

PRESIDENT'S COMMUNIQUE



“Building Cost Competitiveness – Mission Make-in-India”

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“Do not spoil what you have by desiring what you have not; remember that what you now have was once among the things you only hoped for.”

- Epicurus

My Dear Professional Colleagues,

Namaskaar.

I am pleased to announce that the 57th National Cost Convention (NCC 2016) will be held on 30th & 31st January 2016 at New Delhi on the theme “Building Cost Competitiveness – Mission Make-in-India”. I request members of the profession to mark these dates and attend the annual national event of the Institute in large numbers to show the strength of CMA profession.

The Council of the Institute has been working on the Roadmap devised for growth of the profession and the Institute. The growth agenda is being implemented for all round development of the Institute and profession by directorates of the Institute. To achieve significant benefits of the roadmap many initiatives are being taken up. Some of the important developments are listed hereunder:

Discussion meet on Risk Management in BFSI:

The Committee on Banking & Insurance organized the second discussion meet on ‘Risk Management in BFSI’ on 20th November, 2015 in New Delhi. Shri

K.V. Acharya, President of AIBPARC (All India Bank Pensioners & Retirees Confederation) was the Chief Guest at the event. More than hundred participants attended this meet. Various issues related to integrated perspective of risk governance, risk control for long term value creation and approaches to mitigate risk issues in BFSI were discussed during the panel discussion that consisted of stalwarts from the concerned sector. I hope such programs would help us to develop rapport with BFSI and utilize our professional expertise to serve the sector in a greater way.

Workshop on Performance Management

Framework: The WTO, International Affairs and Sustainability Committee organized a workshop on Performance Management Framework at New Delhi on 26th November 2015, in association with Consortium of Advanced Management International, Canada (CAM-I). Mr. Derek Sandison, Vice President, Strategic Alliances, Decimal was the main speaker and explained the Performance Management Framework implementation methodologies which were well received by the participants. Mr. AnnuragBatra, Chairman & Editor-In-Chief, Business World Media Pvt. Ltd. was the Chief Guest while Mr. Ashok Vadagama, President CAM-I was the special guest. Mr. Pankaj

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Gupta, Vice Chancellor, Apeejay University, India was the Guest of Honour. The Vice President also addressed the session.

Refresher Course on Indirect Taxation and gearing for GST: Taxation Committee of the Institute is continuing to organize workshops/seminars and participate in various deliberations on proposed GST legislation in India. It is indeed a great initiative to organize "Refresher Course on Indirect Taxation and gearing for GST", at New Delhi, which had an overwhelming response. I look forward for the next series of workshops scheduled for Kolkata (4-6th December 2015), Mumbai (18-20th December 2015) and Chennai (1-3rd January 2016). Members are requested to participate in the refresher course and gain the advantage to interact with eminent resource persons and enrich their knowledge further. Members of Council are actively participating in discussion sessions at various Consultations on GST Business Processes conducted by the Government of India. Members of Regional Councils and Chapters are also actively participating in dialogues with State Tax Officials.

Webinars for Diploma Courses by Advanced Studies: The Directorate of Advanced Studies has started webinars for 2nd batch of three Diploma Courses namely, Diploma in Business Valuation, Diploma in Internal Audit and Diploma in IS Audit and Control. I request all the participants to leverage expertise of the faculty by attending the webinars regularly in large numbers as now the webinars are being conducted as per the convenience of the members. I wish success to all those who are writing examination for Diploma Courses in December 2015.

Programs and webinars for members: The Institute associated with PHD Chamber of Commerce and Industry as an 'Associate Partner' in the Seminar on "Draft GST Reports on Business Processes" at on 17th November 2015 at New Delhi. The CPD & CMA Committee conducted webinar on "Forensic Audit-How is it different" which was well received by the members.

Training Session with DRI: PD Directorate in association with Directorate of Revenue Intelligence organized a Training Session and Awareness Program on "Basic Accounting Concepts, Analysis of Final Accounts and Various Reports, Forensic Audit and its Relevance in Investigation. The session was well

appreciated and attended by members of the Institute.

Developments by CAASB: The revised Preface to Standards on Cost Auditing, as recommended by the Cost Auditing and Assurance Standards Board (CAASB), has been approved by the Council. The Council has also approved the Standards on Cost Auditing on "Agreeing the Terms of Cost Audit Engagements" and "Audit Sampling", as recommended by the Cost Auditing and Assurance Standards Board in its 22nd meeting held on 6th November 2015 for sending to the Central Government for its approval. The Board also approved the release of Exposure Drafts of Standards on Cost Auditing on 'Written Representations' and 'Evaluation of Misstatements identified during the Audit' in the same meeting. The EDs have been uploaded on the CAASB webpage and members are requested to send their views / suggestions on the same to the CAASB Secretariat.

