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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.: 9372045191, 8828061444, 9372036890 • E-mail : wirc.admin@icmai.in • Website : www.icmai-wirc.in



ICMAI

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



WESTERN INDIA REGIONAL COUNCIL

is pleased to announce

REGIONAL COST CONVENTION 2024

Theme:

**CMA's Boosting Efficiency, Control and Sustainability
through Technology and Social Equilibrium**

• Dates: •

Friday & Saturday
15th - 16th March, 2024

• Venue: •

Essentia Luxury Hotel,
Piplyahana Square (World cup square),
Ring Road, Indore - 452016

Hosted by:

ICMAI - Indore Dewas Chapter

About the Theme of the Convention

In the era of dynamic and volatile business and economic environment companies are focusing of improving efficiency and sustainability of their businesses. Unlocking an organization's potential requires effective management. And CMA's, equipped with their knowledge of various cost and management accounting tools and techniques are centrally placed to facilitate advancement of strategic objectives, optimizing resource utilization and guiding companies toward long-term prosperity

Cost management techniques are essential tools in the hands of CMA's to ensure organizations achieve financial success and sustainability. By implementing these techniques, businesses can optimize costs, improve operational efficiency, and boost profitability in today's competitive market landscape. The very essence of being a CMA is having the ability to establish appropriate financial and non-financial performance metrics in relation to the organization's strategic and operational goals. Sustainability performance measures and KPI's help organizations to establish progress against sustainability goals and to ensure that they have considered their environmental, social, and economic impacts.

CMA's are well positioned to take a lead role within their organization to integrate sustainability issues in their strategic formulation, strategic implementation, and evaluation and control processes. They can deliver enormous value in reducing a company's carbon footprint by applying their competencies and skills in areas such as strategic planning, financial analysis, risk management, internal controls and reporting, technology solutions, activity analysis, capital budgeting.

A system is said to be in social equilibrium when there is a dynamic working balance among its interdependent parts. Each subsystem will adjust to any change in the other subsystems and will continue to do so until an equilibrium is retained. Wellbeing of the society can be ensured only through efficient business operations with focus on sustainability. CMA's have a pivotal role in leveraging technology and Management accounting tools and Techniques for bringing about sustainable development with positive effect on economy as it will allows companies to increase productivity and lower costs. And that benefits businesses and consumers by encouraging innovation and creating jobs, further boosting the economy.

PROGRAMME SCHEDULE

Friday, 15th March, 2024		
From	To	Details
09.00 am	10.00 am	Registration & High Tea
10.00 am	11.30 am	Inauguration Session
11.30 am	12.00 pm	Tea / Coffee Break
12.00 pm	01.00 pm	Plenary session
01.00 pm	02.00 pm	Lunch
02.00 pm	04.00 pm	Technical Session – I
04.00 pm	04.30 pm	Tea / Coffee Break
04.30 pm	06.00 pm	Technical Session – II
7.00 pm	Onwards	Convention Dinner
Saturday, 16th March, 2024		
From	To	Details
08.30 am	09.30 am	High Tea
09.30 am	10.30 am	Technical Session – III
10.30 am	10.45 am	Tea / Coffee Break
10.45 am	12.00 pm	Technical Session – IV
12.00 pm	01.00 pm	Valedictory Session
1.00 pm	Onwards	Networking Lunch

CEP Credit – 6 Hours

DELEGATE FEES & SPONSORSHIP DETAILS

Non Residential Delegate Fees	
Delegate Categories	Amt. (Rs)
Self-Sponsored Members	1,500/-
Corporate Delegates & Non Members	2,500/-
CMA Student	5,00/-
Accompany Spouse	1,500/-

Residential Delegate Fees (Plus 18% GST)

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Double Occupancy	16,000/-

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Front Inside Cover	25,000/-
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Full Page (B/W)	15,000/-
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For Practising Cost Accountant

Souvenir Imprint	Amount (Rs.)	No of Free Delegates
Full Page	30,000/-	4
Half Page	15,000/-	2

Sponsorship Details (GST Payable under RCM by the Sponsorer)

Sponsorship Type	Amt. (Rs.)*	No. of Free Delegates	Logo on Backdrop	Souvenir Imprint
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Silver	2,00,000/-	5	Yes	Full Page Colour
Convention Kit	1,50,000/-	4	NA	Full Page Colour
Cultural Event	1,00,000/-	3	NA	Half Page Colour
Convention Dinner	1,00,000/-	3	NA	Half Page Colour
Co-sponsorer	75,000/-	2	NA	Full Page (B/W)

*Plus 18% GST – (GST Payable under RCM by the Sponsorer)

PAYMENT DETAILS

For Cheque or DD	Details of NEFT Payment
<p>The Cheque / DD should be in the favour of “The Institute of Cost Accountants of India- WIRC”</p>	<p>Bank of Baroda, Horniman Circle, Mumbai SB Account No: 27940100022156. IFSC Code: BARB0PBBMUM (Fifth Character is ZERO) MICR Code: 400012111. PAN: AAATT9744L GSTIN No. : 27AAATT9744L1ZS</p>

For Registration please contact :

Western India Regional Council of ICAI

Rohit Chambers, 4th Floor, Janmabhoomi Marg, Fort, Mumbai 400 001. Maharashtra. India.

Mob.: 90760 20355 / 93720 45191 • E-mail: wirc.admin@icmai.in



FROM THE DESK OF CHAIRMAN

Respected seniors and Dear professional Colleagues,

Greetings!

Wish you and your family a Very Happy and Prosperous new Year.

First Quarter of year 2024 will be filled with the learning and joy. I am pleased to announce that we have declared a webinar series for UPSC ICoAS preparation for Cost Accountants. Indian Cost Accounts Service is the only Accounting Service having professional Cost/Chartered Accountants. There are 31 participating offices of various Ministries/Departments such as Economic Affairs, Revenue, Commerce, Company Affairs, Defense, Chemicals & Fertilizers, Industry, Agriculture, Consumer Affairs and PD, Supply National Pharmaceutical Pricing Authority, I&B etc., require services of ICoAS. I am very much confident that interested CMA's will take benefit of this webinar series.

We have also started other series of Webinars on Intricacies of Cost Audit and Cost Record rules on different sectors. There was a long demand from members to have such session. I am sure that members will take benefit of this webinar series.

After a GAP of 4 years this year again we are organizing a Student's Regional Cost Convention on 17th and 18th February, 2024. This convention will be hosted by ICMAI- Nashik Chapter. The theme of this convention is "Innovate, Impact, Inspire: CMA to redefining Boundaries and Nation Building". In this convention, we are arranging 3 competition for students- PPT competition, Quiz Competition and Mock Parliament. We are also having a cultural event. In my opinion such conventions are very much required for the overall development of the students.

We are also organizing Regional Cost Convention at Indore on 15th and 16th March 2024, at Essentia hotel. This era is of the dynamic and volatile business and economic environment companies are focusing of improving efficiency and sustainability of their business. CMAs are equipped with their knowledge of various cost and management accounting tools and techniques which can be used for the long-term prosperity of the company. Considering this, we have selected a theme for the convention "CMAs Boosting Efficiency, control and Sustainability through Technology and Social Equilibrium". I appeal to members and students for their participation in both the conventions.

I congratulate our Dynamic president sir and all the council members for launch of the ICMAI TV channel on JioTV platform. This channel will definitely help to members and students in education, culture, skill development innovations etc.

The inauguration of Ayodhya's Ram Mandir is planned on 22nd January, 2024. We can call this temple as a Rashtra Mandir symbolizing cultural, spiritual and social unity of the country.

In this month we are also celebrating 75th Republic Day on January 26. The 2024 Republic Day theme is "India - Mother of Democracy" and "Viksit Bharat" (Developed India). The President of France, Emmanuel Macron, has been invited to attend India's Republic Day celebrations. AS per the defense officials, This year's Republic Day parade will feature two all-women contingents from the defense forces marching. "One contingent, consisting of 144 personnel, will comprise all women soldiers, with 60 from the Army and the remainder from the Indian Air Force and Indian Navy". I appeal all the members to attend the flag hosting ceremony at your place.

Regards,

CMA Chaitanya Laxmanrao Mohrir
Chairman, WIRC-ICMAI



FROM DESK OF CHIEF EDITOR

Respected Seniors and Dear professional Colleagues,

Greetings!

“Learn as if you will live forever, live like you will die tomorrow.”

I take this opportunity to wish you and your family members’ a very happy & prosperous new year. May this New Year turn out to be best year!

The Theme for the January 2024 issue is “Industry Specific – Automobile Industry”. We have received 3 articles on the theme. We are also publishing articles on other professional matters. I am thankful to all authors for providing articles and making WIRC Bulletin a Knowledge Pack.

From this month onwards we have started publishing Success Stories of CMAs who had reached respectable position. I request our proud CMAs those who have reached highest position to share their professional journey stories to publish in WIRC Bulletin. It will inspire young CMAs for making their Career bright

I congratulate President Sir and all Council member for Launch of ICMAI TV Channel on JioTV Platform. It is specifically crafted to broadcast both live and pre-recorded content encompassing various topics such as education, culture, innovation, skill development and start up initiatives, catering to the needs of students and members alike.

WIRC is organising 2 big events in the month of February & March 2024. Regional Students Cost Convention on 17th & 18th February 2023 at Nashik and Regional Cost Convention on 15th & 16th March 2024 at Indore. Details are published in this issue. I appeal Students and members to attend in large numbers.

Professional Development Committee of Western India Regional Council of ICMAI announced Webinar Series for UPSC ICoAS Preparation for Newly Qualified Cost Accountants and Intricacies of Cost Audit and Cost Records Rules on Different Sectors in the month of January 2024. I congratulate CMA Arindam Goswami, Chairman, Professional Development Committee for arranging this series.

I urge the members to share knowledge by way of article to make WIRC Bulletins Knowledge Pack. We welcome suggestions and feedback for betterment of WIRC Bulletin

I wish Happy Makar Sankranti in advance to all members, students, employees and their families. Enjoy Kite Festival.

CMA Mihir Narayan Vyas

Chairman, Editorial Board

Theme of January 2024 is “Budget”

Articles on the theme as well as other professional matters are invited along with scanned copies of their recent passport size photograph, email id, mobile no and scanned copy of declaration stating that the articles are their own original and have not been considered for anywhere else.

Please send your articles by e-mail to wirc.admin@icmai.in before 5th February 2024.

Indian Automobile Industry



CMA Anmol Choubey

Mob.: Mob: 9098637941

E-mail : anmolchoubey73@gmail.com

Major Segments of Indian Automobile Industry are – By Vehicle Types (Two-Wheelers, Passenger Cars, Commercial Vehicles, and Three-Wheelers), By Fuel Type (Diesel, Petrol / Gasoline, Electric, CNG/LPG and Others), and by Region (North India, East India, West India, and South India).

India Automobile Market Analysis

Value of India's Automotive Market is around USD 108 billion in 2023 (INR 8.7 lakh crore) and is expected to reach USD 160 billion in 2027, registering a CAGR of 8.1% over the forecast period (2022-2027).

Low-cost production. Cheap labour, easy availability and low cost of raw materials, and a weak currency are the reasons because of these factors India has become a well-recognized Automobile manufacturing hub worldwide. India is the 4th largest producer of Automobiles in the world, with an average annual production of more than 4 million motor vehicles.

Due to the rise in the young population, the India's Automobile market is expected to witness strong growth. Additionally, due to the rising demand for automobiles, export from the country has also seen a significant increase.

Major players in the passenger car segment include Maruti Suzuki, Tata Motors, Hyundai Motor Company, Mahindra and Mahindra, Kia Motor Company etc. Players in the two-wheeler segment include Hero Moto Corp., Honda, TVS, Bajaj, Royal Enfield etc.

The automobile sector accounts for 7.1% of India's GDP and 49 % of manufacturing GDP. That is why the automobile sector in India is a significant driver of macroeconomic growth. The government is focusing on increasing the share of the automobile industry by introducing various norms and schemes.

