



CMA VIDYARTHI

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विद्यार्थी

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WESTERN INDIA REGIONAL COUNCIL THE INSTITUTE OF COST ACCOUNTANTS OF INDIA



(Statutory Body under an Act of Parliament)

REGIONAL STUDENTS' COST CONVENTION 2020 - AURANGABAD

WE ARE PLEASED TO ANNOUNCE THAT ICAI-AURANGABAD CHAPTER
WILL HOST THE REGIONAL STUDENTS' COST CONVENTION 2020
on 7th MARCH 2020

Venue : The Institution of Engineers (I) Aurangabad Local Centre,
Railway Station Road, Osmanpura, Aurangabad 431 005

Participation Fees : Rs. 200/-

On this occasion we are planning to conduct a PPT competition. All the chapters are requested to conduct PPT competition at Chapter level and send Max 2 nominations at WIRC by 15th Feb 2020. Final Round of Competition will be at Aurangabad. Following are the details of the Competition.

TOPICS	
Sr. No.	PPT Competition Topic
1	75 Years Journey From Agro Economy to Global Economy
2	GST ERA a new regime in Indian taxation
3	Importance of CMA in Auto Industry
4	Role of CMAs to develop Low cost technologies
5	Cost Audit - benefits to Govt and Industry
6	AI Pros and Cons
7	Data Analytics
8	RuPay a new card payment scheme - benefits to Indian Economy
9	Banking Evolution in India
10	Telecom Industry in India

Rules of the PPT Competition

1. Presentation team comprising of two students preferably one boy student and one girl student
2. Max time allowed 10 mins
3. Chapter should take a competition and send max 2 best teams for Convention
4. Communication in English
5. Judges decision final
6. Final Competition will be at Aurangabad on 7th March 2020.

All the Chapters are requested to take assessment on the following points

1. Subject knowledge
2. Appearance
3. Confidence
4. English Fluency
5. Contents
6. Time taken
7. PPT design

PROGRAMME SCHEDULE**Regional Student's Cost Convention 2020****Saturday, 7th March 2020**

From	To	Details
08.30 a.m.	09.15 a.m.	Registration & High Tea
09.15 a.m.	10.30 a.m.	Inauguration Session
10.30 a.m.	10.45 a.m.	Break
10.45 a.m.	12.15 p.m.	Technical Session 1
12.15 p.m.	01.15 p.m.	PPT Competition
01.15 p.m.	02.15 p.m.	Lunch
02.15 p.m.	03.30 p.m.	PPT Competition
03.30 p.m.	03.45 p.m.	Tea Break
03.45 p.m.	05.15 p.m.	Cultural Program by Chapters
05.15 p.m.	06.15 p.m.	Valedictory Session

Sponsorship Details (Excluding GST)

Sponsorship Type	Amt. (Rs.) Excl. GST	No. of Free Delegates	Logo on Backdrop
Platinum	2,00,000/-	8	Yes
Gold	100,000/-	5	Yes
Silver	50,000/-	4	Yes

Payment Details

For Cheque or DD	Details of NEFT Payment
The Cheque / Demand Draft to be drawn in favour of "ICAI-WIRC " payable at Mumbai	Bank of Baroda, Horniman Circle, Mumbai. SB Account No.: 27940100022156 IFSC Code : BARB0PBB-MUM MICR Code: 400012111

We look forward to have a maximum participation from all the Students of region

CMA Chaitanya Mohrir
Chairman, SMCCC

CMA Neeraj D. Joshi
Chairman, ICAI-WIRC

CMA Parag Rane
Chairman, Aurangabad Chapter

From the Desk of Chairman



Dear CMA Students,

At the outset let me wish all my student freinds a Very Happy & Prosperous New Year!!

The new year started with a big bang for the Institute. The Institute has successfully conducted the National Symposium on Cost Audit in Mumbai and also a very successful Global Summit on Cost & Management Accounting in Delhi. Both the events were well attended by the Students of the Institute. I am really pleased that the students are participating in such national events and enriching themselves with the knowledge that is shared during such events.

