

Regional Cost Convention held at Surat on 15th & 16th February 2020



CMA Balwinder Singh, President ICAI felicitating Hon. Shri C. R. Patil, Member of Parliament, Government of India. Also seen CMA Biswarup Basu, Vice-President-ICAI, CMA Dhananjay V. Joshi, Past President-ICAI, CMA Neeraj Joshi, Chairman and CMA Ashish Bhavsar, Hon. Secretary-WIRC.



CMA Balwinder Singh, President ICAI felicitating Hon. Sou. Darshana Jardosh, Member of Parliament, Government of India during Valedictory Session. Also seen CMA Amit Apte, Immediate Past President ICAI, CMA Biswarup Basu, Vice President-ICAI

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WESTERN INDIA REGIONAL COUNCIL
THE INSTITUTE OF COST ACCOUNTANTS OF INDIA
(Statutory Body under an Act of Parliament)

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Regional Cost Convention held at Surat on 15th & 16th February 2020



Hon. Shri C. R. Patil alongwith Council Members



Lighting the lamp by Dignitaries



Dignitaries on dais - Inaugural Session



Release of Souvenir



Valedictory Session



Volunteers alongwith Council Members



Cultural Evening



View of audience



From the Desk of Chairman

Dear CMA Professional Colleagues,

I am pleased to inform you that the Regional Cost Convention 2020 held in Surat was a grand success. WIRC was privileged to have eminent dignitaries as our guests. I am grateful to Hon. Shri. C. R. Patil, MP, Lok Sabha & Hon. Sou. Darshana Jardosh, MP, Lok Sabha for their auspicious presence as Chief Guests for the Inaugural & Valedictory Sessions. I am thankful to CMA (Dr.) D. V. Joshi, Former President of ICAI for delivering Keynote address of the RCC 2020. I am profoundly thankful to all the esteemed speakers for their deliberations. It was a highly enriching experience for all the participants. I am thankful to CMA Balwinder Singh Sir, President, CMA Biswarup Basu Sir, Vice President and all my colleagues in the Central Council who graced the occasion of RCC 2020. I am thankful to the Team Surat-South Gujarat Chapter & Team WIRC for their untiring efforts. I am also thankful to all the Sponsors & Delegates. I have to specially mention the cultural program by students of the Surat-South Gujarat Chapter, which was the icing on the cake.

Central Council also conducted WIRC Chapters Meet in Surat on the occasion of RCC 2020. I am thankful to CMA H. Padmanabhan Sir for this initiative. The Chapters of our Region has put forth their concerns / issues / suggestions, I am confident that the same will be duly acted upon.

As I write this Chairman's Communication, WIRC is holding its Regional Students' Cost Convention 2020 in Aurangabad. The Regional Students' Cost Convention is held after a long gap of 10-11 years and I am fortunate to have a team of colleagues in Regional Council who has made it possible. I have to specially thank CMA Chaitanya Mohrir, CMA Vinayak Kulkarni & CMA Ashish Bhavsar who took the responsibility of this Students' Convention. I am also thankful to the Team Aurangabad Chapter led ably by CMA Parag Rane for his full support in this endeavour of WIRC. We received overwhelming response from the Students & Chapters for this Regional Students' Cost Convention and I am confident that the event will

be an enriching experience & lasting memory for all the participants.

On the professional front, WIRC is continuing its efforts to increase our presence in various sectors. We recently had a meeting of MD of Bank of India, where we have given him representation regarding our demands for recognition in Banking Sector. We are also taking up the unfinished agenda of Trust Audit on foray. I request all the members to lend us a supporting hand in whatever way possible to achieve these objectives.

Results of exam are recently announced and students of WIRC have once again fared well in the CMA Exam. WIRC will soon be conducting Campus Placement. Since I have taken charge as Chairman of WIRC, we have taken a lot of initiatives for the Students like E-Vidhyarthi an E-Bulletin by and for students, Crash Course for the Students, Publication of Revision Books for the Students, Regional Students' Cost Convention, etc. We are also launching the Mobile App for Students & Members. I am confident that the students & members will be better connected with the Institute henceforth.

8th March marks the International Women's Day. WIRC will also be celebrating the Women's Day by organising a Half Day seminar in Thane with the theme "I am Generation Equality: Realizing Women's Rights". In WIRC we have always recognised the Women Power and contribution not only to the profession but to the society as such. I salute all the women who have been the balancing and guiding force in everyone's lives. We as CMAs have to take on the responsibility as the educated lot in the world to spread the message of Gender Equality. I am confident that all the members & students of this noble profession will not only say or read these words but will follow them in letter and spirit.

"A woman is human. She is not better, wiser, stronger, more intelligent, more creative, or more responsible than a man. Likewise, she is never less. Equality is a given. A woman is human - Vera Nazarian"

Sincerely Yours,

CMA Neeraj Dhananjay Joshi
Chairman, ICAI-WIRC

Brief Snapshot of the activities of ICAI-WIRC - February 2020

- Regional Cost Convention on 15th & 16th February 2020 at Surat
- Regional Students Cost Convention 2020 on 7th March, 2020 at Aurangabad
- International Women's Day Celebration - 8th March 2020

Forthcoming Events

- Felicitation Function for Students who passed in December 2020 Examination
- 12 days Pre Placement Training Programme - 12th March 2020
- Campus Placement - 29th & 30th April 2020

REPORT ON WIRC REGIONAL COST CONVENTION 2020

Regional Cost Convention 2020 of the Western India Regional Council conducted at Surat on 15th & 16th February 2020 and hosted by Surat South Gujarat Chapter of Cost Accountants. Theme of RCC 2020 was "Withstanding Economic Challenges - Role of CMAs".

Convention was inaugurated by Chief Guest Hon. Shri. C. R. Patil, Member of Parliament, Government of India. CMA Balwinder Singh, President ICAI, CMA Biswarup Basu, Vice President ICAI, CMA Dhananjay V Joshi, Chairman, Technical committee. Former President ICAI, CMA Neeraj Joshi, Chairman WIRC and CMA Ashish Bhavsar, Hon. Secretary WIRC, CMA Brijesh Mali, Chairman Surat South Gujarat Chapter and CMA K.C. Gupta, Vice Chairman, Surat South Gujarat Chapter were on the dais.

Colourful Souvenir was released at the hands of Chief Guest Hon. Shri C. R. Patil, Member of Parliament, Government of India on the occasion.

Well-known key speakers throughout 4 Technical Sessions gave extensive & exhaustive presentation with their professional touch & input.

In the 1st Technical Session on "Industry & Economy" Dr. Aditya Shrinivas, Chief Economists & Chief Operative Officer, Bombay Stock Exchange Broker's Forum, CMA Ramkrishna Kashelkar, Corporate Communication, RIL & CMA Dr. Ashish Thatte, CCM were the speakers.

In 2nd Technical Session on "Service Sector", Padmashri Mathurbhai Savani, Founder, Saurashtra Jaldhara Trust, Mr. Jaynarayan Vyas, Past Minister, Government of Gujarat & Thinker & Economists, CMA Nilesh Lathiya, Chief Finance Officer, Dahod Smart City Development Ltd, and CMA Amit Apte, Immediate Past President ICAI were the speakers.

In 3rd Session on "Regulatory Reforms" Ms. Anupama Singla, Joint Commissioner, Income Tax, Mr. Sanjay Saraswat, Superintendent, National Academy of Indirect Tax, Customs & Narcotics(NACEN), CMA Ajay Joshi, Practising Cost Accountant & IP & CMA Sanjay Bhargave, Practising Cost Accountant were the speaker.

In the evening on 15th February 2020, the Cultural Programme - excellent musical night, where the Student of Chapter also performed and the event was followed by Convention Dinner.

On 2nd day in the 4th Technical Session on 'Industry 4.0' CMA Chaitanya Mohrir, Associate Manager, Accenture & Regional Council Member, WIRC, Ms. Kruti Shah, representing IT Firm Pure IETS Ltd, Dr. Rajesh babu, associate Professor, Gujarat Forensic Sciences University were the speakers.

Valedictory session was chaired by Hon. Sou. Darshana Jardosh, Member of Parliament, Government of India. In her speech she emphasised on the role of CMAs in public sectors and the role of Cost and Management accounting in coming times. The Past Chairpersons and Existing Surat South Gujarat Chapter managing committee were felicitated by the hands of Chief Guest Hon. Sou. Darshana Jardosh.

