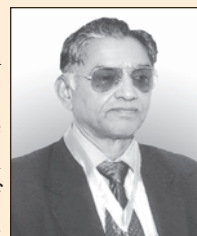


● President's Communique ●

Dear Professional Colleagues,

I head towards completing my tenure as President of this esteemed Institute with deep sense of gratitude and great satisfaction. It was indeed the encouragement, cooperation and support, I received from all my colleagues on the Council of the Institute, Past Presidents, Members, students and other professionals that enabled me to render my duties towards growth and development of our profession. Some of the major developments during the year, that I wish to share with you are as under :-



2nd CMA Global Management Accounting Summit 2010

I am happy to inform that the 2nd CMA Global Management Accounting Summit on the theme of "CMA for Sustainable Business" was held in Colombo from 29th June to 1st July, 2010. This was a moment of pride and joy for ICWAI too, as the sapling of Global Summit on Management Accounting that we planted in 2008 has grown to bear fruits. The Institute of Cost and Works Accountants of India (ICWAI) co-hosted the Global Summit with the host Institute of Certified Management Accountants of Sri Lanka and other co-host institutes of the region. CMA, Canada and IMA, USA were the Technical Partners in the Summit. I on behalf of ICWAI and CMA fraternity profusely thank Shri R. Bandyopadhyay, IAS, Secretary, Ministry of Corporate Affairs, Government of India to be the Guest of Honour during Inaugural Session, and addressed the CMA's for future.

India Corporate Week

The Ministry of Corporate Affairs observed India Corporate Week from 14th to 21st December, 2009 on the theme "Corporate Sector and Inclusive Growth". To commemorate the occasion, the Institute, its Regional Councils and Chapters organized programmes independently as well as in collaboration with other sister professional bodies and associations. The celebration culminated at Vigyan Bhavan, New Delhi on 21st December, 2009, where Her Excellency, Smt. Pratibha Devisingh Patil, President of India, presented a Trophy to ICWAI in recognition to its excellent contribution towards growth and development of profession of Cost and Management Accountancy and promoting good governance culture in Corporate India, in the gracious presence of Mr. Salman Khurshid, Hon'ble Minister of State (I/C) for Corporate Affairs and Minority Affairs and Shri R. Bandyopadhyay, IAS, Secretary, Ministry of Corporate Affairs. "Corporate Governance Voluntary Guidelines 2009 and 'Corporate Social Responsibility Voluntary Guidelines, 2009" formulated by the Ministry of Corporate Affairs and to be followed by India's corporates, were also released on this occasion. I congratulate MCA, IICA and NFCG for giving a thrust to these events for the first time in Corporate India and including our Institute to carry on the task.

Visit of Hon'ble Minister of Corporate Affairs to ICWAI Delhi office.

September 11, 2009 was indeed a path breaking and significant date, when for the first time in the history of our Institute, even for that matter in the annals of the history of any professional body, the Hon'ble Minister for Corporate Affairs, Mr. Salman Khurshid addressed our Council at New Delhi and more than that, spent considerable amount of time clarifying and assuring that Government was seized with the several issues facing the profession, particularly the name change of the Institute which he clarified to the press, has lot of support from Government. This has given a new life and will bring cheers to the members, as this has been pending for quiet some time due to several reasons.

Investors' Awareness Programme

Ministry of Corporate Affairs, Government of India has empanelled ICWAI for the first time to organize Investors' Awareness Programme preferably in two-tier and three-tier cities through out

● President's Communique ●

the country. The Institute has responded favourably to this by holding such programmes. I congratulate the Vice-President, ICWAI Shri Brij Mohan Sharma, Central Council Members and Regions & Chapters in conducting the Investor Awareness Programmes, which are appreciated by MCA. A message has been received from the Ministry indicating that ICWAI should focus on conducting Investor Awareness Programmes all over the country, right from 1st April, 2010 onwards for another year till 31.3.2011 to drive the advantage of spreading the Investor Awareness Programme every month, if possible every fortnight at various places in India. I request the Chapters and Regions to plan the events in advance and intimate the Delhi Office and Vice President, ICWAI so that we could focus on the directions of Ministry in implementing their guidelines.

