

# PRESIDENT'S COMMUNIQUÉ



*“Work must be done with detachment. It is the ego that spoils work and the ego is the centrepiece of most theories of motivation. We need not merely practice a theory of motivation but a theory of inspiration.”*

*-- Bhagavad Gita*

**CMA SANJAY GUPTA**

*President*

*The Institute of Cost Accountants of India*

## **Namaskaar!!!**

By the time this Communication reaches you the whole nation will be evaluating and debating on the new Budget proposals and Economic Survey 2018. Shri Arun Jaitley, Hon'ble Union Minister of Finance, presented the general budget 2018-19 in Parliament on February 1st, 2018. Budget was guided by mission to strengthen agriculture, rural development, health, education, employment, MSME and infrastructure sectors.

Government said that a series of structural reforms will propel India among the fastest growing economies of the world. As per various reports our Country is firmly on course to achieve over 8% growth as manufacturing, services and exports back on good growth path. We will have more and more evaluating sessions on the Union Budget at various centers. Overall the Budget has given positive feelings.

Another important update is the release of Economic Survey 2018.

Government has released the Economic Survey 2018 and the Economic Survey 2018 has estimated that the Indian economy will grow by 7-7.5% in 2018-19, thereby re-instating India as the world's fastest-growing major economy. Tabled in Parliament on Monday by Hon'ble Minister of Finance, the Survey says the second half of Financial Year 2018 can clock 6.75% growth. According to the India Inc (CEOs of 51 top companies), India will witness an average of 6.5 to 8 per cent economic growth in 2018-19.

Now, let me bring to you some of the significant developments in profession that took place in the last one month:

## **58th National Cost Convention (NCC 2018)**

I am happy to announce that **58th National Cost Convention (NCC 2018)** on the eve of Platinum Jubilee Year of the Institute will be held on 16th & 17th March 2018 at New Delhi on the theme **“New India 2022: Role of CMAs from Intent to Action”**. I along with my council colleague CMA P. Raju Iyer, CMA Dr. I. Ashok, and CMA Hari Krishan Goel, Former CCM met **Shri M. Venkaiah Naidu, Hon'ble Vice President of India** to invite him to inaugurate 58th NCC - 2018 of the Institute as the “Chief Guest” and we are fortunate that the Hon'ble Vice President of India has accepted our invitation to grace the occasion. I earnestly request all the members of the Institute to attend this Annual National event of the Institute in large numbers to show the strength of CMA profession.

I am happy to share that on 1st January, 2018, I met Shri Arun Jaitley, Hon'ble Minister of Finance and Corporate Affairs to extend New Year greetings and presented him the brochure of four newly launched courses offered by the Directorate of Advanced Studies of the Institute. I also extended New Year greetings with Shri Injeti Srinivas, Secretary to the Government of India, Ministry of Corporate Affairs and Shri Suresh Chandra, Secretary to the Government of India, Ministry of Law & Justice.

On 10th January, 2018, I met Shri Piyush Goyal, Hon'ble Minister of Railways and Coal and appraised about the progress of Railways Project and emerging role of CMAs in

Railways and Coal Sector.

I was invited to attend the event for launch of **National CSR Data Portal** and **Corporate Data Portal** on 19th January, 2018, organised by the Ministry of Corporate Affairs (MCA) at New Delhi. Shri Arun Jaitley, Hon'ble Union Minister of Finance and Corporate Affairs, graced the occasion as the Chief Guest and Shri P. P. Chaudhary, Hon'ble Minister of State for Corporate Affairs & Law and Justice also graced the occasion as the Guest of Honour.

### Cost Governance Month

I am pleased to inform that the Institute is observing the month of February 2018 as "Cost Governance Month" across the country for our Members and Industry. Good Cost Governance is conducive for sustainable economic development. The objective is to address the challenges in building cost competitiveness among industries and exploring the contributions that CMA fraternity can offer to nurture the Indian economy by adopting principles of Cost Governance. Cost Governance may consist of set of policies, principles, processes, customs, and laws paving the way to direct, administer or control the effective utilization of scarce resources for an enterprise. As such, cost governance needs to be perceived as a distinct discipline being inculcated amongst the Indian Enterprises to achieve highest level of cost excellence. The Regional Councils and Chapters are requested to organise programs and events at their respective places to create awareness among the Industry people and make this initiative a grand success.

### Mission Antyodaya Month

"Mission Antyodaya", a noble project undertaken by Ministry of Rural Development, which is a convergence framework for measurable effective outcomes on parameters that transform lives and livelihoods. Real Difference comes about through Convergence as it alone simultaneously addresses multi dimensions of poverty. I am pleased to inform that the Institute has already submitted its action plan to the Ministry for the Mission Antyodaya and as one of its action plan, will be declaring the month of March 2018 as "Mission Antyodaya Month" and will visit and conduct survey in 300 Gram Panchayats (approx.) within this month through its Regions and Chapters based on the Key Parameters identified by the Ministry of Rural Development. The Institute will also arrange and conduct massive awareness programs Pan India basis at various schools and colleges at Panchayat level to spread over the concept of "Mission Antyodaya".

