

# THE MANAGEMENT ACCOUNTANT

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# AI

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*Journal of*  
**THE INSTITUTE OF COST ACCOUNTANTS OF INDIA**  
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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  
मृत्योर्मातृं 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



#### Headquarters:

CMA Bhawan, 3, Institutional Area, Lodhi Road  
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Behind every successful business decision,  
there is always a **CMA**

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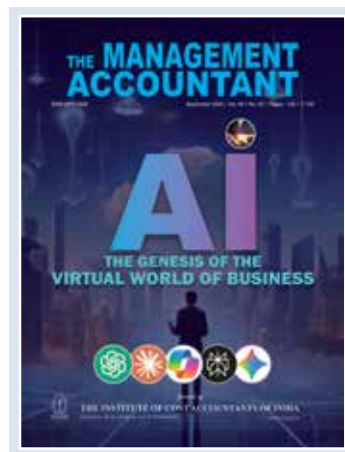
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# From the EDITOR'S DESK

As the festive season fills the air with joy, renewal, and reflection, we extend our heartfelt greetings to all our Members, Readers, and Contributors. This time of celebration is not only a reminder of cherished traditions but also a moment to embrace change, innovation, and the limitless possibilities that lie ahead. Much like the spirit of our festivals that symbolizes new beginnings, the rise of Artificial Intelligence (AI) marks the dawn of a transformative era in the business world—one that is intelligent, interconnected, and increasingly virtual.

In alignment with this dynamic transformation, we are proud to present this special edition of our Journal, themed “**AI – The Genesis of the Virtual World of Business.**” This issue comprises **ten thought-provoking articles** that explore the multifaceted influence of AI on modern enterprises. The featured articles span across various domains—technology, finance, marketing, governance, and ethics—each shedding light on how AI is reshaping the roles, responsibilities and relevance of professionals in an increasingly digital era.

A few highlights from this edition include:

*India's Toll Transformation: How Technology is Streamlining Traffic Flow* - This article delves into the digital transformation of India's toll management system. From RFID and video-based tolling to AI and blockchain integration, it showcases how innovation is streamlining traffic and shaping the future of mobility. A comparative look at global trends offers insights into how India is paving the way—one toll

at a time.

*The AI - Ready CMA: Driving Intelligence, Integrity and Impact* - By examining practical use cases across finance, audit, and enterprise risk, this piece highlights how CMAs are evolving.

*Generative AI in Marketing and Customer Experience (CX)* - This article argues that the success of Generative AI in marketing and customer experience will hinge on balancing smart automation with human ingenuity and ethical frameworks.

*AI – An Opportunity for Re-Imaging and Re-Imagining CMA Profession* - Exploring how the CMA profession must adapt, this piece emphasizes the need for a mindset shift. CMAs are urged to harness data and technology to deepen their strategic value, guiding businesses through digital transformation as proactive and forward-thinking partners.

*Generative AI in Marketing and Customer Experience: Revolutionizing Creativity with Intelligence* - In a world driven by immediacy and hyper-personalization, Generative AI is emerging as the core engine powering the future of marketing and customer engagement. But to maintain momentum, organizations must ensure ethical, creative, and seamless deployment.

*The Transformative Impact of Artificial Intelligence on Cost and Management Accounting: Opportunities, Challenges and Strategic Implications* - This article investigates how AI is transforming the CMA domain—moving beyond traditional roles into areas of strategic advisory. It outlines key enablers like workforce upskilling, culture

change, and redefined responsibilities for successful AI integration.

*Navigating The Landscape of Automation: Opportunities and Challenges in the Era of Automated Software for CMAs* - Using case studies and industry insights, this piece explores the dual promise and peril of automation for CMAs. It provides guidance on how professionals can leverage automation tools effectively while anticipating and mitigating risks.

*Ethical AI in Business: Responsible Use, Bias, Transparency* - Ethical AI is reframed here as a strategic imperative rather than just a compliance checkbox. The article proposes actionable pathways for responsible AI adoption—focusing on inclusive governance, bias mitigation, leadership culture and human oversight—to build sustainable, resilient, and innovative businesses.

*Paradigm Shift in Audit: Electrifying Role of CMAs in the Technology Centric Theoretical Landscape* - This article captures the paradigm shift in audit practices, where AI - assisted tools and technology-centric models are redefining accuracy, transparency, and reliability. CMAs are positioned at the forefront of this transformation, driving change in a digitally dominated audit landscape.

*Exploring the Power of GenAI for Innovative Banking Solutions* - Focusing on real-world applications, this study explores how banks are leveraging Generative AI for automation, customer service, content generation, and data analysis. The result: enhances efficiency, smarter operations, and a more personalized banking experience.

In addition to these theme-based contributions, this issue also features expert perspectives on emerging trends relevant to Management Accountants, Finance Professionals and Policymakers.

We are especially privileged to include an exclusive interview with **Dr. (CMA) Prasanna Kumar Acharya**, Director – Finance, NLC India Limited, Chennai. His insights provide valuable direction on leadership and adaptation in a technology-driven business landscape.

Let us move forward with the wisdom of tradition and the power of technology at our fingertips.

“*Dream, dream, dream. Dreams transform into thoughts and thoughts result in action.*”  
- **Dr. A.P.J. Abdul Kalam**

Wishing you and your families a joyful festive season and an inspiring journey ahead in the virtual world of business.



# President's Communiqué

**CMA TCA Srinivasa Prasad**

President

The Institute of Cost Accountants of India

*“ A leader must have vision and passion and not be afraid of any problem. Instead, he should know how to defeat it.”*

**-- Dr. A.P.J. Abdul Kalam**

My Dear Professional Colleagues,  
Namaskaar!

**A**t the outset, on behalf of the Council of the Institute, employees, members, and students, deep sorrow is expressed on the sad demise of CMA B.V. Ramana Murthy, Former President of the Institute (2002–03), who left for his heavenly abode on 15<sup>th</sup> August 2025. His immense contribution to the development of the Institute and the CMA profession will always be remembered. Heartfelt condolences are conveyed to the bereaved family, with prayers to the Almighty to grant eternal peace to the departed soul and strength to his loved ones during this hour of grief.

### **79<sup>th</sup> Independence Day Celebration**

On 15<sup>th</sup> August 2025, the Institute proudly celebrated the 79<sup>th</sup> Independence Day with great enthusiasm at the Headquarters in Delhi, Kolkata Office, Noida Office, Regional Councils, and Chapters nationwide.

It was a special honour to hoist the National Flag for the first time at our new Headquarters in New Delhi and at the Noida Office, symbolizing both the enduring strength of our nation and the journey

forward of our Institute. At the Kolkata Office and EIRC, the National Flag was ceremoniously hoisted by CMA Neeraj D. Joshi, Vice President of the Institute.

The celebrations included a Tree Plantation Ceremony reaffirming our commitment to sustainability, and cultural performances by staff and students that reflected patriotic fervour. The occasion was graced by Council Members, Former Presidents, Regional Council Members, and employees of the Institute.

### **Result of CMA Examinations – June 2025**

The results of the June 2025 examinations were declared as scheduled on 11<sup>th</sup> August 2025. The Suggested Answers were uploaded on the Institute's website on the next day itself.

Heartiest congratulations are extended to all successful candidates of the CMA Final Examinations. This achievement is a testament to their dedication and perseverance. Special appreciation is reserved for the rank holders whose outstanding performance has brought laurels to the profession.

It is a matter of great satisfaction to have telephonically interacted with all the rank holders of the Final Exams and extend warm wishes for their success. Such interactions reaffirm the immense potential of the young generation of CMAs in shaping the future of the profession and contributing meaningfully to the nation's growth.

On 30<sup>th</sup> August 2025, had the opportunity to interact in person with a group Final passed students at Kozhikode and with a group of Foundation and Intermediate students at the chapter premises at Kozhikode.

### **The Management Accountant Journal: Digital Access with Print Opt-in Option**

In line with our digital transformation initiatives, The Management Accountant journal is being made available online to enhance accessibility and sustainability. Recognizing the needs of many members, particularly senior citizens, it has been decided that from October 2025, the printed version will also be available through Magazine Post at a nominal fee.

Members who wish to receive the printed version are invited to refer to the first cover inside page of this issue for opt-in details. For further assistance, the contact information is provided on the same page.

### **Training Program of Indian Cost Accounts Service (ICoAS) Probationers – 2025 Batch**

The Institute successfully conducted a 10-day training programme for newly recruited Probationers of the Indian Cost Accounts Service (ICoAS) of 2025 batch at the Institute Headquarters, New Delhi. The inaugural session was addressed by distinguished guests CMA Pawan Kumar, Chief Adviser (Cost), Department of Expenditure; CMA Manmohan Sachdeva, Additional Chief Adviser (Cost), Department of Expenditure; CMA Lalit Wadhwa, Director (Admin), Department of Expenditure; and CMA Aruna Sethi, Former Chief Adviser (Cost), Department of Expenditure, who graced the occasion as Chief Guest.

Deliberations by technical experts, along with an industry visit, provided a comprehensive understanding of cost accounting principles and were highly appreciated by the participating ICoAS officers.

### **CAT Course with Directorate General Resettlement (DGR), Ministry of Defence**

Recent activities under the Certificate in Accounting Technicians (CAT) Course of DGR (Calendar 2025–26) were successfully conducted. On 25<sup>th</sup> August 2025, it was a pleasure to address the newly commenced batch at SIRC, Chennai, in the esteemed presence of CMA Neeraj D. Joshi, Vice President, CMA Rajendra Singh Bhati, Chairman-CAT, CMA (Dr.) K Ch A V S N Murthy, Council Member, CMA (Dr.) V. Murali, Council Member, CMA Suresh R. Gunjalli, Council Member, CMA Harshad S. Deshpande, Council Member, CMA Vijay Kiran Agastya, Chairman, SIRC and other RCMs of SIRC. In a motivational address, Lt Col Nitin Kaura, the Chief Guest, encouraged the candidates to utilize the opportunity they have got in the esteemed Institute like ICAI.

Earlier, a batch commenced at Kota on 11<sup>th</sup> August 2025, was formally inaugurated on 13<sup>th</sup> August 2025 in the presence of Maj Siddharth Bhatia as Chief Guest, CMA Rakesh Yadav, Chairman, NIRC, RCMs of NIRC and MC Members of the Kota Chapter.

In addition, four batches were successfully concluded at Indore, Jodhpur, Patna, and Prayagraj. Senior officials from DGR addressed the candidates in physical and hybrid modes, sharing words of encouragement and extending best wishes for their professional journeys ahead.

These programs truly reflect the shared commitment of ICAI and DGR towards empowering aspirants from defence services with skills, discipline, and opportunities that will enable them to excel and contribute meaningfully to the profession and the nation.

### **Management Development Programme for the Indian Air Force**

ICAI MARF successfully conducted a Management Development Programme on Contract Management, Tendering, International Laws, GST,

and Customs Duty for the Indian Air Force during 17–21 August 2025 at Kochi, Kerala.

The presence of Air Marshal Awadhesh Kumar Bharti, SYSM, AVSM, VM (Deputy Chief of the Air Staff) as Chief Guest and AVM Manoj Kumar Mehra as Guest of Honour greatly enriched the programme. Congratulations are extended to Air Marshal Bharti on being conferred with the Sarvottam Yudh Seva Medal (SYSM) by the Hon'ble President of India on 15<sup>th</sup> August 2025, in recognition of his exceptional service, inspiring leadership, and selfless dedication to the Nation, particularly his role as DGAO and key architect of Operation Sindoor.

### Peer Review Board (PRB)

The Peer Review Board of the Institute has been issuing the Peer Review Certificates to the firms of Cost Accountants who had been peer-reviewed by the reviewers empaneled with the board. The certificate is valid for five (5) years from the date of issuance and is expected to make the firms eligible for extra points / marks at the time of evaluation of tenders / bids for professional work, which may give them an edge over the other bidders.

Practicing members are encouraged to come forward and get their firm/s peer reviewed by an empaneled reviewer by filling out the PU Questionnaire and sending a signed copy to the Peer Review Board at [peerreviewboard@icmai.in](mailto:peerreviewboard@icmai.in). For assistance, please go through the Instructions for filling up the Questionnaire.

Eligible practicing members are also invited to empanel themselves as Peer Reviewers, to undertake assignments on a remuneration basis. The empanelment form, along with the signed declaration, may be sent to the Peer Review Board at [peerreviewboard@icmai.in](mailto:peerreviewboard@icmai.in).

For further details regarding the Peer Review Mechanism of the Institute, please visit the Peer Review Webpage on the Institute's website or write to the PRB Secretariat at [peerreviewboard@icmai.in](mailto:peerreviewboard@icmai.in).

### Members Meet at SIRC

The privilege of interacting with members came during the SIRC Members' Meet on 3<sup>rd</sup> August 2025 at Chennai. On this occasion, the SIRC Handbook "Reimagining Management Accounting for a Digital Era" was released, offering valuable insights into how CMAs can lead in the digital economy. Congratulations are extended to CMA Vijay Kiran Agastya, Chairman, SIRC, on the successful conduct of the event.

### Seminar at Noida Chapter

It was a pleasure to participate along with CMA Manoj Kumar Anand, Council Member, in the Seminar organized by Noida Chapter on the topic "Income Tax Planning and Compliances" on 10<sup>th</sup> August 2025 at CMA Bhawan, Noida. The program witnessed active participation from members and provided valuable knowledge sharing on crucial tax matters.

As the journey ahead continues, best wishes are extended to all, on the occasions of Milad-un-Nabi, Onam, and Dussehra. May these festivals bring happiness, prosperity, and success to everyone.

Jai Hind!

With warm regards,



**CMA TCA Srinivasa Prasad**

1<sup>st</sup> September 2025

# BRIEF SUMMARY OF THE ACTIVITIES OF VARIOUS DEPARTMENTS/ COMMITTEES/ BOARDS OF THE INSTITUTE DURING THE MONTH OF AUGUST 2025

## **BANKING, FINANCIAL SERVICES AND INSURANCE BOARD**

The Banking, Financial Services & Insurance Board continued its various activities and initiatives in August 2025, a synopsis of which is presented herein under:

### **A. Webinars**

#### **☉ Infrastructure Project Financing:**

The Board organized the webinar on 8<sup>th</sup> August 2025. Shri C. M. Khurana, Former CGM-CFO, Oriental Bank of Commerce and Former CGM (Credit) IIFCL was the Speaker.

#### **☉ Financial Wellness in the Age of Instant Money:**

The Board organized the webinar on 28<sup>th</sup> August 2025. CMA Mohit Nagdev, Certified Financial Planner, was the Speaker.

### **B. Certificate Courses**

The Certificate Course on Concurrent Audit of Banks (12<sup>th</sup> Batch) started on 10<sup>th</sup> August 2025. The last date for admission for the Certificate Course on Credit Management in Banks (12<sup>th</sup> Batch) and Certificate Course on Treasury and International Banking (10<sup>th</sup> Batch) is on 15<sup>th</sup> September 2025.

The admission window for the above courses is stated as follows:

<https://eicmai.in/OCMAC/BFSI/DelegatesApplicationForm-BFSI.aspx>

### **C. Master Direction – Business Authorization for Co-operative Banks (Directions), 2025**

The Institute submitted the inputs to RBI on the draft Master Direction – Business Authorization for Co-operative Banks (Directions), 2025.

### **D. FIBAC 2025**

CMA Chittaranjan Chattopadhyay, Chairman, BFSI Board along with CMA Vivek G. Bhalerao, Regional Council Member, WIRC participated in FIBAC 2025 (FICCI-IBA Banking Conference) held in Mumbai on 25<sup>th</sup> August 2025. The conference witnessed the presence of eminent luminaries from the banking sector, deliberating contemporary challenges, innovations, and opportunities in the financial ecosystem. The event generated several insightful takeaways that are expected to guide the future growth and resilience of the Indian banking sector.

### **E. Opportunities for CMAs**

CMAs are eligible to apply for recruitment of Generalist Officers in Scale-II in the Bank of Maharashtra and Administrative Officers (Generalists and Specialists), Scale-I in New India Assurance Co. Ltd.

## **MEMBERSHIP DEPARTMENT**

The Institute extends heartfelt congratulations and a warm welcome to all the 197 new members who have been granted Associate membership, as well as 29 Associate members who have been elevated to Fellowship during the month of August 2025.

As per records, some members have yet to pay their membership fees for the financial year 2025–26. All such members are kindly reminded that the last date for payment is 30<sup>th</sup> September 2025. To avoid any last-minute inconvenience or disruption in access to member benefits, members are encouraged to complete their fee payment at the earliest. For ready reference, the following login link may be referred to for any information / online payment, related to membership: <https://eicmai.in/mms/PublicPages/UserRegistration/Login-WP.aspx/>

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

It may please be noted by all Certificate of Practice (CoP) holders that the Council has decided to grant a further extension of time up to 30<sup>th</sup> September 2025 for completion of any shortfall in the CPE Credit Hours requirement for the year 2024–25. Non-compliance, if any, will be viewed seriously and may lead to discontinuation of the respective CoP. For details, members may refer to the Notice dated 4<sup>th</sup> July 2025 available at:

[https://icmai.in/upload/CPE/CPE\\_Credit\\_Hrs\\_Extn\\_0407\\_2025.pdf](https://icmai.in/upload/CPE/CPE_Credit_Hrs_Extn_0407_2025.pdf)

As part of the monthly webinar series, the 20<sup>th</sup> Webinar was conducted on 6<sup>th</sup> August 2025 on the topic “Advance Pricing Agreement.” Shri Dhiraj Gupta, Director – Transfer Pricing, MBG Corporate Services, presented his perspective in the interest of practicing CMAs.

The 14<sup>th</sup> Batch of Online Mandatory Capacity Building Training (e-MCBT) commenced on 7<sup>th</sup> August 2025 for practicing members who have taken

Certificate of Practice on and after 1st February 2019. All CoP holders falling under this category are required to complete the mandatory training.

Members are advised to visit the PD Portal for details of Tenders/EOIs published during August 2025 where services of Cost Accountants are required by JKB Financial Services Limited, HSCC (India) Limited, Goa Antibiotics & Pharmaceuticals Limited, M.P. Poorv Kshetra Vidyut Vitaran Co. Ltd., Pashchimanchal Vidyut Vitran Nigam Ltd., Madras Fertilisers Limited, Intelligent Communications Systems India Ltd., Ircon International Limited, Uranium Corporation of India Limited, The Durgapur Projects Limited (DPL), among others.

The Committee, in association with PHD Chamber of Commerce and Industry, conducted a seminar on “Family Trust & Business Succession Planning” on 7<sup>th</sup> August 2025 and a conference on “Data Protection, Cyber Security and Legal Tech – Global Trends and Local Issues” on 22<sup>nd</sup> August 2025 at PHD House, New Delhi.

During the month of August 2025, around 73 programmes in physical mode and 30 programmes in online mode were organised by various Committees, Regional Councils, and Chapters of the Institute on diverse topics such as Invoice Management System, Co-operative Bank Compliance and Reporting, Bank Stock & Receivables Audit, Cost Accounting Records & Cost Audit Compliances, Insolvency and Bankruptcy Code 2016, IFSC as an Emerging Gateway for India’s Financial Sector, Tax Audit Forms 2025 – Key Changes, Challenges and Best Practices, Marketing Cost Control – A Financial Perspective, SMEs and Economic Independence, Tableau for Financial Analysis and Management Reporting, and Cooperatives as Drivers of Social Justice and Economic Progress for a Future-Ready India, among others. Members are expected to have derived significant benefit from the rich deliberations in these sessions.

### **SUSTAINABILITY STANDARDS BOARD**

The Board organized the 38<sup>th</sup> Webinar of the *Vasudhaiva Kutumbakam* series on 12<sup>th</sup> August 2025 on the topic “Marching towards Economic Independence through SMEs”. Shri Abhay Bajaj, Senior Manager–Business Development (SME Listing), NSE, addressed the session as the speaker.

The Board organized the 39<sup>th</sup> Webinar of the *Vasudhaiva Kutumbakam* series on 26<sup>th</sup> August 2025 on the topic “Holistic Wellbeing and Sustainability: Thinking beyond...” Shri Mukund Sivakumar, Sports Scientist & Head Coach (Junior Cricket) Melbourne, delivered the session.

The Board also released Volume XXV, the August 2025 edition of the monthly newsletter

*Sukhinobhavantu*, on 25<sup>th</sup> August 2025.

The Download link: [https://icmai.in/upload/Institute/Updates/SSB\\_August\\_2025.pdf](https://icmai.in/upload/Institute/Updates/SSB_August_2025.pdf).

### **TAX RESEARCH DEPARTMENT**

The Tax Research Department (TRD) of the Institute organized a program for the executives of the Steel Authority of India Limited (SAIL) on the topic “Advanced GST and ITC Management” on 25<sup>th</sup> & 26<sup>th</sup> August 2025 at the Management Training Institute of SAIL, Ranchi. A similar program had earlier been organized for SAIL in December 2024.

The program included sessions of seven hours each day, conducted by CMA Niranjan Swain, Advocate & Tax Practitioner, and CMA Shiba Prasad Padhi, Practicing Cost Accountant. The sessions covered a wide range of topics including Overview of GST Laws, Management of ITC on civil structures, GST in Works Contracts and AMR (Addition, Modification, and Reconstruction), Overview of Assessment, Appeal, Adjudication, Demand and Recovery under GST Laws, as well as strategies for handling litigations with reference to relevant case laws and judgments.

The program was attended by 20 senior and middle-level officials representing various plants and the Corporate Office of SAIL. The sessions were interactive and received high appreciation from the participants. SAIL has expressed interest in organizing similar sessions in the future as part of its corporate training schedule. Certificates of participation were jointly awarded to all participants by the Institute and SAIL.

### **ICMAI REGISTERED VALUERS ORGANIZATION (RVO)**

ICMAI RVO successfully organized a “50-Hour Training Program” for securities or financial assets and conducted eleven (11) Professional Development Programs during August 2025. As part of its commitment to advancing the valuation profession, ICMAI RVO also released its monthly journal, *The Valuation Professional*.

### **ICMAI SOCIAL AUDITORS ORGANIZATION (SAO)**

ICMAI SAO organized two online Professional Development Programs in August 2025 on “Registration of Social Enterprises on Social Stock Exchange” on 2<sup>nd</sup> August 2025 and “Listing of Social Enterprises on Social Stock Exchange” on 9<sup>th</sup> August 2025. An online workshop on “Creating Draft Fundraising Document for Listing on Social Stock Exchange” was conducted on 14<sup>th</sup> August 2025. ICMAI SAO also released its monthly journal, *The Social Auditor*, and organized an awareness program on Social Stock Exchange at Chennai on 26<sup>th</sup> August 2025.



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# Chairman's Communiqué

**CMA Harshad Shamkant Deshpande**  
Chairman, Journal & Publications Committee  
The Institute of Cost Accountants of India

*"The problem is not the lack of resources or capability, but the lack of will"*

- Lokamānya Bal Gangadhar Tilak

## TMA 2.0 Strategic Initiatives



Dear Professional Colleagues,

I feel deeply honoured to continue as the Chairman of the Journal & Publications Committee of the Institute of Cost Accountants of India for another year. I extend my heartfelt gratitude to the President & Council for their faith and encouragement, which energize me to take The Management Accountant (TMA) to newer heights.

With an illustrious journey spanning decades, TMA has been a beacon of professional knowledge, thought leadership, and research. As we stand at the cusp of transformation, I am delighted to unveil our vision of The Management Accountant 2.0 (TMA 2.0), a new era that blends tradition with innovation, print with digital, and insight with interactivity.

### Looking Ahead

The vision of The Management Accountant 2.0 is to make the journal not only a publication but a

dynamic platform for continuous dialogue, innovation, and professional growth. It will be a community driven knowledge ecosystem, accessible to students, professionals, academia, and industry leaders alike.

We're excited to announce a new initiative offering physical copies of The Management Accountant journal. Members who prefer print editions are encouraged to take advantage of this opportunity. E-copy will continue to remain freely accessible and environmentally friendly choice.

I invite all of you to join hands with us on this journey of transformation, to contribute, collaborate, and strengthen TMA as the voice of the CMA profession in India and globally.

With regards,

**CMA Harshad S Deshpande**  
1<sup>st</sup> September 2025



# THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

(Statutory Body under an Act of Parliament)

(Standing & Other Committees/Boards/Cells/Task Forces for the year 2025-26)

(Quorum indicated is as per regulation 81 (1) of the CWA Regulations, 1959)

## Standing Committees

### 1. Executive Committee (Quorum: 3)

#### Chairman

1. CMA T.C.A. Srinivasa Prasad, President

#### Members

2. CMA Neeraj Dhananjay Joshi, Vice President
3. CMA Bibhuti Bhusan Nayak
4. CMA Ashwinkumar Gordhanbhai Dalwadi
5. CMA (Dr.) Ashish Prakash Thatte
6. CMA Suresh Rachappa Gunjalli
7. CMA Manoj Kumar Anand

#### Secretary

CMA (Dr.) Debaprosanna Nandy, Secretary (Officiating)

### 2. Examination Committee (Quorum: 2)

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#### Members

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3. CMA Bibhuti Bhusan Nayak
4. CMA (Dr.) K Ch A V S N Murthy
5. CMA Avijit Goswami
6. CMA Manoj Kumar Anand
7. CMA Navneet Kumar Jain

#### Secretary

CMA (Dr.) Debaprosanna Nandy, Secretary (Officiating)

### 3. Finance Committee (Quorum: 2)

#### Chairman

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#### Members

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4. CMA Harshad Shamkant Deshpande
5. CMA Vinayaranjan P
6. CMA Chittaranjan Chattopadhyay
7. CMA Rajendra Singh Bhati

#### Secretary

CMA (Dr.) Debaprosanna Nandy, Secretary (Officiating)

## Other Committees/Boards/Task Forces

### 4. Board of Discipline u/s 21A(1)

#### Presiding Officer

1. Shri P.K. Pujari, Retd. IAS

#### Member

2. CMA (Dr.) Ashish Prakash Thatte

#### Alternate Member

3. CMA Bibhuti Bhusan Nayak

#### Secretary

CMA (Dr.) Hemant Kumar Sindhvani, Director (Discipline)

### 5. Disciplinary Committee u/s 21B(1)

#### Presiding Officer

1. CMA T.C.A. Srinivasa Prasad

#### Members

2. CMA Ashwinkumar Gordhanbhai Dalwadi
3. CMA Manoj Kumar Anand
4. Shri Saraswati Prasad, IAS (Retd.)
5. Mrs Meenakshi Sharma, IA&AS (Retd.)

#### Secretary

CMA (Dr.) Hemant Kumar Sindhvani, Director (Discipline)

### 6. Training & Educational Facilities Committee (Quorum: 3)

#### Chairman

1. CMA Vinayaranjan P

#### Members

2. CMA Bibhuti Bhusan Nayak
3. CMA Ashwinkumar Gordhanbhai Dalwadi
4. CMA (Dr.) Ashish Prakash Thatte
5. CMA Avijit Goswami
6. CMA Manoj Kumar Anand
7. CMA Rajendra Singh Bhati
8. CMA (Dr.) Paritosh Basu, Co-opted
9. CMA (Dr.) Niranjana Shastri, Co-opted
10. CMA Akhaya Kumar Swain, Co-opted

#### Secretary

CMA Avijit Mondal, Joint Director

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**Members**

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6. CMA Rajendra Singh Bhati
7. CMA Navneet Kumar Jain
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CMA Sucharita Chakraborty, Additional Director

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**Members**

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3. CMA Ashwinkumar Gordhanbhai Dalwadi
4. CMA (Dr.) Ashish Prakash Thatte
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6. CMA Vinayaranjan P
7. CMA Avijit Goswami
8. CMA Rajendra Singh Bhati
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10. CMA S.K. Varma Gadhiraju, Co-opted
11. CMA (Dr.) Bijay Kumar Mohanty, Co-opted

**Secretary**

CMA Simarjeet Chadha, Director

**9. Regional Council & Chapters Coordination Committee (Quorum: 3)****Chairman**

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**Members**

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3. CMA (Dr.) Ashish Prakash Thatte
4. CMA Suresh Rachappa Gunjalli
5. CMA (Dr.) K Ch A V S N Murthy
6. CMA Vinayaranjan P
7. CMA Chittranjan Chattopadhyay
8. CMA Manoj Kumar Anand
9. CMA Rajendra Singh Bhati

10. CMA C.L. Bansal, Co-opted
11. CMA Aleti Jammayya, Co-opted
12. CMA Pramod Chauhan, Co-opted

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**10. International Affairs Committee (Quorum:3)****Chairman**

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3. CMA (Dr.) V Murali
4. CMA Vinayaranjan P
5. CMA Avijit Goswami
6. CMA Manoj Kumar Anand
7. CMA Rajendra Singh Bhati
8. CMA Gautam Kumar Das, Co-opted
9. CMA Sandeep Goel, Co-opted
10. CMA Avaneesh Kumar Bharti, Co- opted

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Dr. Kimi Thareja, Joint Director

**11. Direct Taxation Committee (Quorum: 3)****Chairman**

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**Members**

2. CMA Bibhuti Bhusan Nayak
3. CMA (Dr.) Ashish Prakash Thatte
4. CMA Suresh Rachappa Gunjalli
5. CMA (Dr.) K Ch A V S N Murthy
6. CMA Chittranjan Chattopadhyay
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8. CMA Rajagopal Viswanathan, Co-opted
9. CMA Mrityunjay Acharjee, Co-opted
10. CMA Sachin Kumar Kathuria, Co-opted

**Secretary**

CMA Kushal Sengupta, Director

**12. Indirect Taxation Committee (Quorum: 3)****Chairman**

1. CMA (Dr.) Ashish Prakash Thatte

**Members**

2. CMA Bibhuti Bhusan Nayak
3. CMA (Dr.) V. Murali
4. CMA (Dr.) K Ch A V S N Murthy
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6. CMA Manoj Kumar Anand
7. CMA Rajendra Singh Bhati
8. CMA (Dr.) Sanjay Bhargave, Co-opted
9. CMA Anil Sharma, Co-opted
10. CMA Bhogavalli Mallikarjun Gupta, Co-opted

### Secretary

CMA Kushal Sengupta, Director

### 13. Committee for Accounting Technicians (Quorum: 3)

#### Chairman

1. CMA Rajendra Singh Bhati

#### Members

2. CMA Harshad Shamkant Deshpande
3. CMA (Dr.) Ashish Prakash Thatte
4. CMA (Dr.) K Ch A V S N Murthy
5. CMA Vinayaranjan P
6. CMA Chittaranjan Chattopadhyay
7. CMA Navneet Kumar Jain
8. CMA Himanshu Agarwal, Co-opted
9. CMA Saurabh Singh Raghav, Co-opted
10. CMA Chandra Sekhar Rajanala, Co-opted

### Secretary

CMA Rajesh Kumar Jain, Joint Director

### 14. Members' Facilities Committee (Quorum: 3)

#### Chairman

1. CMA Bibhuti Bhusan Nayak

#### Members

2. CMA Ashwinkumar Gordhanbhai Dalwadi
3. CMA (Dr.) Ashish Prakash Thatte
4. CMA Suresh Rachappa Gunjalli
5. CMA Vinayaranjan P
6. CMA Avijit Goswami
7. CMA Manoj Kumar Anand
8. CMA Rajendra Singh Bhati

### Secretary

CMA Arunava Gangopadhyay, Director

### 15. Infrastructure Committee (Quorum: 3)

#### Chairman

1. CMA Manoj Kumar Anand

#### Members

2. CMA Bibhuti Bhusan Nayak

3. CMA Ashwinkumar Gordhanbhai Dalwadi
4. CMA (Dr.) K Ch A V S N Murthy
5. CMA Vinayaranjan P
6. CMA Avijit Goswami
7. CMA Rajendra Singh Bhati

### Secretary

CMA Rajat Kumar Basu, Director

### 16. Corporate Laws Committee (Quorum: 3)

#### Chairman

1. CMA (Dr.) K Ch A V S N Murthy

#### Members

2. CMA Harshad Shamkant Deshpande
3. CMA (Dr.) Ashish Prakash Thatte
4. CMA (Dr.) V. Murali
5. CMA Avijit Goswami
6. CMA Rajendra Singh Bhati
7. CMA Navneet Kumar Jain
8. CMA A. Sekar, Co-opted
9. CMA Raji Nathani, Co-opted
10. CMA Siddhesh Bhole, Co-opted