WIRC is now planning a Regional Students Convention in Aurangabad. The information of the same is already circulated to the Chapters and Students. I appeal to all the students to participate in the Regional Students Convention. I recall that this convention was started when I was just a fresh CMA. But it was a really good event to meet your peers. The Regional Students Convention will offer you a chance to meet your peers and build relations with them. In professional life, your relations with your peers and fellow professionals matter a lot. The event will also offer the students to showcase their presentation skills as a Power Point Presentation Competition at Regional Level is also organised. I hope that the event will have wide participation from the region and I hope to meet you during the event in Aurangabad in month of March.

The WIRC will also be conducting a Regional Cost Convention 2020 in city of Surat on 15th & 16th February 2020. All the students are invited to the RCC 2020 and will defiantly be benefitted from the deliberations during this convention.

I had already announced that the Institute is going to implement a scheme of 15 months compulsory practical training. The Scheme is announced by the Institute and is applicable from February 2020. I am really saddened to note that the scheme is targeted on the Social Media by some individuals without understanding the details of the scheme. The individuals are spreading negativity on the social media which is affecting our genuine students and

profession in general. Through this bulletin, I want to appeal to all my students that do not believe on any such half informed individuals. If you have any doubt, you can get in touch with any of the elected representatives of the Institute or officials of the Institute. I also would like to inform all my students that the Institute is always open to the suggestions from its students and members. I appeal to all the students to write to the Institute / WIRC giving their suggestions and issues in any matter including this particular case of 15 months Practical Training.

Further to this, I would like to stress that the Council has done enough homework before announcing the Scheme. The detailed scheme will be announced shortly, which shall clear all the doubts. The scheme will not be applicable for old students but only to those who will take fresh admission to the Inter Course as mentioned in the notification. The Council has taken a very conscious decision to introduce this scheme. We are confident that this will be very helpful for the students and will help them when they face the interview after clearing the CMA Final Exam. The increased practical training was demand from the Industry as well as many Government Authorities and hence it was in the best interest of the Profession & Students to implement the same. I request to all the students to support the Institute's initiative.

WIRC has also taken many initiatives for students in terms of introduction of Crash Course, development of workbooks / scanners, etc. You will receive information about the same from WIRC from time to time. I request all the students to take benefit of all such avenues made available to you by the Institute.

Soon the results for the exam will be out. I wish all of you very best for the results. Whatever be the result, please remember

“Success is not final, failure is not fatal; it is the courage to continue that counts

– Sir Winston Churchill”

CMA Neeraj Dhananjay Joshi
Chairman, ICAI-WIRC

27th November 2019



How to prepare for CMA Examination in less time

Mr. Bharat Zanvar

CS, CMA, M.Com, LLB, CA Final (Appeared)

Preparing for professional examinations like CMA require lots of hard-work & consistency in preparation. Preparing for CMA Examination in just 2-3 months is not an easy task; however, it is not impossible. Further, CMA course being one of the professional courses, hence detailed study is very much desired.

However, when time is short due to any reason, there are few points which may be considered for quick preparation. For this student has to be committed towards study after setting goal. To face examination effectively, a smart study plan has to be prepared by every student. Every student shall prepare his/her own study plan. Such study plan has to be revised from time to time after deliberate review. Study plan should be achievable in given time frame otherwise syllabus completion will not be possible.

Student may follow some of the study guidelines in there preparation strategy.

