

# PRESIDENT'S COMMUNIQUE



*For students choosing the right career option keeping the market in mind is as much necessary as .....*

**CMA P.V. Bhattad**  
**President**  
**The Institute of Cost Accountants of India**

*“Take a leap of faith and begin this New Year by believing. Believe in yourself. And believe that there is a loving Source - a Sower of Dreams - just waiting to be asked to help you make your dreams come true.”*

*Sarah Ban Breathnach*

My Dear Professional Colleagues,

Namaskar.

The New Year has arrived. This is the time to see things in new perspective. To make 2016 your year, keep it simple; Count your blessings first; Whatever you did last year, Do it better; Go step by step, One day at a time; Create/make your own opportunities; Believe in your abilities at all times; Quitting is not an option. Keep Going and Finish what you started. I am joined by my Council colleagues to wish all the stakeholders a great year ahead. May there be more happiness & joy in your life and your march towards your goals would be swift. Wishing you renewed success in 2016.

## **Career counselling**

Choosing the right career option keeping the market in mind is as much necessary as selecting the right education institution. Unfortunately, not many students are able to discover their potential and interest because pressure starts building. Career counselling sessions help the students to know about different streams and career paths they offer, thus the students can make an informed choice, and get a career assessment that helps avoid the risk of change in career path later in life. As we all know that our Institute also thrives on the student strength

and they are the brand ambassadors of the Institute after passing out from the Institute.

I urge the members of Central Council, Regional Councils and Chapters of the Institute to come forward and take the initiative of Career Counselling. As elected representatives of the Institute they know all about the Institute and the profession so their active contribution in this regard will boost the morale & confidence of prospective students and give them new direction which could be beneficial for the whole society. Members in Industry and in Practice also have a role to play in this regard. I urge them to contribute their bit and take active part in career counselling initiative of the Institute in the best possible manner. I believe that planned career counselling will give students a clear understanding about the CMA Profession. It is imperative for us to highlight the following information during the counselling sessions before the prospective students:

- ▶ Council decision on payment of course fee in instalment to overcome the financial hardship of parents.
- ▶ Continuous placement services provided by the Placement Cell of the Institute where good packages are offered to the students
- ▶ Career opportunities for practice and service are to be emphasised.

I will welcome your views and constructive suggestions in this regard.

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## Institute as member of Common Norms Committee of the Government

I am happy to inform that the Ministry of Skill Development and Entrepreneurship, Government of India, has included our Institute as member of Common Norms Committee to update and suitably revise the Common Norms for the Skill Development Courses being conducted by Government of India. The Chairman, CAT Committee met the representatives of CAT ROCCs from Eastern and Northern Regions on 19<sup>th</sup>&20<sup>th</sup> December 2015 to understand the progress of CAT Course and the challenges being faced by them. The deliberations from this meeting, I am sure will go a long way in expanding the Course in other parts of this country.

## Professional Development Initiatives

● Keeping in view the fact that the Companies Act, 2013 has strongly emphasized on internal control system and has mandated for listed companies and some classes of companies to appoint a Cost Accountant or alike professionals as internal auditor to provide the Management and Board of Directors with an assurance on the adequacy and effectiveness of Internal Financial Controls, a seminar was organized on 'Risk Based Internal Audit' on 11<sup>th</sup> December 2015 at New Delhi. The seminar was well attended by large number of members from industry and in practice.

● On 18<sup>th</sup> December 2015 a meeting of the first study group on "Healthcare Sector" was organized. The agenda of the meeting was to develop the Best Costing Practices in Healthcare Industry for the benefit of industry and as well as society at large. The meeting was attended by eminent members of the institute working at top positions in healthcare sector.

● Professional Development Committee organized a program "Governance for Sustainability- Issues, Problems and Solutions" on 21<sup>st</sup> December 2015.

● Vice-President, ICAI met Shri Sanjoy Mookherjee, Financial Commissioner and Secretary to Government of India Ministry of Railways during a program hosted by Metro Railways on 24<sup>th</sup> December, 2015. Shri Mukherjee assured that he would arrange to engage CMA professionals for study in improvement of profitability of Indian Railways through activity based costing and implementation of accrual based accounting system.

## CASB Initiatives

The Cost Accounting Standards Board (CASB) in its 81<sup>st</sup> meeting held on 23<sup>rd</sup> December 2015 approved the Guidance Note on Cost Accounting Standard on "Repairs

and Maintenance Cost" (CAS-12) and Exposure Draft of CAS on "Treatment of Revenue for Cost Statement" and Guidance Note on CAS 2 (Revised 2015) on "Capacity Determination" for obtaining views/ suggestions/ comments from the Stakeholders. The EDs will be hosted on the Institute website shortly. I request members and Industry to send their views / suggestions to improve these drafts.

## CAASB initiatives

The Cost Auditing and Assurance Standards Board (CAASB) in its meetings held on 10<sup>th</sup> December and 24<sup>th</sup> December 2015 approved the Cost Auditing Standards (SCAs) on "Audit Evidence", "Materiality in Planning and Performing an Audit" and "Cost Auditor's Responsibility Relating to Fraud in an Audit of Cost Statements" and recommended to send it for approval of the Council of the Institute. Further, the Board also approved the Exposure Drafts (EDs) of SCAs on Using the work of Internal Auditors; Using the work of Cost Auditor's Expert; Analytical Procedures; Communication those Charged with Governance; and Communicating Deficiencies in Internal Control to those Charged with Governance and Management. These EDs will be hosted on the Institute website shortly for obtaining views / suggestions of the members and stakeholders to further improve these standards.