In the summing up Session Secretary of Surat South Gujarat Chapter CMA Nanty Shah, thanked all the members and students participated in Convention, The session was concluded by vote of thanks offered by CMA Neeraj Joshi Chairman WIRC who appreciated nice arrangements and hospitality extended by Surat Chapter and also congratulated the good work done by the Students Volunteers of Surat Chapter. WIRC Regional Council Members and Central Council Members and Past President and Past Chairmen of WIRC and Surat Chapter and WIRC Chapter Representatives from various Chapters in the region were also present on the occasion.

Chapter Meet was also organised on the occasion, which was chaired by CMA Balwinder Singh, President ICAI, CMA Biswarup Basu, Vice President ICAI and CMA H Padmanabhan, Chairman, students, members, Chapter region coordination committee.





Sustainable Manufacturing – A road map for operational excellence

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Abstract: Sustainability is present day buzz word and everyone is striving for the same. For manufacturing industries, Sustainability is not limited to 17 elements of sustainable development but a lot more area. In this article, pillars of sustainable manufacturing are identified, evaluated and their role is described. Reader will appreciate that the Road map for Operational Excellence is by strengthening of these pillars of sustainable manufacturing.

“Earth have everything to meet need of the people but cannot fulfil greed”.

– Mahatma Gandhi

Introduction: Role of Cost accountant is very important in present day competitive world. It is essential that the cost accountant understand the process and its component, element as well as improvement potential of any business. Then only we can say that “Behind every successful business decision, there is always a CMA”. Sustainable manufacturing is one of the most important requirements when cost accountant, engineers and administrator play a major role.

Sustainable Manufacturing: Sustainability was first introduced in 1987 however Sustainable Manufacturing was the word, coined in last economic slowdown of 2008-09. Being proactive about Sustainable Manufacturing, help your company to improve triple bottom line and create brand value. It enhances its global competitiveness by reducing cost, improving the reliability of supply, reduce hazards of manufacturing and product, inspiring employee as well as compliance to the regulations. Now business leaders are more focused on Sustainable Manufacturing and Operation Excellence esp. in high hazards industries. It helps them to reduce risk of business to tolerable level, retain best employees as well as engage them for the innovative approach.

While sustainability often means using more environmentally friendly processes and create societal value, that is only one part of the puzzle in Sustainable Manufacturing. Sustainable Manufacturing is future proof manufacturing. It involves green design and green products; ensuring the safety of your products, assets, employees and the local community; reduce dependence on natural resources; effectively manage waste as well as build the capability and assessment process to improve triple bottom line e.g. Economic, Environment and Social. Sustainable Manufacturing encompasses values-based production with minimal negative results. It provides greater access to financing and capital at the reduced cost due to reduction in risk of manufacturing operation. I have identified eight pillars for Sustainable Manufacturing as depicted in given picture.



Pillar 1: Process Design and Process Technology

Process Technology and Process design are the starting steps for Sustainable Manufacturing. Selection of good and green Technology as well as Design as per Recognised and Generally Accepted Good Engineering Practices can reduce the risk of failure to very near to zero. Inherently sustainable and safe process can be designed; however, it is always expensive. Therefore, process need to be optimised for sustainable economic operation.

Pillar 2: Process Safety and Risk Management

Chemical, Petrochemical, Polymer, Hydrocarbon and pharmaceutical industries are procuring, processing, producing and marketing highly hazardous chemicals and materials. Inadvertent use and its release to atmosphere is not only health hazards but fire, explosion and public liability. The Occupational Safety and Health Administration (OSHA) created the first PSM requirements in 1992 in response to a series of catastrophic incidents related to highly hazardous chemicals (HHC), there after it is being improved periodically taking in to consideration of on-going incidents. It is essential that all the employees are involved in this initiative as a motivated team.

Risk is always integral part of any business as well as any action. It cannot be completely eliminated. Zero risk activity and business cannot persist together. It is essential that every person in organisation talk in language of risk and take appropriate action to manage risk below tolerable level. For every action, consequences are properly identified, barriers are defined and healthiness of barriers are ensured such that the risk from any activity is understood and managed to sustain the business.

Pillar 3: Energy and Water management

Effective Energy & Water Management is like an Insurance. # Energy & Water are scarce resources. Judicious use is required for sustainability.

For systematic approach and Continuous improvement, ISO 50001:2018 gives requirement with guidelines of Energy Management System, ISO 50002:2014 for energy Audit and ISO 50003:2014 for implementation, maintenance and improvement. Energy Management System also includes sourcing energy from the renewable source to reduce GHG emission.

For Water Management, no such guideline exists. It depends on individual's creativity and requirement. Companies with drive to operational excellence give very high priority to Water Management which is not limited to conservation or identifying alternate source, but the area of water treatment also addressed.

Pillar 4: Environment and Waste Management

An Environment Management helps an organization to understand the impact of their activities on environment and achieve goals through consistent review, evaluation, and improvement of its environmental performance. It helps an organization address its regulatory demands in a systematic and cost-effective manner. This proactive approach can help reduce the risk of non-compliance and improve public image of facility. Basic Elements of an Environment Management include; reviewing the organization's environmental goals, analysing and setting environmental objectives and targets to reduce environmental impacts and comply with legal requirements. It also helps manufacturing facilities to work out their Green House Gas foot print and support to reduce their GHG foot print.

Waste management is all the activities and actions required to manage waste from its inception to its final disposal. This includes collection, transport, treatment and disposal of waste together with monitoring and regulation. It also encompasses the legal and regulatory framework that relates to waste recycling. Waste can take any form that is solid, liquid, or gas and each have different methods of disposal and management. If not managed properly, it may pose a threat to human health. Waste management is intended to reduce adverse effects of waste on health, environment or society.

Pillar 5: Cost and Quality Leadership

Total Quality Management is the approach to long-term success through customer satisfaction. In a TQM effort, all employees of an organization participate in improving processes, products, services, and the culture in which they work.

Cost leadership is establishing a competitive advantage by having the lowest cost of Manufacturing in the industry. Cost leadership is driven by company efficiency, size, scale, scope and learning curve. A cost leadership strategy aims to exploit scale of production, standardisation, using advanced technology. The management team of the company has to constantly work towards reducing the

cost of not just one product, but the entire range of products in the company's portfolio.

Benchmarking is one of the most essential element in cost leadership strategy. These benchmarking can be three level benchmarking, viz. Inter site, national as well as Global. Based on gap analysis of Benchmarking exercise, strategy for cost reduction initiatives are developed to reduce the cost of product and services. As the cost leadership strategy can be imitated easily by competitors, cyclic benchmarking and gap analysis is essential requirement for sustainable manufacturing. Cost leadership is good strategy for price sensitive customers but not for customised products and services.

Cost leadership does not mean that a company produces goods which are of inferior quality at comparatively cheap rates. Therefore, total quality management and cost leadership are two inseparable elements for sustainable manufacturing.

Pillar 6: Capability Building

Developing right capability of employee is the most essential but the most difficult area of sustainable manufacturing. Organisations are training the employee by spending time and money but how much employee gained from the training is not known.

Skill of an employee can be divided into four categories or levels. viz. **Awareness** or Novice, **Knowledge** or Intermediate, **Skill** or Advance, **Mastery** or Expert.

Pillar 7: Assessment and Verification

Assessment and audit is the backbone of sustainable manufacturing. There are three levels viz.

Self-verification – here the working group will verify that each action is as per standards and procedure.

Functional assurance – here functional expert will carry out a periodic assessment to ensure that the standards and procedures are strictly adhered to and provide expert input for continuous improvement.

Third party audit. – here 3rd party will carry out sample audit of the activities to identify deviation.

Assessment and Verification is last line of defence for sustainable manufacturing.

Pillar 8: Industry 4.0 and Business processes

Started in 2011 where several physical assets connected for predictive and prescriptive analytics. Algorithm for analysis, machine learning, and artificial intelligence introduced. Initially used by Software service providers but now available for manufacturing. Due to the explosion of technological advancement, it is accelerating and unstoppable.

Business is getting more and more complex and it is impossible to conduct effectively, unless the process system is in place and is made independent of human interruption.

