

Companies Act 2013 finally gives CMAs much-awaited recognition



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It is better to strive in one's own dharma than to succeed in the dharma of another. Nothing is ever lost in following one's own dharma. But competition in another's dharma breeds fear and insecurity. – Bhagwad Gita



As we all know that the Indian economy is undergoing various economic challenges which is providing an impetus for resource mobilization and its optimum utilization besides improving efficiency and inculcating cost management and financial literacy. With economic growth hovering at a 10-year low of just around 5 percent and spiralling inflation, there is a devaluation of Indian currency arising out of soaring exchange fluctuations in forex. In this scenario, industry needs regulators to facilitate growth and channelize the resources in desired direction.

The provisions enshrined in the Companies Act, 2013 are expected to increase investors' confidence, strong governance and proper transparency ensuring smooth implementation and application of soft laws. The new legislation will encourage entrepreneurship and create a business-friendly regulated environment in the country. It will also strengthen e-governance measures and facilitate the management of companies to make proper use of electronic innovations. The Act mandates that corporates deploy funds for CSR activities as an investment and the welfare and women empowerment. This will further promote women entrepreneurship in the country and help to serve public interest through CSR activities of the corporate. The Act has further strengthened the regulatory mechanism with the introduc-

tion of SFIO and NFRA provisions.

The Companies Act 2013 has given the CMA fraternity long-standing, deserving and much awaited wide recognition by availing CMA expertise in various specialised services for the stakeholders as an expert for various purposes, authorization to issue a declaration in case of registration of a company, appointment as Internal Auditors, Liquidator or Administrator of a company. Cost Accountants with 15 years of experience in practice are also recognized for being appointed as a member of the National Company Law Appellate Tribunal.

We, the CMA fraternity have to rise to the occasion to meet the increasing need of stakeholders while serving the national requirement and fulfil the expectations of society and the government with our significant contributions. I take this opportunity to request all of you to send your valuable suggestions on the two sets of draft rules on the Companies Act 2013 released by the MCA, before the respective due dates.

Programmes held at Lucknow Chapter under the aegis of NIRC of ICAI

As a part of continuing programmes on indirect taxation with the department, Northern India Regional Council in association with Lucknow chapter of the Institute has conducted two days Training Programme on the theme 'How to study/scrutinize Financial Records in the context of Central Excise' on 24th – 25th September 2013 at Lucknow Chapter of the Institute. About 350 participants from the department attended two days training sessions. The programme was inaugurated in presence of Shri K.K. Sharma, Chief Commissioner, Central Excise, Customs & Service Tax, Lucknow Zone, Shri Hemanshu Gupta, Commissioner, Central Excise & Service Tax and Shri J.P.Mamgain, Commissioner (Appeals). I am indebted to other esteemed officials from the Lucknow Commissionerate for their gracious presence and participation during the course of the deliberations. I heartily congratulate resource persons/speakers S/Shri CMA Vijender Sharma, CMA S.K.Bhatt, CMA Navneet Jain and CMA Chiranjib Das for sharing lucid presentation setting high standard in interpreting the laws and linking with cost records, which attempts to bring about a greater degree of certainty, transparency and governance in the assessment procedure yielding benefits to its stakeholders. I heartily congratulate all the office bearers &

executives of NIRC and Lucknow Chapter, for their relentless effort, warm hospitality and sound administrative skills to make the programme a grand success.

I had the opportunity to address a large number of students of Lucknow Chapter in the interactive session on September 24th, 2013 at Lucknow in presence CMA Sanjay Gupta, CCM, office bearers of NIRC and CMA Chiranjib Das, Joint Director. I have apprised the students about the latest developments and initiatives taken by the Institute for their benefit, Campus Placement for June 2013 final qualified students of U.P at Lucknow, various IT initiatives of the Institute like Independent section of ICMAT where Student can Login to attend the webinar, check schedule of seminar, FAQs etc. Several queries raised by the students in the interactive session were clarified. The students were called upon to awake, arise and contribute to the society and care for humanity, live with honesty, integrity & human values and the Institute's endeavour to see all the students as Cost Leader, Cost Innovator and as the future leaders of India.