Cost Accounting Standards Board (CASB)

The Cost Accounting Standards Board has been working tirelessly for developing the cost accounting standards under the Chairmanship of Shri Chandra Wadhwa. The Council of the Institute has so far issued 12 Cost Accounting Standards. The Council has also made the application of these Cost Accounting Standards mandatory w.e.f. accounting period commencing on or after 1st April, 2010 for the preparation and certification of General Purpose Cost Accounting Statements. In case the members of the Institute in practice are of the opinion that the aforesaid cost accounting standards have not been complied with for the preparation of the cost statement, it shall be their duty to make a suitable disclosure/qualification in their audit report/certificate. Once again for the first time the President, IFAC Robert Bunting visited our Institute and participated in CASB Meeting. He commented that India is the leader in contributing cost accounting standards to the whole world. He also expressed the opinion that while developing the Cost Accounting Standards, the Institute should keep in mind the International perspective and appeal.

On Companies Bill 2009

Regarding, Companies Bill, 2009, we have brought it to the notice of all the concerned that we will be presenting our comments before the Chairman and Members of the Standing Committee. ICWAI is geared up to meet the challenges with regard to certain sections of the new Companies Bill 2009 which may have to be looked into and we are confident that this Government will do justice to our profession.

The Institute was given an opportunity to appear before the Hon'ble Parliamentary Committee on Finance for oral hearing on Companies Bill 2009 on 24th May 2010 at New Delhi. A presentation was made before the Hon'ble Committee and further replies were submitted for the queries.

GST and Direct Tax Code

The Taxation, Perspective Planning & Execution Committee, prepared a full proof document regarding the importance of Role of Cost Accountants in forthcoming DTC to ensure reduction of leakage of Revenue and protection social interest and presented the same before the Ministry of Finance. On Direct Tax matter, the committee finalised the draft on Guidance Note on Transfer Pricing. The committee also finalised the preparation of Technical Guide on Implementation of Goods & Service Tax in India, being the First Publication in the Country, and presented to all concerned for their consideration

International Affairs

It was our good experience to participate in the International Seminar of CAPA on SMEs and SMPs organized by IFAC and World Bank. I and Shri S.R. Bhargave, Central Council Member participated effectively in the above programme at Beijing during the end of October, 2009. As a part of Programme

● President's Communique ●

of CAPA, I was also fortunate to attend the World Bank programme arranged along with the Chinese Government where the Finance Minister of China and Auditor General of China discussed about the introduction of IFRS in particular in China and other 23 countries.

During 1st week of November 2009, it was a satisfactory meeting at Dhaka of SAFA Board and Assembly with ICWAI's participation effectively. Shri Kunal Banerjee, Immediate Past President and Shri A.N. Raman, CCM & Board member of SAFA, brought out many points particularly with regard to the Enterprise Governance matters and also certain lacunas in introduction of IFRS, namely, by introducing fair value accounting which in turn calls for a current cost accounting approach. We also brought that in respect of countries like India wherein heavy subsidies are given on cost base approach, the adoption of fair value will bring in surmounting problems. This was well appreciated by the SAFA Board.

During 15th & 16th of November, 2009, ICWAI partnered with Institute of Cost and Management Accountants, Oman to launch Accounting Technician Course. ICWAI efforts were appreciated by our Indian Ambassador and officials of ICMA Institute. We want to share our knowledge till we achieve full professional growth in Oman for which we have signed an MoU with the approval of Government of India. You may observe that it marks a beginning of era of knowledge cooperation in Gulf Region, wherein a big potential exist. I am happy that ICWAI has taken this lead. Oman has successfully conducted the first exam in June 2010.