1. All students shall be first familiar with the syllabus & detailed content provided by Institute in its study material. It is recommended that at least student shall go through same once and understand areas of topics covered in every subject.
2. It is advisable that student shall go through the Main Basic Concepts, Formats, Accounting Procedures, Formulas, and steps to Solve Answers, etc. from the Institute Material. Our CMA Institute has provided very rich literature at all levels. During my whole course, I was only focusing on CMA Institute material. Apart from main CMA Study Material, students shall make extensive use of Revision Test Papers (RTP), Mock Test Papers (MTP), Practice Test Paper (PTP) & Suggested Answers of last examination available on ICMAI website.
3. Recently, our CMA Institute has come up work Work-Book for the benefit of students. Students shall make endeavour to use them for practice purposes. It has been said that "Practice makes man perfect". Students shall plan & practice lot many variety of questions of different kinds before final examination.
4. Student may also go through the past exam questions & types of questions asked by Institute. For that purpose one can use scanner. Based your study on scanner and prepare frequently asked questions. Avoid preparation of non-important chapters. In short, simply go for selective study and avoid unnecessary experiments with your study.

Some of the basics of study are as follows especially when time is short:

- a. Follow scanner (covering trend of past exam questions) for preparation and checking the preference of chapters. This will help you to utilize your time in a much better way.
- b. Avoid non-important topics and chapters because there are some topics which are totally irrelevant for exam. So develop a sense what is useful for exam purpose and left the other material.
- c. Go for selective study when time is short. However, for a professional course like CMA selective study is not recommended at all. CMA is a course which requires lot of time and study to go deep into subject.
- d. Never waste time. Correct utilization of Time is indeed a key to success as we all know the importance of time in professional studies. Try to learn some basic techniques of time management in study.
- e. Discuss topics with friends for good grip. It is a very good idea to re-call provisions in the exam hall. But this has to be resorted when you have enough time in hand for discussion.
- f. Junior should seek advice from CMA Final Experience holder. Trust me their advice can really help you regarding what to prepare and what to skip from particular paper for exam-oriented study.
- g. Use summary notes or books for quick revision of subject. It is also very important to save your time & energy for preparing for subject.
- h. Further it is advisable to go through ICAI study material quickly because Institute may asks questions from latest RTP, PTP, MTP, Suggested Answers & Main Study Material.
- i. Student shall also make use of ICAI student journal for getting regular updates from various subjects & make extra efforts to read same.
- j. Use marker when you are reading & mark important points & concepts, note down important formulas etc. It will help for quick revision of subject during exam days.

I have tried to share some tips which I had used for preparation of CS & CMA exams. At least 15-16 hours study per day required to ensure Rank in CMA exam & to complete both group in one seating. I have completed CS Final in 1st Attempt with 6th Rank from Pune Chapter on 25 August 2008 & CMA Final in 2nd Attempt in 21st August 2019 from Pune Chapter by preparing in short span of time.

Last but not least, studying for multiple courses at a time helped me to study same kind of subject of sister Institute like CA, CS & CMA. It enriches one's knowledge & makes subject very friendly for student.

I hope some of the study techniques shared herewith may certainly prove useful throughout this journey of knowledge to students.



Controlling Overheads

Riya Kothari, ACOCA

Stage: Final

Day by Day overheads are increasing in all types of companies because of following :

1. Input cost is ever increase like salary maintenance cost, rent, hotel tariff, petrol cost and so on.
2. Every company has to improve image in the public and industrial world.
3. Competition is ever increases. Entering of MNC, domestic company has no option of attracting effective employees this is must.
4. Life style is improved. Welfare cost like housing facilities, transportation facilities, club membership, offering foreign tour all are necessity and not luxury.

So controlling is quite difficult for sustainability and compete with competitors. There is few tools and techniques some of item are

- Introduction information technology and SAP, ERP also are effective measure of controlling cost.
- Proper classification of overhead like factory overhead, administration overhead, marketing overhead, distribution overhead and financial overheads.
- Established budgetary control and properly compared and taking timely corrective actions.
- Compared with previous year.
- Compared with industries norms considering size and age of company.