Electric vehicles: The road ahead for the Automobile Industry

Electric vehicles (EVs) will serve the future India. Clean air, low noise and no emissions of oil would be possible if government's plan can be executed. In addition to that India may become a manufacturing hub for EVs.

The Indian government is undertaking multiple steps to promote the manufacturing and adoption of electric vehicles in India so that emissions could be reduced and it may bring ultimate revolution in the country.

Tax exemptions and subsidies to EV manufacturers and consumers are additional initiatives brought by the government to promote the domestic electric vehicle industry. The government also offers several sort of incentives to make EVs more affordable. for instance – Road tax exemption, Purchase incentives, Coupons, Registration fee exemption, Scrapping incentives, Income tax deduction on interest paid on loan taken for the same etc

India's electric vehicle sector is picking up speed with 100% FDI allowed, new production centers, and a greater drive to improve charging infrastructure.

TYPES OF EVs

Battery Electric Vehicles (BEVs) :

BEVs are also termed as zero emissions vehicles or All-Electric Vehicles (AEV). BEVs are entirely electric vehicles with rechargeable batteries. Electric Vehicles using BEV technology run entirely on a battery-powered electric. The charged battery pack then provides power to one or more

electric motors to run the electric car. BEVs are called zero emissions, as they do not generate any harmful emissions or air pollution hazards caused by traditional vehicles.

Examples of BEV:

MG ZS, TATA Nexon, TATA Tigor, Mahindra E20 plus, Hyundai Kona, Mahindra Verito

Hybrid Electric Vehicle (HEV):

HEVs are also termed as parallel hybrid. HEVs have both a gas-powered engine and an electric motor to drive the car. The engine gets energy from fuel, and the motor gets electricity from batteries.

The fuel tank supplies energy to the engine like a regular car. The batteries run on an electric motor.

Examples of HEV:

Electric motor, Battery pack with controller & inverter, Fuel tank, Control module

Plug-in Hybrid Electric Vehicle (PHEV) :

The PHEVs are also termed as series hybrids. They have both engine and a motor. Like regular hybrids, they can recharge their battery through regenerative braking. A user may choose among the fuels, conventional fuel (such as petrol) or alternative fuel (such as bio-diesel or It can also be powered by a rechargeable battery pack. The battery can be charged externally but most PHEVs are not capable of supporting fast charging.

Examples of PHEV:

Ford C-Max Energi, Mercedes C350e, Mercedes S550e, Mercedes GLE550 Ford Fusion Energi, Audi A3 E-Tron, BMW i8, BMW X5 xdrive40e, Fiat 500e, Hyundai Sonata, Kia Optima.

Fuel Cell Electric Vehicle(FCEV):

FCEVs are termed as Zero-Emission Vehicles. 'fuel cell technology' works to generate the electricity required to run the vehicle. The chemical energy of the fuel is converted directly into electric energy.

The FCEV generates the electricity required to run this vehicle on the vehicle itself.

Examples of FCEV:

Toyota Mirai, Hyundai Tucson FCEV, Honda Clarity Fuel Cell, Hyundai Nexa.

Market Analysis and Trend of EVs

Major players in the various segments are investing in R&D and infrastructure to gain the upper hand. For instance, in October 2021, Tata Motors revealed intentions to invest up to USD 2 billion in India over the next four years to develop ten new electric vehicles.

In December 2021, Hyundai Motor aimed to invest INR 4,000 crore (USD 531.12 million) in India by 2028 to launch six new electric vehicles.

Electric vehicles' sales in India reached 3,71,340 units in the third quarter (Q3) of 2023, a year-over-year (YoY) increase of 40% compared to 2,64,781 units sold in the same period last year.

EVs accounted for 7.3 % of overall automobile sales, according to data released by the Ministry of Road Transport and Highways through its yahan Dashboard India has over 2.7 million registered EVs as of September 2023 (excluding Telangana and Lakshadweep)

Product Costing in the Automobile Industry

CMA CS MSC N. Rajaraman

Mob.: 75062 55388

E-mail: rajaraman.chandra@gmail.com



Synopsis:

Effective cost management is crucial for automotive companies to maintain their competitiveness and profitability. One promising approach to address these challenges is the use of appropriate costing software. These sophisticated tools provide detailed and dynamic costing models, track and analyse data from the global supply chain, and offer predictive analytics to anticipate future trends and disruptions.

Product costing in the automotive industry

The automotive industry, characterized by rapid innovation, global supply chains, and stringent regulatory standards, is confronting several key challenges related to product costing. These challenges are being driven by factors such as the rise of new technologies like electric and autonomous vehicles (Driver less/Auto Gear Transmission), Technology upgradation (multimodal surface/water transport), increased competition and price pressure, evolving customer expectations, and the growing complexity of modern vehicles.

There is a pressure on manufacturing companies to respond to the threat of global warming, to meet the 2015 Paris Agreement on Global warming cap, emissions must be reduced to reach Net Zero by 2050. This makes the Auto Manufacturers to struggle to strike a trade-off between driving down Carbon dioxide equivalent (CO₂e) emission, reducing product costs and to address customer value demands, while endeavouring the business to operate profitably.

Appropriate costing software: A game-changer for the automotive industry

Strategic costing software offers significant benefits to the automotive industry, particularly in addressing its complex costing challenges. One of the primary advantages of an appropriate software is its ability to estimate costs based on a set of predefined parameters, such as material costs, labour rates, production volumes, and product specifications. This enables companies to model the cost implications of various design choices, production strategies, and supply chain scenarios quickly, thereby providing a more accurate and dynamic picture of product costs.

Through appropriate Software, automotive companies can make more informed decisions about design, production, and pricing, leading to improved cost efficiency and competitiveness. Further such software analytics gives a greater understanding of cost drivers in the automotive industry. By identifying the specific factors that contribute to the overall cost of a product, companies can identify potential areas for cost reduction and efficiency improvement.

Gaining competitive advantage in the automotive industry: The crucial role of cost transparency and cost efficiency

Cost transparency and cost efficiency are of paramount importance in the automotive industry. Given the complexity of modern vehicles and the vast, interconnected supply chains involved in their production, understanding exactly where and how costs are incurred (cost transparency) is crucial for effective cost management and decision-making. It allows companies to identify areas where costs can be reduced without compromising quality or performance.

Cost efficiency, on the other hand, refers to the ability to minimize costs while maximizing output. In a highly competitive industry such as automotive, cost efficiency is key to maintaining profitability and market share. This involves not just optimising costs, but doing so in a way that delivers the most value – whether that means producing more vehicles with the same resources, improving the quality and performance of vehicles without increasing costs, or delivering innovative new features that customers are willing to pay for.

can play a critical role in enhancing both cost transparency and cost efficiency, enabling automotive companies to compete more effectively in today's challenging market environment.

Recommendations to Improve Cost Management

It became evident that the influenceability/cost impact relationship should be the basis for targeted and successful cost-cutting measures. The research – and particularly the matrix exercise – led us to several key conclusions and recommendations for automotive suppliers:

1. Cost drivers rather than the type of costs should be the starting point for any cost-management initiative. Conventional costcutting measures such as finance/controlling, purchasing/ supplier, manufacturing and HR/ administration are often ineffective beyond the short term, largely because they focus on the type of costs.
2. Knowledge of the extent of influence for each cost driver is essential. It is not enough just to consider the impact of the drivers on costs. In some cases, the cost driver may have a significant impact on cost but can only be partially influenced.
3. Employee qualification is a crucial issue. The impact of employees on company performance and the potential for cost savings should not be underestimated or overlooked.
4. The increasing complexity of products is a significant cost driver. As product complexity can be influenced internally, this lever should be applied to reduce costs.

5. International supply chains lead to high costs in logistics and IT. Therefore, compatible systems as well as transparent and predictable processes must be used to counteract costs.
6. To avoid unnecessary costs, automotive suppliers should collaborate closely with suppliers and customers right from the start of an innovation process. Cross-functional teams should be used to identify customer desires at an early stage to avoid negative investments and to reduce product development processes.

Product cost and content optimization: a holistic approach

Cost-down programs are not new, yet vehicle programs often face cost overruns during the development process.

To increase the benefit of a cost-down project, we have tested a holistic approach with our customers that keeps the margin on target.

This approach is based on.

- Advanced analytics solutions to enable teams to get a grip on the factors driving complexity – one of the few successful implementations in complexity management.
- Market experts to challenge all your product marketing and sales plans.
- An extensive benchmark database to validate supplier quotes.

- A network of product and manufacturing experts to tap into whenever additional expertise is needed.
- New approaches to known tasks, such as creativity techniques in cost-down workshops and a forum for team members to introduce their own ideas in the process.

Precise evaluation of cost and content optimization projects on a case-by-case basis

- The product & content strategy stream analyses the positioning of the vehicle based on the projected content range in the competitive environment. The aim here is to find the right trade-offs between content-related cost drivers and customer needs in the competitive context.
- In the complexity stream, we analyse variant-heavy items that are almost at the point where suppliers produce the required tools. Here we deploy advanced analytics and address variants where demand is presumably lower.
- In the product cost optimization stream, we apply technical levers and benchmarks to decrease technical costs and ultimately convert them into price reductions with support from purchasing.
- Reporting & steering manage all the work streams, enabling and guiding rapid decision-making and implementation.

Success Story

CMA Usha Pandey, MSc (Maths), MA(English Literature), BEd. and fellow member of the Institute started her career as Manager (Finance & Accounts) in BEC Ltd. Bhilai, Durg, Chhattisgarh. In 1995. In the year 2005, she joined School Education Department Chhattisgarh as a Maths Teacher in Govt. Higher Secondary School, Berla then In Ruabandha, Bhilai. She works as a controller, supervising various Govt. funds allocated to school & Cluster & as a team member of Block Resource Controller, Durg from 2014 onwards. She was Member of Women Task Force Committee of WIRC in 2020-21. Also working as a career counsellor to the Govt. School students of Bhilai, Durg and about 487 students have joined CMA as their career till now.



As a Master Trainer in all the School Education programmes of Chhattisgarh Govt., 27 Students have been selected in NTSE under her guidance for which she has been Awarded as Best Teacher in State level in 2023 & District level in 2018,19,21,22,23. Her story was published on FB of Dr Alok Shukla, Chief Education Secretary Chhattisgarh Govt.

Her Maths activity material has been published in State book. 6 students have been selected in National Level Science Inspire Award under her guidance. She is working as a bridge between CMA Institute & School Education Department of Chhattisgarh.

The Production Link Scheme (PLI) for the Automobile Industry: The Key to Self-Sustainability and Long-Term Growth

CMA Vinod Vasant Shete

Mob.: 86980 76687

E-mail: Vinod_shete@rediffmail.com



What is a PLI?

A PLI is the combination of government incentives that are directly connected to manufacturing performance, as the names indicate. Companies will receive higher incentives if they manufacture more goods in India. Subsidies, monetary advantages, and other sorts of incentives are available. PLIs are available from the government to both foreign and indigenous manufacturers. While international manufacturers are encouraged to set up shop in India, home grown businesses are urged to expand and export.

PLI schemes were first introduced in India in March 2020, primarily targeting three industries: mobile manufacturing and electric components, pharmaceuticals (critical key starting materials/active pharmaceutical ingredients), and medical device production. Since then, the PLI concept has expanded to encompass programmes for a variety of industries, with the goal of strengthening India's manufacturing capabilities and encouraging export-oriented production. The PLI programmes aim to develop local supply chains, introduce new downstream operations, and stimulate high-tech manufacturing investments. In her Budget speech for 2021–2022, Hon. Finance Minister Nirmala Sitharaman announced a 1.97 lakh crore budget for the PLI scheme.

Objective

The programme provides financial incentives to increase local production of Advanced automobile Technology goods and to attract investments in the automobile manufacturing value chain. The scheme's primary goals include overcoming cost barriers, creating economies of scale, creating jobs, developing a robust supply chain in areas of Advanced Automotive Technology products, and assisting the automobile industry in moving up the value chain into higher value added products.