Conclusion: Knowledge on Sustainable manufacturing is need of the hour and every professional need to understand, learn and practice for Triple Bottom Line improvement and Operational excellence. ■



Ethical Finance : What it is and why it is growing ?

CMA (Dr.) S. K. Gupta

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The perspective

In the latter part of the 20th century, the market for these investments in western developed economies has developed steadily. Growing themes around sustainability, climate change and social justice, combined with concerns arising from the 2008 financial crisis, has led to increased debate and interest in a more responsible financial sector that operates on a more transparent and ethical basis.

We live in an interconnected and globalized world. As the well-known adage goes; ‘a butterfly beating its wings on one side of the globe, can create a hurricane on the other side of the world.’ In today’s world, the butterflies can be simple financial transactions that have an impact in other parts of the world, as happened in the recent global financial crisis. Yet there are those who, under the current volatile financial climate, are working to rebuild a real economy - a system of production and consumption built upon ethical, sustainable and responsible principles. Recent history has shown how dangerous it is to act without ethical principles. An ever increasing section of civil society is aware of this and is calling for new rules and evaluation criteria which take into account impacts upon the environment and people.

What is Ethical Finance ?

Ethical finance is a difficult term to define. A very restrictive way to describe it would be as an “umbrella concept” for a philosophy of investing based on a combination of financial, social, environmental and sustainability criteria. Ethical finance is commonly used to describe finance which takes into account not only financial returns but also environmental, social and governance (ESG) factors. This reflects an increasing recognition of the importance and value attributed by investors, both institutional and retail, to delivering measurable positive environmental and social impact on a sustainable basis. Ethical finance is a long established process of investing and financial management along values based principles.

According to the Report produced by the Commission on the Measurement of Economic Performance and Social Progress, chaired by Joseph Stiglitz, it is acknowledged that “...GDP is an inadequate metric to gauge well-being over time particularly in its economic, environmental, and social dimensions, some aspects of which are often referred to as sustainability.” Since Ethical Finance, in the shape of ethical banks or responsible investments, clearly state their lending policy which is related with their mission, which in turn is associated with a

set of values that go beyond shareholder maximisation profit, then one can see the ethical finance sector as a tool to promote the new well being defined above. In fact, ethical bank’s values are instead associated with the maximisation of society well being, since economic, social, environmental and cultural aspects are all taken into consideration in a transparent way.

Understanding Ethical Finance

‘Can finance be ethical?’ and the alternate, ‘Why would finance not be ethical?’ are two simple questions, but their answers are far from simple. Addressing these questions requires understanding the meaning of ethics and its position in the financial business context. The concept of ethics or morality is complicated and perplexing, since there is not a universal agreement on everything that qualifies as moral or ethical. Further, there is not even an agreement on the criteria that should be used in the conceptualization process of these notions (i.e. morals or ethics). It is important to note that ethics and morality are used interchangeably in this context considering that morality includes ethics and vice versa. there are three key elements that the financial sector should observe in order to operate within acceptable ethical parameters, which are moral virtue, human dignity and common good.

Ethical Finance is any activity that

- Invests money in people and the environment, supporting actions for social and/or environmental enhancement
- Provides credit without discrimination, based on wealth, gender, ethnicity or even migration status.
- Uses money as a means and not an end.

Ethical Finance does not

- Use money for purely speculative purposes.
- Use money merely as a charitable action.
- Aim at maximizing profits (at the expense of people and the environment).
- Support any activity or organization that is not sustainable in social and/or environmental terms.

We can thus describe “Ethical Finance” as an alternative to “Speculative and Market” Finance and therefore as a tool used to maximize positive externalities. Ethical finance aims to develop a fairer and more equitable interaction between humanity and the environment through the global economy.

To sum up, once the right governance systems are in place, there is no doubt that the three key grounds—

moderation, human dignity and common good, upon which ethical financial institutions are founded can significantly help re-establish the missing traditional foundations of the financial business, namely responsibility, prudence, trust and honesty. The strong presence and participation of these ethical institutions in the financial market will force their counterparts to improve their ethical standards in order to be able to compete.

Evolution of Ethical Finance

Ethical finance is commonly used to describe finance which takes into account not only financial returns but also environmental, social and governance (ESG) factors. This reflects an increasing recognition of the importance and value attributed by investors, both institutional and retail, to delivering measurable positive environmental and social impact on a sustainable basis. Scotland has been at the heart of the ethical and sustainable finance movement since the beginning of the 19th century, when the world's first commercial savings bank was opened in 1810 by the Rev. Henry Duncan, followed by the formation of Scottish Widows, Scotland's first mutual life office, in 1815. The principles of ethical and sustainable financing have continued to the present day, with the launch of the Ethical Finance Hub in Edinburgh in 2016, with the aim of helping SMEs to access ethical finance and more recently the Scottish Government's public commitment to Scotland reducing carbon emissions by 90% by 2050 and becoming a net zero carbon economy as soon as possible.

Interest in Ethical Finance is growing

Whatever we mean by ethical finance, it is an expanding market, as more people want their cash to have a conscience. The ethical financial sector, in terms of "values-based investments" and bank accounts, is up by 20% compared with last year. And sales of ethical products, from food to fuel, have risen by 18%. Ethical finance and investment is growing momentum, globally and nationally, at an exceptional pace. Previously, it was principally the remit of specialist finance providers and investors supporting enterprises with an environmental or social purpose, now it has morphed into the mainstream with an ever-increasing recognition of the importance and value of taking ESG factors and values into account. It has been estimated by the Global Ethical Finance Forum that there are over \$27 trillion worth of assets under management globally on an ethical basis. This reflects a huge and growing market, with more retail and professional investors recognizing that ESG factors have a material role to play in determining risk and reward. As the investment and finance market has developed, ethical principles are increasingly being seen as the new normal, providing essential controls to underpin investment and finance decisions. Increasingly, funds and lenders are being challenged when they are perceived as failing to apply suitable ESG factors in their decision-making processes.

Although still in its infancy, answers to difficult questions

regarding the profitability and sustainability of Ethical Finance are now beginning to emerge. An increasing amount of data supports Ethical Finance as a viable and appropriate method for running a real economy. A reformed and resilient economy based on the commitment of people, on tangible corporate responsibility and on innovation derived from shared values and alliances.

What are the values that Ethical Finance promotes?

In 2012 the European Federation of Ethical and Alternative Banks (FEBEA), drew up a list of key values to be used for the identification of Ethical Finance institutions in Europe. FEBEA is a key European body financing the non-profit sector, including nonbankable, environmental and cultural activities. The basic approach used by FEBEA is to understand banking as a tool for the community's common good and to raise awareness and promote education on finance. The Ethical Finance criteria that FEBEA considers are:

- **The origin of money:** an Ethical Finance institution does not accept "dirty" money coming from illegal, speculative or highly polluting activities.
- **The destination of money:** the lending activities of an Ethical Finance institution are oriented towards positive social, environmental and/or economic impacts. For this reason it supports activities to promote weaker human, social and economic sections of the population and the most disadvantaged areas by promoting social integration and employment.
- **The criteria and values for the use of money:** transparent management of loans and symmetric information between an Ethical Finance institution and its customers. The business model is traditional, in that most of the savings collected are used for lending activities. The granting of personal financial guarantees go together with economic guarantees.
- **The management and objectives of the Ethical Finance institution:** an Ethical Finance institution does not consider the search for profit as an end in itself. A fair profit is necessary to ensure reliability and affordability to the institution. Profits are reinvested for the most part in the social objectives of the bank or institution.

Challenges to Ethical Finance

There is also no common industry wide methodology used for identifying whether finance is ethical or sustainable, with a wide variety of principles and measures being used to assess compliance. This leads to risk that the terminology may be used as a label to attract institutional or retail investment. There is also a risk of 'ethical washing' of investments to increase attractiveness to ethical finance investors. Officers and investors in investment companies, charities and finance providers seeking to adhere to ethical principles face potential conflicts between their classic corporate fiduciary duties, particularly to their shareholders and charitable beneficiaries, and adherence to a commitment to

compliance with ethical finance principles Increasingly however, institutional investors and providers of finance are committing to compliance with internationally recognized standards such as the UN Sustainable Goals and as this market develops consistent themes and principles are increasingly emerging.

