrastructure Initiatives**

While setting up the agenda for the current year we promised to focus on infrastructure, visibility and competency building measures. I am happy to inform you that the Institute is scaling up its activities in these priority areas and results are visible in the working of each Directorate and Department. To show the progress the Institute has made during the last month, I am now giving you a brief of activities of the Directorates and Departments of the Institute.

Aurangabad Chapter's acquired new property and the registration work completed. Jaipur chapter purchased land admeasuring 3000 sq.mtrs which will help in creating good infrastructure facility for the benefit of members and students.

Initiated action for purchase of land at strategic locations at Jaipur for a State of Art facility for Centre of Excellence

### **IT Backbone Initiatives**

#### **Information Technology Department – XBRL Taxonomy**

I am glad to inform the members that the XBRL taxonomy and the Business Rules for the Cost Audit Report and Compliance Report have been finalized in consultation with the Ministry of Corporate Affairs. The taxonomy as well as Business Rules can be downloaded from the website of the Institute as well as the XBRL section of the website of MCA. With

this our institute has taken the global leadership position in cost taxonomy.

The Institute is also organizing a number of awareness programmes on the Final Costing Taxonomy for the members across the country to familiarize them with the XBRL concepts and providing practical guidelines on creation of XBRL instance documents of the Cost Audit Report and Compliance Report. Members are requested to attend these programmes at their convenient locations and utilize the opportunity to gain deeper insight into the filings in XBRL mode.

### ***Online Membership Module:***

Online membership module has been upgraded to self-monitor CEP hours. Members can now see their CEP status online. Further modifications are being carried out to make it more user friendly.

### ***Online Examination Form***

Continuing on the drive to automate the activities of the Institute, the Examination Department of the Institute has hosted the Online Examination Application Form for the December 2012 term along with the Payment Gateway using debit / credit card. This is done for the first time in the history of the Institute and the step will help the students to apply for the exams by the click of the mouse.

### ***Professional Development Activities***

- **Tamil Nadu VAT (Third Amendment) Act, 2012**

In the President's Communique for the month of July 2012, my predecessor CMA M. Gopalakrishnan had informed the recognition of cost accountants by Tamil Nadu for their VAT Audit. Tamil Nadu Government has now notified on 30th August 2012, Form 16-A and Form WW whereby every registered dealer liable to get his accounts audited inter alia by Cost Accountants, as per sub-section (1) of Section 63-A under the Act, and shall furnish the audit report in Form-WW.

- **Exposure Draft Guidance Note on Performance Appraisal Report (Form-III)**

I am happy to inform the members that the Institute has exposed the revised Exposure Draft Guidance Note on Performance Appraisal Report (Form III), which is hosted on the Institute's website for comments/suggestions from members and Industry.

- **Advanced Studies:**

The Directorate of Advanced studies at Hyderabad Centre of Excellence (HCE) has embarked on Marketing of the Flagship Programs, targeting the Batches commencing January 2013. The Directorate had interactions with few Top Executives of Companies. Seminars, Road shows are being proposed to propagate the various programs of HCE.

The First Batch of Enterprise Performance Management and Appraisal Systems (EPMAS) is into its eighth week. The Examination in Paper – I of the course has recently been completed.

Besides the above, the HCE has organized / conducted the following Programs. A Seminar on "Developing Cost Statements - A Practical Approach" on 8th September 2012 wherein CMA D Zitendra Rao addressed the audience at a half day work shop on "Integrity at Work" in collaboration with Chartered Institute for Securities & Investment Was conducted on 14th September. Mr. Kevin Moore, Director CISI addressed and Mr. CSV Ahalada Rao, Director, B5 Consulting Pvt Ltd addressed on Corporate Governance.

### ***International Affairs***

The delegation of the Institute visited Kathmandu, Nepal during 14th to 15th September, 2012 to attend SAFA Events, Meetings and International Conference organized by the Institute of Chartered Accountants of Nepal. I along with CMA T.C.A. Srinivasa Prasad, CMA S.R. Bhargave, CMA H.K. Goel, Council Members and Institute Officials attended the meetings and the conference. During these meetings it was discussed to promote interaction through videoconferencing and webinars to bring awareness in the SAARC region about the activities of member countries. The need for the uniform legislation in the member body countries was also felt by the members.

