

# THE MANAGEMENT ACCOUNTANT

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## INNOVATION in ACTION

*Journal of*



**ICMAI**  
THE INSTITUTE OF  
COST ACCOUNTANTS OF INDIA

भारतीय लागत लेखाकार संस्थान

Statutory Body under an Act of Parliament  
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- **THE INSTITUTE OF COST ACCOUNTANTS OF INDIA** (erstwhile The Institute of Cost and Works Accountants of India) was established in 1944 as a registered company under the Companies Act with the objects of promoting, regulating and developing the profession of Cost Accountancy.
- On 28 May 1959, the Institute was established by a special Act of Parliament, namely, the Cost and Works Accountants Act 1959 as a statutory professional body for the regulation of the profession of Cost & Management Accountancy.
- It has since been continuously contributing to the growth of the industrial and economic climate of the country.
- The Institute of Cost Accountants of India is the only recognized statutory professional organisation and licensing body in India specialising exclusively in Cost & Management Accountancy.

#### VISION STATEMENT

"The Institute of Cost Accountants of India would be the preferred source of resources and professionals for the financial leadership of enterprises globally."

#### MISSION STATEMENT

"The CMA Professionals would ethically drive enterprises globally by creating value to stakeholders in the socio-economic context through competencies drawn from the integration of strategy, management and accounting."

#### Institute Motto

असतोमा सद्गमय  
तमसोमा ज्योतिर् गमय  
मृत्योर्मा मृतं गमय  
ॐ शान्ति शान्ति शान्तिः

From ignorance, lead me to truth  
From darkness, lead me to light  
From death, lead me to immortality  
Peace, Peace, Peace

#### IDEALS THE INSTITUTE STANDS FOR

- to develop the Cost and Management Accountancy Profession
- to develop the body of members and properly equip them for functions
- to ensure sound professional ethics
- to keep abreast of new developments



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there is always a CMA**

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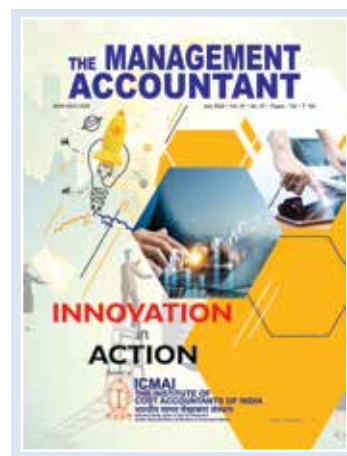
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# From the EDITOR'S DESK

Innovation is no longer a choice but the cornerstone of sustainable growth and economic resilience. The theme of this journal, **"Innovation in Action,"** captures the transformative journey of the Cost Management profession in an era driven by digital technologies, automation, artificial intelligence, and data analytics. A defining milestone in this transformation is the emergence of GST 2.0, which signifies the next phase of India's digital tax ecosystem.

The shift from periodic compliance to continuous digital compliance presents both opportunities and responsibilities for businesses and finance professionals. Cost and Management Accountants, in particular, are uniquely positioned to guide organizations through this evolving landscape by integrating tax compliance with business strategy, improving operational efficiency, and strengthening governance. This edition aims to inspire readers to embrace these innovations, remain agile amidst regulatory changes, and contribute meaningfully to India's vision of a transparent, competitive, and digitally empowered economy.

For knowledge enhancement and academic development, this issue presents the following articles under cover story and GST.

*Costing for Sustainability and ESG Reporting* examines the Holistic Environmental Costing (HEC) framework introduced through ICAI's Guidance Note (2025), situates it within India's Cost Accounting

Standards architecture, and maps its requirements against the Business Responsibility and Sustainability Reporting (BRSR) framework.

*Future-Ready Finance Professionals* highlights that the finance professional of the future will move beyond reporting numbers to actively shaping sustainable business growth and organizational transformation.

*Can CMAs Be a Panacea in Forecasting Energy Prices? A Predictive Cost Intelligence Framework for Future-Ready Professionals* explores secondary data on key energy cost drivers, including crude oil prices, inflation, exchange rates, and the Geopolitical Risk Index, and develops a conceptual framework demonstrating how AI-driven forecasting can transform the traditional role of CMAs into that of modern cost analysts.

*The Future-Ready Finance Professional: Why Data & AI Skills Will Define the Next Generation of Accountants* argues that AI is not replacing accountants; rather, professionals who embrace data analytics and AI capabilities will redefine the profession. It emphasizes that data literacy, analytical thinking, technology enablement, business acumen, and continuous learning are essential competencies for future-ready finance professionals.

*Daily Wellness for the Business: A CMA's Field Notes on AI-Built Dashboards* emphasizes that continuous monitoring of business activities is essential to safeguard the interests of stakeholders, including

employees, shareholders, and financial institutions. It concludes that AI-powered daily wellness dashboards, built around three vital business indicators, can serve as an effective decision-support tool.

*GST Compliance in the Digital Era and Impact of GST 2.0: Opportunity and Challenges* concludes that while digitalisation has significantly enhanced efficiency and accountability in tax administration, its long-term success depends on balancing robust compliance with taxpayer convenience and procedural simplification.

*Innovation in Action: GST Compliance in the Digital Era* examines the evolving role of CMAs in digital compliance and recommends strengthening digital infrastructure and simplifying compliance processes to improve profitability, working capital management, and business competitiveness.

*A Study on the Perceptions and Preferences of MSME Units Regarding Composition Levy under Section 10 of the CGST Act, 2017* analyses the awareness, perceptions, and preferences of MSMEs regarding the GST Composition Scheme. The study identifies key factors influencing their decisions and offers suggestions to improve the design and implementation of the scheme for wider acceptance and effectiveness.

This issue also features articles on several other contemporary topics of professional relevance. We are privileged to present an exclusive interview with CMA (Dr.) Sadanand Vasant Date, IPS Director General of Police (DGP) for the State of Maharashtra, who shares valuable insights on governance, leadership, and the evolving role of Cost and Management Accountants. We extend our sincere gratitude to all our contributors for enriching this edition with their research, experience, and thought leadership.

As the profession continues to evolve in response to technological advancements and an increasingly digital business environment, continuous learning and innovation will remain the key drivers of professional excellence. We trust that this issue will provide valuable insights, encourage informed discussions, and empower our readers to navigate emerging challenges with confidence. We look forward to your valuable feedback and suggestions at [editor@icmai.in](mailto:editor@icmai.in), which will help us further strengthen the quality and relevance of this journal.



# President's Communiqué

**CMA TCA Srinivasa Prasad**

President

The Institute of Cost Accountants of India

*“Nothing worthwhile is ever achieved without deep thought and hard work.”*

-- **JRD Tata**

My Dear Professional Colleagues,  
Namaskar!

**A**s the Council Year 2025–26 draws to a close, it is a matter of immense satisfaction and gratitude to present this twelfth communiqué as President of our esteemed Institute. The opportunity to serve The Institute of Cost Accountants of India has been a profound honour and the year has been devoted to strengthening institutions, advancing the profession and reinforcing the values that define our Institute.

Sincere appreciation is placed on record for the excellent cooperation, thoughtful guidance and unwavering support extended by CMA Neeraj D. Joshi, Vice President, throughout the year. Appreciation is also extended to the Council Members, Government Nominees, officials of the Ministry of Corporate Affairs, Chairmen and Members of the Committees, Boards and Regional Councils, Chapters, employees of the Institute and every stakeholder whose dedication has contributed to the progress of the Institute. Some of the notable milestones during the year include:

- ⦿ 50% waiver in the total course fee for the Certificate in Accounting Technicians (CAT) Course for candidates from the North-Eastern States, Jammu & Kashmir and Ladakh, promoting inclusive professional education.
- ⦿ Strategic collaborations through Memorandum of Understanding with

leading institutions and organisations, including IIM Jammu, IICA, Ministry of Corporate Affairs, C.V. Raman University, Siva Sivani Institute of Management, Indian Association for Gold Excellence and Standards (IAGES), Kaziranga University, National Small Industries Corporation Ltd. (NSIC), Institute of Internal Auditors–India, National e-Governance Division (NeGD), Investor Education and Protection Fund Authority (IEPFA), National Institute of Banking Studies and Corporate Management (NIBSCOM) and Taxobuddy AI & Astrazure E Ventures.

- ⦿ Release of the KYC Guidelines for Practising CMAs, aligned with the directives of FIU-India, strengthening regulatory compliance and professional accountability.
- ⦿ Publication of ‘Role of CMAs in Viksit Bharat 2047’, along with several important technical publications, including the 3<sup>rd</sup> Enlarged and Revised Edition of the Aide Memoire on Infrastructure Financing.
- ⦿ 63<sup>rd</sup> National Cost and Management Accountants’ Convention (NCMAC) 2026 at Coimbatore under the theme “RISE India – Reposition India and CMAs, Intensify Growth, Strengthen Competence & Enhance Capabilities.”
- ⦿ Sustainability Summit 2.0, highlighting the evolving role of CMAs in sustainability, ESG reporting and assurance and instituting the inaugural ICMAI Green Awards.
- ⦿ RISE India Leadership Summits at Pune

and New Delhi, showcasing emerging opportunities for CMAs in Global Capability Centres and Global Business Capabilities.

- ⊙ Nationwide outreach programme on the Income Tax Act, 2025, organised in association with CBDT to enhance awareness and professional capacity.
- ⊙ 3<sup>rd</sup> National CAT Students' Convention, recognising academic excellence and strengthening engagement with CAT students.
- ⊙ National CMA Practitioners' Convention (NCPC 2026) and the National Seminar on Cost Audit, reinforcing the profession's role in governance, transparency and national development.
- ⊙ 13<sup>th</sup> National Students' Convocation, celebrating the achievements of newly qualified CMA Students.
- ⊙ Successful conduct of the CMA Campus Placement Programme, providing enhanced career opportunities for newly qualified CMAs.
- ⊙ 2<sup>nd</sup> CMA National Youth Commerce Olympiad (NYCO 2025-26), promoting commerce education and enhancing awareness of the CMA profession among students through enthusiastic nationwide participation.
- ⊙ Progress on key infrastructure development projects across various locations through NBCC (India) Limited, strengthening the Institute's physical infrastructure and institutional capacity.
- ⊙ Adoption of the Vision 2047 Report, finalised in consultation with the Indian Institute of Management Ahmedabad (IIM Ahmedabad), as the Institute's strategic roadmap for long-term growth, transformation and global positioning of the CMA profession in alignment with the vision of Viksit Bharat @ 2047.
- ⊙ Knowledge partnership in the development of the Cost Accounting Standards of Sri Lanka, further strengthening the Institute's international recognition and professional leadership.
- ⊙ Inauguration of the Varanasi Chapter,

expanding the Institute's professional outreach and regional presence.

- ⊙ Launch of the Institute's new website.
- ⊙ Implementation of e-Office system in the Institute.
- ⊙ Implementation of ERP (HR & Finance Modules) in the Institute.

Besides the significant achievements highlighted above, the following is a brief overview of the key activities undertaken by the Institute during the month of June 2026.

### **Presentation before the JPC on the Corporate Laws (Amendment) Bill, 2026**

The Institute had the privilege of presenting its views before the Hon'ble Joint Parliamentary Committee (JPC) on the Corporate Laws (Amendment) Bill, 2026 during a hearing held on 12<sup>th</sup> June 2026 at New Delhi. The Institute was represented by the undersigned, CMA Neeraj D. Joshi, Vice President; CMA (Dr.) K.Ch.A.V.S.N. Murthy, Council Member & Chairman, Corporate Laws Committee; and CMA Manoj Kumar Anand, Council Member. The Institute's participation reflects the continued recognition of ICMAI's expertise in corporate law, governance and regulatory matters, as well as its commitment to contributing constructively to the legislative and policy-making process in the national interest.

### **Corporate Mitra Scheme**

The announcement of the Corporate Mitra Scheme in the Union Budget 2026–27 is a significant initiative to develop a pool of trained para professionals to support MSMEs in business and regulatory compliances, thereby promoting ease of doing business and contributing to the vision of Viksit Bharat 2047.

The Institute is privileged to be one of the three professional institutes entrusted by the Ministry of Corporate Affairs to provide academic support for this flagship initiative. The Institute actively participated in the formulation of the Scheme and joined hands with IIT Madras, IIT Pravartak and SWAYAM Plus by signing the Memorandum of Understanding on 25<sup>th</sup> June 2026 for its nationwide

implementation. The Scheme will equip young graduates with practical knowledge and industry-relevant skills through structured online learning and on-the-job training, creating new employment opportunities while strengthening India's compliance ecosystem.

### **MoU with Jharkhand State Faculty Development Academy (JSFDA)**

The Institute signed a Memorandum of Understanding (MoU) with the Jharkhand State Faculty Development Academy (JSFDA) on 11<sup>th</sup> June 2026 at the Government of Jharkhand Secretariat, Nepal House, Ranchi. The collaboration aims to promote faculty development, capacity building and academic excellence through joint initiatives in professional education, training, research and knowledge sharing.

### **MoU with Indian Institute of Management Kozhikode (IIMK)**

The Institute signed an MoU with the Indian Institute of Management Kozhikode (IIMK) on 18<sup>th</sup> June 2026 at IIM Kozhikode Campus, marking a significant step towards academic collaboration and professional excellence. The MoU signing ceremony was attended by the undersigned, Prof. Debashis Chatterjee, Director, IIM Kozhikode, CMA Vinayaranjan P, Chairman, Board of Advanced Studies & Research, CMA (Dr.) Paritosh Basu, Member (Co-opted), Training & Educational Facilities Committee, CMA (Dr.) Debaprosanna Nandy, Secretary (Officiating), Members of the Managing Committee of the Kozhikode Chapter and representatives of IIM Kozhikode.

### **Meeting with dignitaries**

- ⊙ CMA Manoj Kumar Anand, Council Member, felicitated CMA Anupam Agarwal on assuming charge as Director (Finance), ONGC Ltd., on 4<sup>th</sup> June 2026 at New Delhi.
- ⊙ CMA Manoj Kumar Anand, Council Member and CMA (Dr.) D. P. Nandy, Secretary (Officiating) had a meeting with CMA Rathindra Bose, Hon'ble Speaker of the 18<sup>th</sup> West Bengal Legislative Assembly, during his

visit to the Institute's Headquarters at Delhi on 10<sup>th</sup> June 2026.

- ⊙ CMA Rajendra Singh Bhati, Chairman, Direct Taxation Committee, met Shri Rohit Mehra, IRS, Commissioner Income Tax (Hqrs.) (International Taxation) and Ms Kalpana Singh, IRS, Commissioner Income Tax (Transfer Pricing) on 11<sup>th</sup> June 2026 at New Delhi to discuss matters relating to the profession and taxation.
- ⊙ The undersigned along with CMA (Dr.) K.Ch.A.V.S.N. Murthy and CMA Manoj Kumar Anand, Council Members, met Shri N. K. Premachandran, Hon'ble MP (Lok Sabha) on 12<sup>th</sup> June 2026 at New Delhi.
- ⊙ The undersigned along with CMA Neeraj D. Joshi, Vice President, CMA Manoj Kumar Anand and CMA Chittaranjan Chattopadhyay, Council Members, called on Dr. Ashok Kumar Lahiri, Vice Chairman, NITI Aayog, on 12<sup>th</sup> June 2026 at New Delhi.
- ⊙ CMA Manoj Kumar Anand, Council Member met Shri Kapil Mishra, Hon'ble Minister for Law & Justice, Labour & Employment, Government of NCT of Delhi, on 15<sup>th</sup> June 2026 at New Delhi. The meeting focused on exploring the utilisation of CMA professionals for social audit and related activities.
- ⊙ CMA (Dr.) K.Ch.A.V.S.N. Murthy, Council Member along with CMA D. Venkata Ram Babu, Chairman, Hyderabad Chapter and CMA Kirti Gupta, Secretary, Hyderabad Chapter met Dr. DK Srinivas, IRS (Retd.), Member (Technical), GSTAT, Telangana on 18<sup>th</sup> June 2026.
- ⊙ CMA Manoj Kumar Anand, Council Member and CMA (Dr.) S.K. Gupta, MD, ICAI RVO, met Shri Rahul Jain, IAS, Joint Secretary to the Govt. of India, Ministry of Corporate Affairs on 22<sup>nd</sup> June 2026 and Shri Balamurugan D., IAS, Joint Secretary to the Govt. of India, Ministry of Corporate Affairs on 30<sup>th</sup> June 2026, at New Delhi and discussed the matters related to the CMA Profession.

### International MSME Day 2026

The MSME and Start-up Promotion Board of the Institute, jointly with Laghu Udyog Bharati (South Sambhag, West Bengal) and EIRC, commemorated International MSME Day on 27<sup>th</sup> June 2026 at CMA Bhawan, Kolkata, on the theme “Micro to Multinational: MSMEs Igniting Viksit Bharat.”

The programme was graced by Shri Ashoke Kumar Dinda, Hon'ble Minister of State for Micro, Small & Medium Enterprises and Textiles, Government of West Bengal, as the Chief Guest. Shri K. K. Seksaria, President, Laghu Udyog Bharati (South Sambhag), West Bengal, and Shri S. K. Sahoo, All India Vice President & Prabhari, West Bengal, Laghu Udyog Bharati, were among the distinguished dignitaries who enriched the deliberations. The event provided a valuable platform to highlight the vital role of MSMEs in driving entrepreneurship, innovation and economic growth towards the vision of Viksit Bharat 2047. Heartiest congratulations are extended to CMA (Dr.) K.Ch.A.V.S.N. Murthy, Chairman, MSME and Start-up Promotion Board and CMA Chittaranjan Chattopadhyay, Council Member, for successfully organising the programme.

### DGR-CAT Batches

Advancing steadily under the Directorate General Resettlement (DGR) Training Calendar 2026–27 of the Ministry of Defence, Government of India, the Institute's Certificate in Accounting Technicians (CAT) Course continues to create meaningful opportunities for armed forces personnel preparing for a successful transition to civilian careers. The month of June 2026 marked another significant milestone in this journey with the commencement of ten new batches across various parts of the country.

The CAT Course commenced at Prayagraj, Madurai, Jaipur, Bhubaneswar, Ranchi, Chennai, Coimbatore, Tiruchirappalli, Nashik and Thiruvananthapuram, further strengthening the Institute's nationwide efforts to support defence personnel through professional education and skill development. The enthusiastic response to these batches reflects the growing recognition of the course as a valuable pathway for acquiring

accounting, finance and management competencies that enhance post-retirement career prospects.

A notable highlight during the month was the interaction of the undersigned, with defence personnel enrolled in the CAT Course under DGR at the Salem Chapter on 3<sup>rd</sup> June 2026 and at the Kozhikode–Malappuram Chapter on 18th June 2026. During these interactions, participants were apprised of the expanding opportunities available in the fields of accounting, finance and management, and were encouraged to make optimum use of the knowledge and skills imparted through the course. The interactions also provided an opportunity to understand their aspirations and reinforce the Institute's commitment towards supporting their professional transition and career advancement after their distinguished service to the nation.

Another significant milestone during the month was the virtual inauguration of five CAT batches on 23<sup>rd</sup> June 2026. Lt. Col. Neeraj Kumar, Joint Director (South), Directorate General of Resettlement (DGR), addressed the participants of the batches at Nashik, Coimbatore, Thiruvananthapuram, Tiruchirappalli and Chennai (SIRC). In his address, he encouraged the participants to make the best use of the learning opportunities provided through the CAT Course and appreciated the Institute's continued efforts in facilitating the professional resettlement of defence personnel. Earlier, Lt. Col. Prashant Mishra, Joint Director, DRZ (Central), DGR, addressed the participants of the Prayagraj batch and motivated them to leverage the programme for enhancing their employability and professional competencies.

The month also witnessed the successful completion of two CAT Course batches under the DGR Training Calendar 2025–26 at Prayagraj and Noida, in accordance with the approved training schedule. With the conclusion of these batches, all CAT Course batches under the DGR Training Calendar 2025–26 have now been successfully completed, marking the culmination of another productive year of collaboration between the Institute and the Directorate General Resettlement.

As we move forward, the Institute remains steadfast in its commitment to empowering our nation's heroes with professional knowledge,

industry-relevant skills and new avenues for growth, enabling them to continue contributing to the nation's progress long after their distinguished service in the armed forces.

### Membership Initiatives

During the month of June 2026, 256 new members were granted Associate Membership and 52 members were advanced to Fellowship.

To continue enjoying the benefits of membership, Members are required to clear their outstanding dues for the 2026–27 financial year at the earliest. Members are encouraged to make payment online through the Members' Online System using the following link:

- Without login: <https://eicmai.in/mms/PublicPages/UserRegistration/Login-WP.aspx/>

Members who were unable to renew their Certificate of Practice (CoP) are requested to initiate the restoration process, which will begin this month for your convenience.

CMA Members are also encouraged to visit the ICMAI website to learn more about the health benefits available under the Members' Benevolent Fund, as well as the other professional and welfare benefits available to members.

### ET Annual Education Summit 2026

The Institute participated in the Economic Times (ET) Annual Education Summit 2026, India's premier education leadership and EdTech conference, held from 11<sup>th</sup> – 12<sup>th</sup> June 2026 at Yashobhoomi (IICC), New Delhi.

The undersigned, along with Council Colleagues, visited the ICMAI Stall at the summit on 11<sup>th</sup> June 2026. The Institute's participation provided an important platform to showcase the CMA profession, engage with key stakeholders from the education ecosystem and highlight the Institute's initiatives in professional education, skill development and capacity building.

### Launch of Certificate Course on Total Cost Management (TCM)

The Institute, through the Board of Advanced Studies & Research (BoASR) in collaboration

with the Confederation of Indian Industry (CII) – Total Cost Management Division, is launching the Certificate Course on Total Cost Management (TCM) on 11<sup>th</sup> July 2026 at Pune. Designed for Cost and Management Accountants, finance professionals and business leaders, the course aims to provide a strategic and integrated approach to Total Cost Management, enabling participants to enhance operational efficiency, optimise resource utilisation, strengthen cost competitiveness and create sustainable value in an increasingly dynamic business environment.

Admissions to the inaugural batch are now open, and eligible professionals are encouraged to enrol and take advantage of this unique opportunity to acquire future-ready competencies in Total Cost Management. For further information, interested candidates may write to [advstudies@icmai.in](mailto:advstudies@icmai.in).

As this tenure draws to a close, there is immense confidence in the future of the Institute. Today, ICMAI stands stronger, more agile and better positioned to respond to the emerging opportunities of the evolving global business environment. It is firmly believed that the incoming leadership will build upon this strong foundation and lead the Institute to even greater heights.

The trust, goodwill and affection extended throughout this tenure shall always remain deeply cherished. Although the tenure as President concludes on 21<sup>st</sup> July 2026, the commitment towards the Institute and the advancement of the Cost and Management Accountancy profession will remain unwavering.

Let us continue to work together with unity, integrity and professional excellence to further strengthen the profession and contribute meaningfully to the economic growth and development of our nation.

Jai Hind!

With warm regards,



**CMA TCA Srinivasa Prasad**

1<sup>st</sup> July 2026

# BRIEF SUMMARY OF THE ACTIVITIES OF VARIOUS DEPARTMENTS/ COMMITTEES/ BOARDS OF THE INSTITUTE DURING THE MONTH OF JUNE 2026

## **BANKING, FINANCIAL SERVICES AND INSURANCE BOARD (BFSI BOARD)**

### **A. Certificate Courses**

- i. Certificate Course on Treasury, Foreign Exchange and International Banking

The 11<sup>th</sup> batch started from 13<sup>th</sup> June, 2026. CMA Renu Ajwani, General Manager, Reserve Bank of India was the Chief Guest for the inaugural session.

- ii. Certificate Course on Concurrent Audit of Banks

The 14<sup>th</sup> batch started from 20<sup>th</sup> June, 2026. Shri Nirav Ashokbhai Patel, Sr. Manager, Specialized Audit, The Kalapur Commercial Co-operative Bank Ltd. was the Chief Guest. The course has 14 nominations from The Kalapur Commercial Co-operative Bank Ltd.

### **B. Webinar**

The webinar titled Recent RBI changes with respect to Gold Loan in NBFC was conducted on 28<sup>th</sup> June, 2026. CMA Krishnadas MB, Senior Manager- Audit, Manappuram Finance Limited was the speaker.

### **C. Opportunities for CMAs**

CMAs are eligible to apply as professionals on fixed term engagement on a contractual basis for Corporate and Institutional Credit (C & IC Department) in Bank of Baroda. The last date for application is 6<sup>th</sup> July, 2026.

## **PROFESSIONAL DEVELOPMENT & CONTINUOUS PROFESSIONAL EDUCATION (PD & CPE) COMMITTEE**

The Professional Development & CPE Directorate has successfully concluded the 17<sup>th</sup> Batch of Online Mandatory Capacity Building Training (MCBT) on 25<sup>th</sup> June 2026. The technical sessions were very much appreciated by the participants. The next batch shall commence in the month of August 2026. For details, visit <https://eicmai.in/MCBT/Home.aspx>

Please visit the PD Portal for Tenders/EOIs during

the month of June 2026 where services of the Cost Accountants are required in National High Speed Rail Corporation Ltd., State Taxes Department (Uttar Pradesh), Andaman and Nicobar Islands Integrated Development Corporation Ltd., District Health Society (Raebareli), Airports Authority of India (Raipur), Stock Holding Corporation of India Limited, Malabar Regional Co-operative Milk Producers' Union Ltd., Nagar Panchayat (Seraikela), National Health Mission (Chhattisgarh), National Textile Corporation Limited, Maharashtra Electricity Regulatory Commission, National Aluminium Company Limited (NALCO), Development Management Institute (Patna), Assam Power Distribution Company Limited (APDCL), Webel Technology Limited, Maharashtra Power Generation Company Limited (MahaGenco), etc.,

During the month, webinar series for practitioners were conducted on “Decoding GST disputes from Notices to Resolution” and “Cost Audit with 2026 Technologies” for the benefit of members.

Professional Development & CPE Committee in association with Institute of Internal Auditors conducted a Joint Audit Conclave on the theme “IA: Trust, Technology & Transformative Governance” on 19<sup>th</sup> June 2026 at Kolkata.

During the month of June, 86 programmes in Physical mode and 47 programmes in online mode were organised by the different Committees, Regional Councils and Chapters of the Institute on various topics such as Conference on Atmanirbharta & Export Readiness for a Competitive Gujarat, GST Deep Dive: Fundamentals & Compliance Framework, Micro to Multinational: MSMEs Igniting Viksit Bharat, Export Incentive Schemes, Cost Optimisation Through Effective Contract Management, Finance Leadership to Corporate Leadership, Recent RBI changes with respect to Gold loan in NBFC, Income Tax Act 2025 & GSTAT Proceedings, Input Tax Credit eligibility and Court Rulings, Emerging Opportunities for Cost and Management Accountants under the ICMAI-IAGES Collaboration and so on. We are sure that our members shall immensely benefit from the deliberations in the sessions.

## **SUSTAINABILITY STANDARDS BOARD**

### **1. Webinars -**

#### **a. Vasudhaiva Kutumbakam Series**

- i. The Board organized the 59<sup>th</sup> Webinar of the Vasudhaiva Kutumbakam series held on 12<sup>th</sup> June 2026 from 4 pm to 5: 15 pm on the topic “ Carbon Footprints- global, economic and social impact”. Dr. Ayushi Modi, Environmental Economist & Sustainability Consultant was the speaker.
- ii. The Board organized the 60<sup>th</sup> Webinar of the Vasudhaiva Kutumbakam series held on 26<sup>th</sup> June 2026 from 4 pm to 5: 15 pm on the topic “ Circular Economy- From Grass roots to Hill Tops”. Dr. Kunal Mandwale, Deputy Chief Accounts & Finance Officer (Chief Compliance Officer & Investor Grievances Officer), Pune Municipal Corporation was the speaker.

#### **b. Parinayati Webinar Series**

The Board organized the 8th Parinayati Webinar series on the topic of ESG and Sustainability Reporting in Cyprus on 19<sup>th</sup> June, 2026. CMA (Dr.) Aditi Dasgupta, Joint Director, The Institute of Cost Accountants of India and CMA Arunabha Saha, Practising Cost Accountant were the speakers.

### **2. Monthly Newsletter - Sukhinobhavantu**

The Board released Volume XXXV which is the June 2026 edition of the monthly newsletter Sukhinobhavantu. The Download link is as follows:

[https://icmai.in/CIntCourses/SSB\\_Newsletter\\_SUKHINOBHAVANTU](https://icmai.in/CIntCourses/SSB_Newsletter_SUKHINOBHAVANTU)

### **3. Certificate Course on ESG**

The admission for the 7th batch of the Certificate Course on ESG has started and we request all members and students to enrol for the course for capacity enhancement and knowledge dissemination. The last date of admission is extended till 30<sup>th</sup> June, 2026.

## **TAX RESEARCH DEPARTMENT (TRD)**

During June 2026, the Tax Research Department continued its efforts towards advancing professional knowledge and stakeholder engagement through a series of outreach programmes, technical seminars, and expert-led webinars. The initiatives focused on key developments under the Income Tax Act, 2025 and GST laws, providing valuable insights and practical guidance to members, professionals, and

other stakeholders.

### **10<sup>th</sup> – 13<sup>th</sup> June 2026 | Four-Day CPE Programme on GST Appellate Tribunal (GSTAT)**

The Tax Research Department, through the Indirect Taxation Committee of the Institute, in association with the ICAI-Pune Chapter, organized a comprehensive four-day CPE Programme on GST Appellate Tribunal (GSTAT) from 10<sup>th</sup> to 13<sup>th</sup> June 2026 in a hybrid mode comprising three online technical sessions followed by an intensive offline workshop and Moot Court exercise. The programme was designed to equip professionals with practical knowledge of GST litigation, appellate drafting, GSTAT procedures, and emerging professional opportunities in indirect tax litigation.

The technical sessions covered important aspects including sources of GST litigation, drafting replies to Show Cause Notices, appellate drafting, constitution and jurisdiction of GSTAT, practical representation before the Tribunal, Moot Court proceedings, and capacity building in GST litigation practice. The sessions were delivered by eminent professionals and practitioners from the field of indirect taxation and litigation.

### **20<sup>th</sup> June 2026 | Seminar on Income Tax Act, 2025 & GSTAT Proceedings – Ghaziabad**

The Tax Research Department, in association with the ICAI-Ghaziabad Chapter and in collaboration with the Income Tax Department, organized a Seminar on “Income Tax Act, 2025 & GSTAT Proceedings” at Hotel Mahagun Sarovar Portico, Vaishali, Ghaziabad.

The programme was graced by Shri Atul Garg, Hon’ble Member of Parliament, and Shri Sanjaya Kumar Chaurasia, IRS, Additional Commissioner of Income Tax, Ghaziabad. The technical sessions were delivered by CMA (Dr.) Pawan Jaiswal and CMA (Dr.) Anil Sharma, who deliberated upon key provisions of the Income Tax Act, 2025 and important aspects relating to GST appellate proceedings. The seminar provided valuable insights to members and professionals on the evolving direct and indirect tax framework.

### **25<sup>th</sup> June 2026 | Outreach Programme on Income Tax Act, 2025 – Kolkata**

The Tax Research Department, in association with ICAI-EIRC and in collaboration with the Income Tax Department, organized an Outreach Programme on the Income Tax Act, 2025 at J.N. Bose Auditorium,

CMA Bhawan, Kolkata under the theme “नवदृष्टि – Navigating the Income Tax Act, 2025”.

The programme was graced by Shri Jasdeep Singh, IRS, Chief Commissioner of Income Tax (TDS), Kolkata, as the Chief Guest. The technical sessions featured CMA Avinash Kotni on “Overview of the Income Tax Act, 2025, Income Tax Forms & Rules, 2026” and Shri Sanjay Bhattacharya, Advocate, on the “Applicability of Income Tax on NPOs”. The programme served as an effective platform for creating awareness and fostering dialogue on the new tax regime among professionals, industry representatives, and stakeholders.

### “Webinars on The Income Tax Series 2025”

#### 02<sup>nd</sup> June 2026 | Taxation in Real Estate Transactions

**Faculty:** Shri Bhanwar Borana

**Overview:** The webinar provided an in-depth analysis of the taxation aspects of real estate transactions under the Income Tax Act, 2025. The session covered key issues relating to taxation of property transfers, capital gains implications, tax planning considerations, and compliance requirements relevant to taxpayers, professionals, and stakeholders in the real estate sector.

#### 09<sup>th</sup> June 2026 | Tax Implications of Partnership Firm Reconstitution under the ITA, 2025

**Faculty:** Shri Vikash Mundhra

**Overview:** The session deliberated on the tax implications arising from the reconstitution of partnership firms under the Income Tax Act, 2025. The discussion focused on taxation of partners and firms, transfer-related implications, valuation considerations, and practical challenges faced in restructuring partnership entities.

#### 16<sup>th</sup> June 2026 | Strategic Considerations Before the Appellate Authority Prior to Writ Jurisdiction

**Faculty:** CMA (Dr.) Gopal Krishna Raju

**Overview:** The webinar highlighted the strategic and procedural considerations that taxpayers and professionals should evaluate before invoking writ jurisdiction. The session examined appellate remedies available under the tax laws, judicial principles governing writ petitions, and practical approaches to tax litigation management.

#### 23<sup>rd</sup> June 2026 | Exemptions under Income Tax Act, 2025

**Faculty:** Shri Vikash Mundhra

**Overview:** The session provided a comprehensive understanding of various exemptions available under the Income Tax Act, 2025. The discussion focused on eligibility conditions, procedural requirements, interpretation of exemption provisions, and practical issues encountered while claiming tax exemptions.

### “Webinars on Kar Kranti Series”

#### 10<sup>th</sup> June 2026 | GST Audit Paras and Response of Taxpayer – Case Study Approach

**Faculty:** CMA (Dr.) Shiba Prasad Padhi

**Overview:** The webinar examined common audit observations raised under GST and the appropriate responses that may be adopted by taxpayers. Through a case-study-based approach, the session discussed audit preparedness, documentation requirements, reply drafting, and strategies for addressing audit-related disputes effectively.

#### 24<sup>th</sup> June 2026 | The Tax (GST) on Transfer of Development Rights

**Faculty:** CMA Vishwanath Bhat

**Overview:** The session provided valuable insights into the GST implications on the transfer of development rights (TDR). The discussion covered the legal framework, valuation aspects, taxability, exemptions, compliance requirements, and recent developments affecting the real estate and infrastructure sectors.

In furtherance of its objective of strengthening professional competencies and promoting continuous learning, the Tax Research Department has been conducting various certificate and advanced certificate courses since 18<sup>th</sup> April 2026. The ongoing programmes encompass key areas of direct and indirect taxation, including GST, Income Tax Act, 2025, TDS, International Trade, Tax Litigation, Assessment and Audit Procedures, thereby facilitating comprehensive knowledge enhancement and skill development among members and professionals.

### ICMAI REGISTERED VALUERS' ORGANIZATION (RVO)

ICMAI RVO has successfully organised three (3) “50-Hour Training Programs” for securities or financial asset class and land and Building asset class, also organised nine (9) “online Professional Development Programs”. In its efforts to bring out relevant publications for the development of the valuation profession, the ICMAI RVO released its monthly journal, The Valuation Professional.

## **ICMAI SOCIAL AUDITORS' ORGANISATION (SAO)**

ICMAI SAO has successfully organised four (4) social stock Awareness programs (PD) online and one (1) Physical program on 19<sup>th</sup> June 2026. ICMAI SAO also released its monthly journal, *The Social Impact Assessor*.

## **INSOLVENCY PROFESSIONAL AGENCY OF THE INSTITUTE OF COST ACCOUNTANTS OF INDIA (IPA-ICMAI)**

Insolvency Professional Agency of Institute of Cost Accountants of India, in its endeavour to promote professional development and sharpen the skills of the professionals, has constantly been conducting various professional & orientation programs across the country and publishing various publications and books for the benefit of stakeholders at large. Towards that, IPA-ICMAI has undertaken several initiatives, as enumerated below, during the month of June 2026.

- ⊙ Advanced Workshop on CIRP & Liquidation: Amendments, Challenges and Timelines was organized on June 5, 2026, in online mode. The workshop covered recent amendments, practical challenges in CIRP and liquidation processes, and the significance of adhering to statutory timelines for effective and efficient resolution.
- ⊙ IPA-ICMAI organized Two Day Certificate Training Program for Professionals under the IBC Eco-System at Chandigarh on June 6-7, 2026, jointly with IP Foundation and BIG FM. The programme brought together professionals and stakeholders from the insolvency ecosystem and facilitated discussions on key aspects of the Insolvency and Bankruptcy Code and emerging developments in the sector.
- ⊙ IPA-ICMAI organized the Executive Development Program on Insolvency Litigation & Advocacy under the IBC from June 12-14, 2026, in online mode. The programme provided participants with practical insights into insolvency litigation and advocacy, covering key areas such as the anatomy of insolvency litigation under the IBC, drafting excellence for insolvency professionals, avoidance transactions litigation, personal guarantor insolvency, CoC disputes, resolution plan challenges, courtroom advocacy, and landmark judgments shaping insolvency litigation.
- ⊙ IPA-ICMAI jointly with IIIPI and ICSI IIP organized the 70<sup>th</sup> Batch of the Pre-Registration

Educational Course (PREC) in online mode from June 15-21, 2026. The program was designed to provide aspiring Insolvency Professionals with a comprehensive understanding of the Insolvency and Bankruptcy Code, related regulations, and practical aspects of insolvency processes.

- ⊙ IPA-ICMAI organized Two Day Certificate Training Program for Professionals under the IBC Eco-System at Chennai on June 19-20, 2026, jointly with 3i Advisory and 3V Appraisers. It witnessed active participation from professionals across the ecosystem, fostering knowledge exchange and enhancing capacity building within the insolvency domain.
- ⊙ IPA-ICMAI organized Two Day Certificate Training Program for Professionals under the IBC Eco-System at Hyderabad on June 20-21, 2026, jointly with IP Foundation and HIPA. The program brought together professionals and stakeholders from the insolvency ecosystem and served as a platform for discussions and knowledge sharing on various aspects of the Insolvency and Bankruptcy Code.
- ⊙ IPA-ICMAI facilitated the Workshop for Insolvency Professionals organized by IBBI on June 25, 2026, in Mumbai. The workshop provided updates on recent amendments to the Insolvency and Bankruptcy Code, 2016, and featured an interactive session with IBBI officials, enabling participants to discuss practical issues and gain regulatory insights.
- ⊙ IPA-ICMAI organized an Advanced Workshop on Liquidation under the IBC, 2016 on June 26, 2026, in online mode. The workshop provided in-depth insights into the evolving liquidation framework, key responsibilities of liquidators, recent regulatory amendments, digital compliance requirements, litigation management, distribution mechanisms, and significant judicial pronouncements shaping liquidation processes under the Code.
- ⊙ In its endeavour to promote the profession, encourage knowledge sharing, and enhance sensitisation of the insolvency ecosystem, IPA-ICMAI published Au-Courant (Daily Newsletter), Weekly IBC Dossier, Monthly e-Journal, Quarterly Digest, Case Book and an Annual Publication, all of which are hosted on IPA-ICMAI website.



# Chairman's Communiqué

**CMA Navneet Kumar Jain**

Chairman, Cooperative and NPO Development Board  
The Institute of Cost Accountants of India

It gives me immense pleasure to join in commemorating the **International Day of Cooperatives 2026** and to be associated with the release of this special journal issue. The theme for this year, “**Cooperatives for a Peaceful World**”, reflects the enduring values that define the cooperative movement—collective action, democratic governance, mutual trust, and social responsibility. These principles continue to play a significant role in creating inclusive societies and fostering sustainable economic progress.