Conclusion

The world is passing through an economic and financial crisis unprecedented in modern times. Its global scope transcends the cyclical adjustments of national economies and the corrective instruments usually used by business and national governments. The general malaise and loss of confidence point to deeper issues and more fundamental flaws in the economic system, extending to a crisis of leadership and values. As the present crisis is fundamentally one of trust and integrity, and therefore ethical in its foundation, its solution cannot be a mere institutional reorganization or some additional regulatory measures. It needs an ethical response at all levels: the individual, the corporation and the government and regulatory entities. Ethical finance aims to develop a fairer and more equitable interaction between humanity and the environment through the global economy.

Ethical finance is a system of financial management or investment that seeks qualitative outcomes other than purely the management of returns. Outcomes sought may reflect ideas from faith, social, environmental and governance theories. Ethical finance and investment is growing momentum globally and nationally, at an exceptional pace. People everywhere are starting to realize that we have a right to demand a fair system in alignment

with their personal values and ethics, and making ethical investments on a personal level is a way to do this. Until we start talking about how to create a financial system that really serves society, we'll struggle in vain to bridge the gap between Wall Street and Main Street.

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Attention Members !!!

Minimum Criteria for selection of Article/Paper for WIRC Bulletin

As per the decision taken in Editorial Board Meeting held on 14th February 2020, following is the minimum criteria for selection of Article/Paper for WIRC Bulletin.

1. Type of Article: Related to theme of the month or any other professional matter.
2. Font: Arial / Times New Roman / Calibri
3. Font Size: 11
4. Minimum length of the Article : 1,000 Words (Other than graphs / tables / figure / pictures)

Kindly note the final decision to consider Article / Paper is left with Chairman - Editorial Board.

Theme Base WIRC Bulletin

As per the decision taken in Editorial Board Meeting held on 14th February 2020, WIRC will start Theme base WIRC Bulletin from upcoming month. Theme for the next five months are as under:

Month	Theme
April	GST
May	Banking
June	Insurance
July	Cost Audit
August	ERP/SAP

Paper/Articles are invited for the above theme.



Zero Debt, Virtually Debtfree and Leveraged Companies

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In the corporate world, most companies are leveraged. It means that they have debt in their Balance Sheets. It varies from high, moderate and low volume of debt depending on the nature of companies and in the industries where they belong. There are capital intensive companies, light assets intensive companies and service oriented companies.

1. Companies with ZERO DEBT - Generally, Service sector companies who are Light Asset intensive do not need Debt since they are cash rich and are ZERO DEBT companies. TCS, Infosys are some of examples. However, there are MNCs, certain Pharmaceutical companies, Fast-moving consumer goods, Consumer durables, Automotive companies are also in list of ZERO DEBT companies. Except IT companies which are almost wholly ZERO DEBT companies, we can not differentiate whether a company will be ZERO DEBT or not based on industry specific. It is interesting to note that certain ASSET HEAVY companies are DEBT FREE like BHARAT HEAVY ELECTRICALS LIMITED (BHEL). So it is wrong notion that ASSET LIGHT companies will be DEBT FREE and ASSET HEAVY companies will be leveraged having lot of DEBT in their books though ASSET HEAVY companies generally have Debt in their book. It is more company specific and also industry specific also. A glance at **Figure 1 below of ZERO DEBT companies will tell you that companies are not industry specific.** It is scattered from Pharmaceutical, FMCG, chemical, automotive etc.

Figure 1 List of 12 ZERO DEBT Companies in January 2020

Name of Cos.	Stock Return % 2019	Stock Return % 2018	Stock Return % 2017	Market Price	Return on Equity %	5 Yr. Sales CAGR %
Astrazeneca Pharma	81.26	23.62	26.00	2583	19.88	8.33
Abbot India	72.79	36.82	17.00	12727	24.33	10.42
Bata India	55.55	50.18	65.92	1731	20.46	5.88
Pfizer	47.12	39.46	13.43	4018	15.07	15.69
Nestle India	36.30	40.97	30.56	14391	45.30	4.36
Jubilant Food	32.09	40.94	106.35	1726	28.71	15.42
TCS	15.87	43.11	14.19	2255	36.95	12.35
Infosys	10.54	28.54	3.11	718	23.67	10.52
P & G	52.85	133.03	29.07	4258	73.79	1.89
Honeywell Auto	24.81	13.67	116.61	26625	22.67	10.01
Vinati Organics	21.58	66.82	69.57	1926	32.94	10.01
Info Edge India	75.82	4.34	55.22	2550	26.32	15.20

Source - ET

2. Companies with lower Debt are also called Debt Free depending on quantum of Debt - Tenure of Loan from Banks - There are Short Term (12

Months) and Long Term Loan (beyond one year to 10 years and beyond). Short term for running day to day business of companies known as Working Capital Loan. This is generally renewed annually after submission of certain updates (as per Bank Formats) about progress of the company. Long Term Loans are for investment in infrastructure/expansion of business/Merger & Takeover.

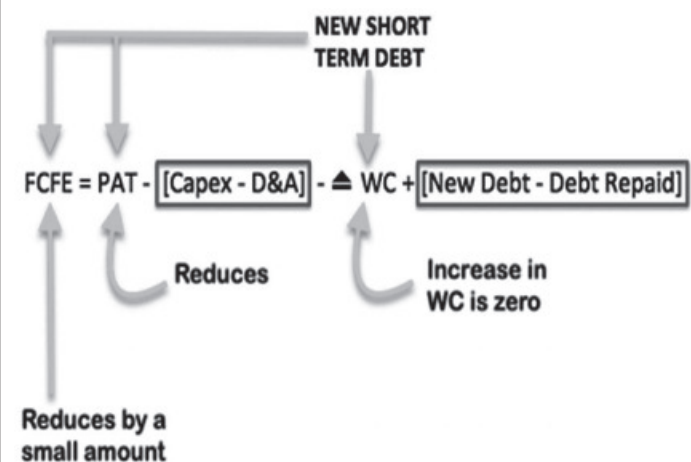
Impact of short term loan on Intrinsic value of the company -

MORE FCFE, MORE INTRINSIC VALUE OF THE COMPANY. SINCE SHORT TERM LOAN HARDLY IMPACT FCFE, SHORT TERM LOAN IS IGNORED. THIS IS WHY -

FCFE (Free Cash Flow Of Equity) = Net Profit After Tax + Depreciation - Capital Expenditure - Positive Change In Working Capital + Net Increase In Long Term Debt (New Debt - Debt Repaid).

In this Formula, no mention of Short Term Loan because increase in Short Term Loan increases simultaneously Current Assets (Cash) And Current Liabilities (Short Term Loan) and hence Nil effect. Only Impact is very insignificant Interest Of Short Term Loan on PAT and FCFE and hence ignored.

FIGURE 2 SHORT TERM LOAN HAS HARDLY IMPACT ON FCFE



SOURCE-<https://getmoneyrich.com/debt-free-companies/#list>

WHY A COMPANY CAN BE CALLED DEBT FREE INSPITE OF SHORT TERM DEBT -

AS EXPLAINED ABOVE, SINCE SHORT TERM LOAN HAS NEGLIGIBLE IMPACT ON FCFE AND INTRINSIC

VALUE. IF RATIO OF SHORT TERM LOAN/ CASH & CASH EQUIVALENT IS LESS THAN 1, IT MEANS SHORT TERM LOAN MUST BE LESS THAN CASH & CASH EQUIVALENT. IN SUCH SITUATION, IT CAN BE CALLED DEBT FREE COMPANY SINCE IN THAT CASE, THERE WILL NO TROUBLE IN REPAYMENT TO BANKS FROM CASH AND CASH EQUIVALENT. Cash and Cash Equivalent are cash which can be availed shortly like money in banks, investible securities with tenure less than 90 days traded in stock market.