Target Segments

The programme is divided into two parts: Champion OEM Incentive Scheme and Component Champion Incentive Scheme. The Champion OEM Incentive scheme is a 'sales value linked' scheme that applies to Battery Electric Vehicles and Hydrogen Fuel Cell Vehicles of all segments - 2 wheelers, 3 wheelers, passenger vehicles, commercial vehicles, tractors, military vehicles, and any other Advanced Automotive Technology vehicle as prescribed by MHI depending on technological developments. MHI will establish a list of qualifying Advanced Automotive Technology components. MHI reserves the right to make changes to the list as technology advances.

The Prime Minister, Shri Narendra Modi, introduced the Production-Linked Incentive (PLI) Scheme in the Automobile and Auto Components industries. The PLI programme for the car sector (a \$3.5 billion investment) provides financial incentives of up to 18% to enhance local manufacture of innovative automotive technology goods and attract investments in the automotive manufacturing value chain. Incentives are available for calculated sales of items made in India beginning April 1, 2022, and continuing five years.

Quantum of Incentive: The Scheme has an incentive budget of Rs. 25,938 crore. The total incentive for the whole Group Company (ies) is limited to Rs. 6,485 crore.

Scheme Tenure: Starting with Fiscal Year 2022-23, the incentive will be applicable on Determined Sales Value for a total of five consecutive fiscal years, i.e. until FY2026-27. Further, Government has extended the deadline of production linked incentive (PLI) scheme for automobile and auto component, by another year to 2027-28. Post extension, the five-year scheme, originally in place from 2022-23 to 2026-27, will be active until 2027-28.

Eligibility: PLI-Auto scheme incentivises only those eligible AAT products for which a minimum of 50 per cent Domestic Value Addition (DVA) is achieved and has been certified by Testing Agencies (TAs) of MHI. This criterion shall reduce imports, facilitate deep localization for AAT products and enable creation of domestic as well as global supply chains.

The PLI scheme comes at a right time for the auto sector (i.e. vehicles and auto components, as well as advanced chemical cell batteries) and should be seen in conjunction with the AMP 2026 (Automotive Mission Plan) declaration "Vision 3/12/65". Together, they have paved the way for the Indian automotive sector to become one of the top three global car manufacturers, while also contributing nearly 12% to Indian GDP and creating an extra 65 million employment by 2026.

There are four plans for the automotive sector under the scheme: the sourcing incentive scheme, the champion OEM incentive scheme, the logistic cost related reward scheme, and the component champion incentive scheme. A company would qualify for PLI under the champion scheme if it has a revenue of Rs 1000 crore (Rs 100 crore for component makers) from overseas operations, a total revenue of Rs 10,000 crore (Rs 500 crore for component makers), and a global investment of Rs 3000 crore (Rs 150 crore for the component sector).

To qualify as Automotive Champions and receive the highest incentives in the form of cash backs on incremental sales, companies must meet all three criteria. For new non-automotive entities, the Production Linked Incentive (PLI) will be available to companies that have a global net worth of Rs 1000 crore and have committed to investing at least Rs 2,000 crore in India over a 5-year period. These investments must include a strategic plan for increasing revenue from automotive and auto component manufacturing.

Latest Development:

A total of 115 companies applied for this scheme. Of these, 85 were approved under the PLI scheme, 18 were approved under the Champion OEM incentive scheme and 67 were approved under the Component Champion incentive scheme.

The scheme has successfully attracted a proposed investment amounting to 67,690 crore rupees against the target of 42,500 crore rupees over a five-year period.

In addition to the Indian business community, the approved applicants for the Champion OEM incentive included groups from countries like Korea, the USA, Japan and France, as well as Italy, the UK and the Netherlands.

Conclusion:

Indian automobile industry is the world's fourth-largest maker of automobiles and the seventh-largest manufacturer of CVs. While the car sector accounts for around 7.1% of the Indian GDP, the auto component industry accounts for approximately 2.3% of the GDP. Aside from these actual facts, the automobile industry has one of the biggest

potentials of any sector for creating jobs to the young and labour force. Considering these reasons, the Government of India is making a concerted effort to expand the auto industry's present contribution to the country's GDP to 12% and the auto component industry's contribution to 3.05% by 2026.

The Auto Sector Skill Development Council (ASDC), which operates under the Ministry of Skill Development & Entrepreneurship, plays a crucial role in the automotive industry. It serves as an independent testing and certifying agency for automotive skills, addressing the skill gap deficiency in the Indian Automotive industry. To achieve this, ASDC modifies the current training curriculum, trains the trainers, and improves examination and certification methods. By doing so, ASDC contributes to providing skills to the youth and up-skilling opportunities to the existing labor force in the automotive sector, making it one of the highest potential industries in terms of skill development.

The PLI scheme is expected to bring significant benefits to eligible firms. However, its impact goes beyond individual companies. It is anticipated that the scheme will create a positive ripple effect throughout the automobile value chain, benefiting each level of the industry. By making the auto sector more cost competitive and positioning it as one of the top three global auto manufacturers, the PLI scheme acts as a growth enabler. This, in turn, attracts investments in research and development, promotes local value addition, and generates job opportunities. Ultimately, these efforts contribute to India's vision of becoming a self-reliant nation, known as "Atmanirbhar Bharat."

WIRC WELCOMES NEW ASSOCIATE MEMBERS - DECEMBER 2023

Sr. No.	Member No.	Name	City
1	54766	Kishor Uddhav Barge	Mumbai
2	54767	Ruchika Pujani	Pen
3	54770	Sanket Sadanand Godbole	Mumbai
4	54772	Utkarsh Kaushik	Surat
5	54792	Richa Rajput	Bhopal
6	54796	Sneha Vinod Kumar Agrawal	Navi Mumbai
7	54797	Mahesh Dilip Gadhawe	Mumbai
8	54799	Dhiraj Amarnath Vishwakarma	Kalyan
9	54807	Parmar Rasik Sundarbhai	Ahmedabad
10	54815	Shabbirhussain Afzalhussain Bhaisaheb	Vadodara
11	54817	Gaurav Rajkumar Agrawal	Silvassa
12	54821	Bhavna Amit Israni	Pimpri Chinchwad
13	54825	Parin Kamleshkumar Shah	Surat
14	54830	Argha Roy Choudhury	Pune
15	54832	Nitesh Suryakant Kadam	Mumbai
16	54837	Manoj K Nayak	Mumbai
17	54853	Romil Yogeshbhai Shah	Ahmedabad
18	54861	Seethalaxmi Subramanian Yadav	Navi Mumbai

Cost Record Maintenance in Pharmaceutical Industry Part 1: Raw Material Consumption

CMA Bhakti Gawas Pawar

Mob.: 99305 43749

E-mail: bhakti.gawas@yahoo.com



Background:

India is ranking 3rd worldwide for pharmaceutical production by volume and 14th by value as per one of the reports. The country has an established domestic pharmaceutical industry, with a strong network of 3,000 drug companies and ~10,500 manufacturing units.

India enjoys an important position in the global pharmaceuticals sector. The country also has a large pool of scientists and engineers with a potential to steer the industry ahead to greater heights. Presently, over 80% of the antiretroviral drugs used globally to combat AIDS (Acquired Immune Deficiency Syndrome) are supplied by Indian pharmaceutical firms.

Low cost of production and R&D boosts efficiency of Indian pharma companies, leading to competitive exports. Also high economic growth along with increasing penetration of health insurance is pushing expenditure on healthcare and medicine in India.

Importance:

The Institute of Cost Accountants of India and Ministry of Corporate Affairs explains us about legality and applicability of cost record maintenance of Pharmaceutical Industry in companies (Cost Records and Audit) Rules, 2014 which is further amended in 2016. As per Cost Records and Audit Rules, for the purpose of sub-section (1) of Section 148 of the Act, the class of companies, including foreign companies defined in clause (42) of Section 2 of the Act, engaged in the production of the goods or providing services, specified in regulated sector of which Pharmaceutical Industry is also one part having an overall turnover from all its products and services of rupees thirty five Cr. or more during the immediately preceding financial year, shall include cost records for such products or services in their books of account.

Further as per Act and Rules, every company under these Rules including all units and branches thereof, shall, in respect of each of its financial year commencing on or after the 1st day of April, 2014, maintain cost records in form CRA-1. The cost records referred to in sub-rule (1) shall be maintained on regular basis in such manner as to facilitate calculation of per unit cost of production or cost of operations, cost of sales and margin for each of its products and activities for every financial year on monthly or quarterly or half-yearly or annual basis.

The cost records shall be maintained in such manner so as to enable the company to exercise, as far as possible, control

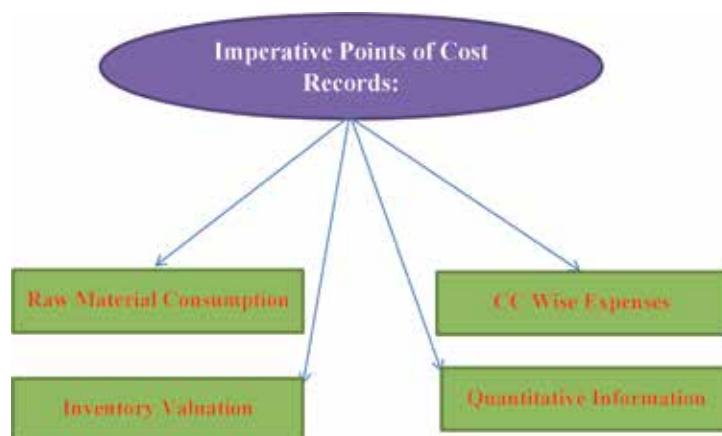
over the various operations and costs to achieve optimum economies in utilisation of resources and these records shall also provide necessary data which is required to be furnished under these rules.

Importance to Government Regulatory Authorities:

National Pharmaceutical Pricing Authority (NPPA) was constituted vide Government of India Resolution dated 29th August, 1997 as an attached office of the Department of Pharmaceuticals (DoP), Ministry of Chemicals & Fertilizers as an independent Regulator for pricing of drugs and to ensure availability and accessibility of medicines at affordable prices.

Imperative Points of Cost Records:

Here we will now try to describe imperative points or areas to be consider in record maintenance of Pharmaceutical Industry. Following flow chart may briefly describe it:



After seeing above 4 Imperative Points of Cost Records in Pharmaceutical Industry, we will focus each point in each article for next 4 articles. This will help in understanding each point in depth and we can focus further into records. In this article let's concentrate on Raw Material Consumption which is very important from any industry point of view.

1. BoM-Wise Consumption
2. Inventory Movement Tracing from System Consumption
3. Tracing Levels of Intermediate
4. Captive Consumption Working
5. Product Yield Working
6. Comparison of Standard and Actual Raw Material Consumption

Raw Material Consumption

1) BOM-wise Consumption:

A Bill of Material (BOM) is nothing but a recipe of product. In every manufacturing industry BOM gives standard ratios of raw material to be used in production of particular product. In case of pharmaceutical industry there is formula or recipe of each and every medicine. It is not only important but imperative to follow BOM in production process as it is related to health of community.

When we are calculating raw material consumption, BOM plays vital role in identification of standard quantity to be used in production of particular products. We have to compile all the data of raw material consumption to get total consumption of particular period. Also, need to check what and which rate & quantity used in the actual production. From BOM data we come to know the how much quantity must be used in the production & exactly which quantity used in the production. Difference between the actual & standard consumption should be shown in to variance account. i.e Price variance etc.

BOM wise consumption should be verified & checked before considering in calculation.