### Secretary

Ms. Vibhu Agrawal, Joint Director

### 17. Information Technology Committee (Quorum:3)

#### Chairman

1. CMA Avijit Goswami

#### Members

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3. CMA Harshad Shamkant Deshpande
4. CMA Suresh Rachappa Gunjalli
5. CMA Vinayaranjan P
6. CMA Chittaranjan Chattopadhyay
7. CMA Rajendra Singh Bhati
8. CMA Pravin Ambeskar, Co-opted
9. CMA Netai Basak, Co-opted
10. CMA Ravikumar Ramachandran, Co-opted

### Secretary

Shri Ashish Tewari, Additional Director

### 18. Members in Industry & PSUs Committee (Quorum: 3)

#### Chairman

1. CMA Suresh Rachappa Gunjalli

## COUNCIL COMMITTEES

### Members

2. CMA Bibhuti Bhusan Nayak
3. CMA Harshad Shamkant Deshpande
4. CMA (Dr.) K Ch A V S N Murthy
5. CMA Avijit Goswami
6. CMA Manoj Kumar Anand
7. CMA Navneet Kumar Jain
8. CMA Gagan Bihari Swain, Co-opted
9. CMA Hemendra Soni, Co-opted
10. CMA (Dr.) Prasanna Kumar Acharya, Co-opted

### Secretary

CMA Simarjeet Chadha, Director

### 19. Public Relations Committee (Quorum: 3)

#### Chairman

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#### Members

2. CMA Bibhuti Bhusan Nayak
3. CMA Harshad Shamkant Deshpande
4. CMA (Dr.) Ashish Prakash Thatte
5. CMA (Dr.) V. Murali
6. CMA Chittaranjan Chattopadhyay
7. CMA Manoj Kumar Anand
8. CMA Sunil Kumar Singh, Co-opted
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10. CMA (Dr.) Ramkrishna Kachelkar, Co-opted

#### Secretary

CMA Tilak Raj Abrol, Additional Director

### 20. Management Accounting Committee (Quorum: 3)

#### Chairman

1. CMA Suresh Rachappa Gunjalli

#### Members

2. CMA Bibhuti Bhusan Nayak
3. CMA (Dr.) Ashish Prakash Thatte
4. CMA (Dr.) K Ch A V S N Murthy
5. CMA Vinayaranjan P
6. CMA Chittaranjan Chattopadhyay
7. CMA Manoj Kumar Anand
8. CMA Navneet Kumar Jain
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10. CMA (Dr.) Narshimha Murthy, Co-opted
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Dr. Pradipta Gangopadhyay, Additional Director

### 21. Career Counselling & Placement Committee (Quorum: 3)

#### Chairman

1. CMA Vinayaranjan P

#### Members

2. CMA Bibhuti Bhusan Nayak
3. CMA Ashwinkumar Gordhanbhai Dalwadi
4. CMA (Dr.) Ashish Prakash Thatte
5. CMA Suresh Rachappa Gunjalli
6. CMA (Dr.) V. Murali
7. CMA Chittaranjan Chattopadhyay
8. CMA Avijit Goswami
9. CMA Manoj Kumar Anand
10. CMA Rajendra Singh Bhati
11. CMA Harmeet Singh Bawa, Co-opted
12. CMA Sasi Kumar Rampalli, Co-opted
13. CMA Maninder Singh, Co-opted
14. CMA Govind Sharma, Co-opted

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CMA Ria Chowdhury, Deputy Director

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1. CMA (Dr.) V Murali

#### Members

2. CMA (Dr.) Ashish Prakash Thatte
3. CMA Suresh Rachappa Gunjalli
4. CMA (Dr.) K Ch A V S N Murthy
5. CMA Avijit Goswami
6. CMA Rajendra Singh Bhati
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#### Secretary

Ms. Sarika Agarwal, Joint Director

### 23. Committee on Code of Ethics (Quorum:3)

#### Chairman

1. CMA Bibhuti Bhusan Nayak

#### Members

2. CMA Ashwinkumar Gordhanbhai Dalwadi
3. CMA (Dr.) Ashish Prakash Thatte
4. CMA (Dr.) V. Murali
5. CMA Vinayaranjan P
6. CMA Avijit Goswami
7. CMA Navneet Kumar Jain

#### Secretary

CMA Rashmi Gupta, Joint Director

## COUNCIL COMMITTEES

### 24. Cost Accounting Standards Board (Quorum: 8)

#### Chairman

1. CMA Neeraj Dhananjay Joshi

#### Members

2. CMA Ashwinkumar Gordhanbhai Dalwadi
3. CMA Suresh Rachappa Gunjalli
4. CMA Chittaranjan Chattopadhyay
5. CMA Manoj Kumar Anand
6. CMA Navneet Kumar Jain
7. CMA Amit Apte
8. CMA Vijay Joshi
9. CMA Jyothi Satish
10. CMA Sankalp Wadhwa
11. CMA Anil Kumar Dhingra
12. CMA Nitish Kalra
13. CMA Rajesh Kumar Dwivedi
14. Dr. Ratinder Kaur

#### Secretary

CMA Tarun Kumar, Director

### 25. Cost Auditing and Assurance Standards Board (Quorum: 5)

#### Chairman

1. CMA Ashwinkumar Gordhanbhai Dalwadi

#### Members

2. CMA Bibhuti Bhusan Nayak
3. CMA Suresh Rachappa Gunjalli
4. CMA Chittaranjan Chattopadhyay
5. CMA Avijit Goswami
6. CMA Manoj Kumar Anand
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9. CMA Aruna Sethi
10. CMA Kiran Mishra
11. CMA Monish Ghosh
12. CMA Raveendra Sekhar Khandavalli

#### Secretary

CMA Tarun Kumar, Director

### 26. Internal Auditing and Assurance Standards Board (Quorum: 5)

#### Chairman

1. CMA Avijit Goswami

#### Members

2. CMA Harshad Shamkant Deshpande
3. CMA Suresh Rachappa Gunjalli

4. CMA (Dr.) V. Murali
5. CMA (Dr.) K Ch A V S N Murthy
6. CMA Chittaranjan Chattopadhyay
7. CMA Rajendra Singh Bhati
8. CMA Pillai Anthony Raj
9. CMA Uma Suresh
10. CMA G.V. Subramanyam
11. CMA Malay Paul
12. CMA Rajkishore Kaushik
13. CMA Arunabha Saha
14. CMA Rupesh Kothari
15. CMA Ram Kumar K
16. CMA Nikunja Kishore Ch Nanda
17. CMA Rakesh Shankar Ravishankar

#### Secretary

CMA Simarjeet Chadha, Director

### 27. Banking, Financial Services & Insurance Board (Quorum: 5)

#### Chairman

1. CMA Chittaranjan Chattopadhyay

#### Members

2. CMA Harshad Shamkant Deshpande
3. CMA (Dr.) Ashish Prakash Thatte
4. CMA Suresh Rachappa Gunjalli
5. CMA (Dr.) K Ch A V S N Murthy
6. CMA Vinayaranjan P
7. CMA Rajendra Singh Bhati
8. CMA Bashir Ahmad Masoudi
9. CMA Malhar Dalwadi
10. CMA (Dr.) Kumararajan Sethurajan
11. CMA (Dr.) K Balu
12. CMA (Dr.) Ramjass Yadav
13. CMA A.K. Shah
14. CMA Ashok Jain
15. CMA Nayan Mehta
16. CMA Dhiraj Sachdev

#### Secretary

CMA Dibbendu Roy, Additional Director

### 28. Board of Advanced Studies & Research (Quorum: 5)

#### Chairman

1. CMA Vinayaranjan P

#### Members

2. CMA Bibhuti Bhusan Nayak
3. CMA Ashwinkumar Gordhanbhai Dalwadi
4. CMA Suresh Rachappa Gunjalli
5. CMA (Dr.) K Ch A V S N Murthy

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6. CMA Chittaranjan Chattopadhyay
7. CMA Manoj Kumar Anand
8. CMA Navneet Kumar Jain
9. CMA Senthil Kumar
10. CMA Harendra Kumar Pareek
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12. CMA Sorabh Sethi
13. CMA Devara Ramana Murthy
14. CMA Bhargava Srinivasa Raghavan
15. CMA Sanjay Garg

### Secretary

CMA Tinku Ghosh Das, Joint Director

### 29. MSME & Start-up Promotion Board (Quorum: 5)

#### Chairman

1. CMA (Dr.) K Ch A V S N Murthy

#### Members

2. CMA Bibhuti Bhusan Nayak
3. CMA Harshad Shamkant Deshpande
4. CMA Suresh Rachappa Gunjalli
5. CMA (Dr.) V. Murali
6. CMA Chittaranjan Chattopadhyay
7. CMA Rajendra Singh Bhati
8. CMA Ratan Lal Sharma
9. CMA Jayaram Ramesh
10. CMA Arpita Fegde
11. CMA Manoj Singh
12. CMA Satish Kumar Nagamalla
13. CMA Raman D
14. CMA Venkataramani R
15. CMA Vimmi Bajaj
16. CMA Sumeet Bahadur
17. CMA Akshay Shah
18. CMA Rajkishore Kaushik

### Secretary

CMA (Dr.) Sumita Chakraborty, Additional Director

### 30. Agriculture Cost Management Board (Quorum: 4)

#### Chairman

1. CMA Chittaranjan Chattopadhyay

#### Members

2. CMA Harshad Shamkant Deshpande
3. CMA (Dr.) Ashish Prakash Thatte
4. CMA (Dr.) K Ch A V S N Murthy
5. CMA Vinayaranjan P
6. CMA Avijit Goswami
7. CMA Rajendra Singh Bhati

8. CMA Sandeep Kumar Bhatt
9. CMA Santosh Sharma
10. CMA Raveendranath Kaushik
11. CMA Sanjay Kumar Arya
12. CMA Jyotsna Rajpal
13. CMA Tanmoya Pradhan
14. CMA K S Kamalakra

### Secretary

CMA (Dr.) Sumita Chakraborty, Additional Director

### 31. Co-operative Development Board (Quorum: 5)

#### Chairman

1. CMA Navneet Kumar Jain

#### Members

2. CMA Ashwinkumar Gordhanbhai Dalwadi
3. CMA (Dr.) Ashish Prakash Thatte
4. CMA Suresh Rachappa Gunjalli
5. CMA Vinayaranjan P
6. CMA Chittaranjan Chattopadhyay
7. CMA Avijit Goswami
8. CMA Subodh Mawalankar
9. CMA K. K. Vyas
10. CMA Anjeev Kumar Jain
11. CMA T. K. Jaganathan
12. Shri Mohan Mishra
13. CMA Pralhad Sahai Yadav
14. CMA Sudha Rani V

### Secretary

Ms. Vibhu Agarwal, Joint Director

### 32. Sustainability Standards Board (Quorum: 5)

#### Chairman

1. CMA (Dr.) Ashish Prakash Thatte

#### Members

2. CMA Harshad Shamkant Deshpande
3. CMA (Dr.) V. Murali
4. CMA Vinayaranjan P
5. CMA Chittaranjan Chattopadhyay
6. CMA Avijit Goswami
7. CMA Manoj Kumar Anand
8. CMA Navneet Kumar Jain
9. CMA Jacky Singh
10. CMA Subrahmania Sivam
11. CMA Anuradha Dhawalikar
12. Dr. Ranjith Krishnan
13. CS Makrand Lele

### Secretary

Dr. Kimi Thareja, Joint Director

**33. AI Strategy & Capacity Building Board  
(Quorum:5)****Chairman**

1. CMA Neeraj Dhananjay Joshi

**Members**

2. CMA Ashwinkumar Gordhanbhai Dalwadi
3. CMA (Dr.) Ashish Prakash Thatte
4. CMA Vinayaranjan P
5. CMA Chittaranjan Chattopadhyay
6. CMA Rajendra Singh Bhati
7. CMA Munish Goyal
8. CMA Rahul Jain
9. CMA Ashutosh Saitwal
10. CMA Hrushikesh Shrotriya
11. CMA Mahadevan Gopalakrishnan
12. Er. Satish Kumar
13. CMA Suresh MR
14. CMA Cheedhella V S N K Kishore

**Secretary**

Shri Ashish Tewari, Additional Director

**34. Technical Cell (Cost Audit & Statutory  
Compliances) (Quorum: 3)****Chairman**

1. CMA Manoj Kumar Anand

**Members**

2. CMA Ashwinkumar Gordhanbhai Dalwadi
3. CMA (Dr.) Ashish Prakash Thatte
4. CMA Navneet Kumar Jain
5. CMA Parvathy Venkatesh
6. CMA Aseem Jain
7. CMA Sayed Mohammed Anwar Hasan
8. CMA Ravi Sahn

**Secretary**

CMA Tarun Kumar, Director

**35. Task Force on Delhi Infra Development  
(Quorum: 2)****Chairman**

1. CMA Ashwinkumar Gordhanbhai Dalwadi

**Members**

2. CMA Bibhuti Bhushan Nayak
3. CMA Vinayaranjan P
4. CMA Manoj Kumar Anand

5. CMA Rajendra Singh Bhati

6. CMA Navneet Kumar Jain

**Secretary**

CMA Tilak Raj Abrol, Additional Director

**36. Task Force on Strategy & Planning for Vision  
2047 (Quorum: 2)****Chairman**

1. CMA Ashwinkumar Gordhanbhai Dalwadi

**Members**

2. CMA T.C.A. Srinivasa Prasad
3. CMA Neeraj Dhananjay Joshi
4. CMA Vinayaranjan P
5. CMA Avijit Goswami
6. CMA Rajendra Singh Bhati
7. CMA Asim Kumar Mukhopadhyay
8. CMA Anil Chaudhury
9. CMA D. C. Bajaj

**Secretary**

CMA (Dr.) Debaprosanna Nandy, Secretary (Officiating)

**37. Task Force on Election Reforms (Quorum: 2)****Chairman**

1. CMA T.C.A. Srinivasa Prasad

**Members**

2. CMA Neeraj Dhananjay Joshi
3. CMA Bibhuti Bhushan Nayak
4. CMA Ashwinkumar Gordhanbhai Dalwadi
5. CMA (Dr.) Ashish Prakash Thatte
6. CMA Chittaranjan Chattopadhyay

**Secretary**

CMA (Dr.) Debaprosanna Nandy, Secretary (Officiating)

**38. Task Force for Implementation of MOUs  
(Quorum:3)****Chairman**

1. CMA Rajendra Singh Bhati

**Members**

2. CMA Bibhuti Bhushan Nayak
3. CMA Ashwinkumar Gordhanbhai Dalwadi
4. CMA Vinayaranjan P
5. CMA Manoj Kumar Anand

**Secretary**

Shri Prajato Mukherjee, Deputy Director

**39. Task Force for Income Tax Bill / Act 2025  
(Quorum:3)****Chairman**

1. CMA Bibhuti Bhusan Nayak

**Members**

2. CMA (Dr.) Ashish Prakash Thatte
3. CMA Suresh Rachappa Gunjalli
4. CMA Manoj Kumar Anand
5. CMA Rajendra Singh Bhati
6. CMA Srikanta Sahoo
7. CMA RK Sinha
8. CMA Srinivasa Rao Palla

**Secretary**

CMA Kushal Sengupta, Director

**40. Task Force for North East (Quorum:3)****Chairman**

1. CMA T.C.A. Srinivasa Prasad

**Members**

2. CMA Bibhuti Bhusan Nayak
3. CMA (Dr.) Ashish Prakash Thatte
4. CMA Chittaranjan Chattopadhyay
5. CMA Manoj Kumar Anand
6. CMA Manas Kumar Thakur

**Secretary**

CMA Dibbendu Roy, Additional Director

**41. Task Force for Interacting with Trade Bodies  
(Quorum:3)****Chairman**

1. CMA Bibhuti Bhusan Nayak

**Members**

2. CMA Neeraj Dhananjay Joshi
3. CMA Vinayaranjan P
4. CMA Manoj Kumar Anand
5. CMA Rajendra Singh Bhati
6. CMA Sanjay Gupta
7. CMA Vijender Sharma

**Secretary**

Shri Sandhya Paran Sharma, Deputy Director

**42. Task Force for enhancing National Cost  
Competitiveness (Quorum:3)****Chairman**

1. CMA T.C.A. Srinivasa Prasad

**Members**

2. CMA Ashwinkumar Gordhanbhai Dalwadi
3. CMA (Dr.) K Ch A V S N Murthy
4. CMA Avijit Goswami
5. CMA Manoj Kumar Anand
6. CMA A N Raman
7. CMA Abhay Kumar Behuria
8. CMA Anil Kumar Tulsiani
9. CMA Swapnesh R. Maru

**Secretary**

CMA Nidhi Verma, Joint Director

- ⊙ President is Permanent Invitee to all the Committees/Boards/Task Forces (where he is not the Chairman/Member) except Board of Discipline.
- ⊙ Vice President is Permanent Invitee to all the Committees/Boards/Task Forces (where he is not the Chairman/Member) except Disciplinary Committee and Board of Discipline.
- ⊙ All Task Forces will be working under the related Committee/Board/Executive Committee/Council.

India  
INDEPENDENCE DAY  
15<sup>TH</sup> OF AUGUST



**GLIMPSES OF 79<sup>th</sup> INDEPENDENCE DAY CELEBRATIONS**

At ICAI Headquarters - Delhi, Kolkata, Noida & EIRC Premises



## Obituary

*In Loving Memory of*

**CMA B.V. Ramana Murthy**

President, ICAI (2002-03)



The members of the Council of The Institute of Cost Accountants of India express their deep sorrow and profound grief on the sad demise of CMA B.V. Ramana Murthy, Former President of the Institute (2002-03), who left for heavenly abode on August 15, 2025. His contribution for the development of the Institute and CMA profession shall always be remembered.

We convey our heartfelt condolences to the bereaved members of his family on this irreparable loss. We pray to the Almighty to give eternal peace to the departed soul and much-needed strength to his family during this time of sorrow.

**MAY HIS SOUL REST IN ETERNAL PEACE**

A handwritten signature in blue ink, appearing to read 'TCA Srinivasa Prasad'.

**CMA TCA Srinivasa Prasad**  
President, ICAI





CMA TCA Srinivasa Prasad, President and CMA M K Anand, Council Member, ICMAI participated in Seminar on "Income Tax Planning and Compliances" organised by Noida Chapter on 10.08.2025



CMA TCA Srinivasa Prasad, President, ICMAI along with CMA Praveen Kumar, RCM, SIRC and CMA CM Syamly, Chairperson, Kozhikode-Malappuram Chapter interacted with the final passed students and members at Kozhikode on 30.08.2025



CMA TCA Srinivasa Prasad, President, ICMAI along with CMA Neeraj D. Joshi, Vice President, ICMAI and Lt Col Nitin Kaura, Chief Guest, CMA Rajendra Singh Bhati, Chairman-CAT, CMA (Dr.) K Ch A VS N Murthy, CMA (Dr.) V. Murali, CMA Suresh R. Gunjalli, CMA Harshad S. Deshpande, Council Members, ICMAI, CMA Vijay Kiran Agastya, Chairman, SIRC and other RCMs of SIRC during inauguration of CAT Course under DGR (Calendar 2025-26) on 25.08.2025 at SIRC, Chennai



CMA TCA Srinivasa Prasad, President, ICMAI participated in the Event 'Cost Intelligence: Enhancing PSU Competitiveness' organised by Trivandrum Chapter on 14.08.2025 at Trivandrum



CMA Vinayaranjan P and CMA Harshad S. Deshpande, Council Members, ICMAI extending greetings to CMA Shashi Bhushan, Advisor (Cost), Ministry of Consumer Affairs at New Delhi



CMA Harshad S Deshpande, Council Member along with CMA Anas K met Dr. P.V. Raveendran (Vice Chancellor) & Dr. Denoj Sebastian (Registrar) of Calicut University-Kerala to update about various initiatives of the Institute



Valedictory of CAT Course under DGR (Calendar 2025-26) on 8<sup>th</sup> August, 2025 at Coimbatore, graced by Gp Capt S Selva Kumar and MC members of Coimbatore Chapter



Valedictory of CAT Course under DGR (Calendar 2025-26) on 30<sup>th</sup> August, 2025 at Prayagraj, graced by Lt. Col. Prashant Mishra, Jt. Director(Ad.&Trg), DRZ(C) and CMA Rajendra Singh Bhati, Chairman-CAT, ICMAI (through VC) CMA Naresh Gupta, Chairman, Prayagraj Chapter and other MC members of Prayagraj Chapter



Valedictory of CAT Course under DGR (Calendar 2025–26) on 8<sup>th</sup> August, 2025 at CMA Bhawan, Noida



Valedictory of CAT Course under DGR (Calendar 2025–26) on 8<sup>th</sup> August, 2025 at Jaipur, graced by Lt Col Anuj Kumar and MC members of Jaipur Chapter



Sitting (LR): Op Capt D Raghavendra Kumar, Op Capt Mrinalini Sinha, Op Capt Saurabh Singh, CMA JK Budhiraja, Air Msh AK Bhars SYMAVSM VM, AVM Manoj Kumar Mehra, Op Capt Swarup Kumar Ghosh, Gp Capt Prees Bahuguna, Gp Capt Pankaj Rishi

Standing (LR): M.Rajesh Kumar, Wg Cdr Gaurav Tyagi, Gp Capt Biswajit Das Chowdhury, Mr. Nagina Singh, Wig Car Subhadeep Dasgupta Gp Capt Parvesh Gaur, Wg Car TVSSVS Vithal, Wig Car Devinder Singh, Gp Capt B Vinay Kumar, Wg Car Varun Sharma



Inauguration of CAT Course under DGR (Calendar 2025–26) on 13.08.2025 at Kota, graced by Maj. Siddharth Bhatia, CMA Rakesh Yadav, Chairman-NIRC, CMA S.N. Mittal, RCM-NIRC and MC Members of Kota Chapter



The Tax Research Department (TRD) of the Institute is organising a Program on Advanced GST & ITC Management for the executives of Steel Authority of India Limited (SAIL) at MTI-Ranchi on 25<sup>th</sup> - 26<sup>th</sup> August 2025



Valedictory of CAT Course under DGR (Calendar 2025–26) on 29<sup>th</sup> August, 2025 at Jodhpur, graced by Col. Amrut Kulkarni, CMA Rajendra Singh Bhati, Chairman-CAT, ICMAI, CMA Deepak Chopra, Chairman, Jodhpur Chapter and other MC members of Jodhpur Chapter



Valedictory of CAT Course under DGR (Calendar 2025–26) on 29<sup>th</sup> August, 2025 at Patna, graced by Lt. Col. Prashant Mishra, Jt. Director(Ad.&Trg), DRZ(C), CMA Pankaj Singh, Chairman, Patna Chapter and other MC members of Patna Chapter



Valedictory of CAT Course under DGR (Calendar 2025–26) on 30<sup>th</sup> August, 2025 at Indore, graced by Lt. Col. Prashant Mishra, Jt. Director(Ad.&Trg), DRZ(C) (through VC) CMA Pankaj Raizada, Chairman, Indore Chapter and other MC members of Indore Chapter

# INDIA'S TOLL TRANSFORMATION: HOW TECHNOLOGY IS STREAMLINING TRAFFIC FLOW

## Abstract

India's highway network is the lifeline of its growing economy—but for years, toll plazas have experienced delays. Now, a technological revolution is transforming how tolls are collected, making travel faster, smarter, and greener. From the widespread adoption of FASTag to the upcoming satellite-based GNSS tolling, India is embracing cutting-edge solutions that promise seamless, contactless journeys. This article explores the innovations reshaping toll management—from RFID and video tolling to AI and Blockchain—and offers a glimpse into global trends. Discover how India is building the future of transportation, one toll at a time.

India's vast network of highways is a crucial artery for its booming economy. However, navigating this network can often be a frustrating experience, especially at toll plazas. Traditionally, cash transactions caused delays and congestion. Thankfully, technology is revolutionizing toll management in India, paving the way for a smoother and more efficient transportation system. This article explores the technological advancements transforming toll collection in India, with a glimpse into global trends.

### From Manual Mayhem to Electronic Efficiency: A Technological Revolution

Manual cash collection at toll booths led to long queues and traffic bottlenecks. The introduction of Electronic Toll Collection (ETC) systems marked a turning point. Here's a breakdown of the prevalent technologies:

- Manual Toll Collection:** Manual toll collection refers to the conventional approach



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wherein drivers make payments either in cash or through a card swipe machine stationed at toll booths. In this method, vehicles stop at designated toll plazas, where toll collectors manually accept cash payments or process card transactions before allowing vehicles to proceed. This method has been widely used for decades and relies on physical interaction between toll collectors and drivers to facilitate payment. While effective, manual toll collection can lead to delays, especially during peak traffic periods, and requires infrastructure and staffing at each toll plaza to manage transactions efficiently.

- ⊙ **Electronic Toll Collection (ETC) Lane:** Dedicated lanes equipped with ETC readers allow vehicles with FASTags to pass through seamlessly without stopping. This Radio Frequency Identification (RFID) tag, affixed to a vehicle’s windshield, enables contactless toll payments. This significantly improves traffic flow, especially during peak hours.

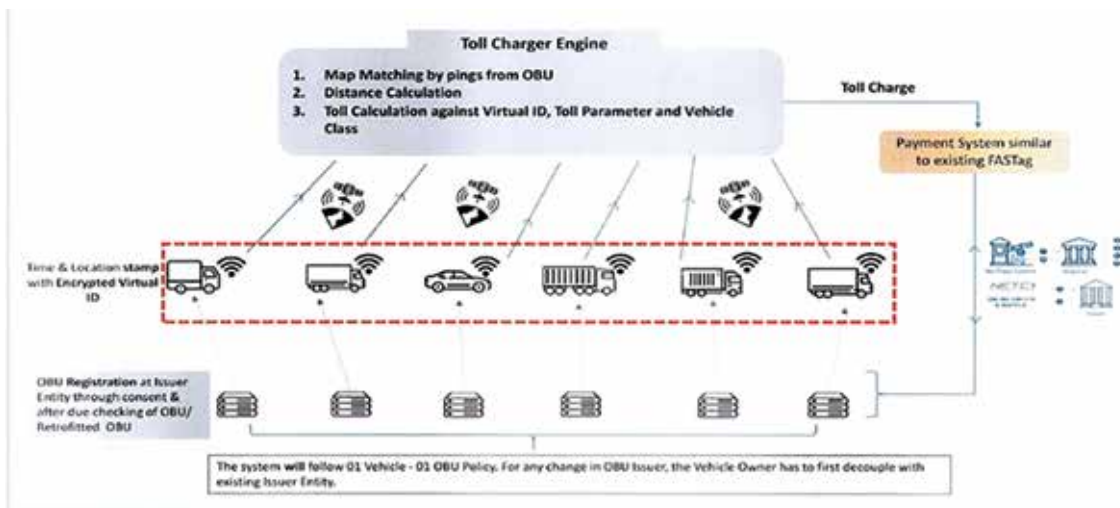
**Future of Electronic Toll Collection:**

- ⊙ **Video Tolling (VTOLL):** This system uses high-resolution cameras to capture license plates of vehicles passing through toll plazas without FASTags. The vehicle owner is then identified, and the toll is billed electronically or sent by mail for later payment. While VTOLL reduces congestion compared to cash lanes but it can be less efficient than FASTag due to potential delays in billing and processing.
- ⊙ **GNSS-Based Toll Collection:** India is set to introduce a new satellite-based toll collection system. Unlike traditional toll plazas, this

system charges vehicles based on the distance travelled, eliminating the need for physical barriers. Let’s delve into the details:

**I. How GNSS Works**

- ▲ **GNSS and GPS Integration:** The system utilizes GNSS and GPS technology to precisely track vehicle movement. GNSS provides accurate positioning data, while GPS ensures global coverage.
- ▲ **Distance-Based Charging:** Instead of fixed toll amounts, vehicles are charged based on the actual distance travelled. This dynamic approach enhances fairness and efficiency.
- ▲ **Barrier-Free Experience:** Say goodbye to long queues at toll booths. Equipped vehicles seamlessly pass through dedicated GNSS lanes without stopping.
- ▲ **On Board Unit (OBU):** OBU is a compact device installed in all vehicles that communicates with satellites to determine the vehicle’s exact location and calculate toll charges proportionately.



Source: NHAI; GNSS Mechanism

**II. Toll Booth Showdown: GNSS vs. FASTag**

Particulars	GNSS based tolling	FASTag based tolling
Billing method	Amount of distance travelled on the Road - fairer for short trips.	Fixed toll amount irrespective of distance travelled

Technology	GNSS relies on satellite signals for location tracking - creating “virtual” toll booths	FASTag uses RFID technology for automatic toll collection at specific toll plazas.
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Infrastructure	Vehicle must install a On Board Unit (OBU) and Highways have to be geo-fenced	Vehicle must have FASTag (RFID) and Toll plazas at Highways
Challenges	Privacy issues due to tracking of vehicle. Accurate toll calculation is contingent upon the precision of the GNSS system.	High cost of building and maintaining toll plazas, potential for congestion during peak hours.

### Global Perspectives

While India's toll management system is undergoing a rapid technological transformation, it's valuable to consider global trends. Many European nations use DSRC (Dedicated Short Range Communications) or infrared beacons for toll collection. These systems facilitate seamless payments and reduce congestion. Countries currently using GNSS Tolling – Germany (2005), Slovakia (2010), Hungary (2013), Belgium (2016), Russia and Bulgaria.

Europe remains the only region with large-scale satellite-based tolling systems. The GNSS based road user charging in USA has been implemented in 3 states (Oregon, Utah & Virginia) currently.

- ⊙ **Open Road Tolling:** Some countries, like Norway and Singapore, have adopted open road tolling systems. This involves satellite-based or GPS technology to track vehicles and automatically deduct tolls without designated toll plazas.
- ⊙ **United States:** The U.S. employs various technologies, including electronic toll collection (ETC) and license plate recognition (LPR). States like California and Florida have embraced cashless tolling.

### Results in Action: FASTag Transforming Indian Highways

- ⊙ The National Highways Authority of India (NHAI) has been instrumental in promoting FASTag adoption. FASTag penetration has surpassed 98% on national highways, a

remarkable achievement. This widespread adoption has demonstrably reduced congestion at toll plazas across the country.

- ⊙ India's shift towards automated toll collection has delivered significant time, economic, and environmental benefits. Annually, the system has saved an estimated 46.3 crore hours in vehicle travel time—translating to an economic value of approximately ₹34,000 crore.
- ⊙ One of the most notable improvements is the reduction in average vehicle waiting time, which has decreased by 47 seconds—from 714 seconds under manual tolling to just 667 seconds. This smoother traffic flow has contributed to considerable fuel savings across the country.
- ⊙ Toll revenue has also seen a substantial boost, rising by 29%, while the number of vehicle trips has increased—indicating both improved infrastructure efficiency and user adoption. Additionally, the digitization has effectively eliminated pilferage and revenue leakage.
- ⊙ Beyond the economic and operational gains, the move has had a positive environmental impact as well, with a significant reduction in carbon emissions due to decreased vehicle idling and congestion at toll plazas.

### The Road Ahead: Future Role of Technology in Managing the Tolls

The Indian toll management landscape is poised for a revolution driven by continuous innovation. Here's how we can leverage emerging technologies to craft a future that is not only efficient but also environmentally responsible:

- ⊙ **Frictionless Payments with Mobile Wallets:** Imagine a world where toll payments seamlessly flow through your existing mobile wallet. Integrating FASTags with popular mobile wallets like Paytm or PhonePe can significantly enhance user convenience, encouraging wider adoption and reducing toll booth congestion.
- ⊙ **Blockchain: Building an Immutable Toll Ecosystem:** Blockchain technology,

renowned for its secure and transparent nature, holds immense promise for the future of toll collection. By establishing an immutable record of transactions, blockchain can streamline toll collection, minimize fraud and disputes, and ensure complete transparency for all stakeholders.