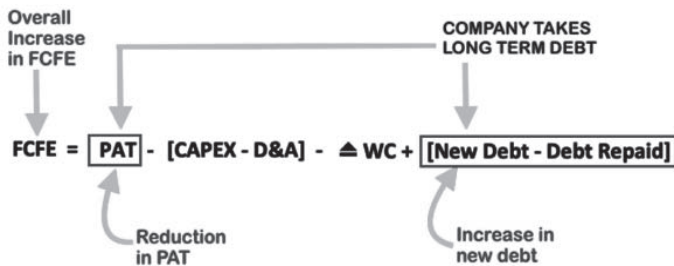
Impact of Long Term loan on Intrinsic value of the company -

FCFE (FREE CASH FLOW OF EQUITY) = NET PROFIT AFTER TAX + DEPRECIATION - CAPITAL EXPENDITURE - POSITIVE CHANGE IN WORKING CAPITAL + NET INCREASE IN LONG TERM DEBT (New Long Term Loan - Long Term Loan Repayment).

The effect on Long Term Loan on Intrinsic Value is for two factors -

1. Effect on Interest - Interest on long term loan reduces Net Profit after Tax significantly. Since size of long term loan is bigger compared to short term loan, this reduction on Net Profit after Tax is bigger and stronger than reduction of Net Profit after Tax compared to interest on short term loan.
2. Effect on FCFE - Net Long Term Loan (New Long Term Loan - Long Term Loan Repayment) directly increases FCFE (see formula above).

FIGURE 3 LONG TERM LOAN HAS STRONG IMPACT ON FCFE



Source - <https://getmoneyrich.com/debt-free-companies/#list>

We are all discussing whether a company is Debt Free or not. Long Term Debt increases FCFE hence Intrinsic value. It does not mean that you go on increasing Long Term Debt to boost FCFE and go to the threshold of bankruptcy and become a overleveraged company. Following three guidelines are applicable before you go to raise a Long Term Loan to remain a Debt Free company.

Restriction 1. Total L.T.Loan (-) Cash and Cash Equivalent should be negative. Restriction 2. Total L.T.Loan / Net Worth (Equity) ratio < 0.25.

Restriction 3. Total L. T.Loan / Total Asset < 0.20

We can conclude that if the company can comply atleast one or more of all three benchmarks above, the company can be termed as VIRTUAL DEBT FREE (We will call such companies VIRTUAL DEBT FREE AND NOT DEBT FREE SINCE IT HAS SOME DEBT IN ITS BOOK).

LIST OF TOP VIRTUAL DEBT FREE COMPANIES IN INDIA - AS ON 26/01/20

- a. Debt minus cash (DMC) must be negative. b. Debt Equity Ratio(D/E) must be below 0.25

Figure 4

SL	Company	D/E	Market Cap	DMC
1.	Den Networks	0.19	2,557.92	-1,813.80
2.	Pilani Investment	0.05	1,410.68	-5,118.95
3.	Wipro	0.18	1,43,397.83	-27,977.80
4.	Coal India	0.08	1,28,153.94	-30,664.25
5.	BHEL	0.08	16,069.72	-4,879.53
6.	Kirloskar Ind.	0.09	646.59	-834.38
7.	Indiabulls Integrated	0.25	1,153.19	-543.54
8.	Hindustan Zinc	0.08	91,689.42	-16,973.00
9.	Max Financial	0.00	14,134.43	-63,936.08
10.	Graphite India	0.07	6,167.03	-2,039.73

Source - <https://getmoneyrich.com/debt-free-companies/#list>

Note - All these companies in the list are virtual debt free companies because each of them have Debt/ Equity equal or less than 0.25 and Loan (-) Cash are negative as per rules mentioned above.

Positives of debt-free companies

1. Debt free and virtually debt free companies mainly generate own fund and do not need external sources for running business. Risk of interest uptrend or downtrend has no relevance to these companies.
2. Benefits of debt free companies will be realized when recession sets in like present economic scenario in India. During such time, leveraged companies will have shocks of dipping turnover, lower profit even losses apart from same regular interest payment and principal on loans availed earlier. There will be no such obligation to pay for interest and principal for debt free companies.
3. They have better valuation compared to leveraged companies. P/E ratios of such companies are higher. Even in same industry, debt free companies' P/E is far higher than a leveraged companies having heavy debt because of interest and principal burden which reduce PAT inspite of Tax shield.
4. They give Stock market return and return on equity far more good than leveraged companies because of burden of later's interest. (See Figure 5 below).

Figure 5

Biggest debt-free gainers of 2019	
Company Name	Return (%)
Reliance Nippon Life Asset Management Ltd.	122.55
HDFC Asset Management Company Ltd.	111.71
Astrazeneca Pharma India Ltd.	80.66
Info Edge (India) Ltd.	75.79
Abbott India Ltd.	73.86
Whirlpool Of India Ltd.	69.95
Dr. Lal Pathlabs Ltd.	63.51
HDFC Life Insurance Co Ltd.	61.50
SBI Life Insurance Company Ltd.	61.25
Indraprastha Gas Ltd.	60.27
Multi Commodity Exchange Of India Ltd.	58.92
Bata India Ltd.	54.46
Avanti Feeds Ltd.	51.60
Nesco Ltd.	51.09
ICICI Prudential Life Insurance Company Ltd.	48.97

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Data: Ace Equity; BSE

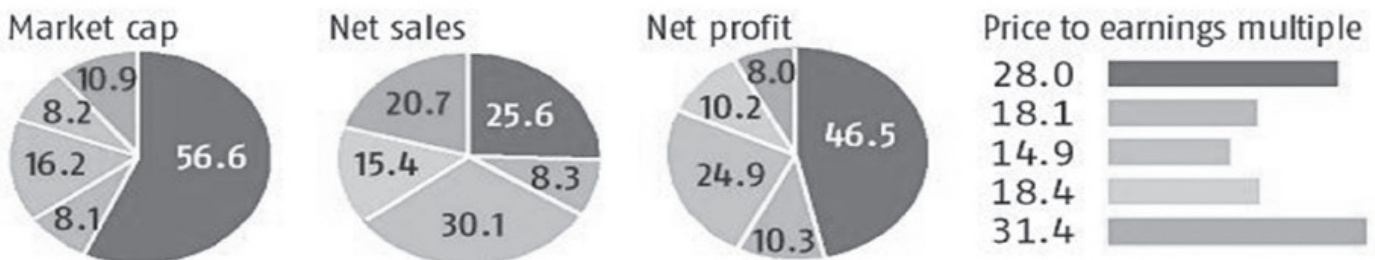
Source - Economic Times

Negatives of debt-free companies

1. Main problem of these companies is they can not take advantages of the tax bonaza. Interest payment is deductible from Profit/Loss Statement. If the present rate of interest on loan is 10% and corporate tax rate of corporate is 21%, effective rate of interest comes down to (10% - 2.1%) 7.9% (21%* 10%= 2.1%) if the company has a loan on the book of accounts. Since debt free companies do not have debt in books, they lose this advantage of Tax Shield.
2. IT companies which almost dominate Debt Free companies like TCS, Infosys have different risks like Currency Exchange risk, Economic volatility in US,EU and all countries having export market and also varieties of international employment conditions. Other MNC Debt Free companies have also country specific economic and regulation problems.

HOW THE PIE GETS DIVIDED IN CORPORATE INDIA

■ Debt-free ■ Between 0 and 0.25 ■ Between 0.25 and 0.5 ■ Between 0.5 and 1.0*
■ More than 1.0* Share in total (%)



* Valuation ratio affected by the presence of many loss-making companies in the category
Based on common sample of 594 non-financial companies from BSE 500, BSE MidCap and BSE Smallcap Index
Source: Capitaline

Compiled by BS Research Bureau

Figure 6

Conclusion - Growth is the benchmark with which a company's performance is judged. Generally, it is found that debt free companies generate own fund for its day to day business requirement and also for expansion. However, in such debt free companies if growth become stagnant, it is on its way to doom. So, growth is the criteria. Generally, debt free companies are biggest dividend payers. Moreover, in recession, debt free companies can handle better compared to leveraged companies.

Reference

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3. https://www.business-standard.com/article/markets/debt-free-firms-make-up-57-of-all-market-cap-why-dalal-street-loves-them-118053100546_1.html
4. <https://www.iponivesh.com/debt-free-companies-in-india/>

"Literacy in itself is no education. Literacy is not the end of education or even the beginning. By education I mean an all-round drawing out of the best in the child and man-body, mind and spirit."