I congratulate the Lucknow Chapter for organising an interactive session with the members to apprise about the recent developments relating to the profession and initiatives taken by the Institute to extend scope for the profession.

First Meeting of the National Advisory Board For CMA Vision - 2030

As I mentioned in my last month's communiqué that the Institute has constituted a National Advisory Board (NAB) to provide insight and formulate strategies and policies of the Institute to fit in with the emerging economic environment and provide leadership in the field of Cost and Management Accounting for preparing a Vision 2030 document for the Cost & Management Accounting profession. I am very happy to share that the First meeting of the NAB took place on 26th September 2013 at Mumbai under the chairmanship of Mr. M. Damodaran, I.A.S (Retd). The Board discussed at length the emerging social and business environment and the rising expectations, aspirations of the people and the need for ICAI to deliberate on the present status of the Cost and Management Accounting Profession, develop a vision for the future and chalk out strategies for meeting the challenges. The Board discussed various dimensions of the profession and the members offered valuable inputs / suggestions in an interactive mode. Based on the discussions, a draft approach paper is being prepared.

Meeting of the Coordination Committee

The meeting of the Coordination Committee of ICAI, ICAI (CMA) and ICSI was held on Thursday, the 12th

September, 2013 at the office of the Institute of Company Secretaries of India, New Delhi. The meeting was attended by the Presidents, Vice Presidents and Secretaries of all the three Institutes along with other Council members and officials.

The Committee considered reciprocal recognition and exemption for students and the matters of common interest for members of all the three Institutes like Multidisciplinary Partnerships and Dual Certificates of Practice. The committee also discussed about framing of guidelines for entering into partnership with Member of any other professional body. Matter of Joint Representations to UGC and UPSC to consider the CA/CMA/CS qualifications equivalent to M.Com degree for PhD was also discussed during the meeting.

During the meeting, a suggestion came up that the three Institutes may consider conducting a common entrance test on the pattern of CAT / JEE to help a student to pursue multiple courses with one entry level examination and to save avoidable wastage of resources of the three Institutes and the students concerned. After detailed deliberation, the Committee constituted a Group comprising of the Secretaries of the three Institutes to submit a Concept Paper on this matter within a period of two months. The next joint meeting will be hosted by our institute at Kolkata on 23rd November, 2013.

Meeting with Confederation of Indian Industry (CII)

As a part of the action plan, I along with Prof. Dr. Asish K. Bhattacharya and Dr. S.K. Gupta met with Director General CII Shri C. Banerjee on 19th September, 2013 at CII office, New Delhi and discussed matters of mutual professional interest specially the areas where the ICAI and CII can associate with each other. It was jointly agreed that the two institutions would collaborate with each other in organizing seminars on Corporate Governance, Sustainability, Ethics and Values, Integrated Reporting, Investors awareness, Cost Management and associate in research studies in core areas and make joint publications. The Institute is being closely associated with CII-TCM Division for industry specific studies on different aspects of Cost and Management Accounting and to bring out guidance notes for industry/professionals.

Meeting with ASSOCHAM

As a part of the action plan, I along with Prof. Dr. Asish K. Bhattacharya and Dr. S.K. Gupta met Secretary General ASSOCHAM Shri D.S. Rawat on 20th September, 2013 at New Delhi and discussed matters of mutual professional interest, sharing expertise for proper dissemination of knowledge to



IN ORDER TO PROVIDE THE BEST EDUCATION AND TRAINING TO CAT STUDENTS, THE INSTITUTE HAS CONDUCTED ORIENTATION PROGRAMMES FOR THE FACULTIES IN DIFFERENT PARTS OF THE COUNTRY AND ON-LINE SELF-STUDY AND ASSESSMENT MODULE TO CAT STUDENTS WILL BE OFFERED FROM 20TH OCTOBER 2013

meet the greater interest of the stakeholders. The Institute is the patron member of ASSOCHAM and has been associated as “Knowledge Partner” in various programmes on SMEs, Sustainability, Banking and Financial Solutions and also ASSOCHAM-ICAI-CMA SMEs Excellence Award, 2013. The DG, Assocham shown interest to collaborate with ICAI to conduct studies and research.