On behalf of the Cooperative and NPO Development Board, I express my sincere appreciation to the Institute’s monthly journal, **Management Accountant**, for dedicating a special section to mark this important occasion. Such initiatives provide a valuable platform for highlighting the achievements of cooperatives and encouraging meaningful dialogue on their contribution to social harmony, economic empowerment, and sustainable development.

The year 2025, observed globally as the **International Year of Cooperatives**, witnessed enthusiastic participation from various Chapters across the country through a series of awareness and outreach programmes. Building on that momentum, the Board is pleased to announce a programme in collaboration with the **Indian Parliamentary Forum (IPF)** on “**Innovative and Sustainable Financing for Viksit Bharat: The Role of CSR, Social Stock Exchange and Carbon Credits in Strengthening Cooperatives, NPOs and Social Enterprises**”, scheduled to be held in **New Delhi on 8<sup>th</sup> July 2026**. This event marks the first major initiative of the Cooperative and NPO Development Board of the Institute of Cost Accountants of

India in observance of the International Day of Cooperatives.

As we celebrate the achievements of cooperatives, it is equally important to recognize the significant role played by non-profit organizations and community-based institutions in advancing social and economic development. Through collaboration, innovation, and community participation, these organizations contribute meaningfully to improving livelihoods, promoting inclusiveness, and strengthening the resilience of communities.

On this special occasion, I extend my heartfelt greetings and appreciation to all members of cooperatives, office bearers, employees, volunteers, and stakeholders whose dedication and commitment continue to positively impact countless lives. Their efforts serve as a testament to the transformative power of cooperation in building a more equitable and peaceful future.

**With best wishes on the International Day of Cooperatives 2026.**

**CMA Navneet Kumar Jain**

1<sup>st</sup> July 2026



CMA TCA Srinivasa Prasad, President, CMA (Dr.) K.Ch.A.V.S.N. Murthy and CMA Manoj Kumar Anand, Council Members, ICMAI met Shri N. K. Premachandran, Hon'ble MP (Lok Sabha) on 12<sup>th</sup> June 2026 at New Delhi.



CMA TCA Srinivasa Prasad, President, along with CMA Neeraj D. Joshi, Vice President, CMA Manoj Kumar Anand and CMA Chittaranjan Chattopadhyay, Council Members, ICMAI, called on Dr. Ashok Kumar Lahiri, Vice Chairman, NITI Aayog, on 12<sup>th</sup> June 2026 at New Delhi.



A delegation of ICMAI led by CMA TCA Srinivasa Prasad, President and comprising CMA Neeraj D. Joshi, Vice President, CMA (Dr.) K.Ch.A.V.S.N. Murthy and CMA Manoj Kumar Anand, Council Members, presented the Institute's views before the Hon'ble Joint Parliamentary Committee on the Corporate Law (Amendment) Bill, 2026 on 12<sup>th</sup> June 2026 at New Delhi.



CMA TCA Srinivasa Prasad, President, CMA Ashwin G. Dalwadi, Former President, CMA M.K. Anand and CMA Rajendra Singh Bhati, Council Members, along with other officials, at the ICMAI Stall during the ET Annual Education Summit 2026 on 11<sup>th</sup> June 2026 at Yashobhoomi, New Delhi.



Signing of the MoU between ICMAI and Indian Institute of Management Kozhikode (IIMK) on 18<sup>th</sup> June 2026 at IIM Kozhikode Campus, marking a significant step towards academic collaboration and professional excellence.



CMA TCA Srinivasa Prasad, President, ICMAI; Prof. Debashis Chatterjee, Director, IIM Kozhikode; CMA Vinayaranjan P., Chairman, Board of Advanced Studies & Research; CMA (Dr.) Paritosh Basu, Member (Co-opted), Training & Educational Facilities Committee; CMA (Dr.) Debaprosanna Nandy, Secretary (Officiating), ICMAI; MC Members of Kozhikode Chapter, ICMAI and representatives of IIM Kozhikode during the MoU signing ceremony between ICMAI and IIM Kozhikode on 18 June 2026 at the IIM Kozhikode Campus.



CMA TCA Srinivasa Prasad, President, along with CMA (Dr.) D.P. Nandy, Secretary (Officiating), CMA Adarsh KP, Chairman, Kozhikode-Malappuram Chapter and Members of the Chapter, interacted with defence personnel enrolled in the Certificate in Accounting Technicians (CAT) Course under DGR at the Kozhikode-Malappuram Chapter on 18<sup>th</sup> June 2026.



CMA TCA Srinivasa Prasad, President, CMA Neeraj Dhananjay Joshi, Vice President and CMA Manoj Kumar Anand, CMA Chittaranjan Chattopadhyay, Council Members, ICMAI felicitating CMA Anupam Lahiri, Additional Director General, NITI Aayog, New Delhi.



CMA Manoj Kumar Anand, Council Member and CMA (Dr.) D.P. Nandy, Secretary (Officiating) presenting the Certificate of Membership of ICMAI to CMA Rathindra Bose, Hon'ble Speaker of the 18<sup>th</sup> West Bengal Legislative Assembly on 10.06.2026 at CMA Bhawan, Delhi.



CMA Manoj Kumar Anand, Council Member, ICMAI met Shri Kapil Mishra, Hon'ble Minister for Law & Justice, Labour & Employment, Government of NCT of Delhi, on 15<sup>th</sup> June 2026 at New Delhi. The meeting focused on exploring the utilization of CMA professionals for social audit and related activities.



CMA Chittaranjan Chattopadhyay, Council Member, ICMAI, CMA Arati Ganguly, Chairperson, EIRC and CMA Abhijit Dutta, Secretary, EIRC, felicitated Dr. Indranil Khan, Hon'ble MLA of Behala Paschim Constituency and Minister of State (I/C), Government of West Bengal, on 9<sup>th</sup> June 2026. The delegation highlighted the role of CMAs in supporting effective implementation of government schemes and initiatives, including in the healthcare sector.





Celebration of International MSME Day on 27<sup>th</sup> June 2026 at J.N. Bose Auditorium, CMA Bhawan, Kolkata, organised by the MSME and Start up Promotion Board in association with EIRC and Laghu Udyog Bharati (South Sambhag, West Bengal). Shri Ashoke Kr. Dinda, Hon'ble Minister of State for Micro, Small & Medium Enterprises and Textiles, Government of West Bengal, inaugurated the programme with a ceremonial plant watering, joined by CMA (Dr.) K.Ch.A.V.S.N. Murthy, Chairman, MSME and Start-up Promotion Board, CMA Chittaranjan Chattopadhyay, Council Member and eminent dignitaries from Laghu Udyog Bharati.



CMA (Dr.) K.Ch.A.V.S.N. Murthy, Council Member, ICMAI, addressing the gathering at the GST Outreach Programme organised by FTCCI in association with the ICMAI-Hyderabad Chapter on 25<sup>th</sup> June 2026. The programme was graced by Shri Sushil Kumar Sharma (Judicial Member & Vice-President), Shri A.P. Ravi (Judicial Member), Dr. Duvvuri Krishna Srinivas (Technical Member - Centre), GSTAT, Hyderabad Bench, CMA D. Venkata Ram Babu, Chairman, Hyderabad Chapter and representatives of FTCCI.



CMA (Dr.) K.Ch.A.V.S.N. Murthy, Council Member, ICMAI along with CMA D. Venkata Ram Babu, Chairman, Hyderabad Chapter and CMA Kirti Gupta, Secretary, Hyderabad Chapter met Dr. DK Srinivas, IRS (Retd.), Member (Technical), GSTAT, Telangana on 18<sup>th</sup> June 2026.



CMA (Dr.) K.Ch.A.V.S.N. Murthy, Council Member, ICMAI along with CMA D. Venkata Ram Babu, Chairman, Hyderabad Chapter and CMA Kirti Gupta, Secretary, Hyderabad Chapter, felicitating Shri Arun Kumar, IRS, Chief Commissioner, GST & Customs, Hyderabad Zone, during the GST Conclave being organised by Hyderabad GST & Customs Zone on 25<sup>th</sup> June 2026 at Hyderabad.



CMA Manoj Kumar Anand, Council Member, ICMAI, felicitating CMA Anupam Agarwal on assuming charge as Director (Finance), ONGC Ltd., on 4<sup>th</sup> June 2026 at New Delhi.



CMA Manoj Kumar Anand, Council Member, ICMAI and CMA (Dr.) S.K. Gupta, MD, ICMAI RVO, met Shri Rahul Jain, IAS, Joint Secretary to the Govt. of India, Ministry of Corporate Affairs on 22<sup>nd</sup> June, 2026 at New Delhi and discussed the matters related to the CMA Profession.



CMA Manoj Kumar Anand, Council Member, ICMAI and CMA (Dr.) S.K. Gupta, MD, ICMAI RVO, met Shri Balamurugan D., IAS, Joint Secretary to the Govt. of India, Ministry of Corporate Affairs on 30<sup>th</sup> June, 2026 at New Delhi and discussed the matters related to the CMA Profession.



CMA Rajendra Singh Bhati, Chairman, Direct Taxation Committee, ICMAI met Shri Rohit Mehra, IRS Commissioner Income Tax (Hqrs.) (International Taxation) on 11<sup>th</sup> June 2026 at New Delhi to discuss matters relating to the profession and taxation.



CMA Rajendra Singh Bhati, Chairman, Direct Taxation Committee, ICMAI met Ms Kalpana Singh, IRS, Commissioner Income Tax (Transfer Pricing) on 11<sup>th</sup> June 2026 at New Delhi to discuss matters relating to the profession and taxation.



International Cooperative Day celebrations by the Jodhpur chapter of Institute on 2 July 2026 by organizing a half day training seminar for officials of Cooperative societies, Jodhpur and CMA members.



CMA Manoj Kumar Anand, Council Member, ICMAI, met CMA Pradeep Kumar Upadhyay, ICoAS, Chairperson, Adjudicating Authority under the Prevention of Money Laundering Act (PMLA), at New Delhi on 2<sup>nd</sup> July 2026.

# COSTING FOR SUSTAINABILITY AND ESG REPORTING

*Integrating the Holistic Environmental Costing Framework within India's Cost Audit Architecture*

## Abstract

Management accounting is undergoing an epistemological transformation driven by the sustainability mandate. This article examines the Holistic Environmental Costing (HEC) framework introduced by ICAI's Guidance Note (2025), situates it within India's Cost Accounting Standards architecture, and maps its requirements against the BRSR. Drawing on India's Vedic philosophical heritage, it argues that sustainable costing is a recovery of principles already embedded in Indian civilisational thought. It develops the True Total Cost equation, identifies the regulatory gap between the HEC Guidance Note and enforceable standards, and proposes a CAS-26 pathway for CMAs as the natural practitioners of impact accounting in India. Ultimately, this integration will transition corporate ESG disclosures from management assertions to verified, audit-backed realities.

## The Epistemological Shift in Management Accounting

The discipline of management accounting is undergoing a transformation that is not merely technical — it is epistemological. Historically, cost statements ended at the factory gate; the consumption of unpriced natural capital and ecological degradation were externalities by definition. The BRSR, mandated by SEBI for the top 1,000 listed companies from FY 2022-23, is the regulatory system's first serious attempt to bring these invisible costs inside corporate disclosure. ICAI's Guidance Note on



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Environmental Costing (2025) responds with the HEC framework — but it sits in uneasy proximity to the Cost Accounting Standards, whose scope has not yet been extended to require environmental cost ascertainment. Closing this gap is the central task facing the profession. Crucially, the roots of sustainability in India do not begin with SEBI. They are Vedic. The Pancha Mahabhutas — earth, water, fire, air, and space — establish an ontology in which human economic activity is derivative of planetary stability. What accounting theory calls 'planetary boundaries,' the Rig Veda called Rta.

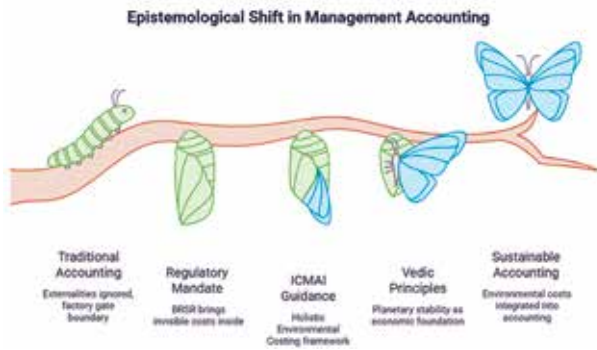
*“Dyauh Shanti, Antariksha Shanti,  
Prithivi Shanti...”*

*“May the sky be peaceful, may the  
atmosphere be peaceful, may the earth be  
peaceful — may that peace pervade us.”*

— Atharva Veda — Shanti Sukta

The Shanti Sukta's invocation of sky, atmosphere, and earth conceptually mirrors the spatial stratification of the GHG Protocol's Scope 1, 2, and 3 frameworks — both recognise that ecological harm respects no localized boundary. Sustainable

costing is not an imported concept but a recovery of principles native to Indian civilisational thought.



**The Vedic Architecture of Environmental Accountability**

Four Vedic and Upanishadic concepts constitute a coherent theory of environmental stewardship that underlies the HEC framework.

**Rta — Cosmic Order as the Basis for Ecological Limits**

The Rig Veda’s Rta is the principle of cosmic and moral order — the idea that natural systems operate according to laws which human action can violate but cannot escape. When a manufacturing enterprise extracts groundwater beyond the aquifer’s recharge rate, it violates Rta. A cost accounting system that records no liability for this overextraction is misrepresenting the firm’s net position relative to the natural order.

**Rina — The Doctrine of Ecological Debt**

The Shatapatha Brahmana elaborates a fourth debt — Bhuta Rina — owed to living creatures and the natural world, expanding beyond the classical three debts to gods, sages, and ancestors. When an enterprise depletes a shared resource base to generate private revenue, it incurs Bhuta Rina, effectively borrowing from nature without recording a payable. The HEC framework’s Tier IV costs (ecosystem capital depletion) serve as the mechanism to finally bring this unrecorded ecological debt onto the balance sheet.

**Aparigraha — Non-Accumulation as the Circular Economy Principle**

Aparigraha — the ethic of taking only what is

strictly necessary — translates directly into the modern industrial imperative of material efficiency, circularity, and minimizing throughput. Viewed through this lens, a cost audit that tracks financial expenditure but fails to measure waste ratios, energy intensity, and water consumption per unit of output is epistemologically deficient by the standards of its own tradition.

*“Mata Bhumiḥ Putroham Prithivyaḥ”*  
*“Earth is my mother; I am her son.”*  
 — Atharva Veda — Prithvi Sukta 12.1.12

**Isha Upanishad — The Trusteeship Doctrine and Inter-Generational Equity**

*“Isavasyam idam sarvaṃ... tena tyaktena bhunjitha, ma gridhah kasya svid dhanam.”*  
*“All this is pervaded by the Lord. Enjoy through renunciation; do not covet anyone’s wealth.”*  
 — Isha Upanishad — Verse 1

The phrase ‘tena tyaktena bhunjitha’ — find enjoyment through what you relinquish, not through accumulation — establishes the ultimate sustainability constraint: value extraction must never exceed ecological regeneration. The accounting system must therefore mathematically capture the cost of regeneration, expanding our definition of cost beyond what the factory gate records. Gandhi drew his entire economic philosophy of trusteeship from this single verse; for the modern CMA, the mathematical equivalent is the True Total Cost equation.

**Vedic Principles for Environmental Accountability**



## Impact Accounting and the True Total Cost Equation

Impact Accounting assigns monetary values to environmental and social externalities, its foundational claim being that conventional reporting overstates enterprise value by treating unpriced natural capital as zero-cost. Drawing on ICAI's HEC Guidance Note (2025) as primary basis, and on the US EPA's Environmental Accounting guidelines (1995) and IFAC's Environmental Management Accounting guidelines (2005) as foundational antecedents, the author proposes the following True Total Cost formulation:

$$\text{TTC} = \text{CC} + \text{HC} + \text{EC} + \text{SC}$$

**CC = Conventional Costs (CAS-compliant: direct material, labour, overheads)**

**HC = Hidden Costs (regulatory compliance, litigation, contingent liabilities)**

**EC = External Environmental Costs (carbon, water, land, biodiversity)**

**SC = Social Costs (health burden, community displacement, labour informality)**

The ratio EC / TTC indicates the proportion of a firm's true economic costs externalised onto society. Applying IPCC AR6 shadow carbon pricing and

replacement-cost water valuation to sector-level data suggests externalised costs routinely comprise 18 to 35 percent of TTC across India's heavy manufacturing, mining, and petroleum sectors — indicative of scale, not audit-verified findings. Contingent environmental liabilities are absent from current cost audit reports by design: CAS-1's actuality principle excludes contingent items from the cost of production, and CAS-15 permits provisions only where statistically estimable from historical data. A proposed CAS-26 must therefore introduce a probabilistic recognition principle — a deliberate methodological departure from existing standards.

**Consider a cement manufacturer where SCC\$ is ₹4,000/ton. If SHCS (contingent liabilities) is estimated at ₹200, SEC\$ (using a carbon shadow price of ₹6,000/tonne CO<sub>2</sub>e for 0.6 tons of emissions) adds ₹3,600, and SSC\$ (community health burden) is ₹200, the STTC\$ becomes ₹8,000. In this scenario, conventional accounting captures only ₹4,200, systematically missing 47.5% of the true economic cost.**

*Note: The 18–35% range is illustrative, derived from IPCC AR6 shadow carbon pricing, replacement-cost water valuation, and avoided-cost ecosystem methodology applied to sector-level data. Enterprise-level verification would require standardised cost audit data under a future environmental cost standard.*

### True Total Cost Components

Cost Component	Conventional Costs (CC)	Hidden Costs (HC)	External Environmental Costs (EC)	Social Costs (SC)
Description	CAS-compliant: direct material, labour, overheads	regulatory compliance, litigation, contingent liabilities	carbon, water, land, biodiversity	health burden, community displacement, labour informality

### The HEC Tier Structure

Table 1 maps each tier — with its definition, Vedic parallel, and CAS linkage — in a single reference structure.

**Table 1: HEC Tier Structure — Vedic Parallels and CAS Linkages**

Environmental Cost Type	Vedic Parallel	HEC Tier	Definition	CAS Linkage
Direct material, energy, waste treatment	Aparigraha — non-accumulation	Tier I	Conventional costs captured under existing CAS	CAS-6, CAS-8
Regulatory compliance; hidden environmental expenditure	Ahimsa — non-injury to nature	Tier II	Hidden and contingent costs: compliance expenditure, environmental overheads, and unrecorded contingent liabilities not yet separately disclosed	<b>No current CAS</b> — gap addressed by proposed CAS-26
Carbon, water, land externalities	Rina — ecological debt	Tier III	External environmental costs borne by society but unrecorded by the enterprise	CAS-14 (Pollution Control Cost), BRSR Core
Ecosystem services, biodiversity depletion	Rta — cosmic natural order	Tier IV	Ecosystem capital depletion: biodiversity loss, groundwater drawdown, destruction of ecosystem services	<b>No current CAS</b> — gap addressed by proposed CAS-26

Source: ICMAI Guidance Note on Environmental Costing (2025); Author's compilation

**Note:** Tiers II and IV have no current CAS linkage. CAS-26 would address this gap.

### Emerging Sectors: The Case for Prospective Environmental Costing

The more urgent case for HEC is not legacy industry but the sectors India is building now under PLI schemes, National Mission targets, and digital infrastructure policy. EVs, data centres, and green hydrogen are positioned as pillars of India's sustainable growth narrative, yet their environmental cost profiles are unexamined because no cost accounting standard requires their ascertainment. Table 2 maps the externality structure of each.

**Table 2: Emerging Industry Environmental Externalities — Illustrative HEC Assessment**

Industry	Key Tier III / IV Externalities	Externality Intensity (Est.)	Priority CAS Gap
EV Manufacturing & Battery Supply Chain	Lithium/cobalt extraction: Tier IV ecosystem depletion; gigafactory water use (Rajasthan, Gujarat); end-of-life battery recycling — unrecorded Tier II contingent liability; PLI/FAME disbursed without HEC baseline	25–38% of TTC	Tier IV extraction valuation; battery end-of-life contingent standard
Data Centres	PUE thermal waste (1.4–1.6x per compute unit); cooling water draw on stressed municipal supply (Chennai, Pune); Scope 2 coal-grid emissions absent from cost records; e-waste from server refresh	20–32% of TTC	Shadow carbon price for Scope 2; replacement-cost water; e-waste Tier II schedule

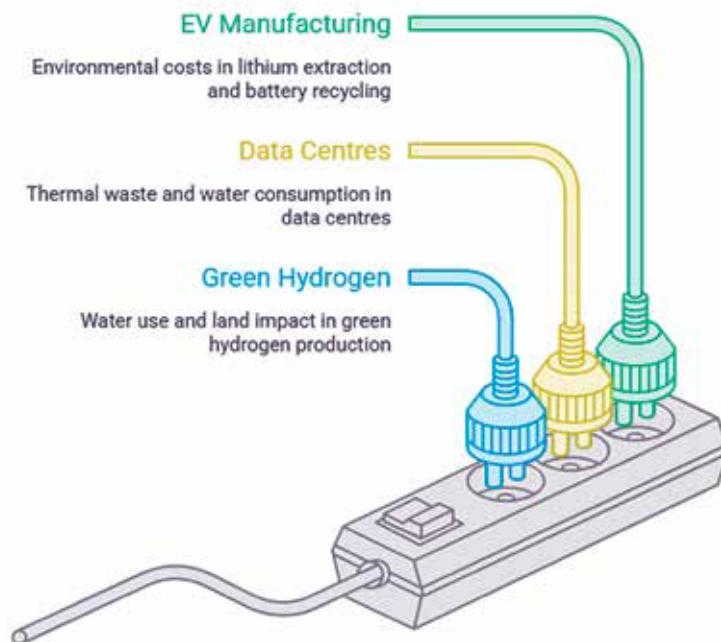
Green Hydrogen / Renewables	Electrolysis water use in water-scarce regions; biodiversity displacement from utility-scale solar; embodied carbon in electrolyser supply chain	18–28% of TTC	Water footprint valuation; land-use damage cost; embodied carbon allocation
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Source: IEA Global EV Outlook 2024; Uptime Institute PUE Data 2024; IRENA Green Hydrogen Cost Reduction 2023; IPCC AR6; Author’s analysis

**Note:** Externality intensity estimates apply shadow carbon pricing (IPCC AR6 central estimate: USD 80–120/tonne CO<sub>2</sub>e), replacement-cost water valuation, and avoided-cost ecosystem methodology to data from IEA (2024), Uptime Institute (2024), and IRENA (2023). Enterprise-level verification requires CAS-26 compliant cost audit data.

The EV sector presents a structural paradox: marketed as green, yet its environmental cost is front-loaded into an extraction and manufacturing supply chain structurally excluded from current cost audit mandates — with FAME and PLI incentives disbursed without a verified environmental cost baseline. Data centres compound this with diffuse externalities that cross jurisdictional boundaries in ways conventional cost allocation cannot handle. Green hydrogen’s sustainability claim is only valid if water consumption, land use, and embodied carbon of the full production system are accounted for — precisely what HEC Tiers III and IV require.

### Emerging Sector Environmental Costs



## India’s Cost Audit Architecture and the Regulatory Gap

### 1. The Structural Gap in the Existing Standards

India’s cost audit regime — under Section 148 of the Companies Act 2013 and the Cost Records and Audit Rules 2014 — is among the most comprehensive in the world, with the CMA as the only professional authorised to conduct these audits. Yet not one of the twenty-five Cost Accounting Standards mandates environmental cost ascertainment at Tiers III or IV. CAS-6, CAS-8, and CAS-14 each address adjacent

territory — material consumption, energy costs, pollution control expenditure — but none extends to the monetisation of residual externalities. The result: a world-class cost audit framework that systematically excludes the largest externality costs of production.

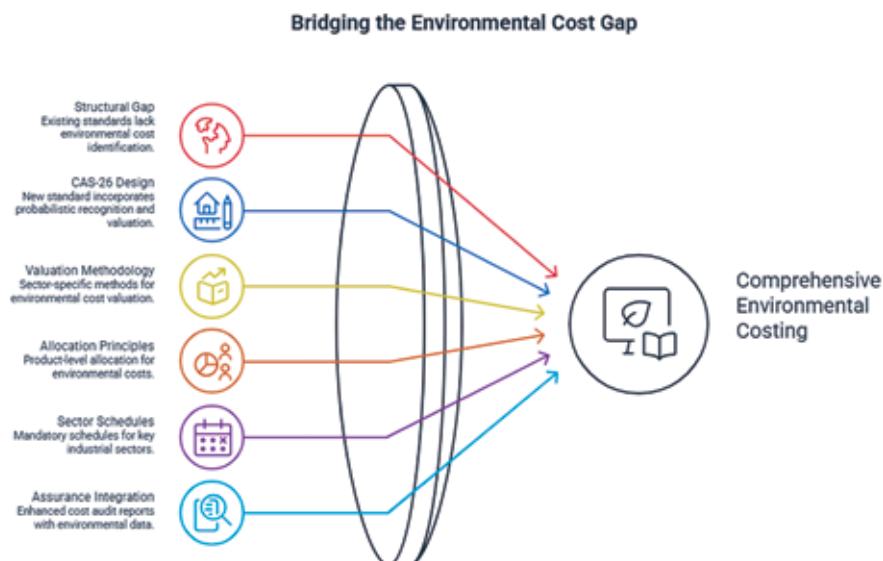
## 2. A Framework for the New Standard: CAS-26 on Environmental and Social Costs

Table 3: CAS-26 Design Elements — Framework for the New Environmental Cost Standard

CAS-26 Design Element	Description	Linkage
Scope Definition	Tiers I–IV classification mandatory; CAS-26 introduces probabilistic recognition principle — a deliberate departure from CAS-1’s actuality principle	HEC Guidance Note; EPA (1995); CAS-1
Valuation Methodology	Shadow pricing, avoided cost, damage cost, replacement cost — sector-specific schedules prescribed	IPCC AR6; Dasgupta Review 2021
Allocation Principles	Product-level vs. entity-level environmental cost attribution; allocation keys defined per sector	CAS-3 (Overheads) as template
Sector Schedules	Mandatory cost schedules for cement, steel, pharma, petroleum, sugar, textiles, power	Cost Records and Audit Rules 2014
Assurance Integration	Amendment to Form CRA-3 to include HEC supplementary statement	Section 148, Companies Act 2013
BRSR Reconciliation	Cross-reference linkage between CAS-26 data and BRSR Core KPI disclosures	SEBI BRSR Core Framework

Source: ICAI HEC Guidance Note; Companies Act 2013; Author’s framework

A CAS-26 designed on these elements would — if enacted — establish mandatory, auditable methodologies for Tier II and III costs, align cost audit reports with BRSR Core disclosures, and position CMAs as the natural assurers of ESG financial data. SEBI has prescribed reasonable assurance for BRSR Core KPIs from FY 2024-25; the quantitative environmental KPIs — energy intensity, water withdrawal, GHG emissions, waste generated — require exactly the cost allocation and variance analysis skills CMAs hold. This is a proposal, not a current standard; ICAI should actively seek SEBI recognition as the designated assurance body in anticipation of the broader standard that would follow.



## Integrating HEC with BRSR: A Mapping Exercise

Six of BRSR's nine principles have direct environmental or social cost dimensions that the HEC framework can populate with verified cost audit data. Table 4 maps these linkages.

**Table 4: BRSR Principles — HEC Tier Mapping**

BRSR Principle	Key Disclosure	HEC Tier	Standard
P2 – Sustainable Products & Services	Product lifecycle environmental costs; value chain sustainability expenditure; supplier compliance costs	Tier II	CAS-4, CAS-21
P3 – Employee Wellbeing	Safety costs; occupational health compliance expenditure	Tier II	CAS-7
P5 – Human Rights	Supply chain due diligence; remediation for labour violations	Tier II	CAS-7, CAS-21
P6 – Environment	GHG Scope 1/2/3; water; waste; energy intensity	Tiers III & IV	HEC / BRSR Core
P8 – Inclusive Growth	CSR expenditure; social value in communities	Tiers II / III	CAS-21
P9 – Consumer Responsibility	Product lifecycle costs; e-waste liability	Tiers II / IV	HEC / GRI 301

*Source: SEBI BRSR Framework (2021, as amended); ICAI HEC Guidance Note; Author's mapping*

The integration matters beyond compliance. When BRSR Principle 6 disclosures are grounded in verified cost audit data rather than management assertion — the current weakness analysts widely acknowledge — ESG data quality improves materially. CAS-based environmental costing introduces the same rigour that cost audit already applies to production economics.

## Practical Roadmap for CMA Practitioners

Table 5 sets out a phased sequence for CMAs advising companies subject to cost audit.

**Table 5: Three-Phase HEC Implementation Roadmap for CMA Practitioners**

Phase	Timeline	Key Actions	Outcome
Phase I — Baseline Mapping	Year 1	Map cost drivers across Pancha Mahabhutas; reconcile CAS data to HEC Tiers I–II; identify gaps for Tiers III–IV; align with BRSR schedules	Environmental cost baseline; gap register
Phase II — Quantification	Years 2–3	Apply shadow pricing for carbon, water, land; develop product-level HEC allocation keys; prepare supplementary HEC statements; engage BRSR assurance process; ICAI to develop capacity-building programmes in shadow pricing and damage-cost valuation	Verified HEC statements; trained CMA practitioners
Phase III — Standardisation	Years 3–5	Advocate for CAS-26 enactment; develop sector-specific HEC templates; seek SEBI recognition as BRSR Core assurance body; integrate HEC into capital budgeting	CAS-26 formally proposed; CMAs positioned as ESG assurers

*Source: Author's framework; ICAI HEC Guidance Note*

## Conclusion: The Accountant as Ecological Trustee

The Isha Upanishad's trusteeship ethic — that humans are temporary stewards of resources they did not create — is also the most accurate description of the cost accountant's professional function in a sustainable economy: no cost unrecorded, no consumption unmeasured, no liability escaped. Applied to the natural world, this is ecological trusteeship. Three actions would accelerate institutionalisation: ICAI's Cost Accounting Standards Board should formally take up CAS-26 with the HEC Guidance Note (2025) as its foundation; MCA and SEBI should jointly mandate Tier II environmental cost disclosure in prescribed cost audit reports pending enactment; and ICAI should seek SEBI recognition as the designated BRSR Core assurance body. The cost accountant who integrates HEC today is not waiting for a standard — they are discharging the oldest obligation in accounting: a true and fair picture of the enterprise's position, including the ecological debts carried silently on the balance sheet of the natural world.

*“Sahanavavatu, sahanau bhunaktu, saha viryam karavavahai...”*

*“Let us be protected together; let us be nurtured together; let us work together with great vigour.”*

— **Taittiriya Upanishad — Shanti Patha**

### Ecological Trusteeship



The Shanti Patha's call for mutual protection and shared flourishing — between enterprise and ecosystem — is the ethic of sustainability in its oldest and simplest form. The profession's task is to give it a number. **MA**

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# FUTURE-READY FINANCE PROFESSIONALS

## Abstract

Bharat as a nation, is rapidly progressing towards becoming a developed nation by 2047. In this background, the Finance Profession has a very major role to play. Accordingly, the finance profession is undergoing a rapid transformation driven by digital technologies, artificial intelligence, ESG imperatives, evolving regulations, and changing stakeholder expectations. Traditional finance roles focused on accounting, compliance, and reporting are expanding into strategic business partnering, risk management, sustainability leadership, and data-driven decision-making.

This new Bharat has a tremendous role and expectations from the CMAs as professionals. They truly have a very big role to play in making the country as a Viksit Bharat by 2047.

Future-ready finance professionals must therefore combine technical competence with digital fluency, analytical thinking, ethical leadership, adaptability, and strategic insight. Emerging technologies such as AI, blockchain, robotic process automation, and data analytics are reshaping finance functions and creating new opportunities for value creation. Simultaneously, growing emphasis on ESG reporting and responsible governance is redefining professional responsibilities. Human skills such as communication, creativity, emotional intelligence, and ethical judgment will remain critical despite increasing automation. Continuous learning, interdisciplinary knowledge, and innovation-oriented thinking will be essential for long-term professional relevance. The future finance professional will not merely report numbers but will actively shape sustainable business growth and organizational transformation.



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**T**he Finance Profession has a major role in play in Bharat becoming a developed nation by 2047. Driven by this force, it is undergoing a transformational shift by digital disruption, artificial intelligence, sustainability imperatives, geopolitical uncertainties, regulatory complexities, and evolving stakeholder

expectations. Traditional finance functions focused primarily on bookkeeping, compliance, and reporting are rapidly transitioning into strategic business partnering roles. In this dynamic environment, future-ready finance professionals must combine strong technical expertise with digital fluency, analytical thinking, strategic foresight, ethical leadership, and adaptability. Emerging technologies such as Artificial Intelligence (AI), Machine Learning (ML), blockchain, robotic process automation (RPA), and data analytics are reshaping finance operations and decision-making frameworks. Simultaneously, increasing emphasis on ESG reporting, integrated thinking, risk governance, and stakeholder capitalism is redefining professional responsibilities. This article examines the competencies, mindset, and capabilities required for finance professionals to remain relevant and valuable in the future. It

also highlights the role of continuous learning, interdisciplinary knowledge, innovation, and human-centric leadership in shaping the finance professionals of tomorrow.

The world of finance is witnessing one of the most significant transformations in its history. The role of finance professionals, which was once primarily limited to bookkeeping, accounting, auditing, taxation, compliance, and financial reporting, is now expanding into strategic decision-making, sustainability leadership, risk management, digital transformation, and business innovation. The traditional image of a finance professional working silently behind spreadsheets is gradually disappearing. Today's organizations expect finance leaders to act as strategic advisors, technology enablers, ethical custodians, and creators of long-term value.

The future belongs not merely to qualified finance professionals, but to those who are "future ready." Future readiness is no longer optional; it has become a professional necessity.

### **The Changing Business Landscape**

Several global developments are fundamentally reshaping the finance profession. Digital transformation is disrupting traditional business models across industries. Artificial Intelligence (AI), Machine Learning (ML), blockchain technology, cloud computing, data analytics, and robotic process automation (RPA) are automating repetitive finance functions and redefining organizational processes.

At the same time, businesses are operating in an environment marked by geopolitical uncertainties, economic volatility, cyber risks, climate change concerns, evolving regulatory frameworks, and heightened stakeholder expectations. Investors, regulators, employees, customers, and society at large are demanding greater transparency, accountability, sustainability, and governance from organizations.

In such a scenario, finance professionals can no longer restrict themselves to historical reporting. They are expected to interpret data, forecast future trends, identify strategic opportunities, assess risks, support innovation, and contribute to sustainable business growth.

### **From Number Crunchers to Value Creators**

The finance function is evolving from "recording the past" to "shaping the future." This transformation requires a complete shift in mindset.

Modern finance professionals are expected to become value creators rather than mere custodians of financial information. They must understand business models, customer behavior, market dynamics, technology trends, operational efficiencies, and strategic risks. Finance professionals today participate actively in boardroom discussions relating to mergers and acquisitions, capital allocation, ESG initiatives, digital transformation projects, enterprise risk management, and long-term strategy formulation.

The future-ready finance professional therefore combines financial expertise with commercial acumen and strategic thinking.

### **Technology: The New Language of Finance**

Technology is perhaps the single biggest force driving change in the finance profession. Automation tools are increasingly performing repetitive and rule-based tasks such as invoice processing, reconciliations, expense verification, and routine compliance activities. AI-powered systems can analyze massive volumes of financial data within seconds and generate predictive insights with remarkable accuracy.

Consequently, future-ready finance professionals must become technologically proficient. While they may not necessarily become software engineers or data scientists, they must possess a working understanding of emerging technologies and their applications in finance.

### **Key technological competencies required include:**

- ⦿ Data analytics and visualization
- ⦿ Artificial Intelligence and Machine Learning fundamentals
- ⦿ Blockchain and digital assets
- ⦿ Cybersecurity awareness
- ⦿ Cloud-based finance systems
- ⦿ Enterprise Resource Planning (ERP) platforms

- ⊙ Robotic Process Automation (RPA)
- ⊙ Business intelligence tools
- ⊙ Digital collaboration platforms

Finance professionals who can effectively leverage technology will significantly enhance their productivity, decision-making capabilities, and strategic contribution to organizations.

### **Data-Driven Decision Making**

Data is often referred to as the “new oil” of the digital economy. Organizations today generate enormous volumes of structured and unstructured data. However, data by itself has limited value unless converted into actionable insights.

Future-ready finance professionals must therefore develop strong analytical and interpretational capabilities. The ability to derive meaningful business intelligence from data will distinguish exceptional finance professionals from average practitioners.

### **Modern finance leaders are expected to answer critical questions such as:**

- ⊙ Which products or customers are generating sustainable profitability?
- ⊙ What are the early warning indicators of financial stress?
- ⊙ How can working capital efficiency be improved?
- ⊙ What strategic investments will create long-term value?
- ⊙ How will geopolitical events impact supply chains and business performance?
- ⊙ What risks may emerge from climate change or regulatory shifts?

Thus, finance professionals must evolve into analytical storytellers who can translate complex financial data into meaningful strategic insights for business leaders.

### **Importance of ESG and Sustainability**

Environmental, Social, and Governance (ESG) considerations are becoming central to business strategy and corporate reporting worldwide. Investors increasingly assess organizations not only on financial performance but also on sustainability,

governance quality, social responsibility, ethical conduct, and climate resilience.

This transformation is creating entirely new opportunities and responsibilities for finance professionals. They are now expected to participate in sustainability reporting, integrated reporting, carbon accounting, climate risk assessment, ESG assurance, and sustainable finance initiatives.

### **Future-ready finance professionals must therefore develop knowledge of:**

- ⊙ ESG frameworks and reporting standards
- ⊙ Sustainability-linked financing
- ⊙ Integrated reporting principles
- ⊙ Carbon accounting and climate disclosures
- ⊙ Business responsibility and sustainability reporting
- ⊙ Stakeholder capitalism and responsible governance

The future finance leader will not merely measure profit; they will measure value creation for all stakeholders.

### **Human Skills Will Matter More Than Ever**

Ironically, as technology becomes more dominant, human skills will become even more valuable. Machines may automate calculations and processes, but they cannot fully replicate human judgment, ethical reasoning, creativity, emotional intelligence, leadership, and relationship management.

### **Future-ready finance professionals must therefore strengthen critical human capabilities such as:**

- ⊙ Communication and presentation skills
- ⊙ Negotiation and influencing abilities
- ⊙ Leadership and team management
- ⊙ Emotional intelligence
- ⊙ Ethical decision-making
- ⊙ Creativity and innovation
- ⊙ Adaptability and resilience
- ⊙ Critical thinking and problem-solving

Organizations increasingly seek finance leaders who can collaborate across departments, communicate with diverse stakeholders, and inspire

teams during uncertain times.

### Ethics and Professional Integrity

The increasing complexity of business transactions, digital systems, and global financial networks has amplified ethical risks. Corporate scandals, financial frauds, cybercrimes, and governance failures continue to damage organizations and erode public trust.

In this context, professional integrity becomes the cornerstone of the finance profession. Future-ready finance professionals must uphold the highest standards of ethics, independence, transparency, and accountability.

Technology may provide information, but ethical judgment remains a uniquely human responsibility. Finance professionals must therefore act as guardians of corporate governance and protectors of stakeholder confidence.