2) Inventory movement tracing from system consumption:

Most of the pharmaceutical companies having advance system i.e SAP, ERP or Oracle which gives us ready reports from system as per our requirements. Generally, consumption reports give us tracing of most of things regarding inventory tracing. It is imperative to know inventory or product movement while analysing raw material consumption whether raw material consumed for finished goods, semi- finished goods or to any intermediate. Raw material consumption stated in consumption report must be traced against each and every product or finished goods. Due to movement tracing, come to know whether raw material used in particular product or remain on the production floor or raw material issued to productions in exact quantity or not.

3) Tracing levels of intermediates:

In this sort of industry, there is various and different types of products and product line. Formulations of each and every product are unique and invented as per community requirements.

In particular product, production there is two or more levels of SFG or intermediates used to produce final product. Identification of intermediates and their connectivity to each other in form of consumption is very difficult task

Every intermediate has its own bill of material which identify different raw material and its formulation also. To identify raw material consumption of these intermediates, have to trace their levels in production process and combinely calculate their raw material consumption to arrive total consumption of that particular final product.

4) Captive consumption working:

As per cost accounting standard 4 of the Institute of Cost Accountants of India, there is a standard treatment should be given to the captive consumed finished goods in the production process. Captive consumption is nothing but a finished goods used as raw material in own another finished goods of the company.

When we calculate overall consumption of the total products, have to identify captive consumed products from the consumption report as to avoid dual entry of the consumption, as there will be chances of dual consumption workings, if system of a particular industry does not have separate coding for the normal finished goods and captivity consumed goods.

To avoid this sort of situation, we have to nullify one impact of consumption from consumption report.

5) Product yield working:

Product yield measures the output as an indicator of productivity, efficiency and product quality for manufactures. In most of the pharmaceutical industry have their standard yield ratios for their all products.

While calculating, raw material consumption, product yield variance working place vital role as it show's comparison between actual and standard yield which is very useful to analyse overall productivity and quality of the product.

Pharmaceutical industry is imperative for community as it is directly related to their health. Hence, productivity and quality analysis is essential to measure performance of organization.

Yield variance is the difference between the amount of finished product excepted from given amount of raw materials and the amount of finished product actually produced. Hence, product yield working is essential to know actual picture of productivity and efficiency.

6) Comparison of Actual and Standard Consumption:

As per BOM, We arrive to Standard consumption and SAP or ERP system gives us actual consumption report which is also map with GLS. To arrive at actual consumption or true consumption and to identify price variance if any, we have to compare actual and standard consumption. Also to check authenticity of the data this comparison is essential. From this comparison, Organisation got to know the any misappropriation, missing entries of production, Raw material issue and actual use of quantity etc. Hence while doing raw material consumption working, It is necessary to consider Standard v/s Actual consumption to analyse or to check authenticity off data.

Hence, above are the various points which have to be considered while calculating raw material consumption working in pharmaceutical industry. There is also three main headings are pending to explain which we will see in the next article and it has to be continued in the next session.



Got Empanelled on the Co Operative Auditors' Panel- What Next?

CMA Dilip Bathija

Mob.: 94224 78735, 86006 97765

E-mail: dilip_bathija@rediffmail.com



Many CMAs got empanelled on the Co Operative Auditors' Panel of Maharashtra State recently. Some have got their empanelment renewed and Some have come first time on the Panel. Many questions arise in the mind of empanelled auditors specially First Timers relating to getting Audit Assignments, Preparing for Audit and Fees etc. In this Article, attempt has been made to provide answer to all such points related to Co Operative Audits.

How to get Audit Assignments

• Through Own Sources

Every year Society appoints its auditor in the Annual General Meeting for doing the audit. One can get these audit assignments through own sources. Society has to get written consent from the proposed auditor and pass a resolution of appointment in the AGM. Society has to give copy of resolution to the appointed auditor. Intimation is also to be given to the concerned registrar's office. These audits are known as Audit by Resolution. Before accepting the Audit, Auditor should keep in mind his grade allotted to him and check whether he is allowed to do the audit of this society.

• Through Department

Many Societies fail to appoint the auditor or do not intimate the registrar of appointment or sometimes intimate late, in such cases Registrar by using his powers issues order under Proviso to Section 81(1) (a) of MCS Act. Registrar allots audits of these societies to the Panel Auditors. Intimation is given to the concerned Panel Auditor. Panel Auditor has to approach those societies which have been allotted to him and do the Audit. Society has to pay the fees. These audits are known as Audits by Order.

Depth of Co Operative segment and Scope of Audit Work

There are about 60 types of Co Operative Societies. Types of Societies which we can see around us are Housing Societies, Housing Federations, Credit Societies including Salary Earners Societies, Sugar Factories, Co Op Banks, Consumer Stores etc.

According to State Co Operation minister's Conference held in September 2022, there are 2, 17,410 registered societies. Breakup is as follows:

Type of Society	Number	% of Total
Housing Societies	115172	53
Co Op Credit Societies	20546	9
Urban Co Op Banks	460	0.21
District Central Co Op Banks	31	0.01
Primary Agriculture Credit Co-op Societies (PACS)	20930	10
Others	60271	28%
Total	217410	

It can be seen from the above table that Housing Societies and

Credit Societies (Urban Credit and Salary Earners) are more in number. PACS are dominant in rural areas.

How to Prepare for doing the Audit

Auditor should read M.C.S Act and Rules to get grip of the subject. Model Bye laws are available in the market. They are different for different types of societies e.g. Model Bye laws for Co Op Housing Societies, Model Bye laws for Co Op Credit Societies etc. Bye laws are internal regulations of Society. One can refer the Bye laws of the type of society which one has to audit.

Auditor has to fill the specified forms as part of Audit Report e.g. for doing audit of Housing Society, Auditor has to fill Form No.1 and Form No.28. For doing audit of Co Op Credit (Salary Earners) Society, Auditor has to fill Form No.1 and Form No.8. Form No.1 is common for all types of societies. These forms contain various questions to be answered by Auditor. Study of these forms also provides good knowledge of the specific subject.

Those who are interested in in-depth study of Co Operatives or want to specialize in the field should watch the various videos available on you tube, should read the periodic magazines issued by various federations and attend the programmes on Co Operatives arranged by various bodies like Sahakar Bharati etc.

Various G.R.s are issued by the Co Operative Department from time to time. Auditor should read the relevant G.R.s to get latest updates.

Audit Fees

Maharashtra State Co Operative Department has issued G.R. regarding the audit fees payable to the empanelled auditors. Rates mentioned in this G.R. are different for different types of societies. This G.R. also explains meaning of different norms for calculating audit fees. This G.R. is available on the Co Operative Department website.

Non Audit Assignments

- Registration of Societies
- Process of Recovery of Dues
- Amendment of Bye Laws
- Elections
- Accounting
- Training
- Taxation
- Annual Returns

Conclusions

Co-Operatives is a vast field of Practice. Auditor Panel consists of CMAs, CAs, GDCAs, and those who have worked in the department. CMAs are well versed with Audits. Many Societies search good auditors who can provide them guidance in addition to Audit. Knowledge of Co Operative field can help CMAs in capturing good position in the field.

Banking Sector – Digital Era & Strategies adopted by Industry

CMA Janil Shayankumar Shah

Mob.: 86551 39381

E-mail : janil.shah@yahoo.com / janil.shah@axisbank.com



While digitization has integrated almost all industries, the banking sector has been actively making efforts to embrace the new technological banking solutions and boost efficiency and productivity. In the past decade, the banking sector has experienced significant changes due to the impact of digitization. The digital revolution has transformed the way customers interact with their banks, and the way banks operate their businesses. Digital technology has enabled banks to offer a wide range of financial services to customers through online platforms, mobile apps, and other digital channels, allowing customers to understand the many benefits.

The banking and financial sector today is continuously battling to reduce liabilities and increase assets. To provide systematic compliance management and operations, a fast-track strategy is required. Artificial intelligence (AI) is a key component of the banking and financial industries, helping to deliver affordable and dependable banking services. Big data is the industry standard today which transforming the industry. The benefits of AI are not only utilizing in extracting and structuring the data but AI is being used in the banking industry to scale new heights in customer relationship management, credit scoring to correctly determine a borrower's risk, predictive analytics, speech recognition, and other ones, to get a competitive edge in the market. Use of ATM machines allow cash deposit and withdrawal directly without requiring human assistance. The battle against fraud and money laundering is one of the most significant applications of AI in banking sector. Net banking, mobile banking, real-time money transfers, and similar services have changed the face of the sector. It was a revolution that led to the growth and demand for artificial intelligence. However, with this digitization, there is an increase in the cyberthreat. These services again need to be secured. Cybercrimes lead to disruption in banking practices.

Initiatives to push Digital Transaction

- RBI has taken several steps to enable mobile payments to enhance their role in digital transactions. Mobile banking has provided cost – effective solution to banking industry.
- Financial transactions via digital channels accounted for 92% of the overall transactions. Out of which, the total share of UPI transaction was approx.42%.
- India's digital lending market witnessed a growth of CAGR 39.5% over a span of 10 years.
- In November 2022, RBI launched a pilot project on

central bank digital currency (CBDC). The platform is called NDSOM CBDC. The Central bank stated that the use case for the wholesale digital rupee is for the “settlement of secondary market transactions in government securities“ as it would reduce transaction costs.

- According to data released by the National Payments Corporation of India (NPCI), UPI transactions reached 10.24 billion until August 30th, 2023.
- Digi Dhan Mela: Under the vision of Digital India, Government of Uttar Pradesh is promoting Digital payment through awareness campaign being organized in the State as a Digi Dhan Mela. The core objective of this event is to increase the awareness among the citizen w.r.t to Digital Payment.
- The Government of India is leaving no stone unturned to make India a global leader in the arena of digital payment systems and help it attain the status of one of the most efficient payments markets in the world.
- UPI continues to drive significant volumes; 33% YoY drop recorded in debit cards volumes in H1FY24 as per BCG report of H1 FY 24
- Highly digital adoption level across all the banks for Sourcing Digital Savings Accounts, FDs, SIP, Issuance of Credit card, Personal Loan. Also, there is growth in volume of transactions also at YoY Basis.

Benefits of AI in Banking Industries

- Improved service responses
- Reduction in human error
- Personalized options in the making
- Strengthening customer base by increasing satisfaction and trust
- Reducing time to travel locations

Applicability Area and Strategy of Banking using the application

Banks are capturing the AI by administering it into daily operational workflow by including changes in the values, employment and information patterns. Some of the application areas of artificial intelligence in the banking industry are listed as follows:

- Refining Consumer Participation:- AI helps to create a personalized container of information for each customer to understand them better, customize the buyer experiences as per their choices, in turn improving

satisfaction. Interactive Voice Response System (IVRS) are examples of such AI-led systems.

- **Wealth Supervision:-** These customized plans for customers not only benefit the banks by increasing their customer-base but also helps the user to manage their wealth in hand with personalized inputs and advice on risk and investment plans.
- **Examining Data to Enhance Defence:-** AI has the power to foretell future trends by interpreting data from the past. This property, when associated with machine learning, will help produce data-driven predictions to counter cases of capital laundering and identifying fraud.
- **Upgrading Security:-** Unusual data pattern recognizing property of AI-led machines helps banks tighten security and recommend changes by identifying loopholes in existing processes. Deceptive emails and log reports, patterns in breach of process flows can be tracked by artificial intelligence to provide better security in the existing methods.
- **Interfacing Emotions:-** AI-led machines use technology that identifies the emotions of the customers based on the text they use to input requirements. Based on this, the devices respond, suiting the tonality and fabrication of the words used by the customer. This not only a realistic experience but also helps banks save massive costs on human resources and large chunks of time. Example: - Chatbots
- **Utilizing Knowledge Database:-** AI-led systems in the banking sector is a massive treasury of data. It has all the details there is for every user on board. This database provides for more meticulous decision making based on improving strategic and business plan models.
- **Controlling Risks:-** The vast data bank available from AI-powered systems allows the banks to manage risk by analysing their plans, studying failures from previous strategies, and eliminating human errors. AI is expanding into the roots of banking security processes to encrypt each step with codes that authenticate transactions, provide understanding to the companies on anti-fraud and anti-money-laundering activities. Regulatory checks like Know Your Customers (KYCs) help heightens security measures.
- **Expanding Through Front-office:-** By offering to be personalized financial guides to customers and strengthening security against fraudulent activities, artificial intelligence is paving its path, strengthening not only in the front-office operation (customer interactions) but into the middle-office (security) and back-end development (underwriting banking service applications) as well.