### Directorate of Advanced Studies

The Directorate of Advanced Studies conducted a One Week Workshop on "Talent Management and Career Progression" for the Executives of Braithwaite & Co. Limited, Kolkata during 15th – 20th January, 2018. Discussions were held on various topics like leadership, motivation, team building, corporate governance, ethics, human values, cost competitiveness in PSU, GST, communication & presentation skill etc. CMA Manas Kumar Thakur, Immediate Past President distributed certificates among the participants at the end of the workshop.

### International Affairs Department

I along with CMA Manas Kumar Thakur, Immediate Past President, attended the Inspreneur: India Singapore - Entrepreneurship Bridge Conclave and ASEAN - India Pravasi Bharatiya Divas event organised by High Commission of India, Singapore during 4th to 7th January, 2018 at Singapore. We also attended some meetings with Frost and Sullivan, Institute for South Asian Studies (part of National University Singapore) to explore possibilities of bilateral academic cooperation and collaboration.

#### Meeting with the President, IMA, USA

I wish to inform the members that I along with CMA (Dr.) I Ashok, Chairman - International Affairs & Sustainability Committee met with Mr. Jeffrey C. Thomson, President and CEO and Mr. Jim Gurowka, Vice President, International Business Operations of Institute of Management Accountants [IMA] on 25th January, 2018 at Delhi Office of the Institute and discussed about the important matters related to professional qualifications and professional development programmes offered by both the Institutes.

#### Meeting with officials from CPA Australia

On 15th January, 2018, I met with officials from CPA Australia at Delhi Office of the Institute and discussed about possibilities of mutual recognition of the professional qualifications and professional development programmes offered by both the Institutes.

### Insolvency Professional Agency of Institute

Insolvency Professionals are the pillars of the Insolvency and Bankruptcy Code. During the month of January 2018, IPA of the Institute conducted 2 Round Table Discussions with the Insolvency Professionals on the matters requiring deliberations and sent daily updates to its members on the recent developments. Moreover, an emphasis has been given in developing the quality of the Insolvency Professionals. A Coordination Committee of the three

# PRESIDENT'S COMMUNIQUÉ

Insolvency Professional Agencies discussed on the changes required in the Insolvency Professionals Qualifying Exam, interacted with Ministry of Skill Development and Entrepreneurship in developing training structure for young professionals to empower them with necessary skills to support the Insolvency Professionals and bringing down the cost of the Insolvency Resolution Process in the long run.

Furthermore, close interactions with the BFSI and International Finance Corporation (World Bank Group) and National Institute of Bank Management (NIBM, Pune) were taken up for training of the Insolvency Professionals

IPA of the Institute also participated in the **Round Table Discussion on the Insolvency and Bankruptcy Code** organised by the ASSOCHAM and PHD chambers of Commerce on 3rd January, 2018 at New Delhi.

I wish to inform that on 11th January, 2018, I attended 2nd meeting of **Insolvency Law Committee** called by Ministry of Corporate Affairs at Shastri Bhawan, New Delhi.

## Professional Development and CPD Committee

I sincerely appreciate our Regional Councils and Chapters for organizing more than 60 programs seminars, discussions and webinars during the month of January, 2018 on the topics of professional relevance and importance for the members such as, E-Way Bill: Procedures and Compliances, The Companies (Cost Records and Audit) Second Amendment Rules, 2017, Corporate Governance Practices, Valuation & Cost Audit in Competitive Industry Environment, Overview & Scope for Insolvency Professionals under Insolvency & Bankruptcy Act 2016, Pre Union Budget – 2018, MSMED Act 2006 (Opportunity & Responsibility), International Taxation - Transfer Pricing, Exposure draft on CAS-4, and so on. Further, most of the presentations made during these programmes and recorded webinars can be viewed by the members of the Institute at: <http://icmai.in/Knowledge-Bank/>

The Institute associated with PHD Chamber of Commerce & Industry in a seminar on **“Corporate Frauds - Detection, Prevention & Remedies” and “Introduction of E-Way bill and Anti-profiteering measure under GST”** held on January 11, 2018 and January 24, 2018 respectively at PHD House, New Delhi.

Institute was the “Knowledge Partner” in the **“8th Edition – National Legal Summit”** organised by Indian Chamber of Commerce in which was held on 20th January, 2018 at IHC, New Delhi. The Institute has prepared a background material on “Practical Aspect of GST Laws, Insolvency and Bankruptcy Code & Arbitration” which was circulated to participants of the Summit.