### Continuous Learning: The Key to Survival

The shelf life of professional knowledge is shrinking rapidly. Skills that are highly relevant today may become obsolete within a few years. Consequently, continuous learning is no longer a choice but a survival strategy.

**Future-ready finance professionals must cultivate a lifelong learning mindset. They should actively pursue:**

- ⊙ Professional certifications
- ⊙ Technology-based learning
- ⊙ Cross-functional exposure
- ⊙ Industry research and thought leadership
- ⊙ Participation in seminars, conferences, and workshops
- ⊙ Global business awareness
- ⊙ Interdisciplinary learning

The willingness to learn, unlearn, and relearn will define professional relevance in the coming decades.

### Role of Professional Institutions

Professional institutions such as The Institute of Cost Accountants of India have a critical role to play in preparing members for the future. The curriculum, training methodologies, and

professional development initiatives must continuously evolve in line with emerging business realities.

Institutions must encourage finance professionals to develop expertise not only in accounting and costing, but also in digital technologies, ESG, analytics, strategic management, innovation, and leadership. Collaborative learning ecosystems involving academia, industry, regulators, and technology experts will become increasingly important.

Professional bodies must also promote ethical conduct, research orientation, thought leadership, and global competitiveness among members.

### The Future Finance Professional: A Holistic Profile

The finance professional of the future will be a unique blend of multiple capabilities. They will be:

- ⊙ Technologically aware
- ⊙ Strategically oriented
- ⊙ Analytically strong
- ⊙ Business-focused
- ⊙ Sustainability-conscious
- ⊙ Ethically grounded
- ⊙ Globally aware
- ⊙ Innovation-driven
- ⊙ Emotionally intelligent
- ⊙ Adaptable to change

Such professionals will not merely respond to change; they will lead change.

### Practical Insights from Indian Industry

Several Indian organisations illustrate how the finance function is evolving. Tata Steel has integrated digital analytics and automation into finance and supply-chain decision-making. Infosys uses AI-enabled finance processes and advanced analytics to improve forecasting and operational efficiency. Mahindra & Mahindra and ITC have strengthened ESG governance and sustainability reporting aligned with global frameworks. These examples demonstrate that finance professionals are increasingly expected to combine financial expertise with technology, sustainability and strategic business partnering.

## Future-Ready Finance Competency Model

Technology & Data -> Business & Strategy -> ESG & Governance -> Leadership & Human Skills -> Continuous Learning. These five interconnected capability pillars together create the profile of a future-ready finance professional.

## Conclusion

CMAs as the finance professionals stand at a defining crossroads today. The future will not belong to those who resist change, but to those who embrace transformation with vision, agility, and continuous learning. Technology will undoubtedly automate many traditional finance functions, but it will simultaneously create new opportunities for finance professionals who can think strategically, innovate responsibly, and create sustainable value.

Future-ready finance professionals will be architects of business transformation, custodians of governance, interpreters of data, champions of sustainability, and trusted advisors to leadership teams. Their role will extend far beyond financial reporting into shaping the future direction of organizations and economies.

In an era defined by disruption and uncertainty, the greatest competitive advantage for finance professionals will not merely be technical knowledge, but the ability to combine technology,

human intelligence, ethics, and strategic insight into meaningful business leadership.

The future of finance is not merely digital. It is strategic, sustainable, intelligent, and deeply human.

For Cost and Management Accountants, the way forward is clear: invest in digital capability, strengthen analytical and strategic decision-making skills, develop expertise in ESG and integrated reporting, uphold the highest ethical standards, and commit to lifelong learning. Those who successfully integrate these competencies will be well positioned to lead organisations through the next decade of transformation. **MA**

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# CAN CMAs BE A PANACEA IN FORECASTING ENERGY PRICES? A PREDICTIVE COST INTELLIGENCE FRAMEWORK FOR FUTURE-READY PROFESSIONALS

## Abstract

Cost and Management Accountants (CMAs) are pioneers in the industry of cost control, cost management, and cost monitoring. Since 1959, to date, the transformation in the development of multiple segments in the economy has always rewarded the benevolent task performed by the CMAs in handling costs strategically. With the augmentation of Artificial Intelligence, the deep penetration of technology into the system, the job role demands revamping and recalibrating to meet the industry requirements. The need of the hour is to be proactive

rather than reactive, and, in that juncture, the mere management of cost in industries does not hold the utmost priority, but rather demands pre-determination of the cost based on the sensitivity of the macro-economic factors and the national-level factors to prepare for the contingencies. Forecasting energy prices holds tremendous significance due to their high volatility, emerging from the inequalities in international relations. Therefore, using the benefits of rapid transformation of Artificial Intelligence (AI), the CMAs should increasingly adopt predictive analytical techniques of the future energy cost to enable organizations to adopt precautionary measures before the onset of the unprecedented financial disasters. Traditional CMAs relied solely on the upkeep of the cost records based on the available information, but dynamic skills demand the role of strategic cost drivers with in-depth application of AI-supported tools. This paper contributes significantly to the existing Management Accounting literature by introducing the concept of Predictive Cost Intelligence as an emerging capability that connects AI and strategic cost management. The paper concentrated on the secondary data related to energy cost drivers, namely, crude oil prices, inflation rate, exchange rates, geopolitical risk index, and developed a conceptual framework illustrating how an AI-centric forecasting technique can transform the historical role of the CMAs to modern cost analysts.



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### Introduction:

The emergence of BANI (Brittle, Anxious, Non-linear and Incomprehensible) from VUCA (Volatility, Uncertainty, Complexity and Ambiguity) brought to the fore the need to become skill-oriented to respond to the emerging challenges. The unpredictable macro-economic shocks, geopolitical tensions, volatility in energy prices, inflationary effects, and climatic turbulence have completely changed the cost structure of the organization. Added to this is the disruption in the supply chain and that also

prominently contributed to the vulnerability in the cost management. Among all these, the energy costs appear to be the most dominant and critical element of organizational competitiveness and profitability.

The era underwent transformation, and therefore, the age-old practices of the CMAs in analyzing the costs, examining the cost records, and monitoring the cost books for strategic decision-making have taken a back seat and demand a powerful shift in focus today. Though the significance of traditional methods and techniques of costing is applied, it is more retrospective in nature, and this needs to be replaced with the skills of determining the futuristic prices by leveraging appropriate AI tools. Today, Management Accountants are emerging as predictive decision supporters as AI has generated various new possibilities and scopes for them. AI today can analyze large datasets, identify patterns, and forecast future outcomes with precision and accuracy, unlike traditional analytical tools.

The concept of agile professionals emphasizes the ability of the accountants to adopt the latest technology for strategic decision-making. Here comes the competency to predict the cost. The present scenario calls for predicting the cost in advance, gauging the direction of costs, to take adequate remedial measures before it goes out of control.

This paper explores the application of AI-enabled forecasting in energy prices and proposes a Predictive Cost Intelligence framework that supports forward-looking cost management and strategic organizational resilience.

### Objective of the Study:

To develop a Predictive Cost Intelligence Framework that enables the CMAs to forecast the future energy prices using AI-supported tools and undertake promising cost management decisions.

### Need of the Study:

A nation's sustainability is primarily dependent on the uninterrupted flow of energy elements, and as far as India is concerned, the majority of its demand for crude and natural gas is met from imports to the extent of 90% and 50%, respectively. India spends around US\$ 150-200 billion per year on energy imports. These energy costs influence production

costs, logistics expenses, operating margins, and overall profitability. Sudden global shocks, escalation in geopolitical tension, fluctuations in exchange rate, interest rate, and rising inflation rates can collaboratively impact the energy prices, and therefore, it needs a prior estimation so that the situations can be controlled.

The list of factors that contributed to the development of the paper.

- ⊙ Increase in the volatility of energy prices at a global level.
- ⊙ Increase in the complexity of decisions taken by CMAs
- ⊙ Deep penetration of AI analytics in business.
- ⊙ Need for the development of future-oriented skill sets.

The paper identified the gaps existing between the technological efficiencies and applications of those techniques in the field of Management Accounting by demonstrating how progressive analysis can sharpen the role of the CMAs.

### Literature Review

AI is increasingly transforming the role of the management accountants by enhancing the accuracy of forecasting, automating analytical processes, and supporting decision-making. Recent studies indicate that AI tools are compelling traditional accountants to move beyond historical record-keeping. This forward-looking approach would help to restore organizational resilience and improve planning (Abbas, 2026).

Research on AI-based forecasting suggests that Machine Learning Techniques can effectively identify financial data patterns and support catalytic managerial decisions and interventions through improved forecasting capabilities (Kureljusic & Karger, 2023). The rapid integration of AI in accounting and auditing is also vigorously changing the landscape of professional contributions, emphasizing the analytics, skill sets, and technology (Abdo-Salloum & Chehade, 2026).

### Research Gap

There exists sufficient literature on Machine Learning, data analytics, accounting data analysis, and digitization in auditing techniques. But hardly

any research has been conducted on the contribution of CMAs to adaptive cost management through AI-centric tools.

The areas of Predictive Cost Intelligence for determining future prices to take informed decisions for the competitive sustainability and resilience of the organization are still underexplored. So is the need to develop a framework that can integrate the AI-oriented forecasting techniques and strategic decision-making approaches by the CMAs towards

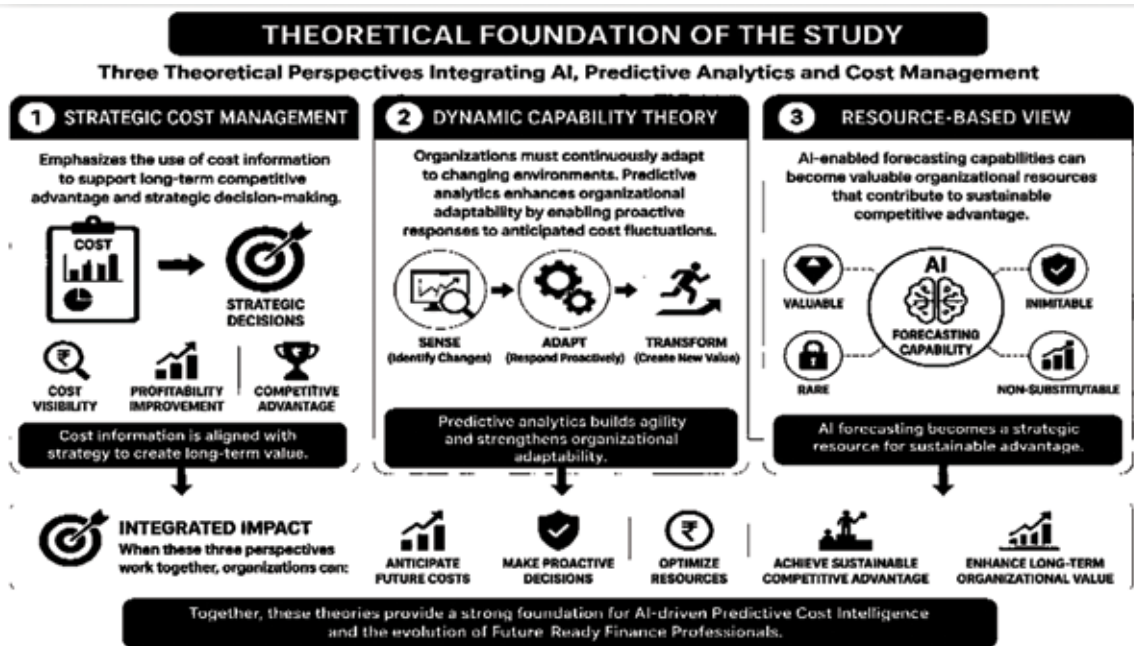
the determination of the future energy prices.

**Conceptual Foundation:**

The study is grounded in three theoretical perspectives, namely Strategic Cost Management, Dynamic Capability theory, and Resource-Based View. These theories played a fundamental role in developing the paper.

Below is the framework for integrating three theories.

**Picture 1: Integration of theories and Analytics**



Source: Curated by Author

**Research Methodology:**

The study involves a quantitative, explanatory, and analytical research design to examine the feasibility of an AI-embedded technique for responsive cost management. The study is built up only on the available secondary data, collected from the authoritative and public sources. The data sources are the Reserve Bank of India (RBI), the Database on Indian Economy, World Bank Commodity Price Data, the Ministry of Commerce and Industry, Government of India, the Geopolitical Risk Index, and the International Energy Agency. The study period is from 2020 to 2025, and it captures recent fluctuations in energy markets driven by geopolitical tensions, global shocks, and inflationary waves. The limited six-year data is relevant as it represents the period of disruption

due to COVID, supply chain shocks, war effects, and volatility in the exchange rate and inflation. The energy cost index, including fuel and power index, is the dependent variable of the study. The independent variables are Brent Crude Oil, inflation rate, exchange rate, and geopolitical risk index, and these are true energy cost drivers. The study demonstrates a combination of descriptive statistics to summarize the data, trend analysis to identify temporal patterns, and correlation to examine the strength and direction of the relationship among the variables. The study also employed multiple regression to check the impact of the cost drivers on energy cost. Further, a forecasting approach is used to estimate future energy cost trends and to generate early warning signals for managers. The study focused not on the development of

advanced algorithms, but on the opportunity to use the predictive cost intelligence framework, thereby helping the CMAs to undertake preventive cost management and strategic decision-making.

### Analysis and Interpretation

The analysis is presented and interpreted in a

step-wise manner.

The table below shows the data set, consisting of one dependent variable (Energy Cost Index) and four independent variables, namely Brent Oil Price, Inflation rate, Exchange rate, and Geopolitical risk index.

**Table 1: Data Presentation (Dependent variable (DV) and independent variables (IDV))**

Year	Energy Cost Index (ECI) DV	Brent Oil Price (USD/Barrel) IDV	Inflation (%) IDV	Exchange Rate (₹/USD) IDV	Geopolitical Index (GPR Index) ** IDV
2020	100	42	6.6	74.1	105
2021	128	71	5.1	73.9	118
2022	164	101	6.7	77.4	145
2023	157	82	5.6	82.6	132
2024	149	81	5	83.1	126
2025	146	70	4.5	84.2	121

Source: Compiled by the authors from the Office of Economic Adviser (Fuel & Power WPI), World Bank Commodity Price Database (Brent Crude Oil Price), RBI Database on Indian Economy (Exchange Rate and Inflation), and the Geopolitical Risk Database of Caldara and Iacoviello.

\*\*Geopolitical risk is measured by using the geopolitical risk index as developed by Caldara and Iacoviello. The index is calculated by using text analysis, where the number of frequencies for a specific set of words, namely war, terrorism, uncertainties, shocks, conflicts, and geopolitical tensions, as captured in the leading international newspapers, is counted. A higher index value indicates greater uncertainty. Annual GPR is obtained from the Geopolitical Risk Database and incorporated as an independent variable in the exploratory regression model. The GPR index served in this paper acted as a proxy for global tension and influenced the upscaling of the energy prices

**Table 2: Descriptive Statistics**

Variable	Mean	Minimum	Maximum
Energy Cost Index (Ministry of Commerce & Industry)	140.67	100	164
Oil Price (World Bank / EIA)	74.5	42	101
Inflation (RBI / World Bank)	5.58	4.5	6.7
Exchange Rate (RBI)	79.22	73.9	84.2
GPR Index (Geopolitical Risk Database)	124.5	105	145

Source: Research Output

### Interpretation:

- ⊙ Average ECI during the period was 140.67
- ⊙ Energy cost during 2022 reached its highest due to the global energy crisis.
- ⊙ Persistent volatility is observed in the oil prices.
- ⊙ Exchange rate depreciation increased import costs

**Table 3: Trend Analysis**

Year	Oil Price
2020	42
2021	71
2022	101
2023	82
2024	81
2025	70

Source: Research Output

**Interpretation:**

- Oil prices increased sharply between 2020 and 2022. There is a jump in the oil price to the extent of 140.48%.

**Table 4: Growth in Energy Cost**

Year	Energy Cost Index
2020	100
2025	146

Source: Research Output

**Interpretation:**

Energy cost increased by more than 46% by six years.

**Table 5: Correlation Analysis**

Variables	ECI	Oil	Inflation	Exchange Rate	GPR
ECI	1	0.91	0.74	0.69	0.88
Oil	0.91	1	0.63	0.51	0.82
Inflation	0.74	0.63	1	0.55	0.58
Exchange Rate	0.69	0.51	0.55	1	0.43
GPR	0.88	0.82	0.58	0.43	1

Source: Research Output

**Interpretation**

- Oil price and Energy cost index represented a very strong positive correlation of 0.91.
- The positive and strong correlation also exists between GPR and ECI to the extent of 0.88.
- With respect to inflation and the exchange rate, the intensity of correlation is lower than that of the Oil price and GPR. It indicates that the ECI change is highly impactful due to the oil price, then comes GPR, and after that inflation and the exchange rate.

**Exploratory Regression Analysis**

ECI (Energy cost Index) =  $\beta_0$  (Constant/Intercept) +  $\beta_1$  OP (Brent Crude Oil Price) +  $\beta_2$  INF (Inflation) +  $\beta_3$  ER (Exchange Rate) +  $\beta_4$  GPR (Geopolitical Risk) +  $\epsilon$  (Error term)

Note:  $\beta_1$ - $\beta_4$  represent Regression coefficients.

**Interpretation**

The model assumes that ECI is influenced by the movement in oil prices, changes in the rate of inflation, the exchange rate, and geopolitical risk. A positive coefficient indicates that any change

in the variable leads to a positive change in the energy price, and a negative coefficient indicates vice versa.

**Research Hypotheses**

**H1:** Brent crude oil price significantly influences energy cost.

**H2:** The inflation rate significantly influences energy cost.

**H3:** Exchange rate price significantly influences energy cost.

**H4:** The Geopolitical Risk Index significantly influences energy cost.

**Table 6: Regression Results**

Variable	Coefficient	p-value
Constant	12.4	0.018
Oil Price	0.58	0.001
Inflation	0.27	0.041
Exchange Rate	0.21	0.048
GPR	0.44	0.003

Source: Research Output

$R^2 = 0.87$

### Interpretation

The oil price coefficient is 0.58, which indicates that for every \$1 increase in oil price, the ECI goes

up by 0.58 units. Oil price is the most triggering force for the rise in EC

**Table 7: Forecasted Energy Cost Index**

Year	Forecast ECI	Lower CI	Upper CI	Basis
2026	151.87~152	147.32	156.41	Using the data from 2020 to 2025, this is an AI-generated baseline forecast
2027	159.76~160	153.84	165.68	Trend Extrapolation from Prophet Model
2028	168.53~169	160.94	176.12	Continuation of the projected long-term trend

Source: Author's estimate using the Prophet forecasting model

### Interpretation

Using the techniques of AI- Prophet, a time series forecasting algorithm, developed by Meta, the ECI for the above three years were estimated. Using the data set for the six years limited period, Prophet estimated underlying long-term trend by fitting a piece wise linear growth function to historical series. Due to the nature of the data set, being annual, the holiday effects, seasonal components were non-existent, the forecast was driven by estimated trend. Thus, the project values represent the model's best estimate of the expected ECI, under the assumption that the historical trend continues without structural change.

The Prophet forecasting model is represented as  $y(t)=g(t)+s(t)+h(t)+\epsilon t$

where,

- ⊙  $y(t)$  = Forecasted Energy Cost Index,
- ⊙  $g(t)$  = Long-term trend,
- ⊙  $s(t)$  = Seasonal component,
- ⊙  $h(t)$  = Holiday or event effects,
- ⊙  $\epsilon t$  = Random error.

For this study,

$$s(t)=0, h(t)=0$$

because annual observations do not exhibit seasonality or holiday effects.

Therefore,

$$ECI(t)=g(t)+\epsilon t$$

The estimated trend component generated the forecasts:

$$ECI^{2026}=152$$

$$ECI^{2027}=160$$

$$ECI^{2028}=169$$

### Scenario Analysis

To conduct the scenario analysis, Prophet, an AI-based time series forecasting model developed by Meta, is considered to forecast the ECI using the historical trend. This method, among all the AI tools, is found to be suitable as the study used limited data sets (2020-2025) for unavoidable reasons. The baseline forecast was combined with macroeconomic scenarios to evaluate potential future cost outcomes and support agile decision-making by CMAs.

Using Prophet AI, the baseline forecast (2026) is 152. This ECI represents normal conditions.

**Table 8: Assumption of Scenarios**

Variable	Stable	Moderate	Severe
Brent Oil Price (USD/ Barrel)	75	100	130
Geopolitical Risk Index	110	150	190
Market Condition	Normal	Moderate disruption	Severe disruption

Source: Developed by the authors using U.S. Energy Information Administration and the Caldara and Iacoviello Geopolitical Risk Index

AI-assisted adjustment of scenarios

The projected energy cost index is calculated using the formula

Projected ECI=Prophet Forecast\*(1+scenario adjustment). This method considered the adjustment of percentages to the Prophet forecast to reflect the impact of geopolitical scenarios and energy

market risks, instead of considering the fact that the baseline remains unchanged, where Prophet forecast is 152 and scenario adjustment is expected percentage impact under each scenario.

**Table 9 Scenario Adjustment Factor**

Scenario	Adjustment Factor	Justification
Stable	-1.3%	Lower geopolitical tension and stable oil prices
Moderate	15.10%	Continued geopolitical uncertainty and higher oil prices

**Table 10 AI- assisted scenario forecast**

Scenario	Prophet Baseline	Adjustment	Projected ECI	Risk Level
Stable Environment	152	-1.3%	150	Low
Moderate Risk	152	15.10%	175	High
Severe Crisis	152	38.20%	210	Critical

**Interpretation:**

The AI Prophet model forecasted ECI for 2026 as 152. To evaluate future uncertainties, the baseline forecast was adjusted by 1.3%, +15.1%, and +38.2% under stable, moderate, and severe scenarios. These adjustments represent expert-defined stress assumptions developed from changes in crude oil prices, geopolitical risks based on market trends, and management judgments. Therefore, the ECI values are 150, 175 and 210 provide the CMAs with an AI- centric framework for strategic cost planning and risk management.

**Table 11: Cost Intelligent Action Matrix**

Forecast ECI	Risk Level	Recommended Action
Below 150	Low	Routine Monitoring
150–170	Moderate	Energy Audit
170–190	High	Long-Term Energy Contracts
Above 190	Critical	Strategic Cost Restructuring

Source: Research Output

Severe	38.20%	Significant geopolitical conflict and major oil price escalation
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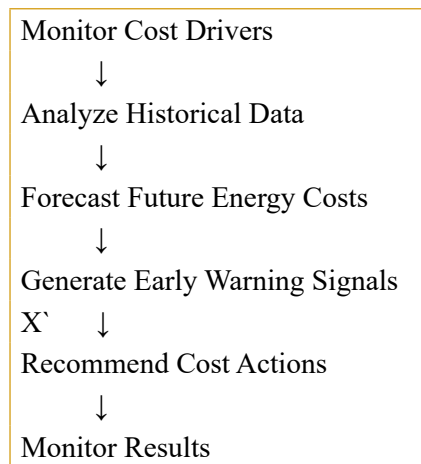
Source: Authors' estimates based on historical trends and expert-defined stress assumptions.

Scenario 1: Stable environment:  $152 \times (1 - 0.013) = 150.02$ , R/O to 150.

Scenario 2: Moderate Risk:  $152 \times (1 + 0.151) = 174.95$ , R/O to 175.

Scenario 3: Severe Risk:  $152 \times (1 + 0.382) = 210.06$ , R/O to 210

**Predictive Cost Intelligence Framework**



**Findings**

The analysis demonstrates that energy cost can be predicted with the use of a small set of macroeconomic variables, namely, the rate of inflation, exchange rate, geopolitical risk index, and above all, the prices of Brent crude oil. This model enables the cost accountants to move from historical cost reporting to strategic cost management.

**Conclusion**

The historical role of the CMAs has undergone a

paradigm shift with the augmentation of AI tools. The traditional cost reporter and cost book auditors are now the cost predictors by leveraging the technology, and these previously predicted costs can enable the decision makers to manage their rising running costs. This predictive cost intelligence framework substantiates that AI can't replace humans, but humans today need to be focused on making them progressive professionals by moving beyond the explanatory role and becoming experts in managing varied uncertainties. This paper predicted the energy cost prices by using AI as a future-oriented decision support tool, and this energy cost analysis is made by considering the important macro parameters, namely, inflation, exchange rate, geopolitical risk index, and Brent oil price. Among these factors, the most significant dominant one is the oil price which heavily impacted the movement in the energy price. This advanced price analysis will enable the industries to chalk out the remedial measures for organizational resilience and future sustainability.

The paper concludes that the effort is not to create sophisticated machine learning algorithms, but to leverage AI-supported predictive analytics to enhance strategic cost management and make the role of management accountants more future-ready. **MA**

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## At the Helm!!!



**CMA S.K. Sinha**

**H**eartiest Congratulations to CMA S.K. Sinha, who has assumed charge as Director (Finance) of GAIL (India) Limited with effect from July 2026. CMA S.K. Sinha who has over three decades of distinguished experience in the oil and gas sector possesses extensive expertise across Corporate Finance, Corporate Accounts, Management Accounting, Investor Relations, Taxation, Treasury & Banking Operations, Costing, Budgeting, Project Evaluation and Mergers & Acquisitions.

Before joining the Board of Directors, he has served as Executive Director (Finance & Accounts) at GAIL. He has played a pivotal role in enhancing investor engagement, driving strategic financial decision-making, optimizing costs and ensuring robust compliance practices. His professional excellence has been widely recognized through several prestigious accolades, including securing 2nd Rank in Asia for IR Professional in the Extel Asia Survey 2026 along with recognitions from the Institute for excellence in cost management and finance leadership.

We wish CMA S.K. Sinha the very best for all his future endeavours.

# THE FUTURE-READY FINANCE PROFESSIONAL: WHY DATA & AI SKILLS WILL DEFINE THE NEXT GENERATION OF ACCOUNTANTS

## Abstract

This article explores how the Finance function is evolving from traditional reporting and compliance roles to a strategic, data-driven business partner. It highlights how data analytics, AI, automation, and predictive modelling are transforming areas such as cashflow forecasting, risk management, scenario planning, and profitability analysis. The article argues that AI is not replacing accountants; rather, professionals who embrace data and AI capabilities will redefine the profession. It concludes that data literacy, analytical thinking, technology enablement, business acumen, and continuous learning are essential competencies for the future-ready finance professional.



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### Introduction: Beyond the Fear of AI

The conversation around Artificial Intelligence (AI) has increasingly been framed in terms of disruption and displacement. A recurring concern within the accounting profession in general is whether AI will replace traditional roles. However, this perspective overlooks a far more relevant and nuanced reality.

AI is not the primary threat to finance professionals. The real transformation lies in the growing divide between professionals who embrace data and AI

capabilities and those who do not.

The future of the profession is not about replacement, but about reinvention. The most successful finance professionals of the future will not compete with AI, instead they will leverage it to enhance their analytical, strategic, and decision-making capabilities.

### The Evolution of the Finance Function

Historically, the role of accountants has been centred on:

- ⊙ Transaction processing
- ⊙ Financial reporting
- ⊙ Compliance and controls

While these functions remain fundamental, the expectations from Finance have expanded significantly. Today, organisations demand that Finance act as a strategic business partner, providing insights that shape future outcomes rather than merely explaining past performance.

This evolution can be summarised in three phases:

1. Descriptive Finance – What happened?
2. Diagnostic Finance – Why did it happen?

### 3. Predictive & Prescriptive Finance – What will happen and what should we do about it?

It is within this third phase that data analytics and AI play a pivotal role, enabling Finance to transition into a forward-looking function.

#### The Rise of Data-Driven Finance

Modern Finance organisations are increasingly built on robust data foundations. The creation of structured, governed data environments enables seamless access to information, allowing finance teams to generate insights at scale.

For example, within advanced Finance analytics environments, data from multiple source applications: sales, payments, treasury, operations etc. and external macro-economic data is integrated into a central platform, supporting a wide range of analytical use cases which, apart from doing descriptive and diagnostic analytics, also enables predictive & prescriptive analytics, such as cashflow forecasting for short term working capital management to long term capex & hedge decisions, blocked funds monitoring to mitigate currency devaluation risk, scenario planning and so on!

This data-driven approach has redefined how Finance operates:

- ⊙ Decisions are backed by near real-time insights rather than intuition
- ⊙ Data accessibility empowers self-service analytics
- ⊙ Cross-functional collaboration is significantly enhanced

#### Key Achievements in Finance Through Data Analytics

##### 1. Cashflow Forecasting: Improving Accuracy and Agility

Cashflow forecasting has traditionally been a complex, manual, and often reactive exercise especially in global, multi-entity environments. The introduction of data analytics and data science has fundamentally transformed this area.

Modern forecasting models leverage:

- ⊙ Historical transaction data
- ⊙ Payment schedules, supplier contracts and

settlement calendars

- ⊙ Operating plan and budget data
- ⊙ External factors such as market conditions

Using this data, the model generates short- and long-term cashflow forecasts that support Treasury in optimising liquidity, fund placements, and FX hedging strategies across currencies.

In practice, this has enabled:

- ⊙ Improved liquidity management
- ⊙ Enhanced treasury decision-making (e.g., hedging strategies)
- ⊙ Eliminating manual weekly effort across global finance operations
- ⊙ Greater confidence in financial planning

Additionally, user-facing dashboards now allow finance professionals across multiple locations to interact with forecasts, test assumptions, and refine projections dynamically.

##### 2. Automation and Data Integration: Eliminating Manual Effort

A major breakthrough in Finance transformation has been the automation of data ingestion and processing.

Through the adoption of technologies such as Robotic Process Automation (RPA),

Finance teams have successfully automated the extraction and integration of critical datasets into enterprise data platforms.

This has delivered several tangible benefits:

- ⊙ Elimination of manual intervention in data collection
- ⊙ Improved accuracy and consistency
- ⊙ Faster availability of data for analysis

More importantly, it has freed up finance professionals from routine tasks, allowing them to focus on higher-value analytical work.

##### 3. Risk Mitigation: Example of Blocked Funds Analysis mitigating currency devaluation risks

In global organisations, funds can often become “blocked” due to regulatory, operational, or market

constraints. Historically, identifying and managing such funds was a fragmented and reactive process.

Data analytics has enabled the creation of predictive dashboards that uses multiple data insights to calculate the potential risk C generate alerts:

- ⊙ Proactively identifying at-risk funds across geographies
- ⊙ Tracking trends to anticipate future risks
- ⊙ Factoring in macroeconomic indicators (e.g., country risk)

These insights allow Finance to take proactive measures to:

- ⊙ Repatriate funds quickly to reduce currency devaluation risk
- ⊙ Optimise working capital
- ⊙ Improve overall liquidity position

This is a prime example of how data-driven Finance directly contributes to financial value creation.

#### 4. Scenario Planning in Uncertain Times

The modern business environment is characterised by volatility and uncertainty. Events such as geopolitical conflicts, currency fluctuations, and fuel price shocks require Finance to respond swiftly and decisively.

Scenario planning, powered by data analytics, has become a critical capability. By integrating internal financial data with external market indicators, Finance teams can:

- ⊙ Simulate multiple business scenarios
- ⊙ Assess potential financial impacts
- ⊙ Support strategic decision-making under uncertainty

For instance, in the context of geopolitical disruptions such as regional conflicts, analytics-driven models enable Finance to evaluate the impact on:

- ⊙ Cashflows

- ⊙ Currency exposures
- ⊙ Cost structures

This allows organisations to move from reactive responses to proactive risk management.

#### 5. Cost Optimisation and Profitability Insights

Data analytics has also enabled deeper insights into cost structures and profitability drivers.

Initiatives such as:

- ⊙ Product-level profitability analysis
- ⊙ Cost-of-sales optimisation
- ⊙ Yield management

have provided Finance with greater transparency into where value is created or eroded.

For example, With the shift to online sales, credit card MSF costs have increased significantly. Analysing transaction-level payment data enables organisations to optimise cost of sales and enhance margins.

This shift from high-level reporting to granular insights empowers Finance to play a central role in driving profitability.

#### Finance Innovation: The Role of Proof of Concepts (POCs)

A key characteristic of future-ready Finance organisations is their ability to innovate rapidly through Proof of Concepts (POCs).

POCs allow Finance teams to:

- ⊙ Experiment with new tools and methodologies
- ⊙ Validate use cases before full-scale implementation
- ⊙ Accelerate innovation cycles

Examples of such initiatives include:

- ⊙ Advanced analytics such as Agentic AI
- ⊙ Automated Tax compliance solutions
- ⊙ Intelligent Supplier / Customer onboarding models

These initiatives not only deliver immediate benefits but also build organisational capability in adopting emerging technologies.

## The Future-Ready Finance Professional

The transformation of the Finance function necessitates a parallel transformation in the skillset of finance professionals.

The future-ready management accountant is characterised by:

### 1. Data Literacy

The ability to understand, interpret, and question data is no longer optional. Professionals must be comfortable working with datasets, dashboards, and analytical outputs.

### 2. Analytical Thinking

Beyond data access, the ability to derive meaningful insights and connect them to business outcomes is critical.

### 3. Technology Enablement

Familiarity with tools such as data visualisation platforms, analytics tools, data lake / warehouse, and emerging AI capabilities such as conversational AI is essential.

### 4. Business Acumen

Finance professionals must translate data into actionable recommendations that align with business strategy.

### 5. Continuous Learning

Given the rapid pace of technological change, a commitment to ongoing learning is vital.

## Reframing the Narrative: AI as an Enabler

The central argument of this article can be summarised as follows:

AI will not replace accountants. However, accountants who harness data and AI will redefine the profession and outpace those who do not.

AI enhances human capability by:

- ⊙ Processing large volumes of data
- ⊙ Identifying patterns that may not be immediately visible
- ⊙ Automating routine tasks

This allows finance professionals to focus on:

- ⊙ Strategic thinking
- ⊙ Stakeholder engagement
- ⊙ Value creation

## Conclusion: The Path Forward

The accounting profession stands at a critical inflection point. The integration of data and AI into Finance is not a distant future, it is already a present reality.

The future-ready Finance professional will be one who:

- ⊙ Embraces data as a core asset
- ⊙ Leverages AI as a decision support tool
- ⊙ Continuously evolves their skillset

Ultimately, the competitive advantage will not lie in technology alone, but in the ability of finance professionals to combine domain expertise with data-driven insights.

Traditionally, centralised analytics delivery required translation of business needs by domain SMEs, often leading to interpretation gaps; however, with advancements in natural language capabilities and accessible data platforms C BI tools, business users can increasingly take ownership of analytics through self-service, driving more accurate and context-rich insights.

In this new era, success belongs to those who move beyond traditional roles and position themselves as strategic, data-driven business partners. **MA**

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# DAILY WELLNESS FOR THE BUSINESS: A CMA's FIELD NOTES ON AI-BUILT DASHBOARDS

## Abstract

Daily performance dashboards driven by artificial intelligence (AI) can change organizations from annual audits to operational wellness on a daily basis. The article, based on a textile manufacturing engagement, demonstrates how three key indicators viz material cost variance, shift-wise productivity and product contribution margin, when monitored daily, helped shift a reactive cost function to a preventive one and revealed leakage of ₹6.6 crore per annum, which was hidden in monthly statements. Daily cost monitoring is the business version of preventive health care and a practical adoption path for practitioners. The lasting relevance of the accountant is to provide insights in time for action.

## Prevention is better than Cure: The Philosophy behind this Article

People practice yoga, exercise and eat well because they are not sick, but to remain healthy. It is easier and cheaper to prevent than cure. The same logic is true in business, but most companies wait until they have a quarterly loss, covenant violation, or margin breakdown to take action rather than taking proactive steps to avoid these problems.

A real-time KPI dashboard is diagnostic equipment of this business doctor. Contribution margin per product is the cholesterol report. Working capital cycle is the blood pressure. Capacity utilisation is the pulse. Variance analysis is the blood test.



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Shift-wise productivity is the ECG revealing which chamber of the operation is underperforming.

When these readings are taken once a year during cost audit, the accountant is a coroner. When taken every day automatically, visually, with red-flag alerts, same professional becomes a wellness physician. This article describes how that transition was achieved for a textile client, with AI as an assistant. Although client's name mentioned here as "ABC Textile Mills" is fictional; but all calculations, prompts and iterations are drawn from real industry practice.

### Why Just Three Vital Signs?

A physician checking daily wellness does not run forty tests but checks three basics i.e. pulse, blood pressure and a look at tongue. Three readings taken consistently every day are more useful than forty taken once a year.

Most cost dashboards fail because they track too much. Twenty Key Performance Indicators (KPIs) look impressive on Day 1 and become unmanageable by third week. When asked which three numbers he would want each morning, the CFO of the mill answered promptly:

- ⊙ **Material variance** “Am I buying right? Did anything spike yesterday?”
- ⊙ **Shift-wise productivity** “Are both shifts pulling their weight? Where’s the performance gap?”
- ⊙ **Product-wise contribution margin** “Am I selling right? Is anything quietly losing money?”

*“Three questions, three vital signs, three minutes a day.”*

These make up significant part of day-to-day manufacturing decisions and remaining can be reviewed monthly.

### The Engagement: ABC Textile Mills

ABC Textile Mills is an integrated unit that performs spinning, weaving and processing activities under one roof. With four product lines, 600 workers and two eight-hour shifts, turnover of ₹180 crore. The Companies (Cost Records and Audit) Rules, 2014, Table B, requires cost audit. The CFO’s pain was: “They get their P&L on the 25th of the following month, by then, the damage is done.

The difference between a healthy and weak shift in a two-shift operation can be as much as 15 to 25% contribution. Gap is not reflected in consolidated monthly report due to averaging of the shifts. The treatment: One Excel dashboard opened each morning at 9 AM, refreshed in three minutes.

### Working with AI: The Mentality That Changed Everything

The majority of practitioners fail to get AI right the first time. AI is more powerful when used as a collaborative assistant rather than as a conventional search engine. It is a **junior assistant**. The business problem should be explained just as done to articleship trainee, answer clarifying questions, correct course, iterate. After the third round, the output was what was desired in 20 minutes rather than 2 weeks. The difference was in four habits:

- ⊙ **Habit 1:** State the business problem, not the formula.
- ⊙ **Habit 2:** Share the names of the data structures, the columns and their types.
- ⊙ **Habit 3:** Ask for the logic, then the formula. Logical errors are detected before formula errors.
- ⊙ **Habit 4:** Test on a small sample, check by hand, deploy. Do not copy and paste an AI formula directly into the active workbook.

A representative discussion that aided in the creation of the dashboard is shown below:

### Conversation 1: Designing the Wellness Dashboard

The first prompt was intentionally open-ended. I wanted to discuss the architecture with AI, not just give it formulas.

#### My prompt to AI:

*Create cost wellness dashboard in Excel daily for an integrated textile mill for a turnover ₹180 crore, four product lines, two shifts. The CFO only wants 3 Vital Signs displayed on one screen: material variance, shift-wise productivity gap, contribution margin per product. Executive level design: naming from alerts panel who to call, large KPI cards, traffic-light flags, navy and gold theme. Daily data dump from ERP. Propose layout, red flag thresholds and action panel.*

After two iterations the dashboard was finalised. It appears on the CFO’s screen each morning at 9 AM.