Challenges Faced

The financial services industry has seen a surge in artificial intelligence (AI) investments, which has raised new concerns about data security and transparency. As data management techniques change in response to the introduction of new AI solutions, these and other difficulties of AI in financial

services are especially crucial to overcome. Organizations need to be aware of the upcoming difficulties listed below and implement safety measures to maintain progress.

- Many banks face the challenge of an unwillingness to improve or adapt to new methods. Standardized with set practices in conventional ways, some locations in tier two and three cities across the country face this challenge. These units also lack the level of commitment required to upskill their labour force and human resources skills.
- With the lack of supporting data to implement operational changes, the banking sector is facing a disconnect between the need and response from customers. The banks adapt to a switch that fails to comply with the actual requirement of the masses.
- Banks with upscaling use of artificial intelligence need to keep up with the regulatory standards of government. The increasing services like net-banking and online transactions come under the ambit of privacy regulation policies as well, which necessitates compliance from the bank's end.
- There is also an evident lack of training witnessed in the existing workforce associating with the advanced tools and applications of the use of AI in banking. With the increasing use of artificial intelligence, there is an apparent demand for a skilled workforce. Proficient and experienced engineers in streams like data science and machine learning are needed to provide credibility to the data in hand.

Dear CMA Colleagues,

WIRC is sending only E-copy of the WIRC Bulletin from January 2022 onwards. If any member requires the Hard Copy in future, please write to WIRC (wirc.admin@icmai.in) with Name, Membership Number and Address to enable us to send the same.

With regards,

CMA Mihir Vyas,
Chief Editor - WIRC Bulletin

Check List to Audit RM Cost Component



CMA Rajesh Kapadia

Mob.: 99090 29382

E-mail: rajeshanita2007@yahoo.com

Raw Material Cost is often dominant cost component in many industries like

- 1) Bulk Drug
- 2) Dyes

3) Aluminium Chloride

4) Phosphoric Acid etc

In Cost Audit Report, RM Cost Component is reported in CRA III, Part-B – 2A.

CRA III – PART-B – 2A

SR NO	RM	CATEGORY	UOM	CURRENT YEAR			PREVIOUS YEAR		
				QTY	RATE	VALUE	QTY	RATE	VALUE
1	RM1								
2	RM2								
3	RM3								
4	RM4								
5	RM5								
6	RM6								
7	RM7								
TOTAL MATERIALS CONSUMED									

As RM Cost Component is dominant Cost Component in these industries, it always pays to the management to monitor, control & reduce its RM Cost Component through Check List to Audit RM Cost Component as given in Annexure I to Annexure IV.

Annexure I

Yearwise Trend of Individual Raw Material as % of Total Raw Material Cost of for Company / for Plant 1

YEAR	CY (Rs Lacs)	%	PY1 (Rs Lacs)	%	PY2 (Rs Lacs)	%
PARTICULARS						
Raw Materials						
Raw Material 1						
Raw Material 2						
Raw Material 3						
Raw Material 4						
Raw Material 5						
Raw Material 6						
Raw Material 7						
Raw Material 8						
Raw Material 9						
Raw Material 10						
Raw Material 11						
Raw Material 12						
Raw Material 13						
Raw Material 14						
Other Raw Materials						
TOTAL COST OF RAW MATERIALS						

Annexure II – Quantitative Consumption of Key Raw Materials Per MT of Product

RAW MATERIALS		UNIT	CY	PY1	PY2
Material	1	MT/MT			
Material	2	MT/MT			
Material	3	MT/MT			
Material	4	MT/MT			
Material	5	MT/MT			
Material	6	MT/MT			
Material	7	MT/MT			
Material	8	MT/MT			
Material	9	MT/MT			
Material	10	MT/MT			
Material	11	MT/MT			
Material	12	MT/MT			
Material	13	MT/MT			
Material	14	MT/MT			

Annexure III – Consumption of Key Raw Materials- Quantity & Value

Raw Material		CY				PY1				PY2			
		Qty	Rate	Value	% of Total	Qty	Rate	Value	% of Total	Qty	Rate	Value	% of Total
Raw Material	1												
Raw Material	2												
Raw Material	3												
Raw Material	4												
Raw Material	5												
Raw Material	6												
Raw Material	7												
Raw Material	8												
Raw Material	9												
Raw Material	10												
Raw Material	11												
Raw Material	12												
Raw Material	13												
Raw Material	14												
Other Raw Materials													
Total Raw Materials													

Annexure IV – Consumption Value of Key Raw Materials (RS / MT) of Product

RAW MATERIALS		UNIT	CY	PY1	PY2
Material	1	RS/MT			
Material	2	RS/MT			
Material	3	RS/MT			
Material	4	RS/MT			
Material	5	RS/MT			
Material	6	RS/MT			
Material	7	RS/MT			
Material	8	RS/MT			
Material	9	RS/MT			
Material	10	RS/MT			
Material	11	RS/MT			
Material	12	RS/MT			
Material	13	RS/MT			
Material	14	RS/MT			

Cost Auditor through its Audit Check List (Annexure I to Annexure IV) will bring about the required discipline both for optimising procurement prices of Key RM and for optimising quantitative Consumption of Key RM through 1),2) and 3) mentioned below.

1) To Reduce Procurement Prices of Major Raw Materials:

- ▢ Well laid down Purchase Procedure for Purchase of Raw Materials.
- ▢ Purchase of Raw Materials from List of Approved Vendors.
- ▢ Company having more than 1 plants requiring same raw materials, combine the purchase requirements so that with huge quantity, company is in a position to negotiate better competitive rates from suppliers.
- ▢ For major raw materials, requirements of which is substantial & consistent, explore the possibility of entering into ARC for either given quantity or given period or both. This will insulate the company against any future increase in prices.
- ▢ Explore the possibility (with respect to main raw material) to use both costly material and cheaper material, keeping total material content same and at the same time satisfying the customer requirements.
- ▢ Explore the possibility to have own inhouse mfg. of Major Raw Materials.

With respect to key raw material/materials of a product, the requirement of which is very huge, management can explore the possibility of putting up its own plant to manufacture this key raw material by carrying out proper cost benefit analysis. This is also known as backward integration.

This will also ensure regular supply of this key raw material at own manufactured cost (reduced cost)

- ▢ Avoid emergency purchase at higher rates.

This necessitates proper coordination among Purchase Department, Production Department and Marketing Department.

In case of Emergency Purchase, not only company ends up paying higher prices, but sometimes due to late receipt of Raw Materials from Vendors, Company may find itself in tight spot to meet the delivery deadlines to its customers.

2) To Reduce Per Unit Usage of Major Raw Materials:

- ▢ Explore the possibility of using superior Raw Materials where decrease in usage will offset the higher procurement price paid.

Initially, Company may use superior quality of Raw Materials for 2 to 3 months to ascertain decrease in usage and net offset it will result in by procuring higher priced Raw Materials.

- ▢ Maintain Plant and Machinery in Good Condition

3) Explore New Vendors

Following will explain the necessity to explore New Vendors:

Sometimes Company may have 1 or 2 approved vendors over a period of time.

Sometimes this relationship may bring in sense of complacency there by paying up higher price than what it could have negotiated / bargained otherwise. (This Is Direct Cost)

If Company has 1 or 2 approved Vendors and should something happen to this Vendor / Vendors, Company may find itself in tight situation to Procure the Desired Raw Materials which ultimately may affect its Delivery Commitment. (This is Indirect Cost)

Factors to be Considered While Exploring New Vendors:

Capacity to provide materials as per specifications.

Location of Factory – Nearer the better – in terms of transportation cost and time

Who is willing to have fair relationship for longer duration?

Capacity to provide material as per present / future requirement.

Adequacy of Technology adopted by the Proposed New Vendor

Quality Assurance Procedure adopted by Vendor both for Input and Output.

Executives of the Company may visit the Manufacturing Sites of the Proposed New Vendor to satisfy with respect to above mentioned factors.

This may include executives from Quality Assurance, Purchase and Operations.

Development of New Vendor may result in following benefits to the Company:

- 1) Availability of same material at reduced rate or better material at same rate.
- 2) Less Cost and effort for Quality Assurance and Material Inspection
- 3) Reduce time for follow up.
- 4) Regular and assured supply
- 5) Assured availability of material of required specifications

Conclusion:

Cost Auditor through its Audit Check List (as mentioned in Annexure I to Annexure IV) shall be able to bring in required cultural change / instil required discipline through 1),2) & 3) above resulting in optimising both.

Procurement price & quantitative usage of key raw materials

CY	=	CURRENT YEAR
PY1	=	PREVIOUS YEAR 1
PY2	=	PREVIOUS YEAR 2

Smart Meter - A great revolution in Power Sector



CMA Santosh S. Korade

Mob.: 97305 77016, 93569 56185

E-mail: santoshkorde77@gmail.com

Abstract

Power is among the most critical components of infrastructure, crucial for the economic growth and welfare of a developing nation like India. The existence and development of adequate power infrastructure is essential for sustained growth of the Indian economy. The fundamental principle of India's power industry has been to provide universal access to affordable power in a sustainable way. The Ministry of Power has made significant efforts over the past few years to turn the country from one with a power shortage to one with a surplus by establishing a single national grid, fortifying the distribution network, and achieving universal household electrification.

Electricity consumers in India are about to experience a change in how they receive and pay their bills, with the introduction of an advanced smart metering technology. This was brought to the fore, when in the union budget speech for 2020, the Finance Minister announced that all conventional consumer meters would be replaced by smart meters by 2022. Subsequently, a scheme worth ₹ 3.05 lakh crore was announced in the union budget for Financial

Year 2021-22 (FY22), which focuses significantly on smart metering. Meter is core element for Power distribution company. Accuracy in Billing / Revenue of electricity distribution company is completely depending upon the accuracy of meter installed to measure consumption of electricity. Another issue is noticed by Discom that recovery of arrears from consumers. Hence both issues will be resolved by Smart prepaid meter, and how it will be analysed through this article.

The power sector has three main segments as per Electricity Act 2003:

- **Generation:** It is the process of producing power using different fuels and is done in generating plants.
- **Transmission** utilities carry bulk power from the generation plants to the distribution substations through the grid at high voltages.
- **Distribution:** Distribution utilities supply electricity from the substations to the consumers through distribution networks. Distribution is the selling stage and operates at lower voltages.