— Mahatma Gandhi



Its time for Equities and only Equities

Indraneel Sen Gupta
E-mail - neel19414@gmail.com

INVEST NOW

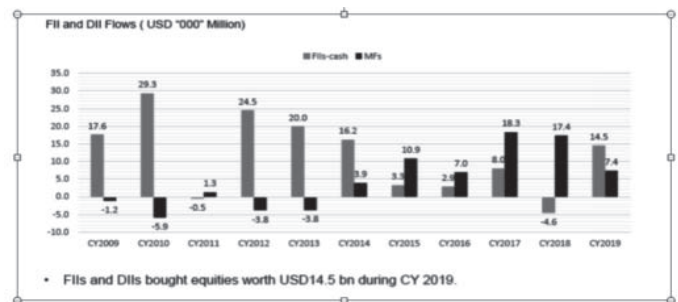
The Indian economy looks promising again which is reflected through the India's manufacturing sector activity which climbed to a near eight-year high in January 2020. It is mainly driven by a sharp rise in new business orders amid a rebound in demand conditions that led to a rise in production and hiring activity. Well the slowdown feathers are shedding down and hence the time has come not to waste just by sitting in Debt category and staying away from equity investments. It time to invest in equities. The global economy is also coming out from the trade war slowdown and other drivers which make investing into equities more compelling.

One of the interesting things to notice is that in last 6months that Nifty SML 100 has given a return of 13.40% and Nifty Midcap100 gave a return of 14.30%. Hence it time to get back into invest in Large Cap, Diversified, Mid & Small cap category. The market and economy has sufficient triggers to support for investing in equities and not staying sideway by remaining invested in Debt Category.

Factors which drives investment in Equities Now:

- Continuous Reform & Liquidity Measure's From July 2019 from the government end. These continuous efforts are now towards the path of providing return.
- Foreign institutional investors were aggressively buying Indian stocks in the calendar year 2019 (CY19). Thus far in CY19, foreign portfolio investors (FPIs) have pumped in a net Rs 99,966 crore in equities, which is the highest since 2013.
- The significant Tax Reduction for corporate has resulted to significant growth in profit margins and also broadens the path for capital investments.
- Positive outcome from the US-China trade deal plays another big role for Indian economy which pushes the manufacturing the service industry growth.
- Global grow this year expected to revive gradually in 2020 largely driven by easing global risk factors such as US-China trade truce, Brexit deal. On overall risk-reward basis, domestic equities look fairly valued
- Demand side has started picking up which is well reflected in the January 2020 data.
- The rise in total sales was supported by strengthening demand from external markets, as noted by the fastest increase in new export orders since November 2018 It is expected that a significant recovery in earnings in 2020 on the back of low base, positive global sentiments and economic reforms taken by government leads to an significant opportunity for investing in equities for the long term.

- Brent crude is expected to be within the range of \$60 to \$70/barell –which keep cost of raw material low for many industries-improvising profitability.
- CAD is expected to remain within the comfort zone and impart stability to the INR due to relatively lower crude oil prices leading to lower oil import bill as our country is the 3rd largest importer of oil
- Rupee outlook is fairly stable between 70-75\$/INR led by positive outlook for Emerging markets (EM), relatively higher real interest rate & comfortable reserves with RBI
- Relatively lower oil prices, stable government and lower corporate tax makes investments into equities more attractive, spurring inflows which bodes well for rupee stability
- On the other hand Forex reserve with RBI swelled to touch all time high may help arrest any significant movement in the value of the rupee and now is well equipped to cover 12 months of imports



- Healthy agri output keeps outlook on inflation to be reasonable. Good Rabi season and government's income support plans is expected to boos farmers' income and drive rural consumption

Conclusion:

The removal of the cloud of slows down due to trade and Brexit revives the demand and consumption sentiments. In the last several months Indian economy has come up with various measures to uplift the Indian economic growth. The fruits of the same are now about to emerge which makes investment in equities are demanding. One should move about form Debt allocation and stark parking investments based on one's risk profile into equities-Large-cap, Diversified, Mid and Small cap. Those who are looking for long term around 5 to 8 years should invest in Mid and Small cap for some great returns. The allocation can be increased to the tune of 10% to 15% in this case. Those who have been parking in Debt category and awaiting for best time to invest in equities, well the best time has arrived before it becomes too late for investing in equities.



MIS report showing ageing analysis of key finished products

CMA Rajesh Kapadia

CMA Department should get the Report prepared as mentioned in Annexure -1.

Utilities of this Report :

- 1) It may be due to poor quality not acceptable to customer. Reasons for poor quality should be found out to avoid its recurrence.

Possibility need to be explored to :

- Either reprocess it to make it fit for the customer or
- Sale it in market at price adequate enough to provide contribution

Poor Quality may result from :

- Purchase of Cheper Materials of Lower Quality
Quality requirement of Customer should be kept in view at the time of deciding to use Cheaper Materials of Lower Quality
 - Poor performance of Plant & Machinery
Plant & Machinery should be kept in proper condition
 - Results of Company QC Test differes from Customer QC Test
Make QC well equipped
- 2) It may be due to lack of coordination between production and sale department.
This necessitates better coordination between them.
 - 3) Possibility should be explored to convert it in any other product which has ready market
It may please be noted that Ageing period mentioned in Annexure 1 is only illustrative in nature.
An organisation can choose any different Ageing Period which will suit its requirement

ANNEXURE -1

Ageing Analysis of Key Finished Products (In Stock For)

FINISHED PRODUCTS	INVENTORY (MT)	30 to 60 days	61 to 90 days	More than 90 days
1				
2				
3				
4				
5				
6				
7				



Business Valuation : "Key Drivers of a Business Valuation"

CMA Vinod Shete

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**Price is what you
Pay, value is what you get**

Warren Buffett

Valuation of business plays a very vital role, therefore a business owner or individual may need to know the value of a business. Primary purpose of business valuation is preparing a company for sale, there are many other purposes of business valuation like Shareholder disputes, Financing, Mergers etc.

Key Drivers of a Business Valuation :

- i) Growth Prospects : This factor looks at how much potential the business has to grow in the future. This aspect of the valuation may consider the company's growth prospects as a business regardless of its industry and based on the company's unique potential, and it may look at the company's potential for growth based on its industry. Thus, if company have a business model with high growth potential, or if similar segment of business that will likely see significant growth, this could be increase the value of the business.
- ii) Earnings Trends : Income is a major factor in the valuation of any business. Particularly, someone appraising the value of a business will look at historical trends of company's income. For example, an increase in gross income over the past five years will have a positive impact on the valuation, while a downward trend in income may serve to devalue the business.
- iii) Location & Diversity : As with real estate, business is all about location .Company's location is a major factor in its value. If Company have an incredibly innovative idea and a fantastic business model, it may not mean much if you are in a location with little potential to grow or succeed. Conversely, if Company's business viewed as diversity across a wide variety of factors in the business. For example, customer concentration can be a significant factor in the valuation of a business. If company's business is doing very well but only has a couple of key customers, this would have a negative impact on the value of the business since the loss of one customer t could potentially be ruinous for the business. On the other hand, an extremely diverse customer base would be a positive factor.
- iv) Team and Management Staff Members : A skilled staff and effective, reliable management team can have a strong impact on the value of a company.

- v) Goodwill / Reputation : Company's reputation and goodwill within peer industries can be incredibly valuable. It can be relatively difficult to place a number value on this type of intangible asset, but it is nonetheless incredibly important. An overwhelmingly positive reputation could significantly boost the value of a company, while a negative reputation could be detrimental to company's prospects for selling business

Conclusion :

Above Key Drivers may have +ve impact on Business Valuation. While some the factors are outside Company's control and may affect the timing of Company's sale, Company can take necessary steps to keep their business as valuable as possible. ■

Statement about Ownership and other particulars about Newspaper "WIRC BULLETIN" as required to be published in the first issue of every year after the last day of February.

FORM IV (See Rule 8)

- | | |
|--|---|
| 1. Place of Publication | : Mumbai |
| 2. Periodicity of Publication | : Monthly |
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India, Rohit Chambers, 4th Floor,
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Mumbai 400 001. |
| 6. Publisher's Name | : Mr. Ashishkumar Sureshchandra Bhavsar |
| Nationality | : Indian |
| Address | : Same as above |
| 7. Editor's Name | : Mr. Ashishkumar Sureshchandra Bhavsar |
| Nationality | : Indian |
| Address | : Same as above |
| 8. Name & Address of individuals who own the Newspaper and Partners or Shareholders holding more than 1% of the total capital. | : The newspaper is wholly owned by the Western India Regional Council of The Institute of Cost Accountants of India. (Address as above) |

I hereby declare that the particulars given above are true to the best of my knowledge and belief.