Professional Development Directorate

The Institute has released a Guidance Note on Compliance Report for the benefit of the stakeholders. The Guidance Note is available at Institute’s Headquarters, Delhi Office and all Regional Councils for sale. The members interested may also download the softcopy of this Guidance Note from the Institute’s website.

CAT Directorate

The initiatives of the Institute to enhance the employable skills of the youth through the CAT Course received much

needed impetus especially in the States of Kerala and Rajasthan. I thank the State Government of Kerala for its support to offer the CAT course to its youth who are in +2 and Degree colleges. The Government of Kerala has devised a unique model to deliver the CAT course which has been well received by the students of Kerala. My colleague, CMA Dr. A.S.Durgaprasad, Vice President, has participated in the launching of Additional Skill Acquisition Programme of Government of Kerala on 26th September, 2013 at Cochin.

My special thanks goes to the Directorate of Higher Education, Rajasthan, for his overwhelming support in introducing CAT Course in all 69 Colleges across the State. The Director, Higher Education, involved all the college authorities at different stages and this approach has led to a huge response for the CAT Course in this State.

In order to provide the best education and training to CAT students, the Institute has conducted orientation programmes for the faculties in different parts of the country and on-line self-study and assessment module to CAT students will be offered from 20th October 2013. Our Institute is committed to the skill development of youth of this great country to create CMA professionals.

Training Department

I am happy to inform that in order to facilitate 100 hours of practical training to inter qualified students, ICMAT module has been started on 12th September 2013. The online module will enable the students for registration, assess for live and recorded webinars, uploading project reports and to complete accumulated learning hours (ALH) to meet the prescribed minimum training requirements for appearing final examination in December, 2013 as a part of the training requirement under the syllabus. .

Programme Directorate

The Institute, in association with SCOPE, organized a programme on Service Tax – Revised System of Taxation of Services and VCES, the amnesty scheme on 30th August 2013 at SCOPE Convention Centre, New Delhi. The sessions were quite interactive and well received by the large number of Finance Executives from the Public Sector Enterprises. It was a pleasure to have Shri J.R. Panigrahi, Commissioner, Central Excise, Customs & Service Tax, to address the queries of the participants.

I am happy to inform all of you that I had the opportunity to address the participants during the National Conference on ‘Companies Act 2013 – New Rules of the Game’ on 19 September 2013 at New Delhi. The Institute joined with ASSOCHAM as an ‘Institutional Partner’ in organizing this national event. During the programme, an interactive session on draft rules released by the MCA on Companies Act 2013 was very well addressed by Ms. Renuka Kumar, IAS,

Joint Secretary, Ministry of Corporate Affairs, Government of India.

I am happy to inform you that a series of Webinars are announced in the interest of the members at large on the contemporary topics of professional relevance to the members and students. For details please visit the website of the Institute.

I am glad to inform that during the month, our Regional Councils and Chapters actively organized many programmes, interactive-sessions for the members on the relevant subject matter such as Companies Act 2013 and Draft Rules, Concurrent Audit of Banks, Corporate Governance, Service Tax- the Emerging Issues, FEMA and so on.

