



WIRC BULLETIN

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Campus Placements Fresh CMAs

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



Date :

27th to 29th September 2018

Venue :

SGSJK's Aruna Manharlal Shah Institute of Management & Research,
R. B. Kadam Marg, (Jivdaya Lane), Near MTNL Exchange,
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For single location	Rs. 25,000/- + (GST @ 18% as applicable)
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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.

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CMA V.V. Deodhar felicitating CMA Chandrashekhar Joshi during CEP organized by WIRC on 10th August 2018.



CMA Shailaja Balmurali felicitating CMA Sudip Bhattacharya during the CEP organised by WIRC on 12th Aug, 2018 at Thane SMFC. Also seen CMA Debasish Mitra



CMA Harshad Deshpande & CMA L.D. Pawar felicitating Mr. R. D. Sawant, Joint Secretary Law & Judiciary, Govt. of Maharashtra on 20th August 2018



CMA Debasish Mitra felicitating CA Pratik Shah during CEP organized by WIRC at Thane SMFC on 19th August 2018.



CMA Laxman Pawar felicitating CMA Ashok Nawal, during Half Day seminar organized by WIRC on 25th August 2018 at WIRC Office. Also seen CMA Harshad Deshpande.



CA Pratik Shah delivering his lecture during CEP organized by WIRC at Borivli SMFC on 11th August 2018



CMA Harshad Deshpande delivering his lecture during CEP organized by WIRC at N. M. College, Mumbai on 25th August 2018.



CS Avinash Godse being felicitated by CMA Chandresh Chhaya during CEP organised by WIRC on 31st August 2018



From the Desk of Chairman

"The road to success and the road to failure are almost exactly the same."

– Colin R. Davis

Dear Members,

I take this opportunity to congratulate all the students who had successfully passed the June, 2018 in the Foundation, Intermediate and Final stage. We had 552 students who had passed the foundation, 508 from Intermediate and 268 finals students from WIRC respectively. I hope that all students who had passed the finals would get their placement which would be scheduled from 27-29th September, 2018 at Mumbai.

I along with CMA Harshad Deshpande, Treasurer and Chairman, CPD met Shri R.D.Sawant, Joint Secretary, Law and Judiciary, Government of Maharashtra. We are also taking up the Matter for inclusion of Cost Accountant for Statutory Audit of Cooperative Societies in other states of region as done in the state of Maharashtra.

I was invited by the Western Maharashtra Tax Practitioners Association a Chief Guest for publication of Members Directory and other functions, I have proud feeling that our Past President CMA B M Sharma was four times president of that association and last three years he is Chief election officer of that association. This association has 1500 members includes CMA, CA, CS, Advocates and Tax Practitioners.

WIRC in association with Pimpri Chapter of Cost Accountants organized the "Football League" on 12th August, 2018. The tournament was highly competitive and was hugely successful and enabled a wonderful camaraderie with the participants. I wish such events will provide us more opportunities to mingle with each other.

WIRC in order to increase the students strength had conducted 3 career counselling at Raheja College, Hinduja College and National College respectively in the month of August, 2018. Further, we had conducted 8 CEPs at the Fort Office, Borivali and Thane respectively. We also had a consecutive CEPs from 10-12th August, 2018 at Fort Office, Borivali and Thane respectively which was done for the first time in WIRC history and had a considerable participation and variety of topics. We would continue our efforts for the professional development of the members by conducting more CEPs across the region for the betterment of the profession and Capacity building. I also request all Chapters in the region to conduct the CEP on various topics and WIRC will provide support if required.

WIRC had successfully hosted the 4th Batch of RVO of ICMAI course on Securities or Financial Assets from 20-26th August, 2018. I had the privilege of distributing the certificates and wish more CMAs join the course as we have a requirement of 60,000 valuers across the country in coming times. I also Congratulate CMA Harshad Deshpande on his passing Valuation Examination.

WIRC in association with ASSOCHAM is organizing a National Conference on Indian Valuation System: The Way Forward on 28th September, 2018. I request members to register for the National Conference as it is on an emerging field and we hope members will join in considerable numbers.

WIRC is starting the 12 days Pre-Campus Orientation Programme at Thane SMFC from 1st September, 2018 and would also be conducting the Felicitation of the pass out students of June 2018 on 8th September, 2018 at Sydenham College and I hope all students of Foundation, Intermediate and Final join in large numbers to make the occasion successful.

The last date for receiving the annual membership fees for FY 2018-19 is 30.09.2018; please note non receipt will lead to removal of your name from the Register of Members w.e.f. 01.10.2018 without any further notice and members will be deprived of their voting right in the forthcoming elections in 2019.

I also wish all members a wonderful festive moments for Janmashtami, Ganesh Chaturthi and Muharram for the month.

With Warm Regards

CMA Laxman Pawar
Chairman, WIRC

Recipe for CMA success

CMA Robin Banerjee

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A common conundrum for many of us: Is Cost and Management Accountant (CMA) profession, a worthwhile one? Let us be frank. Who are CMA competitors? Mainly, the Chartered Accountants (CAs) or the MBA (Finance) from the top-20 management institutes.

Whether you are in practice or service, I would like to let you know upfront: our professional qualification is adequate to face the challenges of today's business world.

What we need, is polishing ourselves in several areas to make us sharper and more efficacious.

I suggest you to ponder over the following 'things to do list':

- a. **Presentable presentation skills:** We are as good as our communication. Cogent and simple Power-Point presentations in English (mostly) is an important success-key. This is one area, where many MBAs score over us - they have practical exposures in making presentations while studying - while we don't get that opportunity. One tip: Each presentation chart should ideally contain only 'one' point. No clutter please, which is a common tendency.
- b. **Accounting abilities :** Yes, you are CMAs, expected to know and carryout costing work. But, the basis of any information or MIS is accounting data. Ability to prepare and interpret accounting information is very important. Learn and practice ERPs - be it SAP or Oracle. You need to have the ability to handle the 'machine' stuff.
- c. **It's all about money, honey :** This is one area where each one of you must make endeavor to gain experience and expertise. Our fraternity is expected to "raise funds" - be it debt or equity. There are myriad of investors - PE funds, venture capitalists and fund managers. Ability to raise money and present convincingly and simply, the company story and future-plans, is of utmost importance.
- d. **Present plausible picture :** Bird's eye view without missing the crucial details, is the heart of a good MIS. It is you, the finance team, who will know the full picture. Prepare persuasive, simple and timely update of cost, revenue, profits, debtors and outstanding liabilities. Looks easy but it's a difficult task to explain business going-on to people who are usually not trained to interpret numbers - the top management.
- e. **Taxing tax :** No commercial activities can be run without some tax implications. Knowing both direct and indirect (eg GST) taxincidence are crucial. Decision making can get hindered if tax angle is not considered.
- f. **EQ over IQ:** All of you have reasonable Intelligence Quotient (IQ), or else it would not have been possible to pursue the CMA course. But what is more critical is the Emotional Quotient (EQ), which many of us lack. It is the ability to perceive, assimilate and understand others' emotions and adjust to it. It is all about dealing with other people, their thoughts, sentiments and feelings. Good leaders have high EQ.
- g. **Get good grooming :** It is just not enough to be knowledgeable and understanding. We need to present ourselves professionally, to the business world, every day. Dress well. Men - don't forget to shave and have yourself well-groomed; for women - reasonable makeup and hair do. Office is not a party-place. So be sensible in what you wear, how you smell and look. But do look smart.

Be a rounded personality, with common sense, ability to communicate, working subject-knowledge, good EQ and presentable looks. Top it up with 'positive attitude'.

Consciously practice the above - your success as a CMA is assured! I promise you. ■



Whether Integrated Accounting is necessary in GST regime?

CMA Ashok B. Nawal

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Trade & Industry is in the panic situation, especially after Advance Ruling by Karnataka Advance Ruling Authority in the case of COLUMBIA ASIA HOSPITALS PRIVATE LIMITED where the question on which advance ruling was sought on below matter:

Quote

Whether the activities performed by the employees at the corporate office in the course of or in relation to employment such as accounting, other administrative and IT system maintenance for the units located in the other states as well i.e. distinct persons as per Section 25(4) of the Central Goods and Services Tax Act, 2017 (CGST Act) shall be treated as supply as per Entry 2 of Schedule I of the CGST Act or it shall not be treated as supply of services as per Entry 1 of Schedule III of the CGST Act?'

