



WIRC BULLETIN

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Shri. Suresh Prabhu, MP Rajya Sabha inaugurating the Symposium by lighting the lamp. Also seen CMA (Dr.) Ashish Thatte, CCM-ICAI, CMA Dr. Dhananjay V Joshi, Chairman Technical Cell & Former President-ICAI, CMA T S Balasubramanian, Member (Finance), Tariff Authority for Major Ports, CMA Balwinder Singh, President - ICAI and CMA Neeraj Joshi, Chairman-WIRC

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

Rohit Chambers, Janmabhoomi Marg, Fort, Mumbai 400 001.

Tel.: 2204 3406 / 2204 3416 / 2284 1138 • Fax : 2287 0763 E-mail : wirc@icmai.in • Website : www.icmai-wirc.in

Glimpses of Symposium on “Cost Audit – Stakeholders’ Value Proposition” held on 20th December 2019, at Y. B. Chavan Auditorium, Mumbai



CMA Balwinder Singh welcoming Shri Suresh Prabhu, MP Rajya Sabha



CMA Balwinder Singh, President - ICAI lighting the lamp



Dignitaries on Dais - Inaugural session



Technical Session I



Technical Session II



Technical Session III



Release of Guidance Notes



President with Speakers & Guest



Shri Suresh Prabhu



CMA T. S. Balasubramanian



CMA Mohan Tanksale



Shri Dilip Shah



Shri Nitish H. Pathode



CMA Asim Mukhopadhyay



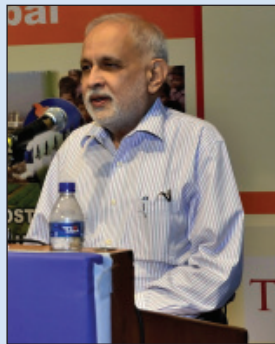
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CMA Neeraj Joshi



CMA (Dr.) Ashish Thatte



CMA Amit Apte



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
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** A Detailed Program will be put on the Website of WIRC shortly*



From the Desk of Chairman

Dear CMA Professional Colleagues,

I on behalf of ICAI-WIRC wish you and your loved once a Very Happy & Prosperous New Year !!!

For the Institute the year 2019 ended on a high note with a very successful National Symposium on Cost Audit in Mumbai. The Symposium saw stakeholders of the Cost Audit Mechanism highlight the value addition of this mechanism and laying down the path for future development in this mechanism. Similarly the Institute will begin the new year in a grand way by hosting the Global Summit on Management Accounting in Delhi. The Global Summit will focus on the role that CMAs can play in achieving the goal of \$5 Trillion Indian Economy as set out by our Hon. Prime Minister.

The MCA Notified the revised Cost Audit Taxonomy and the final version of the XBRL Validation Tool was released on 19th December 2019. Considering the demand from many members and also from Industry to extend the deadline for submission of Cost Audit Report, ICAI-WIRC made representation to the MCA, CAB. Joint efforts from regions & central council have resulted into the Cost Audit Filing being allowed up to 29th February 2020. I now appeal to all the members both in industry and practice to meet this deadline.

The global economy is in a state of slowdown and it has affected the Indian economy as well. We CMAs have an important role to play to guide the industry & economy on the path of growth. We have to be at the best of our game and deliver value to our organisation or clients. This is the time to make our mark which will have a long standing impact for the profession as a whole.

On this similar theme, WIRC is organising Regional Cost Convention 2020. The RCC 2020 will be hosted by Surat South Gujarat Chapter on 15th & 16th February 2020. I

appeal to all the members to attend the RCC 2020 and make it a great success.

WIRC is also planning to organise a Regional Students Convention in the month of March 2020. This event will be hosted by the Aurangabad Chapter. I appeal all the students to participate in this Students Convention. I seek support from all the chapters to make this event a great success.

During the month of December 2019, WIRC organised a lot of programs of Professional Development, covering topics as varied as Tally ERP 9 Software, Sabka Vikas scheme, Workshop on Advance Excel & Workshop on Excel - Macros. I congratulate CMA Vinayak Kulkarni, RCM from Mumbai for his continued efforts and leading the PD Activity of WIRC in Mumbai.

This month WIRC successfully conducted 2nd batch of the Mandatory Capacity Building Training for the new entrants in Practice. I am confident that the new fellow professionals will have got benefitted through this session.

WIRC is taking necessary steps to meet the expectations of the members. We have been working in close association with the Central Council to further our demand regarding recognition of our services by banks. We have already submitted lot of representations to the banks and are following up with them. This month we met MD of NKGSB Bank and Chairman of TJSB. We also had interaction with the CFO of National Insurance Academy. I am hopeful that our continued efforts will yield the necessary results.

"Sometimes, things may not go your way, but the effort should be there every single night - Michael Jordan"

Sincerely Yours,

CMA Neeraj Dhananjay Joshi
Chairman, ICAI-WIRC

Brief Snapshot of the activities of ICAI-WIRC - December 2019/January 2020

2nd Batch of Mandatory Capacity Building Training

The Professional Development & CPD Committee in association with WIRC organised 2nd Batch of Training for 6 days from 9th December to 14th December 2019. 20 CMAs participated.

CMAs Chandrashekhar Joshi, Vaibhav Joshi, Virag Shah, Aditya Umarji, S.G. Narasimhan, Sukrut Mehta, Deepak Tikekar, Aditya Umarji, Raghendra Chilveri, Dr. V.V.L.N. Sastry & Mr. Adarsh Madrecha were the faculty for the training.

CEP - "Tally ERP 9 Software" : WIRC conducted CEPs on Tally ERP 9 Software on 6th, 7th & 8th December 2019 at WIRC, Borivli SMFC & Thane SMFC respectively. Resource persons were from Tally Solutions Pvt. Ltd.

CEP on Sabka Vikas : WIRC organised CEP on Sabka Vikas (Service Tax) on 12th December 2019 at WIRC office. Mr. Rajesh Shelke, Dy. Commissioner of GST was the faculty for the CEPs.

Workshop on Advance Excel : WIRC had organised series of "Workshop on

Advance Excel" from 18th December 2019 to 24th December 2019 at WIRC Office, Mumbai. Mr. Milind Shevade, was the faculty.

Symposium on "Cost Audit - Stakeholders' Value Proposition : The Technical Cell of the Institute is organizing Symposium on "Cost Audit - Stakeholders' Value Proposition" to be held on 20th December 2019 at Y.B. Chavan Auditorium, Mumbai.

Workshop on Excel - Macros : WIRC had organised Series of CEP on "Workshop on Excel - Macros from 26th December 2019 to 9th January 2020. Mr. Nachiket Pendharkar, Microsoft Certified Trainer was the speaker.

Oral Coaching Faculty Meet held at WIRC on 4th January 2020.

Forthcoming Events

- New Batch of Oral Coaching January to June 2020 starting from 20th January 2019.
- Regional Cost Convention on 15th & 16th February 2020 at Surat
- Regional Students Cost Convention 2020 on 7th March, 2020 at Aurangabad



E-Invoicing in Goods and Services Tax

Pratik Sudhir Shah

Mobile : 9819122318 • E-mail : pratiksh2704@gmail.com

- E-invoicing' is a measure vide which the invoices shall be validated electronically through GSTN for further use on the common GST portal. It is a measure to **bridge the gap in data reconciliation to reduce mismatch errors**. However, it should be noted that this process is only an authentication measure and not an invoice generation measure.
- The Government vide Notification No. 70/2019 – Central Tax dated 13th Dec 2019 notified registered person having aggregate turnover in a financial year exceeding Rs. 100 Crore, as class of registered person who shall prepare invoice in terms of sub-rule (4) of rule 48 of the said CGST Rules, 2017 (hereinafter “the said Rules”) supply of goods or services or both to a registered person.
- Vide Notification No 68/2019 – Central Tax dated 13th Dec 2019, the Central Government inserted sub-rule (4) to Rule 48 of the said Rules, which read as under:
The invoice shall be prepared by such class of registered persons as may be notified by the Government, on the recommendations of the Council, by including such particulars contained in **FORM GST INV-01 after obtaining an Invoice Reference Number** by uploading information contained therein on the Common Goods and Services Tax Electronic Portal in such manner and subject to such conditions and restrictions as may be specified in the notification.”
- The concept of E-INVOICING was first discussed in 35th GST Council Meeting held on 21st June 2019. The Council decided to introduce electronic invoicing system in a **phase-wise manner for B2B transactions** to help taxpayers in backward integration and automation of tax relevant processes and to help tax authorities in combating the menace of tax evasion. **The Phase 1 was proposed to be voluntary and be rolled out from Jan 2020.**
- As a progress, the GST Council in its 37th GST Council Meeting held on 20th September 2019, approved the standard of e-invoice. Further, a detailed note explaining what e-invoice is and how will it work along with the e-invoice schema and template, as approved by the GST Council was also released.
- At present, there are many accounting software which generate invoices by using their pe-defined formats which could not be understood by the GST System, if reported in their respective formats. Therefore, again the entry was required to be made for reporting details to GST system as part of filing of GST Returns. Adoption of a standard will ensure interoperability of the data.

Advantages of E-Invoicing in GST

- a) One time reporting of B2B invoice data by the supplier to generate GSTR-1 and E-way bill by providing only vehicle details.
- b) Substantial reduction in input credit verification issues as same data will get reported to tax department as well to buyer.
- c) It will facilitate automatic preparation of GST Returns (ANX 1 and ANX 2) under new Return System.
- d) Complete trail of B2B invoices will be available, as there will be system level matching of B2B Invoices.
- e) Invoices uploaded by suppliers for authentication will be automatically shared with buyers for reconciliation.
- f) The system will auto-match input credit liability with output tax. This will eliminate the use of Fake Invoices for claiming ITC. E-Invoice can be created for Debit/Credit Notes, and other eligible documents.
- g) E-invoice can be created for Debit/Credit Notes, Invoices and other eligible documents.

Disadvantages of E- Invoicing in GST

- a) Once an e-invoice is generated, cancellation is not possible after 24 hours, however amendments can be made in the return forms. Thereby, in case there is any mistake in the place of supply (for example) which the recipient communicates after 15 days of receipt of goods then the e-invoice will have to be generated for a new invoice number as the same invoice number cannot be used to generate another IRN. This could pose operational problems for the assessee. Hence, extreme care must be taken to ensure that the details of the invoice are correct before e-invoice is generated.
- b) Additional expenditure to be incurred for the updating of the existing accounting software to generate the e-invoices.
- c) How would the officer checking any vehicle carrying goods have the data/information to know which assessee is required to comply with the e-invoicing provisions from 1st April '2020 and thereby not harassing the other assessee for not carrying e-invoices.
- d) How would the recipients have knowledge of whether a supplier is required to issue e-invoices or not, to ensure that he is not availing credit on an invalid document? This is for the reason that the criteria for e-invoices is the aggregate turnover which also includes inter-branch supplies.

FAQ on E-Invoicing in GST

Q1. What is E-Invoice under GST?

Ans: As per Rule 48(4) of CGST Rules, each invoices shall be prepared by including such particulars contained in FORM GST INV-01 after obtaining an **(Invoice Reference Number)** by uploading information contained therein on the Common GST Electronic Portal in such manner and shall be subject to such conditions and restrictions as may be specified in the notification.

E-invoice will be an invoice with the entire requirement as per rule 46 and will have invoice reference number generated from Common GST Electronic Portal as per rule 48(4).

Q2. Which class of registered person is notified in terms of sub-rule (4) of rule 48 for the generation of E-Invoice?

Ans: The Government, on the recommendations of the Council, has notified registered person, whose **Aggregate Turnover in a financial year exceeds One Hundred Crore Rupees**, as a class of registered person who shall prepare invoice in terms of sub-rule (4) of rule 48 of the said rules in respect of supply of goods or services or both to a registered person.

Q3. Is Turnover to be considered GST wise or State Wise?

Ans: Notification uses **“Aggregate Annual Turnover”**. It does not say Turnover in a State. Hence turnover criteria is to be seen at the **PAN level** which would also include the supplies between the GSTINs having the same PAN (i.e. distinct persons) and not at the registration or GSTIN level.

Q4. For what transactions e-invoice is required to be generated?

Ans: As per notification 70/2019-CT e-invoice is required to be generated for supply of goods or services or both to registered persons i.e. **for B2B transactions**. It was stated in the outreach programs conducted by the GSTN that **it is not mandatory to generate e-invoices for B2C transactions**, though option to generate the same would be available.