ICWAI MARF Programmes

I am happy to inform you that ICWAI-MARF organised programmes for ONGC Finance Executives on 'Revised Cost Accounting Records Rules and Cost Audit Report Rules' on 26th and 27th August, 2013 at CMA Bhawan, New Delhi. The programme on Management of Taxation organized at Port Blair during 10th to 13th September, 2013 was attended by 33 participants from various organizations. The regular three month Certificate Course has been organized for senior officials of Indian Navy on 'Finance, Accounting, Costing, Project and Contracts Management' at CMA Bhawan, New Delhi. The fourth batch of IRAS International Training Programme for Ministry of Railways has been organized for the senior IRAS officers at New Delhi, London and Paris in September/October, 2013.

Examination Directorate

The Examination Directorate is engaged in the pre-examination work for December 2013 term where the "Syllabus 2008" as well as "Syllabus 2012" examinations will be conducted simultaneously for Intermediate and

Final Course. Foundation examinations for both the Syllabus will be conducted through on-line mode for the first time in the Institute in December, 2013. The system of despatch of hard copy of the admit card to students will be discontinued from December, 2013 examination term and the same will be available in the website and simultaneously at the Regions and the nearby Chapters. A list of the eligible candidates will be available at examination centers for the convenience of the students.

Technical Directorate

I am pleased to inform you that CASB has approved and recommended Cost Accounting Standard 18 (CAS-18) on Research and Development to the Council of the Institute for approval. CASB has also formed a Task Force to finalize Cost Accounting Standard on SMEs. CASB is also in process of preparing a concept note on treatment of Research and Development costs in Life Sciences/ Pharmaceuticals Industry. The Technical Directorate has compiled a Compendium of all the CASs including Guidance Notes thereof in a form of Booklet.

International Affairs Department

The next SAFA events are scheduled to be held at Dhaka during 10th and 11th October 2013. The events are organised by the Institute of Cost and Management Accountants of Bangladesh. The Institute's representatives will be attending the events.

In order to enhance the visibility on the International forums, our Institute has been associated with the Institute of Directors (IOD) in organising "LONDON GLOBAL CONVENTION 2013" for International Conference on Corporate Governance & Sustainability, Presentation of Golden Peacock Awards and Global Business Meet during 1st to 4th October, 2013,

at London. CMA Rakesh Singh, Immediate Past President have been invited to address the participants during the Convention as a representative of the Institute.

Directorate of Studies

In order to develop a uniform methodology of teaching across the country, Faculty Meets are organised in all the Regional Councils and major Chapters. PPTs for all the subjects of Foundation, Intermediate and Final Courses have been sent to all the RCs and Chapters. These presentations will be followed by the faculties while delivering their lectures, so that, there will be uniform coverage of syllabus everywhere. Few other initiatives are also taken by the Directorate for the convenience of the students. Directorate of Studies has also made wide participation in various Students' Awareness Programmes to update the prospective students about our profession.

Students, while taking admission/ registration/enrolment to the Foundation/ Intermediate/Final Course, need not to take any hazards and spend time for preparing Demand Drafts w.e.f. 1st October, 2013 and take the advantage of hassle-free admission by depositing their fees either online through Debit / Credit Cards or by depositing cash through PAYFEE Modules in any of the branches of PNB or IDBI.

Board of Studies

Under the aegis of CMA DLS Sreshthi, Chairman of the newly formed Board of Studies Committee, there is a group of core-professionals discharging their expertise and services as a specialized wing of the Institute, providing academic inputs and making value addition to the qualitative aspects of teaching-learning process, for the students' community at large.

As an endeavour to support the students for their preparation for Examination, especially under the newly in-

troduced Syllabus 2012, Practice Test Papers for all the subjects have been prepared and published in the website to guide them in an effective way. I am informed that a series of three sets of Practice Test Papers followed by Revisionary Test Papers (RTPs) and Mock Test Papers are in the pipeline to be released during October-November, 2013. Similar services are also being extended to the students who are even pursuing courses under Syllabus 2008. The contribution in the form of e-newsletters (fortnight edition) for students has also gained wide recognition amongst the students' community.