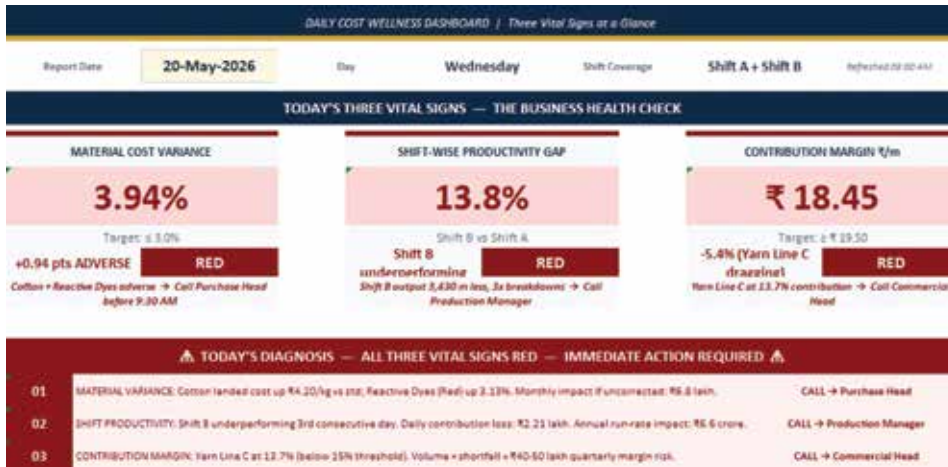


Figure 1 The Wellness Dashboard: three vital signs on one executive screen. Each KPI card has a colored top strip, a 32-point central value, a target, variance with a flag pill, one-line action instruction. The diagnosis panel identifies who to call.

Key design decisions: Navy banner conveys seriousness; every vital sign is on a full-width card with a 32-point central value visible from across the room; the action line under each card turns data into a phone call. The diagnosis panel measures the impact and identifies the owner. Variance without an owner is information without consequence.

### Conversation 2: Diagnosing the Body Shift by Shift

The CFO's greatest weakness was shift-wise. The monthly totals of Averaging Shift A and Shift B mask the disease. This sheet is the ECG that shows each chamber individually.

### My prompt to AI:

Create a production and cost analysis sheet that is shift based. Shift A runs 06:00–14:00, Shift B 14:00–22:00. Compare both on production output, achievement %, labour productivity (meters/hr), material wastage, scrap rate, machine downtime, loom breakdowns, power per metre, conversion cost per metre, direct wages per metre, quality defects. Flag each variance RED, AMBER or GREEN. End with a diagnosis panel translating data into specific actions and quantified financial impact.

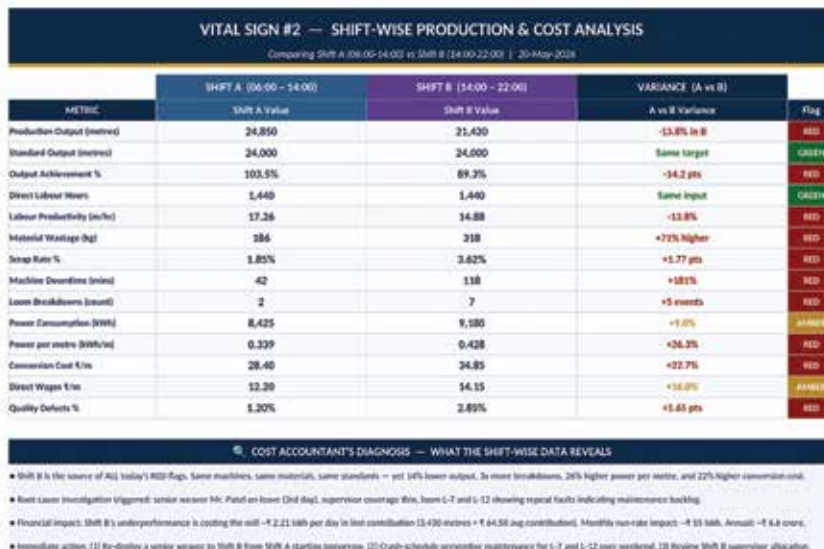


Figure 2: Shift-wise Production & Cost Analysis, the same machines, materials and standards are

used, but Shift B has 14% less production, 3 times more breakdowns, 26% more power per metre and 22% more conversion cost. This one sheet revealed a problem that monthly P&L had been hiding for 9 months.

Both shifts use the same machines, materials and aim for 24,000 metres. However, Shift B generated 3,430 metres less, lost 71% more material, experienced 181% more downtime, consumed 26% more power per metre and had 22.7% higher conversion cost. Impact: ₹2.21 lakh per day in lost contribution. Considering operational days, Annualized, ₹6.6 crore (based on operating days) 3.5% of turnover quietly leaking into the business while remaining hidden in the consolidated P&L.

The diagnosis panel converts these into three actions redeploy a senior weaver, crash-schedule maintenance for two looms, review Shift B supervisor allocation. In nine months of P&L reviews, no one had asked how the shifts performed

separately. The day this sheet went on the CFO's screen, a ₹6.6 crore annual leakage became visible. This is what the doctor sees that the coroner could not.

**Conversation 3: The Material Variance Deep-Dive**

Material cost cotton, dyes, chemicals is 55–65% of total cost. Daily monitoring wins half the battle.

**My prompt to AI:**

*Build a Material Cost Variance deep-dive sheet. Top summary band: Standard Cost, Actual Cost, Adverse Variance in three large cards. Below, a table of twelve materials with Qty, Std Rate, Act Rate, Std Cost, Act Cost, Variance ₹, Variance %, a traffic-light flag (RED above 3%, AMBER 1.5–3%, GREEN below 1.5%). End with a diagnosis panel converting numbers into actions.*



Figure 3 Material Variance Deep-Dive: the three-card summary band quantifies the day's adverse variance at ₹27,343 (1.60%). Reactive Dyes (Red) crosses the RED threshold; the diagnosis panel names the supplier substitution and recommends today's action.

The summary band Standard, Actual, Adverse Variance is the most-glanced section. Three numbers in three seconds; the day's pain is clear. The detail table is the working paper; the summary band is for management. Two technical notes: the formula uses SUMPRODUCT (array-style multiplication in one formula); IFERROR prevents #DIV/0! on days without data, ensuring dashboard stability. Such minor technical refinements distinguish professional dashboard from basic spreadsheet.

**Conversation 4: Finding the Hidden Margin Killer**

A material variance is a sign of whether one is buying right or wrong. Shift productivity is a measure of whether one is producing right or not and product contribution indicates whether one is selling correctly or not.

**My prompt to AI:**

*There are seven product lines. For each there*

*is monthly production in metres, weighted-average sales realization per metre and variable cost per metre. Construct a table with the following columns such as Contribution per metre, total contribution in rupees, contribution as a percentage to sales, flag (RED < 15%, AMBER 15–20%, GREEN > 20%), and an automatic rank based on total contribution. Create a bar graph with the title itself naming which line is “The silent margin killer”.*

VITAL SIGN #3 — PRODUCT-WISE CONTRIBUTION MARGIN									
Cumulative for May 2026   Drives pricing, mix and capacity allocation									
S.No	Product Line	Production (m)	Sales (₹/m)	Var Cost (₹/m)	Contribution (₹/m)	Total Contribution (₹)	Contribution %	Flag	Rank
1	Yarn Line A — 30s Combed Cotton	95,000	142.00	118.50	23.50	2,232,500	16.5%	AMBER	1
2	Yarn Line B — 40s Combed Cotton	78,000	168.00	142.20	25.80	2,012,400	15.4%	AMBER	2
3	Yarn Line C — Blended 65/35	62,000	135.00	134.55	0.45	1,143,900	13.7%	RED	6
4	Woven Fabric — Shirting	48,000	195.00	162.40	32.60	1,564,800	16.7%	AMBER	4
5	Woven Fabric — Suiting	32,000	285.00	234.50	50.50	1,616,000	17.7%	AMBER	3
6	Processed Fabric — Dyed	28,000	245.00	202.30	42.70	1,195,600	17.4%	AMBER	5
7	Processed Fabric — Printed	18,000	320.00	238.40	81.60	1,108,800	19.3%	AMBER	7
TOTAL / WTD AVG		361,000	183.00	152.88	30.12	10,874,000	16.5%		



Figure 4 shows Product-wise Contribution Analysis with auto-generated chart. The only RED line 13.7% contribution is Yarn Line C against threshold 15%, which chart title itself flags it as silent margin killer.

Yarn Line C Blended 65/35 shows up RED at only 13.7% contribution. The bar length indicates to eye what the colour indicates to mind: Lines A and B are volume engines, but Line C is third largest by volume, but has weak contribution. The recommended management actions following this analysis are to investigate input mix, review strategies of pricing, fix the contribution or do capacity reallocation. Otherwise, the discussion would probably have waited for three months until quarterly P&L, when another ₹40–50 lakh of margin is lost.

**The Daily Routine: Three Minutes from ERP to Decision**

If it takes more than 3 minutes to update a

dashboard, then it’s not useful. If it takes 30 minutes, no CFO will keep using it. The last step was to automisation of daily refresh using Power Query so that the dashboard updates on one button click.

Have a glance at CFO’s morning routine looked like after the above set-up:

- ⦿ 8:30 AM ERP team drops yesterday’s CSV files into the shared folder.
- ⦿ 9:00 AM CFO opens the workbook, clicks Refresh All.
- ⦿ 9:01 AM All three vital signs are visible. The diagnosis panel names whom to call.
- ⦿ 9:03 AM Any RED alert triggers a phone call to the named owner before the 9:30 AM management huddle.

Three minutes checking three vital signs can build a proactive wellness routine instead of reactive cost process. None of these improvements require a new ERP, a data scientist or a six-figure consulting fee for consultants. All it took was One Excel workbook made with cost accounting know-how and created with an AI assistant's help.

### Lessons for Every CMA:

**Start small:** Before rolling out dashboard to organization-wide, implement it in any one department or process.

**Measure daily:** Important KPI's such as inventory turnover, receivable collection period, payable cycle, production efficiency, cash conversion cycle should be tracked on a regular basis.

**AI assists judgement:** AI cannot replace managerial judgment but can be used to complement it by identifying patterns, forecasting trends and generating alerts.

**Simplify dashboards:** Include only the most relevant KPIs as a clean and simple dashboard helps to enhance decision making and user adoption.

**Assign Ownership:** Each KPI should be assigned ownership who shall be accountable for tracking as well as taking corrective action for the KPI when needed.

**Regularly review and refine:** The metrics on the dashboard should be updated regularly and AI models to reflect evolving business goals and market dynamics.

### Implementation Guidance: Practical Steps for Initiation

If you are thinking about adopting, it is suggested that you take a step-by-step approach:

**STEP 1:** Select pilot with one mid-size manufacturer on two or more shifts, with management receptive to regular engagements.

**STEP 2:** Use only three KPIs as discussed above viz material variance, shift-wise productivity and contribution margin. Resist adding more.

**STEP 3:** Design for simplicity one ERP screen, one workbook, one button. Give it 3 months to get the habit in.

**STEP 4:** Start using AI from the beginning as a


junior assistant. State the problem clearly, find logic before formula, test on a sample, iterate.

**STEP 5:** Maintain confidentiality. Always use enterprise AI tools that have no training requirements; never upload client master data to free public tools. The ICMAI Code of Ethics is non-negotiable.

**STEP 6:** Dashboards are decision support tools and should be used in addition to, not instead of professional judgement and regular financial reporting.

### Final Considerations: Professional Reflections

A coroner's job is to be accurate after the event. A doctor's job is to provide insight before the event. Now, with the technology of the present time, everyone can create the second.

Ongoing monitoring of business activities is crucial to protect the interests of stakeholders, including employees, shareholders, financial institutions. One of the most powerful tools that professionals have today to provide that care is the daily wellness dashboard, which is based on three Vital Signs and has AI as its tireless assistant. The future CMA will not be remembered for producing reports, it will be remembered for preventing problems from appearing on those reports. 

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# GST COMPLIANCE IN THE DIGITAL ERA AND IMPACT OF GST 2.0: OPPORTUNITY AND CHALLENGES

## Abstract

The introduction of the Goods and Services Tax (GST) in India marked a major transformation in indirect tax administration by integrating multiple taxes into a unified, technology-driven system. This paper examines the evolution of GST compliance in the digital era and analyses the impact of GST 2.0 on taxpayers and tax authorities. The article highlights how digital tools such as the GST Network (GSTN), e-way bills, e-invoicing, artificial intelligence, and data analytics have improved transparency, revenue collection, supply-chain monitoring, and formalisation of the economy. At the same time, the paper discusses challenges including technological dependence, compliance burden on small businesses, cybersecurity concerns, and increased litigation arising from procedural complexities. GST 2.0 has further strengthened automated compliance and anti-evasion mechanisms through real-time invoice validation and predictive monitoring systems. The article concludes that while digitalisation has enhanced efficiency and accountability in tax administration, long-term success depends on balancing strict compliance enforcement with taxpayer convenience and procedural simplification.

### Introduction

The implementation of the Goods and Services Tax (GST) in India on 1 July 2017 is one of the most significant fiscal reforms in the country's economic history. By subsuming multiple indirect taxes such as excise duty, service tax, value added tax (VAT), entry tax, and several state-level levies



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into a unified tax structure, GST brought in the principle of "One Nation, One Tax." Beyond tax harmonisation, another significant change brought in by the GST is establishment of a technology-driven compliance framework in India. It has been nine years since the introduction and the tax system has evolved into a highly digitalised ecosystem supported by online return filing, e-way bills, e-invoicing, analytics, artificial intelligence, and automated scrutiny mechanisms. The newer phase of reforms, often described as GST 2.0, has further deepened this transformation by emphasising real-time compliance, stronger anti-evasion systems, and enhanced digital integration.

### GSTN –a National Information Utility

Establishment of the Goods and Services Tax Network (GSTN), a common digital platform for registration, return filing, tax payment, refund claims, and compliance management is one of the key building block in the GST framework. Prior to GST, businesses had to deal separately with different authorities for excise duty, service tax, and VAT, each having distinct procedures and filing requirements. GST replaced these fragmented systems with a standardised online mechanism. The digital filing system reduced physical interaction

between taxpayers and tax officials and brought greater transparency into the compliance process. The online platform also created a comprehensive digital trail of transactions, making concealment of turnover or manipulation of records considerably more difficult.

GSTN is one of the world's largest digital tax administration systems now. According to the GST Network (GSTN), the system has processed billions of invoices, returns, and e-way bills since implementation. The scale of digital participation itself reflects the degree to which taxation in India has become technology dependent. GST compliance in the digital era therefore needs to be analysed not merely as a tax reform but as a broader shift toward digital governance, automated administration, and data-driven regulation.

### Monitoring movement through E-Way bill

Another major compliance reform under GST has been the introduction of the e-way bill system. Under this mechanism, movement of goods beyond a prescribed value threshold requires electronic documentation prior to transportation and is governed by Section 68 and Rule 138 of CGST Act, 2017. The e-way bill system transformed the monitoring of supply chains by enabling real-time tracking of goods movement across states. This has significantly reduced the scope for tax evasion through unaccounted transportation of goods. The system has also eliminated many interstate check posts that existed under the previous tax regime, thereby improving logistics efficiency and reducing transit delays. However, the growing dependence on digital systems has also made logistics operations prone to technical failures, portal downtimes and connectivity issues which may affect the core business operations. It is important to strengthen the IT infrastructure to avoid such mishaps so that compliance does not bring heavy costs to the business.

### E-invoice ensuring seamless exchange of information

E-invoicing has emerged as another important pillar of GST compliance. Rule 48(4) of CGST Rules 2017 mandates e invoicing as well as

stringent penalties for non compliance. This is being introduced in a phased manner as of now. Under this system, invoices are authenticated electronically through the Invoice Registration Portal before they are used for tax reporting. The introduction of e-invoicing has strengthened invoice matching and improved the accuracy of Input Tax Credit (ITC) claims. Since invoice data flows automatically into returns, reconciliation has become faster and more reliable. The expansion of e-invoicing under GST 2.0 to cover smaller businesses has further widened the compliance net. Automated invoice validation has reduced the possibility of fake invoicing and strengthened audit trails for the tax department.

### Ensuring compliance with the help of Data Analytics and AI

With the help of artificial intelligence and data analytics, GST compliance mechanism has been transformed considerably. Tax authorities now rely on algorithm-based scrutiny to identify suspicious transactions, mismatches in returns, irregular ITC claims, and potential tax evasion. Data from GST returns, e-way bills, banking systems, and income tax records are increasingly integrated for compliance monitoring. This has enabled authorities to implement risk based assessment model of taxpayers based on their risk profile. This represents a major structural shift in tax administration where technology rather than physical verification has become the primary instrument of compliance monitoring.

From the perspective of the government and tax administration, the digitalisation of GST compliance has produced several positive outcomes. One of the most visible achievements has been improved revenue collection efficiency. The creation of digital transaction trails has made under-reporting of sales and fake ITC claims more difficult. Automated matching systems and analytics have strengthened the ability of authorities to identify irregularities quickly. As a result, GST collections have shown consistent growth over the years, supported not only by economic expansion but also by better compliance enforcement.

The digital GST ecosystem has also created a vast database of economic transactions. This data enables

authorities to monitor sectoral trends, identify high-risk taxpayers and conduct targeted audit and investigations. Such data-driven administration was largely absent in the pre-GST regime. The integration of GST systems with customs databases, income tax information, and banking networks has substantially enhanced enforcement capacity. In many ways, GST has transformed taxation into a continuous real-time monitoring mechanism rather than a periodic assessment exercise.

### **Faceless tax administration and formalisation of economy**

Faceless tax administration is one of the major benefits of the digitalisation era. Online registration, e-filing and automated refund processing have reduced the discretionary powers of officials. Standardised digital procedures have improved transparency and created greater uniformity in tax administration across states.

GST has also contributed significantly to the formalisation of the Indian economy. Since businesses can claim ITC only when purchases are made from registered suppliers, firms increasingly prefer dealing within the formal system. This has encouraged proper bookkeeping, banking transactions, digital invoicing, and tax registration among businesses that previously operated informally. The formalisation effect has broader economic implications, including better access to institutional finance and greater financial transparency.

For taxpayers, the digital eco system has resulted in several benefits. First of all, compliance has become easier because of reduced number of laws. Also, taxpayers now operate under single pattern of registration and return filing across states reducing chances of non compliance because of lack of knowledge. Interstate trade has become more viable due to the reduction of physical checkpoints. This has improved supply-chain efficiency and reduced transportation delays.

Digitalisation has also improved refund processing, particularly for exporters. Automated systems have accelerated the processing of ITC refunds and export-related claims, reducing working capital blockages. Integration of GST

compliance with accounting software and enterprise resource planning systems has further simplified return preparation and invoice reconciliation for many businesses.

### **Cost of Digital Infrastructure**

Despite these achievements, GST compliance in the digital era has also created substantial challenges. From the perspective of the tax department, one of the major concerns is the heavy dependence on technological infrastructure. The functioning of the entire compliance ecosystem depends on uninterrupted digital connectivity and portal efficiency. Technical glitches, server downtimes, OTP failures, and system slowdowns continue to affect taxpayers periodically. Since millions of transactions are processed simultaneously, maintaining system stability remains a major administrative challenge (Shacheendran, 2024).

While digital systems have reduced traditional forms of tax evasion, they have also given rise to more sophisticated forms of fraud. Fake invoicing networks, circular trading arrangements, and shell companies continue to exploit loopholes within the system. Fraudsters increasingly use technology itself to manipulate digital compliance mechanisms. This highlights the need to strengthen surveillance systems and adopt advanced analytical tools for fraud detection.

From the perspective of taxpayers, particularly small and medium enterprises, GST compliance remains demanding. Businesses are required to undertake e-return filing, e-invoice reconciliation, e-way bill generation etc. Smaller firms often struggle to cope with such technological requirements (Singh & Singh, 2024). The cost of compliance has increased due to the need for updating accounting software, ERP systems, and staff training.

Digital dependence has also created difficulties for businesses operating in areas with poor internet connectivity or limited digital literacy. Traditional traders who were accustomed to manual systems often find technology-driven compliance burdensome (Basavanagouda & Panduranga, 2022). The highly automated nature of GST also increases anxiety among taxpayers because even minor

procedural errors may attract penalties, notices, or restrictions on ITC claims.

### Evolving Act

Frequent amendments and procedural changes have also contributed to increased litigation under GST. Issues relating to ITC eligibility, mismatches in returns, delayed filing, and technical errors often lead to disputes between taxpayers and authorities. The evolving nature of GST regulations has created interpretational uncertainty in several areas, resulting in a substantial volume of litigation before courts and tribunals (Basavanagouda & Panduranga, 2022).

### Conclusion

The emergence of GST 2.0 has intensified both the opportunities and challenges associated with digital compliance. GST 2.0 represents a more advanced phase of reform focused on tighter digital integration, AI-based scrutiny, automated return population, enhanced cybersecurity, and stricter invoice validation systems. Features such as the Invoice Management System (IMS) allow recipients to verify or reject invoices before ITC claims are finalised. Automated population of returns reduces manual intervention but simultaneously increases the importance of accurate real-time reporting.

Security measures such as multi-factor authentication and tighter timelines for invoice uploads indicate that GST administration is increasingly moving toward predictive and preventive compliance rather than post-facto assessment. The objective is to create a system where irregularities are identified instantly through automated cross-verification. While such measures improve transparency and reduce tax leakage, they also increase compliance pressure on businesses, especially smaller enterprises with limited technological capacity.

Overall, GST compliance in the digital era reflects a broader transformation in the relationship between the state, taxpayers, and technology. The reform has significantly improved transparency, expanded the tax base, strengthened enforcement and accelerated the formalisation of the economy.

GST 2.0 has further reinforced these trends by deepening automation and real-time monitoring mechanisms (Gupta, Bhavyashree & Tambad, 2025). At the same time, the system continues to face important challenges relating to technological dependence, compliance costs, digital literacy, and procedural complexity.

The future success of GST compliance reforms will depend on achieving a balance between strict enforcement and taxpayer convenience. While technology-driven governance has undoubtedly improved efficiency and transparency, sustainable compliance ultimately requires simplification, stability in regulations, stronger grievance redressal systems and support for small businesses adapting to digital systems. GST has demonstrated the transformative potential of digital taxation in India, but its long-term effectiveness will depend on how inclusively and efficiently the system evolves in the years ahead. MA

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# INNOVATION IN ACTION: GST COMPLIANCE IN THE DIGITAL ERA

## Abstract

The introduction of the Goods and Services Tax (GST) in 2017 brought a major change to India's indirect taxation system by replacing multiple indirect taxes with a single tax structure. GST compliance has shifted from a largely manual, paper based process to a technology driven digital system. The adoption of e-way bills, e-invoicing, GSTR-2B, ERP integration etc has streamlined tax compliance and improved the accuracy of Input Tax Credit claims. These digital measures have reduced tax evasion, improved transparency, and made tax administration more efficient.

This article explores how GST compliance has changed from traditional manual procedures to a technology driven system. It focuses on the role of data analytics and artificial intelligence (AI) in making compliance more efficient. But several challenges continue to exist, including technical issues, limited awareness among small businesses and concerns regarding data security.

The paper examines the evolving role of CMAs in digital compliance and recommends stronger digital infrastructure and simpler compliance to improve profitability, working capital management and business competitiveness.

### Introduction: Evolution of India's Tax System

The implementation of the Goods and Services Tax transformed India's indirect taxation system by replacing several indirect taxes including VAT, excise duty and service tax, with a unified tax framework. This reform reduced the cascading



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effect of taxes and simplified tax administration.

The introduction of GST in India in 2017 brought significant changes to the country's indirect tax system. It introduced a digital approach to tax compliance. Before GST, businesses mainly relied on paper records and manual procedures for tax compliance. With the introduction of GST, most compliance activities shifted to an online system, where businesses maintain digital records, upload invoices, and file returns within the prescribed time. As the GST Network has developed over the years, it has made tax administration faster, more transparent, and more efficient.

Before the introduction of GST, businesses maintained paper records, preserved invoices, and recorded transactions manually in their accounting books. With the introduction of digital technologies, the compliance process has become largely automated. This shift reflects the theme of "Innovation in Action" where automation, data analytics and integrated software have reduced manual errors and improved the ability of tax authorities to monitor compliance. In this changing environment, CMAs play an important role in helping businesses meet compliance requirements and make effective use of digital systems.

## Concept of GST Compliance

GST compliance refers to the process of following the provisions of the Goods and Services Tax law. With the adoption of digital technologies, most compliance activities are now carried out online, making the process more systematic and transparent.

The key components of GST compliance include -

- ⊙ **Registration:** - Businesses crossing the prescribed turnover limit are required to obtain a unique Goods and Services Tax Identification Number (GSTIN).
- ⊙ **Invoice Generation:** - Issuing GST compliant tax invoices with mandatory details such as the supplier's GSTIN, Harmonised System of Nomenclature (HSN) code and applicable tax amount.'
- ⊙ **Return Filing:** - Filing periodic GST returns, including GSTR -1 for outward supplies and GSTR-3B for summary tax liability.
- ⊙ **Tax Payment:** - Calculating and settling exact tax liabilities within due dates to prevent compliance flags.
- ⊙ **Record Maintenance:** - Maintaining books of accounts and other prescribed records in accordance with Section 35 of the CGST Act, 2017.

Effective GST compliance helps businesses to:-

- ⊙ Avoid interest, penalties and legal disputes.
- ⊙ Ensure smooth business operations.
- ⊙ Improve credibility with tax authorities and business partners.

## Digital Transformation in GST

The establishment of GST brought a strong digital platform through the Goods and Services Tax Network (GSTN) which serves as the online system for GST registration, return filing, tax payment and other compliance activities. The shift from manual procedures to an online system has made GST compliance more organised, reduced processing time and improved transparency in tax administration.

The major features of this digital transformation

are:-

- ⊙ **Centralized Online Portal:** All the functions—including registration, return filing, tax payment and other GST related services are carried out through the GST portal.
- ⊙ **Process Automation:** Activities such as return preparation, tax calculation and reconciliation are supported by automated systems reducing manual effort and errors.
- ⊙ **Software Connectivity:** Many businesses connect their accounting or ERP software with the GST portal making data transfer easier.
- ⊙ **Transaction Tracking:** Digital reporting helps tax authorities identify errors or mismatches in transactions at an early stage.

## GST Digital Flow

Invoice → IRP → GST Portal → GSTR-1 → GSTR-2B → GSTR-3B → ITC → Audit

## Key Innovations in GST Compliance

Several digital developments have made GST compliance easier and improved the way taxes are managed.

### A. E-Invoicing System and the 30-Day Reporting Requirement

Under Rule 48(4) of the CGST Rules specified taxpayers must upload their invoices to the Invoice Registration portal (IRP). Once the invoice is verified the portal generates an Invoice Reference Number (IRN) for each invoice.

#### Key benefits -

- ⊙ **Coverage of Taxpayers:** The extension of e-invoicing to businesses with an annual turnover of Rs.5 crore or more has increased the use of digital invoicing among medium sized enterprises.
- ⊙ **The 30-Day Reporting Requirement:** Eligible taxpayers are required to report invoices to the IRP within 30 days of the invoice date. This requirement discourages delayed or backdated reporting and helps

maintain accurate transaction records.

- ⊙ **Direct Benefits:** E-invoicing improved the accuracy of GST return filing, reduces the possibility of fake invoices and facilitates better reconciliation of Input Tax Credit.

### **B. GSTR-2B and Input Tax Credit (ITC) Compliance**

Under GST, Input Tax Credit (ITC) is linked to GSTR-2B instead of purchase records, making ITC claims dependent on supplier compliance and encouraging timely return filing by both parties.

#### **ITC Validation:**

- ⊙ ITC is now based on GSTR-2B data.
- ⊙ If the supplier does not file GSTR-1 within the prescribed time, the corresponding ITC may be available to the buyer.
- ⊙ This ensures strict compliance by both suppliers and recipients.

#### **Impact on Business:**

- ⊙ Delayed ITC increases working capital needs, affects cash flow, and raises business costs.
- ⊙ Timely GST compliance supports better financial management.

#### **Supplier Evaluation:**

- ⊙ Many companies now evaluate suppliers based on their GST compliance.
- ⊙ ERP systems are widely used to monitor supplier's return filing status.
- ⊙ Businesses prefer vendors who regularly file returns on time.

### **C. E-Way Bill System & Logistics Automation**

The e-way bill system was introduced to monitor the movement of goods and is mandatory for transporting consignments above the prescribed value.

#### **Automation of E-Way Bills:**

- ⊙ The integration of E-invoicing with the e-way bill system is an example of innovation in action, reducing manual effort and improving

GST compliance.

- ⊙ It significantly reduces the risk of tax evasion
- ⊙ It ensures accurate and verifiable documentation of goods movement.
- ⊙ It supports quicker and smoother transportation of goods.

#### **Improved GST Compliance:**

- ⊙ Integration between systems reduces duplicate data entry.
- ⊙ It enhances operational efficiency and reduces compliance burden.
- ⊙ It lowers the cost of compliance.
- ⊙ Professionals can focus more on logistics planning instead of correcting errors.

### **D. Advanced Accounting: Tally and ERP Integration**

Businesses use ERP software like Tally and SAP for GST compliance. These systems are connected with daily accounting systems. This offers several practical benefits:

#### **Automatic GST Accounting:**

- ⊙ GST ledgers (IGST, CGST, SGST) are created and maintained automatically.
- ⊙ Tax balances are calculated by the system, reducing manual work.
- ⊙ Data is directly linked with the GST portal through Application Programming interfaces (APIs)

#### **Continuous Reconciliation:**

- ⊙ ERP systems help compare accounting records with **GSTR-2A/2B** on a regular basis.
- ⊙ Any mismatch can be identified early, allowing businesses to make corrections before filing returns.

#### **Data Integration:**

- ⊙ Data flows automatically between accounting software and GST portal.
- ⊙ This improves the accuracy of GST records and reduces the chances of data entry errors.

**E. Artificial Intelligence and Predictive Auditing**

The government uses AI tools like **BIFA (Business Intelligence and Fraud Analytics)** for GST monitoring. These tools help in risk-based checking of taxpayers. This is an example of innovation in action.

**AI helps to identify:**

- ⊙ Unusual or suspicious transactions.
- ⊙ Circular trading networks designed to inflate turnover.
- ⊙ Mismatches between generated E-way bills

and reported GSTR-1 returns.

**Role of Cost Accountants:**

- ⊙ Professionals are expected to leverage similar analytical tools for internal verification and control.
- ⊙ This process is commonly referred to as a **“shadow audit.”**
- ⊙ It enables early identification of discrepancies and compliance gaps.
- ⊙ Errors can be corrected before notice or litigation.
- ⊙ This ensures robust and proactive compliance.

**Comparative Analysis: Traditional vs Digital GST Compliance**

The table below shows the main differences between traditional and digital GST compliance.

Aspect	Traditional Compliance (Pre-GST)	Digital Compliance (GST Era)	Benefit
<b>Record Keeping</b>	Paper records and manual accounting	Digital record with Electronic tracking	Fewer errors & easier audit.
<b>Return Filing</b>	Multiple paper-based or partly online returns	Fully online (GSTR-1, GSTR-2B, GSTR-3B)	Quicker and simpler filing.
<b>Input Tax Credit (ITC)</b>	Based mainly on taxpayers’ declarations and supporting documents	Based on invoice details reflected in GSTR-2B	Better accuracy and reduced incorrect claims
<b>Invoice Reporting</b>	No time-bound digital validation	E-invoicing with IRN within 30 days	Stronger audit trail
<b>Monitoring</b>	Periodic manual checks by tax officials	Continuous digital checking	Better compliance & less evasion
<b>Reconciliation</b>	Month-end manual process	Regular Reconciliation	Improved accuracy
<b>Payment &amp; Interest</b>	Manual calculation	Automatically calculated on net tax liability	Transparency in cash flow impact

This comparison shows how GST has made tax compliance simpler, faster, and more technology-driven.

**Managing Working Capital: Interest and Penalty Calculus**

GST compliance directly impacts cash flow and working capital, with interest on tax liabilities automatically computed in GSTR-3B.

**Net Liability Calculation:**

- ⊙ Interest is levied only on the net tax payable after considering the Electronic Cash Ledger.
- ⊙ This minimizes manual calculation errors.

**Treasury Management Advantage:**

- ⊙ Interest is system-generated and non-editable.
- ⊙ Timely tax payment is essential to avoid additional costs and penalties.
- ⊙ Effective planning supports better cash flow management

**Operational Milestones and Timelines**

- ⊙ Invoice generation → IRN (within prescribed time)

- ⊙ GSTR-1 → 11<sup>th</sup> of next month
- ⊙ GSTR-2B → 14<sup>th</sup> of next month
- ⊙ GSTR-3B → 20<sup>th</sup> of next month

Delays may result in:

- ⊙ Interest
- ⊙ Penalties
- ⊙ Loss of ITC

### Challenges in Digital GST Compliance

Although the GST system is now digital, businesses still face a few common challenges.

- ⊙ **Technical Problems:** At times, the GST portal may slow down or become unavailable, affecting the timely filing of returns.
- ⊙ **Limited Digital Awareness:** Some small businesses and taxpayers especially in rural areas are still learning how to use the online GST system.
- ⊙ **Compliance Requirements:** Filing returns on time, maintaining records, and keeping up with GST requirements can be time-consuming.
- ⊙ **Frequent Changes in Rule:** Changes in GST laws and notifications require businesses to update their accounting and compliance practices.
- ⊙ **Data Security:** Since GST information is stored online, businesses should protect their financial data from unauthorised access and cyber risks.
- ⊙ **Three-Year Time Limit for Filing GST Returns:** Under Sections 37(4) and 39(11) of the CGST Act, GST returns cannot be filed after 3 years from the original due date. After this period, taxpayers may lose the chance to claim eligible Input Tax Credit (ITC).

### Role of the Cost and Management Accountants (CMA) in GST

CMAs assist businesses in meeting GST requirements, keeping proper financial records, explaining GST rules, and supporting business decisions.

#### CMAs and GST compliance:

##### 1. GST Advisory and Compliance:

- ⊙ Providing guidance on GST provisions and

compliance requirements.

- ⊙ Help businesses follow GST rules more effectively.

##### 2. Data Accuracy and Reconciliation:

- ⊙ Ensuring accuracy of GST returns.
- ⊙ Reconcile accounting records with GST data.
- ⊙ Maintain digital records required for audits and regulatory compliance.

##### 3. Technology Support:

- ⊙ Assist in using ERP systems like Tally and SAP.
- ⊙ Help in system integration and automation.
- ⊙ Encourage the use of digital tools for GST compliance.

##### 4. Cost and Pricing Analysis:

- ⊙ Analyse the impact of GST on costs and profits.
- ⊙ Analyse the effect of blocked Input Tax Credit.
- ⊙ Support better pricing decisions.

##### 5. Risk Management:

- ⊙ Review supplier GST compliance.
- ⊙ Identify areas that may lead to notices or penalties.
- ⊙ Suggest practical measures to improve compliance.

CMAs help businesses follow GST rules, maintain financial records, and use digital tools for compliance.

### Suggestions

The following suggestions may help improve GST compliance and make the digital system more effective for businesses.

#### Upgrade GST Portal Infrastructure:

- ⊙ Enhance system stability and speed.
- ⊙ Increase server capacity.
- ⊙ Minimize disruptions during peak filing periods.

#### Targeted Training and Awareness:

- ⊙ Conduct regular training programs.

- ⊙ Focus on small and medium businesses.
- ⊙ Improve digital literacy and compliance levels.

### Simplification of Procedures:

- ⊙ Streamline return filing processes.
- ⊙ Eliminate unnecessary steps.
- ⊙ Reduce compliance burden.

### Policy and Rule Stability:

- ⊙ Tax authorities should minimize frequent, minor amendments to rules and rates.
- ⊙ Ensure a predictable tax environment for long-term business planning.

### Promote Automation:

- ⊙ Encourage use of affordable software tools.
- ⊙ Small businesses should be supported in adopting technology.
- ⊙ This will help them integrate easily with the GST system.

### Conclusion

GST has transformed the manner in which indirect taxes are administered in India. The adoption of digital technologies has simplified compliance, strengthened transparency and improved the accuracy of tax reporting. Systems such as e-invoicing, GSTR-2B, e-way bills and ERP integration have enabled businesses to comply with GST requirements more efficiently while reducing manual errors.

Despite these developments, challenges such as technical issues, frequent regulatory changes and limited digital awareness among smaller businesses continue to require attention. Addressing these concerns will further improve the effectiveness of the GST framework.

Ultimately, the theme “Innovation in Action” confirms that GST compliance has evolved beyond a clerical function into a technology-driven strategic asset. The role of Cost and Management Accountants has also evolved considerably. In addition to ensuring statutory compliance, CMAs now assist organisations in using digital tools, analysing data and improving internal controls. As technology continues to develop, finance professionals will play an increasingly important role in helping businesses adapt to changing compliance requirements. In this environment, effective use of technology, combined with professional judgement, will remain essential for achieving sustainable and efficient GST compliance. **MA**

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## Congratulations!!!



**CMA (Dr.)  
Prasenjit Roy**

**H**eariest Congratulations to CMA (Dr.) Prasenjit Roy, presently working as Joint Advisor (Finance), West Bengal Electricity Regulatory Commission was awarded with Ph.D. in Management by Vidyasagar University, Midnapore, West Bengal on his Doctoral Thesis titled “An empirical study of IPO under-pricing during 2006 to 2021: Evidence from Indian stock market” on 06.02.2026.

The career of CMA (Dr.) Prasenjit Roy spans over 28 years in Finance, Accounts and Regulatory Affairs in the Power Sector. The successful completion of the doctoral research marks an important academic milestone in his professional career.

We wish CMA (Dr.) Prasenjit Roy the very best for all his future endeavours.

# A STUDY ON THE PERCEPTIONS AND PREFERENCES OF MSME UNITS REGARDING COMPOSITION LEVY UNDER SECTION 10 OF THE CGST ACT, 2017

## Abstract

GST has also brought digital transformation through an online platform for registration, return filing, and tax payment, thereby improving transparency, efficiency, and ease of doing business. Under GST, businesses can choose between the Normal GST Scheme and the Composition Scheme, depending on their turnover and nature of business.

This study examines the perceptions, awareness, and preferences of MSME units regarding the GST Composition Scheme introduced to reduce the compliance burden under GST. While GST simplified India's indirect tax system through uniform taxation and digital processes, small businesses still face challenges under the Normal GST Scheme such as frequent return filing, detailed record keeping, and higher compliance costs. The Composition Scheme offers MSMEs lower tax rates, simplified procedures, and fewer returns, making it attractive for smaller businesses. However, restrictions such as no input tax credit, no inter-state supply, and inability to collect tax from customers may limit its suitability. MSMEs also face issues like market competition, price sensitivity, and limited professional support, influencing their scheme preference. The study aims to identify the factors affecting their decisions and suggest improvements for better choice & implementation of the Composition Scheme.