Un Quote

and the same was addressed and ruling was

Quote

The activities performed by the employees at the corporate office in the course of or in relation to employment such as accounting, other administrative and IT system maintenance for the units located in the other states as well i.e. distinct persons as per Section 25(4) of the Central Goods and Services Tax Act 2017 (CGST Act) shall be treated as supply as per Entry 2 of Schedule I of the CGST Act.

Un Quote

The discussions & findings reported in Advance Ruling mainly based on the followings:

- The entry 2 of Schedule I, which deals with the activities that are to be treated as supplies even if made without consideration, reads as under:
 2. Supply of goods or services or both between related persons or between distinct persons as specified in section 25, when made in the course or furtherance of business"
- The explanation given in Section 15 of CGST Act 2017, defines the "related persons" as under:

For the purposes of this Act,--

 - (a) persons shall be deemed to be "related persons" if-
 - i. such persons are officers or directors of one another's businesses;
 - ii. such persons are legally recognised partners in business;
 - iii. such persons are employer and employee;
 - iv. any person directly or indirectly owns, controls or holds twenty-five per cent. or more of the outstanding voting stock or shares of both of them;
 - v. one of them directly or indirectly controls the other;
 - vi. both of them are directly or indirectly controlled by a third person;
 - vii. together they directly or indirectly control a third person; or
 - viii. they are members of the same family;

- Clause (c) of sub-section (1) of Section 7 which is related to the scope of supply clearly states as under:

"(1) For the purposes of this Act, the expression "supply" includes -

 - (a) all forms of supply of goods or services or both such as sale, transfer, barter, exchange, licence, rental, lease or disposal made or agreed to be made for a consideration by a person in the course or furtherance of business. . .
 - (b) . . .
 - (c) the activities specified in Schedule I, made or agreed to be made without a consideration; and
 - (d) . . .

Hence any activities made between related persons made or agreed to be made without a consideration shall be covered under supply of goods or services. The valuation of such services is to be done as per the provisions of section 15 of the Central Goods and Services Tax Act, 2017.

The premise of this advance ruling seems to be that corporate office is the service provider and is providing the services to its distinct entity and therefore this will tantamount to taxable supply and tax will have to be paid. The question arises, whether corporate office / registered office is performing their statutory role or role assigned to them and whether the same has to be considered as a supply, as if they are providing services to their other distinct entity.

Let us understand, the role of Registered Office / Corporate Office. In accordance with Section 12 of The Companies Act 2013, each company will have to declare the registered office for receiving and acknowledging the communication. Further, every company shall -

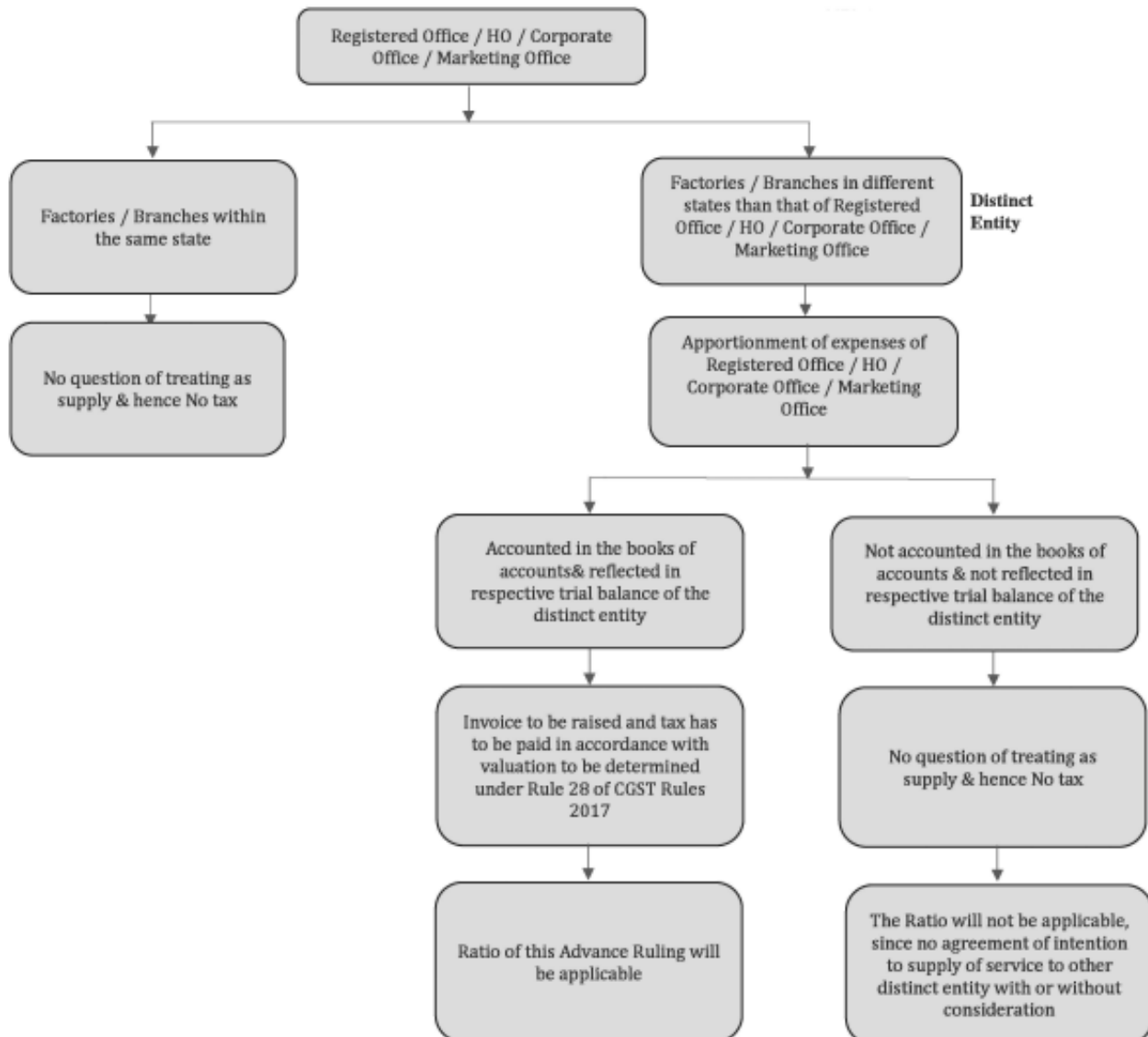
- (a) paint or affix its name, and the address of its registered office, and keep the same painted or affixed, on the outside of every office or place in which its business is carried on, in a conspicuous position, in legible letters, and if the characters employed therefor are not those of the language or of one of the languages in general use in that locality, also in the characters of that language or of one of those languages;
- (b) have its name engraved in legible characters on its seal;
- (c) get its name, address of its registered office and the Corporate Identity Number along with telephone number, fax number, if any, e-mail and website addresses, if any, printed in all its business letters, billheads, letter papers and in all its notices and other official publications; and
- (d) have its name printed on hundies, promissory notes, bills of exchange and such other documents as may be prescribed:

Books of Accounts have to be kept and retained at the Registered Office. Similarly Registered Office / HO / Corporate Office have to also perform the activities like

accounting, auditing, etc. which is also part of statutory compliance. Basic duty of the Registered Office / HO / Corporate Office / Marketing Office is ensuring smooth functioning of the companies and being statutory compliant and therefore if they are employing certain employees or appointing service provider for such activities, the relevant cost cannot be considered as supply of services to the distinct entity of the same legal entity.

It seems that, integrated accounting system is envisaged in the GST Regime, which is not so. Apportionment of overheads at Registered Office / HO / Corporate Office / Marketing office is only for the purpose of determining of the profitability of the product cost / services, but it cannot be considered by any stretch of imagination as supply of service. Even the same is not envisaged in Ind AS or Accounting Standards. Allocation & apportionment to various cost centres cannot be said to be supply of services and consideration thereof. It is only for the purpose of calculation of cost of production, cost of sales of goods or services.

Let us really understand the principles which has been laid down in the said advance ruling.



Whether employee is of company or employer or its distinct entity?