Directorate of Research, Innovation & Journal

Our Institute had organized a seminar on "Companies Act, 2013" in association with Indian Institute of Corporate Affairs on 6th September 2013 at Kolkata. Dr. Navrang Saini, Regional Director, Eastern Region, Ministry of Corporate Affairs was the Chief Guest of the event. The resource persons were Prof. (Dr.) Asish K. Bhattacharyya, Advisor, Advanced Studies of the Institute, Mr. B.B. Chatterjee, Executive Vice President & Company Secretary, ITC Ltd. and CMA Mrityunjay Acharjee, Associate Vice President, Corporate Taxation & Internal Audit, Balmer Lawrie & Co. Ltd. The welcome address was delivered by CMA Manas Kr. Thakur, Chairman, Research, Journal & Innovations Committee of the Institute and the vote of thanks was offered by CMA TCAS Prasad, Chairman T&EF Committee of the Institute. Eminent dignitaries from the industry, profession and academia attended the event.

Our Institute was proudly associated with ASSOCHAM as "Knowledge Partner" and published a research based knowledge study for the summit on "Positioning Bengal – II:

Partnering for Growth, Development and Sustainable Security" at Kolkata on 24th September, 2013. Shri Partha Chatterjee, Hon'ble Minister for Commerce and Industries, Public Enterprises, Industrial reconstruction, Information Technology, Parliamentary Affairs, Government of West Bengal was the Chief Guest of the summit. Shri Umashankar Mandal (IAS), Secretary, Department of Environment, Shri Susanta Majumdar (IAS), Secretary, Department of Information Technology & Electronics, Shri Indranil Sengupta (IAS), Secretary, Department of Labour, Shri D S Rawat, National Secretary General, ASSOCHAM, Shri. Sanjay Jhunjunwala, Chairman (ERDC), ASSOCHAM, CMA Rakesh Singh, Immediate Past President of the Institute, CMA Manas Kr. Thakur, Council Member of the Institute and other dignitaries shared the dais and participated in the deliberation. Eminent dignitaries from the industry and profession attended the event.

Hyderabad Centre of Excellence

The centre organised a seminar on "Concurrent Audit in Banks - A prescriptive approach" on 7th September 2013. The Instructions for preparation of the project report for the certificate programme on "Business Valuation and Corporate Restructuring (BVCR)" were given at Hyderabad on the 15th September 2013. The participants are now working on their respective Projects.

Membership Department

The Institute has extended the facility for payment of fee by the members through the "PayFee Module" of any branches of Punjab National Bank w.e.f. 2nd September 2013 in addition to making payment by cash/cheque/DD at the Headquarters, Regional Councils and at different Chapters.

During the month, 371 members have been admitted to the Associateship; 90 members have been admitted to Fellowship; 02 members of IMA, USA and 03 members of IPA, Australia have been admitted to the Associateship of the Institute.

IT Department

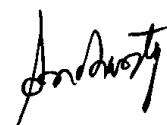
An updated version 2.0 of the XBRL software tool has been made available in the website of the Institute to help members in generating Cost Audit Report and Compliance Report in XBRL format. The Institute has also started the helpdesk services for the members on Toll Free No. 1800 233 0445 during the peak period of filing of the Cost Audit Report and Compliance Report in XBRL format. The members may use this toll free number for any query related to filings.

Navi Mumbai Centre of Excellence

I am happy to inform that the process of creating the infrastructure for "Navi Mumbai Centre of Excellence" has been finalised and the construction works started during the month. The Centre will undertake studies and research on "Banking and Financial Services" Sector.

The festive season is beginning this month. I pray to the almighty for the prosperity and wellness of all the stakeholders. I wish all the members of CMA fraternity and their family on the occasion of Gandhi Jayanti, Navratri, Durga Puja, Vijayadashmi and Id-Ul-Zuha.

With warm regards,



CMA Suresh Chandra Mohanty
1 October 2013