Hence, there is no requirement of generation of e-invoices in case of transactions liable under reverse charge in the hands of the assessee, imports, exports (as the supply is to persons who are not registered), etc.

Supplies to SEZ units and developers, and deemed exports would require generation of e-invoices as in majority of the situations such such recipients would be registered under GST.

Further, as per notification No. 72/2019-CT a registered person with **aggregate turnover more than Rs. 500 crores is required to generate a QR code for the B2C invoices** in which case even making available the Dynamic QR code to the recipient over a digital display, cross reference of payment using such Dynamic QR code on the B2C invoice would be considered compliance.

Q5. What is Invoice Reference Number (IRN)?

Ans: This code will be generated by GST Electronic portal

by filing the information contained therein by taxpayer.

IRN will be based on **combination** of hash code of **GSTIN, Financial Year and Document number** and will be unique to the taxpayer.

Q6. What is Quick Reference Code (QR Code)?

Ans: The IRP will also generate a QR code containing the unique IRN (hash) along with some important parameters of invoice and digital signature so that it can be verified on the central portals.

Q7. Is furnishing of Quick Response (QR) Code mandatory in E-invoice?

Ans: A registered person whose aggregate turnover in a financial year exceeds Rs. 500 Crore shall issue an invoice containing Quick Response (QR) Code in case of supply made to unregistered person.

QR Code on B2C Invoices shall become mandatory from 01.04.2020.

Q8. Would the portal be able to handle the huge data of invoices?

Ans: It has been stated that the IRP would only validate the suppliers' GSTIN and no other data. Thereby, the IRP would be able to respond within milliseconds for one invoice. Further, 10 portals being available for generation of e-invoice, it is expected that there will not be a situation leading to delay in generation of the IRN. Another aspect to note here is that 2 e-invoices cannot be generated for the same invoice i.e. invoices with same GSTIN of recipient, GSTIN of supplier and invoice number cannot have 2 IRNs.

The Common Goods and Services Tax Electronic Portal for the purpose of preparation of the e-invoice would be the following:-

- i) www.einvoice1.gst.gov.in;
- ii) www.einvoice2.gst.gov.in;
- iii) www.einvoice3.gst.gov.in;
- iv) www.einvoice4.gst.gov.in;
- v) www.einvoice5.gst.gov.in;
- vi) www.einvoice6.gst.gov.in;
- vii) www.einvoice7.gst.gov.in;
- viii) www.einvoice8.gst.gov.in;
- ix) www.einvoice9.gst.gov.in;
- x) www.einvoice10.gst.gov.in;

Q9. What time E-Invoice shall be generated?

Ans: There will be no change in the timing of generation E-invoice; it will be same as per section 31. For goods the time of generation of invoice will be, before or at the time of removal of goods/delivery of goods etc. and for service before or after the provision of service within prescribed period as per section 31(2).

Movement of goods on any invoice without an IRN generation (i.e. without the above stated QR code) would be an invalid document in terms of rule 48(5) of the Rules).

Q10. What is process to generate an E_Invoices under GST?

Ans:

Step 1– Invoice will be generated by the supplier in his own accounting or billing system

Step 2-JSON file will be generated by the supplier to upload on the IRP.

Step 3 (Optional)- Unique Invoice Reference Number ('IRN') can be generated by the supplier on the basis of 4 parameters like Supplier GSTIN, invoice number, financial year and document type.

Step 4– Supplier will upload the JSON file of the e-invoice along with IRN already generated directly on the IRP or through GSPs.

Step 5 – IRP will generate IRN and validate IRN of JSON if already uploaded by the supplier. IRP will add its signature on the invoice data as well as a QR code to the JSON.

Step 6 – Supplier will download digitally signed JSON with IRN along with a QR code. IRP will share back digitally signed e-invoice to seller and recipient if email id's are mentioned on the e-invoice.

Q11. What are Other Salient Features of E_Invoicing in GST?

Ans:

Signature: The e-invoice will be digitally signed by the IRP after it has been validated. Once it is registered, it will not be required to be signed by anyone else.

Company LOGO: The Company's Logo on the invoice

will not be sent to IRP. It will not be part of JSON file to be uploaded on the IRP. However, Accounting software company can provide LOGO in the accounting software so that it can be printed on invoice using the printer.

QR Code: Once the seller uploads the invoice into the Invoice Registration Portal and the same is registered there, the QR code shall be made available to the seller. He may at his option print the same on the tax invoice. It is to be noted here QR Code on B2C Invoice is mandatory for registered person, whose aggregate turnover in a financial year exceeds Rs. 500 cr, w.e.f 1st April 2020. (Ref: Notification No. 72/2019 – Central Tax dated 13 December, 2019)

Invoice without IRN: Invoice will be valid only if it has IRN.

Printing of e-invoice: It will be possible for both the seller as well as the buyer to print the invoice, using the QR code as well as signed e-invoice returned by the IRP.

Cancellation of e-invoices: The e-invoice mechanism enables invoices to be cancelled but the same shall be compulsorily reported to IRN within 24 hours of cancellation. Any cancellation after 24hrs will not be possible on IRN. However, one can manually cancel the same on GSTN portal before filing the returns. Also, it must be noted that e-invoice cannot be cancelled partially.

E-invoices for Exports: The e-invoice schema also caters to the export invoices as well. The e-invoice schema is based on most common standard, this will help buyer's system to read the e-invoice.

Symposium on Cost Audit - Stakeholders Value Proposition

Friday, 20th December 2019, Y. B. Chavan Auditorium, Mumbai

The Technical Cell of the Institute organised a Symposium on Cost Audit - Stakeholders Value Proposition on Friday the 20th December 2019 at Y.B. Chavan Auditorium, Mumbai. The event was inaugurated by Shri Suresh Prabhu, Hon'ble Member of Parliament, Rajya Sabha, Chief Guest of the event in the presence of Guest of Honour Shri TS Balasubramanian, Member (Finance), Tariff Authority for Major Ports, CMA Balwinder Singh, President, CMA Biswarup Basu, Vice-President, CMA (Dr.) D.V. Joshi, Chairman, Technical Cell, CMA Neeraj D Joshi, Central Council Member and Chairman, WIRC and CMA (Dr.) Ashish P Thatte, Central Council Member.

Eminent speakers from Regulatory, Industry, Social Organisations, Government and Practice addressed the participants. The speakers included Shri Dilip Shah, Joint Commissioner, Income Tax, Shri Nitish H. Pathode, Assistant Commissioner, GST, Shri Vivek Velankar, President, Sajag Nagrik Manch, CMA Mohan Tanksale, Former CEO, IBA, CMA Asim Mukhopadhyay, Vice President Corporate Finance, Tata Motors Ltd., CMA Yatrik Vin, CFO & Director, NSE, CMA Kedar Upadhye, Global CFO-Cipla Ltd., Dr Ashok Joshi, CMA D.C. Bajaj, Former President, CMA Chandra Wadhwa, Former President and CMA Amit A Apte, Immediate Past President. The event was graced by Former Presidents, Council Members, Regional Council Members and Chapter Representatives apart from 400 delegates from Industry and Practice.

The symposium was successful in highlighting the importance of the Cost Audit Mechanism to the country's economy and Industry. The stakeholders covered the important aspects and their respective expectations from the Institute and its members w.r.t. the Cost Audit Mechanism. The Technical Cell will come out with a compilation of the views expressed by all the stakeholders / speakers during the event in the form of a booklet very shortly.

Guidance Note on Internal Audit of Cost Records developed by the Technical Cell of the Institute was also got released by the Chief Guest during the inaugural Session. The publication is very useful for the Cost Accountants as well as for the Industry in order to establish and carry out the Internal Audit of Cost Records. The publication will be available for sale with the Technical Cell Secretariat very shortly.



Green Supply Chain - From awareness to action

CMA (Dr.) S. K. Gupta

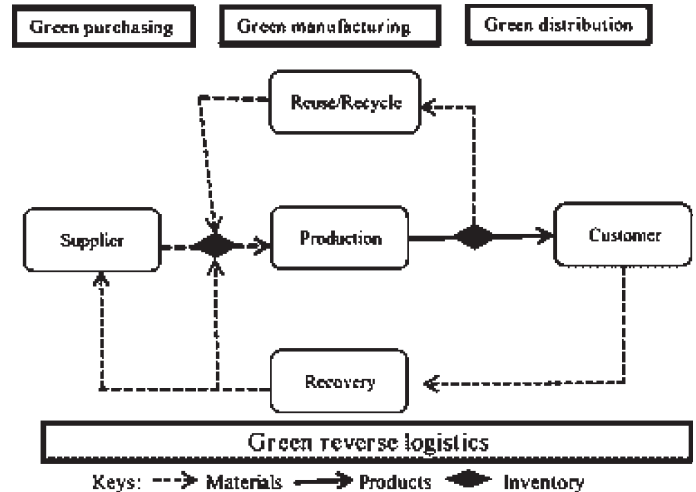
Contact : 98101 62341 | E-mail : Cbst.skgupta@gmail.com

Since last couple of decades, growing impacts of global warming, climate change, waste and air pollution issues have involved increasing world-wide attention of experts worldwide. Today, one of the top priorities of an organization's modern corporate strategy is to portray itself as socially responsible and environmentally sustainable. As a focal point of sustainability initiatives, green supply chain management has emerged as a key strategy that can provide competitive advantages with significant parallel gains for company profitability. In designing a green supply chain, the intent is the adoption of comprehensive and cross-business sustainability principles, from the product conception stage to the end-of-life stage. In this context, green initiatives relate to tangible and intangible corporate benefits. Sustainability reports from numerous companies reveal that greening their supply chains has helped reduce operating cost, thus boosting effectiveness and efficiency while increasing sustainability of the business.

Green supply chain management can be defined as Integrating environmental thinking into supply chain management, including ecological design of products, purchasing green materials and components, reengineering of manufacturing steps towards ecofriendly, reverse logistics management of the product after its useful life. The Global Supply Chain Forum defines SCM as "the integration of key business processes from end users through original suppliers that provide products, services, and information that add value for customers and other stakeholders". Green supply chain makes the applications of the key sustainable development strategy outstand. It emphasizes how green practices can be adopted in firms to mitigate the environmental degradations and increase the economic and operational performance of firms,

Integrating environmental thinking into supply chain management, including ecological design of products, purchasing green materials and components, reengineering of manufacturing steps towards ecofriendly, reverse logistics management of the product after its useful life. Building a green supply chain involves making trade-offs between minimizing your supply chain environmental impact and other business objectives including agility, efficiency, profitability, and customer service. Green supply chain management is achievable by organizations of any size and in any industry.

Green supply chain management is an extension of supply chain management. It refers to assimilating environment thinking into supply chain management, comprising product design, sourcing and selection of material, process



of manufacturing the product, delivery of the same, and management of the product after its usage. Green supply chain management not only improves operations but also agility, adaptability and promotes alignment. This process is eco-friendly and becomes a part of the corporate social responsibility.

Many in the supply chain world assume that fast, low-cost supply chain options are incompatible with a green supply chain. This, however, may not be the case. That's because green initiatives can often be cost savers. For example:

- Reduction in shipping typically means less fossil fuel is burned.
- By consolidating and optimizing material and packaging usage, fewer packing products are consumed.
- When hazardous materials are taken out of the supply chain, lower costs are associated with handling and disposing of the materials.
- When waste is minimized, so too are the costs associated with purchasing and disposal.

With the help of Green Supply Chain practices operational efficiencies can be improved. Following are some of the benefits that can be realized out of this initiative which is termed as CI benefits:-

- (CI) Continuous Innovations- It helps to alleviate risk and gives momentum to innovations.
- (CI) Continuous Improvements- Analyzing GSCM activities generally leads to innovative processes and regular improvements
- (CI) Continuous Interactions - It involves negotiating policies with all the stakeholders like suppliers and

customers, resulting into better alignment of business processes and principles.

Green practices in supply chain management

Some well-known green practices adopted by companies worldwide are as follows;

Green material sourcing

Green sourcing means sourcing or purchasing materials and components which have ecofriendly characteristics as reusability, recyclability and nonuse of hazardous/ dangerous chemicals. With more and more concerns on environmental protection, procurement professionals have been motivated to reconsider their existing sourcing, purchasing strategy and their impact on environmental sustainability.

Green marketing

Green marketing encompasses a broad range of marketing activities (e.g., planning, production, process, price, promotion and after-sale service) designed to focus on the goal of organization to mitigate the harmful effects of their products. Green marketing practice promotes the products with environmental friendly properties. It contains the activities that can satisfy human desires of minimum negative effects on the environment.