- Offering various alternatives like costly offices in cities should be shifted in plant.
- Creating strategy effects by alliances.
- Introduction of standard cost for overheads and worked out efficiency, capacity, volume, calendar variance etc.
- Apply cost reduction techniques like value analysis, value engineering, BRP, standardization.
- Outsourcing many operations without effective secrecy.
- Set up guest house in cities where hotel bills are very high.
- Controlling percentage of sales
- Introduction of zero budget
- Removal of unproductive resources or let it out are generate income.
- Take full benefits of government scheme, grant, relief, subsidy etc.
- Replace junior employees if possible when senior employee retire in a department.
- Many times marginal increase in overhead but benefited when sales increased percentage of overhead of sales is reduced.
- Long term target overhead.

Costing Temper – Answers for November 2019

1. True
2. Inventories
3. Sunk
4. Harmonized System of Nomenclature
5. 35 %
6. Section 7 of IBC 2016
7. Oriental Bank of Commerce and United Bank of India
8. Four
9. Transaction
10. Stock



Financial Restructuring

Mr. Sarang Bakare

Stage : Final

Introduction: With help of this article we will try to understand concept of Financial Restructuring. Financial restructuring of a company involves rearrangement of its financial structure so as to make the company's finances more balance .i.e. the company should be neither Overcapitalized nor undercapitalised.

Examples of Financial Restructuring are Reduction of Capital, Buy Back of Shares, and Further issue of shares.

Need for this concept:

A company is required to balance between its debt and equity in its capital structure and the funding of the resulting deficit.

Over Capitalised:

A company is said to be over-capitalized, if its earnings are not sufficient to justify a fair return on the amount of share capital and debentures that have been issued. Otherwise, it is said to be over capitalized when total of owned and borrowed capital exceeds it fixed and current assets. i.e. when it shows accumulated losses on the assets side of the balance sheet.

Under Capitalized:

If the owned capital of the company is much less than the total borrowed capital than it is said to be under capitalization. We may say that the owned capital of the company is disproportionate to the scale of its operation and the business is dependent more upon borrowed capital.

Restructuring of Over - Capitalised

- Buy Back of own shares
- Paying back surplus share capital to shareholders.
- Repaying loans to financial institutions, banks
- Repaying fixed deposits to public.
- Redeeming its debentures, bonds.

Restructuring of Under - Capitalised

- Issuing debentures, bonds.
- Inviting and accepting fixed deposits from directors, their relatives.
- Issue of Right issue/Preferential issue or additional public issue.



THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

(Statutory Body under an Act of Parliament)

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Ref.No.: G/128/112019-2020

January 14, 2020

NOTIFICATION

Sub.: Introduction of New Practical Training Scheme for the student sregistering in Intermediate Course for December - 2020 term examination onwards.

As approved by the Council in its 322nd Meeting held on 21.8.2019, new Practical Training Scheme is notified hereunder :

1. Under this scheme students are required to undergo a Practical Training for at least 15 months instead of 6 months.
2. This training scheme will be applicable for the students registering in Intermediate Course for the December 2020 term examination onwards.
3. Detailed training scheme along with all terms and conditions will be notified soon.


(Kaushik Banerjee)
Secretary



General Principles of Cost Accounting

Urvi Katbanna

Stage : Final

General Principles of Cost Accounting

1. Abnormal loss is not considered in costing.

Eg.1. A Shopkeeper buy 1000 shirt @100 Rs. 300 shirts are lost in transit, so loss of Rs. 30,000 not consider in cost but transfer to profit and loss account .

Eg.2. Unutilized capacity is not a cost, so cost is always considered on normal use.

2. Penalty, fine can't be considered.

Eg. Late payment of electricity bill with penalty. Penalty is not the part of electricity bill.

3. Interest on Any Tax Or Late Payment Of Material Cannot Be Considered in Material Cost.

4. If You Apply Standard Costing Variance Required To Adjust

Eg. Many times product wise actual data not available so standard cost is considered for base and difference is a variance will be adjusted.