In the said advance ruling, it has been considered, perhaps wrongly understood that, employer is different when employee is deputed at different distinct entity and it has been considered as follows :

- Entry No.1. of the Schedule III which is related to the activities which are to be treated neither as a supply of goods nor supply of services reads as under:
- "Services by an employee to the employer in the course of or in relation to his employment."
- The services provided to the employer, i.e. the corporate office by the persons employed by the corporate office are in the nature of the employee-employer relationship. Further, since the corporate office and the units are distinct persons under the Act, there is no such relationship between the employees of one distinct entity with another distinct entity, at least as per the Goods and Service Tax Acts, even if they are belonging to the same legal entity.
- Further, the activities made between the related persons are treated as supplies and the valuation includes all costs, the employee cost also needs to be taken into consideration at the time of valuation of

goods or services provided by one distinct entity to the other distinct entities.

- **However, in our opinion, employees irrespective of deployed anywhere, either in corporate office or HO / Registered Office / Marketing Office / Factories / Branches, anywhere in India or abroad are the employees of the company and they have the transferrable clause in the appointment letter and therefore employees and employer relationship cannot be restricted to any location, but it is of the legal entity. Same principle has been adopted for the determination of threshold limit of applicability of taxes. The aggregate turnover is PAN India basis having turnover of the same PAN number and same treatment has to be considered for the employees and hence employees of corporate office providing services to the other distinct entity will also be considered as services provided by employees to the employer. Similarly, advances paid / gift paid by corporate office to the employee deployed at / working at place of distinct entity will also be covered under Entry No. 2 of Schedule 1 to the Section 7 of CGST Act 2017.**

WIRC CEP Report

WIRC organised the following CEPs during the month :

- CEP on "Discussion on Amended Cost Records & Cost Audit Rules (draft)" was organised on 10th August 2018 at WIRC Office. CMA Chandrashekhar Joshi, Practising Cost Accountant was the Speaker.
- CEP on "Place of Supply under CGST (Section 10 to 13 of the CGST)" was organised on 11th August 2018 at Borivli SMFC. CA Pratik Shah, Indirect Tax Practitioner was the speaker.
- CEP on "Opportunities & Challenges in IBC and possibilities in Resolution of Debt market under Stressed Assets" was organised on 12th August 2018 at Thane SMFC. CMA Sudip Bhattacharya, Insolvency Professional was the speaker.
- CEP on "Input Tax Credit" was organised on 19th August 2018 at Thane SMFC. CA Pratik Shah, Indirect Tax Practitioner was the speaker.
- Half Day Seminar on "Preparation for GST Audit & GST Amendment Bill" was organised on 25th August 2018 at WIRC Office. CMA Ashok Nawal was the speaker.
- CEP on "Registered Valuer: New opportunity for CMAs" was organised by WIRC on 25th August 2018 at N.M. College, Vile Parle. CMA Harshad Deshpande was the speaker.
- CEP on "Listing Agreements" was organised by WIRC on 31st August 2018 at WIRC office. CS Avinash Godse, Secretarial Department, Reliance Naval & Engineering Ltd. was the speaker.



Checklist for GST Audit under section 35(5) of the CGST Act, 2017

CMA Arun S. Karnik

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Every registered person whose turnover during a financial year exceeds rupees 2 crore is required to submit along with the Annual Return GSTR 9, audited accounts of GST. The accounts are to be audited by a Cost Accountant or a Chartered Accountant in practice. The Annual Return along with the audited accounts is to be filed on the GSTN Portal by the 31st of December following the financial year concerned. Thus, the Annual Return for the maiden year ended on March 31, 2018 falls due for filing before December 31, 2018.

One can reasonably expect that audit of GST records will be a fairly detailed exercise. Although the format of the GSTR 9 Return and the Audit Report are not yet announced, it is highly desirable that the CMAs get geared up for conducting the audit and commence the audits so that the deadline of December 31 is met. From the known provisions of the GST laws a checklist has been compiled which CMAs should find useful.

1. Maintenance of Records:

S. 35(1) broadly lists as under the records the registered person should maintain:

- i. Production or manufacture of goods (and services);
- ii. Inward and Outward supply of goods or services;
- iii. Stock records;
- iv. Input tax credit availed;
- v. Output tax payable and paid.

Ensure that adequate records are maintained by the client for all the above listed items.

2. Procedural Compliances:

- i. Monthly/Quarterly Returns- Check whether GSTR 1, GSTR 3B Returns have been filed.
- ii. Tally credit of ITC claimed with the corresponding entries in the GSTR 2A. ITC credits claimed for inward supplies of goods/services, if not reflected in the GSTR 2A, will need to be reconciled with the supplier concerned. Please note credit can be claimed only until filing the Return for the month of September, 2018. If excess credit has been claimed it will have to be reversed along with interest @24% from the date of claiming until the date of reversal.
- iii. Sales Returns, Purchase Returns and Rate Differences: Check if there are any purchase returns, sales returns or transactions due to rate revisions. Check if debit notes/credit notes are issued for such transactions.
- iv. If GSTIN No. entered in outward supply invoice/GSTR 1 is incorrect, issue credit note and issue debit note showing correct GSTIN no. These corrections must be done before filing GSTR 1 for the month of September, 2018.

- v. Delayed payments to suppliers - Check if there are supplier invoices on which ITC has been availed, but payment has not been made beyond 180 days. Reverse the ITC along with interest @18% for 180 days ITC can be restored when payment made to the supplier.
- vi. Reverse Charge Mechanism (RCM) - Under S. 9(3) and 9(4) GST is payable by the recipient of inputs under reverse charge mechanism.
 1. S. 9(3) has stipulated that in the case of certain goods and services the receiver is required to pay GST under the RCM mechanism. Please refer to Notification No.4/2017 Central Tax (Rate) for list of goods and Notification No. 13/2017-Central Tax (Rate) (as amended by Notification No. 3/2018) for list of services on which GST is payable under RCM.
 2. S. 9(4) stipulates that in the case of supply of goods or services received from an unregistered person, the receiver has to pay GST at applicable rate under RCM. However, RCM under S. 9(4) has been suspended from October 13, 2017 until Sept. 30, 2018.

Please note the following points in connection with RCM under S. 9(4):-

- i. RCM under S. 9(4) was applicable for the period July 1, 2017 to Oct. 12, 2017.
- ii. RCM under S. 9(4) was not payable if supplies received from unregistered persons in one day were rupees 5,000 or less.
- iii. Check if any advances have been paid to unregistered persons. Advances paid by to unregistered persons from July 1, 2017 to October 12, 2017 are liable to GST under RCM.

3. Ensure that :

- i. a consolidated invoice for all reverse charge expenses is duly prepared at the end of each month and included in the GSTR 1 Return for the month.
- ii. payments of tax under RCM have been made and ITC claimed.
- vii. Bank charges-Check whether ITC has been claimed on bank charges. Ensure that bank has issued invoices for bank charges.
- viii. Blocked ITC credits-Please note, ITC is blocked in respect of certain inputs on account of the provisions of S. 17(5) of the CGST Act. The items of inputs in respect of which ITC credit is blocked are :
 - a. Motor vehicles and other conveyances except when meant for resale, passenger transport business, imparting training in driving or transportation of goods.
 - *b. Supply of food, beverages including outside catering.

- *c. Beauty treatment, health services, cosmetic and plastic surgery.
 - *d. Membership of a club, health and fitness centre.
 - *e. Rent-a-cab and life insurance and health insurance except where the Government notifies the services which are obligatory for an employer to provide to its employees under any law for the time being in force.
 - *Please note ITC will be available where such inward supply of any such goods or services is used for making an outward taxable supply of the same category of goods or services.
 - f. Travel benefits extended to employees on vacation such as leave or home travel concession.
 - ix. Delayed filing of GSTR 3B-Delay in filing GSTR 3B Returns will attract payment of interest @ 18%, even if tax has already been deposited in the cash ledger.
 - x. ITC reversal on inputs lost, damaged, etc.-Check if any of the inputs on which ITC has been availed have been lost, damaged or written off. ITC availed on such lost inputs must be reversed.
 - xi. Telephone and other facilities provided to employees-Where telephone or other facilities are made available to an employee which could be partly used for personal purposes, reverse 5% of the ITC availed on such expenses.
 - xii. Recoveries from employees-Canteen and Other recoveries from employees taxable.
 - xiii. Recoveries from customers-Ensure that GST has been charged on all recoveries from customers like penal interest, transport charges, liquidated damages, etc.
 - xiv. Related party transactions-Check if there are transactions with related parties. Related party transactions are to be valued at market price.
 - xv. Sale of capital assets before 5 years- Check if any assets capitalized are sold during the year before completion of 5 years. In such cases GST will be payable on higher of the following:-
 - i. GST calculated on the actual sale value of the asset;
 - ii. 1/20th of the ITC availed for each of the remaining quarters of the balance period of 5 years.
 - xvi. Receipt of advance payments-Please note-
 - a. All advances received by registered persons till October 12, 2017 are liable to GST at the time of receipt of such advance.
 - b. Advances received by registered persons having turnover of ₹ 1.50 crore from October 13, 2017 are not subject to payment of GST on receipt of advance payment.
 - c. From November 15, 2017, advance payment received by all registered persons is not liable to payment of GST at the time of receipt of advance payment.
 - xvii. Deliveries of goods in installments - Check if deliveries of goods for any invoices are to be received in installments. If so, ITC for the invoice is to be taken only upon receipt of the last installment.
 - xviii. Check if IGST has been charged where address of the customer is out of the state but delivery has been made within home state.
 - xix. Check if the client makes supply of any exempted goods or services. If so, common expenses are to be apportioned between taxable and exempt supplies. RCM to be taken only on that portion which applies to taxable supplies.
 - xx. Write-off of credit balances-Check if any credit balances have been written off. If so, ITC should be reversed on such write-offs.
 - xxi. Check whether the client deals in goods which are exempt but would attract GST if sold as Registered Brand, Packed Goods, Processed Goods, Cattle Feed (?), etc.
- The above list should cover the most commonly experienced situations in any business. CMA colleagues and others are welcome to forward their specific queries on email id arunskarnik@gmail.com. ■