Green distribution and warehousing

Green distribution and warehousing can reduce the waste and play an important role in energy reduction besides significantly improving overall performance of organization with better corporate image.

Green manufacturing

Green manufacturing practices involve socially and

environmentally accountable practices to mitigate harmful effects of manufacturing. Green practices reduce waste and improve the efficiency of manufacturing processes.

Ecological design

Research has highlighted that 80% impacts on environment from product and related processes could be controlled with the adoption of ecological design in supply chain management. Ecological design incorporates many ideas like using cleaner technology processes, green raw material and components. Green design of products also supports reusing, recycling and remanufacturing of products, which not only helps firms to improve their environmental performance but also provide opportunity to reduce their costs

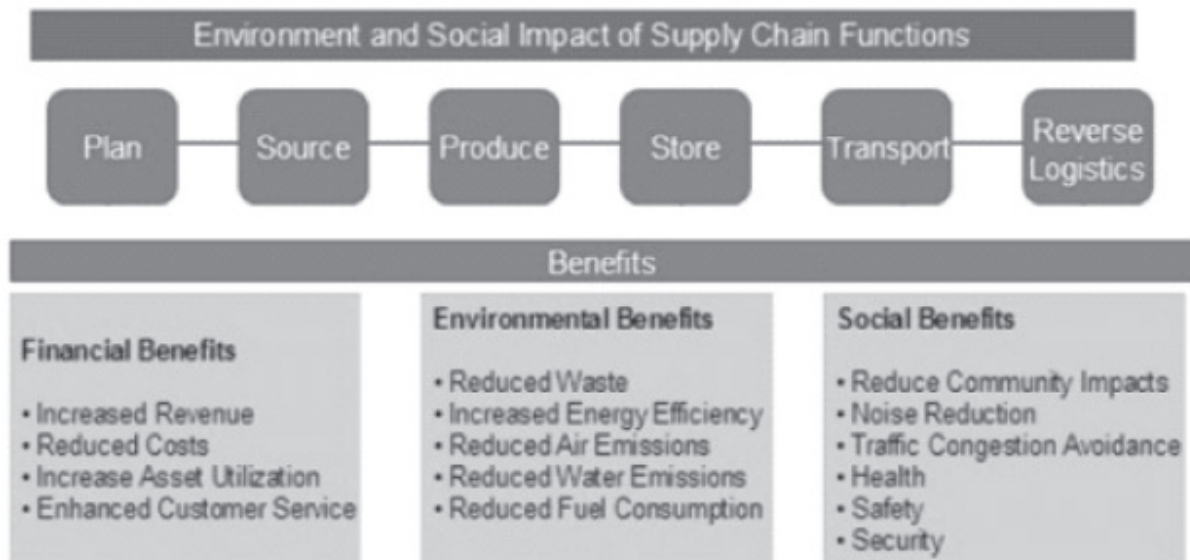
Green transportation and reverse logistics

Green transportation and reverser logistics practices provide opportunity to organizations to reduce their costs. Logistics overheads can be reduced through promoting efficiency of transportation system. The logistics activities integrated with rehabilitation comprise the practice of reverse logistics (reusing, recycling, and remanufacturing), which can produce the products that can be used again for customers.

Renewable energy and biofuels

Global logistics and supply chain operations mainly depend on energy as well as fossil fuel, which are the main cause of climate change, global warming and pollution with greater carbon and greenhouse gas emissions. Use of renewable energy and biofuels reduces carbon emissions and facilitate sustainable environmental and economic growth

BENEFITS OF GREEN SUPPLY CHAIN MANAGEMENT



Green Supply Chain Principles

- Reduce environmental impact of all products, processes and materials.
 - o Reduce environmental impact over the full life cycle of all products, processes, and materials by measuring, setting reduction goals and monitoring progress.
 - o Develop products and processes that are less harmful to the environment.
- Minimize adverse environmental impact on air, land, and water.
 - o Reduce greenhouse gas emissions in production, logistics and other processes, by establishing a baseline, setting reduction goals and monitoring progress.
 - o Minimize and properly manage waste.
 - o Minimize water consumption and water-related risks.
- Minimize the consumption of natural resources, raw materials, and fossil fuel inputs.
 - o Promote recycling and evaluate the potential to use recycled or used materials when they are available.
 - o Design and deliver to all customers, the most sustainable packaging by assessing its quality and cost over the full life cycle.

Greening the Supply Chain

Here's what you can do to adopt a 'Green Supply Chain Strategy.'

Commitment:

- Gain executive commitment and sponsorship to visibly support program goals, strategies, and execution plans.
- Identify an accountable program champion.
- Define metrics and benchmark environmental impact in areas like waste generation, energy consumption, emissions, etc.
- Set targets and devise policies that offer guidance on how to achieve targets at every level of the enterprise and across the product life cycle.
- Ensure policy compliance goal/target achievement across the extended enterprise leveraging executive support.
- Develop a green corporate culture by offering training and workshops to employees and stake holders, as well as incentives and recognition.
- Consider acquiring green certifications and performing green audits.

Supply Chain Visibility And Monitoring:

- Map your supply chain end-to-end to gain visibility to your multi-tier supplier network and sub-tier suppliers.
- Consider using a third-party supplier onboarding/network mapping service to reduce the cost of implementation and ongoing updates.
- Monitor supply network for environment-related

news such as chemical spills and environmental compliance breaches

Green Procurement:

- Procure materials/parts from suppliers who adhere to green principals and processes (e.g. lean manufacturing) and have a strong green policy and standards.
- Deal with suppliers who acquire ISP14000, OHSAS18000, RoHS directives and behest stringent norms to control hazardous substances.
- Ensure that the material being purchased is non-toxic and recyclable.
- Perform quality checks at material inflow points.
- Implement inventory control strategies selectively to reduce stock and eliminate warehousing costs.

Green Manufacturing:

- Incorporate manufacturing process(es) that curb or control pollution/wastage.
- Design and redesign products to minimize production complexity, reduce energy consumption, and increase the product life span.
- Use non-toxic, lead-free materials for manufacturing.
- Incorporate lean manufacturing to:
 - o Reduce defects and rework
 - o Control machine and process breakdowns
 - o Control inventory
 - o Reduce manufacturing space required
- Green packaging:
 - o Downsize packaging to reduce material consumption.
 - o Use recyclable, reusable, non-toxic, and biodegradable packaging material.
 - o Design warehouses to reduce energy consumption.
- Green logistics:
 - o Hire vehicles designed to control for carbon emissions.
 - o Plan the transportation route to reduce mileage.
 - o Plan reverse logistics to collect used products and packaging from customers to recycle/reuse.

Conclusion

In the world, as the environmental awareness is increasing, firms are facing huge pressure from different stakeholders including government and customers to mitigate their harmful effect on the environment. Indeed, corporate sector needs to consider integrating their business practices in service and manufacturing industry with sustainability and reducing end-to-end supply chain costs and associated undesirable outcomes to achieve competitive advantage. The main barriers to implementing GSCM can be identified as technology, knowledge, finances, outsourcing and management. Designing and to implementing a nature-friendly supply chain will help, in the long term, the planet, consumers and companies. Green supply chain can reduce the environmental pollution and production costs and it also can spur economic growth, create competitive advantage in terms of greater customer satisfaction, positive image and reputation and provide better opportunity to export products in pro-environmental countries. ■



Digitization "A Key to Success in Supply Chain Management"

CMA Vinod Shete

vinod_shete@rediffmail.com • Mobile: +91 86980 76687

Supply Chain is typically seen as a cost center. Digitization allows for a paradigm shift making supply chains a differentiator and a strategic pillar of new business models.

Digitization can enhance the customer experience, improve efficiencies by eliminating manual processes, and foster new operating or business models. The supply chain exists to streamline the processes involved in procurement and as a way of increasing efficiencies business-wide. Not only will efficiency remain at the heart of the supply chain, but with digitalization enabling high levels of connectivity, we'll see greater transparency and collaboration across different departments. In addition to ensuring the security of valuable information assets, companies also have the challenge of achieving an appropriate level of sustainability, while pioneering and advancing the digital supply chain overall.

One way to reduce costs is through a digital supply chain platform. The digitization of data and the application of collaboration, automation, and analytics technology presents the opportunity to drive business value throughout the global supply chain.

A digital supply chain will help to reduce risk, improve agility, and reduce costs in many areas of company's operation. According to IDC estimates, by 2020, digitally-mature companies will achieve \$430 billion in productivity gains.

In Today's price competitive market, every company tries to keep their cost at minimum level by optimizing inventory levels to ensure more full-price sales. Digitization eliminates barriers to supply chain productivity by application of digital capabilities to processes, products, and assets to improve efficiency, enhance customer value, manage risk, and uncover new monetization opportunities.

Benefits of digital transformation supply chain management

There are many benefits as companies digitize their supply chain processes with modern SCM systems. Below are main of them

- **Just-in-time' Techniques :** Just-in-time (JIT) becomes accessible. JIT manufacturing has been a cornerstone of a few vast enterprises for decades, but the technology backing it was inaccessibly expensive. Now, every enterprise can enjoy a digital supply chain that ensures that critical decisions and deliveries are pushed to the last minute. Doing so optimizes decision making and saves costs.

Just-in-time (JIT) especially in Fashion/Fabrics industry, fashion brands can postpone critical decisions on style adoption, product quantities, etc., until the last possible minute -- allowing them to design styles much closer to final delivery date and to take advantage of the latest trends.

- **Improve cash flow :** With lower lead times and a JIT

approach a digital supply chain reduces capital requirements and improves cash flow as less money is tied up in keeping excess stock in a warehouse. Supply chain data becomes accessible. The faster the supply chain moves, the less capital is tied up in the supply chain -- a crucial benefit of digitizing your supply chain management processes. Cost of working capital will substantially reduce mainly due to timely delivery of products and it turns to speedy recovery from customer.

- **Optimize supply chain lead times :** These include factors such as the lead time for raw materials, reserving production capacity to ensure factory availability at the right time, and distribution planning.
- **Enable a demand-driven supply chain :** A demand-driven supply chain is the crux of supply chain management; without a digital system, though, it's impossible. Digitization allows companies to adjust products in the supply chain based upon demand for those products using real-time sales information, allowing them to accelerate production of best-sellers.
- **Out of Stock :** Supply chains become forward-looking. Instead of operating on a reactive basis, digital supply chains allow companies to predict future requirements as more data is collected, analyzed, shared and eliminate supply chain glitches. Products that are out of stock implies a loss in revenue for a business. A digital supply chain can ensure that your company never runs out of stock, nor orders too much stock - which eventually leads to high discounting. Further, adopting JIT techniques, optimizing lead times and responding to consumer demand greatly increase the likelihood that companies can have the right product mix and to attract consumers helping in minimizing markdowns and out-of-stocks. Mark downs are dollar-for-dollar profit reducers, while out-of-stocks result in missed sales altogether.

Conclusion :

Supply chains involve multiple parties that need to interact on a frequent basis. Smoothing out these interactions is the predominant goal of a digital supply chain. A digital supply chain can eliminate manual processes and instead connect enterprise digital systems into a single, fluent communications channel. Needless to say that ,a cost effective digital supply chain serves as a key to success in supply chain management.

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India's GDP vs. China's GDP

CMA (Dr.) V. V. L. N. Sastry

E-mail: drsastry13@yahoo.com

At present, the GDP of China is about six-fold the GDP of India. While the GDP of India is about 4.19% of the total world, the GDP of China represents about 19.74% of the global economy (Trading Economics, 2019).

There are various reasons why the GDP of China is way higher than that of India at present even though their GDPs were highly comparable about seven decades ago. First, there is a widespread thinking that China, unlike India, is defined by a bureaucracy that is highly agile compared to what the bureaucracy's scope and size suggests. Notably, the Chinese bureaucratic systems, unlike the Indian bureaucratic systems, do not unavoidably invite marked government intervention in trade. In recent decades, China has been characterized by a marked level of ideological flexibility that is not characteristic of communist regimes (Vasudeva, 2006).

Second, it is widely thought the culture of making savings is more entrenched in China than it is in India. Notably, savings portend investments. Investments occasion economic development as well as growth according to Guirdham (2009). In recent times, the Chinese people have become more and more of investors and less and less of consumers. The cumulative net savings across China have facilitated lots of capital development and investment in the country.