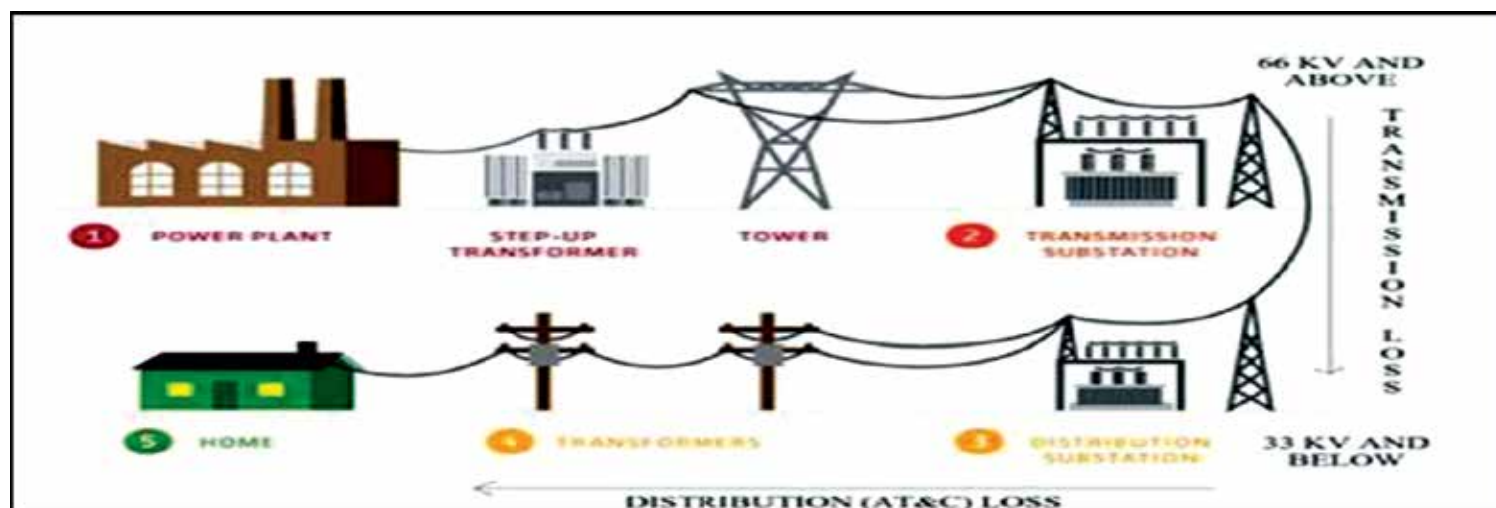


Figure: Electricity flow chain

Types of Electricity Meters in India

In the dynamic landscape of electricity consumption, understanding the types of electricity meters available in India is pivotal. From traditional electromechanical meters to cutting-edge smart meters, each type serves a unique purpose. This comprehensive guide explores the various types of energy meters, their functionalities, and how they impact energy consumption patterns. Whether you're

looking to save money, track electricity usage efficiently, or explore energy-efficient alternatives, this guide will provide insights into the diverse world of electricity meters in India.

Traditional Electromechanical Meters

- **Single-Phase Energy Meter:** The most common type, the single-phase energy meter, is widely used in

residential settings. It measures the amount of energy consumed in kilowatt-hours (kWh) for single-phase electrical systems.

- **Three-Phase Energy Meter:** Designed for industrial and commercial applications, the three-phase energy meter measures the energy consumption in three-phase electrical systems. It is crucial for accurately billing businesses with higher electricity demands.
- **Prepayment Meters:** Prepayment meters are user-friendly and offer a pay-as-you-go system. Consumers prepay for electricity, and the meter deducts the amount based on usage. It's an effective tool for budgeting and avoiding surprise bills.

Advanced Electronic Meters

- **Static or Electronic Meters:** Replacing traditional electromechanical meters, static or electronic meters use digital technology. They are more accurate, offer tamper-proof features, and are capable of measuring both single-phase and three-phase energy consumption.
- **Smart Meters:** Smart meters are revolutionizing the way we measure and manage electricity. They provide real-time data on energy usage, enabling consumers to make informed decisions about their consumption habits. Smart meters also pave the way for a smarter grid, allowing for more efficient energy distribution.
- **Advanced Multi-Rate Meters:** These meters are designed to account for variable electricity rates during different times of the day. By charging higher rates during peak hours and lower rates during off-peak hours, these meters encourage consumers to shift their energy usage to times when electricity is more abundant and cheaper.

Innovative Solutions for Modern Challenges

- **Time-of-Use Meters:** Similar to multi-rate meters, time-of-use meters encourage consumers to use electricity during non-peak hours. They help balance the load on the grid and can lead to cost savings for consumers who can adjust their usage patterns.
- **Net Metering:** Net metering is a system where consumers with renewable energy sources, such as solar panels, can feed excess electricity back into the grid. The meter measures the difference between energy consumed and generated, allowing consumers to earn credits for surplus energy.
- **Three-Element Meter:** Primarily used in industries, three-element meters measure active power, reactive power, and apparent power separately. This detailed measurement is crucial for businesses seeking to optimize their power factor and reduce energy costs.

What are the issue with existing Meter

- Manual reading is required for generation of bill
- Some meters become slow, stop or fast over the period
- Some meters may get jump and showing abnormal consumptions
- Due to Manual reading, Company revenue is not getting

generated on time also collection of these revenue is also delayed by 30-45 days

- Tempering to these meter is easily possible

Smart Meter in RDSS Scheme

In 2020, the Government of India unveiled the Revamped Distribution Sector Scheme (RDSS), focused on the financial turnaround of discoms. One of the scheme's components aims to replace 250 million conventional electricity meters with smart prepaid meters by 2025–26. The thrust for smart meter deployment is linked to their role in helping power distribution companies (discoms) improve their billing and revenue collection efficiency, while also enabling consumers to track and manage their electricity consumption and expenses.



The benefits of smart metering

Smart meters are perceived to be more efficient than conventional systems. Indeed, studies reported by the European Commission as early as 2013 found that smart meters could help households could reduce their electricity bills by an average of 12 percent a year, with commercial consumers reducing consumption by as much as 58 percent. So what are the reasons for this?

- **Better troubleshooting**

With traditional meters, it can be hard to identify the cause of an outage. Teams of technicians are needed to identify the issue. Smart meters provide real-time performance data and can even send notifications before an outage occurs.

- **Remote disconnection**

With traditional analog meters, it can take many days for a utility company to send an engineer to terminate

a connection. Smart meters can do this instantly and remotely, without the need to visit a customer's residence.

- **Dynamic pricing**

The consumption information provided by smart meters is real-time. This gives DISCOMs the option to create dynamic pricing strategies variable by customer type, location, seasons or even time of day. They can use this to manage usage and avoid outages.

- **Customer transparency**

Knowledge is power. With a smart meter, consumers can see how much energy they are using at any time. They can use this knowledge to regulate their consumption.

- **Reduced billing cycle**

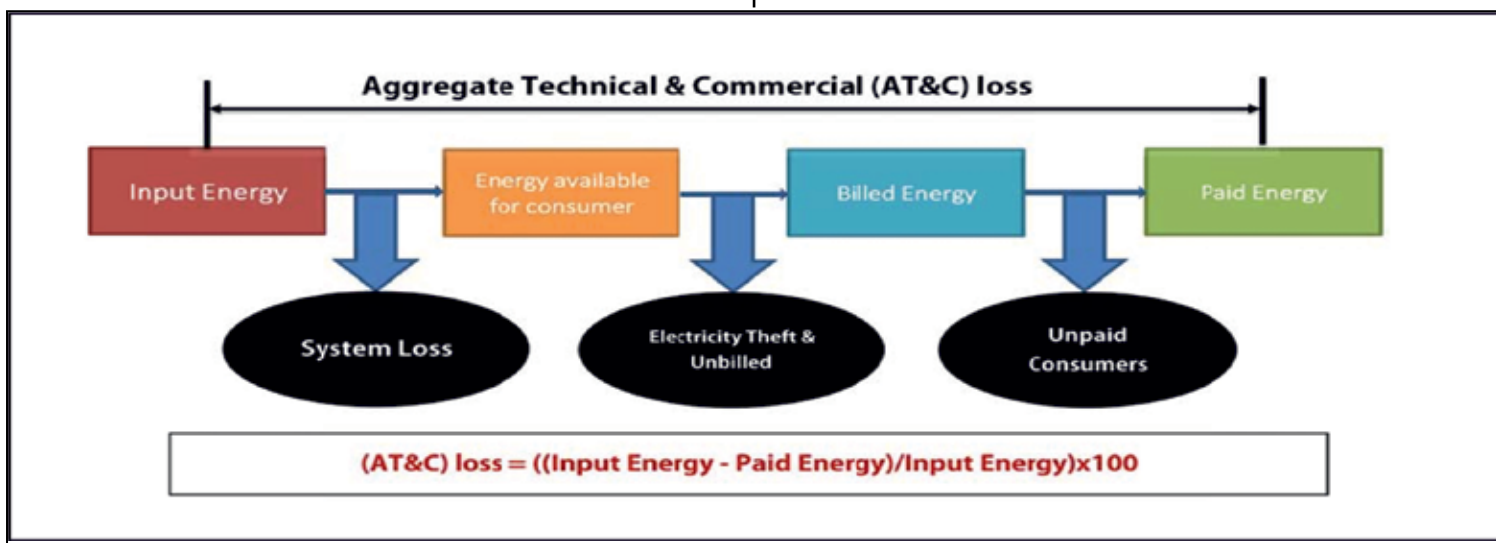
It can take many weeks for a customer to pay a bill after a reading. Smart metering enables the possibility of accurate pre-pay billing. The time reduction can make a huge difference to utility companies in terms of revenue leakage.

- **Detection of theft on network**

Smart meter will provide real time consumption data with Input data. Hence loss on network will easily identify due to smart meter.

- **Reduction in AT&C Losses**

Aggregate Technical and Commercial losses are the one of huge issue in power utility. What is mean by AT&C losses will come to know with help of following figure-



Billed revenue will be collected on real time basis. There will be no arrears position after smart meter as connection will be auto disconnected without manual visit at site hence unpaid consumers counts will get nullify.

What are the cost will be reduced due to Smart meter

Meter reading & distribution cost- Discoms are incurring meter reading and bill distribution per consumers Rs 9-12 cost. This cost will be reduced due to smart meter.

Working Capital cost/Finance Cost- Consumers are getting bill in current for consumption of electricity in previous month, also consumers are getting 21 days for payment of bill, that means almost 60 days are passing from date of consumption to generate revenue. But this time will reduce by prepaid smart meter, and it will be impacted to reduce working capital cost also finance burden.

Cost of Manpower for billing- Manpower used for generation of bills and resolving the billing complaints will be reduced due to Smart meter. Smart meter will increase accuracy in billing without manual intervention.

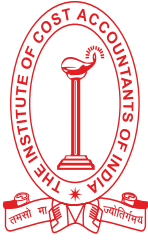
What will be the issue with Smart Meter

It is too early to tell issue with smart meter, but by considering current issue, some of them will continue with Smart meter like network issue in some remote area or

tribal area, illiteracy of consumers, lack of smart phone users, fear to increase of cyber-crime, fear of tempering meter, not sure but hacking of data or meter, huge capital cost required, currently consumers are getting bill with break up but in smart meter these break up shall be available otherwise it will difficult to find out the break up of bill charged etc.

Conclusion

Smart meters will provide some financial aid through reducing current gap of revenue realisation and collection. It will increase accuracy in billing. Consumers can control their usage of electricity will result in cost control. Every coin has two sides, but in case of smart meter, benefit from smart meters are more than disadvantages. Currently two months gap of paying for consumption will be reduced by advance payment. Generation Company has to pay advance amount for coal, coal transportation but they are getting money from Discom after 90-120 days from generation point. But due to smart meter, Discoms will get advance payment from consumers and enable them to pay amount to Genco on time or as advance, So all cycle will be smoothly run from generation to distribution due to infusion of advance money collected through prepaid smart meter Yes, we can conclude that smart meter will become a great revolution in power discom/Sector. ■



ICMAI
THE INSTITUTE OF
COST ACCOUNTANTS OF INDIA
 (Statutory Body under an Act Of Parliament)



WESTERN INDIA REGIONAL COUNCIL

Is Pleased to Announce

WIRC REGIONAL 2024

STUDENT'S COST CONVENTION

THEME

**“Innovate, Impact, Inspire:
 CMA to Redefining Boundaries and Nation Building”**

Dare to Do, Dare to Win

Dates:

Saturday, 17th &
 Sunday, 18th February 2024

Venue:

Gurudakshina Auditorium
 College Rd, Nashik, Maharashtra 422005

Hosted By

ICMAI-Nashik Chapter

2nd Floor, Prasanna Arcade, Near Mazda Hotel, Old Agra Road, Nashik - 422002

Student's Delegate Fees: Rs. 500/-

About the Theme of the Convention

“Innovate, Impact, Inspire : Redefining Boundaries and Nation Building”

This theme resonates not merely as a slogan but as a call to action - a summons to embark on a journey that stretches beyond the horizons of conventional thought. It is a mandate to explore the interplay between innovation, societal impact, and the profound inspiration required to build nations that stand as beacons of progress and inclusivity. In the dynamic landscape of global progress, the triumvirate of Innovation, Impact, and Inspiration stands as the cornerstone for redefining boundaries and fostering nation-building endeavours. It's a rallying call that transcends mere development; it encapsulates a collective ambition to pioneer change, empower societies, and build stronger, more resilient nations.

