

Interview



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CMA Proteek Kumar Chakraborty is a Commerce Graduate from St. Xavier's College and a member of Institute of Cost Accountants of India & the Institute of Company Secretaries of India with over 31 years of diversified experience in various domains of Finance and Accounts.

Prior to joining ECIL, he served as Additional General Manager (Finance) at Bharat Heavy Electricals Limited (BHEL). He also held the position of Chief (Finance) at the Central Electricity Regulatory Commission (CERC) a Joint Secretary-level role.

An accomplished finance professional his vast career spans across BHEL's manufacturing units, business sectors, corporate functions, internal audit, and project execution. At CERC, he was handling power sector regulatory functions responsible for issuance of tariff

orders, financial modelling, licensing, and framing of regulations.

Throughout his career, he has been recognized for excellence, having received multiple productivity awards at BHEL. He also contributed to international energy cooperation as a member of the Ministry of Power's "One Sun One World One Grid" taskforce from CERC, exploring global electricity grid interconnections.

Q1. As a CMA leading the finance function at a strategic PSU like ECIL, how do you leverage Cost and Management Accounting principles to influence core strategic decisions related to indigenous electronics capabilities, defence, and nuclear sectors?

Ans. In the fast-paced and dynamic landscape of modern business, the role of a Chief Financial Officer (CFO) extends beyond traditional financial management and its more of a strategic navigator and a catalyst for innovation. As a CMA, I view finance not just as accounting of numbers but as a decision-support system, a multifaceted responsibility that begins with a deep understanding of the organization's core values, mission, and strategic objectives. It's about aligning financial strategies with the broader business goals, creating a synergy where financial decisions contribute tangibly to the company's success. Since ECIL is a multi-product, multi sector company serving several segments of the Indian economy with emphasis on import substitution and development of products/services that are of economic and strategic significance to the country, focus on Cost transparency and resource optimisation is very crucial. Through various costing tools, we enable the decision makers to make informed pricing and procurement decisions and also decide whether to indigenise, outsource, or collaborate. By aligning cost behaviour with strategic imperatives, we ensure that the electronic, defence and strategic programmes are not only technologically sound but also financially sustainable and competitive, without compromising on the national security.

Q2. ECIL operates in specialised, high-technology domains. What specific value addition do you see ICMAI members and their management accounting skills bringing to a Public Sector Undertaking (PSU) in terms of project cost control and efficiency monitoring?

Ans. CMAs are uniquely positioned for Project-based and Cost-centre-driven environments typical

of PSUs like ECIL. Their strengths can create direct value through Scientific project costing, Budgetary control and monitoring, Earned Value Management (EVM) for tracking timeline-cost-output performance, Identification of cost leakages via variance and throughput analysis, Periodic cost audits to ensure transparency and regulatory alignment. This supports efficiency, accountability, contract management, and timely delivery, which are highly critical for the strategic programmes of national importance.

Q3. ECIL aims to foster self-reliance in the electronics sector. How does your office, driven by a CMA perspective, approach cost innovation and the financial modelling necessary to ensure that indigenous development remains cost-competitive against global alternatives?

Ans. As you know ECIL was set up with a view to generate a strong indigenous capability in the field of Strategic Electronics. Though the initial objective was on self-reliance to meet the C&I requirements of the country's nuclear power program and design development, manufacture and marketing of Computers, Control systems and communications , however over the years ECIL has pioneered the development of various complex electronic products and scored several firsts , prominent among them being country's First digital computer , First C&I of Nuclear power plants , First Earth Station Antenna, First Programmable Logic controller , First Solid State Cockpit Voice recorder and First Electronic Voting Machine. So, you can understand for ensuring world class systems at an optimal cost, providing maintenance support for the next two to three decades and at the same time retaining strategic autonomy for the nation, lot of efforts have gone towards cost innovation, Design-to-cost modelling from the R&D stage, Cost analysis against benchmarked international data, Long-term supply chain consolidation to unlock the economies of scale, Robust financial modelling of domestic R&D vs. imports. etc.

Q4. Considering the complex nature of ECIL's business (e.g., electronic voting machines, C&I for nuclear power plants), what two or three non-traditional competencies would you recommend the ICMAI CMA Students focus on to be industry-ready for a PSU of ECIL's stature?

Ans. Besides strong domain knowledge viz costing, accounting and management accounting fundamentals, CMA students should also build competencies in Technology & Data Skills, ERP analytics, Project dashboards, SAP/Oracle/MS Dynamics, Power BI, Understanding Contracts & Commercial Law, Public procurement policies, Tendering process, Vendor risk management, Trade Finance, INCOTERMS, Detailed Project Reports, Strategic & Defence Economics – knowledge of national industrial policy, supply chain geopolitics, and emerging defence and strategic technological trends. This will prepare them not just for finance roles, but for techno-commercial leadership positions in PSUs.

Q5. ECIL has a vast portfolio. What are the key working capital management challenges you currently face, and what CMA-driven techniques (e.g., budgetary control, marginal costing) have been most effective in optimising the financial structure of the company?

Ans. Key challenges include long execution cycles, milestone-based billing, high inventory and contract assets for strategic projects and long payment realisation cycle since most of our customers are Government agencies. To deal with these challenges we try to optimise the procurement, strive for back-to-back payment terms wherever feasible, Budgetary control for each cost centre/project, Marginal costing for pricing under competitive bidding process, Dynamic cash-flow forecasting linked to production milestones, Inventory management to balance availability and inventory cost, Regular follow ups for realisation of Trade receivables and liquidation of the contract assets etc. These measures have substantially improved the liquidity position and strengthened our project execution discipline.

Q6. The ICMAI Mission Statement mentions creating value to stakeholders in the socio-economic context. How does ECIL's finance function, under your leadership, balance the mandate of national security and indigenous development with the commercial objective of delivering value to the government and other stakeholders?

Ans. We operate on a dual mandate of national interest plus commercial efficiency. The finance function ensures this balance by prioritising the projects of national criticality irrespective of higher gestation period, leveraging target costing, import substitution, and cost audits to preserve commercial viability, Strengthening pricing models, contribution analysis, and risk-rating frameworks to protect government resources and ensuring optimal return on capital employed and ethically managing the resources. This aligns ECIL's operations of strategic sovereignty, stakeholder value and social empowerment.

Q7. To what extent is ECIL's finance department utilising advanced technologies (e.g., ERP systems, Business Intelligence/Analytics) for cost forecasting, internal audit, and MIS reporting, and what role do you see CMA expertise playing in driving this digital transformation?

Ans. ECIL had its own legacy system which over a period of time has been migrated to ERP based integrated finance modules. All procurements are being processed through digital mode and automated MIS and audit analytics are in place. Going forward I feel CMAs can play a great role in predictive cost forecasting, AI-enabled benchmarking and robotic process automation (RPA) for routine accounting. They can also help in conversion of digital data into cost insights, build forward-looking financial models Link operational KPIs with business KPIs etc. Thus, I feel in future CMAs will be key drivers of data-driven decision-making and financial digitalisation across ECIL. **MA**