Third, the consumer spending as opposed to savings registered by India annually is more than the consumer spending registered by China annually. That is possibly owing to the countries' different political regimes. India, unlike China, is a democracy. Democratic governments, including the Indian government, are inclined towards fostering sociopolitical milieus that encourage consumerism. They are inclined towards allowing or even prodding individuals to pursue happiness through spending. Authoritarian governments, including the Chinese government, are disinclined towards fostering sociopolitical milieus that encourage consumerism (Hilton, 2009). They are disinclined towards allowing or even prodding individuals to pursue happiness through spending. The Chinese government has for many years been enforcing a savings and investment culture. It has been guiding investment towards development and commercial projects that are capital-intensive. Such projects occasion high levels of economic growth over time typically.

Fourth, in the current globalization age, China has been registering more foreign investment than India (Cravino, Lederman & Olarreaga, 2007). China appears to have more effective foreign investment approaches and policies than India. China has in recent times been investing quite aggressively in other economies, especially in other Association of Southeast Asian Nations (ASEAN) economies.

Fifth, there is widespread thinking that China has had a better form of multi-order governance than India for coping with the present-day world sociopolitical and socioeconomic order typified by globalization and information revolution (Boadway & Shah, 2009). Globalization and information revolution have

continued to push the demand for open decision making in government and governance systems that are de-layered, effective, and open in addition to lean upwards.

In India, State, and Central governments play a major role in the allocation of government inputs since they have significant administrative and legislative powers. Various States in India account for approximately 57% of total expenditures in India. Most Indian firms depend on public officials and inputs supplied by the government to facilitate various aspects of their operations. Indian firms face a regulatory burden to expand or contract production, and hire and fire employees. The regulatory burden is significantly higher in India just for the sake of creating more documentation when compared to international standards. These aspects led to a unholy nexus and cause impediments for growth in India.

The largest economy at present is the US. China is the second largest. Japan is the third largest. Germany is the fourth largest. The UK is the fifth largest economy. France is the sixth largest economy. India is the seventh largest economy. Italy is the eighth largest. Brazil is the ninth largest while Canada is the tenth largest economy globally according to Kapoor (2018).

Comparison between the economy of India and other developing nations such as Argentina, Malaysia, Mexico, Nigeria, North Korea, and Yemen would highlight the position of the country in the globe, as India's economy is much larger than the economy of most of these developing countries in terms of GDP. However, in terms of per capita GDP, India lags behind Argentina, Malaysia, Mexico, and Nigeria. North Korea and Yemen have lower GDP and per capita GDP than India. Though, India is striving to achieve economic development to match the economies of developed nations, India has a long way to go to match these economies. However, India has a larger economy than underdeveloped countries such as Chad, Afghanistan, Haiti, and Myanmar.

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Where Logics of Buyback Defeated - 4 Case Studies (Part 2 of 3)

CMA (Dr.) Subir Kumar Banerjee

E-mail : subirkumar.banerjee@gmail.com • Mob.: 98201 13419

A buyback of shares serves following objectives:

1. The buyback of shares mechanism serve the purpose when company have sufficient cash but no scope for deploying fund in M&A, capital expenditure and other avenues,
2. Buyback of shares reduces outstanding shares and improve EPS and valuation of concerned company,
3. To identify that Company is valued below its worth,
4. Cash to stockholders.

However, some and all the objectives of buyback of shares have been defeated in following cases.

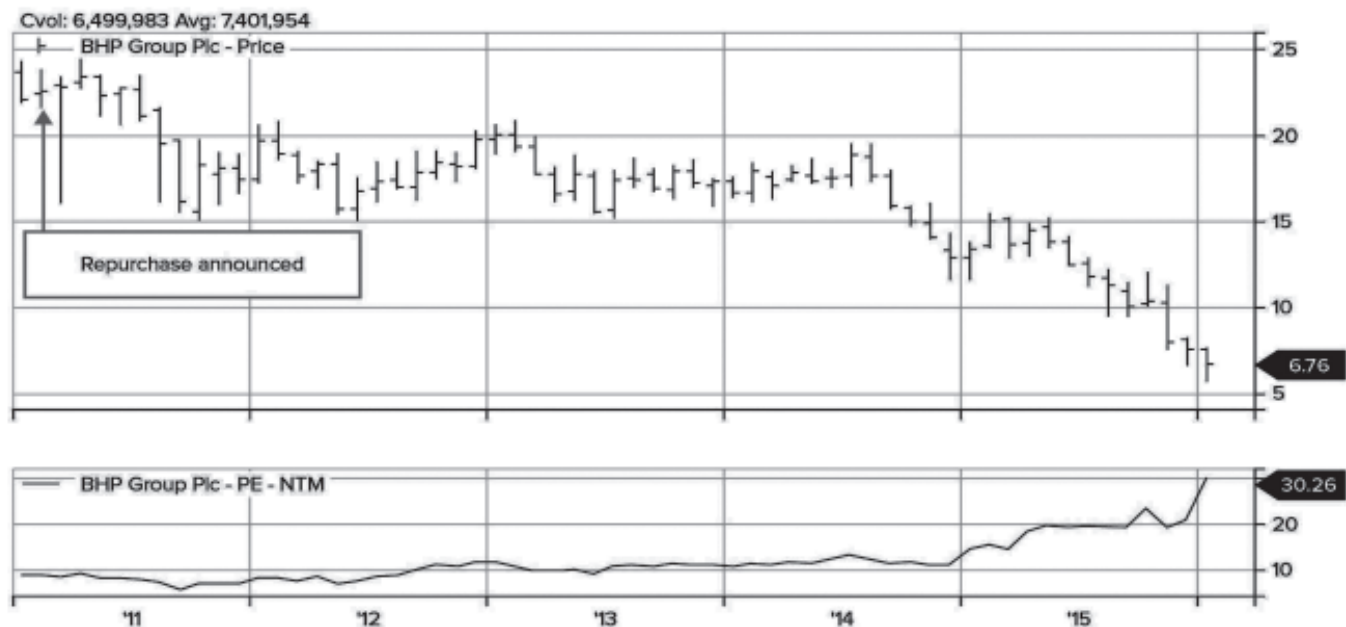
1. Case Study 1- Cyclical Industries: BHP - Should Companies in Cyclical Industries (like mining, oil) never buy back shares?

Australian company, BHP is in mining and oil business which is cyclical in nature. In February 2011, company

declared USD 10 billion buyback and implemented it by June. At that time, BHP was on the top of the curve. Before buyback, operating profit was positive having more than 60% growth, ROI at 41% and Free Cash Flow of USD 12 Billions. This BUYBACK call by Management was like empty slogan. BHP Management's jargons in Annual Report and interim result such as sureshot Long Cycle growth and optimize capital structure were hollow. This is justified by poor share price performance subsequently. The diagram below will speak for share prices and P/E of Next 12 months. Post One year after the buyback, TOTAL SHAREHOLDER RETURN became negative to -22%. Until February 2015, TOTAL SHAREHOLDER RETURN was -26% (corresponding figure was +31% in UK large-cap index). This was disaster and defeated the main purposes of BUYBACK.

Figure 1

BHP Share Price and NTM PE Multiple Post Repurchase Announcement

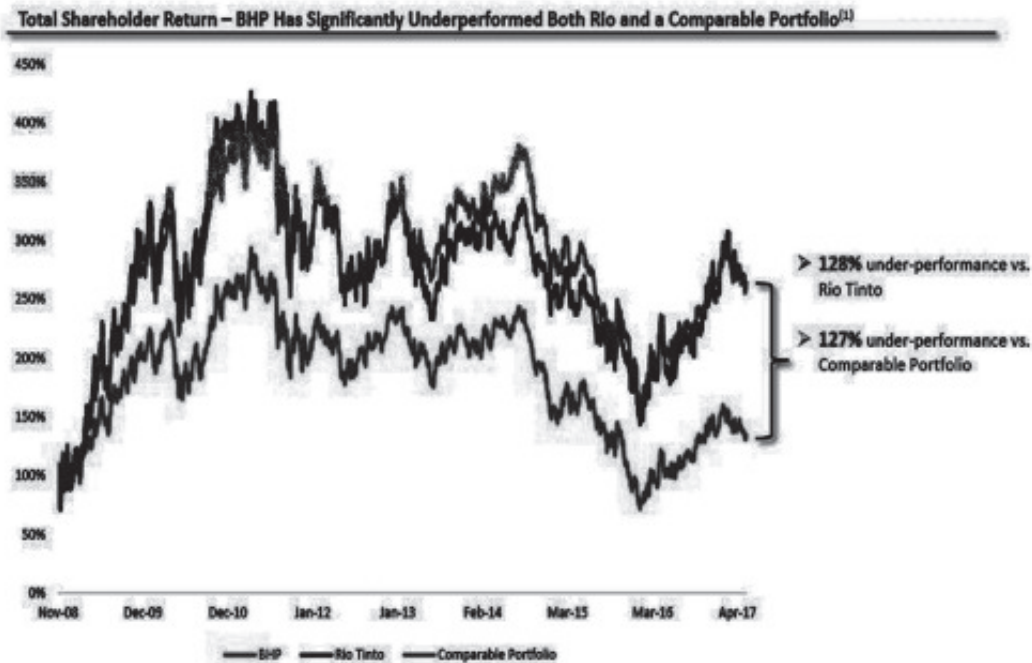


Source: FactSet



Figure 2 (BHP underperformance compared to similar companies, Rio Tinto)

Total Shareholder Return – BHP has significantly underperformed both Rio and a Comparable Portfolio⁽¹⁾



Primary commodities' (like copper, iron ore, coal) prices dropped in a big way after Buyback in 2011. This was unpredictable and this is why this industry is called cyclical. It is difficult to time the price fall in cyclical industries. This is mistiming of Buyback. Having known the nature of the industry, management should have taken financial hedging instead of going aggressive buyback of USD 10 billion out of Free Cash Flow of USD 12 Billion. They could have been conservative in approach. **Rio Tinto** being in the same industry had to face same fate but handled the situation better (See **Figure 2**). We can conclude that in cyclical industry, there may be distinct possibility that wrong timing about reading the cycle may be a big problem.

Lesson – Before any buyback of shares in company in cyclical industry, be careful about timing of the cycle to avoid a financial disaster.

2. Case Study 2 - McDonald's - Leveraged Buybacks

In US, Share Repurchase by Debt has evolved in a big way Post 2013 after exhausting available Free Cash Flow to the corporate. This craze of Buyback of share in McDonald's, like other companies, was primarily for boosting of executive pay which rely on enhanced EPS via Buyback. Hence, they decided to resort to Leveraged Buybacks (**Buyback financed by Debt**). It is wellknown that Credit Agencies will scrutinize all Debts with eagle eyes specially when such borrowings are for unusual reason for part financing buyback of shares. Even then McDonald's increased leverage in a big way to go for buyback with partly funding by debt. Obviously, S&P downgraded from A to BBB (2015-2018) since DEBT-Vs.-EBITDA likely to be upward from 2x to 3x in 2016-17. In their desperation, they did not care. It was all the more disturbing when these buybacks by Debt were done

beyond Fair Market Value.

From 2013 onwards, there were consecutive falls in Revenue and increase of Long Term Debt as mentioned in below chart.

Figure 1 - McDonald's Revenue & Long Term Debt (2013-2018)

Year	2013	2014	2015	2016	2017	2018
Revenue	\$28.1 Billion	\$27.4 Billion	\$25.4 Billion	\$24.6 Billion	\$22.8 Billion	21 Billion
Long Term Debt	14.1 Billion	14.9 Billion	24.1 Billion	25.9 Billion	29.5 Billion	31 Billion

Inspite of this fact of deterioration of financials, there should be no justification for high share price of \$160 (See **Figure 2**) and high market capitalization. It is likely a manipulation which has been engineered in view of continuous share repurchase from 2013 onwards specially when buyback partly financed by Debt in view of cheap interest rate courtesy FED. Interest burden on balance sheet is a financial burden whether it is cheap, having tax break and moreover notoriously for buyback. Such debt financed repurchase of shares is sheer waste of fund when it is funding high value share buyback and not undervalued shares. Exactly same happened in **McDonald's case**. Funding by low interest loan can not justify a buyback at high price. Same funding would have been fit for a M&A or Capital expenditure or R&D or Repayment of Debt - all of which have long term benefits and not one off like share repurchase. This debt funding buyback made company executives and short term investors richer and did not contribute to the wellbeing of long term investors like Index Fund or Retirement Fund and vitiated the very purposes of BUYBACK of SHARES.