- ③ **AI-Powered Traffic Optimization:** Harnessing the power of Artificial Intelligence, we can create dynamic toll pricing systems. AI can analyze real-time traffic patterns and adjust tolls accordingly, optimizing traffic flow and significantly reducing congestion. This not only translates to faster commutes but also contributes to a greener environment by curbing emissions caused by stop-and-go traffic.
- ③ **Connected Vehicles: Paving the Way for a Tag-Free Future:** The rise of connected vehicles equipped with built-in communication capabilities presents a groundbreaking opportunity. Imagine a future where vehicles automatically interact with toll infrastructure, eliminating the need for physical tags altogether. This not only simplifies the user experience but also paves the way for a more sustainable future by minimizing resource consumption associated with physical tag production and distribution.

### Beyond Efficiency: The Transformative Power of Electronic Toll Collection

Technology's impact extends far beyond mere efficiency. Consider the revolutionary potential of electronic toll collection, particularly GNSS-based tolling and FASTag lanes. These innovations offer a host of benefits:

1. **Reduced Traffic Congestion:** By expediting toll transactions, they significantly reduce wait times and promote smoother traffic flow. This not only leads to quicker commutes but also visibly decreases congestion on our roads.
2. **Increased Revenue Collection:** Electronic toll systems eliminate the inefficiencies associated with manual cash handling. As a result, revenue collection becomes nearly flawless, providing essential funds for

infrastructure development.

3. **Environmental Advantages:** The positive environmental impact cannot be overstated. With fewer vehicles idling at toll booths, emissions decrease, contributing to a cleaner and healthier atmosphere.
4. **Enhanced User Experience:** Ultimately, drivers enjoy a more convenient and time-saving experience. This technology's positive effects extend beyond efficiency alone.

By embracing these advancements, India's toll management system can become a model of efficiency, transparency, and sustainability, ensuring a smoother and greener journey for all.

### A Brighter Future for Toll Management

India's toll management system is undergoing a significant transformation, driven by technological advancements. The widespread adoption of FASTags has demonstrably improved toll management. India's satellite-based toll collection system represents a significant leap forward. Challenges remain, such as infrastructure upgrades, but the potential benefits are immense.

Cost and Management Accountants (CMAs) can significantly contribute to the success of India's digital toll transformation by ensuring financial accountability and cost optimization in large-scale infrastructure projects. Their expertise in project evaluation, revenue assurance, and performance analysis helps maximize efficiency, minimize pilferage, and ensure that technology-driven toll systems deliver sustainable and transparent value to all stakeholders." MA

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6. <https://bit.ly/46hEcst>

# THE AI-READY CMA: DRIVING INTELLIGENCE, INTEGRITY, AND IMPACT

## Abstract

As artificial intelligence continues to reshape business operations, the role of Cost and Management Accountants (CMAs) is evolving rapidly, often in subtle yet significant ways. Once mainly focused on cost control and compliance, CMAs are now being asked to lead AI initiatives, ensure responsible decision-making, and provide financial clarity for new technologies. This article draws on practical examples from finance, audit, and enterprise risk management to illustrate how CMAs are assuming new responsibilities, including reviewing AI-driven processes, addressing data quality issues, closing governance gaps, and managing ethical concerns. Far from being replaced by technology, CMAs are now central to it, helping businesses use AI more effectively and responsibly. Their ability to understand both numbers and nuances makes them essential for building trust in a digital future.

### The Shift Is Already Here

There was a time when AI seemed like a distant wave—something futuristic, technical, and someone else’s job. That time has passed.

Across global finance teams, AI is already automating forecasting models, flagging anomalies in real-time, speeding up month-end closes, and producing insights that used to take analysts weeks to generate. Algorithms interpret purchase patterns, optimize working capital, and suggest pricing strategies. These aren’t pilots anymore, they’re operational and scaling.

For the Cost and Management Accountant, this shift serves as both a turning point and an identity



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challenge. Are we simply adjusting to automation? Or are we embracing a new mandate—one that combines intelligence with oversight, data with judgment, and strategy with stewardship?

CMAs today are no longer just gatekeepers of cost efficiency. They are increasingly involved in discussions about AI strategy, data ethics, model risk, internal audit transformation, and intelligent automation across procurement, supply chain, and controllership. The skills that once set CMAs apart—analytical depth, financial rigor, operational insight—now form the core for responsible AI governance.

But this shift isn’t automatic. It requires clarity of role, expanding skillsets, and a renewed sense of purpose. Because AI doesn’t just promise efficiency, it brings complexity, opacity, and risk. And someone must ensure that in the race toward intelligence, we don’t lose sight of integrity.

That someone, increasingly, is the CMA.

### From Cost Controller to Intelligence Steward

For decades, the CMA has been seen as a guardian of cost control, ensuring efficiency, overseeing budgets, and boosting profitability through performance metrics. But in a business environment increasingly driven by algorithms, data pipelines, and intelligent platforms, those traditional strengths

are being redefined.

Today's CMA must serve as an Intelligence Steward—someone who not only interprets data but also guides how that data is created, processed, and used by AI systems. The questions have shifted. It's no longer "What did we spend?" or "How do we cut costs?" Now, CMAs are being asked:

- ⊙ *Can we trust the AI model's logic?*
- ⊙ *Do our forecasts reflect bias or incomplete data?*
- ⊙ *Is this algorithm aligned with financial control and ethical principles?*
- ⊙ *What are the downstream risks if we entirely automate this process?*

This shift is subtle but significant. While data scientists develop models and engineers deploy the tools, it is often the CMA who understands the business context, risk appetite, and financial implications. The CMA acts as the translator between model accuracy and business needs accountability.

Take the example of AI-enabled spend analytics. A tool can identify vendors that seem redundant or high-cost. But the CMA understands whether those vendors are essential to a supply chain, whether their pricing includes embedded risk-sharing, or if eliminating them could create legal risks. The algorithm flags: the CMA validates.

In short, CMAs now serve as co-pilots in AI adoption—not just passive recipients of dashboards, but decision shapers who ensure outputs make sense, align with policy, and drive sustainable business impact. This is more critical than ever, as over 60% of finance functions globally now leverage AI for forecasting, reconciliations, and anomaly detection—according to a recent McKinsey report.

This expanding role isn't just theoretical—it's evident in audit workflows, finance transformation initiatives, digital twin simulations, and ESG-linked cost modeling. Wherever data and decisions meet, CMAs are being involved—not just for review, but

CMAs are rising as AI-era guardians—infusing ethics, intelligence, and impact into every algorithm, decision, and financial transformation

for direction.

And that's precisely what modern organizations need: professionals who blend integrity, context, and control—the very qualities that CMAs are trained in.

### Where AI Meets Risk, CMAs Must Lead

AI is powerful, but not infallible. It can make decisions, but can't always explain them. When business-critical systems depend on evolving models, accountability can become unclear. This is where the CMA's role is not only necessary but essential.

AI introduces a new class of risks:

- ⊙ Data bias that skews forecasting and pricing models
- ⊙ Algorithmic drift that changes behavior silently over time
- ⊙ Opaque logic that regulators or auditors may struggle to interpret
- ⊙ Overdependence on automation without human validation

These are real risks, not just hypothetical. Multiple global organizations have already experienced litigation, reputational harm, and financial losses due to AI-driven decisions that lacked proper governance. The World Economic Forum's 2024 Global Risks Report highlights algorithmic bias, opaque logic, and lack of accountability as emerging systemic threats with wide-reaching consequences. Who should have identified the flaw? Who understood the business logic? Who was responsible for the risk?

In AI deployments, controls should be integrated from the beginning, not added later. They must be incorporated into the entire model lifecycle—from data collection and training to deployment and ongoing monitoring. The 2023 ISACA AI Governance Framework emphasizes this approach by highlighting the importance of embedding oversight, accountability, and risk safeguards at the earliest stages of process design.

CMAs, with their expertise in internal controls, risk analysis, and process assurance, are particularly well-equipped to lead this effort.

Whether it's participating in AI model risk assessments, integrating AI outputs into SOX-like control environments, or designing audit procedures for AI-driven transactions, CMAs can provide the structure, challenge, and stewardship that automation often lacks.

In many organizations, AI now directly generates financial entries through invoice-matching bots, dynamic pricing models, or demand-predictive accruals. If these outputs are unaudited, uncheckable, or unexplainable, they pose a threat not just to compliance but also to trust.

This is why CMA involvement in AI projects shouldn't be optional—it should be mandatory. As systems become increasingly autonomous, maintaining confidence requires incorporating governance at the same pace as innovation. And CMAs, rooted in both detail and discipline, are ideally positioned to serve as governance anchors in a digital environment future.

AI can speed up value. But without regulation, that speed can lead directly to risk. CMAs must ensure that intelligence is always paired with integrity.

### **CMA Skills That Will Define the Future**

To lead in an AI-driven world, CMAs don't need to become data scientists. But they do need to understand the rules of the new game. That means sharpening existing strengths—and building new ones.

Here's what future-ready CMAs must embrace:

#### **1. Data Literacy – Beyond the Dashboard**

Reading reports isn't enough anymore. CMAs must understand how data is sourced, structured, and processed. That includes the basics of data pipelines, data quality issues, and what happens when AI models rely on incomplete or biased inputs. Being able to challenge “black box” outputs is a competitive advantage.

#### **2. Model Governance and Risk Insight**

As AI models evolve into decision-making

engines, CMAs must ask the right questions:

- ⊙ Who owns this model?
- ⊙ What assumptions were made during training?
- ⊙ What are the audit checkpoints?

CMA professionals can help establish model validation controls, review frameworks, and post-deployment monitoring processes.

#### **3. Business-Technology Translation**

AI teams often face challenges with context; business leaders struggle with technical details. CMAs are ideally suited to act as translators, connecting what the model predicts with what the business needs. This role is already emerging in AI councils, transformation steering groups, and audit committees.

#### **4. Ethical Reasoning and Governance Advocacy**

AI is not just a technological breakthrough—it's a moral frontier. CMAs, grounded in professional conduct and accountability, must approach AI with a value-driven perspective. Should we automate that decision? Are we unintentionally discriminating against? Does this align with our mission? These are questions machines can't answer—but CMAs can.

The International Federation of Accountants (IFAC) emphasizes that professional accountants must take the lead in deploying and governing ethical AI, rather than merely ensuring compliance, making this a pivotal moment for the profession.

#### **5. Adaptability and Learning Agility**

AI will continue to evolve. Tools will transform. What remains constant is the need for professionals who can learn quickly, stay curious, and adapt their financial perspective to new technologies. Lifelong learning is no longer optional; it is the norm.

AI won't replace CMAs, but those who collaborate with AI and grow their skills will surpass those who don't.

The profession isn't being disrupted; it's being redefined. And that's an invitation, not a threat.

#### **From Scorekeeper to Strategic Sentinel**

The CMA profession has never been meant to

remain static. From costing systems and capital budgeting to enterprise risk and ESG reporting, CMAs have continuously evolved to adapt to the changing business landscape. AI is simply the next frontier—and perhaps the most crucial one yet.

This time, the shift isn't just about what CMAs do — it's about how they think and where they lead.

We are entering a time when decisions are made more quickly, oversight becomes decentralized, and trust becomes increasingly challenging to earn. In this environment, organizations need more than just accurate finances—they need strategic guardians who protect integrity while fostering innovation.

CMAs can be that driving force. We understand not only how value is created but also how it can be distorted. We know when automation makes sense—and when human judgment must intervene. We can speak the language of cost, risk, purpose, and performance at once.

But to fully claim this space, we must show up differently. We need to enter AI conversations not as latecomers, but as early partners. We must challenge models, shape governance, and bring ethical clarity as automation advances rapidly. That is not a side task; it is central to the CMA's growing mandate.

This isn't the end of accounting. It's the rise of

accountability—into the smart, unseen, algorithmic layers that now shape how business functions.

The future demands not just more intelligence but also increased responsibility.

And that's where CMAs fit in—especially in economies like India, where regulatory changes such as the Digital Personal Data Protection Act (2023) and the Make in India digital ecosystem require professionals who can combine financial expertise with AI readiness and ethical responsibility.

The CMA of tomorrow is not just a scorekeeper but a strategic sentinel for the AI-driven enterprise.

MA

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# GENERATIVE AI IN MARKETING AND CUSTOMER EXPERIENCE (CX)

## Abstract

Generative AI is revolutionizing marketing and customer experience by enabling brands to deliver personalized, timely, and engaging interactions at scale. This technology allows companies to automate content creation, optimize marketing strategies, and enhance customer support in real time. By leveraging AI for personalized experiences, businesses can better understand individual customer needs and preferences, boosting engagement and satisfaction. Brands like Sephora are already using AI to provide highly tailored product recommendations and virtual try-ons. As AI continues to evolve, it's reshaping the way companies engage with customers, offering them faster, more relevant, and deeply personalized experiences that drive loyalty and long-term success. The future of marketing lies in merging human creativity with AI's power to create meaningful connections.



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### Introduction

**G**enAI is rapidly renovating the marketing and customer experience (CX) environment by empowering marketers to easily build timely, relevant, and dependable consumer interactions. Because generative AI streamlines the process, marketers can create campaigns that increase revenue in minutes as opposed to days. Finding segmentation insights, creating customer journeys, automating two-way unstructured discussions, and creating new text, image, and video content based on patterns discovered are all examples of this.

This tech is a game changer. It's slashing hours of manual work, taking out the guesswork, and supercharging how teams get things done making everyone more productive, independent, efficient, and fast. For brands, marketers, and customer experience leaders, this shift has unleashed some seriously powerful abilities. They can now effortlessly create personalized experiences for tons of people and pull fresh, exciting insights from huge piles of data. No matter the industry whether it's retail, beauty, finance, or travel GenAI is truly reshaping the entire customer journey.

### The Transformative Power of GenAI in Marketing and CX

- 🕒 **McKinsey Report (2024):** It's clear that Generative AI is rapidly changing the game for marketing and the customer experience. A 2024 McKinsey report backs this up big time, showing that companies using GenAI in their marketing efforts have seen their content production speed up by as much as 40%, plus a solid 20% jump in how engaged their customers are. More and more, brands are tapping into AI to automatically generate things like custom emails, product descriptions, quick chat responses, and

even ad visuals - all designed specifically for tiny segments of people, or even just for individuals.

- ⊙ **Salesforce poll (2024):** Generative AI is proving to be a real money-maker for marketers. A Salesforce poll from last year (2024) found that a whopping 68% of them actually saw an improved return on their investment by using GenAI solutions, and more than 71% of customers now expect personalized, real-time interactions, it's clear that AI-driven personalization is making customers a lot more satisfied. The future looks bright, too. As brands continue to blend GenAI with their CRM systems, chatbots, and smart recommendation engines, everyone is going to experience customer journeys that are incredibly seamless, much faster, simpler, and way more tailored to the individual, needs. Let's dig deeper into why this technology is so vital for modern marketing.

**1. Marketing ROI and Efficiency:** Generative AI is really helping companies to get a much better return on their investment by automating content creation, fine-tuning where ad money goes, and making everything super personalized.

**Just look at some real-world examples:** Companies like Mondelez have actually seen their ROI jump by 20–30% just by using AI for personalization. And Headway, an edtech company, got 40% better ad performance with AI tools, according to Business Insider. Plus, AI is trimming down operational costs, with some firms reporting savings of up to 30% on their marketing budgets, as noted by Medium.

Essentially, by handling routine tasks and getting smarter about who to target, generative AI helps marketers do more with less. This means they're saving money while also seeing bigger results. Find below, in Table-1, real-world examples showing how businesses are achieving results with GenAI in their marketing efforts.

**Table-1, Real World Cases- Results Achieved by Adopting GenAI in Marketing**

Company / Industry	Results Achieved	Source Reference
Headway (edtech)	40% increase in ad ROI, 3.3 billion ad impressions, lower production costs.	businessinsider.com
Bayer (pharma)	CTR up 85%, costs down 33%, traffic 2.6x growth using predictive AI marketing.	m1-project.com
Sage Publishing	99% faster content creation, 50% lower marketing costs, automation of book descriptions.	m1-project.com
Buzz Radar agency	Real-time analytics optimized campaigns and saved millions in ad spend.	m1-project.com
Imalent TikTok campaign	AI-generated ads had 8x organic views, 4x likes, 7x saves vs human-made ads.	Reddit
Dropship study	AI ads delivered 28% lower cost-per-result and 31% lower cost-per-click.	Reddit

**2. GenAI in Marketing- Facts and Statistics:** New research by Browsercat identifies the swift change being brought about in the marketing environment by generative AI. (The powerful influencers are illustrated in Fig.1.)

**Fig.-1**

Statistic	Value
Marketers who have used GenAI tools	90%
Marketers using GenAI daily	20%
GenAI in Marketing Market Size (2024)	\$4.3 Billion
Projected Market Size (2030)	\$26.6 Billion
Reduction in Content Creation Cost (AI)	91%
Consumers Comfortable with AI in Marketing	62%
Customers Demanding AI Content Disclosure	75%

(Source: BrowserCat)

- ⊙ **Growth Rate:** It is significant to note here that this segment of the business was itself worth \$4.3 billion in the year 2024. It is also going to expand in size. The projections show an enormous jump to \$26.6 billion by the year 2030, along with a historic growth rate of 35% annually.
- ⊙ **Time Saving and Productivity Boost:** What is more astonishing is that nearly all marketers some 90% have already experimented with generative AI tools. They are gaining more enormous advantages: 71% report that they are able to can free up more than five hours per week. This is really phenomenal, as this means that they can eventually eliminate boring and time-wasting tasks, freeing up their mental capacity to work on larger, higher-level projects.
- ⊙ **Cost Saving and Transparency for Brands:** The cost savings are truly staggering. Some companies are seeing a tremendous decrease in the cost of content creation, by as much as 91%. That makes artificial intelligence much more cost-effective than the old outsourcing model. On the consumer side, the same is occurring. While about 62% of people are comfortable with AI created marketing content, there is a crucial caveat: three out of four customers still want brands to be open about when artificial intelligence is being used. This heightened call for transparency is truly something that marketers need to wrestle with delicately.

On the whole, the message is categorically obvious: generative AI is more than a faddish phenomenon. It is fast becoming a necessary, non-negotiable element of modern marketing practice.

**3. Personalized Marketing and Customer Experiences at Micro-Segment Scale:** Generative AI enables brands to personalize experiences at a micro-segment level through the processing of real-time data such as browsing history, purchasing behaviour, and demographics. Unlike conventional segmentation approaches, it enables marketers to generate dynamic, customized content, messaging,

and product suggestions for narrowly defined segments or an individual user. The tactic helps in increased engagement, conversion rates, and brand loyalty. The following is a case study on how the global beauty retailer Sephora uses generative AI to provide personalized customer experiences in scale.

### Case Study- Sephora:

**Background:** Sephora, the global beauty retailer, is renowned for marrying technology with innovation that is customer-centric. Sephora has operations in more than 35 countries, and it reaches millions of customers through digital and physical touchpoints. With products galore and consumers who are highly engaged, Sephora realized that one-to-one customer experiences and marketing at scale were the imperatives if its business was to remain competitive in the digital beauty landscape.

**Challenge:** When Sephora's customer base truly started to boom, it became clear that simply suggesting products the old-fashioned way just wouldn't cut it anymore. It was getting super tricky to find the perfect match for everyone, especially with such a diverse mix of skin tones, personal tastes, and shopping styles. Those "one-size-fits-all" product ideas and traditional marketing tricks just weren't working for a customer base that was so wonderfully varied.

So, the company realized they needed something much more advanced solution powered by data that could really stretch and grow with them. The goal was to deliver marketing that felt truly personal to each shopper and to connect with them in real-time, no matter where they were engaging with the brand.

### AI-Driven Solution: Using Generative AI for Micro-Segment Personalization

That's where Sephora stepped up its game. They brought in Generative AI and Augmented Reality (AR) tech onto their online platform, most notably through their "Virtual Artist" feature. This cool tool was actually developed by ModiFace, a company specializing in AI that's now part of L'Oréal. Here's a closer look at what makes this solution so impactful:

- ⊙ **Virtual Try-On as MicroSegment Visual Personalization:** Consumers would be able to view live simulations of makeup (lipstick, eye shadow, foundation) on their faces, taking into account lighting, face shape, and complexion. This strongly personalized experience translates into 35% higher conversion rates, 25% increased add-to-cart activity, and approximately a reduction of 30% in returns compared to standard static experiences.
- ⊙ **Skincare IQ and Recommendation MicroSegmenting:** Sephora's Skin IQ AI analyzed vast amounts of browsing history, purchasing behaviour, skin type, tone, age, and product affinities to create customized recommendations for particular sets of customers, e.g., "mauve lipstick enthusiasts with dry skin under 35.". Customers who were treated with AI-driven skincare regimens show higher session duration, repeat purchases, higher satisfaction, and higher loyalty.
- ⊙ **Omni channel MicroSegment Consistency:** Sephora provides the same micro-segment insights through multiple channels. In

Southeast Asia, for example, store Beauty Advisors use handheld devices that engage with the same AI-enabled profiles, thus offering a consistent personalization experience online, through virtual assistants, and in-store consultations. A conversational AI assistant, for example, has had over 3,32,000 sessions, interacting with around 9,000 unique users in Singapore and Malaysia, and has driven an average incremental revenue of around \$30,000 per month.

- ⊙ **Loyalty & Offer Personalization at Micro Scale:** Sephora's Beauty Insider rewards program utilizes AI models segmenting shoppers by spend category, frequency, channel interaction, and product interest. Marketing communications (email, push, in-app) are customized with generative AI templates and content blocks, imagery, and promotions tailored per micro-segment e.g., berry color lipstick launch sneak peek to "repeat lip product buyers" or hand-curated vegan skincare sets to "environmentally aware repeat buyers."

### Business Impact & Metrics

Sephora Business Impact and Matrix (Post Using GenAI in Marketing)	
Micro-Segment Use Case	Outcome/Metric
Virtual Try-On Experiences	+35% conversion, +25% add-to-cart, ~30% fewer returns
Skincare IQ & Custom Kits	Enhanced session time, repeat purchase, and satisfaction; uplift in CLV.
Loyalty Offer Personalization	Increased engagement, redemption rates, and repeat purchase frequency.

### Sephora: Impact on Customer Experience

- ⊙ Customers experienced more interactive, immersive, and relevant journeys.
- ⊙ Enhanced trust and confidence in product purchases through real time virtual try-ons.
- ⊙ Greater satisfaction due to timely, accurate, and context-aware recommendations.

### Generative AI in Customer Experience (CX)

Customer experience (CX) generative AI allows an organization to have a human-like, contextual conversation that answers directly to the context of each customer. The technology turns every touchpoint into an interactive and personalized one. Organizations are turning their attention more and more to customer experience (CX) as a differentiator. The application of generative AI in CX is driven by a series of key drivers such as efficiency, personalization, cost savings, and competitive differentiation.

- ⊙ **Efficiency:** Generative AI significantly improves operational effectiveness by automating

routine business processes and customer interactions. Virtual agents and AI - powered chatbots are capable of handling a large number of queries at one time, sending responses in real-time and reducing wait time. This not only enhances customer satisfaction but also allows human agents to handle more complex issues, thus maximizing the use of resources.

- ⊙ **Personalization:** When it comes to how businesses really connect with customers these days? It all boils down to one thing: making it personal. And that's exactly where generative AI shines! It lets companies dive deep into tons of customer information, digging in to understand what an individual likes and how they behave. Because of this, businesses can now perfectly fine-tune their messages, product suggestions, and even the services they offer to match what an individual uniquely need. It results in much stronger connections and loyalty.
- ⊙ **Competitive Advantage:** Deployment of generative AI provides a significant competitive edge. Businesses that leverage AI to enhance their customer experience can distinguish themselves from competitors through faster, more accurate, and more tailored services. This strategy not only brings in new customers but also holds on to old customers, thus creating long-term business success and growth. Based on Pew research, 38% of managers named customer retention as one of the key reasons to invest in generative AI.
- ⊙ **Predictive Insights and Proactive Service:** Generative AI gives companies a huge edge in customer care by allowing them to anticipate future requirements. From analyzing past patterns and customer trends, AI can forecast future needs as well as determine future problems, including their probable time of occurrence. This frees businesses from a reactive position to a proactive.

Consider a telecommunications company, for instance. If it embedded artificial intelligence, it could effectively decide when and where network outages were likely to occur. Then it could instantly notify affected customers of the problem, perhaps even provide solutions or specials before there was ever a complaint lodged. This type of proactive thinking has a tremendous impact on the attitude of customers. Consequently, individuals feel they are seen, appreciated, and genuinely cared about, which significantly contributes to the development of long-term.

- ⊙ **Enhanced Product Recommendations:** Product recommendation systems can be greatly enhanced by generative AI. By using deep learning algorithms, artificial intelligence is able to dig through large datasets to learn the customer's preferences and forecast products the customer will be interested in.

For example, an online shopping platform can utilize the application of artificial intelligence to recommend products not just similar to the ones one has previously bought but also matching their overall interest and the current trends. It is a superior mode of shopping and increases the likelihood of repeat purchase.

- ⊙ **Dynamic Pricing Strategies:** GenAI enables companies to implement dynamic price models that maximize revenue and customer satisfaction. AI dynamically changes prices in response to real-time analysis of market trends, competitor prices, and customer behaviour to match levels of demand and supply. For instance, an airline may use artificial intelligence to adjust the price of the ticket based on the booking trends, season, and competitor prices. Thus, prices are competitive while profitability and customer satisfaction are optimized.

### The Future of GenAI in Marketing & CX

Generative AI has the power to transform marketing and customer experience in ways no other technology can. AI has promised to customers by allowing them to deliver super-personalized interactions

at scale, respond in real time, and even anticipate customer needs before they're even verbalized, AI is empowering brands to break free from the antiquated "one-size-fits-all" campaigns. What we're seeing now is the dawn of a new era of dynamic, conversational, and truly intelligent experiences. These are crafted to deliver a higher degree of humanity and appropriateness than ever before. This shift doesn't just lead to more loyal customers; it constructs the path to much more effective and innovative marketing practices across industries.

### The Road Ahead: Riding Smarter Marketing and CX

The road ahead in marketing and customer experience is all about working smarter, not harder. With AI and automation, brands can better understand what people need and deliver it more personally and efficiently. But it's not just about tech it's about staying human as well. Customers still crave real connection and honesty. Striking that balance between smart innovation and authentic interaction will define truly successful brands in the years to come. So, how are companies going to ride this thrilling new wave? Here's what savvy companies are paying attention to:

**Use AI Responsibly:** Ethical use of AI is not a compromise. Companies simply have to make their platforms open, transparent, and fully compliant with data privacy regulations. Achieving and maintaining consumers' trust has to be the utmost priority at all times.

**Balance Human and AI Strengths:** Where AI delivers unimaginable scale and speed, never lose sight of the fact that human imagination and empathy simply cannot be replicated. The magic lies in bringing the two together to deliver authentic, emotionally rich brand experiences.

Generative AI is transforming marketing and customer experience with real-time personalization at scale while boosting ROI and efficiency

**Think Holistically:** AI works best when it's all together. Put it across all your CRM, social media, e-commerce websites, and other touchpoints to provide truly unified, consistent experiences wherever customers engage.

**Remain Customer Centred:** At the heart of every AI-driven interaction, it has to be solving a genuine human customer issue. Always lean towards empathy, relevance, and simplicity—strategies for interactions that are considered, not automated.

### Conclusion

Generative AI is transforming the customer experience and marketing strategy of companies quietly but profoundly. It's helping them deliver extremely personalized, real-time experiences that are highly personal. Case study of Sephora's extremely personalized beauty recommendations this is not skin-deep instances, it reflects the way brands are being empowered by AI to connect more meaningfully and save time and money too. Many marketers already see improved outcomes: happier customers, increased efficiency, and improved ROI. But getting GenAI to excel in performance isn't just a tech problem. It requires ethics and some thinking that about data privacy, not being biased, and maintaining content quality and authenticity. That's where ethics and human judgment enter. The future of GenAI in this space will depend on how companies balance smart tech, human creativity, and ethics. If they do it right with transparency, smart integration, and true customer obsession AI won't be a tool. It'll be leading next-gen marketing and customer experience. MA

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# AI – AN OPPORTUNITY FOR RE-IMAGING AND RE-IMAGINING CMA PROFESSION

## Abstract

The effectiveness of CMA depends upon providing real-time relevant information to all levels of management for taking important strategic and operational decisions. With the advent of AI which bridges the gaps, the CMA can focus on analysis of manageable data and information through judicious use of AI. This article briefly covers the select AI tools, explains how AI works, discusses in brief certain Cost & Management applications with potential for using AI and summarises the AI-CMA framework. The authors opine that the CMA's need to reorient their abilities and role by adopting extensive and intensive usage of data and technology, thereby contributing to the growth and development of business enterprises by becoming their strategic partners.

## Genesis and Introduction

The constraints faced by the enterprises and the professionals in the Generation X and the millennial generation with respect to data processing and storage capacity are not the constraints for the current generation. The current generation attaches greater importance to data analysis and the availability of relevant information at the speed of thought and welcomes innovations that enable more efficient strategic management. This is where Artificial Intelligence (AI) bridges the gap.

“Artificial Intelligence” (AI) is not so new as many of us think. References to AI is as old as mid 20<sup>th</sup> century, when Alan Turing published his



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work “Computer, Machinery and Intelligence” which eventually culminated into the Turing test to measure the computer intelligence coined as the Imitation game.<sup>1</sup> Though there were significant revolutions in the field of Computer Science and Information Technology, the AI revolution gathered pace only during the COVID-19 period<sup>2</sup>. The outcome of big data analysis were used for training algorithms for using Machine Learning (ML) and Artificial Intelligence (AI) for fighting the health crisis at the national level.

<sup>1</sup> [www.tableau.com](http://www.tableau.com)

<sup>2</sup> <https://www.tec.gov.in/>



Fig-II: Use of Big Data Analytics to fight COVID-19

(Source: <https://ieeexplore.ieee.org/document/9141265>)

Basically, AI as we now understand involves applications under different disciplines involving computer science, data science, data analytics, statistics, Hardware & Software Engineering, linguistics, graphics designing, audio productivity, video editing and many more. The relevance of AI from a business perspective is that the AI systems have capacity to learn and improve even if exposed to infinitely large volumes of data and identify patterns and relationships which have complexities making it virtually impossible for humans to decipher in a very short time.

Business enterprises which adopt and effectively use AI have a distinct competitive advantage over their peers and others in the relevant market arising from the speed with which information for strategic and operational decisions can be made in real time.

Cost & Management Accountants (CMA) positioned at the epicentre of information flow are very much concerned and dependent upon the availability of relevant information for strategic and operational decisions. In the absence of AI, a CMA and his / her team spend hours together on processing and analysis of large volumes of decentralised data / data sets and then derive / arrive at the necessary information. With the judicious use of AI, the CMA can focus on analysis of manageable data and information having obtained the relevant information through AI. **This is where AI Meets CMA: Precision, Performance Profitability, Transforming Numbers into Strategy with AI.**

### How AI works

AI is concerned with creating systems that can replicate human intelligence and problem-solving abilities by taking in a myriad of data, processing it, and learning from their past without human intervention for streamlining and improving in the future unlike a conventional computer programme that would require human intervention to fix bugs and improve processes.

AI is concerned with creating machines that can learn, make decisions, and at advanced level perform tasks like a human being. At the most basic level, AI functions by taking in data and using an iterative processing system and different algorithms to learn from patterns found in the data, and then react to it in a specific manner, though it may need human intervention of a programmer to learn from mistakes and improve. Advanced AI machines can learn and grow on their own, independent of human intervention. More advanced AI can also measure its own performance each time this sequence runs and start iterating and improving its own performance.

Different types of AI run on different baseline AI algorithms, which make them react and learn in different ways. Some do simple tasks of categorizing data or making predictions. Some do much more complex tasks, such as driving a car without a human at the wheel.

### Select AI tools at a glance

There are many AI tools available and being used. Machine Learning, Deep Learning, Explainable AI and Generative AI are generally used in Cost and Management Applications, which are briefly covered below: -

- a. Machine Learning (ML): - It is a sub-set of AI focussing essentially on algorithms for extracting knowledge from data in such a manner that the machine can learn from the data to exhibit intelligence. ML is used to power many of the AI applications that have an impact in our day-to-day lives such as spam filtering and personalised recommendations.
- b. Deep Learning (DL): - Deep learning is a sub-set of ML that utilizes artificial neural networks with multiple layers for analysing complex data patterns. Use of DL is specifically done for tasks involving images, videos, natural language and other unstructured data for instance facial recognition.
- c. Explainable AI (XAI): - XAI refers to various methods that allows the understanding of the workings of the AI system such that the users are in a position to state why the AI system made a specific decision or prediction. Examples of XAI are Medical Diagnostics and Autonomous Vehicles.