CAREER COUNSELLING

WIRC conducted Career Counselling lecture at the following colleges during the month.

Date	Place	Faculty
10th August 2018	L.S. Raheja College, Santacruz (W), Mumbai	CMA Akshay Shah
14th August 2018	Hinduja College of Commerce, Charni Road, Mumbai	CMA Akshay Shah
20th August 2018	R. D. National College, Bandra (W), Mumbai	CMA M. S. Chandani

Large number of students attended the Programme. WIRC distributed the leaflet and brochures of the CMA course and also collected the feedback from the students.



AI in Accounting and Auditing - Creating Value

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Internet Artificial Intelligence (AI) is the technology that enables computers to perform decision-based tasks previously left to humans. It shows up in multiple forms, including machine-based learning that can progressively become better at analysis and decisions.

Although artificial intelligence techniques such as machine learning are not new, and the pace of change is fast, widespread adoption in business and accounting is still in early stages. To build a positive vision of the future, we need to develop a deep understanding of how artificial intelligence can solve accounting and business problems, the practical challenges and the skills accountants need to work alongside intelligent systems.

Audit, due to technological change, has changed substantially. We have witnessed many changes in the profession. Among which increasing number and complexity of auditing rules; many changes in professional ethics standards, improved quality in the audit work; increased competition among audit firms, lower audit fees; and new services offered to customers. Furthermore we have seen the development of new types of audit types Management audit, System audit, Environmental audit etc. These factors have made the auditing profession increasingly competitive. Consequently the new techniques provided by information technology and artificial intelligence have been adopted. These allowed the availability of more relevant and timely information to facilitate and accelerate the auditor's decision-making process, and hence, improve the audit quality and efficiency.

The areas of audit in which expert systems can be applied are wide and diverse, including almost every audit task where audit professional judgment can be required.

Accounting departments overall will be trimmed down and the employees left will be able to focus on more strategic and value adding initiatives, like process improvement, cost control, and capital optimisation.

In near future, accounting tasks such as tax, payroll, audits, banking will be fully automated using AI-based technologies, which will disrupt the accounting industry in a way it never was for the last 500 years, bringing both huge opportunities and serious challenges

Having machines to do all these tedious and repetitive tasks could sound scary for many accountants because they are also very time-consuming and thus very lucrative. However, if the AI system is well configured, it

can eliminate accounting errors that are generally hard to find and thereby reduce our liability and allows us to move to a more advisory role. Increased use of AI will also require accountants to step up and address associated risks with AI through effective governance and internal controls.

Accountants need to look at both how we can leverage machine learning to facilitate our role as auditors and Cost & Management Accountants. There is also a large opportunity beyond the finance context to guide other departments in their use of machine learning and help with the design of internal controls over their applications.

The corporate governance function must also be adjusted to address business strategy alignment of the risks presented by machine learning technology. A sub-function focused on data governance should be established to address both data bias risks as well as compliance risks, like privacy. There are areas that IT cannot address alone since they do not have the risk and controls expertise that Management Accountants do.

Machine learning provides an unprecedented opportunity for Management Accountants and we must embrace it to enhance both our careers and the competitive advantage it can provide to the organizations that we serve.

Present Challenges for Audit Firms

- The business environment in which audit firms operate is increasingly characterized by pressures to cut costs.
- The competition in the audit industry is fierce, often involving underpricing of services to expand the client base.
- The legal environment of auditing is becoming more difficult for audit firms to navigate.
- The audit firms are beginning to recognize the need to manage the portfolio of risks represented by their clients and audit engagements.
- The current business environment is one in which many organizations are radically re-engineering their processes to insure their survival.

These pressures suggest that AI tools and technologies will be even more important to the survival of audit firms who are innovative and prepared to closely scrutinize their audit processes in order to enhance their competitive position and reduce their legal and business risks.



Developing a structured Board Member recruitment process

CMA (Dr.) S. K. Gupta

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How we select and recruit board members, by identifying, competent, committed and inspiring individuals, has a great deal to do with whether members serve or sit.

A board of directors is a body of elected or appointed members who jointly oversee the activities of a company or organization. The role of the Board is to oversee the management of the Corporation and to represent the interests of all the Corporation's stockholders. A Board of Directors (BOD) forms the highest level of authority in the governance of a company and includes elected individuals who represent the interest of the shareholders.

The board of directors forms one of the pillars of a robust corporate governance framework. In short, board diversity aims to cultivate a broad spectrum of demographic attributes and characteristics in the boardroom. The best boards are composed of individuals with different skills, knowledge, information, power, and time to contribute. Given the diversity of expertise, information, and availability that is needed to understand and govern today's complex businesses, it is unrealistic to expect an individual director to be knowledgeable and informed about all phases of business. It is also unrealistic to expect individual directors to be available at all times and to influence all decisions. Thus, in staffing most boards, it is best to think of individuals contributing different pieces to the total picture that it takes to create an effective board.

A board needs to have directors who possess a broad mix of skills and experience to be effective. An entity should have a board of an appropriate size, composition, skills and commitment to enable it to duties effectively. In general, we tend to surround ourselves with people that look like us, think like us, and who value the same things we do. Keep your board diverse by having some people who are older than you, some who are younger than you, and some who are in your field as well as some in different fields. Establishing a diverse group of people with different backgrounds will provide you with unique perspectives that you may not have otherwise had.

To be effective and fulfill their fiduciary duties, boards need to have diversity of thought and perspective around the table. Just as each person has a frame of reference they see the world through, the goal of board recruitment and selection should be to increase that frame as much as possible by bringing in people with different skills and perspectives. Diversity has been discussed for many decades but boardrooms do not necessarily reflect that belief. If our boardrooms still look like an 'old boys club' rather than a melting pot of ethnicity, then that board could be missing valuable expertise which would contribute to its success.

International perspective

Research points to strong challenges in filling board seats with qualified candidates. A 2012 study showed that 58% of corporate leaders found it difficult to recruit new members. A new study, Leading with Intent 2015, shows that only 73% of

chief executives state that they have the right board members to effectively govern their organizations. At a conceptual level, the selection and nomination of board members raises questions about how knowledge markets operate: how are candidates with the desired qualifications and experience located by those responsible for nominating candidates? The traditional approach such as in Korea and Indonesia essentially revolves around informal networks and personal acquaintances, especially of the controlling shareholders. In the Netherlands, personal acquaintances ("old boys' networks") of supervisory board members have traditionally played an important role but use of placement agencies is now common. Even without the predominance of controlling shareholders as in the United States and the United Kingdom, one study found that "the risk of litigation for lapses of personal integrity is a major reason why boards tend to find directors who are already well known to at least one sitting director when looking for replacements". At its worst, this practice is often called the "old boys' network" and has led to reduced board diversity and often to locality-based boards. In some jurisdictions such as the Netherlands and the United States, companies are more frequently resorting to formal board evaluations to set requirements for potential candidates, and then using advisors to locate them. It is said that such agencies are becoming more active. In the technology start-up area, venture capitalists are very active in determining what skills a board needs and then locating such talented individuals from their own networks. In Europe, one study concludes that boards are now using defined competencies to create member profiles rather than simply a CEO/CFO standard background. This is compatible with an increased use of board evaluations, outside consultants and stronger nomination committees.