Figure 2 (Revenue Fall Vs. Booming Stock Price)

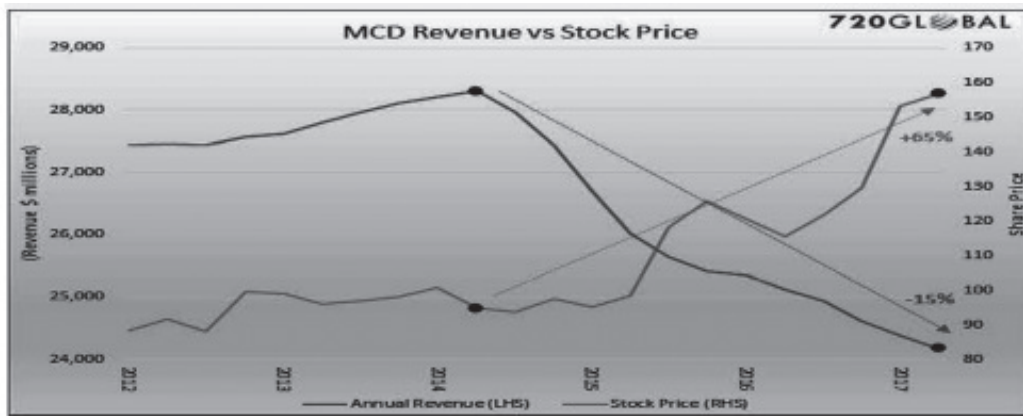


Figure 3 (Total Debt & Interest Expense - \$ Million)

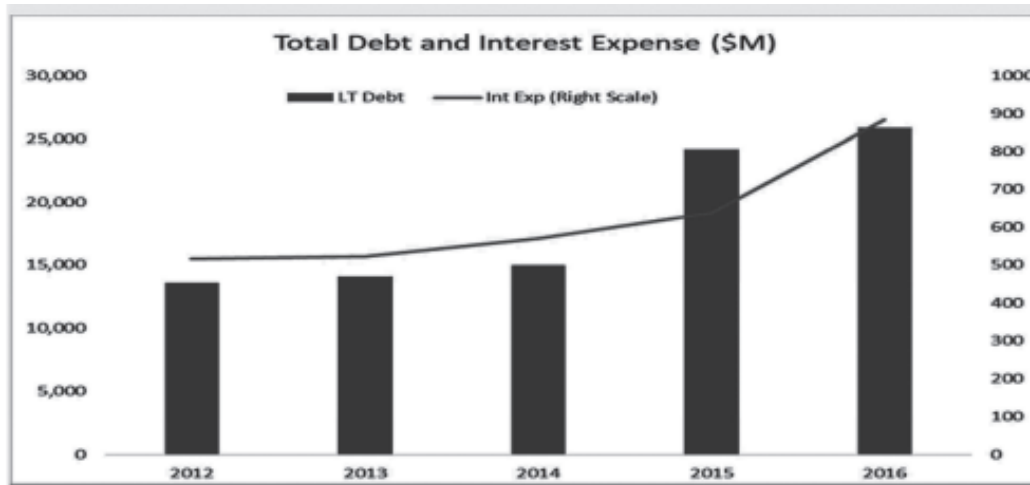


Figure 4 (Share Buyback, Quarterwise, 2013 -2018)



Case Study No. 3. GE Buyback Shares – Destruction of Capital

Outcome of Bad Buyback of Shares

1. From 2008-17, General Electric has made very ill-timed share repurchases — over \$54 billion worth at much higher prices (Average price \$26) than today. The stock, at \$8 at the end of 2018 and reverted back to price of 1993. With @ \$8 per share , GE would have implemented the same repurchase at 1/3 of the then cost of \$18 billion. Accordingly, Hence, GE could have saved \$36 billion had it not paid overvalued prices at
2. different stages of buyback.. It was case of disaster. At the same time, insiders had been sufficiently taken care of with billion dollars compensation by stock options. Long term investors like Index Fund and Retirement Fund have been deprived of. To add fuel to fire, buyback 2.07 billion shares has ultimately reduced to 1.90 Billion by fresh issue of shares of 17 Million in the form of stock option.
3. During the period between 2008-2017,GE partly used

debt for buyback. In end December, 2018, the debt/equity was 3.55 having \$110 billion of Debt. In lieu of destruction of capital by share repurchase, the wise step was to pay back loan as much as possible to improve debt/equity thus reducing both principal and interest. Long term effect in that case would be improving balance sheet, reduce interest outgo, improve bottomline and upgrade the credit rating of GE.

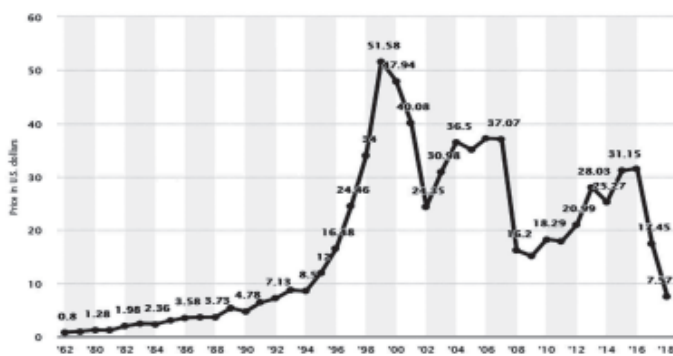
4. In 2017, company declared program to terminate 12,000 employees to revive the troubled power division.
5. GE recently reduced 50% dividend, since the 2008 recession. This saving in dividend of \$3.9 billion was desperately needed for cash strapped company.
6. To salvage the poor state of affairs of the company, it decided to dispose of some of the business units along with very old rail division and famous electric bulb unit.

Figure 1 Share Buyback of GE (2008-2017)

Years	No. of Share Buyback	Average Price of Buyback	Amount Spent in Buyback \$ Billion	Average Market Price at the time of Buyback	Market Price end of 2018	Fresh Issue of Shares for Stock Option
2008-12	583 Million	\$21	\$12.2 B	\$16	-	-
2013-15	616 Million	\$25.32	\$15.6 B	\$22	-	-
2016-17	874 Million	\$29.76	\$26.1 B	\$20	\$8	17 Million
Total	2.07 Billion	\$26	\$ 53.9 B			Net Buyback was 1.90 Billion

Figure 2. (New York Stock Exchange Share Price, 1962 -2018 in USD)

Price of General Electric Company shares traded on the New York Stock Exchange from 1962 to 2018 (in U.S. dollars)



Case Study No. 4. Motive of Buyback of Reduction of Outstanding Shares have been diluted in these Companies - Some Cases

A. Microsoft disbursed in 2019, \$16.8 billion for repurchase

of 150 million shares. However, it freshly pumped in 116 million shares to employees as stock options

Figure 1 (Microsoft Shares Outstanding Vs Repurchase Nos.)

Number of Shares outstanding were as follows: (In millions)

Year Ended 30th June	2019	2018	2017
Balance, beginning of year	7677	7708	7808
Shares Issued	116	68	70
Repurchaed (Buyback)	(150)	(99)	(170)
Balance, end of year	7643	7677	7708
Net Buyback for the year	(34)	(31)	(100)

Source - Microsoft Annual Report, 2019

70% of \$16.8 billion repurchase went to insiders who are part of management. The purpose of buyback of shares to return cash to the shareholders served partially to the extend of 30%. Purpose is vitiated.

- b. Alphabet (GOOGLE) - In July- September quarter of 2019, Alphabet (GOOGL) repurchased \$11 billion and issued \$10.4 billion in stock option. This neutralized substantially mega repurchase. Only \$ 600 million can not itself lift valuation of company which was the purpose of buyback of \$ 11 billion and hence dilution.
- c. Facebook (FB) repurchased shares of \$9.5 billion but issued \$4.5 billion in stock compensation. Net, it comes to \$5 Billion Ultimately, it diluted the purpose of buyback of reducing outstanding shares and raise EPS.
- d. Electronic Arts (EA) - Electronic Arts bought back 22.8 million shares for \$2.3 billion and also distributed 10.7 million fresh equity (stock option of 1.5 million shares to employees, 9.2 millions to management) for \$211 million. Incidentally, it was unfortunate that though the company so far not awarded shareholders dividend, it issued buyback. Electronic Arts CEO 30,000 shares of stock who disposed of for more than \$3 million a week after terminating 350 employees. Such movess will have adverse impact on the shareholders in the long run.

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New year resolution: "SAVERS"

CMA Nikhil Pawar

Mob.: 9021831683 • E-mail : pawarniks11@gmail.com

Introduction: Good Morning and Happy New Year to my all dear Members. It gives me immense pleasure to interact with you once again through this source. Since, this is a new year 2020. And we know that New Year means New Goal. Let's begin this New Year with New Habit which help everybody.

Concept: - "SAVERS"

Time to do this activity is at morning. So it should be our first resolution to get up at early morning and start your day with above success mantra.

S - Silence

"S" stand for silence/meditation. Means completely give 5 to 10 minutes for meditation everyday. Thoughtless Mind. You can increase this time gradually. For better experience take help of meditation music. (Easily available on YouTube with headphone)

A- Affirmation

"A" stand for Affirmation and I mean positive affirmation. Various affirmations are easily available like- Affirmations of Success, Affirmations for Abundance, Affirmations for Good Health.

V- Visualization.

"V" stand for Visualization. Give 5 to 10 minute to visualize under Visualization you can think about your future. What you want in near future.

E- Exercise

"E" stand for exercise. Give 10 minutes for your health. Morning is the best time for doing this. Here, we are not expecting Hard Core Gym. Only Jumping, Walking, Push Ups, or only "Suryanamaskar" are enough.

R- Reading

"R" stand for reading. Reading positive book at morning give positive energy throughout the day. Here, you have to just read one page of any book. Books must be positive/motivational. Otherwise you can also use Youtube where you will have books summary of the best-selling books

S- Scribing

"S" stand for scribing. Write down 5 top most important task you need to complete today.

Conclusion:

If you start to doing above 5 activity, you will realise that you are different from others. You will start to understand yourself. You will also realise that how many years you had wasted by sleeping late morning.

Kindly give me your feedback not only reading this article but by doing the mentioned activities.

Happy New Year!

Jai Ho.....

ICAI-WIRC – Series of CEPs on Co-operative Society From 27th January 2020 to 12th February 2020 Programme Schedule

Date	Topic
	Co-operative Housing Society
27-01-2020	Registration
28-01-2020	Management of Co-operative Hsg Soc.
29-01-2020	Transfer & Transmission
30-01-2020	Conveyance / Deemed Conveyance
31-01-2020	Redevelopment / Self Development , Handover / Takeover Concept
03-02-2020	Accounts & Audit - Part I
04-02-2020	Accounts & Audit - Part II
05-02-2020	Accounting Standards
06-02-2020	Taxation - Direct , Indirect , N.A. Taxes & Section 154B Applicability
	Others Co-operative Societies
10-02-2020	Urban Co-operative Credit Society
11-02-2020	Co-operative Bank
12-02-2020	Consumer Co-operative Society

Chief Guest : **Mr. Sushil Shelar**, District Special Auditor Class I Co-operative Society Mumbai

Faculty : **Mr. Ranjit Prabhawalkar**, CA CMA – Time : **6.00 p.m. to 9.00 p.m.**

Venue : L. J. Training Centre, Next to Lazaree Saree Shop, Behind Punjab National Bank, Ladiwala Joshi Compound, N. C. Kelkar Rd., Dadar West, M 28

Fees : **Rs. 350/-** inclusive of GST for one day CEP Programme – **Rs. 3,000/-** Inclusive of GST for Members if ICAI
Rs. 3,600/- inclusive of GST for Company Sponsored

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MIS Report Showing Inventory of Key Raw Materials as Days cover of consumption

CMA Rajesh Kapadia

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

Utilities of this Report :

- 1) To ensure adequacy of Inventory of Key Raw Materials to avoid any Under Stocking or Over Stocking of the said Raw Materials.
- 2) Both Under Stocking or Over Stocking may indicate lack of Co-ordination among Purchase Department, Production Department and Marketing Department which needs to be corrected.
- 3) This is because Purchase of Key Raw Materials is driven by Production Requirements and Production is driven by Marketing Requirements.

So, ultimately, Purchase of Key Raw Materials is driven by Marketing Requirements.