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## INTRODUCTION:

The Goods and Services Tax (GST) regime introduced the Composition Levy under Section 10 of the CGST Act, 2017 with the objective of reducing the compliance burden on small taxpayers and promoting ease of doing business. The scheme provides a simplified mechanism of tax payment at concessional rates, along with reduced return filing

and procedural requirements. However, certain statutory restrictions such as non-availability of input tax credit, limitations on inter-State outward supplies, and inability to collect tax separately from customers significantly influence its practical suitability. *For Micro, Small and Medium Enterprises (MSMEs), the choice between regular registration and composition levy is therefore a strategic business decision involving profitability, compliance cost, and market structure. In this background, the present study analyses the perceptions, awareness, and preferences of MSME units in Vadodara City regarding the Composition Levy under GST.*

### LITERATURE REVIEW:

The literature on Goods and Services Tax (GST) reflects its role as a major reform in India's indirect tax system. Studies indicate that GST has simplified taxation by replacing multiple taxes and reducing cascading effects, thereby improving transparency and efficiency (Bagyalakshmi, 2015; Kamalakkannan, 2016). It has also contributed to the creation of a unified national market and supported economic growth by enhancing tax compliance and consumption patterns (Jain, 2020; Bhura et al., 2023). A significant body of research focuses on the impact of GST on Micro, Small and Medium Enterprises (MSMEs). Scholars highlight that GST has encouraged formalisation, improved record-keeping, and enabled better utilisation of tax credits through the Input Tax Credit (ITC) mechanism (Nandi & Banerjee, 2018; Joseph & Jacob, 2020). At the same time, MSMEs face challenges such as increased compliance burdens, digital dependency, frequent regulatory changes, and cash flow issues due to delayed refunds (Patil et al., 2023; Adesh et al., 2025). The composition scheme is recognised as a supportive provision for small taxpayers. It offers simplified procedures and lower tax rates, reducing administrative burden (Malhotra & Kumar, 2019; Khaitan & Trivedi, 2023). However, limitations such as non-availability of ITC, turnover thresholds, and restrictions on interstate supply reduce its effectiveness for growing enterprises (Prajapati, 2025; Jain & Gokhru, 2025). Recent research also indicates that continued simplification of GST procedures and rationalisation of tax provisions

can significantly enhance MSME competitiveness, improve liquidity, and encourage greater voluntary compliance among small businesses (Yadav & Rastogi, 2025).

### RESEARCH GAP:

Although the literature provides valuable insights, certain gaps remain. Many studies discuss GST broadly but lack a detailed analysis of specific provisions, such as ITC blockage and its operational impact. There is limited comparative research on the composition scheme and the regular scheme regarding cost and efficiency. Further, region-specific empirical studies, particularly in Gujarat, are inadequate. The behavioural and practical challenges of digital compliance among small businesses are also underexplored. Lastly, long-term sustainability and growth outcomes of GST for MSMEs require deeper investigation.

### OBJECTIVES OF THE STUDY:

- ⦿ To assess awareness, perception, behaviour and satisfaction of MSME tax payers of the CGST Act, 2017 Section 10 Composition Levy.
- ⦿ To Identify the Factors which affect the taxpayer's choice of the Composition Scheme over the Regular GST Scheme in detail considering the various factors such as Input Tax Credit (ITC) availability, Compliance burden, nature of business etc.
- ⦿ To understand the pros and cons of Composition Scheme and Regular GST Scheme in various scenarios of businesses in comparison with each other, especially in the context of Business-to-Consumer (B-to-C) transactions.
- ⦿ To study the advantages, constraints, and issues in operation of the Composition Scheme and suggest the policy intervention to enhance its effectiveness, compliances of taxpayers and suitability with MSMEs.

### RESEARCH METHODOLOGY:

The present study adopts a **mixed-method approach**, combining both primary and secondary data to examine the impact of the GST Composition

Scheme on MSMEs in Vadodara. This approach enables a comprehensive evaluation by integrating practical experiences of respondents with conceptual and theoretical insights.

**1. Research Design**

The study is **descriptive as well as analytical** in nature. It aims to assess the level of awareness, applicability, benefits, limitations, and overall satisfaction of MSMEs regarding the GST Composition Scheme. Further, it examines the practical challenges faced by businesses operating under both the Composition Scheme and the Normal GST Scheme.

**2. Data Collection Methods**

**a) Primary Data:** Primary data was collected through a **well-structured questionnaire** specifically designed for the study. The questionnaire included both qualitative and quantitative questions

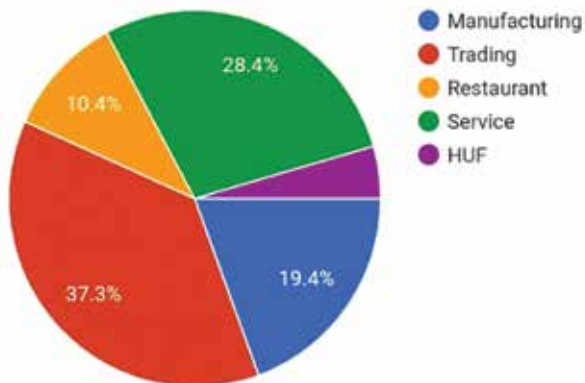
to obtain detailed responses. Data collection was carried out through the following methods:

**Field Survey:** Personal visits were made to various MSMEs in Vadodara to directly collect responses from business owners and professionals. This ensured reliable and practical insights based on real business experiences.

**Google Forms:** An online questionnaire was circulated to reach a broader group of respondents, providing convenience and improving response coverage.

The respondents included **business owners and professionals** such as Chartered Accountants (CAs), Cost and Management Accountants (CMAs), and Company Secretaries (CSs). The sample represented a wide range of sectors, including **manufacturing, trading, restaurants, service providers, and other business activities.**

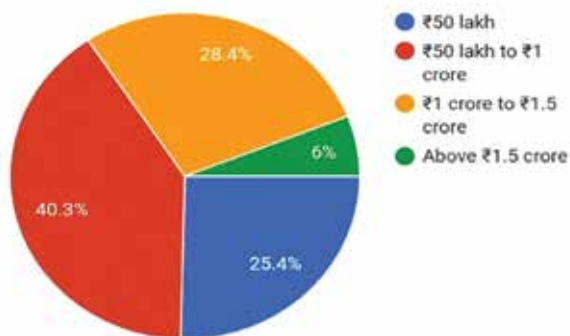
**PRIMARY DATA ANALYSIS:**



**Nature of Business:**

The survey received responses from 67 business organizations, which were further segmented into five major business segments – Manufacturing, Trading, Restaurant, Service and Hindu Undivided Family (HUF). Of these, the Trading sector consisted of the greatest number of respondents in total (37.3%) while the Service sector accounted for 28.4% of the total sample. The Trading and Service sectors had a clear majority in the survey sample, with 65.7% of all respondents in these two sectors. This distribution indicates that the results

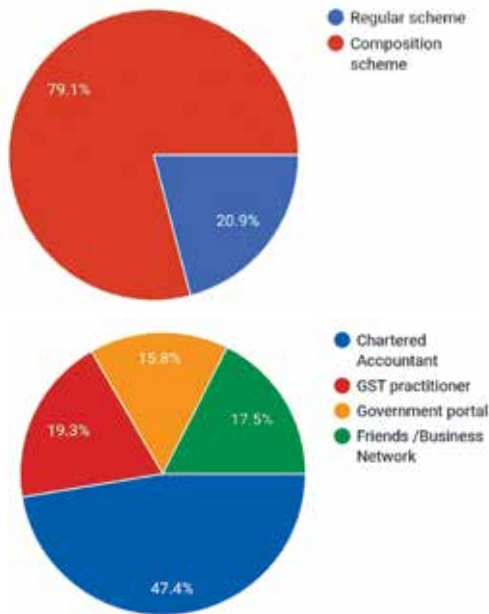
of the survey are mostly based on the trading and service industries.



**Annual Turnover of businesses:**

The analysis of respondents’ approximate annual turnover indicates that nearly 69% of the surveyed entities reported an annual turnover ranging between ₹50 lakh and ₹1.5 crore, reflecting the substantial participation of small and medium-sized enterprises (SMEs). Furthermore, approximately 94% of the respondents fall within the target turnover range prescribed under the scheme, demonstrating that the survey effectively captured the intended beneficiary group. This indicates that the sample is highly

representative of the businesses for which the scheme is primarily designed.



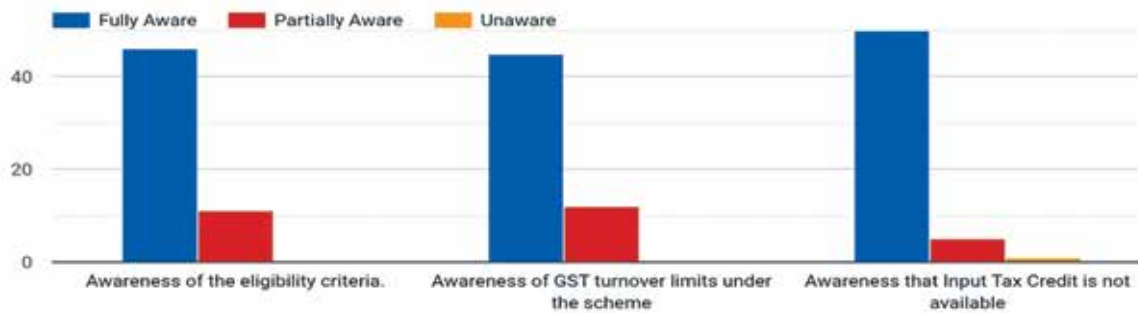
**Are you registered under Regular scheme or Composition scheme under GST?**

The data suggests that, within this specific sample of 67 respondents, the Composition scheme is the preferred method for GST registration. The Composition scheme is typically designed for small taxpayers, allowing them to pay GST at a fixed, lower rate of turnover, often with fewer compliance requirements compared to the regular scheme.

**Source of information about the GST composition scheme:**

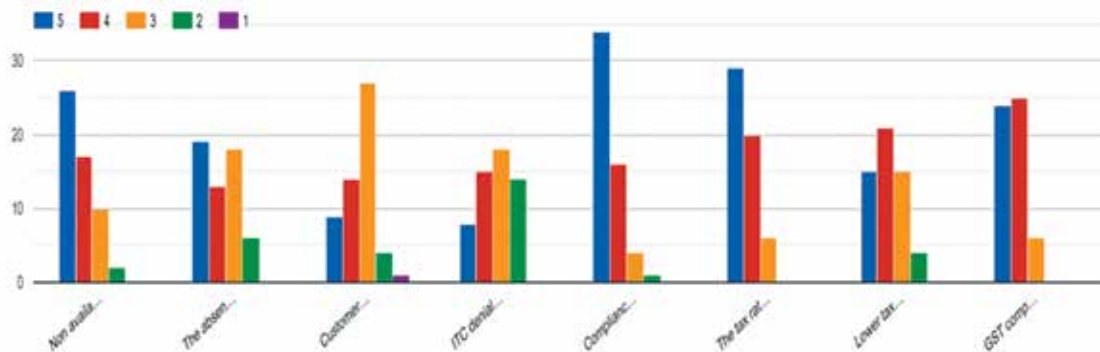
Overall, the findings suggest that MSMEs exhibit a clear inclination towards human assistance rather than independently accessing official digital platforms. While professional guidance ensures better advisory, understanding and compliance, it may also increase dependency and associated costs for small businesses.

**Awareness about the GST Composition Scheme among small businesses:**



The overall awareness of Composition Levy under Section 10 of the CGST Act, 2017 among MSMEs is satisfactory at a basic level but requires further improvement in terms of depth and clarity. There is a clear need for more targeted educational efforts, such as workshops, training sessions, and simplified explanatory materials, to bridge the gap between partial and full awareness.

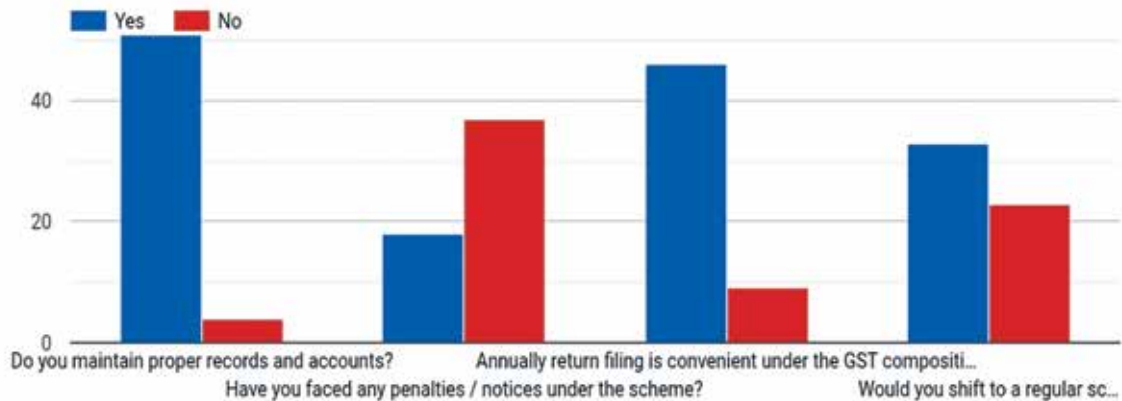
**Evaluate impact of non-availability of ITC and compliance & administrative aspects under the GST composition scheme:**



Most MSMEs agreed that both factors significantly impact their business. A majority strongly felt that non-availability of ITC increases costs and reduces profitability, making it a major drawback of

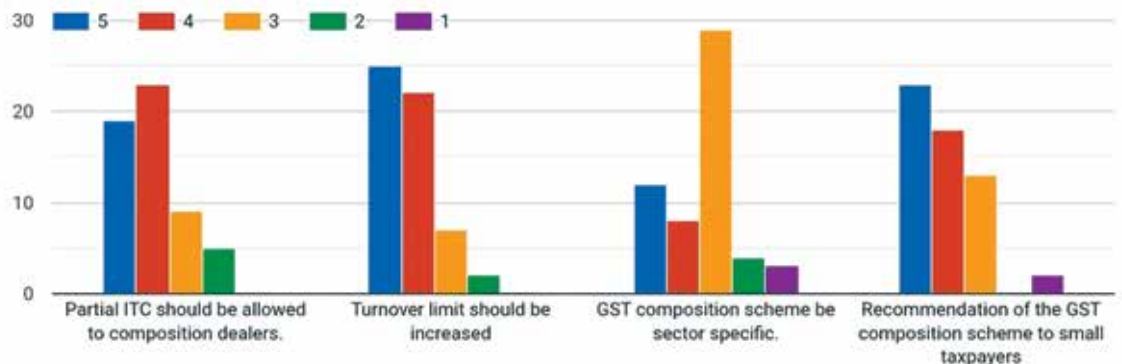
the Composition Scheme. Regarding compliance requirements, most respondents agreed they have an impact, though some considered the scheme comparatively simple and manageable.

**Overall questions about Composition Levy under Section 10 of the CGST Act, 2017:**



Overall, the diagram highlights that MSMEs generally have a favourable experience with the GST composition scheme. Most respondents maintain proper records, have not faced penalties, and find return filing convenient. The positive inclination towards continuing or recommending the scheme further reinforces its acceptance among small businesses.

**Evaluate policy suggestions and improvements:**



**Overall Likert Interpretation:**

The overall trend of responses is concentrated towards scale points 4 and 5 (Agree to Strongly Agree), indicating a positive perception of the proposed policy improvements. ***The strongest support is observed for increasing the turnover limit, followed by allowing partial ITC.***

**Financial decision making (Regular Scheme v/s. Composition Scheme under GST)-Based on Secondary Data:**

The Composition Levy under Section 10 of the CGST Act, 2017 is generally more beneficial in case of B-to-B transactions, since the recipient under the regular scheme can avail Input Tax Credit (ITC), thereby reducing the overall tax cost in the supply chain. On the other hand, in case of B-to-C transactions, where the customer is the ultimate consumer and ITC is not available, the choice between the Composition Scheme and the Regular Scheme depends upon various commercial factors such as the applicable GST rate on the product, the profit margin, pricing strategy, and market competitiveness. Accordingly, the beneficial option in B-to-C transactions needs to be evaluated on a case-to-case basis, as under:

*“The following cases are illustrative simulation models developed using hypothetical assumptions to*

compare the tax implications under the Regular and Composition Schemes. They are intended solely for analytical purposes and should not be interpreted as empirical findings.”

**CASE-1: - Analysing the Financial Impact -Assume Profit Margin is 5% (under the scenario of all three major rates of GST):**

GST RATE	5%		18%		40%	
	Regular scheme	Composition scheme	Regular scheme	Composition scheme	Regular scheme	Composition scheme
PURCHASE PRICE	100	100	100	100	100	100
PLUS: GST	5	5	18	18	40	40
TOTAL PAYMENT	105	105	118	118	140	140
SELLING PRICE (cost + profit)	105	109.15	105.00	122.66	105	145.53
PLUS: GST	5.25	1.10	18.90	1.24	42	1.47
<b>***EFFECTIVE PRICE FOR FINAL CUSTOMERS</b>	<b>110.25</b>	<b>110.25</b>	<b>123.90</b>	<b>123.90</b>	<b>147</b>	<b>147</b>
TAX PAYMENT TO GOVERNMENT BY A SUPPLIER	0.25	1.10	0.90	1.24	2	1.47
<b>EFFECTIVE NET MARGIN (in INR)</b>	<b>5</b>	<b>4.15</b>	<b>5</b>	<b>4.66</b>	<b>5</b>	<b>5.53</b>

\*\*\**(For the purpose of analysis, it has been assumed that the selling price remains unchanged under both the Regular and Composition Schemes, as customers are generally indifferent to the GST scheme opted for by the supplier. Since the choice of tax scheme does not typically influence the price paid by customers, the selling price applicable under the Regular Scheme has been considered to be the same under the Composition Scheme. This assumption facilitates a fair practical comparison of the financial implications of the two schemes by isolating the impact of the tax structure.)*

**Interpretation:**

⊙ **GST Rate @ 5%:**

**Regular Scheme:** Input Tax Credit (ITC) of ₹5 is available, and therefore the effective purchase cost remains ₹100. The final selling price to the customer is ₹110.25. Since ITC is available, the net GST payable is only ₹0.25 after set-off of input credit. Accordingly, the supplier earns a margin of ₹5.

**Composition Scheme:** Input Tax Credit of ₹5 is not available, and therefore the effective purchase cost increases to ₹105. The supplier continues to sell the product at the same market-driven price of ₹110.25, since the customer is generally indifferent to

the scheme opted by the supplier. Further, the supplier is required to pay composition tax of ₹1.10 (1% of turnover). As a result, the net realization becomes ₹109.15, resulting in a margin of ₹4.15 (₹109.15 less ₹105), which is lower by approximately 17% as compared to the Regular Scheme.

This demonstrates that where GST rates are low and profit margins are modest (around 5%), the **Regular Scheme** is more beneficial due to the availability of Input Tax Credit.

⊙ **GST Rate @ 18%:**

**Regular Scheme:** Input Tax Credit (ITC) of ₹18 is available, and therefore the effective

purchase cost remains ₹100. The final selling price to the customer is ₹123.90. Since ITC is available, the net GST payable is only ₹0.90 after set-off of input credit. Accordingly, the supplier earns a margin of ₹5.

**Composition Scheme:** Input Tax Credit of ₹18 is not available, and therefore the effective purchase cost increases to ₹118. The supplier continues to sell the product at the same market-driven price of ₹123.90, since the customer is generally indifferent to the scheme opted by the supplier. Further, the supplier is required to pay composition tax of ₹1.24 (1% of turnover). As a result, the net realization becomes ₹122.66, resulting in a margin of ₹4.66 (₹122.66 less ₹118), which is lower by approximately 6.8% as compared to the Regular Scheme.

This demonstrates that where GST rates are modest and profit margins are modest (around 5%), the **Regular Scheme** is more beneficial due to the availability of Input Tax Credit.

⊙ **GST Rate @ 40%:**

**Regular Scheme:** Input Tax Credit (ITC) of ₹40 is available, and therefore the effective purchase cost remains ₹100. The final selling

price to the customer is ₹147. Since ITC is available, the net GST payable is only ₹2 after set-off of input credit. Accordingly, the supplier earns a margin of ₹5.

**Composition Scheme:** Input Tax Credit of ₹40 is not available, and therefore the effective purchase cost increases to ₹140. The supplier continues to sell the product at the same market-driven price of ₹147, since the customer is generally indifferent to the scheme opted by the supplier. Further, the supplier is required to pay composition tax of ₹1.47 (1% of turnover). As a result, the net realization becomes ₹145.53, resulting in a margin of ₹5.53 (₹145.53 less ₹140), which is **higher** by approximately 6.8% as compared to the Regular Scheme.

This demonstrates that where GST rates are highest and profit margins are modest (around 5%), the Composition Scheme is more beneficial than Regular Scheme.

**Conclusion:** For a 5% profit margin, the Regular Scheme is better at low and moderate GST rates (5% and 18%). However, at a high GST rate (40%), the Composition Scheme becomes more profitable. The final price to customers remains the same in all cases.

**CASE-2: - Analysing the Financial Impact, Assume Profit Margin is 20% (under the scenario of all three major rates of GST):**

GST RATE	5%		18%		40%	
	Regular scheme	Composition scheme	Regular scheme	Composition scheme	Regular scheme	Composition scheme
PURCHASE PRICE	100	100	100	100	100	100
PLUS: GST	5	5	18	18	40	40
TOTAL PAYMENT	105	105	118	118	140	140
SELLING PRICE (cost + profit)	120	124.74	120	140.184	120	166.32
PLUS: GST	6	1.26	21.6	1.416	48	1.68
EFFECTIVE PRICE FOR FINAL CUSTOMERS	126	126	141.6	141.6	168	168
TAX PAYMENT TO GOVERNMENT BY A SUPPLIER	1	1.26	3.6	1.416	8	1.68

EFFECTIVE PRICE FOR FINAL CUSTOMERS	126	126	141.6	141.6	168	168
EFFECTIVE NET MARGIN	20	19.74	20	22.184	20	26.32

**Interpretation:**

- ⊙ **GST Rate @ 5%:** This demonstrates that where GST rates are low and profit margins are good (around 20%), the **Regular Scheme** is more beneficial due to the availability of Input Tax Credit.
- ⊙ **GST Rate @ 18%:** This demonstrates that where GST rates are moderate and profit margins are good (around 20%), the Composition Scheme is more beneficial than Regular Scheme. Effective Profit margin under Composition is **higher** by approximately 10.92% as compared to the Regular Scheme.
- ⊙ **GST Rate @ 40%:** This demonstrates that where GST rates are highest and profit margins are modest (around 5%), the Composition Scheme is more beneficial than Regular Scheme. Effective Profit margin under Composition is **higher** by approximately 31.60% as compared to the Regular Scheme.

**Case-3: - Analysing the Financial Impact, Assume Profit Margin is 30% (under the scenario of all three major rates of GST):**

GST RATE	5%		18%		40%	
	Regular scheme	Composition scheme	Regular scheme	Composition scheme	Regular scheme	Composition scheme
PURCHASE PRICE	100	100	100	100	100	100
PLUS: GST	5	5	18	18	40	40
TOTAL PAYMENT	105	105	118	118	140	140
SELLING PRICE (cost + profit)	130	135.135	130	151.866	130	180.18
PLUS: GST	6.5	1.365	23.4	1.534	52	1.82
EFFECTIVE PRICE FOR FINAL CUSTOMERS	136.5	136.5	153.4	153.4	182	182
TAX PAYMENT TO GOVERNMENT BY US	1.5	1.365	5.4	1.534	12	1.82
EFFECTIVE PRICE FOR FINAL CUSTOMERS	136.5	136.5	153.4	153.4	182	182
EFFECTIVE NET MARGIN	30	30.135	30	33.866	30	40.18

This demonstrates that where profit margins are 30% or more the Composition Scheme is more beneficial than Regular Scheme irrespective of GST rates.

## COMPARATIVE VIEW BETWEEN REGULAR SCHEME AND COMPOSITION LEVY UNDER SECTION 10 OF THE CGST ACT, 2017:

Sr. No.	Particulars	Regular GST	Composition Scheme
1	Turnover Limit	No limit	Up to ₹1.5 Cr for goods / ₹50 lakhs for services
2	GST Tax Rates	0-40%	1%, 5%, 6%
3	Return Filing Frequency	Monthly/Quarterly	Annually
4	Input Tax Credit	Available subject to other provisions	Not Available at all
5	Inter-State Outward Supply	Allowed	Not Allowed
6	Compliances	Comparatively higher	Comparatively Lower
7	Conditions & restrictions	Generally, no restrictions	Yes, it applies
8	RCM applicability	Yes	Yes
9	GST collection from customers	Yes	Not permissible
10	Invoice required to be issued	Tax Invoice	Bill of Supply
11	Suitability	Large/Medium Business, & B-to-B transactions for small businesses	Small Business with B-to-C transactions

The study is conducted on the basis of conceptual framework which explains the factors influencing MSMEs' preference of the Composition Scheme or the Regular GST Scheme under the CGST Act, 2017. The framework suggests that the level of awareness of the taxpayers about the provisions of GST and the perceived compliance burden under the different schemes is influenced by the characteristics of business such as the nature of business, annual turnover, profit margin, and business sector. At the same time, the expected advantages of Input Tax Credit (ITC) in the Regular Scheme would impact the economic consideration of the tax options available to the taxpayer. All of these factors shape the taxpayer's scheme preference, and in turn influence the extent of taxpayer satisfaction in the scheme selected. It is assumed that businesses with higher GST awareness and who are benefiting significantly from the ITC may opt for the Regular Scheme while those preferring to have a simplified compliance and lower administrative burden may opt for the Composition Scheme. Taxpayer satisfaction is therefore seen as the result of deciding on the most

appropriate scheme in relation to the operational nature of the enterprise, its ability to comply with the scheme and the economic considerations. This conceptual direction gives a theoretical basis for analysing the relationship between the study variables and interpreting the empirical results of the survey.

### CONCLUSIONS & SUGGESTIONS:

Strengthening the GST Composition Scheme requires a more inclusive and flexible approach that aligns with the realities of small businesses. Raising the turnover threshold to match presumptive taxation limits, allowing limited interstate trade, and periodically reviewing tax rates would make the scheme more beneficial and accessible. Simplifying compliance procedures, improving the efficiency of the GST portal, and offering structured awareness and training programs can ease operational challenges for taxpayers. Additionally, providing sector-specific relaxations, enabling smoother transitions between composition and regular schemes, and establishing a continuous feedback mechanism will ensure that reforms

remain responsive to business needs. Collectively, these measures can enhance the scheme's effectiveness, support MSME growth, and promote a more balanced and sustainable tax environment.

MA

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# Interview



## **CMA (Dr.) Sadanand Vasant Date, IPS** Director General of Police (DGP) for the State of Maharashtra

[dgpms.mumbai@mahapolice.gov.in](mailto:dgpms.mumbai@mahapolice.gov.in)

*CMA (Dr.) Sadanand Date is an IPS officer of 1990 batch, presently working as Director General of Police, Maharashtra.*

*He has done M.Com and he is an Associate Member of The Institute of Cost Accountants of India. He was awarded Ph. D. by Pune University in 2003 for his research on theme 'Monitoring of Economic Offences: A Management Control Systems Perspective'. As a Fulbright scholar in 2005-06; he visited the USA to study investigation and prosecution of White-collar and Organised Crime cases.*

*In a service spanning over 35 years, Mr. Date has worked as a Superintendent of Police in Bhandara district (1996-1998) and as a Deputy Commissioner of Police in Mumbai City (1998 to 2001). He has worked as an SP and DIG in CBI in various units (2001-2005). He worked as an Addl. CP in EOW and in Central Region of Mumbai police (2006-2010). He has worked as IGP Force One (2010-2012). He worked in Mumbai city as*

*Jt. CP (Law and Order) (Aug 2012-Feb 2014) and as Jt CP Crime (Feb 2014-Feb 2015). He worked as IG in CRPF in Chhattisgarh Sector and as IG OPs in CRPF HQ (March 2015-Oct 2018). He has served as a Joint Secretary in Department of Justice under Ministry of Law and Justice (Oct 2018-Feb 2020). He has worked as Commissioner of Police Mira-Bhayandar, Vasai-Virar (Sept 2020-Dec 2022). He has worked, as DGP ATS Maharashtra (Dec 2022- March 2024) and as DG NIA (March 2024- December 2025).*

*He has received several commendations for his work from Director CBI, DG CRPF and DGP Maharashtra. He was awarded Mahatma Gandhi Peace and Communal Harmony award by Minorities Commission of the Government of Maharashtra for the year 2009. He was awarded Police Medal for the Meritorious Services by the President of India in 2007. He valiantly fought terrorists when they attacked Mumbai city on 26/11/2008; recognizing his bravery the President of India has conferred on him Presidents Police Medal for Gallantry on the occasion of Republic Day 2009. He was decorated with Parakram Padak in 2013. He was awarded President's Police Medal for Distinguished services in year 2014.*

*Effective delivery of police services, Organizational Development, Counter Terrorism, Community Policing and Police Welfare are the themes on which Mr. Date has continuously worked.*

***Q1. Many CMA students also aspire to join prestigious civil services like the IPS. Based on your journey, how can students effectively balance professional education with competitive exam preparation and leadership development?***

**Ans.** Any aspirant preparing for the UPSC Civil Services Examination must first understand the current examination pattern and become thoroughly acquainted with its requirements. CMA students, who come from diverse academic and professional backgrounds, already possess strong domain knowledge in their respective subjects. However, UPSC expects candidates not only to excel in their chosen fields but also to remain well-informed about current events, social sciences, governance and issues affecting society. Aspirants should be aware of the rigorous nature of the examination and prepare themselves accordingly. Since the level of competition is extremely high, success in the Civil Services Examination demands three essential qualities: a sound level of intelligence, sustained hard work and a genuine passion for learning and public service in addition to a measure of good luck. Keeping these factors in mind while preparing can significantly enhance a candidate's chances of success in the UPSC examination.

***Q2. Sir, your journey from being a qualified Cost and Management Accountant to leading the Maharashtra Police as Director General is truly remarkable. How has your CMA training influenced your approach toward leadership, governance, and strategic decision-making in law enforcement?***

**Ans.** Being a commerce graduate and postgraduate while simultaneously pursuing ICWAI (now CMA), I became aware of the UPSC Civil Services Examination during my first year of college. The desire to support my family through a good ethical profession was also a significant motivating factor behind my career aspirations. My preparation for ICWAI proved immensely beneficial for UPSC preparation & subsequent career in IPS. In fact, my optional subjects in the Civil Services Examination were Commerce and Public Administration, portions of which overlapped with the ICWAI curriculum. More importantly, the rigorous nature of the ICWAI course taught me how to handle challenging subjects, identify my strengths and weaknesses, prepare effective notes, and maintain discipline in my studies—all of which were invaluable during

UPSC preparation. Clearing ICWAI in the first attempt with a First Class further boosted my confidence and reinforced my belief in my abilities. Further while in service after completing ten years of work, I chose to specialize in investigation of economic offences, and financial crimes in the CBI. Here again, my grounding in cost and management accounting proved highly relevant. Knowledge of accounts, law, economics and financial systems greatly assisted me in investigating bank frauds, share market scams, and other financial irregularities. The concepts of costing and analysis enabled me to evaluate situations from multiple perspectives. Understanding baseline costs, committed costs, and marginal costs helped develop a structured and analytical approach to problem-solving and decision-making. The disciplines of economics, management and cost accounting equipped me with the ability to assess alternatives, make informed decisions, implement strategies effectively, and undertake course corrections when necessary. Whether dealing with cybercrime, financial fraud, criminal activities, or law and order issues, the management control systems and decision-making frameworks learned through cost accounting, mathematics, statistics, economics, and management have been immensely useful. In many ways, cost accounting is an extension of rational decision-making, helping one evaluate options objectively and choose the optimum course of action. The analytical mindset developed through these subjects has played a significant role throughout my professional journey and has contributed meaningfully to my work in investigation, policing and public administration.

***Q3. India is moving toward greater transparency and performance-oriented governance. How can Cost Accountants support nation-building initiatives such as public financial management, sustainability, and efficient utilization of public resources?***

**Ans.** If the ultimate objective is sustainability and the efficient utilization of resources, cost accounting provides a vital framework for evaluating choices and guiding decision-making. Every activity, whether in business, governance, or public administration, requires resources such as land, labour, capital, and entrepreneurship the fundamental factors of production identified in economics. Accounting

assigns numerical values to these resources, creating a common and measurable language for assessing their utilization. In essence, cost accounting translates the application of resources into quantitative terms, enabling organizations and decision-makers to evaluate performance, compare alternatives and determine the most efficient course of action. By providing clear criteria for measuring costs, benefits, and outcomes, cost accounting helps ensure that resources are deployed optimally, thereby supporting sustainability, efficiency and informed decision-making.

***Q4. In many financial scandals, operational inefficiencies and abnormal cost patterns emerge well before regulatory intervention. What early warning indicators should experienced professionals closely monitor to strengthen organizational governance and prevent corporate failures?***

**Ans.** While I may not consider myself an experienced CMA professional or an expert in the field, my education in cost and management accounting has provided me with valuable analytical tools that have proved useful throughout my investigative career. One of the most important lessons from cost accounting is the test of logic—examining whether a transaction, activity, or set of data makes economic and financial sense. Whenever information is presented, the first question is whether it is logical and sustainable under normal business conditions. This approach proved valuable during my investigations into financial and economic offences, including fraudulent air-ticketing schemes involving Kingfisher Airlines and the Telgi stamp scam. In the case of fraudulent air-ticketing, unusually low prices offered by certain agents raised immediate concerns. If an airline ticket was officially priced at a particular level, yet third parties were consistently offering significant discounts without any apparent commercial justification, it became necessary to question the source of that advantage. Further investigation revealed instances where stolen credit card information and fraudulent databases were being misused. Similarly, in the Telgi scam, the availability of Government stamps at abnormally discounted rates served as an important red flag requiring closer scrutiny. Cost accounting and financial analysis techniques, such as ratio analysis,

trend analysis, and benchmarking against industry averages, help identify anomalies that may indicate fraud or inefficiency. When financial relationships deviate significantly from established norms, they often warrant further examination. Thus, the principles of cost analysis not only assist in business decision-making but also provide a relevant and useful framework for detecting irregularities, assessing risks, and uncovering fraudulent activities through logical and evidence-based analysis.

***Q5. Your doctoral research focused on Economic Offences. In today's environment of cyber frauds, digital assets, and sophisticated financial crimes, do you believe Indian law enforcement agencies should increasingly integrate professionals with specialized CMA and forensic finance expertise?***

**Ans.** Yes, and this is already taking place. We have established a panel of financial analysts comprising qualified financial professionals who can be empanelled and engaged by enforcement agencies whenever required. Depending on the nature and complexity of a case, these experts can provide specialized financial analysis, assist in tracing transactions, examining financial records, identifying irregularities and supporting investigations into financial and economic offences.

***Q6. Ethics and integrity are fundamental in both the police and the accounting profession. What message would you like to give young professionals regarding ethical leadership and professional responsibility?***

**Ans.** Ethics, governance, risk management and sustainability are founded on the core principles of integrity and ethical conduct. Integrity means ensuring that what we say is consistent with what we do, building credibility and trust through our actions. As professionals, it is our responsibility to report performance honestly and transparently to the appropriate authorities. Even if sincere efforts do not yield the desired results, candid and truthful reporting creates a positive impression on decision-makers and fosters confidence in the professional's judgment & reliability. Ethical conduct goes beyond merely following rules. It involves using resources responsibly for the greater public good and acting with the right intentions. While actions are important, the intent behind those actions is at least equally and probably even more important. In this sense, ethics represents a higher

level of integrity, guiding individuals to make decisions that are not only correct but also fair, responsible and beneficial to society.

**Q7. Having led the National Investigation Agency (NIA), you would have witnessed the increasing complexity of financial crimes, terror financing, and money laundering. How can Cost and Management Accountants contribute to strengthening financial intelligence, forensic investigations, and national economic security?**

**Ans.** This is an important agenda that is being pursued in collaboration with finance professionals. The objective is to conduct specialized training programmes that can help investigating officers to develop a deeper understanding of financial data, financial analysis and the interpretation of complex financial transactions. At the same time, similar programmes run for CMAs in forensic accounting can equip CMAs with knowledge of investigative processes, enabling them to contribute effectively as forensic accountants and audit assistants in financial and economic crime investigations. Recognizing the growing importance of forensic accounting and investigative skills, I am told that these areas have also been incorporated into the CMA Syllabus 2026, thereby preparing future professionals to play a more active role in supporting enforcement agencies and strengthening financial governance and accountability.

**Q8. Finally, what is your vision for the future young professionals in strengthening India's governance systems, economic security, public accountability, and global economic leadership?**

**Ans.** For efficient decision-making and optimal utilization of resources, the application and consumption of resources must be accurately measured and reported through financial accounting, cost accounting and management accounting statements. Proper measurement and analysis provide reliable inputs for management, enabling informed and strategic decisions. The existence of robust auditing standards and effective audit practices further strengthens the credibility of financial information by supporting both internal and external audit functions. In modern organizations, ownership and management are often separate, making transparency, accountability, and accurate reporting even more essential. CMAs play

a significant role in this process by continuously monitoring production, services, costs, and operational efficiency. Their contributions help organizations enhance competitiveness, improve productivity, and achieve sustainable growth. When products and services remain competitive through effective cost management and value creation, businesses naturally experience greater prosperity, expansion, and long-term success.

*In his advice to students, he emphasized the importance of carefully choosing both their area of study and their future profession. Once a choice is made, students should dedicate themselves to gaining in-depth knowledge and developing expertise in their chosen field. For the CMA course, the initial three to four months should be devoted to understanding the CMA syllabus and building a strong foundation in the subject. This orientation towards knowledge, insights, and skills is essential for academic and professional success. With the abundance of online resources available today, students have ample opportunities to broaden their understanding and gain valuable insights beyond the classroom. He further highlighted that emerging fields such as Prompt Engineering and Artificial Intelligence are driven by insights, which in turn stem from knowledge. Therefore, the primary objective should always be to acquire and master the domain knowledge thoroughly. Equally important is effective time management, as time is a student's most valuable asset. Students must learn to budget their time wisely, remain focused on their goals, and pursue their studies with dedication and discipline. Having a clear vision for the future and making conscious choices throughout their educational and professional journey are crucial for achieving long-term success and personal growth. Finally, a professional is above all expected to be trustworthy and this trust can be build & sustained in a long professional career only through integrity and high ethical standards. MA*

# HOW THE INSOLVENCY AND BANKRUPTCY CODE RESHAPED FINANCING OF DISTRESSED FIRMS:

## EVIDENCE FROM INDIA



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### Introduction

In India, the Insolvency and Bankruptcy Code (IBC) came into existence in May 2016. It replaced a variety of laws, such as the Sick Industrial Companies Act, 1985, the Recovery of Debts Due to Banks and Financial Institutions Act, 1993, and the Securitization and

### Abstract

The Insolvency and Bankruptcy Code (IBC), 2016, transformed India's insolvency framework by introducing a time-bound, creditor-controlled resolution process. This article reviews recent empirical evidence on how the reform has influenced the financing and recovery of financially distressed firms. The evidence shows that the IBC strengthened lender confidence, improving distressed firms' access to credit at lower borrowing costs and supporting their financial recovery and operational performance. At the same time, the creditor-oriented regime altered corporate financing behaviour. To reduce the risk of losing control in the event of default, firms, particularly those with substantial tangible assets, became less dependent on secured debt and increasingly substituted it with equity, unsecured borrowing, trade credit, retained earnings, and cash reserves. The findings suggest that the IBC, 2016, has not only expanded access to finance for distressed firms but also reshaped capital structure decisions, leading to more resilient financing strategies among financially distressed firms.

Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002, with a single, time-bound resolution process. In the previous regime,

defaulting promoters could sometimes remain in control of a firm for years while the resolution process dragged through various tribunals. On average, the resolution process took over four years, and recovery rates were estimated at 26% (Kumar, Chaturvedula & Rastogi, 2025). The resolution process was changed drastically by the IBC. It shifted India from a debtor-controlled to a creditor-controlled insolvency regime, limited the resolution process to 180 days, extendable to 270 days, transferred control of the firm to a committee of creditor-appointed Resolution Professionals as soon as insolvency proceedings began, and barred defaulting promoters from bidding to regain control of their own firm.