The Delegation comprising CMA Sanjay Gupta, CMA. TCA Srinivasa Prasad, Council Members along with the Officials of the Institute attended the Global Reporting Initiative - GRI's South Asia conference: Sustainability Reporting for a Sustainable Economy on 26th September 2012. Dr. M. Veerappa Moily, Hon'ble Union Minister of Corporate Affairs and Power, was the Chief Guest of the Conference and Mr. Naved Masood, Secretary, Ministry of Corporate Affairs, Government of India was the Guest of Honour in the conference.

## *President's Communique*

### *Training Programs*

A Seminar on 'Cost Accounting Records Rules and Cost Audit Report Rules' was organized by the CEP – 1 directorate at Bhubaneswar on 14th September 2012. The Seminar was well received by the Industry, Corporate and practicing professionals. The Institute also organized two programs at Puducherry on 'Issues in Direct Taxation, TDS and Tax Planning' and 'Risk Based internal Audit for Corporate Governance'.

It is a matter of pleasure for all of us that for the first time an International Program is being organized for Indian Railways for IRAS Officers on the topic 'Finance and Accounts' held at Delhi (NCR), London and Paris.

Considering the mandate by Ministry of Corporate Affairs, series of awareness programmes on "Filing of Cost Audit and Compliance Report in XBRL (eXtensible Business Reporting Language)" was organized by CEP-2 Directorate across country covering Delhi, Chennai, Mumbai, Lucknow, Kolkata, Coimbatore and Bhubaneswar during the month. For successful implementation of the mandate, our Regional Councils and Chapters have also taken up this drive very seriously in training the members at large and organized programmes at NIRC, Pune, Ahmedabad, Aurangabad, Surat, Baroda, Jamshedpur, Chandigarh and so on. There was overwhelming response and active participation by members.

I would like to extend sincere thanks to Ministry of Corporate Affairs, Shri B.B. Goyal (Advisor Cost) Cost Audit Branch and Dr. Pankaj Srivasatava, Director for guidance and enlightening the members with this new mechanism of XBRL under new framework of Cost Audit and Compliance Report. The Department will continue with series of programmes and more programmes for professional relevance and importance.

I am glad to inform that Online CEP module has been developed to facilitate our members to view the updated status of CEP Credit Hours awarded to them by the Institute for the programmes organised by Head Office, Regional Councils and Chapters. Members can view their CEP Credit Hours on our website under Online Membership Application System.

### *CAT Directorate Initiatives*

CAT Directorate has geared up to conduct the first on-line Examination of CAT Competency Level II in the month of December 2012 and the mock on-line test will be made

open to the students in the first week of October, 2012 enabling the CAT Students to familiarize with the pattern of the on-line examination

### *Campus Placement Initiatives*

On 29 Sept 2012 your Institute organized first-ever "Live and Inter-active Orientation Programme on Campus Placement" through Gyan Darshan TV for the June 2012 final qualified CMAs. This programme was well received by the students and many students across the country participated and interacted with the panel and benefited in knowing about Campus Placement programme scheduled during October, 2012.

### *Human Resource Department*

The HR Department of the Institute organized a training on "Principles of Management" on 11th September, 2012 at Headquarters, Kolkata, which was facilitated by CMA T.C.A. Srinivasa Prasad and participated by the officials (Deputy Director and above) of the Institute.

In order to motivate the work force of the Institute an internal process of promotional activity from the designation of Senior Officer till deputy Director was organized by the Executive Committee at Headquarters, Kolkata on 28th August 2012.

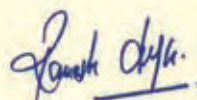
### *Partnership with FISME*

On 24th September 2012, I alongwith CMA Amit Apte, Council Member, met Shri V.K. Agarwal, President, FISME at Lucknow. We discussed many issues relating to the expectation of the Industry from the Institute and the areas where the Institute could play a vital role to the overall growth strategies of Small and Medium Enterprises in the country.

This meeting has further strengthened the relationship between the Institute and FISME.

I wish all the members and their family on the occasion of Gandhi Jayanti, Durga Puja, Dussehra, Id-uz-Zuha (Bakr-id) and Laxmi Puja.

With warm regards,



(CMA Rakesh Singh)

1st October 2012