- 4) This Report should be continuously discussed with Heads of Purchase Department, Production Department and Marketing Department to make them aware of Current Inventory Levels vis - a- vis their requirements.
- 5) This Report will also enable the Purchase Department to avoid any emergency purchase at higher procurement cost.

ANNEXURE -1

Inventory of Key Raw Materials as day's cover of consumption

RAW MATERIALS	YEARLY CONSUMPTION (MT)	AVERAGE CONSUMPTION PER DAY (MT)	INVENTORY (MT)	INVENTORY AS DAYS COVER OF CONSUMPTION
1				
2				
3				
4				
5				
6				
7				



Value Based Management

CMA P. D. Modh

Chairman - Oral Coaching Committee - ICAI-Ahmedabad Chapter
Mob.: 97277 67574

Every shareholder has greed and need to increase the value of his investment in short run and long run business means creation of value in corporate world, owners (Shareholder) do not have direct control over business. They are not taking any business related decisions. When managers are responsible for value creation they must understand value based system, so they are aware in day to day transactions. Corporation runs by agency system where managers take all operational decisions.

Value Based System has three steps.

Step I - Value Creation, which can be done by business executives may be engineers, marketing professional or any one.

Step II - Value measurement which is measured by financial professional may be any one Chartered Accountant, Management Accountant or any one.

Step III - Value Management - Management take initiatives to manage when value creation is not satisfied or enhance through various tools, techniques, strategy and its execution.

Value Measurement - What can be measured, can be managed. So measurement is very important. This measurement assumed various value Drivers. These value drivers are as under (say)

1. Sales Growth
2. Operating Profit Margin
3. Tax rate
4. Net Working capital / sales
5. Other long term assets / sales

Value measurement tools & techniques :

Traditional methods

1. Profit & Loss Accounts
2. Earnings per share
3. Return on investment = NOPAT / Total Assets

These traditional techniques has following limitations.

1. Accounting profit do not equal cash flow.
2. Accounting numbers do not reflect risk.
3. Accounting practice varies from firm to firm.

4. Accounting numbers do not include an opportunity cost of equity.

Modern Methods :

These are as under.

All are well aware, how to compute in details so I have only listed them out.

1. Free cash flow. A company's free cash flows are equal to its after tax cash flows from operations less any incremental investment made in the firm's operating assets.

After tax cash flow from operations

(+) Non-operating income

(-) investment in current assets.

Investment in new working capital,

Investment in fixed assets

free cash flow.

2. EVA = NOPAT - Weighted Average Cost of capital x capital
3. Cash flow Return on Investment = Sustainable cash flows / Current gross investment

On analysis of last five years, company came to know to what extent value is created or disturbed and based on these future can well be estimated for five to ten years.

Management - To take benefits of value base management suitable modern method is to use. Value Based Management is relevant in the wake-up of 5 trillion economy. Investors hate when value destroys of the company.

Value Management is a hot topic when strategy is to formulate and implement for better value creation. Government also set policy keeping this mind. VBM equally important for private and public sector.

Today's leaders' agenda is a value creation based on Value Based Management Program. Most of the companies do not have such system. Most of the company uses only traditional methods, which are not much useful. Managers needs training and proper education for the same VBM has many benefits for the future prospects of the company. ■



S/4 Hana Finance New Era in SAP - Part II

CMA Chaitanya Mohrir

Mob.: +91 90110 11332 • E-mail: vedchaitanya@gmail.com

IN last part we have discussed about SAP Journey, Journey of SAP HANA, in computing memory and overview of S/4 HANA. This this part we will have overview of S/4 Hana in detail.

We have two options to implement S/4 HANA Finance either go with green field implementation (Complete New implementation) or Migrate to Hana from SAP ERP.

Several considerations come into play when migrating to SAP S/4 HANA finance. There are various activities which need to perform prior to migration to SAP HANA Finance.

Migration to SAP S/4 HANA Finance:

SAP S/4 HANA Finance, On-Premise Edition contains the product SAP Accounting powered by SAP HANA. SAP Accounting powered by SAP HANA contains General Ledger Accounting, Controlling, and Asset Accounting.

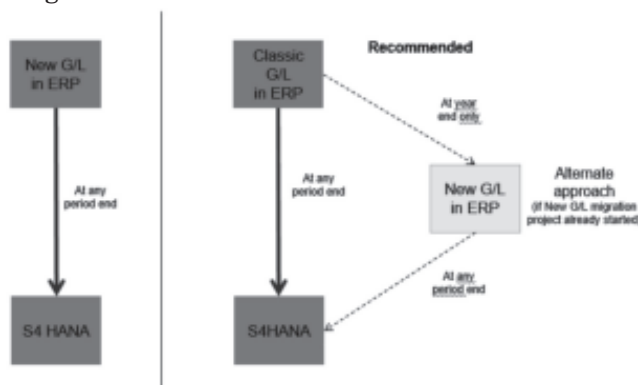
Before we install the S/4 Hana finance system we must execute and check following activities: -

Activities for Classic GL, NEW GL Accounting

We need to check whether currency settings and CO configuration allows to upgrade S/4 HANA finance to do this SAP has suggested to run report "ZFINS_MIG_PRECHECK_CUST_SETTING" (As suggested in SAP Note 2129306). This report checks if settings can be automatically Migrated to new customizing tables

- Currency settings
- Compatibility of User exits and BADI
- Are there scenario like transfer pricing, ABC etc

Following diagram will explain about the migration timing.



One of the important point to note here is that migration from Classic GL to New GL must be at the yearend only. And migration from New GL to S4 HANA can be done at any period end.

Activities for Classic Asset Accounting, New Asset Accounting

We must make sure that all the help documents are either posted or deleted. Implement report RASFIN_MIGR_PRECHECK (Suggested in SAP Note 1939592) and test whether the necessary prerequisites for new Asset Accounting have been fulfilled using report RASFIN_MIGR_PRECHECK (Check on Prerequisites Before FI-AA Migration).

During the execution of report RASFIN_MIGR_PRECHECK, if it is observed that currency areas are missing, we must create these first in a separate project and have the system determine the values.

We also need the new depreciation calculation from the Enterprise Extension Financials Extension (EA-FIN). Check if the new depreciation calculation is active (SAP Note 965032). If necessary, implement the new depreciation calculation as part of a separate project.

We need to make sure that we have carried forward all the balances in all applications to the current fiscal year. This also applies to the subledgers. Following are suggested transactions for the same: -

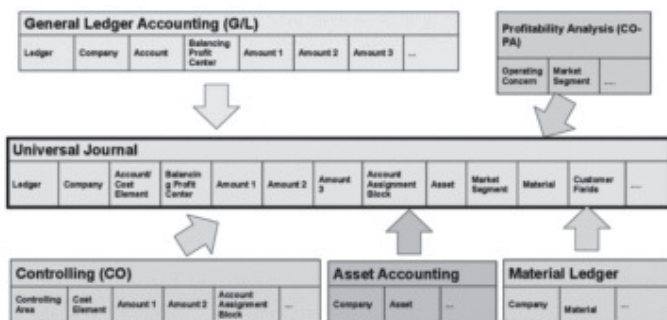
- **FAGLVTR**: if we are using new General Ledger Accounting
- **F.16**: if we are using classic General Ledger Accounting
- **AJRW**: if we are using Asset Accounting
- **F.07**: if we are using Accounts Receivable and Accounts Payable

Following are the suggested Steps for Migration from SAP ERP 6.0 to S/4 HANA Finance

1. **Preparation**: - In this step we need to execute the following activities:
 - a. Pre-checks, if S/4 HANA Finance can be installed on current system setup
 - b. Reconcile GL with sub ledgers (Data consistency checks)
 - c. Check Customer-Defined Coding
 - d. Period End Close and Financial Reporting
 - e. Documentation Before Installation
2. **Installation Technical Components**: - In this step we need to execute following activities
 - a. Lock all users
 - b. Installation of S/4 HANA Finance Add On- Back up table created, Index tables are converted to views

- c. Create the backup table
 - d. Perform reconciliation and checks on data values after install.
3. **Data Transfer:** - In this step we need to execute following activities
- a. Define Message Types for Posting Before and During Migration
 - b. Preparations and Migration of Customizing for the General Ledger
 - c. Preparations and Migration of Customizing for Asset Accounting
 - d. Preparations and Migration of Customizing for Controlling
4. **Migration:** - in this step we need to execute following activities
- a. Regenerate CDS views- For Custom fields
 - b. Migration of Cost Elements and Customizing
 - c. Technical Check of Transaction Data
 - d. Enrich Transactional Data (BSEG, COEP)
 - e. Migration of Line Items into New Data Structure (ACDOCA)
 - f. Migrate Balances
 - g. Set Migration to completed.
5. **Post Migration:** - in this step we need to execute following activities
- a. Transfer Application Indexes
 - b. Fill Due Dates in FI Documents
 - c. Fill the Offsetting Account in FI Documents

Above migration steps are necessary because S/4 HANA Finance rests on a uniform data model for all accounting areas. The ACDOCA table contains all the line item documents from Finance, Controlling and Asset Accounting. After installation and migration all the postings are written in the new table ACDOCA or Universal Journal.

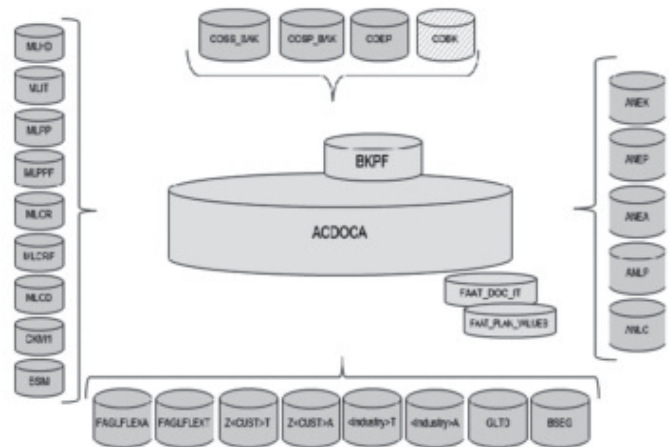


Universal Journal is a single source of truth. Following tables are replaced by ACDOCA table

- The line item, totals tables and application index tables of General Ledger Accounting (GLT0, BSIS, BSAS and FAGLFLEXA, FAGLFLEXT, FAGLBSIS, FAGLBSAS)
- The totals tables and application index tables of Accounts Receivable and Accounts Payable (KNC1, KNC3, LFC1, LFC3, BSID, BSIK, BSAD, BSAK)

- The line item and totals tables of Controlling (COEP for certain value types, COSP and COSS)
- The material ledger tables for parallel valuations (MLIT, MLPP, MLPPF, MLCR, MLCD, CKMI1, BSIM)
- The Asset Accounting tables (ANEK, ANEP, ANEA, ANLP, ANLC)

Following chart shows how the various accounting applications are merge in the new data structure of the universal Journal (ACDOCA Table)



With SAP S/4HANA Finance, we are provided with universal data table ACDOCA, which contains all of the line item documents from FI, FI-AA and CO. All postings of these applications are written to the new table after the installation and migration are complete.

In this part we have discussed about Migration from SAP ERP6.0 to S/4Hana Finance. In next part we will discuss about more functionalities of S/4 HANA Finance.

CMA Vidyarthi – E-Bulletin

Following Articles were published in 2nd issue of CMA Vidyarthi

1. Article - Mandatory Law! by Paridhi Agrawal (Final Stage) - Registration No. 01181027858
2. Article - A Study on - Impact of Capital Structure on profitability of Commercial Vehicle Companies by Mr. Sourabh Kuiya (Final Stage) - Registration No. 01131009241
3. Article - Insider Trading - A Grey Patch by Vishaka Nandkishore Sharma (Intermediate Stage) Regn. No. 01191051695
4. Article - Roadmap to CMA: A Guidance from the Personal Experience and Observations by Akash Ramvijay Gupta (Final Stage) Registration No. 01172019364



Cost relevance with Renewable Solar Energy

CMA Simmi Patel

Mob: +91 9099031584 • E-mail: cmasimmipatel@gmail.com

In most parts of the world today, renewables are the lowest-cost source of new power generation. As costs for solar and wind technologies continue falling, this will become the case in even more countries. The cost of electricity from bio energy, hydropower, geo-thermal, onshore and offshore wind was within the range of fossil fuel-fired power generation costs between 2010 and 2018. Since 2014, the global-weighted average cost of electricity of solar photo voltaics (PV) has also fallen into the fossil fuel cost range.