## Representation with Government, PSUs, Banks and Other Organizations

PD Directorate has send representation letters to various organizations for inclusion of cost accountants for providing professional services. On the request of Institute, Bihar School Examination Board included Cost Accountants for appointment of Internal Auditor and issued corrigendum in this regard. Further, leading organizations like, Northern Coalfields Limited, West Bengal State Electricity Distribution Company Limited, Food Corporation of India, Zonal Office (South), Mahanadi Coalfields Ltd, Goa Shipyard limited, Indian Institute of Management Udaipur, HNB Garhwal University, Srinagar Garhwal, West Bengal Forest Development Corporation, Uranium Corporation of India Ltd., Jadugoda, Uttarakhand Power Corporation Ltd., Bureau of Indian Standards, Bhubaneswar Branch office and Artificial Limbs Manufacturing Corporation included and recognized CMA qualification in their Tenders/EOIs in the month of January.

## Meeting with Secretary, Department of Rural Development and Secretary, MCA

On 16th January, 2018, CMA Manas Kumar Thakur, Immediate Past President attended a meeting called by Secretary, Department of Rural Development and Secretary, MCA with the representatives of Industry and professional institutions associated with MCA regarding “Mission Antyodaya” at Shastri Bhawan, New Delhi.

## Technical Directorate

### Cost Accounting Standards Board (CASB)

I am pleased to inform that the Cost Accounting Standards Board (CASB) of the Institute has released the Guidance Note on CAS-13 (Cost of Service Cost Centre). The same is available on the CASB portal of the Institute’s website. I am grateful to the stakeholders / members for sending their suggestions/ comments on the Exposure Draft of CAS-4 and enabling the CASB to finalize the said Guidance Note.

Also, the Cost Accounting Standards Board (CASB) in its

91st Board meeting held on 24th January 2018 considered the suggestions/ comments received from the stakeholders and approved the Cost Accounting Standard (CAS-4) (Revised 2018) on “Cost of Production or Acquisition or Supply of Goods or Cost of Provision of Services or Both” and recommended for approval of the Council of the Institute.

● **Technical Cell (Cost Audit, Compliance and Others) : Revision of CRA-1 and CRA-3 on account of GST and Ind AS**

I wish to inform that the Technical Cell (Cost Audit, Compliance and Others) in its 18th meeting held on 25th January 2018 considered the recommendations of Small Group constituted by the Institute to analyze the impact of Customs Tariff Act (CTA) Codes vis-à-vis Central Excise Tariff Act (CETA) Codes, GST and Ind As on CRA-1 and CRA-3 of the Companies (Cost Records and Audit) Rules 2014. The Technical Cell finalized their suggestions and recommendations on CRA-1 and CRA-3 which are being forwarded to Ministry of Corporate Affairs/Cost Audit Branch for carrying out necessary changes/ modifications while revising the CRA-1 and CRA-3.

● **Regional Council & Chapters Coordination Committee**

The Regional Council & Chapters Coordination Committee presented a webinar on “Opportunities under Insolvency & Bankruptcy Code 2016” on 18th January 2018 which stimulated our members to develop proficiency in this allied area. Members may view the recorded webinar under Knowledge Bank portal of the Institute.

● **Activities at Regional Councils & Chapters**

● **National Seminar GST organised by Bhubaneswar Chapter and Tax Research Department of the Institute**

National Seminar on the theme “**Goods and Services Tax – The Sustainability Imperative**” organised by Bhubaneswar Chapter and Tax Research Department of the Institute at Bhubaneswar on 27th & 28th January, 2018. Shri Shashi Bhusan Behera, Hon’ble Cabinet Minister (Finance, Excise and Public Enterprises), Government of Odisha inaugurated the seminar as the Chief Guest. I interacted during the Inaugural Session of the event and also addressed the gathering. My council colleagues CMA Niranjana Mishra, CMA P.V. Bhattad, CMA Dr. I Ashok, CMA P. Raju Iyer also graced the occasion.

I conclude my communication by mentioning a thought

from Thomas A. Edison for the upcoming CMAs and Students -

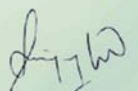
*“Our greatest weakness lies in giving up. The most certain way to succeed is always to try just one more time.”*

Failure happens to anyone and yes, it happens all the time. Do not feel hopeless after failing many times. You just have to understand perfectly the purpose of failure in your life in order to realize that it is something you need to succeed. Giving up will stop from achieving greatness and making a difference. So instead of thinking about quitting why not take it as an opportunity to make things way better.

I will be happy to receive your valuable assessment on the Union Budget and its impact on the Indian Economy particularly its impact on our profession.

I wish all prosperity and happiness to members, students and their families on the occasion of Swami Dayanand Saraswati Jayanti, Shivaji Jayanti & Maha Shivaratri and pray for the success in all of their endeavours.

With warm regards,



**CMA Sanjay Gupta**

1<sup>st</sup> February, 2018