The author argues in their previous article (Seal & Mukherjee, *The Management Accountant*, Volume 61, June 2026) that financial distress is not just a balance sheet problem; it is an operational cost amplifier. Distressed firms pay wage premiums to retain their key employees, have tighter, costlier supplier credit, pay a ‘Distress premium’ on borrowed capital, and incur heavy legal, advisory, and restructuring overheads. All these expenses together create a self-reinforcing spiral in which rising costs deepen distress and, in turn, raise costs further. The IBC was partly created to break this cycle. It sought to restore the lender’s trust and, through that channel, restore the troubled firm’s access to affordable financing before the spiral could deepen further by making the resolution faster, more predictable, and more creditor-friendly.

Almost a decade after the implementation of IBC, a growing body of empirical work has examined whether the Insolvency and Bankruptcy Code (IBC), 2016, has achieved its intended goal of improving outcomes for distressed firms. Taken together, the evidence strongly supports the conclusion that the IBC has had a positive impact. The IBC has improved distressed firms’ access to external finance, enhancing their financial flexibility and promoting better operational and financial performance. Although the extent of these benefits varies across firms and contexts, the reform has generally increased financially distressed firms’ capacity to recover and obtain finance.



### IBC and Credit Channel

One of the earliest and most direct examinations of this question is provided by Bose, Filomeni, and Mallick (2021), published in the *Journal of Corporate Finance*. The authors use a panel of 33,845 Indian nonfinancial firms between 2008 and 2019 and a difference-in-differences framework, comparing distressed and non-distressed firms before and after the introduction of the IBC, to investigate whether the reform improved distressed firms’ access to credit and whether any improvement in financing translated into superior firm performance. Their results support, to a considerable level, what they call the credit channel. Post-implementation of IBC, distressed firms experienced increases in access to long-term and short-term debt of 6.3% and 1.4%, respectively, compared to non-distressed firms. The average cost of borrowing also declined by around 0.8%. Such improvements in financing had a substantial economic impact. An increase in long-term debt by one standard deviation was associated with an improvement of about 16.7% in return on assets, and a decline in borrowing costs by one standard deviation was associated with an improvement in firm performance of about 2.3%.

The evidence therefore suggests that the IBC not only enhanced firms’ access to finance, but also the ability of distressed firms to convert improved financing conditions into better operating performance. But these benefits did not accrue evenly across firms. Larger, younger distressed firms with more collateral captured most of the gains, whereas smaller, older, less collateralized firms showed little or no statistically significant improvement. The authors explain this heterogeneity by different lending methodologies. Institutional lenders rely primarily on hard, verifiable data such as audited financial statements and pledged collateral, rather than on relationship-based or ‘soft’ information. The

IBC made the insolvency resolution process faster, more predictable, and more creditor-friendly. IBC also reduced the risks associated with asset-based lending and encouraged greater credit supply to firms that could provide credible collateral. Firms that did not possess these characteristics remained relatively constrained in their ability to obtain finance. Importantly, the IBC appears to have increased the firm’s credit supply, unlike previous legislation, such as the SARFAESI Act, 2002, which often prohibited firms from borrowing against secured assets due to the higher risk of collateral loss. The result is largely an impact of IBC’s focus on keeping firms in business through resolution rather than quick liquidation.

The study by Kumar, Chaturvedula & Rastogi (2025) demonstrates that the Insolvency and Bankruptcy Code (IBC), 2016, has significantly improved the financial condition of distressed firms in India. The overall financial strength of distressed firms improved from 0.052% to 0.071%. There is an improvement of about 36.54% after the introduction of IBC, whereas the financial strength of non-distressed firms declined from 0.071% to 0.062%, a decrease of about 12.7%. The distressed firms gained access to credit by 5.34–5.90 % more than the non-distressed firms after the IBC was implemented. The reform improved access to financing for distressed firms, reducing their borrowing costs by 1.15% and increasing their borrowing by 4.03%. However, not all firms benefited equally. The authors find no significant improvement for firms with high promoter

ownership, but a 4.48 increase for firms with low promoter ownership. These findings suggest that firms that are more dependent on non-promoter financing benefit the most from the reform. Other tests (placebo test) confirmed the results, which also showed a 4.79-percentage-point improvement in the financial position of distressed firms after the IBC. These results suggest that the IBC restored lenders’ confidence by enabling a faster, more efficient insolvency resolution process, thereby making them more willing to extend credit to financially distressed firms. This greater access to finance has enabled distressed firms to better manage their financial obligations, continue operating, and improve their prospects for recovery. Thus, we can say that IBC 2016 has helped distressed firms by enhancing their access to funds, lowering their borrowing costs and increasing their recovery from financial distress.

Taken together, these two studies provide strong evidence demonstrating that the Insolvency and Bankruptcy Code (IBC) has largely achieved its main objective of replacing India’s slow insolvency regime with a more efficient system. The results indicate that the reform increased lenders’ confidence, which in turn increased lending to financially distressed firms. Financially distressed firms thus had easier access to financing, could borrow at lower costs, and could continue their operations and recover from financial distress. Overall, the evidence suggests that the IBC was effective in rebuilding confidence in the credit market by making debt more accessible and more affordable to distressed firms.



**Change in Financing Choices**

With the implementation of the IBC 2016, firms with a large proportion of tangible assets were less likely to revert back to secured debt, even when creditors were more willing to lend. This was because the IBC gave creditors greater control in insolvency proceedings, making management more fearful of losing control over their companies and assets if financial distress worsened over time. These firms replaced secured debt with other sources of finance to access the necessary financing without increasing secured borrowing. This is well supported by Agarwal & Singhvi, (2023) in their paper ‘Creditor-controlled insolvency and firm financing– Evidence from India’.

Specifically, the authors found,

- ⊙ Firms raised additional funds from shareholders rather than borrowing against their assets. Because equity does not require collateral or interest payments, it reduces the financial burden and the risk of financial distress.

- ⊙ Firms prefer to raise additional capital through collateral-free borrowing, thereby reducing the risk of asset seizure by creditors in the event of insolvency.
- ⊙ Companies prefer to finance purchases more through trade credit, effectively delaying payment, rather than taking out secured bank loans. As trade credit generally doesn't require collateral, it provides short-term liquidity while reducing dependence on asset-backed financing.
- ⊙ Firms prefer to finance more through internally generated profits than by external borrowings. This method of financing helps the firm to reduce debt and creditor intervention.
- ⊙ Companies built up larger cash reserves as a safeguard to ensure they had funds during tough times and to reduce their reliance on secured borrowing.

The substitution occurred because the IBC increased the risk of secured borrowing from the managers' perspective. In the new insolvency regime, a default on secured loans could result in creditors taking control of the firm and its assets. This led firms to reduce their dependence on secured debt, especially among those with major tangible assets, and to diversify their funding sources by increasing their use of equity, supplier credit (i.e., accounts payable), retained earnings, and cash reserves. In other words, the IBC did not reduce firm's need for finance. With this, we can say that IBC 2016 changed firms' financing decisions, with firms reducing their dependence on collateral-backed borrowing and shifting towards alternative financing sources that were less likely to trigger creditor intervention under the IBC.

### Conclusion

The combined results of the two sections suggest a mixed, and seemingly counterintuitive, impact of the Insolvency and Bankruptcy Code (IBC), 2016, on financially stressed firms. On one hand, the IBC 2016 has made the insolvency resolution process faster, more predictable and more creditor-friendly, thereby strengthening the credit channel. With this, lenders' confidence increased, lowering the perceived risk of lending to distressed firms and leading banks and other financial institutions to lend more and at lower rates. Therefore, distressed firms were able to access external finance more easily, enabling them

to continue operations, meet financial obligations and improve overall performance.

At the same time, the same institutional reforms that induced lenders to increase the supply of credit, also changed the preferences of the borrowing firms. In the creditor-controlled insolvency setting, default on secured borrowing can trigger the resolution process, in which creditors take over the firm, exposing promoters to a high risk of losing both managerial control and ownership. As a result, many firms, particularly those with substantial tangible assets that could serve as collateral, became more cautious in their use of secured debt despite the increased availability of credit. Instead, they increasingly replaced secured borrowing with alternative sources of finance such as equity, retained earnings, trade credit and cash reserves. These financing choices allowed firms to obtain the required funds while limiting the risk of creditor intervention in the event of future financial distress.

The two sets of results are thus not contradictory but rather two complementary behavioural responses to the same institutional reform. The IBC, at the same time, increased the supply of credit by strengthening creditor rights and changed the demand for different forms of financing by raising the costs of relying on collateral-backed debt from the managers' perspective. In other words, as lenders became more willing to provide finance, firms became more selective about the type of finance they sought. The reform, therefore, affected not only the availability of capital but also firms' capital structure decisions. This suggests that IBC has not only improved access to finance but also reformed corporate financing behaviour by balancing the benefits of greater access to credit with the higher risk of loss of control under the creditor-oriented insolvency regime. MA

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# AUDITORS & ACCOUNTANTS AND BUSINESS ETHICS

## Abstract

Ensuring the legality and accuracy of the business transactions is a primary responsibility of the auditors and accountants. This responsibility becomes difficult when the business owners and their senior executives indulge in 'ethical flexibility' i.e. a manipulative transactional behaviour. This article assesses this complexity and presents a pragmatic solution.

Businesses cannot be separated from the society. Therefore, it is very natural that the ethical standards of a society also influence the ethical parameters of conducting business. Largely the 'ethos of a business enterprise' is made of the ethics practiced by its various stakeholders, mainly the owners. Business ethics are a combined result of the quality of corporate governance, enterprise governance and family governance. In India, eighty five percent of business enterprises are closely owned by business families and hence the family's ethical norms substantially define the ethos of a business organisation. Auditors and accountants basically perform within the boundaries defined by this ethos. Higher the ethical quality of this ethos, better the performance of the accountants and auditors. Yet defining business ethics could become difficult because separating the manipulations from the frauds could be difficult. Also the intensity of the role of the regulatory bodies may differ in different countries. For example, in one country a business offence may be viewed as 'lesser unethical' and hence the punishment may not be very harsh. The same offence in another country may attract imprisonment. There is another complexity the auditors and accountants face - differentiating



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between legality and morality. We do not have well defined standards which separate 'legal accounting' from 'ethical accounting'. We take legality as ethical, although it may not be so. Hence different business enterprises practice different combinations of being ethical and also being legal.

The weekly issue of a very reputed international magazine, published a news about an international audit firm. Employees of this audit firm cheated in their examination on ethics. The firm was fined by the Securities and Exchange Commission, to the tune of hundred million dollars. Basically, the very role of an auditor is to vouch business irregularities & frauds and report them to the regulatory bodies, shareholders and other concerned institutions & stakeholders. But unfortunately, in many companies, if the owners themselves (directly & indirectly) appoint these auditors every year, then how would it be possible for them to disclose the frauds of their bosses? Of course, a lot has been spoken and written about this fact. This article attempts to discuss the limitations of the auditors and accountants in the context of 'Ethics in Business'. Many business frauds, sins and irregularities do not come into the purview or investigative inquiry to be conducted by the auditors & accountants. In other words,

auditors too cannot do much about certain serious matters in and outside the boundaries of corporate governance. The ‘whistle blowers’ who expose the frauds committed by the powerful people, are the real warriors. But these are a very small number. Many of us prefer to remain silent than speak out, for either we are coward or insensitive or our monetary interest is involved. (Ironically today such a behaviour is defined as pragmatic and practical!)

If the ethical performance of the auditors and accountants is to be completely assured, then we need to use “Versatile Accounting” i.e. “Integrated Accounting”. This integration should offer multiple types and levels of benchmarks. The business performance should be monitored through four types of benchmarks viz. strategic, managerial, operational and financial. These four control systems should be intelligently connected with each other, so that the scope for any manipulation is minimised. This combination should offer multiple cross-checks so that vouching of governance - related lapses should be easily possible. Strategic accounting should facilitate ‘Policy Audit’ and Management Accounting should support ‘Management Audit’. If the equilibrium of all the three types of governance is well maintained, the auditors’ job would become easy. Ultimately the ethical conduct of accounting and auditing would depend on the quality of family governance.

Those industrialists who grow exponentially in a very small period of time, mostly could do so either with government’s patronage or unethical shortcuts. Business - related corruption has been there all the time worldwide. Earlier the politicians and bureaucrats were bribed to take undue advantage of the loopholes in the law. Now the law itself is changed in many countries by these cronies. What can the auditors and accountants do about this systematically legitimised corruption? Those mighty corrupt industrialists who destroy competition & create their unchecked monopoly, compel government to discard the subsidies offered to the poor and increase budgetary provision for their concessions, create unproductive assets for the

banks by not paying their loans, destroy the primary rights of the tribals, exploit the natural resources and get all these sins legalised to establish their industrial empires, do not simply bother about audits and public scrutiny. Unless a fair and transparent “Policy Audit” is conducted and the complete truth is presented before the public, such mammoth sins cannot be punished appropriately. If the ‘policy auditors’ too are vulnerable to corruption, then there is something seriously wrong with the character of the nation. Such characterless nations march rapidly towards doom and the ‘poor common people’ pay a hefty price for it.

Business organizations do conduct ‘Strategy Audit’. It is supplemented by ‘Management Audit’. These audits verify the validity of each strategy and vouch the management of its execution respectively. These internal audits are to be primarily supervised by the ‘independent directors’ of a company. Here again we need to raise the same earlier point - “If these independent directors are appointed by the powerful owners, how are they going to use their independence?” Most of these so-called audit reports cover up the sins and blunders of the owners and top executives. A lot of vagueness is deliberately orchestrated in these reports when they are being prepared. The owners and independent directors often shamelessly & cunningly accept that they are incompetent but definitely not fraudsters. Penalty for an incompetency is far lesser than the punishment for a fraud. The line of demarcation between an error and a sin is very often not so clear. Fraudsters always take an undue advantage of this ambiguity. In a few crony capitalist countries, a serious offence can be pardoned if the offender pays a hefty financial penalty. So, if you are very wealthy and can afford to pay such a hefty penalty, then you are eligible to indulge in a serious crime! What should an auditor do about this, who investigates and exposes such serious crime?

Many business owners compel their accountants to manipulate the accounts, in order to evade taxes, hide true profit from the partner, pay lesser salary to the employees and load their personal expenses

to the business. The poor, helpless accountants obey their master to save their job. Manipulation is an unethical act conducted within a legal frame. Not everything is black and white in accounting & finance. Here a lot of subjectivity is cleverly used for doing manipulations. If at all these manipulators are caught, they escape through the routes of penalties and bribes. Of course, a good amount of innocence is played here too, to escape. The owners put the blame on the accountants. Many industrialists (and even the small businessmen) get manipulations done through their accountants because they are not afraid of the 'system' or they are confident enough to buy the 'system'. By evading a tax of hundred rupees, they feel that they can comfortably spend twenty rupees on penalties & bribes. This proves to be a very convenient 'cost - benefit analysis' for them! The sad irony here is, these same tax - evaders make big claims of patriotism in the social media and lecture the students of accounting & auditing on 'business ethics'.

Auditors are mainly expected to verify and ascertain a neat execution of the accounting & budgetary processes. This verification includes the compliance of accounting law, the spending authority of the directors & executives, budgetary provisions, tax laws and other relevant details. While doing so the main focus is on a comparison between the budgeted expenditure and the actual expenditure. The statutory or external auditors are not generally responsible to assess the validity of a budgetary provision by using the market benchmarks. They mostly use the data that is provided to them. Therefore, the nature of their work is that of a 'defined & limited scrutiny'. This scrutiny is not expected to be very versatile, complete on all the maximum possible strategic & operational parameters and subject to different definitions of morality. Quite a few auditors are not supposed to be educated about or aware of a complex correlation between a technical or strategic parameter and a corresponding financial parameter. A company's directors and top executives often take undue advantage of this limitation of an auditor's

knowledge and role. For example, financial auditors are not expected to know thoroughly the process of deep-sea crude oil exploration, its risks & uncertainties, technological complexity etc. This is actually a domain area of very special technical and strategic audit. There is no exact and formal definition of the social accountability of these specialist auditors, so that they can be held answerable to the common people.

Our overall collective morality of public life has terribly deteriorated. Our parameters of morality are a matter of subjective convenience and connivance. Everyone as per his convenience, is painting these parameters with different philosophical colours. There is a big chaos around us. The mighty corrupt industrialists are exploiting this chaos to their advantage. Different power groups are shielding the corruption of these crony capitalists because all of them are the beneficiaries. Who will audit this horrible chaotic situation? If the public is sovereign, what type of audit would safeguard this sovereignty? Can the corrupt industrialists be held accountable to public? Are they truly auditable? Today governments of many countries are influenced by the business empires. Government budgets and public policies are under the terrible clout of these empires. Because this crony influence could not be timely and fully audited, economies of some of the powerful nations are in serious trouble today. Of course, the beneficiary groups from these nations won't accept this sad reality. Basically, people do not have appropriate parameters to audit the relationship between the industrialists, government and other elements. Today world over the people's sovereignty is in a serious danger. Those mighty cronies who should be held accountable, answerable and auditable to the general public are mostly free from every check and control. Therefore, we should basically audit the present system and the situation around us and not merely blame the helpless auditors who enjoy very limited power and possess an inefficient mechanism to check the business ethics.

# INDEPENDENT DIRECTORS UNDER THE INDIAN COMPANIES ACT: COST AND MANAGEMENT ACCOUNTANTS VALUE ADDITION TO STAKEHOLDERS

## Abstract

The Companies Act, 2013 elevated Independent Directors (IDs) as key guardians of governance and stakeholder trust. This article argues that Cost and Management Accountants (CMAs), with their expertise in cost management, risk oversight, Analytical skills and ESG integration, are uniquely suited for ID roles. Sectoral case studies show CMAs driving efficiency, transparency, and sustainable value creation, positioning them as vital assets to modern corporate boards.



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The Indian Companies Act, 2013 introduced a paradigm shift in corporate governance by mandating the appointment of Independent Directors

(IDs) on the boards of listed and certain public companies. This article explores the statutory framework, the multifaceted value addition of IDs to diverse stakeholders, and argues that qualified Cost and Management Accountants from the Institute of Cost Accountants of India (ICMAI) are uniquely positioned to excel as Independent Directors. Their expertise in cost management, financial analysis, risk oversight, and compliance equips them to bridge governance with sustainable value creation.

### Introduction

Corporate governance in India has evolved from a compliance-driven exercise to a strategic imperative. The Companies Act, 2013, reinforced by SEBI's Listing Obligations and Disclosure Requirements (LODR), institutionalized the role of Independent Directors to safeguard stakeholder interests. Independent Directors are entrusted with the responsibility of bringing impartial perspective, sound professional judgment and upholding ethical standards for all boardroom deliberations."This article examines:

- ⦿ The statutory requirements for IDs under the Companies Act.
- ⦿ The value addition IDs provide to shareholders, employees, creditors, regulators and society.

- ⊙ The suitability of Cost and Management Accountants as IDs, given their professional training and governance orientation.

## Statutory Framework for Independent Directors

### 1. Companies Act, 2013 Provisions

- ⊙ **Section 149(4):** Mandates at least one-third of the board of listed companies to be Independent Directors.
- ⊙ **Schedule IV:** Lays down the Code for Independent Directors, emphasizing integrity, impartiality, and accountability.
- ⊙ **Eligibility:** IDs must not have pecuniary relationships with the company, apart from sitting fees and profit-related commission if any.

### 2. SEBI LODR Regulations

- ⊙ Strengthen disclosure norms.
- ⊙ Require IDs to chair audit, nomination and remuneration committees.
- ⊙ Mandate performance evaluation of IDs.



### Value Addition by Independent Directors

Independent Directors contribute to governance in ways that extend beyond compliance. Their value creation can be analyzed stakeholder-wise:

#### 1. Shareholders

- ⊙ **Protection of Minority Interests:** IDs prevent dominance by promoters.
- ⊙ **Transparency:** Ensure fair disclosures in financial statements.
- ⊙ **Long-Term Value:** Advocate sustainable strategies over short-term gains.

### 2. Employees

- ⊙ **Ethical Oversight:** Safeguard against exploitative practices.
- ⊙ **Whistleblower Protection:** IDs often chair committees that handle grievances.
- ⊙ **Culture Building:** Promote fairness and meritocracy.

### 3. Creditors and Investors

- ⊙ **Risk Management:** IDs scrutinize leverage, liquidity, and solvency risks.
- ⊙ **Due Diligence:** Ensure integrity in fundraising and debt issuance.
- ⊙ **Trust Building:** Enhance credibility with banks and institutional investors.

### 4. Regulators

- ⊙ **Compliance Assurance:** IDs oversee adherence to statutory norms.
- ⊙ **Bridge Role:** Act as intermediaries between regulators and management.
- ⊙ **Policy Influence:** IDs often shape governance practices that align with national priorities.

### 5. Society and Community

- ⊙ **ESG Advocacy:** IDs push for environmental, social, and governance integration.
- ⊙ **Corporate Citizenship:** Encourage CSR initiatives aligned with community needs.
- ⊙ **Ethical Standards:** Reinforce accountability to society at large.



## Cost and Management Accountants as Independent Directors

### 1. Professional Competence

Cost and Management Accountants are trained in:

- ⊙ **Strategic Cost Management** – vital for efficiency and competitiveness.
- ⊙ **Financial Analysis** – interpreting complex data for decision-making.
- ⊙ **Risk Assessment** – identifying operational and financial risks.
- ⊙ **Compliance & Governance** – expertise in statutory frameworks.

## 2. Alignment with ID Responsibilities

- ⊙ **Audit Committee Leadership:** CMAs excel in financial scrutiny.
- ⊙ **Risk Oversight:** Their background in enterprise risk management aligns with board needs.
- ⊙ **ESG Integration:** CMAs' exposure to sustainability reporting enhances governance.
- ⊙ **Due Diligence:** Their analytical rigor strengthens M&A evaluations.

## 3. Comparative Advantage

Unlike generalist professionals, Cost and Management Accountants combine **financial acumen**, **operational proficiency** and governance orientation. With these breadth of skills CMAs as Independent Directors are well posited to challenge management assumptions, strengthen board deliberations and provide insights to balance short-term profitability need with long-term sustainable solutions.



## Case Studies and Illustrations

### 1. Healthcare Sector

Independent Directors with CMA background have guided hospitals in cost optimization while

ensuring patient safety.

They have introduced **activity-based costing models** to identify inefficiencies in clinical operations and reduce wastage. Additionally, their oversight has ensured **transparent pricing structures**, balancing affordability for patients with financial sustainability for the institution.

## 2. Manufacturing Sector

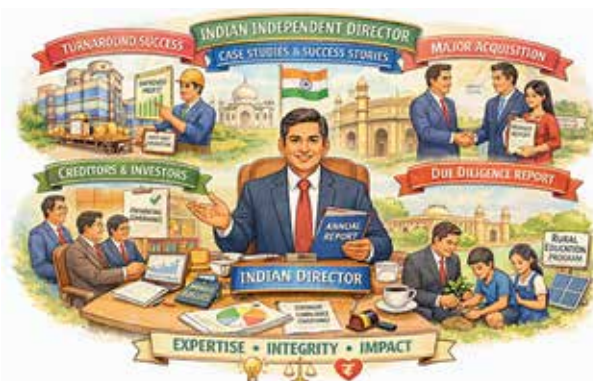
CMAs as Independent Directors having the background of cost accounting and management accounting have influenced capital allocation, balancing shareholder returns with long-term R&D investment.

They have applied variance analysis and lean costing techniques to streamline production processes and improve margins. Moreover, their governance role has helped align supply chain strategies with ESG goals, ensuring compliance with environmental standards while maintaining competitiveness.

## 3. BFSI Sector

CMAs as Independent Directors have strengthened risk committees, ensuring compliance with RBI and SEBI norms.

They have contributed to **stress testing frameworks** that evaluate resilience under adverse market conditions. In addition, their expertise in **cost-to-income ratio analysis** has guided banks and NBFCs toward sustainable profitability while safeguarding depositor interests.



## Challenges and Expectations

### 1. Challenges

- ⊙ **Independence vs. Familiarity:** Maintaining

objectivity despite industry networks.

- ⊙ **Time Commitment:** IDs must devote significant time to board duties.
- ⊙ **Continuous Learning:** Keeping pace with evolving ESG and AI governance.

### 2. Expectations

- ⊙ **Ethical Leadership:** Uphold integrity in all decisions.
- ⊙ **Stakeholder Balance:** Navigate conflicting interests.
- ⊙ **Strategic Insight:** Contribute beyond compliance to value creation.

### Policy Implications

- ⊙ **Regulatory Recognition:** SEBI and MCA could highlight CMAs being strong candidates for ID roles.
- ⊙ **Awareness Campaigns:** Encourage listed companies to consider CMAs for Independent Director roles, highlighting their dual expertise in finance and operations.
- ⊙ **Continuous Capacity Building:** ICAI should expand trainings on board governance.

- ⊙ **Global Benchmarking:** Align Indian ID practices with OECD principles of corporate governance.

### Conclusion

Recognizing CMAs in this capacity will strengthen corporate boards, enhance stakeholder trust and align India's governance framework with global best practices.. Their role transcends compliance adding tangible value to shareholders, employees, creditors, regulators, and society. CMAs, with their unique blend of financial, operational and governance expertise are exceptionally suited to serve as Independent Directors. By combining analytical rigor with ethical oversight, CMAs can transform boards into engines of sustainable value creation. **MA**

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3. *OECD Principles of Corporate Governance.*
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5. *Academic literature on board independence and stakeholder theory.*

## At the Helm!!!



**CMA (Dr.)  
Ranjay  
Choudhary**

**H**eariest Congratulations to CMA (Dr.) Ranjay Choudhary, who has joined IRFC as Director (Finance) on 30.06.2026.

He is a finance professional with over 29 years of multifaceted experience spanning the full spectrum of finance and accounts, loan appraisal, lending policy, corporate financial management, treasury management, fund raising and implementation of Government of India policy initiatives in Central Public Sector Enterprises. He has held key roles across reputed organisations including Power Finance Corporation Limited (PFC), NTPC, Food Corporation of India (FCI).

Dr. Choudhary holds a Bachelor of Commerce (Honours) and a Master of Commerce from Ranchi University, Ranchi. He is a qualified Cost Accountant and holds a Doctor of Philosophy (PhD) in Finance from Ranchi University. Prior to his appointment to the Board, Dr. Choudhary was serving as Chief General Manager, Entity Appraisal, at PFC. His areas of expertise also include RBI regulatory compliance, tariff order analysis, borrower rating, financial concurrence of projects and stressed asset resolution. He also holds position of Secretary of Power Foundation of India, an autonomous society of CPSUs under Ministry of Power.

We wish CMA (Dr.) Ranjay Choudhary the very best for all his future endeavours

# ESG PERFORMANCES ACROSS FINANCIAL SECTORS IN INDIA: A COMPARATIVE STUDY

## Abstract

In recent years, Environmental, Social, and Governance (ESG) performance has become a significant benchmark for assessing corporate sustainability, investor confidence, and long-term financial strength. This study examines ESG practices within India's financial sector using a quantitative approach. The analysis is based on secondary data sourced from CRISIL-ESG ratings for the financial year 2024–25. By applying descriptive statistics and one-way ANOVA, the study evaluates differences in ESG performance across six major financial sectors in India. The results indicate that companies in the banking sector record the highest ESG scores, consistently outperforming the other sectors in all three dimensions of environmental, social and governance aspects. These insights hold value for regulators, policymakers, and investors who are striving to promote sustainable practices and improve ESG accountability within the financial ecosystem. Overall, the study highlights the growing importance of ESG integration in shaping a more responsible, transparent, and resilient financial system in India.



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## INTRODUCTION

The term “ESG” itself was popularized following a 2004 initiative by the United Nations, which invited major financial institutions to integrate sustainability into corporate performance. ESG encompasses three dimensions of non-financial performance: the “E” for environmental factors; the “S” for social factors; and the “G” for governance factors.

While earlier approaches like Corporate Social Responsibility (CSR) emphasized ethical behaviour and philanthropy, ESG places emphasis on how environmental, social and governance issues may affect a company's financial performance, risk profile and long-term viability. For corporations, integrating ESG means not only reporting on environmental and social metrics, but also embedding governance mechanisms, stakeholder engagement and sustainability strategy into the core business model. Poor environmental practices, weak social safeguards and governance failures can produce credit losses, litigation, reputational damage and regulatory interventions. Conversely, strong ESG practices can reduce idiosyncratic risk, improve stakeholder trust and support long-term returns. The present study aims to test the credibility of the ESG scores in determining the performances across different financial sectors in India. The study can act as a guide to the investors to examine the ESG performances of corporate entities before making any investment decisions.

## LITERATURE REVIEW

*Adhikari and Ghosh (2022)* analyzed CRISIL ESG scores of Indian companies in the cement, financial, and metal sectors for the year 2021. The results revealed a significant variation in ESG performance across the three sectors. *Chipalkatti et al. (2025)* examined the impact of ESG disclosures on the key financial metrics (Return on Equity, market risk, cost of funds and credit risk) of Indian banks. The analysis was carried out on a sample size of 29 Indian banks consisting of both public and private-sector banks during the period 2013–2023. The study has found no significant association between ESG scores and ROE, indicating that ESG integration has not yet translated into measurable profitability improvements for Indian banks. *Sila and Cek (2017)* examined the influence of ESG dimensions of CSR on an organization's economic performance. They have used the Thomson Reuters ASSET4 annual ESG dataset on Australian firms covering the period from 2010 to 2016. The results showed that social performance factors consistently lead to improved economic performance but environmental performance factors and governance performance factors did not show any significant improvement on the economic performances of the selected firms. *Tarmuji et al. (2016)* investigated the impact of Environmental, Social and Governance (ESG) practices on economic performance based on Thomson Reuters ASSET4 ESG annual database from the period 2010 to 2014. The results showed that only social and governance practices significantly influenced the firm's economic performance.

## METHODOLOGY

### Objectives

1. To assess the Environmental (E), Social (S) and Governance (G) scores of companies operating in the country's financial sectors for the financial year 2024-25.
2. To examine and compare the overall ESG scores of companies operating in the country's financial sectors for the financial year 2024-25.
3. To identify the specific financial sectors that

is significantly different from each other using the Tukey's HSD (Honestly Significant Difference) test.

### Sample Selection

The data has been obtained from CRISIL ESG Ratings 2024-25. Out of eighteen sectors, only the financial sectors have been selected for the study using the purposive sampling method. The six financial sectors were insurance, banking, non-banking financial companies (NBFCs), financial institutions and financial services company. From each of these six financial sectors, five companies have been randomly selected for the study. Thus, the study was carried out using the component-wise and overall ESG scores of fifteen companies across six financial sectors.

### Hypotheses

$H_{01}$ : Environmental (E), Social (S) and Governance (G) scores do not significantly differ across the six financial sectors.

$H_{02}$ : Overall ESG scores do not significantly differ across the six financial sectors.

Against the Alternate Hypotheses ( $H_A$ ):

$H_{A1}$ : Environmental (E), Social (S) and Governance (G) scores significantly differ across the six financial sectors.

$H_{A2}$ : Overall ESG scores significantly differ across the six financial sectors.

## FINDINGS AND ANALYSIS

Prior to conducting inferential statistical analyses, the assumptions of normality were examined for all study variables. Given the relatively small sample size ( $n = 30$ ) greater emphasis was placed on the Shapiro–Wilk test, as it is considered more powerful and appropriate for samples smaller than 50. The results of both the tests reported p-values greater than 5 percent significance level, as shown in Table-1. Hence, the assumptions of normality were satisfied and the study proceeded with the parametric analyses using one-way ANOVA technique.

Table – 1: Normality Tests for E, S, G and overall ESG scores

Dimensions	Sample size	Kolmogorov-Smirnov <sup>a</sup>			Shapiro-Wilk		
		Statistic	d.f.	Sig.	Statistic	d.f.	Sig.
E	30	.132	30	.194	.956	30	.241
S	30	.145	30	.108	.955	30	.235
G	30	.150	30	.082	.919	30	.056
ESG	30	.106	30	.200*	.976	30	.710

*a. Lilliefors Significance Correction*

*\*This is a lower bound of the true significance*

*Source: Calculated*

Table 2 given below presents the mean scores for the three ESG dimensions across all six financial sectors. The banking sector demonstrates the strongest performance in environmental, social, and governance initiatives, indicating a higher level of ESG commitment. Furthermore, the greatest variability in ESG scores was observed in case of insurance sector for environmental initiatives, NBFCs and Investment Companies for social initiatives, banks and financial institutions for governance initiatives.

Table – 2: Environmental, Social and Governance (ESG) Scores of Financial Sectors

Financial Sectors	Environmental scores (E)			Social scores (S)			Governance scores (G)		
	Mean	S.D.	CoV	Mean	S.D.	CoV	Mean	S.D.	CoV
Banks	62.8	3.3	5.3	64.4	5.1	7.9	71.4	9.9	13.8
Insurance	44.2	9.4	21.2	61.2	2.9	4.7	66.0	5.6	8.5
NBFCs	52.8	6.2	11.7	50.4	10.2	20.3	68.6	4.4	6.4
Investment Company	45.6	9.3	20.4	52.0	10.7	20.5	63.4	7.7	12.1
Financial Institution	55.6	4.9	8.9	56.0	5.5	9.9	53.4	8.9	16.7
Financial Services	52.2	6.1	11.6	54.0	6.9	12.8	74.2	2.8	3.7
<b>F VALUE</b>	4.87			2.69			5.46		
<b>P VALUE</b>	0.0032			0.0457			0.0017		

*Source: Calculated*

Table-2 further revealed the p-values for environmental, social, and governance dimensions below the threshold level of 0.05. This provides sufficient statistical evidence to reject the null hypothesis and confirms that ESG performance varied significantly across companies operating in Banks, Insurance, NBFCs, Investment Companies, Financial Institutions, and Financial Services sectors.

Table-3 illustrated the mean ESG overall scores of the six financial sectors considered in the study. The results clearly revealed that companies in the banking sector demonstrated the highest average ESG score relative to their counterparts; indicating that banking institutions were more proactive and consistent in adopting and implementing environmental, social, and governance initiatives. The financial services

sector exhibited the lowest variation in ESG scores, suggesting a more uniform approach to ESG implementation across companies in this sector. Table 3 further revealed that the p-value was less than 5 percent significance level across the financial sectors, leading to the rejection of the null hypothesis. Therefore, it can be inferred that ESG initiatives are not uniform across the different financial sectors.

Table – 3: Overall ESG Scores of Financial Sectors in India

Financial Sectors	ESG scores		
	Mean	S.D.	CoV
Banks	66.6	4.3	6.4
Insurance	57.2	4.8	8.3
NBFCs	58.4	4.6	7.8

Investment Company	54.4	8.3	15.2
Financial Institution	54.8	6.5	11.9
Financial Services	61.4	2.3	3.7
<b>F VALUE</b>	3.54		
<b>P VALUE</b>	0.0154		

**Source: Calculated**

Table 4 presented the sector-wise pair of means

showing significant differences from each other in all the three counts. Banks showed significantly higher environmental scores than insurance and investment companies. Banks have also significantly outperformed NBFCs on social metrics. Banks, insurance companies and NBFCs showed stronger governance practices than financial institutions.

**Table – 4: Differences in ESG Dimension across Financial Sectors in India**

ESG Dimensions	Sector-wise Pairs	Mean Differences	HSD Critical Value	p-value	Significance ( $\alpha = 0.05$ )
Environmental (E)	Banks – Insurance	18.4	11.9	$p < 0.05$	Significant
	Banks – Investment Company	17.2	11.9	$p < 0.05$	Significant
Social (S)	Banks – NBFCs	13.9	12.6	$p < 0.05$	Significant
Governance (G)	Banks – Financial Institution	18.1	11.8	$p < 0.05$	Significant
	Insurance – Financial Institution	12.6	11.8	$p < 0.05$	Significant
	NBFCs – Financial Institution	15.2	11.8	$p < 0.05$	Significant
	Financial Institution – Financial Services	21.1	11.8	$p < 0.05$	Significant
ESG (Overall)	Banks – Insurance	9.4	9.32	$p < 0.05$	Significant
	Banks – Investment Company	12.2	9.32	$p < 0.05$	Significant
	Banks – Financial Institution	11.8	9.32	$p < 0.05$	Significant

**Source: Calculated**

## CONCLUSION

The banking sector exhibited the highest ESG scores among the six financial sectors examined. Banking institutions consistently outperformed their counterparts in the insurance, NBFC, investment, financial institution, and financial services sectors across all three pillars of ESG. In contrast, investment companies recorded the weakest performance, displaying low scores across environmental, social, and governance dimensions. Additionally, the high standard deviation observed in this sector indicates substantial variation in ESG commitment and implementation among investment companies, suggesting a lack of uniformity in ESG adoption. A key challenge contributing to this inconsistency is the absence of standardized reporting guidelines and uniform evaluation criteria for measuring ESG performance in India. Due to varying disclosure practices and the lack of clearly defined metrics, companies may find it difficult to report their ESG initiatives in a comparable and consistent manner. Moving forward, the development of comprehensive regulatory guidelines and a standardized methodology for ESG score computation by relevant authorities is

imperative. Establishing such a structured framework will not only enhance transparency and comparability across sectors but also help organizations realize the long-term benefits of integrating ESG principles ultimately benefiting businesses, investors, and society at large. **MA**

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# SUPERVISORY TECHNOLOGY (SUP TECH) FOR SMARTER SUPERVISION AND REGULATION

## Abstract

SupTech is reshaping the regulatory/ supervisory paradigm and redefining the relationship between regulators and regulated entities in the digital era. This article seeks to introduce the concept of Sup Tech, examine its key applications in financial supervision and related issues and challenges.



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## Introduction

Supervisory Technology (Sup Tech) refers to the embedding of innovative technologies in regulatory/supervisory processes to deliver more effective and responsive regulation and supervision engaging optimal resources. The main constraints for financial regulatory bodies in overseeing operations of the regulated entities, had been dependence on manual processes and heavy paper-based reporting. Such approach was time taking and susceptible to errors. In 2008, the financial crisis mired and stalled traditional supervisory methods. In this backdrop there have been a quest for more efficient and reliable oversight technology to meet the emerging challenges facing the regulators/ supervisors in the face of fast-growing complexities of financial

markets.

Both demand and supply impetus have stimulated the development and application of SupTech tools and methods. In the demand side, the growing complexity and enlarging dimensions of regulations in the wake of the 2008 global financial crisis has triggered a significant spurt in volumes of regulatory data characterised by the “4 Vs” (volume, variety, velocity, validity) prodded the agencies to fall back upon digital tools to upgrade their supervisory competence and efficiency. These happenings induced emergence of supply drivers, including the convenience of novel analytical systems and tools at lower costs, which enabled collection of large datasets and cost-effective storage facilitating more efficient analysis thereof.

Regulatory/supervisory bodies were kin to promptly implement evolving solutions to smoothen their operational struggles in detecting risks and irregularities. In 2018, Broeders and Prenio first introduced the term “Sup Tech”. It is currently in fast evolving mode to improve its regulatory/supervisory oversight functions on the back of rapid technology innovations.

The evolution of financial supervisory regulation involves transformation from manual oversight to digitalisation leveraging advanced technologies. The sector’s digital transformation has streamlined data collection and data analytics and facilitated collaboration, ensuring innovation and efficacy in

regulatory practices.

Emerging technologies can help automating data collection, data analytics and governance processes of the supervisors to render them more efficient and effective. Supervisory authorities are now bestowing sharper strategic attention to formulation of precise sup tech strategies and engaging in inhouse capacity building to digitise and automate operations and out sourcing the services of external competent technical skill for the purpose wherever inhouse resources found inadequate, to better align technology with long-term statutory and supervisory goals.