I am happy to inform you that ICWAI participated in the recent SAFA meetings and conference in Karachi, Pakistan. The team was led by me along with the immediate past president Shri Kunal Banerjee and Mr. V. C. Kothari and Mr. A.N.Raman. It was our pleasure in participating in the memorial lecture organized by ICMAP in the memory of their founder president Late Mr. Md. Shoaib, who happened to be our founder president also. The crowd applauded at Karachi when I proclaimed that I am the 52nd president having received the baton from Late Mr. Md. Shoaib and their successors.

INDO-USA Delegation to America led by our Hon'ble Secretary, MCA Shri R.Bandhyopadhyay, IAS

We are happy to inform you that our Council Members Shri A.N.Raman, Vice-President, SAFA & Member, PAIP, IFAC and Shri Chandra Wadhwa, Past President, led by our Hon'ble Secretary, MCA Shri R.Bandhyopadhyay, IAS visited Washington and New York and held discussions with various International Bodies to study the implementation of IFRS and also the contribution of CMAs for the development of management accounting profession. The discussion with IMA-USA was very helpful and both Mr. Bandhyopadhyay ji and Shri Jitesh Khosla ji, IAS who headed the delegation stressed the need for an MoU between ICWA of India and IMA-USA.

Visit of CIMA President, Mr Aubrey Joachim to our Institute

Mr Aubrey Joachim, President, CIMA-UK visited the Delhi office of the Institute on 10th March, 2010 and met Central Council Members and officials. After detailed discussions many issues were finalised for further follow-up like, exchange programme between the members of the two Institutions for training; undertaking research work jointly in India and other countries, particularly in the area of Cost Audit, Health and Education; possibility of making e-learning programme available to the Indian students at a concessional rate; holding joint conference/seminars on various areas like Performance Management, Enterprise Governance, Cost Audit etc.

SAFA Board Meeting and other Committee Meetings hosted by ICAI-Sri Lanka at Colombo

I represented ICWAI at SAFA Board and Committee Meetings along with my colleagues Shri B.M.Sharma, Vice-President, ICWAI; Shri Kunal Banerjee, Immediate Past President and Shri A.N.Raman,

● President's Communique ●

Vice-President, SAFA. Deliberations took place on two days. On the first day, SAFA finalized the Task Force recommendations towards revised constitution of SAFA. There was also meeting of Public Accounting Governmental and Public Sector Enterprises Accounting. On the next day was the Board Meeting of SAFA, represented by all the member bodies. The deliberations were very fruitful and I am happy to say that the Board approved two SAFA programmes for India, one at New Delhi and another at Bangalore.

CAPA Board and Annual General Meeting

I along with Shri B.M.Sharma, Vice-President, ICWAI attend the Confederation of Asian and Pacific Accountants (CAPA) Board Meeting and Annual General Meeting held on 20th and 21 May 2010 in Wellington, New Zealand. There was also a presentation from all countries of CAPA as well as India on the latest professional achievements.

ICWAI represented by the President in MCA delegation to Netherlands and Germany

An MCA delegation led by Shri R.Bandhyopadhyay, IAS, Secretary, MCA visited Netherlands and Germany during 24-31 May, 2010 to establish a Joint Working Group with the Governments of Netherlands and Germany in the area of Corporate Governance and Corporate Social Responsibility. There was also an interaction with various organizations engaged in the areas of CG/CSR in these two countries. During this visit, detailed discussions were held with the Netherlands Government at Hague to identify the areas of interest to develop a mutual consensus for exchanging points relating to Corporate Governance and Corporate Social Responsibility. The Netherlands Government appreciated the efforts taken by the Ministry of Corporate Affairs, Government of India in this regard. We were happy to participate in an International Global Reporting Initiative Conference at Amsterdam and were among the 77 countries which discussed various practices of Global Reporting Initiatives.