Why develop a Board recruitment process?

Do top-performing corporations excel because they have a great, dynamic board, or does their strong performance attract a strong board? The answer is both.

Board member recruitment and selection is the key to getting a great team of effective people around the board table. While the task of recruiting board members might seem a little daunting, it's important to take the time to find candidates with the right values, skills, attitude and commitment. After all, even though this is a volunteer job, being a board member is a crucial leadership role! These folks are going to be responsible for the financial and cultural well-being of your organization. They are defending and promoting your mission; acting as key spokespersons. For small organizations, the board may be managing the day-to-day operations as well.

In going through a structured application and review process, you can take the time to really get to know the potential board members and lay the foundation for building a strong relationship. It's not about "filling seats". An established recruitment process (that includes a well-defined role and

expectations as well as an application and screening process) ensures that all candidates are qualified and evaluated using consistent criteria and process. So it won't come down to a question of a referral gone wrong, an awkward situation or even worse, the desire to "uninvite" a candidate who turns out to be a bad fit or poses any potential conflicts of interest.

Finally, this not a one-time exercise - you are building a long-term relationship. Although you might be thinking about filling a one-person gap right now, there will always be turnover of the board. So it's important to have a process in place rather than a stop-gap measure. While you'll want to revisit the specific criteria on a regular basis to ensure they suit your current needs, having a recruitment process in place takes the pressure off. And if your process includes maintaining on-going applications and leads, you may be able to jump right to the screening process when a board position comes available!

Key determinants of competencies for Directors?

There is no absolute list of competencies that apply to all boards. Each board must review its own special requirements. The competencies required will be impacted by a number of factors:

- Size of the board
- Committee structure of the board
- Whether the organization is for-profit, not-for-profit or a government instrumentality
- Complexity of operations - geographic spread of operations, lines of business,
- Shareholder / member structure
- Size, nature and financial position of the company
- The organization's strategy
- The competencies of senior management
- Risks and challenges of the business

While some organizations have recruiting protocols similar to hiring paid staff such as advertising and interviewing, others keep the process more informal. Regardless of the approach, boards at a minimum should:

- Assess their needs in terms of skills, experience and diversity
- Have clear board job descriptions
- Have an application and screening process

The first thing you have to do is stop thinking of board members simply as "The Board."

Start by understanding your board members one at a time-as individuals-each with his or her individual motivations, talents, interests, and values. Yes, they've agreed to help lead your organization to greatness-but it's up to you to discover what each board member's abilities are, and what drives him or her to put those abilities to use. Otherwise, you can't ever expect to get the best of them working for your organization.

Managing the selection and recruitment process

If you don't know what you are looking for in a board member, or you don't know how to qualify prospects once you find them, you're not ready to look! If you are willing to take anyone who is willing to serve, you are not ready to recruit. And if your whole recruitment process is to ask someone "Will you serve?", and if they say "yes," they're on the board - well you are nowhere near ready to recruit.

Is it better to have several vacant board seats than to have those same seats filled by ineffective board members? Is it better to risk giving a "yea" vote to a board candidate that could generate divisiveness among the board than to leave the seat vacant? There are no easy answers to either question. Yet, it's not productive to have vacant board seats either. To have the best of both worlds, board members need to think about board member recruitment in two ways-it's a plan and a process

Much of the literature on boards fails to mention that creation of a value adding board is a managed process. If your board is no damned good, it's your own damned fault. Board member selection and recruitment are as important a management function as Finance, operations, and marketing. The key to successful Board member recruitment is the nominating committee, performing the human resources function of a board. The unsung hero of all board committees, the nominating committee is rarely given the respect that it deserves. The benefit of following a structured process is worth the extra time and effort. In fact, the success of an organization can often be correlated to the quality of the effort put into the management of the board member selection and recruitment process.

Defining your needs

The board is responsible for ensuring that the skills, knowledge and experience needed to effectively steer the organization both now and in the future are represented on the board. An analysis of the current board's skills and experience in relation to organizational strategy and future goals will help in identifying gaps in knowledge and targeting selection criteria. First, one needs to look carefully at the current roster of board members. Whom Do We Have Now? Taking an inventory: How many will be rotating off? Which committee chair positions will need filling? Which committees will need more personnel? Who is currently holding a board place and is not contributing? How many members of different categories are required / permitted as per law and guidelines? This inventory process will help delineate the task ahead.

Effective board structuring starts with the right match - the right match between an individual with the talent and commitment to make a difference and an organization that is in need of that individual's unique blend of skills and attributes. But how can you know a candidate is a good match unless you've identified what you are looking for? This is done using a board skills matrix. In a board skills matrix the board sets out the specific skills it requires. These skills include industry related competencies, specific technical skills such as accountancy or legal, specific work-related experience such as being a CEO or risk manager, governance related skills, diversity attributes and behavioral skills. The skill set of existing directors is then mapped against this matrix, identifying any current gaps as well as allowing a specification for new directors when a vacancy arises. Directors should be appointed for their special skills and knowledge that will assist with the issues and opportunities the company is facing.

Board assessment and visioning

The board's needs will alter as an organization reaches a new stage in its lifecycle. Therefore, when defining needs, consider where the organization is heading as well as where it is now. Expanding operations into new product/ service or geographic areas, planning acquisitions, staving off a growing competitive threat etc, will impact on the skills and knowledge required by

the board. Use a Strategic Needs Analysis, listing strategic goals and the skill sets needed to execute the strategies involved. By implementing an intentional process for discerning strengths and gaps on the board, vetting candidates and prioritizing them appropriately, you'll find not only that your candidates are better suited to the work at hand, but that new members will begin their tenure with clearly-defined roles.

Write a Board Director job description

A written job specification for one of the most important people you will hire is essential. You should write up what you would optimally want for a board member as a check list. More and more organizations have found it helpful to develop a written statement or agreement for board directors. This statement serves as a job description and clarifies board responsibilities. The job description, in very clear language, sets forth the expectations that the organization has of its board directors. The most effective job descriptions are those that state in behavioral terms precisely what board directors are expected to do. Along with the specific job responsibilities, you need to think about the type of skills sets you need on the board - which skills are missing that are required to round out the board's framework? It would be great to have a diverse board composition - with members from different backgrounds and with different skills-sets that complement one another

How does a Board find candidates for a board position?

In the past, boards have typically relied on their informal networks to find suitable candidates to fill board positions. The demand for accountability is now making the selection of directors more open and transparent. Boards can no longer rely on personal networks and retiring senior executives from their own industry to provide the range of skills and experience they need. A good professional search firm will suggest candidates from further afield. The issue of using search firms is discussed further below.

Should search firms and specialist recruitment consultants be used?

Boards may find search firms useful when seeking a new director with the right skills and experience for their business. Search firms can make recommendations from a huge array of contacts, from highly experienced directors to new directors with a breadth of practical experience. They can introduce candidates whom the board might not have considered and can increase success in finding a director with the right skills.

However, the use of such advisors depends on the nature of the business and the skills that are needed on the board. If a search firm is used, the board must actively manage the involvement of the search firm in the process. Boards will either use the nomination committee, if one exists, or appoint a small group of directors to liaise with the search firm and then in conjunction with the firm to develop the initial list of potential candidates to a short list of three to five persons. The whole board should be involved in the selection of the final person. The search firm can then do a thorough background check to ensure that the person has not embellished their curriculum vitae and meets any other requirements, as set out below, required by the board

Should personal networks be used?

Personal networks can be a valuable source of information about potential candidates. The chief advantage of using a network is

that there is first-hand knowledge of a candidate's working style. This will assist in determining whether a director will be able to work in a collegial manner with other directors.

Caution is needed, however, to ensure that the board is not filled with 'mates'. A key feature of an effective board is independence of mind. A board full of directors always agreeing with each other will not function efficiently. The board must be comprised of people who fill a defined need, challenge the status quo, ask appropriate questions and are persistent in getting answers. Just relying on the contacts of exiting directors has been identified as a major reason for the historic lack of diversity of many boards of major companies. You can also search for prospects by: Asking the board members (past and present), CEO, staff and volunteers for suggestions. Scanning local and other media (including professional association journals) for stories about interesting or motivated people who might suit your organization, checking the board reports from similar groups or organizations.