Innovate, Impact, Inspire - these three pillars epitomize the roadmap to redefining boundaries and embarking on a journey of nation - building. By embracing innovation, amplifying impact, and drawing inspiration from collective achievements, societies can pave the way for a future where boundaries become bridges, and nations thrive in unity.

As we stand at the cusp of unprecedented opportunities, the call to innovate, impact, and inspire becomes not just a rallying cry but a guiding ethos - a compass that navigates us toward a future where boundaries are redefined and nations flourish in their truest essence.

PROGRAMME SCHEDULE

Saturday, 17th February 2024		
From	To	Details
10.00 a.m.	11.30 a.m.	Registration
11.30 a.m.	01.00 p.m.	Inauguration Session
01.00 p.m.	02.00 p.m.	Lunch
02.00 p.m.	03.00 p.m.	Motivational Session
03.00 p.m.	04.20 p.m.	Competition 1: Quiz Competition
04.20 p.m.	04.30 p.m.	High Tea
04.30 p.m.	06.30 p.m.	Competition 2: PPT Presentation
06.30 p.m.	09.00 p.m.	Cultural Programme
09.00 p.m.	--	Convention Dinner
Sunday, 18th February 2024		
From	To	Details
08.00 a.m.	09.00 a.m.	High Tea
09.00 a.m.	10.00 a.m.	Technical Session - I
10.00 a.m.	12.00 p.m.	Competition 3: Mock Parliament
12.00 p.m.	12.30 p.m.	Prize Distribution
12.30 p.m.	01.00 p.m.	Valedictory Session
01.00 p.m.	--	Lunch

Sponsorship Details - (GST Payable under RCM by the Sponsorer)	
Sponsorship Type	Amount
Platinum	2,00,000/-
Gold	1,50,000/-
Silver	1,00,000/
Co-sponsorer	50,000/-

Payment Details

For Cheque or DD	Details of NEFT Payment
Cheque/DD should be in the favour of "The Institute of Cost Accountants of India- WIRC"	Account Name: The Institute of Cost Accountants of India-WIRC Bank: Bank of Baroda. SB Account No: 27940100022156. IFSC Code: BARB0PBBMUM. (Fifth Character is ZERO) MICR Code: 400012111. PAN: AAATT9744L GSTIN No. : 27AAATT9744L1ZS

For Registration please contact

Western India Regional Council of ICAI

Rohit Chambers, 4th Floor, Janmabhoomi Marg, Fort, Mumbai 400 001.

Mob: 9076020355 / 8828061444 • Email: wirc.admin@icmai.in

ICMAI-Nashik Chapter

2nd Floor, Prasanna Arcade, Near Mazda Hotel, Old Agra Road, Nashik - 422002

Mob: 9423734900 • Tel.: 0253- 2509989 / 2500150 • Email: nasik@icmai.in

"Behind every successful Business Decision, there is always a CMA"

CHAPTER NEWS

AHMEDABAD

Pooling of Players for CMA Cricket League 2023-24

The pooling of players for CMA Cricket League 2023-24 was organized by Chapter on 3rd December 2023 at the AMA. In the inaugural session, the Sports committee Chairman of Chapter CMA Sunil Tejwani shared the dais with immediate past Sports Committee Chairman CMA Kushal Desai and Secretary of Chapter CMA Bhaumik Gajjar. CMA Sunil Tejwani and CMA Kushal Desai gave an occasional speech and Secretary of Chapter CMA Bhaumik Gajjar proposed vote of thanks to the dignitaries on dais. There were sponsors of the tournament, Managing Committee Members, Past Chairmen of Ahmedabad Chapter, Captains of eight registered teams alongwith retained players and individual registered players participated in the program. The program was followed by lunch.

Career Counselling

Chapter participated in a live television program “Hello Karkirdi” as part of career counselling. Chapter Chairman CMA Uttam Bhandari gave brief about the Cost Accounting course, method of cost accounting, concepts cost accounting, scope of cost accountants in professional life and many more aspects of Cost Accounting course. The program was live telecast and interested candidates raised their questions by live phone calls and CMA Uttam Bhandari replied to the queries / questions raised by caller. The program was very interactive.

CMA Cricket League 2023-24

CMA Cricket League 2023-24 Tournament organized by Chapter at Ahmedabad Cricket Center, on 23rd & 24th December’2023. The Semifinal and Final matches will be played on 31st December 2023. In the tournament, eight teams were included in two groups.

The tournament was inaugurated by CMA Sunil Tejwani, Chairman of Sports Committee, CMA Uttam Bhandari, Chairman of Chapter, CMA Bhaumik Gajjar, Secretary of Chapter and CMA Mitesh Prajapati, Jt. Secretary and Treasurer of Chapter on 23rd December 2023. Members, students and sponsorer of tournament were also present in the inaugural session of tournament. There were two groups having four teams each. The league matches were played on 23rd and 24th December’2023 and in Group A Vedant Valcanos and Sheladia Swingers whereas in Group B Treco Titans and Tennam Tigers were semifinalist in Men league. The semi-final, final and women’s league matches will be played on 31st December’2023.

AURANGABAD

Workshop on “Financial Analytical Quotients in Business Analytics”

Chapter conducted a work shop on “Financial Analytical Quotients in Business Analytics” in the Training Hall of the Chapter on 12th December 2023.

CMA Pravin Mohani, Treasurer of the Chapter welcomed

the speaker CMA Jayant Galande – Practicing Cost Accountants and introduced him. CMA Suresh Pimple felicitated speaker by offering a bouquet.

The Speaker in his speech focused on the usefulness and importance of Financial Analytical Quotients which indicates a financial health of the companies and businesses. He explained how to study Profit and Loss Account and Balance sheet and the relation of between items in Profit & Loss Accounts and Balance Sheet in the context of financial Quotients.

CMA Parag Rane, Training Committee member proposed vote of thanks. Senior members CMA M R Pandit, CMA R D Khandalkar were present on this occasion.

Workshop on “TDS, TCS Provisions & Its Application”

Chapter conducted a workshop on “TDS, TCS Provisions & Its Application”, in the Training Hall of the Chapter. CMA Babasaheb Shinde –Practicing Cost Accountants addressed the workshop. Vice- Chairman CMA Salman Pathan felicitated him by offering a bouquet.

The Speaker in his speech explained the concepts of TDS and TCS and reviewed the latest provisions with illustration in a simple and lucid manner.

Treasurer of Chapter CMA Pravin Mohani coordinated the programme, Training Committee member CMA Parag Rane proposed vote of thanks

Managing Committee Member CMA Akshay Dande, senior member CMA Suresh Pimple and CMA Shailendrasingh Rajput were present for the programme.

INDORE- DEWAS

CMA Yash Vagrecha, Chairman of Counselling Committee of Chapter along-with Managing Committee Member CMA Ravindra Dubey visited Saraswati Shishu Mandir, Indore on 22nd December 2023. They had a meeting with Principal Shrimati Sangita Chouhan and discussed about the Scope of CMA profession, eligibility for admission in CMA Course, course contained etc. She emphasized the regular counselling programs in various schools/colleges to get awareness in students as well as teachers. She was very kind enough to give her consent for the counselling program in Saraswati Shishu Mandir during the first week of January.

BARODA

“Career guidance seminar at The Maharaja Sayajirao University of Baroda under MOU” With the aim of enhancing the awareness of CMA course as a profession Baroda Chapter, and The Maharaja Sayajirao University of Baroda arranged a seminar for Career Guidance Seminar at Commerce faculty on 2nd December, 2023. CMA Kartik Vasavada, Vice Chairman of Baroda Chapter & CMA Hirav Shah, Chairman of Student Committee were the speakers. About 140 students attended the seminar.

Awareness Seminar on “Cost & Management Accountancy Course” Chapter organised Seminar about

Awareness of “Cost & Management Accountancy Course” at various school of Vadodara as follows.

Sr.No.	Date	Name of School	Speaker
1	11.12.2023	New Horizon High School (Eng. Med.)	CMA Mohit Nagdev
2	11.12.2023	Sayaji Girls High School (Guj. Med.)	CMA Amruta Vyas
3	11.12.2023	Sayaji Boys High School (Guj. Med.)	CMA Amruta Vyas
4	12.12.2023	Kelavani Trust High School (Eng. Med.)	CMA Gopal Thakkar
5	12.12.2023	Kelavani Trust High School (Guj. Med.)	CMA Priyank Zala
6	13.12.2023	Navjivan High School (Guj. Med.)	CMA Dhaval Shah

“CMA Get Together”

Chapter organized “CMA Get Together-2023” at Prakruti Resorts, Vadodara on 23.12.2023. About 70 to 75 Members with their Family actively participate in this function.

NASHIK

Meeting with Jt. Commissioner and Dy Commissioner of Income Tax, Nashik

Meeting with Mr. Harshad Aaradhi (Joint Commissioner Income Tax, Nasik) and Mr. Sandeep Jumale (Deputy Commissioner of Income Tax, Nasik) was held on 14th December 2023. They appealed participant professionals to encourage Assesse for Advance Tax payment and timely compliance with TDS and TCS payments which is very crucial for a smoother tax system and compliance process.

Forum was open for professional participants to discuss their queries and challenges related to the Faceless system. On behalf of Nashik Chapter, the committee had invited Mr. Sandeep Jumale to conduct the Seminar for our CMA Members on Income tax regulations and compliance procedures.

NAVI MUMBAI

Webinar on “Significant Beneficial Ownership and ESOP”

Chapter conducted a webinar on “Significant Beneficial Ownership and ESOP” on 10th December 2023. CMA Arup Bagui, Secretary and Chairman of PD Committee of the Chapter welcomed the speaker Ms. Pooja (Gupta) Singhal, Practicing Company Secretary and Certified trainer in POSH. CMA Pramod Kumar Sabot, Assistant Company Secretary of Konkan Railway Corporation introduced the speaker.

The speaker highlighted the importance of preparation of policy document on ESOP with utmost care so that the interest of the Employees are protected even during change of investors, merger, retirement of employee etc. She also explained in detail the process of identifying the significant beneficial Owner and it's implication in business decision. A large number of participants attended the program. CMA Vaidyanathan Iyer, Immediate past Chairman of the Chapter proposed the vote of thanks.

Career Counselling at Western College Sanpada

Chapter conducted a Career Counselling Session on 30th November 2023 at Western College of Commerce, Sanpada. The speakers for the event were CMA B N Sapkal, Chairman of the Chapter, CMA Vaidyanathan Iyer, Past Chairman and CMA Arup Bagui Secretary and PD Committee Chairman.

The speakers articulated the salient features of the CMA Course and explained that CMA Course is going Global and there is tremendous value added with this qualification. They briefed the students and other faculties present, on the New Syllabus 2022, Admission formalities within the cut-off date of 31-01-24 for June 2024 exams, Oral Coaching course curriculum and Skills Training comprising of SAP, Microsoft Word, Excel, Power point, Cambridge University CSS and E-Filing Training which will be organized for the benefit of the students as part of the curriculum. An Online demo of the Admission process on our portal www.icmai.in was presented to the students to enable them to enrol for admissions online by keeping the scan copies of the documents ready and selecting the relevant options.

The HOD Junior College Ms Jayshree Ameen and the Principal Ms Nithya Varghese provided excellent support and co-operation for conducting career counselling for more than 200 Junior college students.