The faster integration and assimilation of technology into supervisory processes marks a paradigm swing increasing supervisory agencies' efficiency and effectiveness, in fostering risk mitigation across the ecosystem, and also in improving compliance while reducing its costs.

### **Distinctive SupTech Use Cases**

- ⊙ Risk-based supervision — Scoring and prioritizing institutions or markets by risk.
- ⊙ Real-time monitoring — Sensing incongruities or trends across ingested data.
- ⊙ Automated reporting — Validating and aggregating reports from banks, insurers, markets.
- ⊙ Prognostic analytics — Predicting systemic risks.
- ⊙ Compliance tracking — Vigil over adherence to AML/CFT and other requirements.

### **Principles of Sup Tech**

The core principles underlying effective governance and implementation of Sup Tech are discussed hereunder:

#### **Clarity of Objectives:**

Sup Tech initiatives must have clear idea of intents. Clarity of objectives is essential for the successful use of Supervisory Technology (SupTech). When supervisory authorities clearly delineate what are intended to be achieved (viz., better risk monitoring, early detection of problems, or more efficient supervision) appropriate technology can

be engaged in a focused and effective manner. With clarity of intents engagement of complex tools without clear purpose can be avoided. Sup Tech should support supervisory judgment rather than replacing it. Sup Tech should improve coordination within the organisation and allow supervisors to appraise efficacy thereof in delivering the intended outcomes. New solutions should be subjected to rigorous tests of compatibility with the existing regulatory frame work.

### **Data Protection and Knowledge Sharing**

Effective SupTech depends primarily on timely access to high-quality, high frequency and sufficiently granular data across departments/regulatory agencies to generate meaningful supervisory perceptions. Structured and flawless data sharing tends to reduces information silos, better risk identification, and facilitates consistent supervisory decisions. Definitive protocols for data governance, confidentiality, and access rights are indispensable for inspiring trust, safeguarding sensitive information, and for sharing knowledge towards upgradation of supervisory competencies without creating operational or legal risks. Regulators should share information on SupTech technology in use with the regulated entities, ensuring data protection, quality, and cybersecurity.

Available wide range of supervisory technologies having distinctive features render their applications most germane in specific phases of the data lifecycle. For example , machine learning (ML) and natural language processing (NLP) are typically used by agencies for data analysis, processing and validation and cloud computing is mostly used for data storage while blockchain has required potential for data collection.

### **Reduction of Administrative Work Load:**

Technological innovation should aim at reducing workload and lowering of financial and administrative costs. Regulators need to engage appropriate technologies to ensure system compatibility and compliance to obviate unnecessary and repeat data indents, streamline processes, and reduce operational costs. Advanced analytics and dashboards when in place would

tend to potentially reduce routine workloads by automatic flagging of irregularities, outliers, and risk indicators, enabling supervisors to pay pointed attentions to judgement-based oversight avoiding mundane clerical tasks. From RBI/India perspective, initiatives viz., structured digital returns, centralized data repositories, and analytics platforms, help avoiding emergence of information silos across departments, rationalise supervisory processes, and through consequential freeing up of scarce supervisory resources enable supervisors/regulators to bestow greater attention to forward-looking risk assessment and policy making work.

### **Data-driven Decisions:**

Sup Tech (Supervisory Technology) should be oriented towards dicing and slicing of granular, timely, and high-quality data using advanced analytics and appropriate technology to support objective, forward-looking, and risk-based supervisory judgments. In SupTech, data-driven decision-making enables supervisors to move from periodic, rule-based oversight to continuous, risk-based supervision. By integrating regulatory returns, market data, transactional data, and alternative data sources, supervisors can apply analytics, dashboards, and early-warning indicators to identify emerging risks, prioritize supervisory actions, and allocate resources more efficiently. This reduces reliance on subjective judgment and mitigates information asymmetry between regulators and regulated entities.

Regulators need to monitor real-time data to maintain oversight and analyse it to make intervention decisions. Sup Tech tools should be able to assist regulators with decision-making based on its data-driven inputs to drive more efficient and effective regulatory outcomes.

From an Indian perspective, RBI's push is towards structured data reporting (e.g., XBRL), centralised data repositories, and advanced analytics supports timely supervisory interventions, stress identification, and system-wide risk assessment. SupTech thus helps break information silos, enhances consistency in supervisory decisions, and strengthens macro-prudential oversight. Significant constituents of data-driven decisions

in Sup Tech are Standardised data (XBRL/JSON<sup>®</sup>) for comparability and accuracy; Real-time or near-real-time feeds instead of lagged reporting; Risk scoring & early-warning systems to flag anomalies; Dashboards for supervisors to prioritise inspections; Feedback loops where supervisory outcomes refine models.

## **Major Sup Tech Tools and Apparatuses**

### **Data Analytics & Risk Dashboards**

- ⊙ These tools take in large volumes of supervisory and market data to generate risk indicators, heat maps, and identify early warning signals for emerging financial distresses or compliance risks.
- ⊙ Support building-up of centralised supervisory data warehouses for standardized reporting.
- ⊙ Facilitates creating interactive dashboards for risk surveillance and macroprudential monitoring.

These tools are used by some central banks (e.g., ECB, Bank of England, Bank of Thailand) and financial supervisors worldwide.

### **Artificial Intelligence & Machine Learning**

AI is being aggressively used in SupTech to analyse unstructured data, extract insight stories the data tell, and flag potential issues automatically. NLP and machine reading of regulatory filings, board minutes, and questionnaires is used to spot governance issues or emerging risk patterns.

### **Cluster analysis & entity relationship mapping**

This is to facilitates detection of webs of suspicious transactions. It is supportive in AML supervision. These techniques help regulators shift focus to predictive forward looking risk insights from lagging and regressive indicators.

### **Centralized Reporting & APIs**

Sup Tech systems enable regulated entities to submit machine-readable data via APIs, validating and aggregating it in real time for supervisors minimising incidence of manual errors and reducing delays.

## Automated Alerts & Case Management

Automated surveillance tools have capability of raising alerts for emerging suspicious patterns (e.g., market manipulation, compliance lapses) and in light of such emitted alerts supervisors can prioritize investigations.

## Issues and Challenges facing Sup Tech

Sup Tech while has huge potential for affording significant advantages and benefits it also faces several issues and challenges needing careful attention of the supervisors and regulators adopting the Sup Tech. The challenges span technological, institutional, legal, and operational dimensions.

### 1. Data Quality, Availability, and Standardisation

Sup Tech depends deeply on huge volumes of granular data. Inconsistent data definitions, poor quality of data, legacy reporting formats, and absence of standardisation across regulated entities might impair the usefulness of analytics and automated tools. Inaccurate or incomplete data may give rise to deceptive supervisory insights.

### 2. Legacy Systems and Integration Challenges

Several supervisory entities have still been operating with their legacy IT systems unsuitable for handling of real-time data or advanced analytics. Integration of SupTech solutions with the existing legacy IT systems may involve complex, costly, and time-taking processes often needing phased implementation and system re-engineering.

### 3. Skills and Capacity Constraints

Gainful and effective utilisation of Sup Tech requires deployment of specialised human skills in data science, artificial intelligence, cybersecurity, and advanced analytics. Supervisory agencies often suffer from talent deficit and face difficulties in acquiring and retaining requisite skilled professionals in competitive market environment dominated by the private sector.

### 4. Model Risk Inadequacies

AI and machine learning based Sup Tech tools, may function like “black boxes.” The

models without adequate transparency may tend to impair supervisory credibility, muddle decision-making processes, and flag concerns regarding accountability, particularly when supervisory actions face challenges.

### 5. Cybersecurity and Data Privacy Risks

Sup Tech systems take in and process huge volume of sensitive and confidential supervisory and institutional data posing exposure and significant vulnerability to Cyber threats, data breaches, and misuse of information. Supervisors face critical challenges of putting in place robust cybersecurity frameworks and mechanism to ensure compliance with applicable data protection laws.

### 6. Legal and Regulatory Restraints

The extant legal frameworks in place may not afford required support to automated data collection, machine-driven supervision, or use of alternative data. Matters relating to data ownership, consent, cross border data flows, and legality of SupTech-driven supervisory outcomes are still remaining unsettled in many jurisdictions.

### 7. Governance and Accountability

With increasing reliance on technology come the questions about governance, responsibility, and accountability. It is still unresolved who should perhaps be made accountable for decisions arrived at by using automated systems: the human supervisors or algorithms.

### 8. Management of Change and Cultural Conflicts

Imbibing of Sup Tech calls for conducive reconfiguration of existing supervisory culture. Resistance to change, lack of full-hearted conviction in automated tools, and legacy dependence on traditional judgement-based supervision can potentially impeded the pace of adoption and limit the effectiveness of Sup Tech initiatives.

### 9. Constraints: Cost and Resources

Development and deployment of, and continuing operation in Sup Tech frameworks

entail substantial incremental upfront investment and operational costs. For regulators having budgetary constraints, large-scale Sup Tech implementation may not be feasible.

#### 10. Risk of Over-Automation and False Signals

Blind reliance on automatically triggered alerts and analytics have their own limitations. In the eventuality of generation of a number of false positive or false negative signals by the system, might lead to incidents of missed risks and accrual of resultant supervisory fatigue. Human oversight and professional judgement remain indispensable to validate SupTech outputs.

### **Comparison of common SupTech (Supervisory Technology) use cases adopted by global central banks and regulators**

<b>SupTech Use Case</b>	<b>Global Central Banks / Regulators</b>	<b>RBI Status / Examples</b>
Regulatory Data Collection	Automated data ingestion from regulated entities	XBRL-based regulatory reporting and automated returns collection
Risk-Based Supervision	AI/analytics to identify high-risk institutions	Risk-based supervision of banks, NBFCs and cooperative banks
Early Warning Systems	Predictive models for financial distress and liquidity stress	Data analytics used for supervisory alerts and monitoring
AML/CFT Monitoring	Detection of suspicious transactions and money laundering patterns	Supervisory review of AML systems and transaction monitoring frameworks
Cyber Risk Supervision	Monitoring cyber incidents and cyber resilience	Continuous cyber-security assessment and incident reporting framework
Market Conduct Surveillance	Detection of mis-selling, unfair practices and consumer harm	Monitoring customer complaints and conduct-related risks
Consumer Protection Analytics	Text analytics on complaints and grievance data	Analysis through complaint platforms such as the Integrated Ombudsman Scheme
Network & Contagion Analysis	Mapping interconnectedness among financial institutions	Monitoring systemic risk and interconnected exposures
Stress Testing	Automated stress-testing models and scenario analysis	Macro-stress testing of banks and financial stability assessments
Climate Risk Supervision	Monitoring climate-related financial risks	Emerging focus area; RBI has issued guidance on climate-related risk management
Machine Learning for Supervision	AI models for anomaly detection and predictive supervision	RBI is gradually expanding advanced analytics capabilities
Real-Time Dashboards	Supervisory dashboards for off-site monitoring	Increasing use of centralized supervisory dashboards and data visualization

SupTech Use Case	Global Central Banks / Regulators	RBI Status / Examples
Fraud Detection	Identification of unusual transaction patterns	Monitoring digital payment frauds and banking fraud trends
Digital Payments Supervision	Oversight of payment systems using data analytics	Extensive supervision of UPI, NEFT, RTGS and payment operators
Entity Resolution Monitoring	Tracking weak institutions and recovery indicators	Monitoring Prompt Corrective Action (PCA) and supervisory interventions

### Examples of regulators using SupTech extensively

- ⊙ Bank of England
- ⊙ Monetary Authority of Singapore
- ⊙ De Nederlandsche Bank
- ⊙ European Central Bank
- ⊙ Hong Kong Monetary Authority
- ⊙ Australian Prudential Regulation Authority

A recent trend among leading regulators is moving from simple data collection to **AI-driven predictive supervision**, where supervisors identify emerging risks before they become serious problems. RBI has also been investing in supervisory data analytics and digital supervisory tools as part of its supervisory modernization efforts.

### Conclusion

Sup Tech significantly reduces administrative workload for regulators by automating data collection, validation, and analysis. Instead of manual, form-based reporting and repetitive compliance checks, supervisors can rely on machine-readable data, APIs, and automated workflows. This cuts down time spent on data cleaning, reconciliation, and follow-ups with regulated entities.

Sup tech exhibits its potential to play an increasingly pivotal role in reconfiguring the effectiveness, elasticity, and fairness of the global financial system. New opportunities and challenges would inevitably arise, needing vigilant attention on the part of the supervisors with forward looking approach in their adoption and utilisation of

supervisory technologies.

While SupTech has definitive potential to transform the financial supervision processes its achievement depends largely on its capabilities to meet the challenges it faces by creation of a robust governance system, building need-based capacity, attaining legal clarity, and adopting a balanced approach combining technological innovation with supervisory judgement. MA

### Notes:

@ XBRL (eXtensible Business Reporting Language) :A standard for financial and regulatory reporting; Built on XML; Uses taxonomies (defined data dictionaries) prescribed by regulators; Ensures comparability, validation, and consistency across entities; Widely used by regulators (e.g., RBI, SEBI, MCA, EBA, SEC)

@JSON (JavaScript Object Notation) : It is a lightweight data-interchange format. It is easy for humans to read and write. It is easy for machines to parse and generate.

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- ⊙ Contributors are requested to send soft copies (in MS Word format) to The Editor, The Management Accountant at [editor@icmai.in](mailto:editor@icmai.in).
- ⊙ In case of theme article, the soft copy to be mailed to the above stated mail ID latest by 1st of the preceding month in which the article is sought to be published. That is, for an article to be published in February, the same may be forwarded by 1st of January, at least.
- ⊙ The articles must be relevant to the economy, society and the nation.
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# Down The Memory Lane

July, 2016



CMA Manas Kumar Thakur, President and CMA Sanjay Gupta, Vice-President of the Institute felicitating Shri Arun Jaitley, Hon'ble Union Minister for Finance and Corporate Affairs at his office on July 28, 2016



CMA Manas Kumar Thakur, President of the Institute and CMA Sanjay Gupta, Vice-President of the Institute felicitated Shri Arjun Ram Meghwal, Hon'ble Minister of State for Finance and Corporate Affairs on July 28, 2016

July, 2006



M.S. Rao, Dy. Chairman, Visakhapatnam Port Trust, is lighting the lamp on the occasion of Seminar on 'Cenvat Valuation & Service Tax' organized by Visakhapatnam Chapter of Cost Accountants on 16 July, 2006.

Others seen in the picture from left are: K.V. Gupta, FA & CAO, Visakhapatnam Port Trust, S. Satyananda Rao, Chairman, Visakhapatnam Chapter of Cost Accountants, D. Ramana Murthy, Secretary, Visakhapatnam Chapter of Cost Accountants and A. Chandra Sekhar, leading Chartered Accountant

July, 1996



Inauguration of DP&T programme on Financial Management and Management Accounting at New Delhi



### 67<sup>th</sup> ICAI Foundation Day Celebration

EIRC celebrated its 67th Foundation Day on May 28, 2026, at its premises. Graced by key dignitaries including EIRC Chairperson CMA Arati Ganguly, Council Member CMA Chittaranjan Chattopadhyay, and EIRC Secretary CMA Abhijit Dutta the event brought together employees and students to honor this significant milestone with great enthusiasm and a renewed commitment to the profession.

### CPE Programme on ICAI-IAGES Collaboration

The EIRC Professional Development Committee hosted a Continuing Professional Education (CPE) programme on "Emerging Opportunities for Cost and Management Accountants under the ICAI-IAGES Collaboration" on June 2, 2026, at the EIRC Auditorium in Kolkata. The event featured Major Aparajita Bhattacharya (Vice President, Accreditation, IAGES) as the resource person, who highlighted new professional avenues arising from the MoU. Over 70 members attended the session, which also featured addresses from key ICAI and EIRC leadership including CMA Chittaranjan Chattopadhyay, CMA Arati Ganguly, CMA Subhasish Chakraborty, and CMA Abhijit Dutta emphasizing EIRC's commitment to capacity-building initiatives.

### EIRC Leadership Meets West Bengal Minister

On June 9, 2026, EIRC leadership including Chairperson CMA Arati Ganguly, Council Member CMA Chittaranjan Chattopadhyay, and Secretary CMA Abhijit Dutta felicitated Dr. Indranil Khan, Hon'ble Minister of State (Independent Charge) and MLA of Behala Paschim, at his residence. During the meeting, the delegation highlighted how Cost and Management Accountants (CMAs) can offer their professional expertise to support the Government in implementing, monitoring, and evaluating public schemes. The discussions focused on how CMAs can drive efficiency, transparency, and accountability across key sectors such as healthcare and cooperatives.

### Career Awareness Programme at Tarakeswar Degree College

The EIRC conducted a Career Awareness Programme for the 2026–27 academic year at Tarakeswar Degree College on June 18, 2026, to introduce students to the Cost and Management Accountancy (CMA) profession. CMA Dr. Subrata Mukherjee, an EIRC guest faculty member, provided around 75 undergraduate commerce students and faculty with comprehensive insights into the CMA curriculum, examination structure, training, and diverse career prospects across multiple industries. The highly interactive session concluded with students clarifying their queries and gaining a deeper understanding of the professional avenues available in the field.

### 12<sup>th</sup> International Yoga Day Celebration

The EIRC celebrated International Yoga Day on June 21, 2026, to promote physical well-being, mental peace, and holistic health. The event was led by Council Member CMA Chittaranjan Chattopadhyay, EIRC Secretary CMA Abhijit Dutta, and Yoga Instructor CMA Umesh Pandey, who all emphasized yoga's role in reducing stress and achieving a healthy work-life balance. During the session, CMA Umesh Pandey guided EIRC staff and students through various asanas and breathing techniques, highlighting their health benefits and fostering a disciplined, healthy lifestyle among participants.

### Outreach Programme on the Income Tax Act, 2025

The Tax Research Department of ICAI, alongside the EIRC and the Income Tax Department, Kolkata, hosted a one-day CPE outreach programme themed "नवदृष्टि-नवमूर्ति-NAVIGATING THE INCOME TAX ACT, 2025" on June 25, 2026, at the J. N. Bose Auditorium. Attended by over 200 participants, the seminar was inaugurated by Chief Guest Shri Jasdeep Singh, IRS (Chief Commissioner of Income Tax, TDS), with Shri Amitave Sen, IRS, and CMA Mukesh Agrawal serving as Guests of Honour. Technical sessions featured deep-dives from CMA Avinash Kotni on the act's overview and TDS/TCS frameworks, alongside an analysis of non-profit

organization taxation by Advocate Shri Sanjay Bhattacharya. Key ICMAI and EIRC leadership including CMA Arati Ganguly, CMA Abhijit Dutta, CMA Chittaranjan Chattopadhyay, CMA V Murali, and CMA Rajendra Singh Bhati also addressed the gathering, emphasizing the vital role of continuous learning in adapting to the updated tax landscape.

## **BHUBANESWAR CHAPTER**

### **67<sup>th</sup> CMA Foundation Day celebrations**

The Chapter celebrated the 67th CMA Foundation Day with great enthusiasm on May 28, 2026. The morning event was graced by notable past chairmen and senior members, including CMA Nilamani Mohapatra, CMA Srinibash Mohapatra, and CMA Umaballav Mohapatra. Held in the presence of CMA Damodar Mishra (Vice Chairman, EIRC–ICMAI) and CMA Sarat Kumar Behera (Chairman, ICMAI–Bhubaneswar Chapter), the milestone celebration brought together distinguished members, students, and well-wishers to honor the profession.

### **Seminar on Conversational AI & Prompt Engineering**

The Chapter organized a seminar on "Conversational AI and Prompt Engineering" on June 6, 2026, at CMA Bhawan, Bhubaneswar, exploring the transformative impact of AI on the accounting and finance professions. The event featured insights from Shri Ayaskant Mohanty (Managing Director, TATWA Technologies) and CMA Damodar Mishra (Vice Chairman, ICMAI-EIRC) regarding the evolving technological landscape. Technical sessions were delivered by Chapter Vice Chairman CMA Satya Sundar Mahasuar, while Chapter Chairman CMA Avinash Kotni provided the welcome address and immediate past Chairman CMA Sarat Kumar Behera extended the formal vote of thanks.

### **PD Programme on Ind AS 109 and Condolence Meeting**

The Chapter hosted a Professional Development Programme on "Decoding Ind AS 109: Navigating the Financial Instruments Landscape" on June 11, 2026, at CMA Bhawan, Bhubaneswar. Before the seminar, members held a condolence meeting to pay heartfelt tribute and observe a moment of silence for Late CMA Biswa Ranjan Biswal, who passed away

on June 8, 2026. The technical session, introduced by Chapter Chairman CMA Avinash Kotni and graced by Guest of Honour CMA Damodara Mishra (Vice Chairman, ICMAI-EIRC), was delivered by Dr. D. V. Ramana (Professor, XIMB), who shared comprehensive insights into the Expected Credit Loss (ECL) model, hedge accounting, and impairment requirements. The well-attended event concluded with a vote of thanks from immediate past Chairman CMA Sarat Kumar Behera.

### **Special Academic Session on Corporate Law for Students**

The Chapter organized a special academic session titled "Mastering Corporate Law for CMA Examinations" on June 12, 2026, at CMA Bhawan, Bhubaneswar, specifically tailored for students appearing in the December 2026 examinations. The event featured CMA Thomas Mathew (Managing Director, OCMEI) as the Chief Guest, while renowned educator CA Shubham Singhal delivered the technical session, sharing critical insights on exam strategies, key legal concepts, and effective answer-writing techniques. Conducted under the leadership of Chapter Chairman CMA Avinash Kotni, the highly successful event concluded with a vote of thanks proposed by immediate past Chairman CMA Sarat Kumar Behera.

### **PD Programme on Generative AI for CMAs**

The Chapter organized a Professional Development Programme titled "A CMA's Honest Guide to Working With Gen AI" on June 17, 2026, at CMA Bhawan, Bhubaneswar. Chapter Chairman CMA Avinash Kotni delivered the welcome address, emphasizing the necessity of adopting emerging technologies to boost professional competency. The session featured CA V. Pattabhi Ram as the resource person, who provided practical insights into applying Generative AI within the accounting and finance landscape. Coordinated by Professional Development Committee Chairman CMA Satya Sundar Mahasuar, the event concluded with a formal vote of thanks from immediate past Chairman CMA Sarat Kumar Behera.

### **Workshop on GSTAT Portal e-Filing**

The Chapter, in association with the Goods and Services Tax Appellate Tribunal (GSTAT) Cuttack

Bench, organized a practical workshop on “e-Filing of Appeals in GSTAT Portal” on June 19, 2026, at CMA Bhawan, Bhubaneswar. Designed to demystify the newly introduced e-filing system for taxpayers and practitioners, the event was attended by prominent dignitaries including the Hon’ble Vice-President and Hon’ble Member (Technical) of the GSTAT Cuttack Bench, Joint Commissioner (CT & GST, Odisha) Shri Kunu Padhi, Practising Cost Accountant CMA Shiba Prasad Padhi, and Assistant Registrar Shri Sushanta Kumar Giri. Hosted alongside Chapter Chairman CMA Avinash Kotni, the workshop drew active participation from across the regional network of cost accountants, CAs, and tax professionals.

### **12<sup>th</sup> International Yoga Day**

The Chapter celebrated the 12th International Yoga Day on June 21, 2026, at CMA Bhawan. Experienced instructor Shri Jugajyoti Jadabananda Choudhuri led over 50 participants—including members, staff, students, and guests—through a guided routine of peaceful meditation and physical poses. The event highlighted yoga’s historical benefits for stress reduction and mental calmness, emphasizing the practical integration of mindfulness into daily routines to promote long-term harmony and personal well-being.

### **PD Programme on Cost Audit 360°**

The Chapter hosted a one-day seminar titled “Cost Audit 360°: Framework, ERP Linkage and Value Creation” on June 21, 2026, at CMA Bhawan, Bhubaneswar. The event was inaugurated by Guest of Honour CMA Pranab Kumar Mohanty (Director of Finance, OHPC Ltd.) alongside Special Guest CMA Uttam Kumar Nayak (RCM, ICAI–EIRC) and Chapter leadership, including Chairman CMA Avinash Kotni, PD Chairman CMA Satya Sundar Mahasuar, and immediate past Chairman CMA Sarat Kumar Behera. Attended by around 120 professionals and students, the seminar featured expert-led technical sessions by CMA Niranjan Mishra, CMA Leela Srinivas Chasetti, and CMA Soumya Ranjan Singh, concluding with an interactive Q&A focused on cost audit frameworks and ERP integration.

### **CAT Course Inauguration for Defence Personnel**

The CAT Directorate of the Institute of Cost

Accountants of India, in association with the Directorate General of Resettlement (DGR), Ministry of Defence, inaugurated the Certificate in Accounting Technicians (CAT) course on June 22, 2026, at CMA Bhawan, Bhubaneswar. Specially organized for retiring and retired JCOs, OR, and their equivalents, the inaugural ceremony featured key addresses by Chapter Chairman CMA Avinash Kotni and PD Committee Chairman CMA Sarat Kumar Behera. Faculty members of the CAT course also attended the event to welcome and support the incoming batch of defence personnel entering the professional accounting landscape.

### **76<sup>th</sup> Oral Coaching Session Inauguration**

The Chapter held the inaugural ceremony for its 76th Oral Coaching Class session on June 22, 2026, welcoming students preparing for the December 2026 examinations. The event was led by Chapter Chairman CMA Avinash Kotni, Coaching Committee Chairman CMA Sarat Kumar Behera, and Guest of Honour CMA Nilamani Mohapatra, who interacted with the new students about the milestones of the CMA profession. Around 100 students, alongside their parents and guardians, attended the function, where leadership encouraged them to pursue their goals with dedication while reinforcing the Chapter’s continuous institutional support.

## **ASANSOL CHAPTER**

### **World Environment Day**

The Chapter celebrated World Environment Day on June 5, 2026, at CMA Bhawan, with a core focus on protecting nature from escalating pollution. The event featured Chapter Chairman CMA Jaydip Ghosal as the key speaker, who delivered an insightful address outlining the vital role professionals can play in environmental preservation, sustainable practices, and driving community initiatives to reduce pollution.

### **12<sup>th</sup> International Yoga Day Observed at Vivekananda Hall**

The 12th International Yoga Day was celebrated on June 21, 2026, at Vivekananda Hall inside CMA Bhawan, to highlight the benefits of yoga for maintaining physical fitness and mental wellness. Led by the Chapter Chairman alongside experienced

yoga instructors Ms. Madhumita Kora and Sri Sunil Thakur, the event featured interactive guided routines, breathing exercises, and demonstrations tailored to help professionals manage lifestyle stress and keep healthy.

**EIRC Delegation Meets West Bengal Minister Smt. Agnimitra Paul**

On June 26, 2026, a delegation comprising the Chapter Chairman and Managing Committee

members met with Smt. Agnimitra Paul, Hon'ble Minister of Urban Development & Municipal Corporation, Government of West Bengal, at Evlyn Lodge, Asansol. The committee extended an official invitation for her felicitation and held a crucial discussion regarding the urgent allocation of land at Vivekananda Sarani, Asansol, briefing the Minister on the necessity of approving this plot to facilitate the relocation and development of the Chapter's premises.

*Glimpses of Eastern India Regional Council*



*Eastern India Regional Council*



*Eastern India Regional Council*



*Bhubaneswar Chapter*



*Bhubaneswar Chapter*



*Asansol Chapter*



*Asansol Chapter*

### **Seminar on Fixed Income Securities Markets in India**

The Chapter successfully organized a professional seminar on "Fixed Income Securities Markets in India: Valuation and Risk Management" on Saturday, May 16, 2026. Led by eminent speaker CMA Dr. Rajesh Kumar Sinha from the Jaipuria Institute of Management, the technical session provided valuable insights into valuation methodologies and risk management practices. The event commenced with a welcome address by Chairperson CMA Purnima Goyal, followed by an introduction of the speaker by Vice Chairman CMA Deeptanshu Pareek. Coordinated by Secretary CMA Harendra Kumar Pareek and attended by Treasurer CMA Dr. Deepak Kumar Khandelwal along with Executive Committee members, the seminar concluded with a vote of thanks by CMA Govind Sharma, enthusiastic member networking, and dinner.

### **Chapter Wins 'Best Chapter Award' at National Meet**

The Chapter was honored with the prestigious "Best Chapter Award" in Category 'A' under the Northern India Regional Council (NIRC). The recognition was presented at the National Chapters Meet in Siliguri, West Bengal, on May 26, 2026, celebrating the Chapter's outstanding performance in professional development, student empowerment, and member engagement. The award was proudly accepted on behalf of the Chapter by Chairperson CMA Purnima Goyal and Secretary CMA Harendra Kumar Pareek. Dedicating this landmark milestone to the collective hard work of its members, students, and leadership, the Chapter expressed sincere gratitude to all stakeholders and pledged to further strengthen its initiatives for the advancement of the CMA profession.

### **CMA Foundation Day 2026: Five Days of Celebration**

The Chapter successfully celebrated CMA Foundation Day 2026 through a dynamic five-day

series of professional, social, and fitness activities aimed at promoting the legacy of the CMA profession. The festivities kicked off on May 27 with a wellness webinar titled "Decoding the Lifestyle Balance Sheet," followed by the Chapter's Annual General Meeting, a senior member felicitation ceremony, and a tree plantation drive on May 28. On May 29, members shared their inspiring professional journeys through the "What is CMA for Me" video initiative. The final weekend featured a powerful community service drive on May 30, where members distributed food and stationery to young cancer and thalassemia patients at J.K. Lone Hospital, and concluded on May 31 with the "Run for Profession – Run for CMA" awareness and fitness run.

### **International Yoga Day**

In celebration of International Yoga Day, the Chapter successfully hosted a grand yoga camp at Jawahar Bhawan. Supported by local social organizations, the event drew enthusiastic participation from CMAs, students, and citizens of all ages. Guided by instructor Ms. Purna Jain, participants engaged in sessions focused on yoga postures, pranayama, and meditation to promote holistic well-being and stress reduction. Program Coordinator CMA Rupesh Kothari noted the high energy of the attendees, who were incentivized by punctual arrival prizes, while Chapter Chairman CMA Mitesh Chopra and Secretary CMA Shubham Sankhla thanked the volunteers and partners—specifically Jain Mitra Mandal for providing the venue—for their instrumental roles in the event's success. The day concluded with healthy refreshments and a renewed commitment from all participants to integrate yoga into their daily lives for a healthier nation.

### **Joint Foundation Day and AGM Celebrated by Chapter**

The Chapter celebrated the Institute's 67th Foundation Day alongside the Chapter's own 7th Foundation Day and its Annual General Meeting. The event featured a special session honoring the Institute's legacy and contributions to nation-building, industry, and the profession. Chapter

Chairman CMA Ankur Singhal and Secretary CMA Shubham Sankhla extended their heartfelt greetings, emphasizing the vital role of professional ethics, continuous skill development, and youth engagement. Highlighting the celebration, senior member and former Chairperson CMA Jyoti Maheshwari led the ceremonial cake cutting. The day concluded with interactive member discussions and a shared commitment to elevating the Beawar Chapter while upholding the values of the profession.

### JODHPUR CHAPTER

#### Yoga Shivir and Healthy Breakfast Programme

In anticipation of International Yoga Day, the Chapter successfully organized a vibrant Yoga

Shivir on June 18, 2026. Conducted by renowned Yog Acharya Maa Vaidehi and her team, the two-hour morning session guided members, students, and defense personnel through various yogic practices, breathing techniques, and meditation. The wellness event was followed by a unique "Healthy Breakfast Programme" featuring nutritious items like Desi Gud Pani, fresh fruits, soaked seeds, and buttermilk, which inspired participants to adopt healthier dietary habits. Graced by distinguished guests including Founder Member and Former Chairman CMA Dr. B. S. Rajpurohit and current Chairman CMA Rajendra Prasad Dhariwal the program concluded with a collective pledge to make yoga and natural nutrition an integral part of daily life.

### Glimpses of Northern India Regional Council



*Jaipur Chapter*



*Jaipur Chapter*



*Beawar Chapter*



*Beawar Chapter*

### SOUTHERN INDIA REGIONAL COUNCIL

#### Seminar on GSTAT Success Blueprint

The SIRC organised a highly successful seminar titled "GSTAT Success Blueprint: Drafting, Do's

& Don'ts" on June 1, 2026, at CMA Bhawan, Egmore. The event drew an enthusiastic crowd of tax practitioners, professionals, and students eager to navigate the evolving GST appellate landscape. Chief Guest Shri Shaik Khader

Rahman, IRS, and Guest of Honour CMA M. Saravana Prabhu graced the occasion, while key institutional leaders delivered the inaugural addresses. Throughout the technical sessions, expert speakers provided deep insights into the structural and procedural architecture of GSTAT, practical litigation challenges, and best practices for tribunal representation, wrapping up the day with an interactive networking session.

### **Panel Discussion on Strategy and Value Creation**

The SIRC organised a panel discussion on "CMAs in Strategy, Simulation & Value Creation" on June 5, 2026, at Hotel Ramada, Egmore, drawing around 100 professionals and offering 2 CPE hours. The event opened with key leadership addresses before transitioning into a dynamic panel moderated by the SIRC Chairman, featuring a distinguished lineup of former presidents, industry CEOs, and finance executives. The conversation centered on the evolving role of management accountants in strategic decision-making, digital transformation, and business simulation, concluding with a lively Q&A session on emerging leadership opportunities in finance.

### **Professional Development Programme on Emotional Intelligence**

The SIRC organised a professional development programme on "Scope of Psychology in Strategic Decisions using Emotional Intelligence" on June 6, 2026, at CMA Bhawan, Egmore. The event drew active participation from local finance professionals and was inaugurated by the regional leadership team. The technical session was delivered by guest speaker Major (Dr.) Praveen Raj (Retd.), a former Indian Army Officer, who shared practical insights on applying psychological principles and emotional intelligence to leadership and strategic choice. The evening wrapped up with an engaging Q&A session and a networking dinner.

### **Professional Development Programme on ICAI–IAGES Collaboration**

The SIRC organised a professional development programme focused on "Emerging Opportunities under the ICAI–IAGES Collaboration" on June

11, 2026, at CMA Bhawan, Egmore, granting 2 CPE credit hours to participants. Following a welcome address by the regional secretary and a special address by a central council member, Major Aparajita Bhattacharya, Vice President of Accreditation at IAGES, delivered the core technical session. She highlighted new avenues open to management accountants through this joint collaboration, which led into an interactive Q&A session. The event concluded with a formal vote of thanks, the National Anthem, and a networking dinner.

### **Professional Development Webinar on the Evolving Role of the Controller**

The SIRC hosted an online professional development webinar titled "From Data to Decisions: The Expanding Role of Controller" on June 13, 2026, via Microsoft Teams. Attended by a broad audience of members and professionals, the session offered 1 CPE credit hour to participating management accountants. CMA Priyanka Kesa, a Global Business Controller, conducted the session in the presence of the regional chairman and council members. She provided deep insights into how modern controllers leverage data to drive strategic business choices and elevate financial intelligence within organizations.

### **Study Circle Meeting on Cost Audit Practices**

The SIRC hosted a study circle meeting on "Practical Aspects of Cost Audit – Issues & Challenges" on June 19, 2026, at CMA Bhawan, Egmore, offering 2 CPE credit hours to attending members. The evening opened with traditional anthems and welcoming remarks from regional and central council leaders. Structured as an open forum, the interactive session allowed professionals to openly deliberate on compliance requirements, share field experiences, and untangle everyday operational challenges in cost auditing. The meeting wrapped up with a practical Q&A session, a formal vote of thanks, the National Anthem, and a networking dinner.

## **TRIVANDRUM CHAPTER**

### **International Yoga Day Celebration**

The Chapter, in association with Deep's School

of Yoga, celebrated International Yoga Day on June 21, 2026, centering on the theme “Yoga for Healthy Ageing.” The chapter secretary inaugurated the session by highlighting the critical importance of maintaining personal health in today’s fast-paced environment. Sri Manoj P K, a certified yoga and meditation teacher, led the practical session, which provided members and students with valuable techniques for physical wellness and mindfulness.

### **Report on Programmes held on April – May 2026**

#### **Professional Development Programme on Schedule III Compliance**

The Chapter hosted a professional development masterclass titled “Decoding Schedule III – Master class for Non-IND AS Companies” on May 10, 2026, at the Hotel Blue Castle, Vazhayila. The session opened with a warm welcome from the chapter chairman before transitioning into the technical analysis. Guest speaker CMA Ajith Sivasdas, a practicing accountant, delivered a detailed breakdown of Schedule III provisions, focusing heavily on modern disclosure rules, presentation standards, recent regulatory updates, and practical workarounds for common financial statement preparation challenges.

#### **CAT DGR Batch 2 Valedictory Function**

The Chapter successfully conducted the valedictory ceremony for the second batch of the Certificate in Accounting Technicians (CAT) programme under the Directorate General Resettlement (DGR) on May 13, 2026, at the TCCI Hall, Lions Club Building, Kowdiar. Chief Guest CMA Sugunan T G distributed certificates to the successful candidates, commending their hard work and encouraging them to leverage their newly acquired skills for career advancement. The event concluded with warm expressions of appreciation for the dedicated faculty, organizing committee, and participants who made the training programme a success.

#### **Industry-Oriented Training Programme**

The Chapter conducted an intensive industry-oriented training programme from March 24 to April 8, 2026, designed for Final students

preparing for their upcoming June examinations. Over the two-week period, expert faculty members delivered interactive lectures spanning key corporate domains, including project management, digital financial services, corporate taxation, and risk evaluation, alongside practical sessions on interview strategies, group discussions, and resume building. The programme wrapped up with a formal valedictory function where the chapter chairman and secretary distributed completion certificates to the participating students.

### **COIMBATORE CHAPTER**

#### **Exam Orientation Session**

The Chapter conducted an interactive exam orientation session on June 10, 2026, led by Students’ Coordinator CMA R. Karthick to help candidates prepare for their upcoming professional examinations. The session offered practical strategies on critical areas such as time management, structured answer presentation, study planning, and stress management techniques. The participating students engaged actively throughout the program, gaining clear, actionable insights to boost their confidence and overall exam readiness.

#### **Faculty Meeting for Oral Coaching Batch**

The Chapter conducted a dedicated faculty meeting for the 102nd Batch of Oral Coaching on June 15, 2026, to review and upgrade classroom strategies. Faculty members collaborated on methods to enhance student engagement, streamline mentoring initiatives, implement regular assessments, and better prepare students for their professional examinations. The session served to reinforce the chapter's ongoing commitment to high academic standards and student-centric training for management accounting aspirants.

#### **Career Counselling Programme**

The Chapter organized a targeted career counselling session on June 20, 2026, at Ramakrishna College of Arts and Science for first-year B.Com students. Speaker CMA R. Karthick provided an in-depth overview of the professional qualification, covering the course structure, examination patterns, and mandatory training requirements. He also highlighted the

diverse career avenues open to graduates across industries, consulting, banking, taxation, auditing, and business analytics, successfully motivating the young audience to make informed professional choices.

### **Professional Development Programme on Personal Finance**

The Chapter hosted a professional development programme on "Personal Finance for Professionals" on June 20, 2026. The session was delivered by guest speaker Sri M. S. Srikrishna, an Assistant Professor from the Jansons School of Business, Coimbatore. He shared practical insights on financial discipline, goal-based investing, asset protection, and long-term retirement planning. Using real-world examples and case studies, the session equipped participating professionals with actionable strategies for effective personal wealth creation and financial management.