Application form

The application form will help you gather and collect information about each applicant such as: biographical information, why they want to join this board, what they hope to bring to the board, what they would like to get from their board membership and any questions they might have. Although board members may refer or recruit colleagues or friends, it's important that all candidates or prospects go through the full application and screening process to ensure consistency and to avoid any conflicts of interest or potential issues down the road.

Screening / interview process

Once you've reviewed the applications, you need to develop a process for screening potential candidates so you can develop a short-list for interviews. Think of this application process as you would if you were hiring an employee. You want to get to know the applicant just as they want to get to know you, all to determine if there is a fit.

Conduct first round of personal contact with top recruiting prospects

The first contact may be made by means of printed materials mailed to the prospect. The mailing consists of: A personalized cover letter that informs the prospect of the board's interest in them, a brief description of the recruitment and nominations process, and asking if they would like to be considered for board directorship? A copy of the position description described earlier that details the roles and responsibilities of a board director? Additional material about the company board and its responsibilities? A response form that the prospect can return indicating they would like more information and/or they want to be considered for board directorship

Interview tips

Holding an interview with all potential candidates offers an opportunity to discuss the role and find out about the candidate's: background, skills, interests, qualifications, personal goals. And, generally, to see if he or she is a good fit for the role, the board team, and the organization as a whole.

In preparing for the interview consider:

- Developing a standard set of questions (these should include questions around: skills to meet job description;

values and attitude; time commitment; potential conflicts of interest based on career or other volunteer activities; discussion of any legal and financial commitments, etc.)

- Start the interview with an overview of the selection process
- Provide an overview of the organization and its mission/objectives
- Go over the board role description (even if they've received it beforehand)
- Create a form to document responses consistently across all applicants

What aspects should be considered when interviewing potential candidates ?

- Does the candidate have skills that would add value to the board or fill a gap?
- Does he or she have sound business instincts and judgment?
- Does he or she have a proven track record?
- Is the candidate genuinely interested in the organization, its business and people?
- Is the candidate honest and a person of integrity?
- What other directorships and commitments does the candidate have?

In the interview look for :Expertise in a specific area, leadership and management experience, strategic thinkers, Innovators and creative problem solvers, time and energy, and lack of conflicting interest.

Short-list potential candidates

Some organizations develop a short-list of candidates through the screening and interview process and actually invite them to attend a board meeting. Since the selection process may have only involved a few of the board members, this meeting offers an opportunity for the board to meet and interact with the candidates. It also lets the individuals see first-hand what a board meeting is all about.

Should the Board do background checks?

As mentioned above, there are now standards which are required of directors of different classes of companies such as listed companies and charities. Also given the legal responsibilities that directors face and the collegial nature of an effectively functioning board, directors must trust and respect each other. Therefore, it is advisable to substantiate information provided by a candidate about themselves

Selection of Board Member

The final step in the screening process is for the nominating committee to choose the finalist from among the short-listed candidates. Again, the final selection should be made based on a set of criteria in terms of a skills-set fit, as well as a discussion of the candidate's ability to fit with the board and the organization in terms of values, attitude and personality. Some organizations also require that screening of board candidates involves a police record check.

Once the choice has been made, each of the candidates needs to be notified (preferably through a personal call from the chair of the nominating committee) to officially invite them to join the board, or else to thank them and let them know if their services aren't required. If, however, any of the other short-listed candidates were considered a good fit, consider letting them know you'd like to call on them if there are any future openings on your board. Along with the call, the new board member

should receive a letter confirming his/her invitation to join the board and outlining the role, timelines, commitment and all pertinent details.

Provide an orientation for new Board Member

Congratulations - you've selected a new board member. But the process isn't quite done yet - you need to orient the new member so they are ready to take on their new role. The orientation format can be done through providing a welcome package of information, an orientation video, a presentation or a training session - depending on your organization and its specific resources and needs. However, at a minimum, new board recruits should receive the following information:

- An overview of the organization - its mission, vision, values
- Organization chart - outlining structure (e.g., board, committees, staff roles & responsibilities, etc.)
- Organization's annual report and any other pertinent financial reports
- Role description (and any additional documentation or forms that need to be completed)
- The organization's strategic plan
- Most recent board meeting minutes
- The organization's most recent newsletter and/or brochure
- Schedule of board meetings (and locations), annual meetings and any other events he/she is required to attend
- Contact information - board chair, members, staff contacts etc.

Bringing them on is only the beginning

We don't know if this board will turn out to be the "dream team" we envisioned at the beginning - or maybe we do know, because it's not realistic to think any group will ever operate perfectly. But what we are sure of is that regardless of how great the individuals we brought on are, they won't be successful without engaged leadership from the staff and existing board, lots of help getting "up to speed", and a sincere effort by everyone on the board to build the team, which will take some time. Voting people on is where the real work starts, not the end of the process.

In conclusion

Great boards don't just happen. First, the right people are recruited and oriented, Then, they are provided with the opportunity and support to do great things. Board recruitment efforts are not achieved overnight. It's a long term initiative that you can begin today. Board recruitment doesn't have to be a challenging and urgent task to "fill a gap". While you may have one seat open right now, there will always be turnover of the board, so it's important to have a process in place rather than a stop-gap measure. While you'll want to revisit the specific criteria on a regular basis to ensure they suit your current needs, having a structured and managed recruitment process in place takes the pressure off. It is envisioned that this article provides guidance in getting started with or refreshing your board recruitment process. To sum it all up, choosing your board members will be one of things that could impact the future of the company substantially. You should be thoughtful about who you are adding and why, and take the time to be thoughtful about who you add.



Raw Material Inventory Valuation – FIFO vs Weighted Average

CMA Rajesh Kapadia

The same Raw Material may be purchased at more than one rate during an accounting period. There is a need to decide which of these rates are to be used under the following circumstances :

- A) To establish value of the inventory
- 1) for submission to the bank, if it is pledged to the bank,
 - 2) for accounting purposes- to establish the cost of material consumed during the month and thus to arrive at the profit or loss for the month.
- B) To determine efficiency of the Purchase function by comparing the actual price with predetermined norm.

There are two methods for valuation:

- 1) First - in - first - out
- 2) Weighted Average

These are described in Annexure 1 & Annexure 2.

Whatever policy is adopted, it has to be executed consistently.

If the basis is changed, the company's statutory auditors indicates impact thereof on inventory level and profit in the published accounts.

Fist - in - first - out method (Annexure 1)

This (FIFO) method of inventory valuation assumes that the oldest item of inventory is issued first.

When this methodology for valuation of inventory is adopted, the material issues are valued at older purchase prices and the inventory gets valued at current rate.

Weighted Average Unit Price (Annexure 2)

Under weighted average price method, average per unit rate is reworked with every receipt of material, by aggregating the cost and quantity of inventory in stock, including fresh receipt and stiking a revised rate.

The issues are priced at the prevailing average unit price of the inventory as on that date.

This method is time consuming when inventory records are maintained manually.

Accountants's role in inventory management :

The responsibilities of Accounting function in respect of inventory management are :

- 1) To verify physically quantities at regular intervals and establish accuracy of inventory records.
'A' category items may be verified say, once every quarte, 'B' category once in six months, and rest at least once every year.
The verification will cover reconciliation between actual stock and inventory as per the stores records, identification of excess, non-moving and obsolete stocks.
The task of reconciliation is very difficult as well as time consuming. Hence, neither the operating nor the accounting staff willingly undertake this task.
- 2) To establish correct values for receipts, issues and stocks for accounting purposes.
- 3) To ensure that payment is made only for the material that is ordered and actually received, when due, and at the rates previously agreed upon.
- 4) To match the income generated with purchases of individual items, whenever it is practical.