## Continuous Placement Process

The Campus Placement program for the June 2015 final qualified students still continues beyond the dates fixed in October 2015 and many companies like WIPRO, Genpact, Infosys visited our Chennai, Delhi and Hyderabad campus for campus placement. It is heartening to know that the placement for final qualified has become a continuous process now. I convey my compliments to the Chairman, Members in Industry and Placement Committee for his active contribution.

## Examinations

December 2015 term examinations for the CMA course, 1<sup>st</sup> batch of Diploma Courses on Business Valuation, IS Audit and Control and Internal Audit were completed in all the Centres except states of Tamil Nadu and Puducherry. The rescheduled examination time table for the students of the Tamil Nadu and Puducherry states is available on the Institute website.

## Welcoming new Associates and Fellows of the Institute

I am happy to inform that during the month of

December 2015, 293 associate members have been inducted while 39 associate members have been advanced to Fellowship. I congratulate & welcome all the new Associates and Fellows and urge them to come forward and contribute their bit to the growth of the Institute and Profession.

#### **Initiatives by International Affairs Department**

The WTO, International Affairs and Sustainability Committee organized a Round table discussion on Integrated Reporting in association with ACCA on 15<sup>th</sup> December 2015 at New Delhi. Mr. Richard Martin, Head of Corporate Reporting, ACCA, presented a brief presentation on Integrated Reporting. The Round Table discussion was attended by participants from various organisations. The Chairman-WTO, International Affairs and Sustainability Committee of the Institute attended the A4S 2015 Summit and meetings with the ACCA officials during 8<sup>th</sup> to 11<sup>th</sup> December 2015.

#### **Initiatives by Tax Research Department**

I had the opportunity to congratulate Shri AK Jain, IRS, Chairman - CBDT on his assuming the office along with the Chairman, Taxation Committee. Taxation Committee has successfully conducted Refresher Course on Indirect Tax and gearing for GST in Kolkata and Mumbai. I had an opportunity to interact with participants at Mumbai during the valedictory session. The participants appreciated the program and requested to continue the efforts in future on different topics. On behalf of the Institute, the Committee presented Pre-Budget Memorandum covering its recommendations for Union Budget 2016 before the officials of Finance Ministry.

#### **Initiatives by Research and Journal Directorate**

The Institute in association with ASSOCHAM organized a seminar on 'Ease of Doing Business in Gurgaon' on 14<sup>th</sup> December 2015 at Gurgaon. Capt. Abhinanyu, Hon'ble Minister of Industries & Commerce, Government of Haryana was the chief guest of the event.

#### **Initiatives by Regional Councils and Chapters**

Northern India Regional Council of the Institute organized one day conference on "Role of CMAs in Make-In-India" on 18<sup>th</sup> December 2015 at New Delhi. Hon'ble Shri Santosh Gangwar, Union Minister of Textiles was the Chief Guest and other Members of Parliament were also present during the event. The role of CMAs in Make-In-India was deliberated by a galaxy of speakers.

Asansol chapter of the Institute organized its annual seminar on the theme "Cost Competitiveness through Leadership" on 6<sup>th</sup> December 2015 at Asansol.

South Odisha, Bhubaneswar & Cuttack-Jagatsinghpur-Kendarapara Chapters of the Institute jointly organized Two Days National Conference on the theme "CMAs'-Factor of Value Addition in Power & Mining Sector" at Gopalpur-on-Sea, Ganjam on 12<sup>th</sup> & 13<sup>th</sup> December 2015. The event was very important as these sectors are of paramount significance for the economy.

Durgapur Chapter of the Institute organized one day seminar on 20<sup>th</sup> December 2015 at Durgapur on the theme "Indian Economy- Emerging Global Growth Engine" to mark the Golden Jubilee celebrations of the Chapter. I congratulate the Durgapur Chapter for completing the glorious 50 years of its existence in the service of members, students, profession and the society.

#### **57th National Cost Convention 2016**

I hope to see you during the 57<sup>th</sup> National Cost Convention - 2016 to be held on 30<sup>th</sup> & 31<sup>st</sup> January 2016 at VigyanBhawan, New Delhi on the theme "Building Cost Competitiveness – Mission "Make-in-India". I request members and students of the Institute to attend the annual national event of the Institute in large numbers to show the strength of CMA profession. I also urge the regions and chapters of the Institute to publicize the national event of the Institute amongst members and industry representatives to mobilize resources and assure good participation.

I wish prosperity and happiness to members, students and their families on the occasion of Lohri, Pongal, Makar Sankranti, Bihu, Guru Gobind Singh Jayanti, Subhash Chandra Bose Jayanti, Swami Vivekanand Jayanti and Republic Day.

With warm regards,



(CMA P.V. Bhattad)  
1<sup>st</sup> January 2016