

We must become the change we want to see.

– Mahatma Gandhi



M. Gopalakrishnan, President

Dear Professional Colleagues,

Progress of any nation depends on the way the country's governance aligns with the social and economic environment, with the capability to support each other. The systems established by good practices of the past, reinforced by legislative support enables the three to function complementing each other. Deviations from the set norms are capable of affecting the nation's fabric including the common public in a myriad ways. Professionals like us, help the Government to flag any deviation from the norms and extend help in retuning the system in areas where we have domain specialization. Making the country's governance system robust is an issue, which has been a key area of concern for the Government in the recent past. This issue has been addressed in many areas like Corporate Law administration, through the introduction of e-governance. It is necessary for extending it to all the key areas, affecting the trade, commerce and public, so that the physical interface, frequent follow up visits, deliberate delays, file pile and unnecessary litigation are avoided. As a profession professing managing costs, we have been strongly advocating e-governance as a major means by which the Governments can showcase their strong will on this matter to the public. Shri Amit Mitra, the Finance Minister of West Bengal, has made a silent revolution in his landmark State Finance Bill, 2011, presented to the State Legislature of West Bengal, through various bold administrative measures, by going the IT way and avoiding the avenues for delays and the resulting consequences. It is a showcase model which can be emulated by various authorities, who have not yet started adopting it.

We need to look at other areas requiring improvement also. On this aspect, we must focus on basic necessities like water, sanitation, power, education and health. In addition, the recent reports point out that economy may not grow at the expected rates of more than 8.5% p.a. This requires tightening of belt and judicious application of scarce national resources. On this aspect, I am sure the members of ICWAI will provide the leadership to control the monster of inflation and other issues plaguing the purportedly slowing national economy, with their focused approach towards resource consumption.

We know that ICWAI community has always been on the forefront in providing their services to the nation with sincerity and dedication. I urge my professional colleagues to reinforce the confidence reposed in them by public and corporates at large about the reliability of their work and skills

As a knowledge management institution, I complement all our faculties on the occasion of Teacher's Day, for the dedication with which they have been serving the profession, in shaping the future cost and management accountants. The major increase in the intake to the course, showcases the value added role they play in building the future of the profession.

Events and meetings during the month

In the month of August, 2011 myself and Vice President concentrated on meeting various dignitaries who play a key role in domestic and international arena, in shaping not only the country's economy but also laying down a new path for nations to follow.

We met Shri. V. Krishnamurthy, Chairman, National Manufacturing Competitiveness Council (NMCC) and Dr. M Govind Rao, Member, Economic Advisory Council to Prime Minister and Director, NIPFP respectively at New Delhi on 3rd August, 2011 to discuss the various key issues relating to the profession. We also met Dr C. Rangarajan, Chairman Economic Advisory Council of the Prime Minister and appraised him of the services rendered by the Institute. We appraised him of the various professional activities of the Institute. He evinced keen interest on the Management Accounting Guidelines published by the Institute.

Ms. Jessica Fries, Director, The Prince's Accounting for Sustainability Project, London and Secretary, International Integrated Reporting Committee (IIRC) visited New Delhi. ICWAI team consisting of Mr. Rakesh Singh, Vice President; Mr. Sanjay Gupta, Chairman, WTO and International Committee; Mr. A N Raman, President, SAFA; Mr. Sudhir Sharma, Joint Director (Technical) and myself discussed the various issues concerning our position with respect to Integrated Reporting on 9th August, 2011. Next day Ms. Fries met senior officers in Ministry of Corporate Affairs (MCA) alongwith the ICWAI delegation led by me.

Name Change of the institute is receiving the utmost attention of the Council of ICWAI. To continue the strategy for the future, the members of the Council held a special Meeting on 12th August, 2011 at New Delhi participated by some of the past presidents of the Institute also. The meeting passed an unanimous resolution to intensify the work for the change of name from ICWAI to to ICMAI. A delegation of Council members of the Institute met Dr. M. Veerappa Moily, Hon'ble Union Minister of Corporate Affairs and apprised him of the sentiments of lakhs of students and members of the ICWAI on the issue.

I am pleased to inform ICWAI has submitted its Action Plan to IFAC and become the first CMA institute in the SAFA member bodies in the region to do so. The response of ICWAI is hosted on the website of the IFAC. The IFAC also commended the dedication and efforts with which the Institute has come out with the final document

Myself along with the Vice President visited Ahmedabad for inaugurating the new Chapter building built with state of the art modern facilities for class rooms, conference room etc. I commend the chapter for creating such an excellent facility, which will be a role model for other chapters to follow. The chapter also organized a seminar on the new cost audit record rules and notifications.

I had the proud privilege of hoisting the National Flag at our Institute Headquarters at Kolkata on the Independence Day. It was followed by an interactive meeting at EIRC.

Smaller chapters are doing excellent work in strengthening the infrastructure of the Institute. I was happy to participate in the ceremony for laying the Foundation Stone of Thrissur Chapter on 17th August, 2011.

Hyderabad Chapter organized a Seminar on New Cost Accounting Records and notifications which was attended by large number of delegates from the Industry and practice. The chapter also organized a meet with the CFO's from large corporates which was well attended. It gave an opportunity to interact on professional issues and also to express our views on the benefits of the new rules vis-a-vis the old. We are planning to have many more such meets at different places and network with the top brass of the corporates which will provide us an opportunity to

understand the challenges being faced by them and proper guidance where required from the Institute.

On 23rd August, 2011 myself and Vice President, ICWAI shared ICWAI views on the status of progress on Investor Awareness Programmes in a joint meeting at Ministry of Corporate Affairs presided over by Secretary, MCA with other Partner Institutes. I request my fellow members and officials at Regional Councils, Chapters and ROCCs of ICWAI to organize maximum programmes at small centers throughout the country. This is also an opportunity to let the public know of the work by ICWAI for a common social cause.