Developments by CASB: The Council of the Institute has approved the revised preface to Cost Accounting Standards as recommended by the Cost Accounting Standards Board (CASB). On recommendation of the CASB in its 80th meeting held on 5th November 2015, the Council of the Institute has approved the revised Cost Accounting Standards on Capacity Determination (CAS - 2) (Revised 2015) in replacement of the Cost Accounting Standard on Capacity Determination (CAS - 2) (Revised 2012) and Production and Operation Overheads (CAS - 3) (Revised 2015) in replacement of the Cost Accounting Standard on Overheads (CAS 3) (Revised 2011). These standards shall be mandatory from 1st April 2016 for being applied for preparation and certification of the General Purpose Cost Statements.

Valuer and Other Assignments for CMAs: The Professional Development Department is exploring opportunities for members in various fields. A meeting was organised with the Registrar, Original Side of Calcutta High Court for enlistment of members as 'Valuer' in Calcutta High Court. The interested members can now apply directly as 'Valuer' for empanelment of Calcutta High Court. The Department is taking up similar exercise in other courts for furthering the opportunities for members.

Co-operative Societies and Trusts: In its drive to enhancing scope of CMAs in the Co-operative Sector, PD department is aggressively pursuing with various

State Governments across the country for inclusion of Cost Accountants for Maintenance of Accounts and Audit of Co-operative Societies.

Airtel Great Delhi Run: On 29th November 2015, Members of our Institute participated in Airtel Great Delhi Run which was co-ordinated by the PD department. It was heartening to see members' enthusiastic participation in the cause of healthy living.

Exposure Drafts released by the Boards and Committees of the Institute: Friends, the Committees and Boards, constituted by the Council of the Institute, are regularly issuing Exposure Drafts of Standards and Guidance Notes for obtaining comments from different stakeholders including members within a limited time frame. These Exposure Drafts are available on the website of the Institute in an exclusive segment named "Exposure Drafts". The objective is to get the responses from members and other stakeholders to further improve the drafts while finalizing the same as Standards or Guidance Notes. You are hereby requested to come forward and give your opinion on those Exposure Drafts within the due date for consideration. This will not only showcase the strength of the profession but also streamline the collective efforts of the members in right direction.

Admission to the Membership of the Institute: I congratulate and welcome all the new 425 Associate members and 78 fellow members, who were granted membership last month. Members are aware that the last date for payment of membership fees for the current FY was 30th September 2015. To avoid removal of name from register of members of the Institute, I request all those, who are yet to clear their membership dues, to pay their arrears either through online payment or by other set modes.

Direct Taxes Professionals Association: Members of the Institute can now become member of Direct Tax Professional Association. For detailed information, you are kindly requested to visit the website www.dtpa.org.

Initiatives by Regional Councils: I am pleased to note the increasing initiatives by our Regional Councils and Chapters in organizing various programs, seminars and discussions on the topics of professional relevance and importance for the members. I am sure that members are immensely benefitted with such

programs. I was invited to address the participants at Regional CMA Summit, jointly organized by the SIRC of ICAL, Vishakhapatnam and Ukkunagaram Chapters at Vishakhapatnam during 27th and 28th November 2015. The theme of the summit was 'CMA – A Game Changer in Strengthening the National Economy through Sustainable Management of Natural Resources'. This constitutes the core area of the CMA profession and the deliberations during the summit were very lively. I presented my views during the valedictory session. I congratulate SIRC and both the Chapters for organizing the summit on such a grand scale.

Initiatives by Chapters: I was invited to address the participants of Annual Seminar on 'Cost Management as an Effective Tool for Better Financial Management' organised by the South Gujarat Surat Chapter of the Institute on 1st November 2015. A prize distribution function for students was also organised by the chapter including interaction session with members and students.

It is heartening to note that the members of the Council, Regional Councils and several Chapters of the Institute have started taking up the initiatives under the guidance of various Committees and Boards constituted by the Institute. This is the perfect example of teamwork and I hope that this will motivate others to follow the line. I am grateful to have full cooperation and support from my fellow colleagues in the Council, Regional Councils and Chapters of the Institute.

Friends, you are one of the most important constituent of our system and I urge all of you to come forward and contribute your bit to the growth of the profession by giving your constructive suggestions and views on the activities of the Institute.

I wish prosperity and happiness to members, students and their family on the occasion of Id-e-Milad and Christmas.

With warm regards,



(CMA P.V. Bhattad)

1st December 2015