ICWAI 51st National Cost Convention

51st National Cost Convention of Cost and Management Accountants of India was organized by the Eastern India Regional Council of the Institute from 23rd to 25th April, 2010 at Fortune Park Panchwati, at Kolkata on the theme "CMAs in Nation Building - Today and Tomorrow".

Shri SriPrakash Jaiswal, Hon'ble Minister of State (I/C) for Coal, inaugurated the 51st National Cost Convention. Shri Promode Mankin, Minister of Cultural Affairs Bangladesh was Guest of Honour. Technical discussions took place after the inauguration which was very useful to participating cost and management accountants. Prof. Sugata Roy, Minister of State for Urban Development inaugurated the 2nd day of the Convention on 24th April, 2010. The Minister while addressing appreciated the role of Cost and Management Accountants and said that we have to play a greater role in the coming years. To a request made by the President, ICWAI for allocation of a land for the Research and Excellence Center at Delhi, he suggested that since there is no land in Delhi, Institute may approach Noida Authorities. However, he said he will be considerate to the request of the President of ICWAI. It needs to be underlined here that this Convention was attended by more than 600 delegates from all over the Chapters and Regions. I once again express my heartiest congratulations to the EIRC and the Organizing Committee for making the event a grand success. I also place on record the efforts put in by two Council colleagues Shri Somnath Mukherjee and Dr. Sanjiban Bandyopadhyay for making the Convention a grand success.

ICWAI Signs MOU with CBEC

I am happy to inform that The Institute of Cost and Works Accountants of India (ICWAI) and Central Board of Excise & Customs have signed a Memorandum of Understanding (MOU) on 13th

● President's Communique ●

April, 2010 to set up ACES Certified Filing Centres (CFCs) across the country. These CFCs can be set up and operated by the Members of ICWAI, who have valid certificate of practice issued by the ICWAI. This initiative aims at providing services to taxpayers who may not have requisite IT infrastructure/resources, to use ACES. These services will also be beneficial to the industry and they will not be required to visit the office of CBEC for Registration, Returns, etc. The services would be available on payment of prescribed services charges for various services such as digitization of paper documents and on-line filing/ uploading of documents such as Application for Registration, Returns, Claims, Permissions and Intimations etc. in ACES.

MOU between ICWAI and MCX Stock Exchanges Ltd

I am happy to inform you that the Institute of Cost and Works Accountants of India (ICWAI) and MCX Stock Exchanges Ltd (MCX-SX) have signed a Memorandum of Understanding (MOU) on 7th May 2010 at Kolkata. The programme was graced by Shri R.Bandyopadhyay, IAS, Secretary, MCA as the Chief Guest. This MOU will result in joint programmes between ICWAI and MCX-SX for various certification programmes on financial markets, cost accounting standards and effective corporate functioning.

CAT course inauguration at Srinagar, Kashmir

I am happy to inform you that The Institute of Cost and Works Accountants of India (ICWAI) has made headway in Kashmir Valley through Global College of Professional Studies (GCPS) as a Recognized Oral & Coaching Centre (ROCC) to launch CAT course in Srinagar on 05.04.2010. Shri Balwinder Singh, Chairman, CAT was also present on this occasion. The CAT course will be no doubt a boon for the students' community from the Valley and with this the Institute has established Oral Coaching Centres for CAT from Kashmir to Kanyakumari. As of date, Institute has 222 Oral Coaching Centres apart from Regional Councils and Chapters for imparting oral coaching to CAT students. CAT course indeed reflects the inclusive agenda of the Institute for benefiting the students' community especially from rural and remote areas.

Strengthening of Infrastructure at Regional Councils/Chapters

The Council continued its efforts to strengthen the infrastructural facilities of Regional Councils/ Chapters during the year. As a result, I am pleased to inform you that the Professional Development activities at Regional Councils/Chapters have increased significantly. I am sure, the services being rendered by the Regional Councils/Chapters to the students and members would be more visible and satisfying in times to come.