5. Notional Cost Cannot Be Considered.

Eg.1. Rent of our own building.

Eg.2. Interest of own capital.

6. Any Scrap Value Realized Must Be Adjust/Deduct Against Material Cost / Production Cost.

7. Any Grant Subsidy, Relief concession will be deducted from respective input.

Eg.1. Apprentice salary paid, later on it is subsidized from Government it will be deducted from apprentice salary. The Expense which are not affecting on operational cost is not considered

Eg.2. Rate variance in foreign currency donation.

Above principle of cost accounting is a guideline and application for :

1. To find out the accurate measurement of accurate cost of material, labour and overhead to this guiding principles should be consistence.
2. Arrived cost is a base for controlling the cost.
3. It is easy to compare because background is same.
4. This Principals are mandatory for the cost accounting records.
5. However, The Principal are not rigit, may vary considering the situation.

STUDENTS ACTIVITIES

PUNE

Students of Institute of Certified Management Accountants of Sri Lanka Visit. Students of Institute of Certified Management Accountants of Sri Lanka under the leadership of Senior Manager, Education, Training & Research Madushi Hapuarachchi, 6 students visited CMA Bhawan, Karvenagar, Pune on 16th December 2019.

Student's coordination committee Chairman, CMA Rahul Chincholkar welcomed the Shrilankan students.

On this occasion CMA Amit Apte, Past President ICAI, CMA Chittaranjan Chattopadhyay, CCM-ICAI, CMA Nagesh Bhangane Treasurer and CMA Varsha Limaye Managing Committee Member of ICAI Pune Chapter were also present.

Srilankan Student's team and Pune Chapter committee members, staff shared the opportunities available for CMA students in both countries. They also shared the procedures of the courses to each other.

The students overwhelmed with the hospitality of ICAI-

Pune Chapter took fabulous memories with them for visit to CMA Bhawan.

SURAT - SOUTH GUJARAT

Inauguration of Oral Coaching session for January-June - 2020

On 27th December 2019 the oral learning (Jan-June-2020) session was inaugurated by Dr. Ashok Desai, Principal Z. F. Wadia Womens College of Commerce.

CMA Brijesh Mali, Chairman of the Chapter gave welcome address and blessed the students for their future. Dr. Ashok Desai guided and encourage with his wise words to our foundation, Intermediate and Final students. He motivated students on how to achieve the goals and how to be successful in life by the different distinguished people's examples. The function concluded by vote of thanks proposed by CMA Bharat Savani, Vice Chairman of the Chapter.



The Institute of Cost Accountants of India

(Statutory body under the act of the parliament)

WESTERN INDIA REGIONAL COUNCIL

is pleased to announce

Regional Cost Convention 2020

Hosted by Surat South Gujarat Chapter

Theme :

Withstanding Economic Challenges Role of CMA

Topics:

Industry & Economy, Service Sector, Industry 4.0 & Regulatory Reforms

Dates :

15th and 16th February 2020

Venue :

Performing Art Centre, L.P.Savani Road, Near Hari Om Circle Adajan, Pal Gam,
Surat, Gujarat 395 009

Delegate Fees:

Particulars:	Corporate Delegates	Self-Sponsored CMAs	Students
Fees (Incl. GST)	Rs. 2,000/-	Rs. 1,500/-	Rs. 700/-

SPONSORSHIP

Sponsorship Type	Amt. (Rs.) Excl. GST
Platinum	5,00,000
Gold	3,00,000
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Infrastructure Partner	1,00,000
Hospitality Partner	50,000

SOUVENIR ADVERTISEMENT

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Bank: Bank of Baroda • SB Account No. 27940100022156 • Branch: Horniman Circle, Mumbai

IFSC Code: BARB0PBBMUM (5th Character is Zero)

• MICR Code: 400012111 • PAN : AAATT9744L

** For more details about RCC 2020, please visit WIRC Website www.icmai-wirc.in*