Sd/-

29th February 2020

Ashishkumar Sureshchandra Bhavsar

CHAPTER NEWS

BARODA

Chapter had arranged a live event on Union Budget 2020, on 01st February 2020. More than 20 members and students have been benefited from the said session.

- Chapter has got Best Performing Chapter under Category 'B' of the Institute of Cost Accountants of India, Western India Regional Council for the year 2019 at the hands of Member of Parliament Mr. C R Patil Sir, during RCC 2020 held at Surat on 15/16 February 2020.
- Chapter has organised Student Conference for motivating to students who have passed out in December 2019 term in Foundation, Intermediate and Final on 22nd February 2020.
- Chapter had arranged CMA Cricket Tournament 2020. The programme was held for two days 22nd and 23rd February 2020. 8 teams have taken part in the CMA cricket Tournament 2020. More than 200 members, students have participated in the Cricket Tournament.
- Chapter participated in INDO - US Summit; Namaste Trump Program at Motera Cricket Stadium, Ahmedabad on 24th February 2020, jointly with Federation of Gujarat Industries, Vadodara Chapter of Company Secretary, Baroda Branch of Chartered Accountants.
- Chapter organised CEP on 'Excellence in Excel' on 29th February 2020. The Faculty was CA Suril Mehta. The speaker was felicitated by CMA Hardik Diwanji - Chairman of Chapter. More than 25 members and students have been benefited from the said session.

INDORE-DEWAS

Chapter has organised CEP on 8th February 2020 on "Impact of budget 2020 on taxation and on financial markets at Chapter Premises. CA Sumit Gupta, Tax Expert & CS Arpit Bhargava were the speakers. The Program was attended by office bearers, members and students. CMA Aniruddh Gupta, Chairman Welcomed the guest and Felicitated them.

KOLHAPUR-SANGLI

Workshop on "Cost and Financial Management System- Agriculture Sector Sugarcane Cultivation"

The Chapter had organised one day Workshop on "Cost and Financial Management System- Agriculture Sector Sugarcane Cultivation" On 6 February. The faculty for the workshop was CMA Anand B. Karpe. 2020. CMA Anand B. Karpe explained in simple terms the meaning of "Cost and Financial Management System- Agricultural Sector Sugarcane Cultivation ". The faculty replied to various queries of the participants. CMA professionals and

participants from industry were present in good numbers. CMA B.N.Mule- Hon. Secretary welcome the speaker. CMA Nupur Patwardhan-introduced the speaker. CMA M. I. Lakadawala- Chairman of the Chapter proposed vote of thanks.

Workshop on "Blocking of ITC, recent amendments in GST" and "New Returns and E-invoicing in GST".

The Chapter had organised half day Workshop on "Blocking of ITC, recent amendments in GST" and "New Returns and E-Invoicing in GST" on 28th January 2020. The faculties for the workshop were CA Abhiram G. Dixit and CA Gangadhar V. Haldikar. CA Abhiram G Dixit explained in simple terms the meaning of "New Returns and E-Invoicing in GST". CA Gangadhar V. Haldikar talked on "Blocking of ITC, recent amendments in GST". Both the faculties replied to various queries of the participants. CMA professionals and participants from industry were present in good numbers.

NAGPUR

Chapter organised CEP on "Professional Competency & Leadership" at Nagpur Chapter premises, on 22nd February, 2020. Dr. Shrikant Godbole was the speaker.

NAVI MUMBAI

Chapter organized a full day Seminar on the Theme Value Creation by Strategy which covered topics of Free Trade Agreement, Contemporary Cost Management & Value Creation (Growth v Survival Strategy) on 22nd Feb 2020 at Navi Mumbai Sports Association, Conference Hall. CMA G Ramakrishnan, Co-Founder of Galaxy Surfactants Limited was the Chief Guest on the occasion.

The seminar was blessed by the gracious presence of CMA Balwinder Singh, President ICAI, CMA Biswarup Basu, Vice President ICAI, CMA Neeraj Joshi, Chairman WIRC of ICAI, CCM's Dr. CMA Ashish Thatte, CMA Chittaranjan Chattopadhyay, CMA Raju Iyer, CMA V Murali and RCM's CMA Chaitanya Mohrir & CMA Vinayak Kulkarni, in the morning session & by RCM CMA Harshad Deshpande in the afternoon session. The dignitaries were felicitated by the Managing Committee members by offering them mementos.

CMA Vivek Bhalerao, PD Committee Chairman felicitated CCM's & RCM's by offering them Memento's.

The programme commenced with the lighting of the lamp by the dignitaries namely:- CMA G Ramakrishnan, Chief Guest, CMA Balwinder Singh, President ICAI, CMA Biswarup Basu, Vice President ICAI, CMA Neeraj Joshi, Chairman WIRC, and Management Committee Members of ICAI Navi Mumbai Chapter CMA Sirish Mohite, CMA Vaidyanathan Iyer, CMA Ajay Mohan, amidst a soulful rendering of a prayer and Invocation song by the

volunteers and the audience was spellbound. This set the tone for the forthcoming sessions.

On this occasion, a souvenir was released by the dignitaries on behalf of the Navi Mumbai Chapter and provided to all the participants, guests etc. The souvenir highlighted the various activities conducted by the Navi Mumbai Chapter over the last one year. All the dignitaries too had lots of praise for Navi Mumbai Chapter for organizing such a wonderful event in Navi Mumbai on Contemporary Topics.

The vote of thanks for the inaugural session was proposed by CMA Narayanaswamy

The First Technical session commenced with CMA Chandrashekhar Chincholkar-President KP Capital Advisors P Ltd stressing on the criteria for Value Creation. The Second Technical session commenced with CMA Sukrut Mehta- Partner, Kirit Mehta & Co. detailing the concept of Contemporary Cost Management and Artificial Intelligence -Use of Strategic Cost Management, Balanced Scorecard, Bench marking, EVA. The technique comprises of Tableau, Python, R, Machine Orienting, SBU, Free Cash flow, Tipalti, Integrity, Legatrix etc.

The third technical session commenced with Shri R Kannan Head Corporate Performance Monitoring & Research Hinduja Group Ltd articulating on how to gain the upper hand through proper negotiation of FTA's.

This lucid presentation enlightened the minds of the professionals, students & members. A large number of professionals and students participated in the programme. The seminar was excellent and very well appreciated by the professionals, senior members and the participants.

Immediate Past President CMA L Prakash concluded the seminar with his thanks giving address and proposed the vote of thanks.

PUNE

CEP on "Coffee with Live Telecast of Full Budget 2020-21"

Chapter organized CEP on "Coffee with Live Telecast of Full Budget 2020-21" on 1st February 2020 at ICAI - Pune Chapter,

CMA Amit Apte, Former President, ICAI, CMA Dr. Sanjay Bhargave, Advisor, Pune Chapter, CMA N.K. Nimkar, CMA Meena Vaidya, CMA Anant Dhavale, former Chairmen and CMA Sujata Budhkar, Chairperson, ICAI-Pune Chapter were present in discussion.

CMA Amit Apte, Former President, ICAI, and CMA Amit Sheode discussed on various aspects related to Budget with members. CMA Nilesh Kekan proposed vote of thanks.

CEP on "Union Budget 2020-21"

Chapter arranged CEP on "Union Budget 2020-21" on 3rd February 2020. CMA Dr. Sanjay Bhargave, Advisor, CMA Amit Shahane, Secretary, ICAI-Pune Chapter were speakers for the programme.

RV COP Program

As per Rule 12(2) (c) of The Companies (Registered Valuers and Valuation) Rules, 2017 ICAI RVO under IBBI, conducted training program at ICAI - Pune Chapter, 'CMA Bhawan' on 8th February 2020.

RVO granted Certificate of Practice to all the registered valuers in order to enable them to start the valuation practice. Faculty for program were RV Pramod Jain and RV Anushkumar Shivaraman. They share their experience with the participants.