- d. **Generative AI:** - Generative AI is a type of AI that creates new and versatile content, text, images, music, audio, video etc. on the basis of learnings from the existing data. Generative AI may be either open source or proprietary. Examples of Open Generative AI include ChatGPT for text generation, DALL-E for image creation. Examples of Proprietary AI include Google Gemini, Microsoft Azure AI. Chat GPT, which is the most popular generative AI model utilises deep learning methods to process and produce natural language text. This AI model is trained on vast amounts of text data, enabling it to capture human language patterns, nuances, and complexities. The core advantages of such extensive language models are their ability to understand the context of a given input and produce the correct output.<sup>3</sup>

### Cost & Management Accounting Applications and potential for AI use

There are many potential areas where AI can be effectively used by CMA to furnish information to the management useful for strategic and operational decision making. In this paragraph, the potential with respect to Costing and Pricing Strategy, Break Even Analysis and Real Time data-driven Costing system are briefly discussed.

#### 1. Costing and Pricing strategies

Determination of appropriate costing and pricing strategies depends upon internal as well as external factors. Internal factors include the objectives of the enterprise, estimates of costs, pricing structure followed by the enterprise and the marketing strategy. External factors include political / economic environment, market conditions, customer demand, competitive position and regulatory framework. Proper assessment of these relevant factors is very much necessary on a real time basis for deciding upon the appropriate pricing strategy. By leveraging AI for analysing extensive datasets generated internally and inputs on market conditions and other external factors, it is possible to narrow down on the optimum pricing strategy.

The use of AI is advocated under dynamic market conditions where it calls for adjusting prices on a real time basis. Under these circumstances, Dynamic

pricing strategy is pursued. Examples are airline tickets where dynamic pricing is used to determine and adjust ticket prices based on fluctuations in demand, supply, place and time; Uber or Ola managing surge pricing; E-commerce companies to adjust in line with competitor prices or inventory levels. AI plays a pivotal role in dynamic pricing through Data collection and analysis along with use of advanced Algorithms and Machine Learning techniques.

To achieve or maintain a higher market share or a dominant position in the market, disruptive pricing strategies are followed by the enterprises. These can take the following forms: -

- ⊙ Skimming pricing strategy (setting very high prices) to make the most of the dominant position in the relevant market
- ⊙ Predatory pricing strategy (pricing below cost) with a view to curtail or eliminate the competition.

These disruptive pricing strategies are pursued to use as well as abuse the dominant position held by an enterprise. From a regulatory perspective, it is necessary for the CMA to be reasonably adept at AI so as to be in a position to detect such abuse of dominant position in the relevant market. This in turn requires the CMA to be well versed with the use of AI for such pricing strategies.

#### 2. Break Even Analysis

The conventional Break-Even (BEP) Analysis or Cost-Volume-Profit (C-V-P) Analysis rests on the presumption of linear relationship between Total Sales and Variable Costs to present a simplistic model for calculation of BEP. However, in actual practice, this presumption does not hold good. For example, Sales after reaching a saturation point may show a downward trend or after reaching a certain level of outputs, the variable cost per unit may increase, thereby negating the presumption of linear relationship between Sales and variable cost. Consequently, the total cost line will be a curve sloping upwards to the right. In this situation, there would be two Break Even points and the optimum profit would be earned at that level of output within the "Profit Zone", where the difference between Sales and the total cost is the maximum. This scenario is presented graphically as under<sup>4</sup>.

<sup>4</sup> <https://managerial-accounting.blogspot.com/2012/11/curvilin-ear-cvp-analysis.html>

<sup>3</sup> <https://www.mdpi.com>



Using AI, it will be possible to utilise historical sales data sets for analysis and predict future trends employing some common AI algorithms such as Regression Analysis, Machine Learning and Neural networks<sup>5</sup>. AI offers many possibilities, such as for example assigning probability factors and evolving Scenario Analysis (What if?) to predict how different variables impacting Break Even Point behave. Practically, BEP Analysis is used in the Retail Industry, Manufacturing Sector and Service sector and enterprises are able to manoeuvre by using AI and shift or extend their BEP level in the operations through expansion / diversification from local to global. AI makes this possible through multi-dimensional BEP analysis.

### 3. Real time data driven Costing system for budgeting and reporting

#### AI-Enabled CMA: From Costing to Strategic Impact

The principal objective of developing an elaborate costing system is to provide cost information for monitoring, control and strategic decision making. This monitoring is done through budgeting and variance analysis. The variance analysis vis-à-vis budgets will be effective only if it ascertains the root causes for the occurrence of the variance so that prompt corrective action can be taken to remedy the situation. Promptness is possible only if cost data and information is available on a real-time basis. With the advent of AI, by leveraging advanced algorithms and ML, it is possible for the CMA to present cost-related information to the management in real-time.

Further, the conventional techniques of cost and management accounting such as Standard Costing and Variance analysis can be re-oriented by using appropriate AI in combination with contemporary techniques like Activity Based Costing, Lean Manufacturing and Accounting, Target Costing etc. to obtain maximum benefits.

Given below is a summarised table depicting in brief how Activity Based Costing (ABC), Data Based Budgeting (DBB) and Standard Costing & Variance Analysis works with AI and its benefits:-

CMA Techniques	Examples of Best Use	Technology	How it works	Benefits
<b>ABC + IoT + AI</b>	Manufacturing, Operations and services specially logistics	IoT, ML	ABC allocates overhead costs to products or services based on actual resource usage. IoT sensors track machine usage, labour hours, utilities in real-time. Data flows into an AI-driven analytics platform that maps costs to activities. AI identifies inefficiencies and cost-saving opportunities.	Granular cost control, real-time product costing
<b>DBB + AI Forecasting</b>	SaaS, Retail, Services	ERP, ML	DBB links financial outcomes to key operational drivers (e.g., sales volume, headcount, churn). AI helps continuously refine models with new data inputs. Identifies key business drivers and cost centres. Real-time integration with ERP/CRM systems feeds live data. AI/ML models adjust forecasts and budgets based on trends and patterns.	Agile budgeting, insight-driven planning

<sup>5</sup> <https://www.thebricks.com/resources/how-to-do-a-break-even-analysis-with-ai#understanding-ai-algorithms-in-break-even-analysis>

<b>Standard Costing + AI</b>	Pharma, Aerospace	ERP, NLP, ML	Standard Costing assigns pre-defined cost standards to products (materials, labour, overhead) Real-time ERP input flags deviations instantly AI clusters and categorizes variances, suggesting corrective actions	Variance analysis, root cause detection, Compliance, budget accuracy
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Source: Compiled by the authors

### AI CMA framework

The AI CMA framework will have four components namely AI Enablers, AI Capabilities, CMA processes and Outcomes, the essential ingredients of which are presented below

#### 1. AI Enablers (Inputs)

**Data:** Transaction data (Purchases, Sales), Operational data (Production, Logistics), Customer behaviour, External data (market trends, competition)

**Computation:** Cloud infrastructure, Processing capacity of structured and Unstructured data, scalability of IT platforms

**Policies & Governance:** Data privacy, Data Protection and Regulatory compliance

#### 2. AI Capabilities (Functional strengths)

**Automation:** Routine task completion (Data identification, Data Classification, Data entry, Data processing, Reconciliations and Report generation)

**Prediction & Forecasting:** Demand and Revenue forecasting, Predictive cash flow, Working capital projections, Detection of Anomalies and Deviations

**Optimization:** Resource allocation, Dynamic decision support

#### 3. CMA (Cost & Management Accounting) Processes

**Costing:** Automated cost classification, activity-based costing with real-time data

**Pricing:** AI-driven price sensitivity analysis, dynamic pricing strategies

**CVP (Cost–Volume–Profit) Analysis:** AI-enabled scenario modelling, Break-even forecasts

**Budgeting & Planning:** Rolling forecasts, predictive budgeting, variance analysis

#### 4. Outcomes

**Accuracy and Reliability:** Reduced human error, Data-driven decision support

**Timeliness:** Faster reporting, Real-time updates, Continuous monitoring

**Valuable Insights:** Profitability analysis product-wise, customer-wise, or market-wise

**Strategic Agility:** Proactive adjustments to costs, prices, and budgets

### Way forward

It is often noticed that enterprises make efforts to automate processes and workstreams by using AI purely for saving time and cost cutting / curtailing headcount instead of re-engineering the operations by leveraging AI technology to obtain long lasting benefits which offer better financial value to the stakeholders<sup>6</sup>.

**By empowering Cost Leaders with Intelligent Analytics, AI offers perhaps the biggest opportunity to the CMA profession to examine the foundational as well as conventional techniques of cost and management accounting which have historically stood the test of time but need to be re-oriented in the wake of new opportunities offered through AI.** From a CMA perspective, it should be clearly understood that with the use of appropriate AI, the focus shifts from data processing to data analysis and information management, which implies employing higher level managerial skills. It is really up to the CMAs to acquire and develop the requisite AI related skills to encash the emerging opportunities such that there is true value creation rather than mere cost cutting. In this era of dynamically evolving technologies, recently AI, the CMA's need to reorient their abilities and role by adopting intensive as well as extensive usage of data and technology, thereby contributing to the growth and development of business enterprises by becoming their strategic partners, much beyond being information providers.

MA

<sup>6</sup> <https://www.bcg.com/publications/2025/how-four-companies-use-ai-for-cost-transformation>



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# GENERATIVE AI IN MARKETING AND CUSTOMER EXPERIENCE: REVOLUTIONIZING CREATIVITY WITH INTELLIGENCE

## Abstract

We break down the concept into layman's terms, revealing its synergy with human creativity, and chart its impact across campaign creation, visual design, personalized user interfaces, and feedback analysis. You'll discover practical workflows, data-driven dashboards, and real-world case studies illustrating how generative AI enhances both speed and quality—without sidelining the creative teams that fuel authentic brand expression.



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## What is Generative AI?

**G**enerative AI, simply put, is technology that assists in generating content - text, images, sound, video, or code, through artificial intelligence. But unlike the assumption that AI generates things on its own, generative AI only produces anything when we provide it with specific directions, or as we call them, prompts.

In marketing, this is especially vital. Whether as a business designing a consumer brochure or an ad agency working on an ad film, the beginning point is always human imagination. You still require strategists, planners, and creative minds who know brand values, customer psyche, and marketing objectives to develop the appropriate briefs.

AI does not substitute humans; it makes them more efficient. It is a cooperater, and not a single creator. The quality of the prompt is the quality of the output.

## From Concept to Campaign: How Generative AI Fits In

Let's take a classic marketing process. A team of creatives spends days (occasionally weeks) brainstorming, storyboarding, creating, and editing marketing content. There is no assurance even after working for weeks that the ultimate asset will appeal to the marketing team or audience.

Now picture generative AI - Rather than starting from scratch, your team designs prompts that are in line with the brand message and customer requirements. The AI tool produces several alternatives within hours. This means marketing teams can choose, edit, and publish quicker.

Step	Human Role	AI Role	Outcome
1. Define Brand & Customer	Strategy leads set goals, tone, audience	—	Prompt informed by brand needs

2. Prompt Engineering	Creative team crafts AI prompt	—	Textual or visual direction
3. Generate Assets	—	AI produces multiple visuals, copy, scripts	Diverse content for review
4. Review & Refine	Team selects and enhances outputs	AI iterates based on feedback	Final polished material
5. Execution	Produce assets for all channels	—	Campaign deployment across touchpoints

This flow allows for **creative freedom at scale**.

### Bridging Creativity and Technology

Whether it is a brochure, print ad, short film, or social media post, generative AI can quickly transform creative intent into physical products. But the creative team should ensure that the AI receives the proper direction. The graphics and the brand language should be aligned, the tone should convey the utility of the product, and the message should reach the consumer on an emotional level.

Short of that, creative vision remains from humans. AI simply allows to dig up more ideas sooner.

### Global Adoption & Market Growth

- ⊙ **Generative AI market** is booming: valued at **US \$62.7 billion in 2025**, projected to hit **US \$356 billion by 2030**, with a CAGR of around 41.5 % [Wikipedia+14sequencr.ai+14BrowserCat+14SEO.com](#).
- ⊙ **Overall AI spend** is soaring: Gartner forecasts worldwide AI investment reaching **US \$644 billion in 2025**, a **76 % increase** year-over-year [sequencr.ai](#).

### Enterprise-Level Perspectives

- ⊙ **78 % of organizations** use AI in at least one function and **71 % regularly use generative AI**, with marketing and sales leading the pack [McKinsey & Company](#).
- ⊙ However, only **17 %** see **5 %+ growth in EBIT** directly attributable to generative AI.
- ⊙ **84 % of enterprise leaders** recognize AI's disruptive potential, though 75 % find adoption challenging and 69 % struggle to move projects into production.

### Real-World Marketing Use Cases

**Zalando:** Shortened visual creation timelines from 8 weeks down to 3–4 days. Reduced creative expenses by 90% with AI-produced visuals and digital twins.

**Omnichannel Personalization:** AI adjusts fundamental messaging on platforms (email, Instagram, YouTube) according to user activity and platform aesthetic.

**Scriptwriting & Storyboarding:** Brands can now employ AI to author campaign stories or ad copy in hours.



### Marketers & Professionals Embrace AI

- ⊙ **Usage by marketers:** 88 % use AI daily, 71 % use generative AI weekly or more, and 20 % use it daily [Synthesia+11SurveyMonkey+11American Marketing Association+11](#).
- ⊙ **Perks of use:**
  - ▲ 71 % of marketers save **5+ hours per week** [Deloitte InsightsBrowserCat](#).
  - ▲ 56 % say AI-generated content outperforms human-made content.

- ▲ 34 % report **significant improvements** in marketing outcomes due to generative AI [Influencer Marketing Hub](#).

### Marketing & CX Applications

- ◎ **82 %** of business professionals report using AI in **marketing**, making it the top usage area .
- ◎ **61 % of sales teams** say AI helps them serve clients faster [Salesforce](#).
- ◎ **PR professionals** tripled generative AI use since 2023; **82 % use it for brainstorming**, **72 % use it for first drafts** [Salesforce+2Axios+2American Marketing Association+2](#).

### Generative AI in Customer Experience (CX)

#### A. UI/UX Personalization

In D2C and SaaS brands, visual interfaces create first impressions. Generative AI facilitates designing and customizing landing pages, dashboards, and user experiences for varied personas. This improves the overall experience and saves hours of human design.

#### B. Feedback Management & Dashboards

Generative AI helps assisting businesses in building a communication path with customers on real-time basis, summarizing great amounts of feedback from reviews, chat logs, and surveys. It doesn't simply gather data, it interprets and visualizes it through dashboards.

Whether or not a customer is happy, brands can now instantly know why.

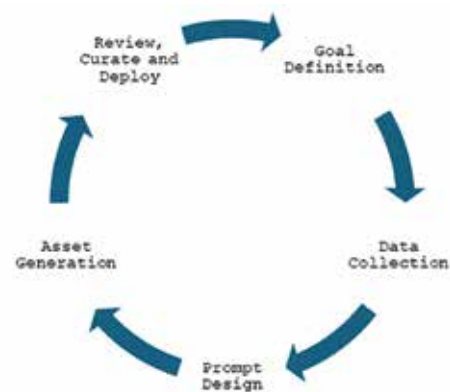
### Customer Experience & Personalization

- ◎ **70 %** of business owners expect AI to help generate customer responses (e.g. chatbots) [nu.edu](#).
- ◎ **Nearly 58 %** believe AI will deliver personalized experiences [nu.edu](#).
- ◎ **Hyper-personalization** can increase **conversion rates by ~40 %** and boost **ROAS by 10–25 %** [Vogue Business+1Business Insider+1](#).

- ◎ **Customer concerns** remain: 75 % wary about data security, and 62 % only comfortable with AI content if disclosed [AmplifAI](#).

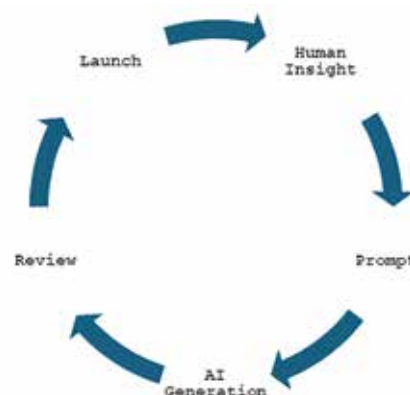
### The Human-AI Workflow Lifecycle

- ◎ **Goal Definition:** What experience or campaign result do we desire?
- ◎ **Data Collection:** Brand assets, historical feedback, and creative references.
- ◎ **Prompt Design:** Creativity + strategy to design inputs for the AI.
- ◎ **Asset Generation:** AI software generates multiple options.
- ◎ **Review and Curate:** Human teams shortlist, edit, and optimize outputs.
- ◎ **Deployment:** Deploy campaigns or UX changes.
- ◎ **Monitoring:** AI-driven dashboards give feedback on real-time basis.



### Visualizing the Process

*Human Insight → Prompt → AI Generation → Review → Launch → Feedback → Iterate*



## Why It Matters

Benefit	Impact
Time savings	Weeks of creative work done in hours
Cost efficiency	Massive cost reduction in production
Personalization	Tailored messaging per segment
Insight gathering	Real-time feedback turned into insights
Speed to market	Faster iterations and campaign launches

## Business Integration & ROI

- ⊙ **Adoption doubled:** From 2023 to 2024, companies using generative AI jumped to **65 %** .
- ⊙ **ROI is strong:** Each US \$1 invested yields an average **US \$3.70 return** [sequencr.ai+1 Vogue Business+1](#).
- ⊙ **Productivity gains** range **15–30 %**, with some reporting up to **80 % improvements** [sequencr.ai+1 BrowserCat+1](#).
- ⊙ **Cost reduction** averages **15.2 %**, while boosts in productivity average **22.6 %**.

## Watchouts: Use Responsibly

While Generative AI is a powerful enabler in marketing and customer experience, but it must be used with caution and along with human Insight.

We should remember that AI explicitly is guided by thoughtful prompts as it does not inherently understand brand emotion, cultural nuance, or ethical boundaries. This means that the relevance and effectiveness of the output from any AI tool is dependent on the input it receives from the creative and strategy team.

If the Marketeers blindly rely on AI-generated content which is not curated carefully, there is a risk of diluting brand identity. Use of Generative AI needs constant checks else it will replicate outdated content which lacks empathy or context. Human marketeers, who understand the brand's ethos, customer sensitivities, and long-term objectives, should take the final decision, while AI accelerates production. It implies, human insight is necessary,

not optional.

Responsible use demands disclosing use of AI involvement to customers and ensuring transparency in communication with them. Companies and brands which can create a balance between speed and innovation with ethical responsibility will truly benefit from the generative AI revolution.

Cost and Management Accountants (CMAs) can play a pivotal role in guiding the responsible adoption of Generative AI by linking creativity with financial accountability. Their expertise in cost optimization, performance analysis, and governance ensures that AI-driven marketing initiatives remain not only innovative but also efficient, ethical, and value-driven for businesses.

## Conclusion

Marketing is, at its heart, storytelling and selling usefulness. Generative AI helps marketing teams tell more compelling stories, sooner. But still, the heart of the story originates through humans. Brands which are leveraging AI as a creative collaborator, not a substitute, can grow more quickly while remaining emotionally engaged with their people.

If the future is speed, scale, and personalization, then Generative AI is the engine that will power marketing and Customer Experience forward, provided we keep turning the wheel. **MA**

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# THE TRANSFORMATIVE IMPACT OF ARTIFICIAL INTELLIGENCE ON COST AND MANAGEMENT ACCOUNTING: OPPORTUNITIES, CHALLENGES AND STRATEGIC IMPLICATIONS

## Abstract

The integration of Artificial Intelligence (AI) into cost and management accounting represents a paradigm shift that fundamentally transforms traditional accounting practices. This comprehensive analysis examines how AI technologies are revolutionizing the profession by automating routine tasks, enhancing analytical capabilities, and enabling strategic decision-making. While presenting unprecedented opportunities for efficiency and value creation, AI implementation also introduces significant challenges including workforce displacement concerns, skill requirements, and technological barriers. This research explores the multifaceted impact of AI on cost and management accountants, analysing major opportunities in predictive analytics and automation, addressing threats of job displacement and skill obsolescence, and identifying critical challenges in implementation and adaptation. The findings reveal that successful AI integration requires strategic workforce transformation, continuous upskilling, and a shift from traditional cost recording to strategic advisory roles.

## Introduction

The accounting profession stands at a critical juncture where technological advancement intersects with traditional practice methodologies. Cost and Management Accounting (CMA), historically characterized by manual data processing, variance



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analysis, and retrospective reporting, is experiencing unprecedented transformation driven by Artificial Intelligence technologies. This evolution represents more than mere technological adoption; it signifies a fundamental redefinition of the CMA profession's core functions, skill requirements, and strategic value proposition.

AI's rapid advancement has introduced capabilities that were previously unimaginable in accounting contexts. Machine learning algorithms can now process vast datasets with precision exceeding human capacity, while predictive analytics enables forward-looking insights that transform cost accounting from a historical recording function into a strategic planning tool. The integration of AI technologies such as Robotic Process Automation (RPA), Natural Language Processing (NLP), and advanced analytics platforms is reshaping how cost accountants analyse expenses, forecast budgets, and optimize resource allocation.

The significance of this transformation extends beyond operational efficiency gains. According to a report by 'Institute of Chartered Accountants in England and Wales (ICAEW)' AI can save 16% of the total cost of finance functions, while 88% of

accounting professionals believe AI will improve their working lives within three years. However, this technological revolution also presents challenges that require careful navigation, including workforce displacement concerns, skill gap requirements, and implementation complexities that demand strategic organizational responses.

## Literature Review and Theoretical Framework

### 1. Evolution of Cost and Management Accounting

Traditional cost and management accounting has evolved from basic cost recording to sophisticated management information systems. Weber (2019) emphasises cost accounting's transformation from static reporting to dynamic information provision, highlighting its strategic decision-making value. This evolution establishes the foundation for understanding AI's transformative potential within existing accounting frameworks.

### 2. AI Technologies in Accounting Context

Contemporary research identifies several AI technologies revolutionizing accounting practices. Ismanov (2023) highlights AI's transformative impact through predictive analytics, operational efficiency enhancement, and strategic decision-making capabilities. Key technologies include:

**Machine Learning (ML):** Enabling systems to learn from historical financial data and improve predictive accuracy over time. ML algorithms analyse cost behaviours, identify patterns, and forecast future trends with remarkable precision.

**Natural Language Processing (NLP):** Facilitating AI interpretation of human language for document processing and report generation. This technology streamlines invoice processing, contract analysis, and regulatory compliance documentation.

**Robotic Process Automation (RPA):** Automating rule-based tasks including data entry, reconciliation, and standard reporting procedures. RPA significantly reduces manual intervention while improving accuracy and processing speed.

**Predictive Analytics:** Utilising historical data trends to forecast future outcomes including cost projections, budget variances, and resource

requirements.

### 3. Strategic Transformation Framework

The strategic role of cost accountants has undergone significant transformation, expanding beyond cost control to encompass value creation and strategic planning. This paradigm shift positions cost accountants as strategic partners rather than traditional record-keepers, requiring enhanced analytical capabilities and business acumen.

### 4. Study aim and Research Questions

The aim of the study is to critically analyse the impact of AI technologies on Cost and Management Accounting processes, workforce roles, and strategic outcomes.

#### Key Research Questions:

- i. What are the main drivers and barriers to AI adoption in Cost and Management Accounting?
- ii. How do specific AI tools (RPA, ML, NLP) affect cost variance analysis accuracy and efficiency?
- iii. What skills and competencies are emerging for Cost and Management Accounting professionals in AI-driven environments?
- iv. What governance, privacy, and regulatory challenges emerge with AI implementation?
- v. How do ICAI initiatives and sector-specific contexts influence AI integration in Indian accounting practice?

### 5. Scope & Definitions

**Cost and Management Accounting (CMA):** The discipline focused on measurement, analysis, and reporting of financial and non-financial information for organizational resource management.

**AI Technologies:** For this study, AI includes RPA (automation of rule-based tasks), ML (pattern learning and predictive analytics), NLP (human language processing), and advanced analytics for strategic forecasting.

**Use Cases:** Applications include cost analysis, budgeting, variance analysis, fraud detection, and strategic resource allocation.

## Methodology

A **PRISMA-guided systematic review** was conducted:

- ⊙ **Databases searched:** Google Scholar, JSTOR, ScienceDirect, ProQuest, ICMAI publications
- ⊙ **Keywords:** “Artificial Intelligence and Cost Accounting”, “Automation and CMA”, “Machine learning and cost control”
- ⊙ **Date range:** Jan 2019–Sept 2025
- ⊙ **Inclusion criteria:** Peer-reviewed articles, industry/professional reports, English language, empirical or theoretical studies on AI in accounting
- ⊙ **Exclusion criteria:** Non-accounting AI studies, non-English publications, studies before 2019

**Case Examples** (P&G, Rolls-Royce, Amazon) were selected for their industry leadership and documented AI-driven accounting initiatives.

### 1. Limitations

- ⊙ Limited to published English-language sources, primarily from developed economies
- ⊙ Rapid technological advances may affect generalizability and currency
- ⊙ Case illustrations depend on available public documentation; methods/data may vary

## AI Applications in Cost and Management Accounting

### 1. Automated Data Processing and Analysis

AI revolutionises fundamental cost accounting processes through sophisticated automation capabilities. Machine learning algorithms process enormous datasets at unprecedented speeds, analysing historical cost data to identify patterns and anomalies that traditional methods might overlook. This capability transforms cost variance analysis from reactive reporting to proactive management insight generation.

Predictive analytics applications enable cost accountants to forecast future trends based on historical patterns and current market conditions. For example, AI systems can predict material cost fluctuations, labour requirement changes, and

overhead allocation variations, enabling proactive cost management strategies rather than reactive adjustments.

### 2. Real-Time Decision Support Systems

Modern AI-driven tools provide real-time data processing and insights, enabling immediate response to cost variances and operational inefficiencies. This capability represents a fundamental shift from periodic reporting to continuous monitoring and dynamic decision support.

Cloud-based AI platforms like SAP and Oracle ERP systems track inventory levels, production schedules, and resource utilisation continuously, ensuring optimal resource allocation without human intervention. These systems prevent both underutilisation and overburdening of resources through intelligent monitoring and automated recommendations.

### 3. Enhanced Cost Optimization and Resource Allocation

AI excels in identifying cost-saving opportunities through sophisticated benchmarking and optimization algorithms. Machine learning systems analyse production data to detect wasteful practices, enabling managers to implement data-driven improvements immediately.

Resource optimization represents another critical AI application area. Ismanov (2023) highlights AI-driven optimisation algorithms that allocate resources dynamically in real-time, minimising overheads while maintaining operational efficiency. This capability extends beyond traditional budgeting to encompass dynamic resource reallocation based on changing business conditions.

### 4. Fraud Detection and Risk Management

AI's pattern recognition capabilities significantly enhance fraud detection and risk management within cost accounting systems. Advanced algorithms analyse transaction patterns to identify irregularities that might indicate fraudulent activity or system errors, providing early warning capabilities that protect organizational assets.

These systems continuously monitor financial

transactions, flagging anomalies for investigation while maintaining detailed audit trails for compliance purposes. The capability to analyse vast transaction volumes in real-time provides security levels impossible through manual review processes.

## Major Opportunities for Cost and Management Accountants

### 1. Strategic Advisory Role Enhancement

AI automation of routine tasks creates unprecedented opportunities for cost accountants to assume strategic advisory roles. By eliminating time-consuming data entry, reconciliation, and basic analysis tasks, AI enables professionals to focus on interpretation, strategy development, and business partnership activities.

This transformation positions cost accountants as strategic business partners rather than traditional record-keepers. The ability to provide real-time insights, predictive analytics, and strategic recommendations elevates the profession's value proposition within organizational hierarchies.

### 2. Advanced Analytics and Business Intelligence

AI platforms provide cost accountants with sophisticated analytical capabilities previously available only to specialised data scientists. These tools enable complex scenario modeling, what-if analysis, and predictive forecasting that inform strategic business decisions.

The integration of AI with traditional cost accounting creates opportunities for developing comprehensive business intelligence systems that combine financial data with operational metrics, market trends, and external economic indicators. This holistic approach enables more informed and strategic decision-making.

### 3. Process Innovation and Efficiency Gains

AI implementation offers substantial process improvement opportunities through automation and optimisation. Organizations report significant time savings, with some achieving 50% reductions in data entry and reconciliation activities.

These efficiency gains create capacity for higher-value activities including strategic planning, business analysis, and client advisory services. The

ability to process larger data volumes with greater accuracy enables more comprehensive analysis and better-informed recommendations.

## 4. Career Development and Specialization

The AI revolution creates new career pathways and specialization opportunities within cost and management accounting. Professionals can develop expertise in AI tool implementation, data analytics, and strategic advisory services, commanding premium compensation for these specialised skills.

Research indicates that CMA professionals combining traditional accounting expertise with AI competencies are positioned for significant career advancement opportunities. The demand for professionals capable of bridging traditional accounting and modern technology continues expanding across industries.

## Major Challenges and Threats

### 1. Workforce Displacement and Job Transformation

The most significant concern regarding AI implementation involves potential workforce displacement. Automation capabilities threaten traditional entry-level positions involving routine data entry, basic reconciliation, and standard reporting activities.

Research suggests that approximately 60% of organizations anticipate staffing reductions due to automation, with entry-level roles facing the highest displacement risk. This transformation challenges traditional accounting firm pyramid structures that rely on large numbers of junior staff for routine work.

However, analysis indicates that AI represents job transformation rather than elimination. While routine tasks become automated, demand increases for strategic analysis, client advisory services, and AI system management capabilities.

### 2. Skill Gap and Competency Requirements

AI implementation creates substantial skill gap challenges requiring comprehensive workforce development initiatives. Cost and Management Accountants must develop technical proficiency in AI tools, data analytics capabilities, and strategic

advisory competencies to remain relevant.

**Critical skill requirements include:**

**Technical Proficiency:** Understanding AI-powered accounting software, data analytics platforms, and automated reporting systems.

**Analytical Capabilities:** Interpreting AI-generated insights, performing complex data analysis, and developing strategic recommendations.

**Strategic Thinking:** Moving beyond traditional cost recording to strategic business partnering and advisory services.

**Communication Skills:** Translating technical AI outputs into actionable business insights for non-technical stakeholders.

### 3. Implementation Complexity and Resource Requirements

AI implementation presents significant technological and organizational challenges. Organisations must invest substantially in infrastructure development, software acquisition, and workforce training to achieve successful AI integration.

Key implementation challenges include:

**High Initial Investment:** AI software, infrastructure, and training programs require substantial financial commitments, particularly challenging for smaller organisations.

**System Integration:** Connecting AI tools with existing accounting systems, databases, and operational platforms requires complex technical coordination.

**Data Security and Privacy:** AI systems process sensitive financial information, requiring robust cybersecurity measures and compliance with regulatory requirements.

**Change Management:** Overcoming employee resistance, managing workflow transitions, and maintaining operational continuity during implementation.

### 4. Ethical and Regulatory Considerations

AI implementation introduces complex ethical and regulatory challenges requiring careful consideration. Issues include algorithmic bias in decision-making, data privacy protection, and

accountability for AI-generated recommendations.

Regulatory frameworks governing AI use in financial contexts continue evolving, creating uncertainty about compliance requirements and legal responsibilities. Organisations must balance AI innovation with regulatory compliance and ethical business practices.

### Strategic Implications and Future Outlook

#### 1. Workforce Transformation Strategies

Successful AI integration requires comprehensive workforce transformation strategies addressing skill development, role redefinition, and career pathway creation. Organisations must invest in continuous learning programs, upskilling initiatives, and strategic workforce planning.

The Institute of Cost Accountants of India (ICMAI) has developed specialized AI training programs recognizing the critical importance of preparing CMA professionals for AI-driven environments. These initiatives focus on practical AI applications, hands-on training, and strategic competency development.