The global weighted-average cost of electricity from all commercially available renewable power generation technologies experienced declines in 2018, with CSP, bio energy, solar PV and onshore wind experiencing the largest declines.

Falling and very low costs of electricity for solar PV and onshore wind, as well as the cost reductions for CSP and offshore wind to 2020 and beyond mean that renewable power is becoming the competitive backbone of the global energy sector transformation.

Solar Energy can be harnessed directly from the sun, even in cloudy weather. Solar energy is used worldwide and is increasingly popular for generating electricity or heating and desalinating water. Solar power is generated in two main ways:

Photovoltaics (PV), also called solar cells, are electronic devices that convert sunlight directly into electricity. The modern solar cell is likely an image most people would recognise - they are in the panels installed on houses

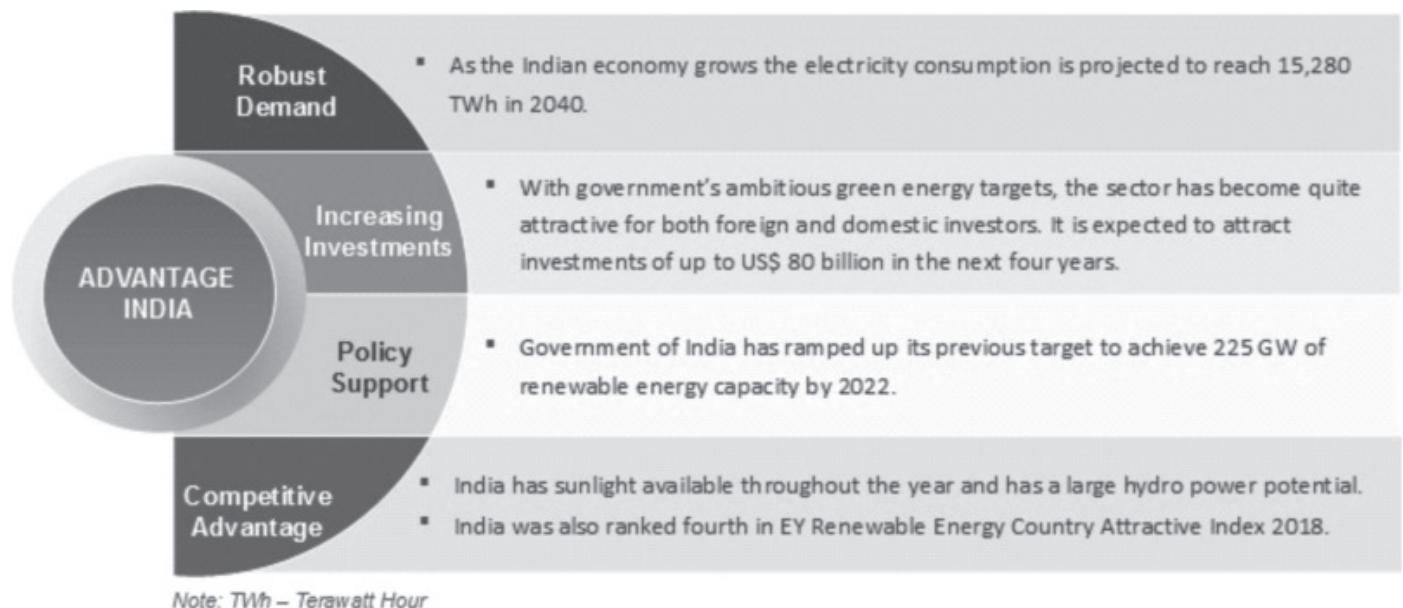
and in calculators. They were invented in 1954 at Bell Telephone Laboratories in the United States. Today, PV is one of the fastest-growing renewable energy technologies, and is ready to play a major role in the future global electricity generation mix.

Solar PV installations can be combined to provide electricity on a commercial scale, or arranged in smaller configurations for mini-grids or personal use. Using solar PV to power mini-grids is an excellent way to bring electricity access to people who do not live near power transmission lines, particularly in developing countries with excellent solar energy resources. The cost of manufacturing solar panels has plummeted dramatically in the last decade, making them not only affordable but often the cheapest form of electricity. Solar panels have a lifespan of roughly 30 years, and come in variety of shades depending on the type of material used in manufacturing.

Concentrated solar power (CSP), uses mirrors to concentrate solar rays. These rays heat fluid, which creates steam to drive a turbine and generate electricity. CSP is used to generate electricity in large-scale power plants.

A CSP power plant usually features a field of mirrors that redirect rays to a tall thin tower. One of the main advantages of a CSP power plant over a solar PV power plant is that it can be equipped with molten salts in which heat can be stored; allowing electricity to be generated after the sun has set.

As per Indian Government Latest update: October 2019



Cost can be measured in different ways, and each way of accounting for the cost of power generation brings its own insights. The costs that can be examined include equipment costs (e.g., photovoltaic [PV] modules or wind turbines), financing costs, total installed costs, fixed and variable operating and maintenance costs (O&M), fuel costs (if any) and the levelised cost of electricity (LCOE).

The analysis of costs can be very detailed, but for comparison purposes and transparency, the approach used here is a simplified one that focusses on the core cost metrics for which good data is readily available. This allows greater scrutiny of the underlying data and assumptions, improves transparency and confidence in the analysis, and facilitates the comparison of costs by country or region for the same technologies, in order to identify the key drivers in any cost differences.

The five key indicators that have been selected are:

- equipment cost (factory gate, free onboard [FOB], or delivered at site)
- total installed project cost, including fixed financing costs
- capacity factor by project
- the LCOE.

The LCOE of renewable energy technologies varies by technology, country and project, based on the renewable energy resource, capital and operating costs, and the efficiency/performance of the technology. The approach used in the analysis presented here is based on a discounted cash flow (DCF) analysis. This method of

calculating the cost of renewable energy technologies is based on discounting financial flows (annual, quarterly or monthly) to a common basis, taking into consideration the time value of money. Given the capital-intensive nature of most renewable power generation technologies and the fact that fuel costs are low, or often zero, the weighted average cost of capital (WACC) used to evaluate the project - often also referred to as the discount rate - has a critical impact on the LCOE.

The analysis in this paper focuses on estimating the costs of renewables from the perspective of private investors, whether they are a state-owned electricity generation utility, an independent power producer or a community looking to invest in renewables. The analysis excludes the impact of government incentives or subsidies, system balancing costs associated with variable renewables and any system-wide cost savings from the merit order effect.

Clear definitions of the technology categories are provided, where this is relevant, to ensure that cost comparisons are robust and provide useful insights (e.g., small hydropower vs. large hydropower). Similarly, functionality has to be distinguished from other qualities of the renewable power generation technologies being investigated (e.g., concentrating solar power [CSP] with and without thermal energy storage). This is important to ensure that system boundaries for costs are clearly set and that the available data are directly comparable. Other issues can also be important, such as cost allocation rules for combined heat and power plants, and grid connection costs.



THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

(Statutory Body under an Act of Parliament)

KALYAN-AMBERNATH CHAPTER

ANNOUNCES

ONE DAY GOLDEN JUBILEE CONFERENCE

THEME OF CONFERENCE - INFRASTRUCTURE-A PROPELLER

on Saturday, 22nd February 2020 at Kalyan

Further Details Follows

KALYAN-AMBERNATH CHAPTER

EMAIL ID : kalyan@icmai.in

Tel.No. 0251-2586565, 2585659



CFO Speaks

CMA Hemendra C. Shah

CMA Hemendra C. Shah holds a Bachelor degree in Commerce and Law, Masters in Commerce (**B.Com., LL.B, M.Com.**) as well as qualified Cost and Management Accountant (**ACMA**). He is also a Certified Associate of the Indian Institute of Bankers (**CAIIB**) as well as a qualified Company Secretary (**ACS**). His profile includes vast experience of **more than 38 years in Finance, Cost & Management Accounting, Banking, Taxation Secretarial, Legal, Insurance and other related matters**. Throughout his career he shares an immaculate and passionate professional background of companies like **Calico Mills, ONGC, ADANI Enterprise Ltd., Elecon Engineering Co. Ltd., Vallabh Vidyanagar and SADBHAV Engineering Ltd.**

He is an Independent Director of Optimized Solutions Limited, Ahmedabad since 01/04/2019.

He is also a recipient for Excellence in Corporate Governance Award by Institute of Company Secretaries of India (ICSI) in December 2003. He is also recipient of BEST CMA- CFO Award from Institute of Cost Accountants of India, Kolkata in May, 2014

1. What do you feel about your role as a CFO?

As a CFO, I need to adapt to the prevailing economic environment and continuously strive for reduction/ cut in costs and to explore various avenues for growth of the Company. At the same time, in the light of various corporate scandals unfolded recently, we must be more transparent in data/information, interaction, analysis and decisions arrived at to restore and instil the trust of various stakeholders.

2. What are your main constraints/ challenges you face as CFO?

- Highly leveraged position the company faces. To explore continuously various options to raise funds further since the Banks, Financial Institutions and NBFCs are not coming forward to extend further credit. This results into accepting high cost options.
- Unlock the value of various segments of the Company/ Group by disinvesting certain undertakings/subsidiaries of the Group to ease out the highly leverage position of the Company/Group.
- To face constant challenges to deal with Global and Domestic regulatory changes.
- Digital disruption.

3. How would you like to tackle these issues?

Highly leverage position poses threat to the growth of the Company/Group. Hence as a CFO, I need to explore various options including sale of large stake in the Company and/ or its subsidiaries to a strategic Investor(s) unlocking its value to ease and relax the **'Finance Constraints'**.

Various regulatory changes have been brought by RBI,

SEBI, MCA, IT and other concerned Authorities. Due to this, CFO must devote much of his time in ensuring that non-compliances do not happen. Otherwise, Companies will have to give disclosures to various Agencies including Banks, Rating Agencies, Stock Exchanges which will reflect negatively on the credibility of the Company and its Group.

Considering the Digital Disruption, CFO will have to tune himself with the technological advances taking place to make the business of the organisation more global, regulated, competitive and digital.

4. What is the Future role of CFO in 2020?

Role of CFO has been expanded beyond the traditional domain of the Finance to more Strategic one i.e. he will have to spend less time in day-today finance functions and will have to concentrate more on strategic leadership. It means he should be able to advance Company's growth or improve its competitive position by identifying the key constraints holding them back and then using his finance expertise to free it from those constraints.

CFO is a Key Managerial Person (KMP) & plays an important role in decision making process of the Management.

Now a days, Risk Management has become an important & crucial function of a CFO in light of growing importance of Technology, Digitisation and Cyber Security. CFO will have to prepare themselves to face with the situations emerging with the unexpected surprises like Demonetisation, Reform like GST.

Today, CFOs are supposed to perform broad based role dealing with global volatility, currency fluctuations, risk management, funding decisions and growth expectations.

CFOs are expected to build strong relationship with all stakeholders including Bankers, Customers, Creditors, Shareholders, Employees, and Society at large. Good Corporate Governance and Corporate Social Responsibility policy of the organisation will help CFO a lot in performing his role effectively and efficiently.

CFOs need to make short term sacrifices for ensuring strong financial health in the long term for sustaining future growth. He is a conscience keeper of the Company by complying with the decisions of the Board of Directors.

For young CMAs

It is to be remembered that to become CFO, it is essential to work closely with marketing, sales and other sections' HOD/ leaders along with additional qualification with Finance Major. It is ideal to go ahead, build understanding, shape choices and make decisions.

In the process, a CFO needs to go from being a **Chief Financial Officer** of the Company to the **Chief Future Officer** of the Company to ensure the success and sustainability of the Company/Group.



THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

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ICAI - NAVI MUMBAI CHAPTER

(Think Beyond Horizon)

announces Seminar on
Free Trade Agreement, Contemporary Cost Management
and Value Creation (Growth vs Survival Strategy)

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Please write to nmcca.seminar@gmail.com
 with your name, Phone No. and email id
 Or call Ms. Aparna Merekar – 9920323175 (Admin. Officer)

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VENUE: Navi Mumbai Sports Association, Sec- 1A,
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CMA Sirish Mohite
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"Behind every successful business decision there is always a CMA"

CHAPTER NEWS

AHMEDABAD

Workshop on Ease of doing Business

Chapter organized workshop for creating awareness for "Ease of doing Business" on 5th December 2019 at Chapter's premises.

CMA Dakshesh Choksi, Chairman of PD Committee-Ahmedabad Chapter welcomed speakers, CMAA. G. Dalwadi-CCM, CMA Ashish Bhavsar-Secretary, WIRC were present.

