Interview

CMA Bikram Ghosh

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CMA Bikram Ghosh is Director (Finance), Western Coalfields Limited. since 27th March, 2024. Prior to joining WCL, he was General Manager (Finance), BCCL. He holds a Master Degree in Commerce (M.Com - Management) from University of Burdwan in the year 1992. He completed his professional Degree ICMA in the year 1992 and also an Associate Member of Institute of Cost Accountants of India. Shri Ghosh is a results-driven and strategic Finance Professional with a proven track record of leading financial operations, driving growth, over a period of 28 years. He has a vast knowledge and wide experience in Procurement, Contracts, Accounts, Taxation, Fund, Cost Management and payment technology. He is known for his strong leadership skills and ability to build high-performing finance teams. In addition to his professional achievements, he is actively involved in various community initiatives. Shri Ghosh was also entrusted with additional charge for the post of Director (Personnel) from 01.08.2024 to 27.01.2025. He has again assumed the additional charge of the post with effect from 11.05.2026.

Q1. How does the Strategic Cost Management expertise of a CMA directly influence capital allocation and cost optimization within a PSU like Western Coalfields Limited?

Ans. A CMA is trained to see the cost structure behind every rupee of revenue and expenditure, not just the final numbers that appear in the balance sheet. This training - in activity-based costing, marginal costing, and variance analysis - becomes the everyday lens through which we evaluate capital expenditure proposals at WCL. At WCL, this means every major capital allocation decision - whether it's a new HEMM fleet, a coal handling plant, or an OB removal contract - is subjected to rigorous cost-benefit scrutiny that goes beyond simple payback period calculations to factor in lifecycle costs, evacuation constraints, and strategic alignment with CIL's production targets. The CMA framework also instills a discipline of cost consciousness across the organisation, not just within the finance function, which is essential in a capital-intensive, low-margin business like coal mining.

Q2. With India pushing toward renewable energy integration and long-term decarbonisation targets, how is WCL's finance division structuring its long-term balance sheet to mitigate risks related to coal transition, land rehabilitation, and mine closure liabilities?

Ans. We recognise that coal will remain central to India's energy security for the foreseeable future, but the finance division cannot be complacent about transition risk. WCL has been progressively strengthening its mine closure provisioning in line with the Ministry of Coal's Mine Closure Plan guidelines, ensuring that escrow accounts for progressive and final closure are adequately funded rather than treated as a distant liability. On land rehabilitation, we are building multi-year provisioning models that anticipate the cost of biological and civil reclamation well ahead of actual mine exhaustion. Separately, our diversification into solar and other renewable initiatives is being structured so that the capital involved doesn't compete with core sustaining capex, but is ring-fenced and evaluated on its own return and strategic-value merits.

Q3. Considering fluctuating fuel supply agreements (FSAs), regulatory pricing pressures, and logistical overheads, what unique analytical frameworks do CMAs utilize to navigate cost-benefit analyses in the coal sector?

Ans. FSA-linked volumes and pricing formulas create a level of revenue variability that few other PSU sectors face. CMAs bring cost-volume-profit analysis and standard costing techniques to model different production and off-take scenarios, which helps us anticipate margin pressure well before it materialises. We also rely heavily on activity-based costing for logistics and evacuation - rail versus road versus MGR - since transportation is often as significant a cost lever as the mining cost itself. Target costing principles are increasingly being applied when evaluating capital investments in evacuation infrastructure, so that we work backward from an acceptable landed cost rather than simply absorbing overheads.

Q4. The Institute of Cost Accountants of India (ICMAI) places a strong emphasis on rigorous corporate governance and transparent cost auditing. How do these professional tenets shape your financial leadership and internal risk management frameworks at WCL?

Ans. ICMAI's emphasis on cost audit and governance has directly shaped how we structure internal controls at WCL. Cost audit isn't treated as a compliance formality; the observations that emerge from it feed back into our internal risk registers and are tracked to closure. We have also strengthened internal audit mechanisms so that governance isn't a periodic exercise but a continuous one. As a CMA, I see my role as ensuring that financial leadership at WCL upholds the same standards of transparency and accountability that the Institute expects of its members - this includes proactive disclosure to the Board and to CIL, and resisting any temptation to defer difficult provisioning decisions.

Q5. How is WCL funding its clean coal technologies-such as coal gasification, solar park development, and mine water utilization-and are you considering green financial instruments?

Ans. Our clean coal and allied green initiatives are currently funded through a mix of internal accruals and CIL's overarching capex allocation, with some projects structured through joint ventures and PPP models to bring in technical and financial partners. We are actively studying green financial instruments - including green bonds and sustainability-linked loans - as CIL and its subsidiaries build a track record on ESG disclosures that would make such instruments viable and cost-competitive. Mine water utilisation projects, in particular, have strong local buy-in and modest capital requirements, making them a good proving ground for structured financing models that we may scale to gasification and solar in due course.

Q6. The Management Accountant journal frequently explores cutting-edge topics such as AI-driven predictive analytics, advanced cost reduction models, and digital transformation in finance. How are these modern methodologies being adopted within WCL's financial architecture?

Ans. WCL has been steadily digitising its financial architecture - from ERP-based integration of finance with materials management and production data, to dashboards that give real-time visibility on cost centres. We are in the early stages of exploring predictive analytics for use cases like fuel and consumable consumption forecasting, contractor payment cycles, and receivables management. The ambition is to move from a largely retrospective MIS function to one that flags cost overruns and cash-flow stress points before they crystallise. This is a journey, and we're building capability within the finance team even as we bring in analytics tools, because the interpretation of the data still requires the judgment a trained cost and management accountant brings.

Q7. Your background bridges granular financial controller functions and broader executive decision-making. How do you leverage your financial expertise when steering non-financial operational areas such as safety compliance, procurement transparency, and local community resettlement?

Ans. Finance touches every operational decision, even ones that appear purely technical or social. In safety compliance, we ensure that safety capex - whether for mine ventilation, slope stability monitoring, or protective equipment - is never the first casualty of cost-cutting; it is ring-fenced in our budgeting process. In procurement, my financial background helps in designing transparent, e-tender-based systems with clear cost benchmarking, so that value for money and fairness go hand in hand. On resettlement and rehabilitation of project-affected persons, the finance function's role is to ensure that compensation and rehabilitation packages are budgeted realistically and disbursed without delay, since delayed R&R payments often become a source of community friction and project hold-ups.

Q8. Looking toward the next decade of India's industrial expansion, what key leadership traits and professional ethos do you expect from the upcoming generation of CMA professionals entering the corporate and public sectors?

Ans. The CMAs of the next decade will need to be as comfortable with data science and ESG frameworks as they are with traditional costing and audit. I would urge young professionals to build genuine cross-functional fluency - understanding operations, technology, and regulation, not just the numbers that result from them. Integrity and independence of judgment remain non-negotiable, particularly in the public sector, where financial decisions carry public accountability. Above all, I'd want them to see cost management not as a constraint-enforcing function, but as a value-creating one - one that enables organisations like WCL to invest confidently in the future while remaining financially disciplined in the present. MA