PIMPRI-CHINCHWAD-AKURDI

Webinar on ‘Role of CMA in Inventory Valuation’

On December 9, 2023, Chapter conducted a webinar on ‘Micro, Small, and Medium Scale Enterprises In India: current Scenario, Problems & prospectus’.

CMA Dhananjay Kumar Vatsyayan, Past Chairman & member of the managing committee welcomed all participants and speakers Dr. Shrikant Dawkhar (An IIM Ahmedabad Alumni),

Dr. Shriram Dawkhar in his speech covered topics such as MSMEs: Current Scenario, Current Status of MSMEs in India, Challenges and Issues Faced by MSMEs in India, Financial Challenges, Policy and Regulatory Challenges, Role of MSMEs in Economic Development etc.

Webinar on ‘Steering Towards A Greener and Safer Future’

On December 16, 2023 Chapter conducted a webinar on ‘Steering towards a Greener and Safer Future: A Study of Electric Vehicles in Major States of India’.

CMA Amit Bhise, member PCA Chapter welcomed all participants and speakers Mr. Gajanan Haladnkar, Assistant Professor in Commerce, and Ms. Swati Bhat, Assistant Professor in Commerce, VVM's Shree Damodar College of Commerce & Economics.

During the session speaker Ms. Smita Bhat highlighted on Climate action is the new buzzword. ,Global Risk Report 2023, Swiss Re Institute, World Bank & World Health Organisation (WHO), She further informed that to meet this urgent crisis, the globe needs to come together., Several countries across the world are adopting green strategies, programs, and policies to lower carbon emissions.

Mr. Gajanan Haladnkar in his speech highlighted on Why

is India moving to EV from IC engine? Climate change, Depletion of fossil fuels, Vulnerable situation

The session was well interactive. There was an overwhelming response from practicing members, members from the industries, professionals, and students.

CMA Guruprasad Kulkarni, P D Committee Chairman of the Chapter proposed with vote of thanks.

PUNE

Condolence Meet

Chapter had organized a condolence meeting on 27th November 2023 at Pune Chapter premises to offer deepest condolences to the departed soul for CMA Sham Wagh, Senior member of Chapter.

HQ Meeting

In view of the weather condition in Chennai due to Cyclone, the 6th Meeting of “Sustainability Standards Board” scheduled to be held on 9th December, 2023 and 2nd Meeting of the International Affairs Committee (2023-24) to be held on 10th December, 2023 was arranged at Pune Chapter.

Webinar on Cyber Compliance

Chapter arranged Webinar on “Cyber Compliance” on 23rd December 2023. Dr. Harold D 'Costa, President - Cyber Security Corporation, CEO - Intelligent Quotient Security System was the speaker.

CMA Rahul Chincholkar, Treasurer of ICMAI-Pune Chapter welcomed and introduced the speaker and the participants. Lecture was very lucid and knowledge sharing. Large number of members attended the programme. CMA Rahul Chincholkar, Treasurer of Chapter proposed Vote of Thanks

Career Counselling Programme at Maharashtra Mandal's Chandrashekar Agashe College

Chapter arranged Career Counselling Program, at Maharashtra Mandal's Chandrashekar Agashe College of Commerce, at Gultekadi, for 11th and 12th students on 26th December 2023. Principal Ms. Sangita Bhide coordinated for arrangement of this session. CMA Abhay Deodhar, Member of Chapter was the Speaker for the Program. He shared his experience & describe the importance for CMA Course for bright future.

Mr. Sandip Joshi, staff member of Pune Chapter explained the Course structure in brief to the students like documents required, fees structure to the students.

Career Counselling Programme at Modern College, Shivajinagar

Chapter arranged Career Counselling Program, at Modern College of Arts, Science and Commerce on 27th December 2023.

Prof. Rasika Datey was coordinator for this programme

CMA Abhay Deodhar Member of ICMAI-Pune Chapter and CMA Amey Tikale, Managing Committee Member of ICMAI- Pune Chapter were the faculty for the session & Staff members from Pune Chapter administration Mr. Sandip Joshi was also present for the programme.

Speakers explained to the participants about the CMA Course which is statutorily recognized by the parliament and how it enriches with higher degree of employable skills and guarantees life-long employability, requirement of Professional Accountants to serve the requirement of the Indian Economy.

SURAT SOUTH GUJARAT

CEP on Refund under GST

Chapter organised a CEP on 2nd December 2023 on the theme “Refund under GST.” CMA Ajay Sangani, a renowned Practicing Cost Accountant, was the keynote speaker. CMA Bharat Savani, Chairman, CMA Kishor Vaghela, Hon. Secretary felicitated Speaker CMA Ajay Sangani.

CEP on GST Appeal

Chapter organised CEP on 9th December 2023 on the theme “GST Appeal.” Mr. Manoj Makhania-Expert in Income Tax & GST Litigations, was the keynote speaker. CMA Bharat Savani, Chairman felicitated to speaker Mr. Manoj Makhania. Around 15 participants were in attendance, benefiting greatly from the insightful session.

Diwali Greetings Visit

Managing Committee of the Chapter visited various Coaching class, Banks, Newspapers House on the occasion of Diwali for better branding of CMA Institute. On 23rd November 2023 visited Tuition Class Association, Kataragam Tuition Class Association, Varachha Tuition Class Association and on 24th November 2023 visited Editor of Dhabkar News, Editor of Gujarat Guardian News, Editor of Rajasthan Patrika News, Editor of Times of India News, Editor of Dhabkar News, Managing Director of The Surat Peoples Co.Op. Bank and The Surat District Co. Op Bank, GJEPC (Gems & Jewellery Export Promotion Council)

Professional Development Committee of Western India Regional Council of ICMAI Announces

Webinar Series on Intricacies of Cost Audit and Cost Records Rules on Different Sectors

(1 CEP Credit Hour - Each Session)

No	Day	Date	Time	Topic
1	Saturday	06th Jan,2024	7.00 pm to 9.00 pm	Intricacies of Cost Audit and Cost Records -Mining Sector
2	Saturday	13th Jan,2024	7.00 pm to 9.00 pm	Intricacies of Cost Audit and Cost Records -Coal Sector
3	Saturday	20th Jan,2024	7.00 pm to 9.00 pm	Intricacies of Cost Audit and Cost Records - Engineering Sector
4	Saturday	27th Jan,2024	7.00 pm to 9.00 pm	Intricacies of Cost Audit and Cost Records - Pharma Sector



CMA Uttam Bhandari, Chairman of Ahmedabad Chapter participated in a live television program “Hello Karkirdi”



Participants of Pooling of Players for CMA Cricket League organised by Ahmedabad Chapter on 3rd December 2023



CMA Suresh Pimple welcomed the speaker CMA Jayant Galande during Workshop on Financial Analytical Quotients in Business Analytics organised by Aurangabad Chapter on 12th December 2023. Also seen CMA Pravin Mohani, Treasurer of Aurangabad Chapter.



CMA Yash Vagreacha, Chairman of Counselling Committee and CMA Ravindra Dubey, Managing Committee Member of Indore Dewas Chapter visited Principal Shrimati Sangita Chouhan of Saraswati Shishu Mandir, Indore on 22nd December 2023.



CMA Kishor Vaghela Kishor, Hon. Secretary, CMA Ashvinkumar Amabaliya, MC Members & CMA Bharat Savani Chairman, Surat South Gujarat Chapter met Managing Director of The Surat Peoples Co. Op. Bank on 24th November 2023 on the occasion of Diwali.



CMA Kishor Vaghela, Hon. Secretary, CMA Bharat Savani, Chairman felicitating CMA Ajay Sangani, speaker during CEP organised by Surat South Gujarat Chapter on 2nd December 2023.



CMA Suraj Lahoti, CMA Monika Bhandari, CMA Amit Jadhav, Mr. Harshad Aaradhi, Jt. Commissioner Income Tax, Nasik, CMA Prashant Yeole, CMA Prakash Rajput - during Meeting with Jt. and Dy. Commissioner of Income Tax held at Nashik on 14th Dec. 2023.



CMA Amey Tikale, Managing Committee Member of Pune Chapter felicitating CMA (Dr.) Ashish P. Thatte, CCM- ICAI during 6th Meeting of “Sustainability Standards Board HELD AT Pune Chapter on 9th December 2023



Dr. Gaikwad, Vice Principal, Modern College felicitating CMA Abhay Deodhar Member of Pune Chapter during Career Counselling Programme organised by Pune Chapter at Modern College, on 27th December 2023.

Career Counselling Programmes organised by Baroda Chapter during December 2023



Little Flowers & New Horizon 11.12.2023



Kelavani English Mideum School - 12.12.2023



Navjivan High School, Bagikhana - 13.12.2023

Professional Development Committee of Western India Regional Council of ICAI Announces**Webinar Series for UPSC ICoAS Preparation for Newly Qualified Cost Accountants****(1 CEP Credit Hour - Each Session)**

No	Date & Day	Time	Topic
1	08th Jan. 2024 Monday	7.00 pm to 9.00 pm	Generally Accepted Cost Accounting Principles (GACAP), Cost Accounting Standards, Cost Audit, Companies (Cost Record & Audit) Rules, 2014 as amended from time to time; Cost Auditing and Assurance Standards
2	10th Jan. 2024 Wednesday	7.00 pm to 9.00 pm	Cost Concepts and Classifications: Cost Objects, Cost Centres and Cost Unit; Collection, classification, allocation and apportionment of cost - Material Cost, Employee Cost, Direct Expenses, Overheads etc.
3	15th Jan. 2024 Monday	7.00 pm to 9.00 pm	Goods and Services Tax Act & Rules : Chargeability of GST, Scope of Supply (Section 7 of CGST Act, 2017 read with Schedule I, II and III), Classification of Goods and Services under GST, Time, Value and Place of Supply of Goods and Services, Input Tax Credit (Eligibility, Blocked Credits, Method of Reversal of Credits, Recovery of Input Tax Credit), Exports, Imports and Refunds under GST, Anti-profiteering, Audit under GST
4	17th Jan. 2024 Wednesday	7.00 pm to 9.00 pm	Cost Control and Cost Reduction, Cost Control Techniques-Standard Costing & Variance Analysis, Budget and Budgetary Control.
5	22nd Jan. 2024 Monday	7.00 pm to 9.00 pm	Marginal v. Absorption Costing, Cost-Volume-Profit analysis, Decision making involving alternative choices
6	24th Jan. 2024 Wednesday	7.00 pm to 9.00 pm	Emerging concepts in Cost and Management Accounting: Life Cycle costing, Activity Based costing, Learning Curve and its application, Socio-economic costing, Target costing, Total Quality Management, Environmental Management Accounting, Six Sigma etc.
7	29th Jan. 2024 Monday	7.00 pm to 9.00 pm	Customs Law : Classification under Customs, Types of Duties (Basic customs duty, IGST replacement of CVD and Special CVD, Protective duties, Safeguard duty, Countervailing duty on subsidized articles, Antidumping duty), Valuation under Customs of Imported Goods and Export Goods, Deemed export, Duty drawback.
8	31st Jan. 2024 Wednesday	7.00 pm to 9.00 pm	Generally Accepted Accounting Principles (GAAPs), Accounting Standards and Ind AS

To,



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THE INSTITUTE OF COST ACCOUNTANTS OF INDIA
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Printed & Published by Mihir Narayanbhai Vyas on behalf of the Western India Regional Council of the Institute of Cost Accountants of India, Printed at Surekha Press, Gala No. A-20, First Floor, Shalimar Industrial Estate, Matunga Labour Camp, Opp. Tata Power Co., Andhra Valley Road, Matunga, Mumbai 400 019. Published at Western India Regional Council of the Institute of Cost Accountants of India, Office No. 32, Rohit Chambers, 4th Floor, Janmabhoomi Marg, Fort, Dist - Mumbai, Pin Code -400 001, Maharashtra. Tel.: 9372045191, 8828061444, 9372036890 • E-mail : wirc.admin@icmai.in • Website : www.icmai-wirc.in. Editor: Mihir Narayanbhai Vyas.

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