Launching of Co-branded Credit card by PNB & ICWAI

I am happy to share with you that our Institute has entered into a MOU with Punjab National Bank (PNB) during May 2011 in the matter of introducing a co-branded credit card for members of the Institute. This Co-Branded Credit Card was launched at a colourful function organized by PNB on 24th August 2011 at Bengal Club, Kolkata which was presided over by Shri K.R. Kamath, CMD PNB and Shri Satish Kaushik, Circle Head, PNB. I was joined by my colleagues in the Central Council Dr. Sanjiban Bandyopadhyaya, Shri T.C.A. Srinivasa Prasad and Shri Manas Kumar Thakur for the event. Shri R.N. Pal, Sr. Director (F & A) and other senior officials of the Institute were also present at this function.

Cost Accounting Standards Board

The Cost Accounting Standards Board Secretariat has prepared a revised Guidance Note on Cost Accounting Standard -4 (CAS-4). This note has been exposed for the public comments. The proposed Exposure Draft shall be modified in light of comments received before being issued in the final form. I request all of you to please submit your views/comments/suggestions on the same latest by October 10, 2011 to the CASB Secretariat. I also request the members to send their views on the Generally Accepted Cost Accounting Principles, which has been already exposed for public comments.

Professional Development Activities

Constitution of National Task Force on CARR & CAR

I am glad to inform the members that the Institute has constituted a National Task Force (NTF) for actively pursuing the matters related to new notifications issued by the Cost Audit Branch, Ministry of Corporate Affairs relating to modified procedure of appointment of cost auditor, Cost Accounting Records Rules and Cost Audit Report Rules. The NTF consists of Past Presidents of ICWAI, many of whom were part of the Expert Group and it would deliberate upon all the recently issued orders/notifications. The mandate of NTF is to provide an action plan to the Council to ensure that the intent & objects of the notifications are clearly propagated. To address the queries relating to said notifications, the NTF constituted a

"Technical Cell" and the Institute has invited through its website queries from members on The Companies (Cost Accounting Records) Rules, 2011 (CARR) & The Companies (Cost Audit Report) Rules, 2011 (CAR). The queries in this may be directly addressed to Shri J.K. Budhiraja, Director (Professional Development) at email: pd.budhiraja@icwai.org. The queries received from members and industry will be addressed by the Institute by an updated Frequently Asked Questions (FAQ) through its website. I request respondents to the email groups not to provide any new interpretation on CARR & CAR other than that provided by the Institute in FAQs as it may lead to wrong interpretation of the notifications.

Further, for imparting proper training and to upgrade the technical skills of our members in the industry and in-practice, the Institute Head Quarters in association with Regional Councils/ Chapters and local trade associations and chambers of commerce is going to conduct joint seminars/workshops on CARR & CAR soon. Many seminars and workshops are being held regularly and I also request them to organize study circle meetings also. I urge all Regional Councils/Chapters to conduct joint programmes and send the proposed list of such programmes to the Professional Development Directorate. Such programmes will also be available through webinars in future.

Directorate of Advance Studies

The Advance Studies Directorate has been working on the operational modalities and technicalities related to the post qualification courses announced for the members. The Directorate proposes to launch these programs by October, 2011. All the three courses are designed as per the industry requirements. The directorate is also exploring the possibility of designing a course delivery mechanism jointly with reputed management institutions, based on the domain specialization of such institutions.

CEP Directorate

Programmes held during the month of August, 2011 are as follows :

1. Programme on Management of Taxation-Service Tax, VAT, Excise & Customs, TDS and Proposed GST & DTC held during 3-5 August, 2011 at Kolkata.
2. Certificate course for three months duration (4 July - 23 Sept., 2011) on the topic Finance, Accounting, Costing, Project and Contract Management, is being run at our office for Indian Navy.

3. A programme on Finance and Accounts, 8-12 august, 2011 for NHAI at Jaipur.
4. Two programmes held at Madurai 'Advance Tax, TDS & Tax Planning and Finance for Jr. Finance and AOs and Non Executives (Fin)' during 9-12 August, 2011.
5. A Seminar on Cost Accounting Standards held at Chennai on 12th August, 2011.
6. Seminar on Proposed DTC and GST held at New Delhi during 18 & 19 August, 2011.
7. 2nd batch of IFRS Certificate course held at Hyderabad during 24-28 August, 2011.
8. A programme on Contract Management held on 29th August, 2011 for Lanco Power, Gurgaon.

The Institute with Ministry of Corporate Affairs organized three programmes on XBRL at Delhi on 24th August, 2011, at Kolkata on 26th August, 2011 and at Chennai on 30th August, 2011. The same programmes are being held at Bangalore on 3rd September, 2011, at Hyderabad on 6th September, 2011. The program at Hyderabad would be webcast and Regional councils and Chapters across will be relaying this for the benefit of members. We propose to have National Seminar on XBRL during the first week of October, 2011 at Chennai.

Proposals for organising programmes were submitted to :

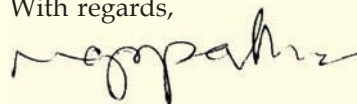
- M/o Railways for International programme
- Indian Air Force for one month course.
- Delhi Jal Board
- ONGC for IFRS Programme

Examination Results

The results of the Institute examinations held in June 2011 have been declared and I congratulate the successful candidates who have passed. I urge the others to work hard for better results in the ensuing examination. I also congratulate the rank holders in the examination.

My best wishes to members and their families for the festivities of Akshaya Teej, Ganesh Chaturthi, onset of Navratri in the month of September, 2011.

With regards,



(M Gopalakrishnan)

President, ICWAI
2nd September, 2011