WEBINAR ON
"Pricing Mechanism in Aerospace Industry - Role of CMAs"
by The Journal & Publications Committee, ICMAI on June 05, 2026

The 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.