ANNEXURE 1

ISSUES AT FIRST - IN -FIRST - OUT

DATE	RECEIPTS			ISSUES			BALANCE		
	QTY. KG	RATE RS KG	VALUE RS	QTY KG	RATE RS KG	VALUE RS	QTY KG	RATE RS KG	VALUE RS
1 April Op Balance	1,000	5	5,000				1,000	5	5,000
3 April	2,500	6	15,000				1,000	5	5,000
							2,500	6	15,000
5 April				500	5	2,500	500	5	2,500
							2,500	6	15,000
10 April				500	5	2,500			
				500	6	3,000	2,000	6	12,000
15 April	1,500	6.5	9,750				2,000	6	12,000
							1,500	6.50	9,750
20 April				2,000	6	12,000	1,500	6.50	9,750
30 April Cl Balance							1500	6.50	9,750
April Total	5,000	5.95	29,750	3,500	5.71	20,000	1,500	6.50	9,750

ANNEXURE 2
ISSUES AT FIRST - IN - FIRST - OUT

DATE	RECEIPTS			ISSUES			BALANCE		
	QTY. KG	RATE RS KG	VALUE RS	QTY KG	RATE RS KG	VALUE RS	QTY KG	RATE RS KG	VALUE RS
1 April Op. Balance	1,000	5	5,000				1,000	5	5,000
3 April	2,500	6	15,000				3,500	5.71	20,000
5 April				500	5.71	2,855	3,000	5.71	17145
10 April				1000	5.71	5,710	2,000	5.71	11,435
15 April	1,500	6.5	9,750				3,500	6.05	21,185
20 April				2,000	6.05	12,106	1,500	6.05	9079
30 April Cl Balance							1500	6.05	9,079
April Total	5000	5.95	29,750	3,500	5.91	20,671	1,500	6.05	9,079

Value of Issues and of closing stock, using different basis for valuation is as under :

	Consumption			Closing Stock		
	Qty. Kg.	Value Rs.	Rate Rs. Kg.	Qty. Kg.	Value Kg. Rs.	Rate Kg. Rs.
FIFO	3,500	20,000	5.71	1,500	9,750	6.50
Weighted Average	3,500	20,671	5.91	1,500	9,079	6.05



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

Topic	Internal Audit of Projects	Application of BCG Matrix for Business Turnaround
Speakers	CMA Saswata Banerjee, Practising Cost Accountant	CMA Avinash Gandhi, Director Finance, Thyseenkrupp Electrical Steel India Pvt. Ltd.
Date	Friday, 21st September 2018 WIRC	Saturday, 22nd September 2018 Thane SMFC
Venue	Western India Regional Council, Rohit Chambers, 4th Floor, Janmabhoomi Marg, Fort, Mumbai 400 001	Thane SMF Centre, 301, 3rd Floor, Srushti Pride - Datta Prasanna Building, Ram Maruti Road, Naupada, Above Bank of Baroda, Thane (West) 400 602.
Time:	5.30 p.m. to 8.30 p.m.	10.30 a.m. to 1.30 p.m.

Fees - Rs. 250/- inclusive of GST
(2 CEP Credit hours will be provided to CMAs)

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OR SMS P.D. Enquiry Mobile: 8828177346

CHAPTER NEWS

AHMEDABAD

Interaction Program to discuss on Draft Companies (Cost Records & Audit) Amendment Rule 2018 - 11-08-2018

Chapter organized interaction of members for the discussion on the Draft Companies (Cost Records & Audit) Amendment Rule, 2018 dated 06-08-2018. CMA Ashwin Dalwadi Chairman PD & MS Committee discussed with members present about the key change in the draft rules. Members present discuss about various issues and give their suggestions for modification in the draft rules.

Industry visit (Study Tour) as a part of IOP - 11-8-2018

Chapter had organized Industry visit (Factory visit) at M/s. Somany Ceramics Ltd, Kadi on 11-08-2018 for final students as a part of IOP. Mr. Niraj Darji & Mr. Atul Dave guided and explained in details the manufacturing process of vitrified tiles from raw materials to finished product including packing process.

Flag hoisting ceremony and Blood Donation Camp

Flag hoisting ceremony and Blood Donation Camp at ICAI Ahmedabad chapter organized on the Independence Day of India, 15-08-2018. The flag hoisting ceremony was performed by CMA P H Desai, Vice Chairman of WIRC in presence of CMA Ashish Bhavsar- Chairman, CMA K M Mehta- Vice Chairman, CMA Haren Bhatt-Secretary, CMA Malhar Dalwadi-Treasurer, Managing Committee members, members, staff members and students. The Flag hoisting was followed by National anthem. As per the guidelines of Institute and a part of celebration of platinum jubilee, blood donation camp organized on 15-08-2018 at chapter office. 20 bottles were collected during the camp. An Appreciation certification have given by chapter to all the donors.

Press Meet for print & electronics media meet for announcement of result of June 2018 Term

Press & Electronics media meet were organized in connection with June'18 exam result of Foundation, Intermediate and Final at ICAI-Ahmedabad chapter on 24-08-2018. The leading Reporters of print media and electronics media attended the press meet. CMA Ashish Bhavsar Chairman of the Chapter, CMA Pradip Desai Vice Chairman of WIRC and others present committee member interact with media. Both print and electronic media took interview of successful students. All the leading news papers and TV Channels give wide coverage of the result of Ahmedabad Chapter.

Felicitation of faculties of GST certificate course & distribution of certificates to pass out candidates of GST 1st batch.

Chapter organized felicitation of faculties of GST certificate course and distribution of certificates to pass out candidates on 24-08-2018. The Guest of program was Smt. Rajshri Pandya-Dy. Commissioner of SGST, Ahmedabad and Shri RO Jetly-Asstt. Commissioner of CGST & Customs-Ujjain. CMA Ashish Bhavsar, Chairman of Chapter welcomed Guest, faculties, members & successful candidates & given brief about GST. CMAAG Dalwadi, Chairman-PD Committee & CMAPD Modh, Chairman Oral Coaching Committee felicitate the guest by offering memento and bouquet. CMA A.G. Dalwadi explained about GST Training session and scope for members for practicing in GST. Chief Guest Shri RO Jetly & Smt. Rajshri Pandya explained about opportunities for members & advised them to work smart and do hard work. Felicitation &

Distribution of certificate to faculties by offering mementos in hands of chief guest RO Jetly, Smt. Rajshri Pandya, CMAAG Dalwadi & CMA Ashish Bhavsar.

Felicitation of faculties & pass out students of June 18 exam.

Chapter organized felicitation of Faculties and pass out students of Foundation, Intermediate and final of June'18 exam of Institute on 30-08-2018.

CMA Ashish Bhavsar, Chairman explained about chapter's activities in brief. CMA P.H. Desai, Vice Chairman-WIRC gave details about campus placement for final students and opportunities for CMA practice and industry. CMA PD Modh, Chairman of Oral Coaching committee explain about the result of the chapter and step taken by the chapter for improvement in performance of the students. CMA Malhar Dalwadi, Treasurer of the chapter proposed the vote of thanks.

BARODA

- Chapter has conducted a Career Counselling seminar for 12th Commerce Students at SCPL Academy on 11th August 2018. CMA S. J. Joshi - Chairman, CMA Mihir Vyas - Vice Chairman, CMA Kartik Vasavada - Treasurer, and CMA Hardik Diwanji - CFO of Xylom India, were the speaker of the seminar. More than 75 students attended the programme.
- Chapter organised "An Evening talk on ' Open House Discussion on the Draft Companies (Cost Records and Audit) Amendment Rules 2018'.
- Chapter has organized press conference for the students who have cleared their CMA examination of June 2018 term.

NAVI MUMBAI

CEP on Information Systems Audit

Chapter organized a CEP on "Information Systems Audit - Opportunities for CMA" on 19th August 2018 at Karmaveer Bhaurao Patil College, Vashi. The speaker for the event was Mr. Prakash Negi, B.Com., CISA, CA, SAP (FI) Certified Consultant, General Manager - IT Audit, Reliance Industries Ltd. CMA Sirish Mohite, Vice Chairman of Chapter, introduced the speaker and the programme commenced with the speaker emphasizing on the importance of Information Systems for the organization. CMA L. Prakash, Chairman and CMA Vivek Bhalerao, PD Committee Chairman welcomed the audience to the programme and offered condolences to the Kerala state flood victims. The speaker highlighted how Information System Audit could enable an organization to bullet proof their control systems and face the emerging digital environment. He also touched upon details of various aspects of Information Systems Audit and Audit in Computerized Environment.

In the concluding session, Mr. Prakash Negi highlighted that Information Systems Audit is very essential during this era of digitalization of business activities.

The session was very interactive and the speaker thanked all participants for making the session interesting with their questions and discussions. The programme came to an end with the felicitation of the speaker Mr. Prakash Negi by CMA B. N. Sapkal, and the vote of thanks by CMA M.K. Narayana

Swamy, Managing Committee member of Navi Mumbai Chapter.

Independence Day Celebrations

The 72nd Independence Day celebration was celebrated by the students, members and Managing Committee members of the chapter on 15th August 2018 jointly at Karmaveer Bhaurao Patil College Vashi, Navi Mumbai.