### **International Yoga Day Celebration**

The Chapter celebrated International Yoga Day on June 21, 2026, centering on the theme "Yoga for Healthy Ageing." Guest speaker Dr. J. Devi Shree, Professor and Dean of Alumni Engagement at the Coimbatore Institute of Technology, addressed the gathering on the vital role yoga plays in maintaining physical fitness, mental well-being, and stress reduction. Following the address, around 30 participants actively engaged in practical sessions covering yoga postures, pranayama breathing exercises, and meditation techniques.

### **Certificate in Accounting Technicians Course Inauguration**

The Chapter inaugurated the third batch of the Certificate in Accounting Technicians (CAT) course under the Directorate General Resettlement (DGR), Ministry of Defence. This specialized training programme is designed to equip retired and retiring Armed Forces personnel with essential skills in accounting, taxation, corporate compliance, costing, and computerized financial packages. By providing these practical tools, the initiative aims to boost employability and facilitate a smooth, successful transition for veterans into rewarding civilian corporate careers.

## **VISAKHAPATNAM CHAPTER**

### **CMA Foundation Day Celebrations**

The Chapter organized its CMA Foundation Day celebrations on May 28, 2026, drawing a large gathering of corporate members and students. Keynote speaker CMA K. Srinivasa Rao, Additional General Manager at BHEL–Heavy Plates & Vessels Plant, delivered an insightful address highlighting the profession's impact. The commemorative event was presided over by Chapter Chairperson CMA V. Shanti Sireesha, alongside Vice-Chairperson CMA M. Himabindu, Secretary CMA N. Venkatesh, and Treasurer CMA S Rajasekhar.

## **BENGALURU CHAPTER**

### **World Environment Day Celebration**

The Chapter celebrated World Environment Day on June 5, 2026, with an enthusiastic green initiative aimed at promoting sustainable practices. The event began with a community Green Walk from the chapter premises to Bugle Rock Park, led by Chapter Chairman CMA Santosh G. Kalburgi, Vice Chairperson CMA Rajesh Devi Reddy, Secretary CMA Poornima, and other managing committee members alongside staff and students. To actively contribute to the ecosystem, participants planted seed balls around the park and distributed them to the public. The rally was followed by inspiring addresses from Chief Guest Dr. Shanthi Thummala, a prominent environmentalist, and Guests of Honour Mr. Lokesh H. K. and Dr. Mythri Ramachandra, reinforcing the chapter's collective commitment to environmental conservation.

### **Professional Development Programme on ICMAI-IAGES Collaboration**

The Chapter hosted a professional development session titled "Emerging Opportunities for Cost and Management Accountants Under the ICMAI-IAGES Collaboration" on June 13, 2026. The technical session was delivered by resource person Major Aparajita Bhattacharya, who detailed the strategic advantages and professional pathways created by this collaborative initiative. The event was held in the presence of Chapter Chairman CMA Santosh G. Kalburgi, Professional Development Chairman CMA Dr. Abhijeet S. Jain, and Treasurer

CMA Gunamala S. R., alongside Regional Council Members CMA Vishwanath Bhat and CMA Girish Kambadaraya, drawing active interest from attending members.

### Professional Development Programme on Income Tax Returns

The Chapter conducted a specialized technical session titled “Navigating ITR for AY 2026-27: Core Concepts & Practical Insights” on June 20, 2026. Resource persons CA Vishnu Moorthi H and Latha Sree Y led the presentation, offering a deep dive into the latest direct tax filing norms, core compliance requirements, and practical troubleshooting strategies for the current assessment year. The programme was supported by the presence of Chapter Chairman CMA Santosh G. Kalburgi, Treasurer CMA Gunamala S. R., and Regional Council Member CMA Vishwanath Bhat.

### International Yoga Day Celebration

The Bengaluru Chapter, in association with the Registrar of Companies (ROC), organized a

special session titled “International Yoga Day for Healthy Ageing” on June 21, 2026, to promote holistic wellness and lifestyle balance. The initiative combined a local practical workshop with a live broadcast of the national celebration led by Prime Minister Narendra Modi in Kolkata. Resource person CMA Laxmiprasad, Regional Director of ICLS, opened the event with valuable insights on utilizing yoga as a tool for stress management and graceful ageing, which was followed by an interactive, live yoga and meditation session guided by Ms. Kriti Pandey. This collaborative gathering drew active participation from CMA members, High Court representatives, and ROC officials, who all engaged in practical routines to improve daily flexibility and mental well-being. The successful event was further graced by senior dignitaries, including BCCA Chairman CMA Santosh G. Kalburgi, BCCA Treasurer CMA Gunamala S. R., Council Member CMA Suresh R. Gunjalli, and SIRC Regional Council Member CMA Vishwanath Bhat.

## Glimpses of Southern India Regional Council



*Southern India Regional Council*



*Southern India Regional Council*



*Trivandrum Chapter*



*Trivandrum Chapter*



*Coimbatore Chapter*



*Coimbatore Chapter*



*Visakhapatnam Chapter*



*Visakhapatnam Chapter*



*Bengaluru Chapter*



*Bengaluru Chapter*

**WESTERN INDIA REGIONAL COUNCIL**

**INDORE-DEWAS CHAPTER**

**International Yoga Day**

Embracing the global theme "Yoga for One Earth, One Health," the Chapter hosted an enthusiastic International Yoga Day celebration on June 21, 2026, at the BN Community Hall. Led by expert instructor Ms. Bharti Patil, the session brought members and students together to practice vital asanas and pranayama techniques aimed at boosting physical fitness and mental well-being. Spearheaded

by Chairman CMA Rahul Jain and the Managing Committee including CMA Vijay Joshi, CMA Sumit Jain, CMA Uddhav Age, and student member Saurabh Bhimsaria the successful event wrapped up with a collective pledge to make yoga a daily habit for a healthier, more balanced lifestyle.

**BARODA CHAPTER**

**Chapter Secures Historic Double Victory**

The Chapter achieved a historic milestone at the National Chapters' Meet 2026 in Siliguri, West Bengal, by securing two prestigious national

awards. The Chapter was honored with the Best Chapter Award – ICMAI 2026 for its exceptional contributions to institutional growth and professional development, alongside the First Prize (Category B) for the Highest Career Awareness Programme due to its extensive student outreach during the 2025-2026 term. Looking ahead, the Baroda Chapter plans to capitalize on this momentum by scaling up its student career counseling, strengthening modern corporate training frameworks, and deepening its commitment to community service with absolute transparency and administrative integrity.

### **Well-Being for CMA Foundation Day**

Moving away from traditional corporate seminars, the Chapter celebrated CMA Foundation Day on May 28, 2026, with a unique Continuing Professional Education (CPE) program focused on personal health. Hosted at Aadicura Superspeciality Hospital in Vadodara, the afternoon event brought together 52 members, students, and staff for a highly relevant session on "Stress Management & Mental Health," led by Dr. Jinni Dhiman and General Manager Ms. Aruna Tripathi. Alongside learning practical strategies to navigate workplace stress, attendees benefited from vital medical screenings—including blood pressure, blood sugar, BMI, and vision checks—followed by personalized consultations. The holistic event concluded at 7:00 PM with a gracious vote of thanks from Chapter Secretary CMA Vandit Trivedi, leaving participants with two valuable CPE hours and a renewed commitment to balancing professional excellence with physical and mental well-being.

### **Leaders Connect at VCCI Expo 2026 Launch**

The promotional launch of the 12th VCCI Mega Industrial Exhibition brought together top industrial leaders, entrepreneurs, and finance professionals in Vadodara to preview the upcoming December expo at Navlakhi Ground. Representing the vital link between strategic finance and industrial growth, CMA Amruta Vyas (Chairperson) and CMA Priyank Vyas (Vice-Chairman) of the ICMAI Baroda Chapter attended the curtain-raiser event. Their presence highlighted the essential role Cost and Management Accountants play in driving the financial health and efficiency of the region's

expanding industrial sector, while offering a strong platform to foster local economic collaborations.

### **City-Wide Blood Donation Drive**

Demonstrating a strong commitment to community welfare, the Chapter successfully organized a multi-location blood donation camp on June 13th under the "One Bharat Spirit" banner, partnering with Young Indians (Yi), CII, and the ICSI Vadodara Chapter. The "One Drop of Humanity" drive was seamlessly executed across three strategic hubs—Bath Adorn in Gotri, Almin Extrusion in Makarpura, and Tea Post in Akota—ensuring maximum reach among residents, industrial workers, and youth. Committee member CMA Hirav Shah managed the day's logistics on-the-ground, ensuring a smooth experience for the massive turnout of cost and management accountants, students, and volunteers whose life-saving contributions made the initiative a resounding success.

### **CMA Leaders Join "Viksit Bharat Sankalp Sammelan" in Vadodara**

CMA Mihir Vyas (Chairman, WIRC of ICMAI) and CMA Amruta Vyas (Chairperson, ICMAI Baroda Chapter) attended the "Viksit Bharat Sankalp Sammelan" at the M.S. University Auditorium on June 16, 2026. Organized by BJP Vadodara Mahanagar to celebrate 12 years of progressive governance, the event featured key national and state leaders, including Shri Baijayant Panda and Shri Harsh Sanghavi. Representing the financial and management accounting fraternity, the CMA leaders engaged with policymakers to emphasize the vital role professional accountants play in driving economic transparency and industrial growth, aligning the institute's financial expertise with India's long-term developmental goals.

### **Vibrant Gujarat Pre-Summit Planning Meeting**

On June 20, 2026, the Vadodara Collector Office hosted a crucial pre-summit meeting ahead of the upcoming Vibrant Gujarat Regional Conference, drawing key local industry members alongside CMA Amruta Vyas and CMA Priyank Vyas. Led by Collector Shri Arun Dhameliya and DIC General Manager Shri K.B. Mori, the session outlined

a strategic blueprint to elevate Vadodara's local industries to a global platform. The discussion centered on driving regional investments, job creation, and future-forward sectors—specifically integrating AI in manufacturing and agriculture, expanding green energy infrastructure via hydrogen and ammonia production, and strengthening regional startup and logistics networks.

### **Professional Bodies Unite for International Yoga Day**

On the morning of Sunday, June 21, 2026, the Vadodara branches of ICAI, WICASA, ICMAI, and ICSI jointly hosted a rejuvenating International Yoga Day celebration at ICAI Bhawan, Vadodara. Attended by prominent finance professionals including CMA Mihir Vyas, CMA Amruta Vyas, CMA Priyank Vyas, and CMA Vandit Trivedi, the event featured a physical vitality session on posture and stress-relief asanas led by Dr. Darshna Parmar, followed by a mental wellness and meditation seminar by Dr. Nikita Soni. Concluding with a nutritious networking breakfast, the joint initiative successfully highlighted the importance of mental and physical health for modern professionals, earning active participants 2 CPE hours.

### **Career Growth with Placement and Training Initiatives**

The Chapter recently organized a series of targeted placement and training activities designed to bridge the gap between academic learning and industry demands. A large number of students and members participated in these sessions, gaining valuable professional insights, skill enhancements, and direct career opportunities to support their growth in the strategic finance and management accounting sectors.

#### **PIMPRI CHINCHWAD CHAPTER**

### **Webinar on Socially Responsible Investing in India**

On April 24, 2026, the Chapter hosted a Continuing Professional Education (CPE) webinar titled "Socially Responsible Investing (SRI): The Indian Perspective," featuring expert speaker Dr. Shelly Agarwal from Manav Rachna University.

The session explored how Environmental, Social, and Governance (ESG) criteria are reshaping the Indian financial sector, detailing the latest market trends, regulatory updates, and practical portfolio integration strategies. Following an interactive Q&A session, the event concluded with a strong call to action for finance professionals to champion ethical investing to drive both positive social impact and sustainable, long-term financial returns.

### **Cost Optimization in Banking via Agentic AI Webinar**

On June 12, 2026, the ICMAI – Chapter hosted a Continuing Professional Education (CPE) webinar titled “Agentic AI: The New Engine of Cost Optimized Banking,” featuring digital transformation expert CA Srinivasan Kalyanasundaram. The session detailed how autonomous, decision-making AI systems can drastically improve operational efficiency and reduce expenses across key banking functions like fraud detection, compliance, risk management, and customer service. After a highly interactive Q&A addressing implementation ethics, governance frameworks, and data risk management, the event wrapped up with a closing vote of thanks from Chapter Chairman CMA Balkrishna Hajare, emphasizing the vital role of AI literacy for modern finance professionals.

### **Preparatory Webinar on the GST Appellate Tribunal**

On Saturday, June 13, 2026, the Chapter hosted a Continuing Professional Education (CPE) webinar titled “Gear Up for the GST Tribunal,” led by indirect taxation expert CMA Ashok Nawal. The session provided a comprehensive overview of the newly establishing GST Appellate Tribunal's structure, jurisdiction, and procedural requirements, including crucial timelines, documentation, and litigation prep strategies for taxpayers and professionals. Attended by a large group of CMAs, tax practitioners, and finance students, the event concluded with an interactive Q&A solving practical dispute complexities and a final vote of thanks, underscoring the chapter's commitment to keeping members ahead of major regulatory shifts.

**Comprehensive Corporate Restructuring and Case Study Webinar**

On Saturday, June 20, 2026, the Chapter organized a multi-session Continuing Professional Education (CPE) webinar focused on modern corporate restructuring strategies. The event featured three expert speakers: CMA CA Unmesh Narvekar, who guided MSMEs on scaling into innovation-driven startups through strategic funding and compliance; CS Rajvirendra Singh Rajpurohit, who detailed the procedural and regulatory benefits of the Fast Track Merger Scheme for smaller enterprises; and CMA Amar Kakaria, who presented an in-depth corporate case study on how the proposed Vedanta demerger unlocks shareholder value. The highly practical program concluded with an interactive Q&A session and a vote of thanks by Past Chairman CMA Dhananjay Kumar Vatsyayan, equipping the attending finance professionals and students with vital, contemporary insights into business reorganization and valuation.

**International Yoga Day with Mindfulness Workshop**

To commemorate International Yoga Day on Sunday, June 21, 2026, the Chapter hosted a holistic wellness CPE seminar titled “Train From The Inside Out” at CMA Bhawan. The hands-on workshop, led by renowned yoga and wellness trainers Mrs. Sarika Divate and Mr. Somnath Pingale, guided members and students through breathing techniques, yogic postures, and meditation exercises tailored to combat workplace stress and boost daily productivity. After a deeply engaging session focused on cultivating inner harmony and self-discipline in fast-paced corporate environments, the event concluded with an appreciative vote of thanks to the instructors, reinforcing the chapter's dedication to the physical and mental well-being of its professional community.

**SURAT-SOUTH GUJARAT CHAPTER**

**Historical First Campus Placement Drive for CMAs**

On June 17, 2026, the Chapter achieved a major milestone by organizing its first-ever Campus Placement Drive for CMA-qualified students from the December 2025 term. Held at a venue provided

with eminent support by CMA Mehul Shah, the landmark event brought together around 20 eligible candidates and prominent recruiters, including Kribhco Green Energy Ltd. and Capthical Hub Pvt. Ltd., who conducted interviews for various core positions. The successful drive, which underscored the chapter’s growing commitment to student career advancement, was prominently supported and attended by regional leadership, including WIRC Vice Chairman CMA Nanty Shah, Surat Chapter Chairman CMA Keval Shah, and Vice Chairman CMA Bharat Savani.

**Career Counselling Seminar for Aspiring CMAs**

On May 10, 2026, the Chapter organized an impactful Career Counselling Seminar at CMA Bhawan to educate and guide students on the vast professional opportunities within the CMA qualification. Led by expert speakers CMA Kenish Mehta and CMA Ravi Raghav Chhawahhairia, the session provided about 70 enthusiastic participants with invaluable industry insights and tactical career advice. Attended by Chapter Vice Chairman CMA Keval Shah and Managing Committee Member CMA Deepali Lakdawala—who also felicitated the guest speakers—the highly informative seminar successfully equipped the next generation of finance professionals with a clear roadmap for their upcoming career advancements.

**NASHIK CHAPTER**

**Online Motivational Session for CMA Examinees**

On June 3, 2026, the Chapter organized an online Motivational Guidance Session to support students entering the final phase of preparation for the June 2026 CMA Examination. Introduced and welcomed by Chapter Secretary CMA Santosh Brahmankar, the session featured CMA Nikhil Pawar, who provided crucial strategies on effective preparation, exam-day time management, and confidence-building techniques. The highly interactive event successfully energized the participating students to stay focused and maintain a positive mindset, concluding with an official vote of thanks from Nashik Chapter Committee Member CMA Arifkhan Mansuri.

### **Professional Networking with "CPE with Misal Party"**

Under the leadership of Chapter Chairman CMA Mayur Nikam, the Chapter hosted a unique "CPE with Misal Party" on Saturday, June 13, 2026, pairing traditional local flavor with an interactive knowledge-sharing and networking session. During the open discussion, members outlined a strategic roadmap to strengthen future Continuing Professional Education (CPE) initiatives, recommending the launch of hybrid oral coaching, library upgrades, and new skill-building programs in cutting-edge areas like AI, Power BI, Forensic Audit, and Ind AS. To foster continuous professional development, the gathering also advocated for weekly study circles and collaborative joint-events with local corporate bodies like AIMA and NIMA.

### **International Yoga Day with Focus on Holistic Health**

On June 21, 2026, the Chapter celebrated International Yoga Day under the global theme "Yoga for One Earth, One Health," led by certified yoga instructor Ms. Shweta Brahmkar. Welcomed and felicitated by Chapter Secretary CMA Santosh Brahmkar, the interactive session brought together committee members, local professionals, and students to practice essential yoga asanas, pranayama breathing techniques, and mindfulness meditation. The uplifting event successfully promoted physical fitness and mental well-being within the professional community, reinforcing the chapter's ongoing commitment to fostering healthy lifestyles and holistic development alongside core business education.

### **Four Chapters Unite for Comprehensive Income Tax Webinar**

On June 27, 2026, the Chapter, under the guidance of Chapter Chairman CMA Mayur Nikam, successfully collaborated with the Pune, Solapur, and Chhatrapati Sambhajinagar Chapters to host a joint online webinar titled "Overview of Income Tax 2025." The session was led by practicing cost accountant CMA Avinash Kotni, who provided clear, detailed insights into the latest direct tax provisions, critical regulatory amendments, and

their practical financial implications. Attended by an enthusiastic audience of members across all four regional chapters, the event concluded with a highly interactive Q&A session, offering participants a thoroughly collaborative and enriching professional learning experience.

### **CAT Upskilling Course for Ex-Servicemen**

On June 22, 2026, the Chapter commenced the Certificate in Accounting Technicians (CAT) Course at Bhonsala Military School, organized under the aegis of the Directorate General of Resettlement (DGR), Ministry of Defence. Enrolling 41 retiring and retired military personnel, this prestigious initiative is specifically designed to equip ex-servicemen with practical financial management and accounting skills to ensure a smooth transition into civilian careers. The inaugural week featured welcoming remarks from Chapter Chairman CMA Mayur Nikam, a structural briefing by Secretary CMA Santosh Brahmkar, and an inspiring virtual address from senior DGR and CAT Directorate officers, underscoring the institute's commitment to national veteran rehabilitation through high-quality professional education.

### **Career Guidance Session at Bhonsala Military College**

On June 22, 2026, the Chapter organized a Career Guidance Programme at the Bhonsala Military College of Commerce to educate students on the professional prospects of the Cost and Management Accountancy (CMA) qualification. Chapter Secretary CMA Santosh Brahmkar led the session, mapping out the diverse corporate pathways and rewarding milestones available to certified professionals. The initiative was highly commended by the college Principal, Dr. R. P. Patil, and received an enthusiastic response from the students, who actively engaged in discussions regarding the curriculum, career flexibility, and long-term benefits of entering the management accounting field.

### **CMAs Join Forces for Heritage Premier League 2026 Sports Meet**

On June 28, 2026, members and students of the Chapter enthusiastically participated in the Heritage

Premier League cricket tournament in Nashik, an event organized by the Nashik CMA fraternity for CA, CMA, and CS professionals. Led by Managing Committee Member CMA Arifkhan Mansuri, the chapter's energetic contingent used the sporting platform to foster teamwork, healthy competition, and mutual respect. The tournament proved to be a highly successful corporate networking initiative, seamlessly bridging the gap between students and senior practitioners across the three premier financial fraternities while reinforcing professional camaraderie through sportsmanship.

#### AHMEDABAD CHAPTER

#### **67<sup>th</sup> Foundation Day with Fun Activities**

On May 28, 2026, the Chapter celebrated the Institute's 67th Foundation Day by organizing a series of engaging fun activities and a prize distribution ceremony designed to maximize community outreach among members and students. The landmark occasion brought together chapter office bearers, senior professionals, staff, and students at the chapter premises for a festive cake-cutting ceremony, blending professional camaraderie with lighthearted celebration to honor the Institute's long-standing legacy.

#### **Four National Awards, Marks Milestone with Grand Celebration**

On June 2, 2026, the Chapter celebrated a historic milestone at the Silver Cloud Hotel & Banquets, commemorating its achievement of four national awards for the 2025–26 fiscal year: Best Chapter (Category A), Best Chapter PAN India for Physical CPE Programs, Most Initiatives for Visibility & Branding, and Highest Number of Career Awareness Programs PAN India. Chapter Chairman CMA Mitesh Prajapati welcomed a large gathering of past chairmen, faculty, members, and students, attributing this unprecedented success to the collaborative dedication of the entire chapter community. The celebratory evening concluded with a networking dinner and a strategic commitment from the leadership to utilize these prestigious accolades as benchmarks for driving even higher standards of professional excellence in the region.

#### **Webinar on DPDP Act Opportunities for CMAs**

On June 5, 2026, the Chapter organized an informative Continuing Professional Education (CPE) webinar titled “Opportunities for CMA in DPDP ERA (DPDP Act 2023 Framework, Key Concepts & Compliance).” Introduced by Chapter Chairman CMA Mitesh Prajapati, guest speaker Mr. Animesh Modi delivered an accessible presentation outlining the regulatory framework of the Digital Personal Data Protection (DPDP) Act and highlighting the emerging roles for Cost and Management Accountants in corporate compliance and data governance. The highly interactive session drew a large turnout of members eager to explore these new professional pathways, concluding successfully with an official vote of thanks proposed by CMA Jainil Patadia.

#### **Record with 101 Foundation Enrolments in 24 Hours**

On June 13, 2026, the Chapter celebrated a historic milestone at its premises, marking the phenomenal achievement of enrolling 101 new Foundation students within a single 24-hour window. To commemorate this record-breaking drive, the chapter hosted a vibrant gathering featuring a grand cake-cutting ceremony attended by managing committee members, senior faculty, practicing CMAs, and enthusiastic students. Senior members addressed the event, welcoming the newcomers into the CMA fraternity and sharing motivational insights for their professional journeys, while the leadership expressed deep gratitude to all stakeholders for fueling this unprecedented regional growth.

#### **Yoga and Cultural Wellness for International Yoga Day**

On June 21, 2026, the Chapter celebrated International Yoga Day at its premises by hosting a special wellness and Continuing Education (CE) session. Chapter Chairman CMA Mitesh Prajapati delivered the keynote address and honored Yoga Guru Shri Kaushal Vyas, who demonstrated stress-relieving asanas for physical and mental well-being,

alongside Shri Narendra Patel, who explained the health benefits of traditional conch shell blowing (*Shankhanad*). The well-attended event successfully blended practical healthy lifestyle techniques with traditional Indian wellness concepts, concluding with an appreciative vote of thanks from the Chairman.

**Bridging Talent Gaps with Dedicated Articleship Drive**

On June 22, 2026, the Chapter successfully hosted a CMA Articleship Recruitment Drive designed to connect aspiring Intermediate students with leading manufacturing industries, service sector corporates, and prominent practicing cost accounting (PCMA) firms. Chapter Chairman CMA Mitesh Prajapati opened the event by emphasizing the vital role practical training plays in building a robust finance career, while thanking participating recruiters for investing in the next generation of financial talent. Candidates underwent rigorous interview rounds testing their proficiency in cost accounting, management decision-making, taxation, and financial analysis, culminating in numerous on-the-spot placements and shortlists for final selections.

**Delegation Meets with Hon’ble MLA Shri Harshad Patel**

A senior delegation from the Chapter recently held a highly productive meeting with Shri Harshad Patel, Honorable Member of the Legislative Assembly (MLA) of Gujarat, to discuss infrastructural expansion and corporate growth

pathways for the CMA profession. The delegation briefed the Hon’ble MLA on the pivotal role Cost and Management Accountants play in driving cost optimization and economic development, while exploring fresh avenues for CMA placement within state Public Sector Undertakings (PSUs), local governance bodies, and state government departments. Shri Harshad Patel expressed a strong interest in the profession's regional contributions and assured his complete support in escalating the chapter's training and infrastructure needs to the relevant state authorities.

**Flagship Drive Takes Off with "CMA SANKALP YATRA"**

The Chapter has launched a massive career counseling campaign titled "CMA SANKALP YATRA." This flagship initiative is designed to create widespread awareness about the Cost and Management Accountancy (CMA) profession, targeting commerce and non-commerce students across a network of schools, colleges, and educational hubs in the region.

Led by senior members, practicing professionals, and industry leaders, the interactive sessions focus on breaking down entry paths, curriculum frameworks, and the lucrative placement horizons waiting for graduates. To facilitate a smooth career mapping experience, the chapter is equipping students with comprehensive informational kits, bridging academic boundaries to secure fresh talent for the industry's future.

*Glimpses of Western India Regional Council*



**Indore-Dewas Chapter**



**Baroda Chapter**



*Baroda Chapter*



*Pimpri Chinchwad Chapter*



*Surat-South Gujarat Chapter*



*Surat-South Gujarat Chapter*



*Nashik Chapter*



*Nashik Chapter*



*Ahmedabad Chapter*



*Ahmedabad Chapter*

# Outreach Programme on Income Tax Act, 2025 - Kolkata

on June 25, 2026 at J. N. Bose Auditorium, CMA Bhawan, 12, Sudder Street, Kolkata - 700016



**O**n June 25, 2026, the Tax Research Department, in association with EIRC and in collaboration with the Income Tax Department, successfully organised a major, highly impactful outreach programme at the J N Bose Auditorium, CMA Bhawan, Kolkata. Held under the visionary theme “नवदृष्टि – Navigating the Income Tax Act, 2025,” the prestigious event was graced by Chief Guest Shri Jasdeep Singh, IRS (Chief Commissioner of Income Tax - TDS, Kolkata), and Guests of Honour Shri Amitava Sen, IRS (Addl. Commissioner - Vigilance, Income Tax Dept., Kolkata) and CMA Mukesh Agrawal (Director - Finance, Coal India Limited). The Direct Taxation Committee was prominently represented by its Chairman, CMA Rajendra Singh Bhati, alongside a distinguished lineup of ICAI Council Members CMA (Dr.) V. Murali, CMA Chittaranjan Chattopadhyay, CMA Avijit Goswami and EIRC representatives CMA Arati Ganguly (Chairperson, EIRC), CMA Damodara Mishra (Vice Chairman), CMA Abhijit Dutta (Secretary), and CMA Bidyadhar Prasad

(Treasurer). A major highlight of the event was the official launch and release of two crucial professional tax publications by the Tax Research Department: the *Income Tax Ready Reckoner (Tax Year 2026-27)* and the *Handbook on Tax Planning on Business Restructuring*. To thoroughly unpack the complexities of this new fiscal era, expert speakers CMA Avinash Kotni and CA Sanjay Bhattacharya led three detailed technical sessions. **Technical Session I** provided a comprehensive structural overview of the Income Tax Act, 2025, along with an in-depth exploration of the newly introduced Income Tax Forms & Rules, 2026. **Technical Session II** shifted focus to the crucial legal rules and overall applicability of income tax regulations governing Non-Profit Organisations (NPOs) and charitable trusts. Finally, **Technical Session III** delivered a modern, practical outlook on the significantly modified TDS & TCS provisions, effectively updating businesses on the latest withholding formats and compliance standards mandated under the 2025 framework.

## WEBINAR ON

# “Pricing Mechanism in Aerospace Industry - Role of CMAs”

by The Journal & Publications Committee, ICMAI on June 05, 2026

**T**he Journal & Publications Committee, ICMAI organized a webinar on the topic “*Pricing Mechanism in Aerospace Industry - Role of CMAs*” on **June 05, 2026**. The session commenced with a warm and gracious welcome address delivered by CMA Harshad S. Deshpande, Chairman, Journal & Publications Committee, ICMAI, who extended his greetings to the distinguished speaker, participants, and members present. The session was delivered by Eminent Speaker, CMA S. K. Mehta, Former Executive Director (Finance), Hindustan Aeronautics Limited, (Bangalore Complex) who focused on explaining how pricing works in the aerospace industry and why Cost and Management Accountants (CMAs) play a critical role in ensuring that aerospace projects remain financially viable throughout their lifecycle. The discussion began by emphasizing that aerospace is unlike most industries because aircraft are long-cycle products. The process starts with an idea or concept, followed by design, development, approvals, production, operation, maintenance, and eventual retirement. Unlike consumer products that may be manufactured and sold within months, aircraft programs can take years to finalize contracts, several years to manufacture, and decades to remain operational. Because of this long lifecycle, pricing cannot be determined simply by adding production costs—it must account for research, future maintenance obligations, upgrades, support services, and operational uncertainty. One of the most important parts of the session focused on costing methodologies used in aerospace. The speaker explained that aerospace manufacturing relies heavily on job costing and batch costing

systems. Every aircraft or production batch is assigned work orders through which all costs are collected and tracked. Material consumption, labour hours, overhead allocation, and project expenses are assigned directly to these work orders. The strongest message throughout the session was the importance of Cost and Management Accountants in aerospace. The speaker described CMAs as central to pricing decisions, cost recovery, budgeting, forecasting, contract evaluation, labour utilization, and profitability analysis. Aerospace projects involve long-term commitments, and even small costing errors can result in major financial losses over decades. Cost professionals therefore work closely

with engineers, production teams, and IT systems to ensure complete cost capture and informed pricing decisions. The speaker noted increasing adoption of digital systems, analytics, and artificial intelligence for cost analysis and forecasting. With India pushing for domestic manufacturing and exports, the aerospace sector is expected to grow substantially, creating significant opportunities for finance and cost professionals in the years ahead. The webinar also featured a brief Question and Answer session and the speaker responded to the queries concisely and effectively. The programme was skilfully moderated by Smt. Somalika Chakraborty

from the Journal & Publications Department and the event concluded with a heartfelt vote of thanks proposed by CMA Sucharita Chakraborty, HoD, Journal & Publications, ICMAI, who expressed sincere gratitude to the speaker for sharing valuable insights, to the Chairman for his guidance and to all participants for their enthusiastic participation and support in making the session a success.



Ref. No.: G/128(99)/07/2026

3<sup>rd</sup> July, 2026

**NOTIFICATION**

In pursuance of the Regulation 146 of the Cost and Works Accountants Regulations, 1959, the Council of the Institute of Cost Accountants of India in its 360<sup>th</sup> Meeting held on 21<sup>st</sup> May, 2025 and 14<sup>th</sup> July, 2025 has dissolved the following Chapter of The Institute of Cost Accountants of India:

The Institute of Cost Accountants of India - Jabalpur Chapter  
C/o Tapan Badkul  
107, Mohit Chambers, 1<sup>st</sup> Floor  
Near Chanchalabi College, Wright Town  
Jabalpur,  
Madhya Pradesh – 482 002



CMA (Dr.) Debaprosanna Nandy  
Secretary (Officiating)

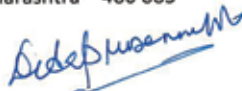
Ref. No.: G/128(57)/07/2026

3<sup>rd</sup> July, 2026

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In pursuance of the Regulation 146 of the Cost and Works Accountants Regulations, 1959, the Council of the Institute of Cost Accountants of India in its 360<sup>th</sup> Meeting held on 21<sup>st</sup> May, 2025 and 14<sup>th</sup> July, 2025 has dissolved the following Chapter of The Institute of Cost Accountants of India:

The Institute of Cost Accountants of India - Vindhyanagar Chapter  
Russian Complex, NTPC Township  
P.O. Vindhyanagar, Distt-Singrauli,  
Singrauli (MP),  
Maharashtra – 486 885



CMA (Dr.) Debaprosanna Nandy  
Secretary (Officiating)

Ref. No.: G/128(120)/07/2026

3<sup>rd</sup> July, 2026

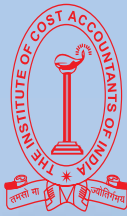
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The Institute of Cost Accountants of India - Singrauli Chapter  
CETI Building,  
Singrauli,  
Madhya Pradesh – 486 889



CMA (Dr.) Debaprosanna Nandy  
Secretary (Officiating)



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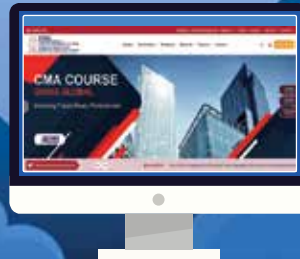


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Information Technology Committee



It is with a sense of pride and significance that members, students and other stakeholders are informed of the formal launch of the Institute's **NEW WEBSITE** on 10<sup>th</sup> April 2026, marking a long-awaited milestone in the Institute's journey towards greater connectivity, transparency and service excellence ...



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# THE MANAGEMENT ACCOUNTANT

## PAPERS INVITED

Cover Stories on the topics given below are invited for 'The Management Accountant' for the four forthcoming months

August 2026	Theme From Independence to Viksit Bharat 2047: Strategic Management Accounting for a Self-Reliant India	Subtopics <ul style="list-style-type: none"> <li>○ Strategic Cost Management for Self-Reliant Nation Building</li> <li>○ Role of Management Accounting in Transparent Governance and Economic Freedom</li> <li>○ Digital India: Driving Financial Independence through Analytics</li> <li>○ Sustainable Growth: Integrating ESG for Responsible Nation Building</li> <li>○ Empowering Startups &amp; MSMEs: Engines of Atma Nirbhar Bharat</li> <li>○ Nation First: Optimizing Resource Allocation for Infrastructure Development</li> <li>○ Global Competitiveness: Strengthening India's Economic Independence</li> <li>○ Vision 2047: Future-Ready CMA Professionals for a Self-Reliant India</li> </ul>
September 2026	Theme Industry 5.0: Building Intelligent, Sustainable and Resilient Enterprises	Subtopics <ul style="list-style-type: none"> <li>○ Human-Centric Manufacturing Systems</li> <li>○ Human-Machine Collaboration (Cobots)</li> <li>○ Sustainable and Circular Production Models</li> <li>○ Resilient and Adaptive Supply Chains</li> <li>○ Advanced Digital Technologies for Industry 5.0</li> <li>○ Smart and Connected Industrial Ecosystems</li> </ul>
October 2026	Theme Eco-Computing & Carbon - Neutral Infrastructure - The Strategic Role of CMAs	Subtopics <ul style="list-style-type: none"> <li>○ Renewable Energy Integration &amp; Grid Interaction: Financial Evaluation and Cost Optimization</li> <li>○ Next-Generation Cooling Technologies: Cost Efficiency, Energy Savings, and Investment Decisions</li> <li>○ Sustainable Design and Lifecycle Management: Integrating Environmental Costs into Strategic Planning</li> <li>○ Metrics, Standards, and Green Software</li> <li>○ Accounting for Embodied Carbon</li> <li>○ The Circular Server: Cost Accounting for E-Waste and Hardware Reclamation</li> <li>○ ESG Reporting and the Finance Function: Emerging Responsibilities of CMAs</li> </ul>
November 2026	Theme Treasury Management: The Strategic Role of CMAs in Creating Enterprise Value	Subtopics <ul style="list-style-type: none"> <li>○ Strategic Cash Flow and Liquidity Management</li> <li>○ Treasury risk management</li> <li>○ Digital Treasury and Emerging Technologies</li> <li>○ Treasury Governance, Compliance, and Internal Controls</li> <li>○ Sustainable Finance and ESG in Treasury</li> <li>○ Treasury Analytics and Performance Measurement</li> <li>○ The Evolving Role of CMAs as Strategic Treasury Partners</li> </ul>

*The above subtopics are only suggestive and hence the articles may not be limited to them only.*

Articles on the above topics are invited from readers and authors along with scanned copies of their recent passport size photograph 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 [editor@icmai.in](mailto:editor@icmai.in) latest by the 1<sup>st</sup> week of the previous month.



### DIRECTORATE OF JOURNAL & PUBLICATIONS

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# RESEARCH BULLETIN

Volume 51 • Nos. I & II • April & July 2025

Price of Single Copy: ₹400.00 only  
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Research Bulletin, Vol. 52 No. I April 2026 (ISSN 2230 9241)

### Call for Research Papers/Articles

We invite you to contribute research paper/article for "Research Bulletin", a peer-reviewed Quarterly Journal of The Institute of Cost Accountants of India. The aim of this bulletin is to share innovative achievements and practical experiences from diverse domains of management, from researchers, practitioners, academicians and professionals. This bulletin is dedicated to publishing high quality research papers providing meaningful insights into the management content both in Indian as well as global context.

### Guidelines to submit full Paper

- Soft Copy of the full paper should be submitted in double space, 12 font size, Times New Roman, keeping a margin of 1 inch in four sides, MS Word (.doc) format.
- Each paper should be preferably within 5000 words including all.
- An abstract of not more than 150 words should be attached.
- The cover page should contain the title of the paper, author's name, designation, official address, contact phone numbers, e-mail address.

### Papers are invited on the following topics, but not limited to:

- ▲ Capital Markets in India
- ▲ The Impact of AI on Financial Reporting Accuracy
- ▲ Customer Relationship Management (CRM)
- ▲ Quality Management and Assurance
- ▲ Risk Management
- ▲ Strategic Management
- ▲ Supply Chain Management
- ▲ Corporate Governance
- ▲ Ethics in Business
- ▲ Agricultural Economics
- ▲ Derivatives and Risk Management
- ▲ Banking & Insurance
- ▲ International Finance
- ▲ International Trade and FDI
- ▲ Influence of AI on Global Workforce
- ▲ Corporate Sustainability and Green Innovation

### Papers must be received within

**15<sup>th</sup> July, 2026**

**in the following email id:**

[research.bulletin@icmai.in](mailto:research.bulletin@icmai.in)



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# CMA

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- Passed Class 10 (Require to pass 10+2 before appearing in CMA Examination)
- 10+2 Pass or its equivalent (Students appearing for 10+2 also apply on provisional basis)

### Registration to Intermediate Course

- Passed CMA Foundation Examination
- Graduates of any discipline (Students awaiting final result also apply on provisional basis)
- Qualified CAT Level - I of The Institute of Cost Accountants of India
- Qualified CA Intermediate; Qualified Engineers; Qualified CS

### Core Strengths of CMA Profession

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Business Strategy & Sustainability	Effective Regulatory Landscape	Financial Management
Auditing & Assurance	Enterprise Governance	Direct & Indirect Tax Management
Business Valuation & Product Pricing	Cost-Benefit Analysis	Management Control Systems

### Course Fees

- Foundation - ₹6,000/-
- Intermediate - ₹23,100/-\*
- Final - ₹25,000/-\*

\*Installation facility available

### Important Job Roles For CMAs

- CMD
- CEO
- COO
- CFO
- Director - Finance
- President - Finance
- Vice President - Finance
- Head of Finance
- Strategic Head
- Cost Advisor
- Finance Controller
- Cost Controller
- Risk Manager
- Business Analyst
- Research Analyst
- Dean/Professor of Finance

and many more ....

### Career Opportunities for CMAs

Service	Practice	Start-up
Industry	Academia	

University Grants Commission (UGC) recognizes CMA Qualification as equivalent to PG Degree

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