Shri M. V. Chakranarayan-RD, Ahmedabad explained about progressive reforms undertaken by MCA for Ease of Doing Business and delegated powers to RD. Shri M K Sahu explained Ease of Doing Business and fresh initiatives by ROC. Shri Anu Vivek submitted presentation on general awareness of stakeholders. CMA Tushar Shah discuss on recent key amendments of MCA/ SEBI LODR. CMA G Dalwadi interacts with members. CMA Mitesh Prajapati, Treasurer of Chapter proposed vote of thanks.

Discussion on Draft of Guidance note on Internal Audit of Cost Records

Chapter has organized discussion on Draft of Guidance note on Internal Audit of Cost Record on 11th December 2019. CMA A G Dalwadi, CCM and members of technical cell and CMA Ashish Bhavsar, Secretary-WIRC lead the discussion. At the end of discussion observation and suggestions sent to technical cell. Large number of members participated in discussion.

BARODA

- Chapter arranged an Evening talk on 'Recent Changes in Cost Audit' on 7th December 2019. The speaker was Mr. Ashwin G. Dalwadi - CCM. CMA Ashish Bhavsar - Secretary of WIRC, was the Chief Guest. More than 30 members & students have participated event. The event was inaugurated by CMA Hardik Diwanji, Chairman of Baroda Chapter and Vote of thanks given by CMA Chetan Gandhi.
- Chapter arranged an Evening talk on 'E Invoicing' on 21st December 2019. The speaker was Mr. Malav A. Dalwadi. More than 20 members & students have participated in event. The event was inaugurated by CMA Hardik Diwanji, Chairman of Baroda Chapter and Vote of thanks given by CMA Chetan Gandhi.
- Chapter arranged concluding session of the GST Certificate Course 5. All the candidates, faculties and office bearers were present in the session. All the faculties were felicitated with the memento by the office bearers.
- With reference to the notification dated 12th July 2019 having subject 'CMA Career Counselling Drive: 2019 - 2020, Chapter have arranged following career counselling session during the month of December 2019.
 1. At Gujarat Refinery English Medium School (GERMS), Gujrat Refinery Township, Unera, Vadodara - 391320 on 30-11-2019. More than 100 student have been got benefited from the session.
 2. At Pratap High School, Sayajigunj, Vadodara - 390 005, on 12-12-2019. More than 50 students have participated in the said session.
 3. At Baroda High School, Makarpura Road, ONGC, Makarpura, Vadodara - 390 004, on 05-12-2019. More than 50 students have participated in the said session.
 4. At Arya Kanya Vidhyalay, Karelibaug, Vadodara - 390

018, on 24-12-2019. More than 40 students have participated in the said session.

NASIK-OJHAR

Seminar on New GST Return & E-Invoicing

Chapter conducted a seminar on "New GST Return & E-Invoicing" on 30th December 2019 at CMA Hall, Prasanna Arcade, Nashik. The eminent faculty CMA Pratik Shah from Pune, explained on the amendments in GST like E- Invoicing and New Returns requirements.

The programme began with the welcome speech by CMA Dipak Jagtap (Managing Committee member of Nashik Chapter) and ended with vote of thanks by CMA Swapnil Kharade, Secretary of Nashik Chapter.

Career Counselling Programs

Chapter had successfully conducted Career Counselling programme on 12th December 2019 at S N Arts, D J Malpani & B N Sard's Science and Commerce College, Sangamner, Nashik. Total 112 students attended this program. Brief explanation about CMA course provided to students.

NAVI MUMBAI

Chapter organized a CEP on "Legal Compliances to start a business" on 15th December 2019 at Karmaveer Bhaurao Patil College, Vashi

The programme commenced with the introduction of CMA Ajay Mohan (speaker) by CMA Basant Kumar Das and emphasizing on the importance of legal compliance required for a new business and avoid fines and penalty for non-compliance.

Speaker CMA Ajay Mohan explained various legal compliances applicable to proprietorship firm/individual, partnership firm, LLP, private/public company, one person company. He also elaborated on merits and limitations of these forms of organization. He briefed on startup India scheme promoted by Government of India. Legal compliances are necessary to start a business and compliance in proper manner and in time helps business to smooth functioning and creating a brand.

The session was very interactive and speaker thanked all participants for making session interesting with their questions and discussion. The programme completed with felicitation of CMA Ajay Mohan by CMA B N Sapkal.

CMA K R Jethani, MCM of the Chapter, proposed vote of thanks.

PUNE

"Stakeholder feedback Divas on "New GST Return"

The Institute of Cost Accountants of India - Pune Chapter and Pune Trade Promotion Organizations join hands for an interactive session with Central GST, Pune-1 Commissionerate, celebrated "Stakeholder feedback Divas on "New GST Return" on Saturday, 7th December 2019 at CMA Bhawan, Karvenagar, Pune.

CMA N.K.Nimkar welcomed & felicitated the guests Smt. Krishna Mishra, Principal Commissioner, Central GST, Pune-1 Commissionerate, Smt. Rajlakshmi Kadam, Dy. Director, Directorate of GST Intelligence-Pune Zonal Unit and Shri. Ankit Kaul, Assistant commissioner, Central GST Pune-1 Commissionerate.

CMA Rahul Chincholkar introduced the guests and programme started with lighting of lamp in the hands of dignitaries.

Smt. Krishna Mishra took overview of SVLDR Scheme 2019. Shri. Ankit Kaul discussed the point regarding new GST Returns and other industry professionals took a practical session to understand challenges in new GST Returns.

CEP on "Critical aspects of Capital Gain & Transfer Pricing under Income Tax"

Chapter conducted CEP on "Critical aspects of Capital Gain & Transfer Pricing under Income Tax" on Saturday, 7th December 2019 at CMA Bhawan, Pune

Speaker for the programme was CA Hrushikesh Chincholkar. CMA Rahul Chincholkar introduced the speaker to participants and felicitated speaker.

"Members' Meet" along with session on Laughter Therapy

On occasion of completion of one year to CMA Bhawan, Chapter organized Member's Meet Programme along with session on Laughter Therapy on Monday, 9th December 2019.

Mr. Makarand Tillu (Laughter yoga Trainer & Motivational Speaker) was the speaker for the program. CMA Sujata Budhkar, Chairperson, ICAI-Pune Chapter felicitated him.

CMA Dr. Dhananjay V Joshi, Past President ICAI, CMA Amit Apte, Past President, CMA Neeraj Joshi CCM, CMA Sujata Budhkar, Chairperson, CMA Smita Kulkarni, Secretary, CMA Nagesh Bhagane, Treasurer, CMA Nilesh Kekan, Member of ICAI-Pune Chapter, Past Chairmen and many members attended the program.

CMA Dr. Dhananjay V Joshi, Past President ICAI & CMA Neeraj Joshi CCM, ICAI welcomed the members and took review of the activities of Chapter in the year on this occasion of Anniversary of CMA Bhawan.

The speaker explained the importance of laughter in our life to reduce the stress.

CEP on "Recent amendments in GSTR 9 & 9C"

Chapter conducted CEP on "Recent amendments in GSTR 9 & 9C" on 11th December 2019 at MCCIA, Hadapsar, Pune. Speaker for the programme was CMA Shripad Bedarkar.

CMA Shrikant Ippalpalli welcomed & introduced the speaker to the participants. CMA Sameer Parkar felicitated the speaker.

CEP on "Behavioural Finance"

Chapter conducted CEP on "Behavioural Finance" on 14th December 2019 at CMA Bhawan, Karvenagar, Pune

Speaker for the programme was CA Yashodhan Khare.

CMA Chaitanya Mohrir, RCM, WIRC welcomed & introduced the speaker to the participants. CMA Dr. Netra Apte felicitated the speaker. CA Yashodhan Khare explained the topic about "Behavioral Finance".

Career Counseling Programme

Chapter conducted Career Counseling Programme at Modern College of Arts, Science & Commerce, Shivajinagar, Pune on 20th December 2019.

CMA R. W. Kulkarni guide the students to increase CMA Course awareness. Students' response to this programs was very overwhelming & fruitful.

ICAI-Technical Cell Committee Meeting

Technical Cell of the Institute has released the Exposure Draft of Guidance Note on Internal Audit of Cost Records for public comments and the last date was 12th December 2019.

As decided by the Chairman, Technical Cell of the Institute, CMA Dr. Dhananjay V. Joshi, Past President ICAI a meeting

was organised on 15th December 2019 at CMA Bhawan, Pune to review the comments and suggestions received from Industry, members and the general public on the Exposure Draft of Guidance Note on Internal Audit of Cost Records and finalise the guidance note accordingly.

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 Bhagane 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

Full Day Seminar on "GST Annual Returns, GST Audit and New GST Forms"

Chapter organized a full day Seminar on "Recent updates in GSTR-9 & GSTR9C" on 8th December 2019 at Chapter's Premises. CMA Nanty Shah, Secretary of the Chapter welcomed the Chief Guest & speaker CMA Neeraj Joshi, CCM & Chairman WIRC and faculty CMA Dr. Shailendra Saxena and all the delegates and final students. CMA Mahesh Bhalala, Managing Committee Member and CMA Nanty Shah, Secretary of the Chapter welcome CMA Neeraj Joshi with flowers and memento. CMA Dr. Saxena was felicitated by CMA Brijesh Mali, Chairman of the Chapter. CMA Bhanwarlal Gurjar, managing committee member of the Chapter gave brief introduction of the faculty CMA Dr. Saxena and CMA Rakesh Verma, member of the Chapter gave brief introduction of CMA Neeraj Joshi. CMA Neeraj Joshi highlighted the points which mainly have to look after while filling various returns of GSTR. CMA Dr. Shailendra Saxena explains recent changes and legal issues while filing various GSTR - 9A, GSTR - 3B and GSTR - 9C. He explained on the topic Latest legal pronouncements and amendments in GST law and GSTR - 9C Structural Aspect. The session was very interesting. The programme was well attended by members and Final students. CMA Sanjay Pasari, Member of the Chapter proposed formal vote of thanks.

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.

Our Proud Supporters of Symposium on “Cost Audit – Stakeholders’ Value Proposition” held on 20th December 2019, at Y. B. Chavan Auditorium, Mumbai

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Felicitation of Mr. MV Chakranarayan-RD by CMA A G Dalwadi, CCM-ICAI during full day workshop on "Ease of doing Business" organised by Ahmedabad Chapter on 5th December 2019.



CMA Bhanwarlal Gurjar CMA Shailendra Saxena- Faculty, CMA Neeraj Joshi (CCM & Chairman WIRC), CMA Nanty Shah, CMA Mahesh Bhalala during Full Day Seminar on "GST Annual Returns organised by Surat-South Gujarat Chapter on 8th Dec. 2019



CMA Pratik Shah, faculty is being felicitated by CMA Swapnil Kharade, Secretary of Nashik Chapter during CEP on New GST Return & E-Invoicing organised by Nashik Ojhar Chapter on 30th Dec. 2019. Also seen CMA Kailas Shinde - Committee member



Dignitaries during CEP on "Stakeholder feedback Divas on "New GST Return" organized by Pune Chapter on 7th December 2019 at CMA Bhawan, Pune.



CMA Ashish Thatte & CMA Vinayak Kulkarni met CMA V M Patki, Chairman, Thane Janta Sahakari Bank



CMA Neeraj Joshi, Chairman WIRC met Mr. Chintamani Nadkari, NKSGB - MD in the month of December 2019. Also seen CMA Ashish Thatte, CCM & CMA Chaitanya Mohrir & CMA Vinayak Kulkarni, RCMs



CMA Dr. Netra Apte felicitating the speaker Mr. Yashodhan Khare during CEP organised by Pune Chapter on 14th December 2019 at CMA Bhawan, Pune.



CMA Hardik Diwanji, Chairman of Baroda Chapter felicitating CMA Ashwin G. Dalwadi - CCM-ICAI during Programme on Recent Changes in Cost Audit organised by Baroda Chapter



CMA Ajay Mohan, speaker, being felicitated by CMA B N Sapkal during CEP on "Legal Compliances to start a business" organised by Navi Mumbai Chapter on 15th December 2019



WESTERN INDIA REGIONAL COUNCIL

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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

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

WE look forward to have a maximum participation from all the chapters.

CMA Neeraj D. Joshi,
Chairman, ICAI-WIRC

CMA Chaitanya Mohrir
Chairman, SMCCC

CMA Parag Rane
Chairman, Aurangabad Chapter

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