The National flag of India was hoisted by Dr. V. S. Shivankar, Principal, K. B Patil College, at 7.30 a.m. in the Chapter campus. The program ended with the National Anthem.

PIMPRI-CHINCHWAD-AKURDI

CMA Football League 2018

The Chapter had conducted "CMA Football League 2018" on 12th August 2018 at Soccer Yard, Kakade Park, Behind Podar International School, Chinchwad, Pune.

This event received an overwhelming response and around 125-150 students and members of ICAI were present. Total 13 teams were participated from various chapters from western region. The Winner team G and Runner up team L have been awarded by CMA Ashish Deshmukh - Past Chairman, CMA Mahendra Bhombe - Chairman, CMA Pradeep Deshpande, Secretary and CMA Chandrashekar Shahane, Member of the Chapter by offering Trophy and Cash Prize. Cash Prize of Rs.25,000/- for Winner and Rs.10,000/- for Runner up were sponsored by M/s Cityrise Gas Energy Private Limited and CMA Prakash Sevekari.

Flag Hoisting Ceremony on Independence Day

The Chapter has celebrated Flag Hoisting Ceremony on the occasion of the 72nd Independence Day of India on 15th August 2018 at CMA Bhawan, Pimpri, Pune. On this occasion CMA L D Pawar, Chairman, The ICAI - WIRC hoisted the flag. He encouraged all the students through his motivational speech. CMA Pradeep Deshpande, Secretary of the Chapter has shared some important thoughts before the students. The function was followed by the national anthem.

Blood Donation Camp on 19th August 2018

The Chapter in association with Pimpri Serological Institute Blood Bank have organised Blood Donation Camp for members, students and peoples from Pimpri-Chinchwad area on 12th August 2018 at 10:00am to 4:00pm at CMA Bhawan, Pimpri. Many students, members and peoples from Pimpri-Chinchwad area had participated in the camp and donated blood on the occasion.

PUNE

Faculty Meeting

Chapter organized a Faculty Meet of Oral Coaching Centers on 5th August 2018 to discuss various issues of common interest with members of the Managing Committee.

CMA Meena Vaidya, Chairperson, Pune Chapter gave information regarding Building Project of 'CMA Bhawan' under construction. The faculty members present expressed their views on various topics like attendance of students, pattern of CC exams, industrial visits arrangement for the students etc.

Best Faculty Award trophy of the year offered to CS Ravindra Kulkarni from the hands of CMA Dr. Shriram Sane, Past Chairman Pune Chapter.

CMA Chaitanya Mohrir, Treasurer of ICAI-Pune Chapter discussed with faculties regarding students' problems.

For faculty members Chapter arranged demo of computer software app which is very useful for students studies progress report. CA Pai delivered lecture of computer software application with PPT. CMA Nilesh Kekani delivered vote of thanks.

CEP on "How to prepare write & crack the Limited Insolvency exam of IBBI"

Chapter organized CEP on "How to prepare write & crack the Limited Insolvency exam of IBBI" on 10th August 2018. CMA Pramod Jain was speaker for the programme.

CMA Chaitanya Mohrir Treasurer, Pune Chapter introduced & welcome the guests. CMA Sanjay Deshpande felicitated President of ICAI CMA Amit Apte. President of ICAI CMA Amit Apte, felicitated the Speaker CMA Pramod Jain. CMA Pramod Jain expressed his views on "How to prepare write & crack the Limited Insolvency exam of IBBI" to the participants.

Independence Day Celebration-Flag Hoisting

Chapter had organized celebration of "Independence Day" on 15-08-2018. The flag hoisting ceremony was held at Pune Chapter premises at 8.00 am.

Inauguration of Oral Coaching Classes

The Oral Coaching Classes for Session No. 4, (July to December 2018), were inaugurated at Coaching Centers - Siddhivinayak College on 13th August 2018 and at Baramati center of Pune Chapter on 20th August 2018.

SOLAPUR

Inauguration of Oral Coaching Classes was held on 14th August 2018. Dr. Srikant Yelegaonkar, Director of Mangalwedhekar Institute of Management was the Chief Guest for the function. Vice Chairman CMA Srinivas Diddi was felicitated for registering as "Insolvency Professional".

In his speech, Dr. Yelegaonkar gave examples of Dr. APJ Abdul Kalam and Dr. Mashelkar who overcame numerous obstacles to complete their education, but finally succeeded due to persistence and hard work. He urged the students not to give up while studying a difficult topic or problem. CMA R. V. Kshirsagar, Secretary introduced the guest, CMA Nagaraj Alwal, Chairman gave information about facilities available to the students, CMA Murali Iyengar, Treasurer shared tips for success in the exam and CMA Amol Kshirsagar proposed vote of thanks." ■

Membership Fees – 2018-19

Last date to pay Membership Fees is **30th September 2018**. Kindly follow **any one** of the following methods to make the payment :

1. Make Online Payment through website www.icmai.in
2. You can make payment at WIRC by Cash/Cheque drawn in favour of ICAI-WIRC / or by Credit or Debit Cards.
3. You can also make payment at the nearest Chapter / Regional Council.
4. You can draw at par Cheque in favour of The Institute of Cost Accountants of India and send directly to HQ.

Please note that non-receipt of fees will deprive you of your voting rights in the forthcoming elections of 2019.



Industry Visit organized by Ahmedabad Chapter



Felicitation of Chief Guest Smt. Rajshri Pandya, Dy. Commissioner of SGST, Ahmedabad by CMA A G Dalwadi during GST Course Certificate distribution organised by Ahmedabad Chapter



Mr. Prakash Negi being felicitated by CMA B. N. Sapkal, Ex-Chairman Navi Mumbai Chapter during CEP organized by Navi Mumbai Chapter on 19th Aug. 2018.



CMA Amit Apte, President ICAI felicitating Speaker CMA Pramod Jain during CEP organized by Pune Chapter on 10th August 2018.



CMA Mahendra Bhombe - Chairman, CMA Pradeep Deshpande, Secretary, CMA Ashish Deshmukh - Past Chairman felicitating Winner Team by offering Trophy and Cash Prize during CMA Football League 2018 on 12th August 2018



Dr. Srikant Yelegaonkar, Chief Guest addressing students during Inauguration of Oral Coaching Classes at Solapur Chapter on 14th Aug. 2018. Also seen L to R. CMA Murali Iyengar,- Treasurer and CMA Nagaraj Alwal - Chairman Solapur Chapter.

Glimpses of 12 days Pre Campus Orientation Programme started from 1st September 2018



CMA Debasish Mitra addressing fresh CMAs



CMA Harshad Deshpande addressing fresh CMAs



WESTERN INDIA REGIONAL COUNCIL
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organises

NATIONAL CONFERENCE ON INDIAN VALUATION SYSTEM

28th September 2018, Hotel Orchid, Mumbai

Registration (09.00 a.m. to 10.00 a.m.)	Inaugural Session (10.00 a.m. to 11.30 a.m.)
Welcome Address	Shri Balkrishan Goenka , <i>President, ASSOCHAM</i>
Theme Address	Shri Anil Goel , <i>Chairman, AAA Insolvency</i>
Release of ASSOCHAM Knowledge Report	
Address by Knowledge Partner	Shri Sahil Narula , <i>Director, RNC</i>
Address by Guest of Honor	Shri Debajyoti Ray Chaudhuri , <i>Chief General Manager Insolvency and Bankruptcy Board of India</i>
Address by Chief Guest	Dr. M. S. Sahoo , <i>Chairperson, Insolvency and Bankruptcy Board of India (IBBI)</i>
Vote of Thanks	Secretary General, ASSOCHAM
Networking Tea Break (11.30 a.m. – 12 Noon)	
<u>Panel Discussion-I - 12.00 Noon to 01.30 p.m.</u>	
Theme :	Intangible and Brand Valuation - Recent Global Trends Business Valuation and Share based payments / stock options Intricacies of Valuation of Intangible Assets in India Balancing Valuation amongst various stakeholders Valuation and Valuation Standards - Way Forward
Question & Answer Session – Networking Lunch (2.00 p.m. onwards)	
Delegate Fees - Rs. 1,000/- (Including GST) Per delegate for ICMAI Members	
<u>For Details Contact :</u>	
Saurabh Kumar – +91 85889 30165 Saurabh.kumar@assochem.com	WIRC PD No. +91 88281 77346 • wirc.admin@icmai.in

To



If undelivered please return to:

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