

From the EDITOR'S DESK

As we welcome the New Year 2026, we extend our warmest wishes to all our readers for a year marked by progress, stability, and renewed professional purpose. The banking sector is currently undergoing a profound transformation driven by digitalization, regulatory reforms, and rising expectations around transparency, governance, and performance. In this dynamic environment, the strategic role of Cost and Management Accountants (CMAs) has become increasingly indispensable. With their strong expertise in cost management, financial analysis, and strategic planning, CMAs enable banks to enhance operational efficiency while supporting informed, value-based decision-making.

Looking ahead, CMAs will continue to play a pivotal role in shaping the future of the banking sector through their contributions to risk management, profitability analysis, governance frameworks, and sustainable growth initiatives. Their analytical insight and strategic perspective equip banks to respond proactively to emerging challenges while preserving long-term resilience. As we begin the New Year, this Journal reaffirms its commitment to sharing knowledge, research, and professional perspectives that empower the CMA fraternity. We wish all our readers a successful year filled with learning, leadership, and meaningful contributions to the financial ecosystem.

The January 26 issue is themed “Strategic Role of CMAs in Risk

Management, Cost Management and Innovation in the Banking Sector.” This issue features a curated selection of articles, glimpses of which are outlined below:

- ◎ *Strategic Role of CMAs in Risk Management, Cost Management and Innovation in the Banking Sector* outlines the multi-dimensional and future-oriented contributions of CMAs in strengthening risk management frameworks, enforcing cost discipline, and driving innovation within the Indian banking system.
- ◎ *CMAs Role in Credit Appraisal, Project Financing, and Cost-Benefit Analysis* highlights how CMAs enhance the accuracy of credit risk assessment through detailed evaluation of project viability, sensitivity analysis, production costs, and break-even dynamics.
- ◎ *Role of Cost and Management Accountants (CMAs) in the Proposed Expected Credit Loss (ECL) Framework in Indian Banks* examines the Reserve Bank of India's shift to the ECL provisioning framework, emphasizing the critical role of CMAs in forward-looking analysis, model oversight, rigorous audit processes, and financial reporting.
- ◎ *Quantifying the Greenwashing Risk Premium: An Empirical Study on Global Sustainable*

Funds presents evidence that higher Greenwashing Suspect Index (GSI) scores are associated with higher excess returns, particularly in developing economies. However, this premium is unstable and vulnerable to regulatory action and ESG downgrades, offering a cautionary signal for investors to adopt GSI-based screening and portfolio diversification.

- ◎ *Bank Branches Shifting to Gated Communities: A Strategic Transformation in Retail Banking* explores how gated communities function as modern villages with high population density and predictable customer behavior, creating opportunities for cost reduction, credit risk mitigation, personalized service delivery, cross-selling, and enhanced profitability through optimized staffing and alternative delivery channels.
- ◎ *Assessing Cost Efficiency in Financial Inclusion Schemes: The Strategic Role of CMAs* highlights the vital role CMAs play in advancing financial inclusion by designing cost-effective strategies, strengthening financial governance, and enhancing accountability mechanisms.
- ◎ *Credit Discipline through SMAs: Strategic Role of CMAs in Monitoring Large Borrowal Accounts* examines how structured monitoring frameworks, supported by the expertise of CMAs and advanced technology, can improve credit discipline, mitigate risk, and strengthen asset quality in large borrowing accounts.

This month's issue also features “*The Digital Risk Paradox: A Management Puzzle in Indian Banking—Why Digitization Amplifies Operational and Systemic Risk*” under the *Applied Insights* section.

In addition to these theme-based contributions, the issue includes expert perspectives on emerging trends of relevance to Management Accountants, Finance Professionals and Policymakers. We are especially privileged to present an exclusive interview with CMA Rajesh Kumar Dwivedi, Director (Finance) and Chief Financial Officer, Bharat Heavy Electricals Limited (BHEL), New Delhi, offering valuable insights from a seasoned industry leader.

We wish you a very Happy New Year and an engaging and enriching reading experience.