#### 2. Educational Curriculum Evolution

Accounting education must evolve to incorporate AI competencies alongside traditional cost accounting principles. Academic programs should integrate data analytics, AI tool usage, and strategic advisory skills into core curricula.

Professional certification bodies are updating their requirements to include AI-related competencies, recognising that future cost accountants must combine traditional expertise with technological proficiency.

#### 3. Industry Adaptation Patterns

Analysis of major accounting firms reveals consistent patterns in AI adoption and workforce development. Leading organisations prioritise employee upskilling, phased AI implementation, and strategic role transformation rather than wholesale automation.

The Big Four accounting firms like Deloitte, Ernst & Young, PwC, and KPMG emphasise using AI to augment rather than replace human accountants. This approach focuses on enhancing professional

capabilities while maintaining the strategic value of human judgment and creativity.

#### 4. Long-term Professional Evolution

The cost and management accounting profession is transitioning toward a holistic approach encompassing strategic planning, risk management, and value creation. This evolution positions CMAs as critical strategic partners in organizational success rather than traditional cost controllers.

Future CMAs will operate as AI-enabled advisors, leveraging technology to provide strategic insights while maintaining human expertise in judgment, communication, and stakeholder management. This hybrid model maximises both technological capabilities and human value creation.

### Case Studies and Practical Applications

#### 1. Enterprise Resource Planning Integration

Major organisations have successfully implemented AI-driven ERP systems for cost

management optimisation. Procter & Gamble implemented AI-driven supply chain solutions achieving significant cost reductions and operational efficiency improvements through predictive analytics and automated decision-making.

#### 2. Predictive Maintenance Applications

Rolls-Royce utilizes AI for predictive maintenance cost management in aircraft engines, analysing operational data to predict maintenance requirements before issues escalate. This approach demonstrates AI's capability to transform cost management from reactive to proactive strategies.

#### 3. Inventory Optimisation Systems

Amazon's AI-powered inventory management system analyses customer demand patterns and supplier data to optimise inventory levels and minimise holding costs. This application showcases AI's potential for dynamic cost optimisation and resource allocation.

#### 4. Case Studies and Key Performance Indicators

Case	Domain	AI Application	KPI (Improvement)	Source (Year)
P&G	Manufacturing	Supply chain AI	Cost reduction (20%)	Public Report-2024
Rolls-Royce	Aerospace	Productive AI	Cycle time (-30%)	Industry study-2022
Amazon	Retail	Inventory AI	Forecast Error (-15%)	Market Data-2023

### Recommendations and Best Practices

#### 1. Strategic Implementation Approach

Organisations should adopt phased AI implementation strategies beginning with pilot programs in specific cost accounting areas before organisation-wide deployment. This approach allows for learning, adjustment, and workforce adaptation while minimising operational disruption.

#### 2. Workforce Development Priorities

Investment in comprehensive training programs combining technical AI competencies with strategic advisory skills is essential for successful transformation. Organisations should prioritise continuous learning, mentorship programs, and career development planning.

#### 3. Technology Integration Framework

Successful AI integration requires robust IT

infrastructure, data security measures, and system compatibility planning. Organisations must ensure adequate technical support, cybersecurity protection, and regulatory compliance throughout implementation.

### Conclusion

The integration of Artificial Intelligence into Cost and Management Accounting constitutes a paradigmatic transformation that redefines professional boundaries, competencies, and strategic contributions. This comprehensive analysis substantiates that Artificial Intelligence catalyses professional evolution rather than obsolescence, presenting a dichotomous landscape of opportunities and implementation challenges.

Artificial Intelligence empowers Cost and Management Accountants to transcend traditional transactional roles, enabling sophisticated predictive

analytics, real-time decision support, and strategic business partnership. However, successful transformation necessitates addressing workforce displacement concerns, bridging competency gaps, and navigating complex implementation frameworks requiring substantial organisational investment.

The empirical evidence unequivocally demonstrates that Artificial Intelligence augments rather than supplants human expertise. Strategic success mandates embracing Artificial Intelligence as a force multiplier while cultivating complementary analytical, communicative, and strategic competencies that leverage uniquely human capabilities.

The transformation trajectory is inexorable, organisational and professional responses must be strategically orchestrated. Cost and Management Accountants must metamorphose from traditional cost custodians to Artificial Intelligence -enabled strategic advisors, synthesising technological capabilities with human insight to deliver unprecedented organizational value and professional relevance. **IMA**

Success demands upskilling, robust governance, and phased implementation to address displacement, skill gaps, integration, and ethical risks

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# NAVIGATING THE LANDSCAPE OF AUTOMATION: OPPORTUNITIES AND CHALLENGES IN THE ERA OF AUTOMATED SOFTWARE FOR CMAs

## Abstract

Automation, particularly in the realm of accounting and financial management, has transformed the way professionals like Cost and Management Accountants (CMAs) function. Automated software - from ERP systems to AI-powered analytics platforms - offers enormous opportunities, such as enhanced accuracy, efficiency, compliance, and strategic decision-making. However, the transition to automated systems is not devoid of challenges. Issues related to data security, cost of implementation, resistance to change, integration difficulties, and evolving regulatory landscapes must be effectively managed. This paper explores the dual facets of automation in financial environments, particularly through the lens of CMAs, analysing both the opportunities it presents and the challenges it imposes. Drawing on case studies, industry reports, and academic research, this article provides insights into how CMAs can harness automation tools while overcoming potential pitfalls. Recommendations for best practices and a discussion on future trends make this paper a comprehensive guide for professionals navigating automation in the field of cost and management accounting.

## Introduction

**T**he evolution of technology has revolutionized every business function, with accounting and financial management standing at the forefront



### CMA V. Renuka

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of this transformation. Cost and Management Accountants (CMAs), traditionally responsible for budgeting, cost control, performance evaluation, and strategic decision-making, now increasingly rely on automated software to enhance their functions.

As organizations strive to remain competitive in an increasingly dynamic and data-driven global environment, the integration of automated software into core accounting and financial functions has become a strategic imperative. For CMAs, this transformation goes beyond mere technology adoption - it reshapes traditional roles, introduces new workflows, and demands a rethinking of competencies and value delivery. In this evolving landscape, the role of the CMA is expanding from data custodian to strategic advisor.

While the benefits of automation are widely acknowledged, the challenges are equally pressing. The objective of this article is to explore the nuanced impact of automated software from the perspective of opportunities and challenges, especially relevant to CMAs functioning in complex and data-intensive environments.

## Opportunities Offered by Automated Software

The advent of automated software has opened up a wide array of opportunities for Cost and Management Accountants, enabling them to enhance efficiency, accuracy, and strategic value within organizations.

### *i. Enhanced Accuracy and Reduced Human Error*

Automated software eliminates many manual entry tasks, thus significantly reducing the probability of errors. This is particularly important in cost accounting, where accuracy of data determines the quality of insights derived. For *example*, ERP systems like SAP and Oracle Financials automate cost allocation and product costing, providing real-time updates with minimal manual intervention.

### *ii. Time and Cost Efficiency*

Automation reduces processing time by performing repetitive tasks quickly. This leads to cost savings and allows CMAs to focus on strategic analysis instead of routine bookkeeping. The *Study Insight*, according to a 2023 Deloitte report, organizations using financial automation tools witnessed a 35% reduction in operational costs over two years.

### *iii. Real-time Reporting and Decision Support*

Automated software provides real-time access to key financial metrics, enabling CMAs to make timely and informed decisions. Predictive analytics also help in forecasting, budgeting, and performance management. For *example*, tools like Tableau, Power BI, and Zoho Analytics integrate with accounting systems to deliver real-time dashboards and visualizations.

### *iv. Regulatory Compliance and Audit Readiness*

Automation ensures that transactions are recorded in compliance with standards and guidelines such as IFRS, GAAP, and GST regulations. Many systems have in-built audit trails which enhance transparency and accountability. In *Regulatory Integration* TallyPrime, for example, is equipped to handle GST returns, e-invoicing, and audit logs, all

aligned with Indian compliance requirements.

### *v. Scalability and Standardization*

As businesses grow, automated systems can scale without significantly increasing costs. Standardized processes reduce inconsistency, especially in multi-location operations where CMAs are required to consolidate financials.

## Technical Dimensions of Automation Tools

Automation in cost and management accounting is underpinned by a suite of advanced technologies that extend beyond general efficiency improvements. Robotic Process Automation (RPA) is particularly effective for handling high-volume, repetitive tasks such as accounts payable, reconciliations, and report generation, delivering processing accuracy rates of over 95% in many organizations. Artificial Intelligence (AI) and Machine Learning (ML), by contrast, focus on analytics and forecasting, with AI-driven forecasting models improving cost estimation accuracy by 20-30% compared to traditional methods.

Enterprise Resource Planning (ERP) platforms like SAP and Oracle integrate cross-functional data, reducing reporting cycle times by nearly 40%. Meanwhile, cloud-based solutions enhance collaboration by providing real-time access to cost data across geographically dispersed teams, increasing decision-making speed by approximately 25-30%. These figures demonstrate that automation is not merely a support tool but a performance enhancer for CMAs.

## Challenges in Implementing and Working with Automated Software

Despite the significant advantages automation offers, it also presents several challenges that professionals must carefully navigate to ensure successful adoption and long-term effectiveness.

### *i. High Initial Cost and ROI Concerns*

While automation leads to long-term savings, the initial setup cost can be significant. Software licensing, customization, training, and migration can strain smaller organizations'

budgets. In the *Case Point*, a mid-sized Indian manufacturing firm reported a 28% budget overrun during ERP implementation due to unforeseen customization needs.

## ii. **Data Privacy and Cybersecurity Risks**

Beyond generic risks, threats include phishing attacks aimed at financial personnel, ransomware targeting ERP systems, and insider misuse of automated tools. To mitigate these, organizations must adopt a layered security strategy: multi-factor authentication, role-based access controls, end-to-end encryption, and real-time intrusion detection systems. Regular cybersecurity audits and mandatory staff training reduce vulnerabilities, while business continuity planning ensures minimal disruption in case of a breach. For CMAs, understanding these risks and collaborating with IT is essential to protect the integrity of financial data in an automated environment.

The *Statistical Alert*, IBM Cost of a Data Breach Report 2023 highlighted that finance sector breaches cost an average of 5.9 million dollars per incident.

## iii. **Resistance to Change and Skill Gaps**

Human resistance, especially from traditional accountants, is a notable barrier. Moreover, CMAs need upskilling to effectively leverage new software tools. The *Skill Challenge*, in 2022 survey by IFAC indicated that 61% of finance professionals felt unprepared for AI-enabled tools without additional training.

## iv. **Integration Issues with Legacy Systems**

Automated software may not integrate easily with legacy accounting systems, requiring costly middleware or system overhaul. The *Integration Bottleneck*, where organizations using older systems like FoxPro or Excel-based accounting often face integration hurdles with cloud-based ERPs.

## v. **Dependence on Software Vendors**

Vendor lock-in and dependency on third-party providers for updates, support, and customization can limit flexibility and control.

In *Vendor Risk*, a discontinued support cycle or acquisition of the vendor may force the company to shift platforms, creating additional transition burdens.

## **Impact on the Role of CMAs**

As routine, manual tasks such as data entry, reconciliation, and report generation become increasingly automated, CMAs are liberated from time-consuming processes and empowered to focus on higher-value activities.

### i. **From Record-keepers to Data Analysts**

Automation has shifted this paradigm. Modern CMAs are now expected to interpret real-time data dashboards, perform variance analysis using advanced analytics tools, and provide actionable insights to management. Their role has transitioned from data processors to data analysts - individuals who can translate complex datasets into meaningful business intelligence.

### ii. **Becoming Strategic Advisors**

Automation allows CMAs to step into more strategic roles. By leveraging insights from ERP systems, predictive analytics, and performance management tools, CMAs contribute directly to decision-making processes. Their ability to interpret automated reports and forecasts positions them as trusted advisors who support leadership in navigating competitive and regulatory environments.

### iii. **Leading Digital Change and Transformation**

In a digitally evolving workplace, CMAs are not just end-users of technology - they are also champions of change. They play a pivotal role in selecting, implementing, and customizing automated systems to suit organizational needs. Their financial acumen combined with technological literacy makes them critical facilitators of digital transformation.

### iv. **Enhancing Risk Management and Compliance**

Automated systems enhance compliance and

risk monitoring, but human oversight remains crucial. CMAs are increasingly responsible for configuring controls within automated platforms, reviewing exception reports, and ensuring that automated outputs align with regulatory standards.

### Perspectives from Organizational Stakeholders

The success of automation in financial management depends on collaboration across different organizational stakeholders. Their perspectives can be understood as follows:

#### *i. Executive Leadership*

- ▲ Views automation as a driver of long-term competitiveness.
- ▲ Focuses on return on investment (ROI), sustainable cost efficiencies, and strategic advantage.
- ▲ Looks for measurable outcomes that justify large-scale technology adoption.

#### *ii. IT Departments*

- ▲ Ensure scalability of automation tools to match future organizational growth.
- ▲ Handle seamless integration with existing enterprise systems.
- ▲ Safeguard financial data through robust cybersecurity frameworks.

#### *iii. Operational Managers*

- ▲ Depend on timely and accurate financial information for decision-making.
- ▲ Expect automation to reduce manual interventions, improve reporting consistency, and shorten turnaround times.
- ▲ Seek efficiency in day-to-day operations through better process visibility.

#### *iv. Role of CMAs*

- ▲ Act as mediators between technical teams and business leadership.
- ▲ Translate automation capabilities into actionable business insights.
- ▲ Ensure alignment of financial automation

initiatives with broader organizational goals.

### Best Practices for Successful Automation Adoption

To fully leverage the potential of automated software and mitigate its associated risks, organizations and CMAs must adopt a set of strategic best practices.

#### *i. Strategic Planning and Stakeholder Buy-in*

Involve all key departments early, perform cost-benefit analysis, and align automation initiatives with strategic goals. Clear communication of objectives and collaborative planning ensures that automation is not seen as a threat but as a tool for enhancement.

#### *ii. Choose Scalable and Compatible Systems*

Invest in modular and API-friendly systems that integrate well with existing processes. Scalability ensures that the software continues to meet organizational needs as it grows, avoiding future overhauls or disruptions.

#### *iii. Prioritize Cybersecurity*

Implement firewalls, encryption, two-factor authentication, and regular audits to safeguard data integrity. A robust cybersecurity framework protects sensitive financial data and builds trust among clients, stakeholders, and regulators.

#### *iv. Upskill and Reskill*

Regular training and certification for CMAs and finance teams on tools like RPA, AI, and cloud computing. Building digital literacy within the finance function ensures that teams can effectively interact with and derive insights from automation tools.

#### *v. Monitor and Evaluate Continuously*

Track KPIs post-implementation and refine workflows based on performance data. Regular evaluation helps in identifying system bottlenecks, ensuring that automation continues to deliver intended benefits over time.

## Future Outlook for Automation in Cost and Management Accounting

The future of cost and management accounting is poised to be shaped by the convergence of advanced digital technologies and strategic financial management. Automation is progressing toward hyper automation, which involves the integration of Artificial Intelligence (AI), Machine Learning (ML), the Internet of Things (IoT), and predictive analytics into cohesive systems. These systems are designed not only to automate routine processes but also to enhance the quality and speed of decision-making. As automation systems become more intelligent and autonomous, CMAs will need to demonstrate proficiency in analysing the outputs of such systems and aligning them with organizational goals.

### *i. AI-Driven Decision Support Systems*

AI enhances financial decision-making by offering real-time, data-based recommendations and forecasting insights.

### *ii. Blockchain for Transaction Recording and Auditing*

Blockchain ensures secure, transparent, and tamper-proof financial records that streamline audits and compliance.

### *iii. Cloud-Based Collaborative Platforms*

Cloud systems enable real-time data access, seamless integration, and efficient collaboration across finance teams.

### *iv. Voice-Command and Natural Language Processing Tools*

Voice and NLP tools simplify system interaction and accelerate access to financial reports and functions.

### *v. RPA and Cognitive Automation*

Advanced automation tools handle repetitive and analytical tasks, allowing CMAs to focus on strategic analysis.

### *vi. Integration of ESG and Sustainability Metrics*

Future accounting platforms will integrate ESG data, making sustainability reporting part of financial management.

### *vii. The Strategic Imperative for CMAs*

CMAs must enhance their digital skills, collaborate cross-functionally, and lead value creation through technology.

## Cost Audit in the Era of AI and Automation

Cost audit, traditionally seen as a mechanism for financial accountability and compliance, is undergoing a profound transformation in the digital age. Emerging technologies such as Artificial Intelligence (AI), automation, and blockchain are reshaping how cost audits are conducted, making them more efficient, accurate, and insightful.

### *i. Role of Automation in Cost Audit*

- ▲ Automation tools extract, consolidate, and analyse cost records in real time.
- ▲ Routine tasks such as data compilation, reconciliation, and verification are significantly reduced.
- ▲ Provides auditors with reliable datasets that improve audit efficiency and reduce the risk of human error.

### *ii. AI-Driven Anomaly Detection*

- ▲ AI algorithms detect unusual cost patterns, variances, or deviations from standard norms.
- ▲ Facilitates early identification of fraudulent transactions or inefficiencies.
- ▲ Shifts focus from reactive reporting to proactive risk mitigation.

### *iii. Blockchain for Transparency and Traceability*

- ▲ Blockchain ensures cost data is tamper-proof, immutable, and securely recorded.
- ▲ Increases trust among regulators, stakeholders, and management by offering transparent records.
- ▲ Minimizes disputes or discrepancies during regulatory scrutiny.

### *iv. Evolving Role of CMAs*

- ▲ CMAs move from routine verification

tasks to higher-level interpretation and analysis.

- ▲ Focus shifts towards ensuring compliance with statutory requirements while offering strategic insights.
- ▲ Act as value creators, not just compliance officers, in the automation-driven audit landscape.

#### v. **Strategic Implications**

- ▲ Automation does not replace CMAs; rather, it enhances their effectiveness.
- ▲ Cost audits evolve into tools of strategic decision-making rather than just regulatory compliance.
- ▲ Organizations benefit from deeper analytical insights that support long-term competitiveness.

#### **Conclusion**

The rise of automation in accounting and financial management is redefining the professional landscape for CMAs. Intelligent tools and AI-driven platforms are not merely replacing manual tasks but are creating avenues for CMAs to transition into strategic partners in decision-making. That said, this transformation is not without its challenges. Issues such as system integration, cybersecurity vulnerabilities, workforce adaptability, and continuous skill development demand serious attention. CMAs must therefore embrace lifelong learning, acquire technical fluency, and actively collaborate with IT teams and organizational leadership to remain relevant.

Looking ahead, as *Industry 5.0* unfolds with greater human - AI collaboration, CMAs will be expected to combine technological intelligence with ethical judgment, sustainability insights, and strategic foresight. Those who adapt early will not only safeguard their professional relevance but also

Automation empowers CMAs with efficiency, accuracy, and real-time decisions—yet brings unique challenges in data security, integration, and skill development for future-ready finance professionals

shape the future of financial governance in an AI-driven world. **MA**

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# ETHICAL AI IN BUSINESS: RESPONSIBLE USE, BIAS, TRANSPARENCY

## Abstract

As AI continues to play a foundational role in business, ethical challenges, such as bias, opacity, and data misuse, put pressure on ethical AI and demand attention. This paper explores how ethical AI should be embedded in corporate governance to promote fairness, transparency, and accountability. The paper considers ways businesses can develop responsible AI through a leadership-driven cultural narrative, inclusive governance, human-in-the-loop systems, and means of mitigating bias. Ethical AI is not framed solely as a compliance issue but as a strategic differentiator, with multifaceted benefits including innovation, resilience, and sustaining long-term legitimacy. The development of ethical AI in values will ensure the deployment of more socially responsible and sustainable AI.



## Introduction

**A**I has changed how firms operate. AI has transformed almost every aspect of modern business, from automating customer service to evaluating consumer behaviour to optimising logistics. But this also meant that AI brought urgent ethical dilemmas, especially around issues such as responsibility, transparency, bias, discrimination and data misuse.

There is an increasing recognition of ethical AI



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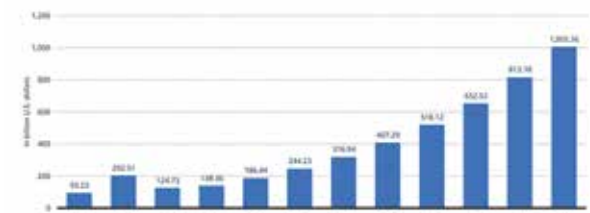
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as a business and strategic imperative rather than just a legal or reputational concern. Companies should now ensure that their use of AI leads to fair outcomes, upholds the rights of individuals, and is socially accepted.

### Picture 1: AI market size worldwide from 2020 to 2031

Artificial intelligence (AI) market size worldwide from 2020 to 2031 (in billion U.S. dollars)

AI Market Size Worldwide from 2020-2031



Source: Statista

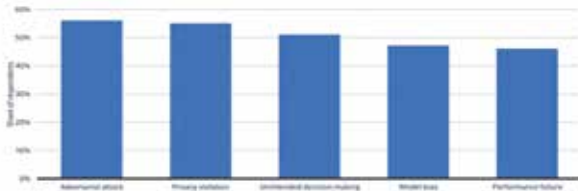
This issue is particularly noteworthy given the rapid diffusion of AI technologies and tools across marketing, finance, healthcare, human resources, and logistics sectors. Without sufficient governance, businesses would lose stakeholder trust and may even be at risk of breaking new laws.

This paper attempts to carefully illustrate how businesses can integrate ethical AI as a core strategic and operational priority.

## Section 2: Understanding Ethical AI in the Business Context

Picture 2: AI system issues reported by the firm in 2024

Reported technical and ethical failures of artificial intelligence (AI) across organizations in 2024  
AI system issues reported by firms in 2024



Source(s): McKinsey & Company; Stanford University, Statista

### 1. Defining Ethical AI

The term “ethical AI” refers to the design, development, and use of AI systems that are morally grounded in concepts such as justice, accountability, transparency, privacy, and human autonomy. In other words, AI systems may be technically sound, legally compliant, socially beneficial, and ethically responsible.

Unlike traditional technologies, AI systems make independent decisions and learn from data, sometimes resulting in obscure or unpredictable outcomes. Some international bodies would give ethical AI guidelines. For instance, among others, the High-Level Expert Group on Artificial Intelligence of the European Commission emphasises accountability, diversity and inclusion, technical robustness, and human agency as very important values. These ideas are further developed into workable policies by the OECD’s AI Principles and the IEEE’s “Ethically Aligned Design.”

### 2. Relevance to Business Strategy and Risk Management

The significance of Ethical AI is increasingly acknowledged as a form of reputational capital and a strategic differentiator in the business landscape. Organisations implementing AI with little regard

for ethical implications can suffer from diminution of market position, regulatory risk, public outrage, or lawsuits. On the other hand, organisations that implement ethical design with transparent governance will develop resiliency, citizens’ trust, and customer loyalty over time.

### 3. Cultural and Organisational Foundations

The transition towards ethical AI is fundamentally a matter of culture change beyond a mere technical problem. Ethics must be embedded in the boardroom, regulators, and across all tiers of the organisation. Organisations need to establish consultative processes, engage a broader stakeholder network, establish diversity-centred teams, and recruit interdisciplinary AI ethics committees to support the design of AI systems that serve the public interest.

Recognising and managing ethical ambiguity is necessary in generative content and AI-created creativity cases. Their studies demonstrate how organisations can work through conflicts in values by establishing internal ethical review processes and providing ongoing education for AI development teams.

### 4. Role of Leadership and Governance

Leadership plays a pivotal role in establishing a standard for ethical AI. Senior leaders and board members must endorse ethical precepts not simply as monitors of regulation but to drive sustainable innovation for the future.

This includes:

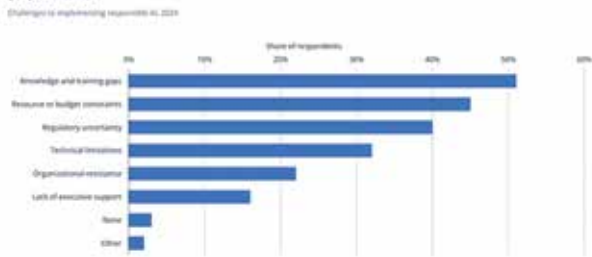
- ⊙ Creating ethical risk assessment frameworks.
- ⊙ Embedding AI ethics into ESG (Environmental, Social, Governance) reporting.
- ⊙ Appointing Chief AI Ethics Officers or similar roles.
- ⊙ Encouraging transparency in the procurement of third-party AI tools.

By institutionalising ethical practices, companies can future-proof their AI strategies and enhance their social legitimacy in an increasingly AI-mediated world.

## Section 3: Responsible Use of AI in Business

### 1.: Picture 3: Challenges to implementing responsible AI, 2024

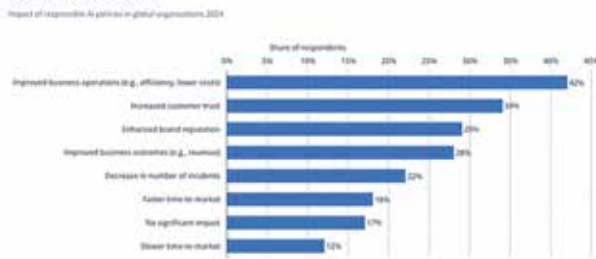
Organizational obstacles to implementing responsible artificial intelligence (AI) in 2024



Source(s): McKinsey & Company; Stanford University, Statista

### Picture 4: Impact of responsible AI policies in global organisations 2024

Impact of responsible artificial intelligence (AI) policies in organizations worldwide in 2024



Source(s): McKinsey & Company; Stanford University, Statista

## 2. AI in Business Operations: Use Cases and Issues

AI is changing how businesses work in all areas, such as:

- ⊙ **Human Resources:** AI tools screen job candidates, monitor their performance, and plan the workforce. However, biased training data can lead to unfair hiring or promotions.
- ⊙ **Customer Experience:** Chatbots and recommendation systems make service better, but they also make people worry about privacy and being manipulated.
- ⊙ **Finance:** AI is used to find fraud and score credit, but if models use features that are not clear, they might leave some groups of people out by accident.
- ⊙ **Supply Chain & Logistics:** Predictive analytics

help with delivery routes and inventory, but these models might make workers feel watched too much or work harder than needed.

These illustrations depict a fundamental conflict: pursuing efficiency and profit can conflict with moral obligations unless there is an explicit rule set or regulations for compliance.

## 3. Safety Measures for Responsible AI Implementation

To support the responsible use of AI, organisations can take the following thoughtful steps:

- ⊙ **Set Clear Ethical Standards:** Introduce and follow well-defined ethical principles to guide how AI is developed and used internally.
- ⊙ **Invite External Oversight:** Bring independent experts to review AI systems for fairness, accuracy, and regulatory compliance.
- ⊙ **Be Open and Transparent:** Document how AI models are built, tested, and applied—using tools like model cards to help others understand and trust the process.
- ⊙ **Give People a Voice:** Make sure there are easy ways for users to question or appeal decisions made by AI, so concerns can be addressed fairly.

## 4. Human-in-the-Loop and Hybrid Decision-Making

One of the most important parts of responsible AI is using “human-in-the-loop” systems. In these processes, people still oversee things and make the final decision about what AI suggests.

Generative AI presents new ethical issues where it becomes difficult to distinguish between human and machine authorship, particularly in creative industries. Human validation of outputs is necessary to uphold accountability and ethical boundaries, especially in legal advice, diagnostics, and content creation.

Hybrid decision-making, which combines human reasoning with AI insights, often yields more complex and dependable results. This approach also lessens the risks associated with automation bias and an over-reliance on opaque models.

## Section 4: Bias in AI Systems:

### 1. Understanding Algorithmic Bias

Algorithmic bias constitutes systematic inaccuracies that produce unfair or inequitable outcomes during data use or decision-making in AI systems. The bias can occur based on race, gender, age, culture, or socioeconomic status, often capturing historic injustices and inequities that are embedded in the training data.

Bias can be introduced at several stages of the AI pipeline:

- ⦿ **Data Collection Bias:** When training datasets do not adequately represent the diversity of the population.
- ⦿ **Labelling Bias:** When human annotators apply subjective or culturally conditioned labels.
- ⦿ **Model Design Bias:** This happens when algorithms are made to work better instead of being fair.
- ⦿ **Deployment Context Bias:** Typically, systems are deployed in situations that differ from the training environment.

Algorithms are not always biased intentionally; however, they can have highly negative consequences, particularly in high-stakes environments like lending, employment, healthcare, and the criminal justice system.

### 2. Real-World Impacts on Business and Society

AI bias is not merely an issue of technology; its implications can prevent customers from finding talented employees and potentially damage the image of a business. For example:

- ⦿ Hiring algorithms trained on past data may unintentionally overlook women or minority candidates.
- ⦿ Loan approval systems might unfairly reject people based on where they live or went to school.
- ⦿ Pricing tools could offer worse deals to certain communities without anyone noticing.

### 3. Techniques for Bias Mitigation

Experts propose a comprehensive solution to address bias in AI Systems, which typically involves multi-layered action. This often takes the form of three categories of action:

- ⦿ **Pre-processing** refers to cleaning and balancing the data, removing sensitive attributes like race or gender, and establishing the fairness of features from the start.
- ⦿ **In-processing:** Fairness is incorporated directly into the algorithm by constraining the rules of the algorithm with fairness constraints and valuing different ethical trade-offs.
- ⦿ **Post-processing:** The final outputs of the models could be modified by looking at the thresholds to decrease any impacts of unfairness.

Companies are also encouraged to do regular ethical reviews of their AI systems. One way is through **Algorithmic Impact Assessments (AIAs)**, which act like checkups, helping organisations spot who could be affected, measure fairness, and plan how to reduce harm.

Another helpful tool is **counterfactual testing**, which asks questions like, “*Would the outcome change if only a person’s race or gender were different?*” This helps reveal hidden biases and makes AI decisions fairer.

## Section 5: Transparency:

### 1. The Transparency Imperative in AI

Transparency in AI denotes the degree to which AI systems and their decision-making processes are comprehensible to stakeholders, including developers, users, auditors, and regulators. For a business context, transparency is a pillar of ethical AI because it enables accountability, decreases the risk of unintended harm, and establishes stakeholder trust.

Notwithstanding these benefits, a range of present-day AI systems, specifically deep learning models, function in a “black box” manner so that their internal rationale is complicated and unclear, such that even a developer may not be able to articulate how the system deduces a decision. The lack of interpretability can complicate regulatory adherence, internal management, and ethical governance.

### 2. Transparency as an Ethical Value

Transparency is not solely a technical issue, but also a philosophical and ethical one. In a world where increasingly more decisions are made by algorithms, it represents a greater social need for

control, autonomy, and justice.

Transparency needs to be planned with the audience in mind. A consumer or regulator might not understand an explanation that makes sense to a software engineer. Accessible, context-sensitive, and actionable multi-layered explanations are necessary for ethical AI.

Additionally, businesses should avoid “transparency theatre,” which uses flimsy disclosures to appear more responsible. Giving impacted parties the ability to contest decisions, permitting independent review, and providing helpful information are all components of true transparency.

## Section 6: Case studies of ethical AI implementations:

### 1. Success Stories :

- ⊙ **IBM** addressed fairness in AI in regulated areas, including healthcare and finance, with an overall AI Fairness 360 Toolkit to identify fairness and mitigate bias in AI. It has global AI ethics board and commits to regular audits. This has seen a positive result to client trust and ESG based investments, also building IBM’s reputation as a trusted ethical AI player.
- ⊙ **Spotify** received backlash for potential algorithmic bias against smaller artists. As a response ,it assessed algorithmic fairness, gave users more control over recommendations, and used diverse models to balance personalization and equity. As a result, Spotify exhibited higher user trust and improved their reputation on the basis of an equitable platform for music discovery.
- ⊙ **Patagonia** an American retailer of outdoor recreation clothing, equipment, and food company aligned its AI initiatives with sustainability objectives by utilizing predictive AI for inventory management and data analytics to decrease logistical emissions. The transparency of sustainability reporting aided Patagonia to reduce its emissions by 90% by 2040 and increase customer loyalty.
- ⊙ Founded in Bengaluru, **Karya** strives to pay rural distinguished contributors fairly for data in local languages and share royalties: an ethical model in data sourcing that is reliant on equity and shares in the welfare of workers.