CMA Amit Apte, Former President, ICAI, CMA Neeraj Joshi, CCM, ICAI, Chairman, WIRC, CMA Sujata Budhkar, Chairperson, ICAI-Pune Chapter were present for programme.

CMA Sujata Budhkar, Chairperson, ICAI-Pune Chapter felicitated CMA Neeraj Joshi, CCM, ICAI, Chairman, WIRC and RV Pramod Jain faculty for the programme.

CMA Anuradha Dhavalikar felicitated CMA Amit Apte, former President, ICAI and RV Anushkumar Shivaraman, faculty for the programme. The participants felicitated with certificates in the hands of CMA Amit Apte, former President, ICAI. Total 9 participants attended the RV Programme.

SAP FICO Course

Contact Classes of SAP-FICO Power User Course started at CMA Bhawan, Karvenagar on Saturday, 8th February 2020. CMA Shrikant Ippalpalli welcomed the Chief Guest CMA Neeraj Joshi, CCM, ICAI, Chairman, WIRC, and introduced faculty CMA Sudhir Harale to the participants.

CMA Sudhir Harale took overview of SAP ERP & Navigation. He also explained Finance organization structure and master data. Total 34 participants enrolled for Contact Classes of SAP-FICO Power User Course.

CEP on "New Return and E invoicing under GST"

Chapter arranged CEP on "New Return and E invoicing under GST" on 8th February 2020 at CMA Bhawan, CMA Rahul Chincholkar was speaker for the programme.

Career Counselling Programme

Career Counselling Programme was held at Hutatma Rajguru College of Commerce on 11th February 2020. CMA Dr. R. W. Kulkarni guided the students about importance of CMA Course awareness.

ICAI-Technical Cell Committee Meeting

ICAI-Technical Cell Committee Meeting was held on 20th & 21st February 2020 at Ramee Grand Hotel, Pune. After the successful conduct of the Global Summit which had an impact on improving the visibility and the image of the Institute, to strengthen technical capabilities to make the profession more vibrant ICAI-Technical Cell Committee Meeting was held.

Members' Meet & Felicitations of President, Vice President & CCMs

Chapter arranged Members' Meet & Felicitations of

President, Vice President & CCMs on 21st February 2020 at CMA Bhawan

CMA Rahul Chincholkar welcomed the members. CMA Nilesh Kekan introduced the Chief Guest CMA Balwinder Singh, President, ICAI, CMA Biswarup Basu, Vice-President, ICAI, CMA P Raju Iyer, CMA Niranjan Mishra, CMA Chittaranjan Chattopadhyay, CMA Niranjan Mishra, CMA V. Murali CCMs of ICAI and CMA Neeraj Joshi, CCM, ICAI & Chairman, WIRC.

CMA Dr. Dhananjay V. Joshi, Former President, ICAI, CMA Amit Apte, Immediate Former President, ICAI, CMA Dr. Sanjay Bhargave, CMA Chaitanya Mohrir, RCM, WIRC, Past Chairmen of ICAI-Pune Chapter and other members were present for the felicitation programme.

Programme started by lightening of lamp in the hands of Chief Guest President, Vice President & CCMs. CMA Sujata Budhkar, Chairperson, ICAI-Pune Chapter felicitated Chief Guest CMA Balwinder Singh, President, ICAI.

CMA Chaitanya Mohrir, RCM, WIRC felicitated CMA Biswarup Basu, Vice-President, ICAI, CMA Nagesh Bhagane, Treasurer, ICAI-Pune Chapter, felicitated CMA Neeraj Joshi, CCM, ICAI & Chairman, WIRC, CMA Shrikant Ippalpalli felicitated CMA P Raju Iyer, CCM, CMA Anant Dhawale, former Chairman, felicitated CMA Niranjan Mishra, CCM, ICAI, CMA Rahul Chincholkar,

Managing Committee Member felicitated CMA Chittaranjan Chattopadhyay, CMA Amit Shahane felicitated CMA V. Murali.

CMA Sujata Budhkar, Chairperson, ICAI-Pune Chapter felicitated CMA T.S. Khurana & CMA Somnath Mukherjee Technical Cell coordinators.

All the members were overwhelmed by the felicitation by ICAI-Pune Chapter & 'Puneri Pagadi'. They expressed their views & shared the experience with the participants.

Vote of thanks delivered by CMA Nagesh Bhagane.

CEP on "Valuations Requirements under Companies Act 2013"

Chapter arranged CEP on "Valuations Requirements under Companies Act 2013" on 22nd February 2020 at CMA Bhawan, CS Sushant Kulkarni was speaker for the programme.

CEP on "New Return and E Invoicing under GST"

Chapter arranged CEP on "New Return and E Invoicing under GST" on Wednesday, 26th February 2020 at MCCIA, Hadapsar. CMA Shripad Bedarkar was speaker for the programme.

CEP on "Startup, MSME and E Mudra"

Chapter arranged CEP on "Startup, MSME and E Mudra" on Saturday, 29th February 2020 at CMA Bhawan. CMA Amit Shahane was speaker for the programme.

CAMPUS PLACEMENTS - Fresh CMAs

All Corporates, Financial Institutions, Management Consultants, Cost Accountants are invited for participation in the Campus Interview to select talents from our Institute.

Dates : 29th and 30th April 2020

Venue: SGSJK's Aruna Manharlal Shah Institute of Management & Research,
R. B. Kadam Marg, (Jivdaya Lane), Near MTNL Exchange,
Off. L.B.S. Marg, Ghatkopar (W), Mumbai 400 086.

For details & Registration Contact:

WIRC-ICAI - Tel.: 022-2287 3476 • E-mail : wirc.admin@icmai.in

PARTICIPATION FEE STRUCTURE FOR CORPORATES

Registration fee for Campus placement programme for single location	Rs. 25,000/- + (GST applicable)
Participation Fee for additional locations	Rs. 15,000/- + Applicable GST extra for each location

Details for ECS Payment:

A/c. Name : **The Institute of Cost Accountants of India** • Bank: PUNJAB NATIONAL BANK •
Branch: New Market, Kolkata 700 087 • A/c. No.: 0093002109030025
IFSC Code: PUNB0009300 • Swift Code: PUNBINBBCLN • PAN: AAATT9744L • GSTIN: 19AAATT9744L1ZP

Regional Cost Convention held at Surat on 15th & 16th February 2020



Padmashri Mathurbhai Savani



Mr. Jaynarayan Vyas



Dr. G Rajesh Babu



Ms. Anupama Singla



CMA Nilesh Lathiya



Dr. Aditya Shrinivas



CMA Ramkrishna Kachelkar



CMA Sanjay Saraswat



CMA Ajay Joshi



Ms. Kruti Shah



CMA (Dr.) Sanjay Bhargave



CMA Amit Apte



CMA Ashish Thatte



CMA Balwinder Singh



CMA Biswarup Basu



CMA Neeraj Joshi



CMA Ashish Bhavsar



CMA Chaitanya Mohrir



CMA Brijesh Mali



CMA Nanty Shah



CMA Aniruddh Gupta Chairman, felicitating Speakers Arpit Bharagava and Sumit Gupta during CEP "Impact of Budget 2020 on Taxation and Financial Markets" organised by Indore-Dewas Chapter on 8th February 2020



CMA A.G. Anikhindi felicitating CMA Anand Karpe during One day workshop organised by Kolhapur-Sangli Chapter on 6th February 2020. Also seen CMA B.N. Mule, Hon. Secretary of Chapter.



Launch of Souvenir by the President CMA Balwinder Singh during Annual Seminar organized by Navi Mumbai Chapter on 22nd February 2020.



CMA Shriram Mahankaliwar, RCM-WIRC, CMA (Dr.) Sreehari Chava, Dr. Shrikant Godbole, Faculty, CMA Murthy during CEP on Professional Competency & Leadership organized by Nagpur Chapter on 22nd February 2020.



Dignitaries during Members' Meet & Felicitation Function organised by Pune Chapter on 21st February 2020 at CMA Bhawan, Pune



Launch of Souvenir at the hands of dignitaries during Golden Jubilee Conference organised by Kalyan - Ambernath Chapter on 22nd February 2020.

To



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 WESTERN INDIA REGIONAL COUNCIL,
 Rohit Chambers, Janmabhoomi Marg, Fort, Mumbai 400 001.