SAFA Vice-Presidentship

After 14 years, our Institute has got the turn of occupying the Vice Presidentship of SAFA and this has happened on 23rd January 2010 when SAFA Assembly elected ICWAI Council Members, Shri A.N. Raman as its Vice President for the year 2010 with an overwhelming unanimous support.

Green Initiative from ICWAI

Southern India Regional Council of ICWAI took initiatives to meet the "Green Initiative Standards" as part of CSR initiatives, which was declared open on 22nd February 2010 by Shri R. Bandhopadhyay, IAS, Secretary-MCA. This was piloted by Shri M.B. Nirmal, Founder of Exnora International, well-known for such initiatives in the country. Shri M. Gopalakrishnan, CCM, co-ordinated the activities to make it a success. Apart from Chairman and members of SIRC, Shri V. Kalyanaraman, Past President of ICWAI and SAFA also played a key-role in the completion of the programme. In his address,

● President's Communique ●

Shri R. Bandhopadhyay, IAS, Secretary-MCA, lauded the initiatives taken by ICWAI and emphasised that such efforts will bear fruits by including this subject in the Curriculum so that students can be well acquainted with the subject of "Green Costing and Audit." His suggestion was well endorsed and I on behalf of ICWAI commit that all the Chapters and Regional Councils of ICWAI would be drawn to the Green Initiative in the course of time. The programme was well taken by the media with good coverage in National Newspapers and Television Network. The programme was attended by Students & Members of ICWAI and Officials from the Regional Office of MCA.

I am glad to inform you that recently the Karnataka Government has recognized the Cost Accountants also in corporate VAT Audit by amending Karnataka Value Added Tax. The Government is releasing the amendment of Rule 34 (Third Amendment Rules, 2009). We are extremely grateful to the Hon'ble Chief Minister of Karnataka, Shri B.S. Yeddyurappa for recognizing Cost Accountants to shoulder this responsibility.

Announcement from Government of Kerala on inclusion of Cost Accountants in Urban Local Bodies for the purpose of adoption of Double Entry Accrual Based System of Accounting

I would like to place on record my sincere appreciation and thanks for S/Shri R Bandyopadhyay, Secretary, P. D. Sudhakar, Special Secretary, Avinash K Srivastava, Joint Secretary, Smt. Renuka Kumar, Joint Secretary, S/Shri B. B. Goyal, Adviser (Cost), Jaikant Singh, Manoj Arora, Director of the Ministry of Corporate Affairs in this regard.

ICWAI 7th National Award for Excellence in Cost Management - 2009

The Institute is organizing the ICWAI 7th National Award for Excellence in Cost Management -2009 at 5:30 PM on 8th July, 2010 at Scope Auditorium, SCOPE Complex, Core VIII, 7 Lodhi Road, New Delhi. The ceremony will be inaugurated by **Shri Salman Khurshid, Hon'ble Minister of State for Corporate Affairs** and Shri R.Bandyopadhyay, IAS, Secretary, MCA will grace the occasion as Guest of Honour. The Award ceremony will be preceded by a Seminar on 'Cost Audit under New Mechanism and Cost Accounting Standards' at 2:30 PM.

National Seminar on "Regulatory Practices-Role of Management Accountants" at Bhubaneswar from 25th - 27th June, 2010

I was happy to participate in The Cuttack-Bhubaneswar Chapter of the Institute of Cost and Works Accountants of India (ICWAI) organized a three day National Seminar on "Regulatory Practices-Role of Management Accountants" at Bhubaneswar during 25th June, 2010 to 27th June, 2010. Hon'ble Dr. Justice Arijit Pasayat, Chairman, Competition Appellate Tribunal inaugurated the Seminar as Guest of Honour and member, Competition Commission of India, Shri P. N. Paresar gave the key note address.

With regards,
Yours sincerely,



(G. N Venkataraman)
President

Date : July 8, 2010