### 2. Failure Cases:

- ⊙ **Amazon’s** artificial intelligence hiring tool that was developed with biased male-dominated data, penalized any reference of women, leading to the needless collapse of the program underlining the danger of bias in training data that is not kept in check.
- ⊙ With the unmonitored use of artificial intelligence, 1.9 million welfare recipients in **Telangana** were identified as deceased by an A.I., blocking necessary support indicating the dangers of uncontrolled automation.
- ⊙ An **Uber** autonomous vehicle fatally collided with a pedestrian based on insufficient detection of a pedestrian, proving the importance of real-world testing.

## Section 7: Measurable business implications of ethical practices

Ethical AI is no longer simply a way to do the right thing – it’s a critical driver of business performance. Organizations that have prioritized fairness, transparency, and accountability in their AI systems show substantial improvements across important business metrics.

### 1. Companies using AI in an ethical way will be rewarded:

A Capgemini consumer survey revealed that 62% of respondents would be more likely to trust a company whose AI interactions they believed were ethical, while 61% would share positive experiences with friends and family, 59% would be more loyal to the company, and 55% would buy more products and leave high ratings and positive reviews on social media. Conversely, when consumers experience ethical issues related to AI interactions, it can damage reputation as well as profit: 41% claim they would submit a complaint if an AI interaction encountered an ethical issue, 36% would seek an explanation, and 34% would cease engagement with the company.

### 2. Enhanced brand reputation

Establishing trust in a brand is critical and ethical AI can help develop this trust. Capgemini Research states that 62% of consumers feel the brand is more trustworthy when the AI used was considered ethical. 61% said they would share positive experiences with

other people and 59% were more loyal to a company that is ethically driven.

In addition to positive feelings, companies with strong ethical values have superior profit margins compared to competitors of up to 10% showing that integrity does pay.

A survey of 75 US data governance officials as part of Hirsch's (2024) report on responsible AI management confirms that responsible AI management provides significant business value.

### 3. Increased customer loyalty

Ethical AI has big influence on customer behaviour and loyalty. A study by Heart recently found that 82% of customers are more loyal to brands where they trust the AI, and that 75% are more likely to recommend those brands. The research shows that companies using ethical AI can retain 20% more customers and gain 15% more referrals.

### Section 8: Conclusion

As artificial intelligence continues to become embedded into businesses' operational, strategic, and decision-making functions, considering its ethical implications can no longer be viewed as peripheral or secondary. This article has examined the important aspects of ethically responsible use of AI, addressing bias and transparency, and illustrated how each contributes to trust, fairness, and the legitimacy of firms over the long run.

Ethical AI must go beyond the boxes of compliance and rest within the corporate value system, requiring firms to generate a culture that respects human rights, values diversity and inclusion, and the accountability of AI systems designed and deployed. Artificial intelligence (AI) governance should not be restricted to analytics teams or compliance resources; the leadership must include employees from cross-functional capabilities within the organisation and outside stakeholders, creating the conditions for inclusive, flexible and adaptive governance systems.

AI systems that are opaque, biased, or used irresponsibly can create reputational damage, legal exposure, and trust issues. These challenges present the emergent need for system implementation of interpretable, auditable approaches, and faithful to society's values. Using human-in-the-loop decisions, third-party audits, algorithmic impact assessments,

and a hybrid oversight and governance model is a novel opportunity for ethical AI deployment.

The concept of ethical AI is not only a technological problem but also a business problem. Businesses that invest in ethical AI capabilities will lead to innovation and ethical consumer, employee, regulator, and society trust. There will be a difference between the unsuccessful and the unethical in the future of smart machines. **MA**

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# PARADIGM SHIFT IN AUDIT: ELECTRIFYING ROLE OF CMAs IN THE TECHNOLOGY CENTRIC THEORETICAL LANDSCAPE

## Abstract

The paper outlined the paradigm shift in the audit from the traditional phase to the digital phase by embracing the implementation of AI assisted tools and various technology centric theoretical constructs to make the performance more reliable, transparent and accurate. The role of the professionals in this transition would also be instrumental.

## Introduction: Evolution of Audit

**A**udit has seen its inception around 5000 years back. Ancient foundations aimed at detection of fraud and theft and all things were manual. Sumerians and Babylonians are known to be the first ones to start very basic verification of financial records in temple economies in 3000 BC. Egyptians brought more advancement to this area for taxation purposes in around 2000 BC. (Mattessich, 2000; Chatfield, 1974). They developed the concept of cross-verification to ensure accuracy and avoid corruption in government related finances. During the Medieval Period (500 - 1500 CE), in Europe, auditing became more engrained in monarchies and religious institutions. Requirements of maintenance of records increased and auditing ensured agents took care of assets on behalf of the Principal.

### 1. Transformation of Audit: Traditional to Digital Audit, AI assisted

The methodology of verifying the documents, papers and vouchers and allied stuff in a physical mode, sample test checking and post facto reporting became tumultuous and the need for the convergence with digitization was felt among the auditors' community and there evolved the digitized



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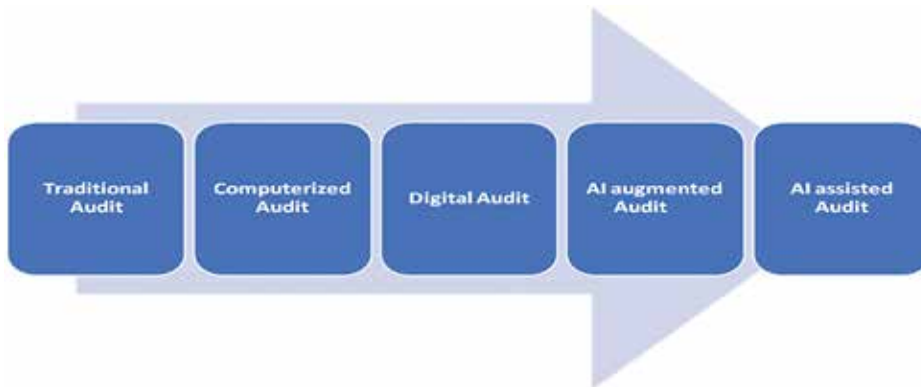
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audit. The repetitive tasks of verifying, vouching and checking the accuracy can be completed within restricted time. The auditors are relieved from their mundane duties and can consequently concentrate on their core competencies to unearth the frauds and errors that go unnoticed even in the digital lens. The shift towards the digital audit needs the alignment with data analytics, enterprise resource planning system integration and continuous audit mechanisms. The involvement of digital audit replaced the limited checking procedure with the minute analysis of every single document. These modern days of audit have started using the tools

like ACL, IDEA and Power BI to bring more comprehensive approaches in the tasks. (Debreceeny et al., 2005; Alles, 2015).

Transformation from the traditional audit to Artificial Intelligence (AI) based audit can be diagrammatically presented below:

**Diagram 1: Phases of transformation from traditional audit to AI audit**



**Table No 1: Functions of the Phases**

<b>Traditional Audit</b>	<b>Computerized audit</b>	<b>Digital Audit</b>	<b>AI augmented audit</b>	<b>AI assisted audit</b>
Paper work	Use of Excel and Macros	Checking of the full database electronically	For anomaly detection, advanced data analytics is used	Real time risk assessment
Sample checking	Automation of manual data.	Use of Audit tools IDEA, ACL	Use of NLP for reading documents	Use of chat bots to communicate.
Limited examination	ERP system like SAP, ORACLE and TALLY	Basic Robotic Process Automation	Integration of structured & unstructured data for analysis	Cognitive auditing using MindBridge, Deloitte Cortex, PwC Halo), XAI tools SHAP, LIME, predictive analytics,
Human errors	Digitized records maintenance	Basic Robotic Process Automation	Rule based fraud detection system	Integration with external database
Manipulative judgment	<i>Digitization in audit started from 1990 and still date the up-dations are in progress</i>			

Source: Authored

**2. Research Question:**

The study is resting upon the following research questions:

- a. How the evolution of audit took place from its traditional roots in every sector and how the AI penetrated in the system?
- b. How the contemporary audit is in compliance with the ethical audit in emerging economies?
- c. What are the theoretical gaps between the

traditional audit framework and contemporary audit framework?

**Objectives of the study:**

The paper aims to exhibit the evolution of AI assisted audit from its traditional waves, emphasizing on its theoretical underpinnings, ethical dilemma and future scope for the professionals in the digital space.

## 1. Connection between the ethical audit and digital audit

The connection between the digital and ethical audit is narrated as follows:

Ethical audit emphasizes on the core principles of solidarity, goal congruence, compliance keeping intact the integrity aspect. Whereas the digital that emerged since the 1990s focused on the premises of using the digital tools for speedy calculation with accuracy. The interconnection between these two segments of audit is outlined as follows:

- a. Data transparency and traceability: This process can downsize the intentional or unintentional duplication of work processes and promote efficiency and ethical contribution. It helps to unearth the ethical lacunae such as labor violations, unauthorized payments, and environmental compliance failures.
- b. Promotion of ethical accountability: Digital audit can automate the compliance checks for ethical standards such as anti-bribery, data privacy, ESG metrics etc.
- c. ESG and Sustainability audits: Ethical audit restructured itself by reconsidering the ESG metrics and it is the digital audit which pools the data across the organization to generate the sustainability reports and social impact assessments summary.
- d. Enhancement of standardization: The upliftment of standards beyond the horizon of the human bias, human errors and influence can be ensured by the performance of digital audits as the automation subsides the shackles of age-old manual mismatches.
- e. Digital Ethics and Ethical AI: The interplay of these two can be better understood in the lines of incorporation of ethical code of conduct while implementing the AI assisted audit procedures. The clarity of data, fairness of the algorithms need to be checked with care and caution in the audit assignments as the spiritual effect of transparency cannot be compromised in the era of automation.

## 2. Theoretical framework behind the development of Traditional audit and digital audit

The development of the traditional audit rested upon the theories namely Stewardship theory, Agency theory, Public interest theory and Information Asymmetry theory. (Jensen & Meckling, 1976; Donaldson & Davis, 1991). On the other hand the gradual transformation from the traditional path to the digital phase welcomed a set of theories with different magnitude such as Technology Acceptance model, Diffusion of Innovations theory and Contingency theory. Digital audit is not only an exclusive computerization of the traditional work but also embedded the intrinsic concepts of Information System Theory, Real Time Continuous Assurance Theory and Socio Technical System theory.

**Table No 2: Analysis of theoretical mapping**

Name of the theory	Idea and its Relevance
<i>TRADITIONAL:</i>	
Stewardship Theory	Trust Building
Agency theory	Monitoring rule
Public interest theory	Compliance procedure
Information Asymmetry theory	Bridging the gaps
<i>DIGITAL</i>	
Big Data Analytics theory	Coverage of comprehensive data
Information System theory	Integration of real time data
Continuous Assurance Theory	Continuous verification
Socio Technical System Theory	Synergy of both technology and Human

*Source: Authored*

## 3. Gap in the implementation of theoretical constructs in the audit framework

The pillar of digital audit rests on the integration of the technological framework, cyber security, ethics of using the AI and explainable AI whereas the traditional audits were matured in its framework but not devoid of intentional or unintentional human errors.

#### 4. Limitation in the implementation of AI audit: Country-wise analysis with reasons

The world is not united in its attempts to bring AI

Regulation. The practices, conditions and situations differ according to the developmental level of the country and availability and access to technical resources.

**Table No 3: Bifurcation on the condition per country**

Country	Present Condition	Issues in the Implementation of AI in Audit
European Union	THE EU AI Act will become applicable from 2nd August 2026.	<ul style="list-style-type: none"> <li>➤ Not enough resources are available to implement the act.</li> <li>➤ Small and medium enterprises may face an additional burden of cost.</li> </ul>
United States	No comprehensive regulation is available. Sector-specific guidelines are issued as per requirements.	<ul style="list-style-type: none"> <li>➤ No uniformity in guidelines and regulations across states.</li> <li>➤ Lack of experts to execute the audits.</li> <li>➤ More reliance on Voluntary Compliance and Industry-based standards</li> </ul>
China	Comprehensive AI Regulations ensuring Social Harmony	<ul style="list-style-type: none"> <li>➤ Insistence on abundant data complicates the audit process.</li> <li>➤ Strict state control may restrict progress.</li> <li>➤ Standards set may not sync with international/ global standards</li> </ul>
United Kingdom	Insistence on Innovation-Friendly regulation	<ul style="list-style-type: none"> <li>➤ Lack of specialized AI Audit Professionals.</li> <li>➤ May have to develop independently of the EU.</li> <li>➤ Implementation is difficult with varied standards across industries.</li> </ul>
Singapore	Government is supporting AI Adoption and Regulation	<ul style="list-style-type: none"> <li>➤ Abundant investment required for developing technical infrastructure.</li> <li>➤ Alignment with International Standards may be difficult.</li> </ul>
India	National AI strategy development under way.	<ul style="list-style-type: none"> <li>➤ Lack of experts.</li> <li>➤ Lack of technical Infrastructure.</li> <li>➤ Require comprehensive guidelines to accommodate diverse Business practices.</li> </ul>
Canada	Proposed Artificial Intelligence and Data Act (AIDA) - Delayed	<ul style="list-style-type: none"> <li>➤ Not all sectors are equally prepared for acceptance.</li> <li>➤ Comprehensive Regulation on AI yet to be developed.</li> <li>➤ Lack of Professionals</li> </ul>
Brazil	AI bill issued	<ul style="list-style-type: none"> <li>➤ Bill is vague. No mandatory safeguards included.</li> <li>➤ Lack of experts.</li> <li>➤ SMEs may not be able to afford</li> </ul>
Africa	African Union adopted Continental Artificial Intelligence Strategy	<ul style="list-style-type: none"> <li>➤ Lack of technical infrastructure.</li> <li>➤ Lack of Technical Experts.</li> <li>➤ Lack of standardization across countries.</li> </ul>
Australia	No AI Specific Law	<ul style="list-style-type: none"> <li>➤ Lacks clear regulations and guidelines.</li> <li>➤ Lack enforcement and practical know-how</li> </ul>

Source: Authored

Overall, the entire world is on the pathway to deal with these emerging trends and bring a system in place. Harmonized efforts to develop International Standards, Investments in Training of AI Auditors and providing technical support to small and medium enterprises will help deal with this chaos.

## Discussion on future landscape of Audit: 2030 and beyond

Audit will undergo a major shift in the times to come. Auditors would be required to act beyond the requirements of being a “Watchdog” and “Number churners” for the stakeholders. (Cao, Chychyla, & Stewart, 2015; Warren, Moffitt, & Byrnes, 2015). They would be required to take up many other strategic roles as Strategic Advisors, Data Analysts and Builders of Trust. Some of the evident changes are mentioned below:

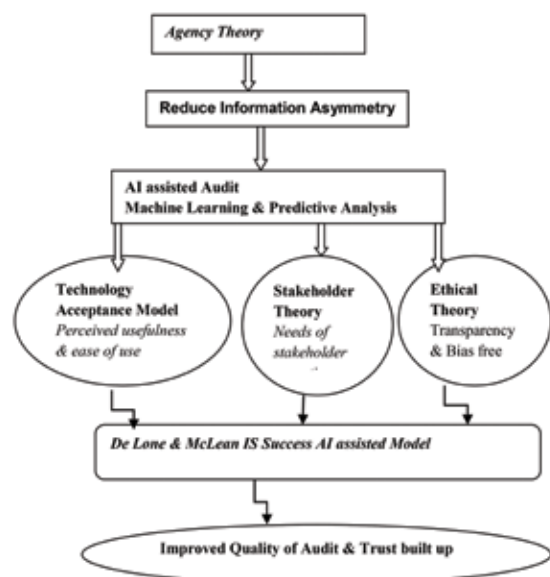
- ⊙ Automation and AI: Many manual processes will undergo automation and auditors will be expected to do more comprehensive analyses. Application of technology will enable Auditors to make their decisions based on entire data sets of the companies rather than choosing few samples and examining the authenticity. This will ensure more accurate and reliable conclusions being drawn by them. Real time anomaly detection and Fraud Risk Identification will be a possibility. Automations, especially Agentic AI will automate a lot of repetitive tasks performed by the auditors making them free to do higher-order tasks. Continuous Audits: Organizations may switch from periodic audits to continuous audits using data analytics and Internet of things ensuring immediate feedback and raising of red flags for every anomaly or deviation well in time. The usage of Block chain technology in auditing is expected to increase. The technology, which does not allow for changing any entries, makes the records more authentic and reliable. Environmental, Social, and Governance (ESG) Reporting may become mandatory, adding another requirement to be validated by the auditors. They would be required to verify even the non-financial information. Auditors may also help regulators in bringing standardization in the ESG Reporting process.
- ⊙ Varied requirements: Specialized auditors may be required to handle specific audits relating to Crypto-currencies, Virtual Assets or Non-Fungible Assets like music, or videos stored on Block-chains. There is a possibility that the algorithm audits become a legal requirement for AI in certain crucial sectors.
- ⊙ Need for training: With extensive automations,

the number of people required for conducting audits may reduce, but those who want to survive this wave will require upgrading themselves to fit into the changing systems. In future auditors will be expected to be Tech-savvy, specialists in data analytics, IT, ethics and other changing requirements. Soft-skills requirements: They will need to evolve their Critical and Analytical skills as the focus will shift from compliance to Judgment-Based approach.

## Analysis of role of Professionals in Digital Audit Landscape

The future digital audit can produce a different landscape with the involvements of the professionals like Cost and Management Accountants (CMAs). Their core expertise in cost effectiveness, process efficiency and compliance procedure in integrating the non financial and financial audit, in producing the ESG reports, sustainability reports and performance reports. AI assisted tools in the audit stream will enable the professionals to quickly flag the deviations from the standard. CMAs would play a crucial role in sustaining the data accuracy, data privacy and integrity of their data while dealing with the cost data in block chain based audit trail. They will also provide the strategic advice on cost optimization, resource allocation and on strategization of business outcomes.

**Fig 1: Conceptual framework: Embedded theories in the AI audit**



## Conclusion

The development of the traditional audit rested upon traditional theories. Digital audit is not only an exclusive computerization of the traditional work but also embedded the intrinsic concepts of many new modern theories. The professionals also can make use of their expertise in this new era. **MA**

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# EXPLORING THE POWER OF GenAI FOR INNOVATIVE BANKING SOLUTIONS

## Abstract

GenAI is an innovative technology that will significantly enhance banking through automation and decision-making processes. GenAI will not alter banking, but will transform the way banking works. This study, employing a qualitative approach, explores areas that have yet to be thoroughly investigated, highlights the innovative applications of GenAI within the banking industry, outlines prospective opportunities, and discusses the challenges, along with the strategies to overcome them. Several prominent banks have already identified practical applications for GenAI in routine operations, aimed at enhancing customer experience, reducing costs, and accelerating growth. This study, therefore, focuses on the diverse GenAI applications in banks for process automation, conversational AI for customer service, content creation, and data analysis that increase efficiency. The main challenges related to data privacy and security, algorithmic bias, and regulatory compliance are identified. The study emphasises the importance of ethical frameworks and responsible AI practices in harnessing GenAI's potential in banking. It will help organisations leverage this transformative technology to alleviate risks, create value, and bolster stakeholder trust.

## Introduction

**A**rtificial intelligence (AI) is gaining recognition because of its significant potential to transform several industries,



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including the banking sector. Among the various branches of AI, Generative AI (GenAI) stands out as a promising tool for revolutionising banking operations and customer interactions (McKinsey, 2023). This technology can generate original content, provide innovative solutions, and automate repetitive tasks (Deloitte, 2023). GenAI integration is becoming increasingly significant as banks work to improve customer service, generate financial reports and compliance documents, optimise operations, and seize new opportunities.



Figure 1: Google Trends popularity index of the term “GenAI” over the last three years (2022-2025)

The Google Trends image highlights how the popularity of GenAI has soared in the past three years. The trendline displays a sharply increasing upward slope that reflects the significant advancement and rapid adoption of text, pictures, and code-generating models such as ChatGPT.

Banks worldwide are rapidly adopting GenAI to improve efficiency, personalise customer experiences, and reduce operational costs. In the United States, JP Morgan Chase developed its Large Language Model (LOXM) for investment advice and contract analysis (JPMorgan, 2023). European institutions such as ING and BNP Paribas emphasise responsible AI use, aligning with the European Union’s AI Act, which promotes transparency and risk-based regulation (European Commission, 2023). In the Asia-Pacific region, Bank of China leverages GenAI in customer service and smart credit decisions (Stanford AI Index Report, 2024). In India, banks such as ICICI and HDFC use AI for customer interaction, document verification, and loan processing in collaboration with fintech startups and supported by the RBI’s digital innovation framework (RBI, 2024). These approaches reflect how regional priorities, regulations, and innovation ecosystems shape the adoption of GenAI in banking.

Prior research highlights the potential advantages of GenAI in areas like content creation, image and video generation, and natural language processing. However, its specific applications and implications in banking remain underexplored, which justifies the need for additional research. While the potential benefits are acknowledged, a clear understanding of its practical use, challenges, and prospects in the banking sector is still lacking.

## Objective

This study aims to achieve the following objectives:

- ⊙ To explore the possible applications of GenAI in the banking sector.
- ⊙ To assess the benefits and challenges linked to integrating GenAI in banking processes.
- ⊙ To investigate how the banking industry can ethically and responsibly harness GenAI’s potential.

## Research Methodology

This study employs a qualitative approach, including content analysis, text mining, and semi-structured interviews with banking professionals, supplemented by case studies to elucidate practical use cases of GenAI in banking, thereby enabling readers to gain a comprehensive understanding of how the bank navigated various real-world scenarios.

The results from the qualitative data analysis provide a comprehensive overview of the current applications, associated challenges, and emerging practices related to the adoption of GenAI in the banking sector.

## Application of GenAI in Banking

### ⊙ *Customer Service and Engagement*

Conversational AI, such as virtual assistants and chatbots using generative language models, can provide 24/7 support, answer customer queries, and give custom-made advice, all in a “human-like” way. It can understand natural language, grasp contextual nuances, and provide coherent and relevant responses. Thus, such systems help increase customer loyalty and reduce the human load (McKinsey, 2023). This will help enhance the efficiency of their agents and improve their overall customer experience.

### ⊙ *Automated Underwriting and Loan Processing*

GenAI models can extract relevant information from loan documents, automatically fill in forms, and generate personalised loan offer letters. This may simplify the process by analysing the applicant’s data, producing a risk assessment, and

suggesting a credit decision within the established framework. Banks use GenAI to rapidly process loan applications, reducing manual workload and turnaround times while improving the accuracy of creditworthiness assessments. Ultimately, this results in quicker decisions, lower operational expenses, and increased customer satisfaction.

⦿ *Risk Management and Fraud Detection*

GenAI models continuously analyse transaction data to identify unusual or suspicious activities in real time. Analysing vast amounts of historical transactions with fraud schemes has helped identify inconsistencies and further prevent them from happening. GenAI models are significantly more efficient because they acquire knowledge of both new and old patterns of fraud, enabling them to provide more advanced solutions for reducing risks.

⦿ *Content Generation and Personalisation*

GenAI can be used to automate the generation of many types of content, including marketing collaterals and financial reports, as well as product descriptions (BCG, 2023). It can create personalised content for individual customers. As a result, Marketing processes have become more efficient, significantly enhancing targeting and customer engagement.

⦿ *Market Analysis and Forecasting*

GenAI can analyse large datasets and generate insights by identifying patterns and trends that may not be apparent to humans. These models are capable of generating summaries, reports, and visualisations from complex data, making it easier for decision-makers. In investment banking, GenAI assists in portfolio optimisation by analysing market data and generating scenarios for risk management. It enables dynamic risk assessments and responsive asset allocation, enhancing investment strategies and outcomes for clients.

Figure 2 is a pictorial illustration of how GenAI can be applied across different banking operations. The central node represents GenAI in banking, branching out to key use cases. Each use case node can further branch into specific use cases, benefits, and challenges associated with that area.

Figure 2: Application of GenAI in banking



**Use cases of GenAI in banking**

The banking sector, which relies heavily on the concepts of security, trust, and customer focus, is about to undergo a significant transformation with the emergence of GenAI. The case studies below show how banks use GenAI.

**Customer Service Chatbots**

- Bank of America uses virtual Assistant Erica to handle customer queries. It uses natural language processing, which is trained on large datasets of customer interactions and financial information.
- Benefits:
  - It provides continuous 24/7 assistance, offering tailored advice and recommendations based on individual customer profiles and financial behaviours.
  - Daily, Erica is handling nearly 1.5 million clients.
  - Erica contributed to a 19% increase in revenue by recommending new services and products during conversations.

**Loan Application Processing**

- JP Morgan has implemented a GenAI-powered Contract Intelligence Platform (COIN) to review and extract crucial information from loan agreements, significantly reducing the time required for this task. This has improved operational efficiency and reduced human errors in analysing complex legal documents.
- Benefits:
  - COIN can perform the task of 360,000 hours in a few seconds.
  - It has helped to save \$6 million per year by cutting down the time and resources required for reviewing the document.

***Fraud detection and risk assessment***

- HSBC Bank has implemented a GenAI-powered trade finance solution called Tradeforce to analyse data from trade documents and accelerate the approval process. It streamlines and automates the processing of import-export documents.
- Benefits:
  - It understands and categorises document content.
  - It can identify potential discrepancies, generate risk assessments, and provide recommendations for decision-making.
  - It can spot suspicious transactions.
  - It reduces compliance risks associated with manual document processing.

***Content Generation and Personalisation***

- An AI model has been launched by Morgan Stanley to provide financial advisors with instant access to a comprehensive repository.
- Benefits:
  - It enables investment professionals to locate and compile answers to finance and investing queries swiftly.
  - It delivers tailored, real-time analysis.

***Data Analysis***

- By analysing vast datasets beyond traditional credit scores, Zest AI enables fairer lending decisions and improved risk assessment.
- Benefits:
  - It improves the credit underwriting model while ensuring compliance.
  - The auto-decisioning systems can expand access to affordable credit, ensure consistency in decision-making, effectively manage risk, and ultimately optimise resources.

**Challenges of GenAI in banking**⊙ *Data Privacy and Security*

Banks handle vast volumes of sensitive personal and financial data. This raises concerns about data privacy, unauthorised access, and the risk of data breaches or inadvertent data leakage through AI model outputs. A bank using GenAI for customer service must ensure data anonymization and compliance with data protection laws. Any failure

can lead to legal penalties or reputational harm.

⊙ *Model Bias and Fairness*

GenAI models can perpetuate or even exacerbate historical biases present in training data, risking unfair outcomes in areas such as loan approvals or credit scoring. When a GenAI model is trained on biased lending data, it might systematically discriminate against certain demographic groups, leading to unequal access to loans or unfavourable terms for minority applicants.

⊙ *Cybersecurity Threats*

While GenAI can enhance fraud detection, apprehensions exist about the vulnerability of AI systems to cyberattacks and the implications of AI on the overall health of the financial system. Cybercriminals can exploit GenAI to craft sophisticated phishing schemes, generate fake identities, or bypass security measures. Fraudsters use GenAI to generate deceptive messages or simulate user behaviour, making it harder for banks to distinguish legitimate transactions from fraudulent ones.

⊙ *Ethical Considerations*

The use of GenAI in banking sparks ethical apprehension regarding potential job losses from automation, the dilution of human judgment, and the risk of decisions that lack empathy or fairness. GenAI models are prone to producing confident but factually incorrect outputs, known as “hallucinations,” which can be catastrophic in the banking industry. To tackle this problem, banks must incorporate human expertise into their decision-making processes at every step (Königstorfer, 2020).

⊙ *Regulatory Compliance and Transparency*

Banks operate within a strict regulatory framework. A key challenge is balancing automation with regulatory compliance, especially since many GenAI models function as “black boxes” with limited explainability and interpretability, which complicates regulatory audits and customer trust. Additionally, this may hinder the meeting of transparency and accountability requirements in decision-making processes.

⦿ *Integration and Technical Complexity*

Banking systems are complex, with legacy architectures that may not be easily integrated with advanced GenAI solutions. Incorporating GenAI into legacy banking systems can be complex, costly, and resource-intensive. Technical challenges include data fragmentation, system incompatibility, and the need for scalable and robust AI infrastructure.

⦿ *Talent and Skill Gaps*

There is a shortage of professionals with the technical, ethical, and regulatory expertise required to implement and govern GenAI effectively. A mid-sized bank struggles to deploy GenAI tools effectively because it lacks in-house expertise to train, fine-tune, and monitor the models.

**Discussion**

The insights gathered from semi-structured interviews with banking professionals revealed a growing shift toward GenAI adoption across banking services. Respondents have affirmed that GenAI is no longer experimental but a core enabler of operational excellence, innovation, and customer-centricity in the banking sector.

Banking professionals have highlighted several high-impact use cases of GenAI that are already being implemented, including customer service automation, fraud detection, risk analysis, document verification, KYC automation, and market forecasting. The respondents emphasised that GenAI is not merely a tool for process improvement, but also a strategic necessity. It enhances efficiency, personalisation, and security—the three pillars of modern banking. With rising customer expectations and operational complexity, GenAI is considered instrumental in achieving scalability, innovation, and competitive differentiation.

Despite its potential, GenAI adoption is accompanied by critical implementation and ethical challenges. Key barriers include regulatory compliance, integration with legacy systems, limited in-house AI expertise, and data security concerns.

To prepare effectively for the future, banks should adopt comprehensive frameworks that outline key short-term and long-term steps for harnessing GenAI effectively.

<b>Immediate Actions and Pilots</b>	<b>Strategic Transformation and Scaling</b>
<p>1. <i>Assess and Prepare Data Infrastructure:</i></p> <ul style="list-style-type: none"> <li>• Audit data sources for quality, fragmentation, and regulatory compliance to ensure a foundation for AI projects. Unified and clean data is essential for sophisticated applications such as client identification and fraud detection.</li> <li>• Address data sensitivity and privacy issues by evaluating options for synthetic data, which can help banks test GenAI models while avoiding regulatory breaches.</li> </ul>	<p>1. <i>Scale GenAI Deployments Across Business Functions:</i></p> <ul style="list-style-type: none"> <li>• Expand AI models for unified client identification, advanced fraud detection, risk management, and personalised customer offerings using frameworks that combine GenAI and Graph Neural Networks.</li> <li>• Use GenAI for continuous data augmentation to tackle imbalances and enable fair, interpretable, and unbiased credit models.</li> </ul>
<p>2. <i>Pilot Practical Use Cases:</i></p> <ul style="list-style-type: none"> <li>• Launch limited GenAI pilots in low-risk, high-value areas such as generating synthetic data for testing, enhancing credit scoring models, or initial anti-fraud modules.</li> <li>• Identify and benchmark GenAI algorithms according to business objectives.</li> </ul>	<p>2. <i>Institutionalise AI Governance and Risk Management:</i></p> <ul style="list-style-type: none"> <li>• Regularly update transparent and fair institutional policies regarding AI applications, building on lessons from initial pilot projects and evolving regulatory norms.</li> <li>• Monitor for new legislative directions (data privacy, explainability) and update governance frameworks to align with changing expectations.</li> </ul>

<p>3. <i>Build AI Literacy and Cross-functional Teams:</i></p> <ul style="list-style-type: none"> <li>Form multidisciplinary teams involving IT, data science, compliance, and business experts to handle AI design, ethical use, and integration.</li> <li>Invest in GenAI literacy across the organisation.</li> </ul>	<p>3. <i>Holistic Modernisation and Integration:</i></p> <ul style="list-style-type: none"> <li>Move further towards microservices and advanced architectures, integrating AI-driven modules.</li> <li>Ensure systems are robust, scalable, and secure so AI adoption doesn't introduce new technical debts.</li> </ul>
<p>4. <i>Establish Governance and Compliance Protocols:</i></p> <ul style="list-style-type: none"> <li>Develop guidelines for explainability and transparency in GenAI outputs.</li> <li>Begin drafting policies around data augmentation, model retraining, and proper handling of synthetic outputs to support regulatory audits and minimise bias.</li> </ul>	<p>4. <i>Enhance Model Robustness, User Experience, and Trust:</i></p> <ul style="list-style-type: none"> <li>Develop user-friendly, transparent GenAI interfaces for customers and staff, focusing on clear output explanations, source citations, and seamless integration into existing workflows.</li> <li>Incorporate transparent controls, human oversight loops, and clear communication to foster trust in AI-generated insights.</li> </ul>
<p>5. <i>Modernise Tech Architecture:</i></p> <ul style="list-style-type: none"> <li>Start small-scale modernisation from legacy systems to systems that are more compatible with AI-powered applications.</li> <li>Test integrations with existing platforms and set up robust security frameworks to protect against vulnerabilities in AI workflows.</li> </ul>	<p>5. <i>Address Societal, Ethical, and Workforce Impacts:</i></p> <ul style="list-style-type: none"> <li>Conduct ongoing reviews and adaptation to minimise bias, prevent discrimination, and ensure inclusion as models become more central to operational decisions.</li> <li>Prepare the workforce for augmented roles, prioritising upskilling and worker engagement as part of AI transformation strategies.</li> </ul>

## Conclusion and Policy Imperatives

In the rapidly evolving banking sector, embracing an AI-first approach is no longer an option, but a necessity. GenAI presents significant opportunities for the banking sector to enhance customer experiences, streamline operations, and drive innovation. However, the adoption of GenAI is not always smooth sailing; it must address issues related to data privacy, model bias, ethical considerations, and regulatory compliance. To address these challenges, the banking sector needs to establish robust governance frameworks, foster collaboration, invest in talent development, and continually improve its operations. Stay agile to emerging threats, such as social engineering, through advanced GenAI models by investing in proactive detection and cybersecurity training. Collaborate with industry peers, regulators, and technology partners to build common standards and share the best practices for responsible GenAI applications. By finding the sweet spot between risk and reward, banks can leverage the capabilities of GenAI and unlock unprecedented opportunities, foster financial inclusion, enhance customer experience, and drive innovation and sustainable growth in the digital age. MA

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## Interview

Secretary and a law graduate. His academic journey began with degrees in **Commerce** and more recently, he has enhanced his executive capabilities through a specialized program in **CFO Strategic Management at IIM**.

Dr. Acharya is passionate about building financial ecosystems that are not only efficient but also ethical and future-ready. Whether it's managing large-scale capital projects, improving internal financial controls, or driving public sector excellence, his contributions have left a lasting impact.

It is also noteworthy to mention that he has been conferred with the "CFO – Outstanding Performer Award" under the "Public Manufacturing – Mega" category by the Institute of Cost Accountants of India in 8<sup>th</sup> CMA – CFO Awards ceremony.

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### Dr. (CMA) Prasanna Kumar Acharya

Director – Finance

NLC India Limited, Chennai

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Dr. (CMA) Prasanna Kumar Acharya is a distinguished finance professional with a stellar track record of leadership across India's core sectors — including energy, infrastructure and manufacturing. Currently serving as the **Director (Finance) at NLC India Limited**, a Navratna Government of India Enterprise, he brings to the role not just financial expertise, but a holistic understanding and involvement in business value creation.

Before joining NLC India Limited, Dr. Acharya served as the **Director (Finance) at Chennai Metro Rail Limited**, where he was instrumental in shaping financial strategy for large-scale urban infrastructure projects.

Dr. Acharya's career journey has taken him through key leadership positions at prominent organizations such as **Tata Power, NTPC, GRIDCO** and others — where he consistently delivered value through his expertise in financial management, strategic planning and corporate governance.

He holds a **Ph.D. in Management**, an **MBA in Finance** and is a **qualified Cost and Management Accountant (CMA)**, a **Company**

***Q1. How does the finance function at NLCIL leverage advanced project costing and lifecycle cost management techniques—core competencies of the CMA profession—to ensure not only optimal capital allocation but also the development of robust, risk-adjusted financial models?***

**Ans.** At NLC India Limited, the finance function plays a pivotal role in driving strategic capital allocation and resilient project evaluation, especially as we expand into complex and capital-intensive projects in renewables, critical minerals and green field power and mining infrastructure.

Our CMA professionals bring in core expertise in advanced project costing and lifecycle cost management, enabling us to gain granular visibility into cost drivers across planning, execution and during Operation and Maintenance phases of the project. This allows us to structure project budgets that are both realistic and performance-driven. NLCIL is participating in various open tenders both in renewable and commercial mining and winning those tenders on a competitive environment. This is possible through a structured and scientific evaluation of each such project to ensure desired return on capital.

Critically, we integrate risk-adjusted financial modeling into our evaluation frameworks. These models factor in key variables such as currency volatility, regulatory shifts, interest rate movements and commodity pricing risks. By doing so, we're able to simulate multiple financial scenarios and build in appropriate cushions—ensuring our capital deployment decisions remain agile, data-driven and aligned with risk thresholds.

This approach has been instrumental in giving NLCIL a competitive edge in project bidding. Our cost models—backed by sensitivity analysis and risk-weighted projections—allow us to submit sharper, well-calibrated bids in competitive tenders, while maintaining profitability and compliance.

From a funding perspective, we have also ventured into foreign currency borrowing through ECBs and engaged with multilateral institutions to secure competitive, sustainability-linked finance. The finance team—working closely with treasury and risk management—recently refined our hedging policy, enhancing our ability to mitigate forex risks and optimize funding costs across long-gestation

projects.

In essence, by marrying CMA-led costing discipline with strategic financial structuring and dynamic risk modeling, we ensure that NLCIL's projects are not only cost-efficient and bankable, but also resilient to market shocks—supporting our broader mission of delivering clean, reliable and sustainable energy in alignment with national priorities at competitive rates.

***Q2. Beyond regulatory compliance, how is your finance team—particularly CMA professionals—developing frameworks to assess and quantify the long-term financial impact and strategic value creation of sustainability initiatives? Could you share a specific instance where environmental cost accounting data significantly influenced a key operational or investment decision?***

**Ans.** Our finance team, especially Cost & Management Accountants (CMAs), plays a critical role in operationalising this vision. They have developed internal frameworks that integrate environmental cost accounting with capital budgeting, allowing us to quantify the long-term financial impact of sustainability initiatives alongside traditional return metrics.

We are also aligning our ESG performance with our cost of capital. We have voluntarily obtained ESG ratings, demonstrating our commitment to responsible and sustainable business practices in today's evolving global landscape. As a specific instance, as our ESG ratings improve, we are able to access green finance at more competitive rates from both domestic and global institutions—effectively translating sustainable practices into tangible financial benefits.

Additionally, CMAs are managing to integrate sustainability KPIs into our project appraisal models, ensuring that all new ventures—whether in renewables, critical minerals, or logistics—are screened through both financial and environmental lenses.

In summary, our finance function is driving a shift from mere accounting and book keeping to long-term value creation, where sustainability-linked decisions are not only responsible but financially strategic. CMAs are at the heart of this transformation—ensuring that sustainability and profitability go hand in hand.

**Q3. What role do Cost & Management Accountants play in designing and implementing the cost architecture for new business verticals at NLCIL? In particular, how are specialised cost models, transfer pricing mechanisms and granular performance metrics being utilised to ensure profitability and efficient resource allocation from the outset?**

**Ans.** At NLC India Limited, as we diversify into new and capital-intensive verticals like renewables, critical minerals, power trading and coal gasification, the role of Cost & Management Accountants (CMAs) has become more strategic than ever. They are central to designing the cost architecture that underpins our business planning, resource allocation and long-term viability.

CMAs are responsible for developing specialized cost models tailored to the unique operational profiles of each new vertical. These models help us understand life-cycle costs, perform detailed break-even analyses and identify efficiency levers early in the project lifecycle. Their insights ensure that every rupee invested is aligned with performance goals and return expectations.

With the formation of joint ventures with various state governments for thermal and renewable projects, CMAs also play a key role in structuring transfer pricing frameworks and cost-sharing mechanisms. This not only ensures transparency and compliance but also drives equitable value creation among JV partners.

Furthermore, CMAs implement granular performance metrics—such as cost per megawatt, yield per ton, or logistics cost per unit—that are integrated into our ERP systems for real-time monitoring and control. This empowers our leadership with actionable insights and enables timely course correction.

They are equally vital in supporting our funding strategies, helping structure competitive financing models involving multilateral agencies and aligning cost data with capital budgeting and risk assessments.

In essence, CMAs at NLCIL are not just accountants—they are strategic enablers. Their work ensures that our expansion is financially sound, operationally efficient and aligned with our broader mission of sustainable and inclusive growth.

**Q4. How is the finance function incorporating cost intelligence and risk management frameworks—central to ICAI's focus—to map, assess and enhance resilience within strategic supply chains? Additionally, how is real-time cost data being utilised to formulate contingency strategies and safeguard project viability?**

**Ans.** In NLCIL, there is co-development of system where cost intelligence blends seamlessly with risk oversight across our supply chains. By harnessing real-time data via digital systems like SAP ERP, e-procurement and logistics monitoring, we proactively detect cost variances and emerging risks. These insights feed into rigorous risk frameworks—where every functional area has designated risk stewards and regular reviews ensure early mitigation. Our treasury team continuously monitors and manages financial exposures—market, currency, interest rate, credit, liquidity—through detailed internal reporting, aligning with broader enterprise risk frameworks. With digital transparency, ethical sourcing and contingency protocols embedded, our finance function doesn't just tally costs—it fortifies resilience and ensures the sustained viability of NLCIL's projects across volatile environments.

**Q5. What initiatives is NLCIL undertaking to proactively develop CMA talent for future-readiness? Which emerging competencies—such as data analytics for cost prediction, ESG valuation methodologies, or renewable energy finance—are being prioritised to ensure the finance function continues to support NLCIL's Navratna status and its leadership in the energy transition?**

**Ans.** Ensuring NLCIL remains future-ready requires proactive talent development tailored for evolving demands. We are rolling out structured learning initiatives—such as cross-functional rotations, certifications in data analytics (Python, Power BI), ESG financial valuation and renewable energy finance.

Programs include applied workshops around cost prediction using AI-driven forecasting, ESG-linked performance measurement and scenario-based valuation for clean energy projects. These bridge

core CMA strengths with emerging domains that underpin NLCIL's Maharatna aspirations from the present Navaratna and exhibiting their leadership acumen in the energy transition journey.

We aim to nurture CMAs capable of shaping financing strategies for solar parks, green hydrogen plants and carbon-credit mechanisms—while reinforcing our traditional strengths in project finance, cost control and risk management.

**Q6. Reflecting on your distinguished career, could you share some key milestones and defining experiences that have shaped your professional journey and prepared you for this leadership role at NLCIL?**

**Ans.** One of the most significant highlights has been successfully securing over ₹35,000 crore in project financing from leading multilateral agencies such as JICA, ADB, NDB and AIIB, during my tenure with organisations like GRIDCO, Tata Power and Chennai Metro Rail Ltd (CMRL). These experiences sharpened my capabilities in financial structuring and stakeholder management on a global scale.

Another major milestone was leading the ₹70,000 crore Phase II project of Chennai Metro Rail, where I spearheaded initiatives related to revenue enhancement, asset monetisation and system improvement—efforts that were critical in scaling operational efficiency and ensuring long-term financial sustainability.

Additionally, I played a key role in ensuring smooth transitions during significant tax and regulatory reforms, helping organisations navigate change with minimal disruption and enhanced compliance.

These experiences, across sectors such as power, infrastructure and energy, have provided me with a holistic understanding of capital-intensive and strategically complex environments. From managing treasury operations to leading financial restructuring and project development, I've consistently worked at the intersection of finance and strategy.

More importantly, these roles taught me to view finance not just as a support function, but as a

core enabler of organisational growth. Exposure to sustainability-linked financing, ESG initiatives and transformation strategies has positioned me well to support NLCIL's ongoing evolution—from a conventional mining and thermal company to a diversified enterprise with growing interests in renewables, critical minerals and ESG-driven operations.

In essence, being positioned at a leadership level, I strive to achieve a blend of deep financial acumen and strategic foresight—aligned with NLCIL's vision for sustainable and inclusive growth.

**Q7. What practical guidance would you offer to newly qualified Cost & Management Accountants as they begin their careers? Which foundational techniques or skills do you believe are most critical for building a successful trajectory, particularly in today's competitive and evolving business environment?**

**Ans.** To newly qualified Cost & Management Accountants, my key advice is to cultivate versatility. Today's finance professionals are no longer confined to ledgers and reports—they are expected to act as strategic partners across all business functions, including operations, HR, project management and sustainability.

Master your core principles, but equally focus on translating numbers into meaningful business insights. It's this ability to connect financial data with real-world decision-making that sets top professionals apart.

Embrace technology, stay adaptable and uphold the highest ethical standards. These qualities are essential not only for success but also for becoming a driving force in shaping the financial future of organisations in a dynamic and competitive landscape.

Finally, go beyond the boundaries of Finance and Accounts. Engage with cross-functional teams, understand the business holistically and collaborate with CXOs and key stakeholders. This broadened perspective will accelerate your growth and establish your role as a well-rounded, strategic leader. **MA**

## Abstract

Valuation case studies for mergers & acquisitions – this takes various dimension and well-known for structuring, tax-structuring, strategizing or even swap ratio creation by many. But all are dealing with elephant like a blind man.

## Valuation Case Studies under Merger & Acquisitions



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**M**ergers & acquisitions need conceptual understanding first. It is a wide term encompassing mergers, acquisitions, amalgamation, absorption, demerger, reverse merger, takeover – friendly & hostile, spin-off, consolidation, joint venture, strategic alliance, carve-out, restructuring. Knowing each of them and its ultimate objective can make a valuation job creative. A management accountant can do best justice by analysing spirit of each.

Let us dwell upon some of them. For example, merger generally makes 2 or more companies into 3rd bigger and powerful. In India and world's history ArcelorMittal is quite famous on this. Having worked in Mittal group I had my share of challenges in same. Steel & mining a composite unit especially in east Europe where progress to democracy was in offing and EU storm was encompassing, posed interesting dilemmas and in many cases, they contributed to 6 to 8% of share of GDP of the economy. The complex clauses of transfer of control as a part of merger agreement are worth publishing in a book form. But here are few wonders which emerged. Shareholding does not necessarily mean control. Later I learnt this in one of wine client's valuation as well. In that case, wherein power to make decision on rate of interest on loans given by parent alone ensured an acquisition with 0% shares. Now how do you value a share when you have no shares but ability to pull out all the cream is

itself a backdoor management. In this case the strategic alliance was made by doing valuation based on power to have risk & reward by way of an agreement which enables a deemed parent to keep hold over wine manufacturing licenses. These licenses otherwise could not have been acquired to laws prohibiting.

That brings light many cases, where two parties did reverse mergers to protect intangible assets. A well-known one are king-fisher & air-deccan, Godrej soaps and Gujrat Godrej and Satyam Mayta (failed case).

So, valuer better know that

Where all he needs valuation of acquiring company rather than acquiree company.

Reasons of reverse mergers are stated below.

- a. Loss making company valuing profit making company for loss carry-forward – famous 1st case Kirloskar pneumatics acquiring Prashant Khosla pneumatics
- b. Retaining non-transferable intangible assets like landing and flying rights or publication rights. Air-India – Vistara was typically funded by tata sons has shades of reverse merger
- c. Save on cost and efforts of tedious listing IPO process – Here private company actually values and acquires public company while on paper public company acquires private company. Yatra online acquired terrapin in USA by which yatra became online public in US market. The reverse merger valuation involved terrapin's valuation
- d. Subsidiary acquires holding. Both HDFC and ICICI started banks as subsidiaries and then banking model became so big that the respective subsidiaries acquired parent. Here an acquisition resulted in merging parents' business via reverse merger.
- e. Many times, demerger requires valuation of acquiree. For example, a shell company acquires SILO portion of (say one portion of business). Here the bigger company allots portion of wealth of silo to its existing shareholders, by way of shares of shell company which is acquired at pittance and renamed.

That takes us to SILO model. It is possible that a ring-fenced unit is being valued and acquired. But on paper it is shown "rights of management control are sold" in exchange of royalty. A well-known example is Piramal pharma gaining full control over convergence chemical with Navin fluorine retaining rights like perpetual license to use technical know-how for select products and continued supply partnership for key raw material in 2020. Tata tele services now focusing on digital connectivity and selling consumer facing wireless business is typical case of synergy benefit for airtel and spinning off unit as a "SILO" arrangement.

A valuer in all these models is required to think of complex clauses with no loopholes for "no disputes" in future arising out of misinterpretation. Valuer role may not encompass in legal drafting but certainly is there in weighing every word in legal agreement to interpret and factor in valuation. This is an onerous task and it is better that valuer expands its scope in acquiring legal drafting knowledge and learn liberal vs literal interpretation of case studies as enunciated in many cases like Nabha power vs Punjab state power Corp

All in all, M & A valuations are best to test abilities of valuer in its complex sense and also varied possibilities of structuring. **MA**

# BRAND BOOSTERS AND THEIR COSTING

## Abstract

The sustenance of and the growth in a brand's earning power largely depend on the competence and impact of the Brand Boosters. Hence a business enterprise must keep on strengthening these boosters by regularly incurring the relevant strategic costs. Valuation of a brand is mainly enhanced by regular revitalisation and occasional reincarnation of the brand boosters.

**D**eccan Women Dresses (DWD) is well - known for around sixty years for its elegant dresses for women. This enterprise of Solapur (from South Maharashtra) is now run by the third generation which is seriously working on its old brand "Deccan". Women of the old generation love this brand a lot but the younger generation is little sceptical about this brand and the dresses endorsed by it. The young owners of Deccan are now evaluating their brand. They are bit confused about the exact treatment to be given to it. There are three possibilities here - just revive it a bit or revitalise it substantially or reincarnate it totally. In any case, a few significant strategic costs were to be incurred to reenergise the "brand boosters". The most important booster was the product itself. To attract the young customers, the 'product proposition' was to be realigned with the 'value proposition'. Youngsters were now preferring the western designs. DWD decided to use the western patented designs. The vital strategic decision here was about a capex to be incurred to buy out a few European patents or use them by incurring an opex of regular royalty payment. The young owners preferred the second approach so that they could avail of the latest European designs every time.

Revitalisation of the "Deccan" as a modern brand needed a very wise change in its "promotion". The risk here was of inviting displeasure from the older generation. It was therefore decided that 'heritage' and 'new age' were to be simultaneously promoted by presenting two different products. The young customers could be attracted to 'heritage' and the old customers would not oppose the concept of 'new age'. This effort of parallel promotion was expected to be gigantic and very expensive also. It was decided that the cost of promotion will have to be capitalised for enhanced 'brand valuation' although there could be certain accounting difficulty in 'brand to be valued as an intangible asset' in an Indian context. The capex of revitalising the brand was to be incurred at



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the cost of DWD's Operating ROI during the next three to four years. It was also expected that this cost would impact the free cash flow considerably.

People i.e. employees, vendors, stockists and customers too were very important brand boosters. Especially the customers would endorse the brand very effectively. DWD decided to spend on "people engagement" to reorient "Deccan" as people's brand, especially a brand that serves the "personality perceptions" of the young customers. The 'Cost Budgets' were defined on two different lines viz. product-wise identifiable cost and common cost of people engagement.

The most sensitive brand booster is the price of a product which should reasonably represent the "value" delivered by the product. The dilemma here is, a very low product price often undermines the 'esteem value' and a very high price shrinks the sales volume. In other words, the price should proportionately represent the power of a brand. Hence the challenge here was to create a balance between 'product exclusivity' and 'price affordability'. The young owners' team decided to do a sensitivity analysis of the proportion between 'price fluctuation' and 'brand response'. What incremental price of a product would impact the 'brand acceptance' was a very crucial conclusion to be drawn very carefully. Any corresponding loss of price was to be absorbed to protect and enhance 'brand acceptance' among the masses.

The young team of DWD is seriously studying the correlation between 'product position' and 'brand position' in their respective life cycle. Although both are two sides of the same coin, they may contradict each other if they do not reflect on each other proportionately. This is simply because a weak product would eventually erode the earning power of a brand and a not so visible brand could do harm to the business volume of a strong product. A gap between these two will have to be urgently measured, so that a corresponding strategic cost could be incurred to bridge it correctly. **MA**

# RESHAPING THE INDIRECT TAX REGIME TO STRIDE TOWARDS VIKSIT BHARAT 2047

## Abstract

The recent rationalisation of GST rates, with tax slabs streamlined to two principal brackets 5% and 18% alongside 40% rate for sin goods, marks a significant policy shift. Effective from September 22, these changes are expected to make a wide range of goods more affordable, though luxury or sin items may see price increases. This article examines the likely effects of this rate rationalisation along with other procedural reforms endorsed at the 56th meeting of the GST Council on consumers, businesses, and the economy, while also looking ahead to how a simpler GST structure could encourage compliance, boost economic efficiency, and shape India's growth story in the years to come. This article also highlights role of CMAs in translating these reforms into real ease of doing business, especially for small businesses; while ensuring fiscal prudence.

**5** 6<sup>th</sup> GST Council Meeting on Wednesday (03.09.2025) discussed the long-pending issue of rate rationalisation to approve the transit from a four-tier GST system (5%, 12%, 18%, 28%) to a two-slab structure 5% and 18% apart from a 40% "sin/luxury" category for selected products. The 0% tax rate (called zero-rated supplies) was earlier, as well as now, also there.

Items like hair oil, soaps, homeware, bicycles, and packaged food have been moved to the 5% slab. Ultra-high-temperature milk, paneer, and Indian breads (e.g. roti, parotta) are now GST-exempt (0%). Agricultural machinery, renewable energy tools, and handicrafts enjoy reduced GST (mostly lowered to 5%). Products like cigarettes, pan masala, sugar-laden



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drinks, and luxury vehicles now attract a steep 40% GST to disincentivize consumption. Let's look at major changes.

Daily Essentials Items	From	To
Hair Oil, Shampoo, Toothpaste, Toilet Soap Bar, Tooth Brushes, Shaving Cream	18%	5%
Butter, Ghee, Cheese & Dairy Spreads	12%	5%
Pre-packaged Namkeens, Bhujia & Mixtures	12%	5%
Utensils	12%	5%
Feeding Bottles, Nappkins for Babies & Clinical Diapers	12%	5%
Sewing Machines & Parts	12%	5%

Farmers & Agriculture Items	From	To
Tractor Tyres & Parts	18%	5%
Tractors	12%	5%
Specified Bio-Pesticides, Micro-Nutrients	12%	5%
Drip Irrigation Systems & Sprinklers	12%	5%
Agricultural, Horticultural or Forestry Machines for Soil Preparation, Cultivation, Harvesting & Threshing	12%	5%

<b>Healthcare Items</b>	<b>From</b>	<b>To</b>
Individual Health & Life Insurance	18%	Nil
Thermometer	12%	5%
Medical Grade Oxygen	12%	5%
All Diagnostic Kits & Reagents	12%	5%
Glucometer & Test Strips	12%	5%
Corrective Spectacles	12%	5%

<b>Automobile Items</b>	<b>From</b>	<b>To</b>
Petrol & Petrol Hybrid, LPG, CNG Cars (not exceeding - 1200 cc & 4000mm)	28%	18%
Diesel & Diesel Hybrid Cars (not exceeding - 1500 cc & 4000mm)	28%	18%
3 Wheeled Vehicles	28%	18%
Motor Cycles (350 cc & below)	28%	18%
Motor Vehicles for transport of goods	28%	18%

<b>Education and Stationary Items</b>	<b>From</b>	<b>To</b>
Maps, Charts & Globes	12%	Nil
Pencils, Sharpeners, Crayons & Pastels	12%	Nil
Exercise Books & Notebooks	12%	Nil
Eraser	5%	Nil

<b>Electronics Items</b>	<b>From</b>	<b>To</b>
Air Conditioners	28%	18%
Television (above 32") including LED & LCD TVs	28%	18%
Monitors & Projectors	28%	18%
Dish Washing Machines	28%	18%

Rate rationalisation expected to results in followings among others outcomes

- a. Augmenting economic efficiency by simplification of tax slab structure, which will also reduce litigation and compliance costs. Earlier too many slabs were creating classification disputes. Such as ‘is a parotta bread, and taxable at 5% or 18%?’
- b. Positive consumer psychology, because simpler rate structure improves tax transparency, and eliminates feeling of being charged with ‘hidden tax’, hence higher acceptance level among consumers is expected.
- c. Policy Trade-off because with reduced tax slab, the GST will lose fine-tuned

progressivity which earlier it had. Earlier the essentials were taxed at 5% whereas semi-luxury taxed at 12% therefore GST had gradation; now many mid-tier goods benefit disproportionately. Moreover, over-generosity in the 5% slab leads to revenue erosion.

The council also discussed more streamlined GST registration and automated refund systems to aid small businesses. The likely Economic Impacts of this rate rationalisation and reforms are;

**1. Boost to Consumption and Household Savings** - Lower rates on everyday goods mean consumers pay less GST on essentials, ranging from food and hygiene items to household appliances. This increases disposable income, especially for low and middle-income households, potentially stimulating demand across sectors like FMCG, retail, and autos.

Tax regressivity reduces with bringing essentials under lower slabs. The poor spend a larger share of income on essentials, so lowering the GST makes the tax system fairer.

Essentials usually have inelastic demand, hence see small consumption jump, but the real effect is higher disposable income, hence they will spend elsewhere (FMCG, services).

**2. Stimulus for Growth and GDP** – Multiple effect is favourable, because rupee saved at the bottom pyramid has a higher marginal propensity to consume (MPC) therefore boosting short-term GDP growth.

According to industry analysts and prior estimates, reductions in GST slabs could boost GDP growth by up to 0.6 percentage points, a significant effect through increased consumption and economic efficiency.

**3. Impact on Government Revenue** - While positive for consumers, the reforms will shrink GST revenue to the treasury. Essentials are high-volume and larger contributors to GDP and tax revenue; therefore, this rate cut is expensive for the exchequer, straining fiscal balances. Policymakers estimate an annual shortfall of around ₹48,000 crore, or roughly 0.4% of GDP.

**4. Fiscal Equity Between Centre and States** - States may have fear of budgetary disruption,

therefore may seek compensation. It is worth noting that GST compensation cess (to compensate states, for the loss of revenue, if any; on account of implementation of GST for first 5 years from roll out date considering annual revenue growth rate of 14%) ended in 2022.

Co-operative federalism is a larger concern due to vertical imbalance, because centre captures more buoyant taxes (income tax, customs) while states largely depend on GST and devolution from centre, out of common pool of taxes.

Horizontal Inequity may be widened further, because consumption-heavy states (such as UP, Bihar) may lose more than manufacturing-heavy states.

Therefore, this move could sharpen centre–state tussle over co-operative federalism, especially with opposition-led states claiming fiscal space is squeezed.

**5. Sectoral Benefits and Investment Impetus** – Rate of GST reduced to 5% on agricultural equipment, renewable energy kits, handicrafts; whereas insurance premiums have gone zero-rated. Cost-sensitive industries such as automobiles, appliances, healthcare, agriculture, insurance, handicrafts stand to benefit via increased affordability and potential demand shifts.

Farmer incomes could rise as key agricultural inputs become more affordable. Lower input cost will boost farmer profitability which will in turn result in rural demand push.

The Green Energy sector will get a boost, because tax incentives are aligned with India’s climate goals (net zero by 2070). Making solar kits, wind turbines, EV parts cheaper will crowd in investment.

Insurance cover will penetrate to a larger mass as lower GST makes life/health insurance affordable. In turn, expanded coverage will reduce the government’s long-term healthcare liability.

Handicrafts segment will also witness ease as rate rationalisation will help informal artisans compete and fosters cultural exports.

**6. Taxing Sin Goods at higher rate and Public Health Gains** - The hefty 40% GST on sin goods (such as cigarettes, pan masala, and bidi) can serve as a deterrent to their consumption and acts as a public health measure, potentially reducing

lifestyle-linked healthcare burdens over time.

Pigouvian Tax Rationale is relied upon by Indian tax authorities while levying hefty taxes on negative externalities to correct market failure/inefficiencies and reduce harmful behaviour.

But a counter argument may also be advanced that demand for addictive goods (such as cigarettes, pan masala) is inelastic to price, therefore with rise in rate, the tax revenue may rise but public health gain will be limited to an extent only. While public health gain will be higher in case of taxing sugary drinks at 40%.

Another threat that has been paused is illicit trade/smuggling of these goods especially of tobacco, due to high differential rates of taxes.

### **7. Taxing luxury goods at higher rate of 40% makes GST progressive**

Disproportionately will hit the rich, for example those who buy luxury cars, etc, have to pay 40% of the value of supply as tax. This makes GST mildly progressive. For sugary drinks and luxury cars, demand is elastic, hence actual consumption may decline.

**8. Administrative Simplification (GST 2.0)** - Reducing slabs, improving automation, and clarity in tax structure may lower compliance costs, help small firms, and improve tax administration.

Reducing compliance costs for SMEs will expand the formal economy with a larger tax base over time. Although short-term revenue drops, better compliance could partially offset fiscal loss. Further, simplification strengthens India’s “ease of doing business” brand which in turn attracts FDI.

### **Role of CMAs**

Role of CMAs is crucial in translating these rate rationalisation among other reforms into real ease of doing business, especially for small businesses; while ensuring fiscal prudence

With rate rationalisation CMAs can help businesses **understand revised rates**, correctly classify products, and avoid misinterpretation. CMAs may assist SMEs in transitioning to automated GST return filing and refund systems, reducing errors and penalties. CMAs may provide Sector-Specific Guidance, while extending tailored GST advisory for those sectors where SMEs are

major players.

In regards to **Revenue Assurance**, CMAs can ensure business especially SMEs claim ITC accurately, preventing revenue leakage for both firms and government. Further as management accountant may help businesses to adjust pricing strategies to reflect new GST slabs, ensuring competitiveness without eroding margins. CMAs may support policymakers and think-tanks by provide empirical data on revenue impact of rate cuts, particularly in high-volume essentials and agriculture, to assess fiscal trade-offs.

In context of **Fiscal Accountability**, CMAs as body of accounting professionals, can model the estimated revenue shortfall and recommend data-driven compensatory strategies (broadening tax base, curbing leakages), apart from providing analytical support to GST Council on vertical and horizontal imbalances, strengthening co-operative federalism; or publishing Public Accountability Reports to record sectoral impact (where GST cuts could drive inclusive growth) and highlighting how rate rationalisation benefits consumers, SMEs, and whether health/luxury sin taxes achieve desired outcomes.

Role includes **forward-looking contributions**. CMAs, through ICAI, can act as a bridge to consolidating feedback of business (especially SME) and presenting it to policymakers for fine-tuning GST 2.0. ICAI may organise training and certification programs for SME accountants/managers on GST reforms, ensuring grassroots compliance.

### Conclusion

The GST reforms from the 56th GST Council meeting mark a bold step toward a simpler, fairer tax regime with aim to reignite the economy. They promise economic stimulus, enhanced ease of living, and support to key sectors. However, they also require careful fiscal management to offset the reduced tax revenue and ensure that states remain financially stable.

CMAs can be the compliance navigators for SMEs and revenue guardians for policymakers. They are uniquely positioned to translate GST simplification into real ease of doing business for small firms, while also ensuring fiscal prudence

and accountability at the policy level. **MA**

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# UNDERSTANDING INDUSTRY CONSOLIDATION IN INDIA: AN EMPIRICAL ANALYSIS OF MEASUREMENT CHALLENGES

## Abstract

As we know, accurate measurement of indices is crucial for policy makers. This article examines eight indices—Normalized Herfindahl, Herfindahl-Hirschman (HHI), Horvath, Entropy, Ginevicius, GRS, Gingi, and Coefficient of Variation—across 10 industries. While HHI is widely used, it is less accurate. By comparison, Horvath and Coefficient of Variation indices better assess market concentration by considering firm size and market share distribution.

## Introduction:

Market concentration indices are critical tools for evaluating the competitive structure of industries, as they indicate the extent of firm dominance. Industries dominated by a few large firms require different regulatory strategies compared to those with numerous smaller firms. Various indices, including the Normalized Herfindahl, Herfindahl-Hirschman (HHI), Horvath, Entropy, Ginevicius, GRS, Gingi, and the Coefficient of Variation, are widely used to assess competitiveness. This study examines eight such indices using the criteria proposed by Ginevičius and Čirba (2009). Given that conventional indices may produce misleading results and misinform policy decisions, this research emphasizes identifying more reliable measures, thereby addressing the lack of focus on index suitability across industries.

## Literature Review:

An examination of India's competition policy highlights the shift from the MRTP Act to the Competition Act. Despite liberalization, market



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concentration persists (Basant & Morris, 2000), while Ginevičius and Čirba (2009) critique the Herfindahl index and suggest alternatives like Horvath, entropy, and Rosenbluth indices. Horvath (1970) developed the Comprehensive Concentration Index (CCI) to capture both dominant and smaller firms, improving policy and antitrust analysis.

Kambhampati (1996) applies the SCP model to Indian industries, linking high concentration with reduced competition via pricing power, though some argue it fosters growth. Studying 1990s reforms, he finds mixed effects—liberalizing some

markets while reinforcing large firms' dominance. Traditional measures like HHI are critiqued for overlooking evolving dynamics.

Mishra (2005) examines mergers and acquisitions (M&A) in post-liberalization India, highlighting globalization, FDI, and reforms as drivers. Though efficiency may rise, monopoly risks persist. Mishra and Behera (2007) find manufacturing concentration unstable, shaped by R&D, advertising, and trade, calling for stronger regulation. Pushpangadan and Shanta (2008) reveal weakened competition and persistent rents, stressing stricter regulation. Ramaswamy (2006) likewise emphasizes market structure, firm behavior, and policies in shaping competition and efficiency outcomes.

**Theoretical Background:**

Market Concentration in Indian sectors: Conventional and Alternative measures.

Herfindahl-Hirschman Index (HHI): Companies and analysts use the HHI to evaluate how competitive an industry is. The index considers the relative size of all firms in the market.

Formula,

$$HHI = \sum_{i=1}^n s_i^2$$

Here,  $s_i$  stands for the market share of the  $i^{th}$  firm in the industry. If there is only one firm in the industry, the HHI is 1. Low HHI (near 0) depicts a competitive market having fewer market shares. HHI of 0 implies a perfectly competitive market, and HHI of 1 implies a monopoly market.

Calculating the HHI enables firms to assess the intensity of competition and adapt their strategies accordingly.

**Horvath Index:** Unlike HHI, the Horvath Index is less sensitive to individual firm size and instead highlights how firms are distributed within a market. It provides a broader view of industry dynamics, offering insights into competitiveness, innovation potential, and overall market health.

The **Horvath index** is defined as

$$HOR = S_1 + \sum_{i=2}^n s_i^2(2 - s_i)$$

Here,  $S_1$  shows the market share of the largest firm in the industry. It accounts for the market share of the largest firm in a discrete manner and that of

other firms in a weighted firm.

**Entropy Index:** The Entropy Index measures uncertainty, disorder, and diversity. Higher values indicate greater unpredictability, while lower values show more uniformity, quantifying randomness, diversity, and dispersion in a dataset.

Where, Entropy Index is defined as,

$$ENT = \sum_{i=1}^n s_i \log \left( \frac{1}{s_i} \right)$$

When there is no uncertainty in the market, i.e., income of monopoly, the Entropy Index's value will be zero. In case of  $N$  numbers of equal size in an industry, i.e., market, is an uncertain value with the  $\log(m)$ .

**Ginevicius Index:** The following formula is related to the Ginevicius Index.

$$GIN = \sum_{i=1}^n \left( \frac{s_i}{1 + n(1 - s_i)} \right)$$

The number of firms in the industry and their market share are matters of analysis in the GIN. It assesses how far the firms in an industry are distributed in a balanced way. As far as this index if the number of suppliers is large, the competition will be greater. It means higher uncertainty in the market. In case of a monopoly, Ginevicius Index will be 1. The degree of seller's concentration will decline when  $GIN \rightarrow 0$ . Therefore, the value of GIN will lie between 0 and 1.

**GRS Index:** The GRS Index measures competition using firm size distribution and market share, overcoming HHI and entropy weighting issues, providing a more accurate concentration measure ranging between 0 and 1.

Mathematically, the index can be written as –

$$GRS = \sum_{i=1}^n \frac{n^2 s_i + 0.3 s_i^2}{n^2 + 0.3 n s_i}$$

The market share of the largest firm in the industry is denoted by  $s_1$ .

**Gini Coefficient:** The Gini Coefficient measures competitiveness among firms, ranging from 0 for perfect competition to 1 when a single firm dominates the industry, reflecting market share

distribution.

Formula:

$$\text{Gini Coefficient} = \frac{\text{Sum of index function of matrix}}{2 \times \text{No. of firms under industry}}$$

The Gini Coefficients provides a single numerical value to represent the underlying structures of the distribution.

**Case-1:** If one firm holds most of the shares, while others have the much smaller shares in the industry.

**Case-2:** When inequality spreads across firms instead of one dominant firm, the Gini coefficient can still show the same value. This means markets may look similar but differ—one led by giants, another by mid-sized firms.

**Coefficient of variation Index:** The Coefficient of variation is a simple yet effective test for having information about firm concentration in an industry. It helps make out market structures and competition levels.

The CV can be calculated as follows:

$$CV = \frac{\sigma}{\mu} \times 100$$

$\sigma$  denotes the standard deviation of firm sizes and  $\mu$  the mean. The CV is a supplementary measure, not reliable with few firms, as it captures only relative dispersion, ignoring the actual distribution of market shares.

**Data:**

This study analyzes revenue performance of ten Indian industries (2020–2024) using firm-level data from Moneycontrol.com. Sectors include Two & Three Wheelers (9), Air Conditioners (6), Trucks/LCV (5), Gas Transmission (7), Passenger Cars (5), Lubricants (8), Cigarettes/Tobacco (6), Oil Exploration (12), Paints (8), and Footwear (10), capturing Sectoral variations, financial metrics, and market trends.

**Table-1: Industries by measures of Concentration Index value with rank**

Industries by measures of Concentration Index value with rank									
Sl. No.	Industry	HH Index	Normalised HHI Index	Horvath Index	Entropy Index	Ginevicius Index	GRS Index	Coefficient of variation Index	Gini Index
1	Automobile Two & Three Wheelers	0.2743	0.1950	0.7932	0.5912	0.1335	0.3238	0.7778	0.5082
	Indexed rank	3	2	8	6	1	4	7	5
2	Air Conditioners Industry	0.2784	0.1258	0.8505	0.6044	0.1899	0.3803	1.1146	0.1899
	Indexed rank	4	1	7	6	2	5	8	2
3	Automobiles-Trucks/Lcv Industry	0.8081	1.5520	1.7943	0.1730	0.6044	0.8657	0.5129	0.1869
	Indexed rank	5	7	8	1	4	6	3	2
4	Gas Transmission/Marketing Industry	0.2562	0.1279	0.5868	0.6379	0.1626	0.3336	1.0389	0.2208
	Indexed rank	4	1	6	7	2	5	8	3
5	Passenger Cars Industry	0.3528	0.3187	0.9686	0.4636	0.2375	0.3908	1.0232	0.1173
	Indexed rank	4	3	7	6	2	5	8	1
6	Lubricants Industry	0.1715	0.0643	0.6497	0.5912	0.1028	0.3238	2.9481	0.2212
	Indexed rank	3	1	7	6	2	5	8	4

7	Cigarettes/Tobacco Industry	0.8635	3.0393	0.6497	0.5912	0.1028	0.3238	0.4464	0.2122
	Indexed rank	7	8	6	5	1	3	4	2
8	Oil Exploring industry	0.8934	4.2670	1.8898	0.1039	0.5682	0.9251	0.3070	1.3035
	Indexed rank	4	8	7	1	3	5	2	6
9	Paints Industry	0.4015	0.3823	1.1791	0.5214	0.1890	0.5837	0.6288	0.4351
	Indexed rank	3	2	8	5	1	6	7	4
10	Footwear Industry	0.1974	0.1079	0.6381	0.78514	0.11202	0.29160	0.96114	0.51732
	Indexed rank	3	1	6	7	2	4	8	5

Source: Authors’ estimation

**Table-2: Variance in Values of Measures across the Industries**

Industry	HH	NHH	HI	EI	GI	GRS	CV	Gini
Automobile Two & Three Wheelers	3	2	8	6	1	4	7	5
Air Conditioners Industry	4	1	7	6	2	5	8	2
Automobiles-Trucks/Lcv Industry	5	7	8	1	4	6	3	2
Gas Transmission/Marketing Industry	4	1	6	7	2	5	8	3
Passenger Cars Industry	4	3	7	6	2	5	8	1
Lubricants Industry	3	1	7	6	2	5	8	4
Cigarettes/Tobacco Industry	7	8	6	5	1	3	4	2
Oil Exploring industry	4	8	7	1	3	5	2	6
Paints Industry	3	2	8	5	1	6	7	4
Footwear Industry	3	1	6	7	2	4	8	5
<b>Variance of Rank</b>	1.56	9.16	0.67	4.89	0.89	0.84	5.57	2.71

Source: Authors’ estimation

**Findings:**

**Accuracy of Measures:**

**Table 1** presents concentration measures for 10 industries. The Ginevicius index ranks Two- and Three-Wheelers least concentrated, with eight industries overall identified as less concentrated. Air Conditioners, Gas Transmission, Passenger Cars, Lubricants, and Footwear rank second, while the entropy index ranks Oil Exploration and Trucks/LCV first. Horvath and Ginevicius indices show lower fluctuations across industries.

Table 2 presents contradictory results: the Horvath index shows concentration, while the Ginevicius index does not. Using Ginevičius & Čirba’s (2009) criterion, when  $R = 0$  it reflects market conditions, and smaller differences mean higher accuracy, favoring the Horvath index.

**Table-3: Rank of Measure by accuracy (R-value) across the industry**

Rank of Measure by accuracy(R-value) across the industry									
Sl. No.	Industry	HH Index	Normalised HHI Index	Horvath Index	Entropy Index	Ginevičius Index	GRS Index	Coefficient of variation Index	Gini Index
1	Automobile Two & Three Wheelers	3	2	8	6	1	4	7	5
2	Air Conditioners Industry	4	1	7	6	2	5	8	2
3	Automobiles-Trucks/Lcv Industry	5	7	8	1	4	6	3	2
4	Gas Transmission/Marketing Industry	4	1	6	7	2	5	8	3
5	Passenger Cars Industry	4	3	7	6	2	5	8	1
6	Lubricants Industry	3	1	7	6	2	5	8	4
7	Cigarettes/Tobacco Industry	7	8	6	5	1	3	4	2
8	Oil Exploring industry	4	8	7	1	3	5	2	6
9	Paints Industry	3	2	8	5	1	6	7	4
10	Footwear Industry	3	1	6	7	2	4	8	5

Source: Authors’ estimation

**Accuracy of measures:**

By using the actual and calculated market share accuracy of the measures can be determined. According to the formula,

$$R = \sum_{i=0}^n |S_i - S^*|$$

R = accuracy of a concentration measure.

S= calculated market share

S\*=relative value of market shares as per the formula of the concentration measure.

If the value of R is zero, then it implies that the concentration measure is most accurate in representing an ideal market situation. If there is a difference between S and S\*, then the value of R will be greater than zero. In our research article, we found a more accurate measure of market concentration.

Table 3 shows the Horvath Index is most accurate. HHI ranks well only for Cigarettes/Tobacco (2nd) and Trucks/LCV (4th), but poorly for others. Except these, the coefficient of variation gives better ranks for most industries.

**Conclusions:**

In empirical research, the Herfindahl-Hirschman Index (HHI) is widely used to measure market concentration. However, our study finds HHI less accurate, which may mislead analysis. The Horvath Index and Coefficient of Variation are better alternatives. The Horvath Index assigns larger weights to all firms, providing a more precise concentration measure. By considering firm size

and market share distribution, it offers deeper insights into industry consolidation, though further research is required for definitive conclusions. MA

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# THE MANAGEMENT ACCOUNTANT

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# Down The Memory Lane

September, 2015



Shri Arvind Kejriwal, Hon'ble Chief Minister, Govt. of NCT of Delhi with CMA Manas Kumar Thakur, Vice President of the Institute in a discussion at the summit on "Ease of Doing Business: Unfinished Agenda" held on September 15, 2015 in New Delhi

September, 2005



M.M. Gangopadhyay, Chairman, Ranchi Chapter, Dr. A.K. Sarkar-D(F), CCL, R.P. Ritolia, CMD, CCL, N. Swain, Chairman, EIRC and A. Kundu, Vice-Chairman, Ranchi Chapter of Cost Accountants are seen in a seminar on 'Enhancing Professional Capabilities', organized by Ranchi Chapter of Cost Accountants



Chief Guest Surinder Singla, Hon'ble Finance Minister, Punjab, inaugurating the Seminar on 'Punjab VAT' at ICSSR Auditorium, Chandigarh organized by Chandigarh-Panchkula Chapter of Cost Accountants on 27 September, 2005

September, 1995



K.R.S. Sastry, Central Council Member of the Institute of Cost & Works Accountants of India and the Patron of Visakhapatnam Chapter, has been warmly felicitated by the Managing Committee of the Chapter on 3 September 1995 at the ICWAI Bhavan on his election as Vice-President of SAFA (South Asian Federation of Accountants)

# Down The Memory Lane

**September, 1995**



A Joint Programme has been organized with the Bangalore Chapters of ICSI, ICAI and ICWAI on 14 September 1995 at Hotel Holiday Inn, Bangalore to felicitate G. Venkataramanan, Secretary to the Government of India, Department of Company Affairs, Ministry of Law, Justice & Company Affairs

**September, 1985**



Dr G.S. Bhalla, Chairman, Agricultural Price Commission, New Delhi, addressed the members on 27<sup>th</sup> September, 1985 at Constitution Club, New Delhi on subject 'Agricultural Price Policy in India'

**September, 1975**



Shri R. Rajagopalan, Chief Cost Accounts Officer of the Govt. of India and member of the Central Council of the I.C.W.A.I was invited to address the members of the Lucknow Chapter on 19<sup>th</sup> Sept 1975



Rajkot Chapter had a seminar on 'Quantitative Techniques & Data Processing' by Shri B.S. Jauhari, MSC, AICWA, (Audit Officer, W.R. Bombay) & 'Budget and the Cost Accountant in relation to Section 277 (4A) of the Companies Act, 1956', by Shri N.L. Soni, A.C.M.A, on 5<sup>th</sup> Sept. 1975

*Source: Extracted from the various issues of The Management Accountant Journal*

# NEWS FROM THE INSTITUTE

## EASTERN INDIA REGIONAL COUNCIL

### Career Awareness and Student Guidance

- ⊙ **Raj Higher Secondary School:** On August 1st, a program was held to inform over 120 students about the career opportunities available through the CMA course.
- ⊙ **Victoria Institution (College):** A session on August 4th guided more than 70 students on the career prospects in Cost and Management Accountancy.
- ⊙ **Guidance for EIRC Employees:** CMA Chittaranjan Chattopadhyay, a Council Member of ICAI, and CMA Arati Ganguly, Chairperson of ICAI-EIRC, guided EIRC employees on August 8th on how to effectively conduct Career Awareness Programs.
- ⊙ **Parnasree Bidyamandir:** On August 27th, a program motivated over 50 students about career opportunities related to the CMA course. CMA Piyankar Mukherejee was a guide for this event.
- ⊙ **Welcome to New Students:** On August 6th, CMA Arati Ganguly, Chairperson of ICAI-EIRC, welcomed newly enrolled Foundation and Intermediate CMA students and offered guidance for their journey.

### SAP Training Programme

The ICAI-EIRC conducted a three-day, 60-hour skill development program for Intermediate CMA students from July 31st to August 2nd. The training covered modules such as SAP Finance Power User, MS Office, Tally, Communication & Soft Skills, and E-Filing.

### CPE Programme

A Continuing Professional Education (CPE) program was held on August 14th at J.N. Bose Auditorium, Kolkata. The event, titled “The Evolving Landscape of Indirect Taxes: Strategic roles and opportunities for CMAs,” provided insights into indirect taxation and the role of CMAs in the field. Over 80 CMA members participated in the interactive session.

### 79<sup>th</sup> Independence Day Celebration

The 79th Independence Day was celebrated at the ICAI-EIRC premises. CMA Neeraj D. Joshi, Vice President of ICAI, was the Chief Guest and hoisted

the national flag. A permanent national flag was also inaugurated on the rooftop of the EIRC Building.

### Ganesh Puja Celebration

On August 27th, the celebration of Sri Sri Ganesh Puja took place at the ICAI-EIRC premises. Over 350 people attended, including members, students, faculty, and staff.

## BHUBANESWAR CHAPTER

### CMA Career Awareness Programs

The Bhubaneswar Chapter recently held two CMA Career Awareness Programs to inform students about the career opportunities and curriculum of the CMA course.

#### *Mo Commerce, Bhubaneswar*

On August 7, 2025, CMA Prakash Chandra Sahoo of the Bhubaneswar Chapter spoke to about 50 commerce students and faculty at Mo Commerce. He gave a detailed presentation on career prospects and the course structure, addressing all questions from the attendees.

#### *Nimapada (A) College, Nimapada*

A similar program took place on August 13, 2025, at Nimapada (A) College. CMA Niranjana Sahoo, former Chairman of the Bhubaneswar Chapter, shared insights on the CMA course and career opportunities with over 100 commerce students and faculty who actively participated and had their queries resolved.

#### *Jupiter Degree College*

Once again a similar program was held at Jupiter Degree College in Bhubaneswar on August 20, 2025. During the event, CMA Santanu Kumar Rout, a past Chairman of the chapter, gave a detailed presentation on the career opportunities and curriculum of the CMA course. Over 100 commerce students and faculty members from the college attended the programme, actively participating by asking questions and clarifying their doubts about the CMA profession.

### 79<sup>th</sup> Independence Day Celebrations

The ICAI Bhubaneswar Chapter celebrated the 79th Independence Day with a grand event at CMA Bhawan. The festivities began with CMA Uttam Kumar Nayak, the immediate past Chairman of ICAI-EIRC, unfurling the national flag as the chief guest. He also gave a motivational speech to the students.

Over 100 students attended the event, which featured a quiz and a debate competition for Foundation, Intermediate, and Final students. These events highlighted the students' talent and enthusiasm, making the celebration a great success.

### **CMA Intermediate Success Session**

On Sunday, August 17, 2025, the ICAI-Bhubaneswar Chapter held a Strategy and Motivational Session for students who passed their CMA Intermediate exams in June 2025.

The event, led by chapter leaders including CMA Sarat Kumar Behera, Chairman; CMA Avinash Kotni, Vice-Chairman; and CMA Suraj Pradan, Member, focused on motivating students for their next steps.

### **Inauguration of 10-Day Industry-Oriented Training Programme**

A 10-day Industry-Oriented Training Programme (IOTP) for December 2025 term final students was inaugurated on August 19, 2025, at the Bhubaneswar Chapter. The session was attended by several notable guests, including CMA Srikanta Kumar Sahoo, Director (F) OPTCL, as the Chief Guest, and CMA Uttam Kumar Nayak, Immediate Past Chairman, as the Guest of Honor. CMA Damodara Mishra, Vice Chairman, attended as a Special Guest, alongside CMA Sarat Kumar Behera, Chapter Chairman, and CMA Avinash Kotni, Vice Chairman and Chairman of the Career Counselling & Students Facilitation Committee. The training programme, organized by the Bhubaneswar Chapter of ICAI, is designed to prepare students for their professional careers.

### **Advanced Excel Workshop**

The ICAI-Bhubaneswar Chapter organized a five-day workshop on "Advanced Excel" from August 18 to August 22, 2025. The sessions were led by CMA Rashmikanta Sahoo, a practicing Cost Accountant, and Mr. Mohammed Imad, a Project Associate at Centurion University of Technology and Management. Over 40 CMA members participated daily, finding the training to be highly engaging and beneficial for improving their practical skills.

### **Monthly Study Circle Meeting**

The ICAI-Bhubaneswar Chapter held its second monthly Study Circle Meeting on Saturday, August 23, 2025, at CMA Bhawan. The session focused on recent developments in Income Tax filing and other key professional topics to help members stay current. Over 25 participants attended the meeting, which was presided over by CMA Sarat Kumar Behera, Chairman of the Chapter, along with CMA Soumya Ranjan Jena, Chapter Secretary, and CMA Barada Prasan Nayak, Chairman of the Professional Development Committee.

### **Ganesh Puja Celebration**

The ICAI-Bhubaneswar Chapter celebrated Ganesh Puja at CMA Bhawan on August 27, 2025. The auspicious event saw the active participation of around 500 people, including students, members, faculty, staff, and their families. CMA Sarat Kumar Behera, Chairman of the ICAI-Bhubaneswar Chapter, served as the 'Karta' (ritual leader) for the ceremony. Following the puja, all attendees joined together for the Prasad Sevan.

## *Glimpses of Eastern India Regional Council*



*Eastern India Regional Council*



*Eastern India Regional Council*



*Bhubaneswar Chapter*



*Bhubaneswar Chapter*

**NORTHERN INDIA REGIONAL COUNCIL**

**JAIPUR CHAPTER**

**CAT Course Closing Ceremony**

The Jaipur chapter of The Institute of Cost Accountants of India organised a Certificate in Accounting Technicians (CAT) course. The course was organised under the Directorate General of Resettlement of Army, Navy and Air Force Personnel, Ministry of Defence, Government of India to train retired armed forces personnel in the field of accounting so that they can get opportunities after retirement. Closing ceremony was organised on 8th August 2025 on completion of the CAT course.

In the closing ceremony, Chief Guest Lt. Col. Anuj Kumar, Second in Command 13 Grenadiers and Jaipur Chapter Vice-Chairman CMA Deeptanshu Pareek congratulated all the CAT Course participants for successfully completing the course and wished them good luck for their future. Certificates were given to all the CAT Course participants in the closing ceremony.

Program was conducted by CMA R.K. Jain, CAT HOD.

In the ceremony, Jaipur Chapter Secretary CMA Harendra Kumar Pareek and Director of Coaching CMA PD Agarwal and faculties also wished all the CAT Course participants a bright future.

**Felicitations of CMA Final All India Rank Holders**

Jaipur Chapter organised a Felicitations program of CMA Final All India Rank Holders in June 2025 exam on 12th August 2025, at Chapter premises. In this program, parents and grandparents of the Rank Holders were also invited. At the beginning of the program, Jaipur Chapter Chairperson, CMA Purnima Goyal, congratulated all the Rank Holders and guided them for future course of action. She also awarded the Appreciation Certificate to all the 7 Final Rank Holders.

On this occasion, CMA P.D. Agrawal, Director of Coaching also addressed the Rank Holders and gave various tips for their future course of action.

**79<sup>th</sup> Independence Day Celebration**

The 79th Independence Day was celebrated with great zeal and enthusiasm at the Jaipur Chapter on 15th August 2025. The Chairperson of the Chapter, CMA Purnima Goyal, hoisted the National Flag in the presence of Members, Faculties, and Staff. A patriotic song was sung by the entire Management Committee team.

Senior Members, Management Committee Members, and other Members shared their thoughts on this auspicious occasion. The program was conducted by CMA Harendra Kumar Pareek, Secretary of the Jaipur Chapter.

*Glimpses of Northern India Regional Council*



*Jaipur Chapter*



*Jaipur Chapter*

**SOUTHERN INDIA REGIONAL COUNCIL**

**TRIVANDRUM CHAPTER**

**PSU Summit on 'Cost Intelligence'**

The Institute of Cost Accountants of India (ICMAI), in collaboration with the Board for Public Sector Transformation (BPT), Government of Kerala, hosted a high-profile seminar on "Cost Intelligence: Enhancing PSU Competitiveness" on Thursday, August 14, 2025. The event, organized by the ICMAI Trivandrum Chapter, was held at the Hotel Residency Tower in Trivandrum.

The seminar was inaugurated by Shri Ajith Kumar K, Executive Chairman of BPT. The day-long event featured technical sessions and keynote addresses from distinguished experts, including CMA TCA Srinivasa Prasad, President of ICMAI, and CMA A. N. Raman, Former President of SAFA.

Over 100 representatives from more than 50 public sector companies across Kerala participated. The discussions focused on critical topics such as competitive cost management, the implementation of AI in finance, and modern management accounting practices. The seminar aimed to enhance the efficiency and global competitiveness of Public Sector Undertakings (PSUs) in the region.

This event also serves as a starting point for future collaborative initiatives between ICMAI and Kerala's PSUs, with organizers announcing more workshops and support programs to follow.

**79<sup>th</sup> Independence Day Celebration**

The Trivandrum Chapter celebrated the 79th

Independence Day with a flag-hoisting ceremony. The National Flag was hoisted by CMA Rejeesh V S, the Vice Chairman of the chapter. The event was attended by members, students, and staff of the chapter.

**Onam Celebration**

The ICMAI Trivandrum Chapter celebrated the traditional festival of Onam with great enthusiasm on August 24, 2025. The event, held at the Chapter premises, brought together members, faculty, students, and staff.

The celebration was inaugurated by CMA Pranav Jayan, Chairman of the Trivandrum Chapter, who delivered festive greetings and highlighted the importance of cultural unity within the professional community. The occasion was also graced by CMA Nisha Habi, Chapter Secretary; CMA Sarat Nair U, Chairman of the Professional Development Committee; and CMA Hima R S Nair, Chairperson of the Students Welfare Committee.

The festivities included a traditional Pookkalam (floral carpet) competition and a Thiruvathira dance performance by the students, which showcased Kerala's rich heritage. A variety of cultural programs, traditional games, and fun activities were also organized, adding to the festive spirit.

**BENGALURU CHAPTER**

**Inauguration of 118<sup>th</sup> Batch of CMA Oral Coaching Classes**

The 118th batch of CMA oral coaching classes commenced on August 11, 2025, at the Bengaluru

Chapter of the Institute of Cost Accountants of India (BCCA). The inauguration ceremony, held at the B.P. Wadia Road premises, featured Mr. Vignesh, Founder of ThinkUou, as the Chief Guest, and Mr. Y.H. Anegundi, former chairman of SIRC, as the Guest of Honor.

The program was introduced by CMA Raghavendra B.K., Chairman of BCCA, and CMA Santhosh G. Kulburgi, Secretary and Chairman of Coaching. The attendees were also addressed by CMA Suresh R. Gunjalli, Central Council Member, and CMA Vishwanath Bhat and CMA Girish K, both Regional Council Members of SIRC.

### **Professional Development Programme on NRI Taxation**

The Bengaluru Chapter conducted a Professional Development Programme on "NRI Taxation & Section 195" on August 2, 2025. The session featured CMA Rakesh Shankar Ravisankar as the resource person. The event was also attended by CMA Raghavendra B.K., Chairman of the Bengaluru Chapter, and CMA Gunamala S.R., Vice Chairperson.

### **79<sup>th</sup> Independence Day Celebration**

The Bengaluru Chapter of BCCA celebrated the 79th Independence Day with great patriotic fervor on August 15, 2025, at the ICSI-Bengaluru Chapter premises. The event brought together members, guests, and citizens to honor India's freedom journey.

The ceremony was graced by the Chief Guest, Hon'ble Mr. N. Sivasaila, IAS (Retd.), who delivered an inspiring address. Other notable dignitaries in attendance included CMA Raghavendra B.K., Chairman of BCCA; CMA Santhosh G. Kalburgi, Secretary of BCCA; CMA Suresh R. Gunjalli, Central Council Member; and Mr. Venkanna, former Chairman of BCCA.

### **Professional Development Programme on Treasury Management**

The Bengaluru Chapter organized a professional development programme on "Treasury Management – Working Capital & Term Loan – External Credit Rating, Security Documentation, and RBI

Guidelines" on August 30, 2025. The session was led by CMA T. M. Muralidharan, who served as the resource person. The event was also attended by CMA Raghavendra B.K., Chairman of the Bengaluru Chapter; CMA Poornima M., Treasurer and PF Chairperson; CMA Vishwanath Bhat, PF Chairman, SIRC; and CMA Suresh R. Gunjalli, Central Council Member.

## **THRISSUR CHAPTER**

### **10-Day Industry-Oriented Training Programme at Thrissur Chapter**

The Thrissur Chapter organized a 10-day Industry-Oriented Training Programme (IOTP) for final-year students, running from August 3 to August 30, 2025. The programme, held at the Chapter's Seminar Hall, was designed to provide students with practical industry knowledge.

The inaugural session began with a welcome address by CMA P.V. Antony, Chairman of the Thrissur Chapter. CMA Praveen Kumar, Chairman of the SIRC's PD Committee, officially inaugurated the event by lighting the lamp. CMA C.N. Narayanan, Chapter Secretary, and CMA Vinod T.V., Treasurer, also delivered a felicitation speech and a vote of thanks, respectively.

The IOTP sessions were led by a team of experienced professionals, including CMA Harshad Deshpande, a Central Council Member, and other faculty from the industry. Among the speakers were CMA R. Abhilash, CMA A.P. Madhu, CMA P.V. Antony, CMA C.N. Narayanan, CMA Biju P. Raphael, CMA Rony Thomas, CMA Dideesh K.C., CMA Mejo K.M., CMA Jojo John Chungath, Mr. Jacob Netto, and Mr. Manoj Neelakantan. The programme was well-attended by both postal and oral students, who provided positive feedback on the sessions.

### **79<sup>th</sup> Independence Day Celebration**

The Thrissur Chapter of The Institute of Cost Accountants of India celebrated the 79th Independence Day of the nation with patriotic fervor. The event began with Chapter Chairman CMA P.V. Antony hoisting the national flag. Students led a patriotic song, and both CMA P.V. Antony and Chapter Treasurer CMA Vinod T.V.

delivered an inspiring Independence Day message. All the students took a pledge, and the ceremony concluded with the singing of the National Anthem and the distribution of sweets.

### Onam Celebration

The Thrissur Chapter celebrated the Onam festival on Sunday, August 31, 2025, at the Chapter's Seminar Hall. The festivities began at 8 AM with a Pookkalamalsaram (floral carpet competition).

The official celebration was inaugurated by CMA Praveen Kumar, Chairman of the SIRC's PD Committee, who lit the lamp alongside several other dignitaries. These included CMA P.V. Antony, Chapter Chairman; CMA O. Balakrishnan, Vice Chairman; CMA C.N. Narayanan, Secretary; CMA Vinod T.V., Treasurer; and Managing Committee Members CMA A.P. Madhu and CMA Mejo K.M. CMA Praveen Kumar delivered the inaugural address, and CMA Vinod T.V. concluded the ceremony with a vote of thanks. The celebration featured various cultural programs and games, with active participation from members and students. The event concluded with a traditional Onasadya.

## VISAKHAPATNAM CHAPTER

### 79<sup>th</sup> Independence Day Celebration

The Visakhapatnam Chapter of The Institute of Cost Accountants of India celebrated the 79th Independence Day on August 15, 2025, at CMA Bhawan. The event was marked by an address from CMA U. Lakshmana Rao, who spoke to the gathering on the significance of the occasion.

### Professional Development Programme on Tax Audit Forms

The Visakhapatnam Chapter of the Institute of Cost Accountants of India organized a Professional Development Programme on "Tax Audit Forms 2025: Key Changes, Challenges, and Best Practices" on August 23, 2025. The event, held at the chapter's premises, featured CA U. Rama Krishna, a practicing Chartered Accountant from Visakhapatnam, as the speaker. The session was attended by CMA U. Lakshmana Rao, Chairman of the Visakhapatnam Chapter, and CMA N. Venkatesh, Secretary, along with other CMA members.

## COCHIN CHAPTER

### Webinar on Ind AS as a Strategic Enabler

The Cochin Chapter of the Institute of Cost Accountants of India (ICMAI) successfully conducted the third session of its national webinar series, "From Compliance to Competence: Ind AS as a Strategic Enabler in Cost Auditing," on August 6, 2025.

The session, titled "From Cost Sheet to Balance Sheet: Decoding CAS 16 and Ind AS 16," was attended by members, students, professionals, and faculty from across the country. CMA Arun Kumar S, Secretary of the Cochin Chapter, delivered the welcome address. The technical session was led by CMA Ramsankar Mishra, Senior Manager (Finance) at Mangalore Refinery and Petrochemicals Limited (MRPL), who provided valuable insights into integrating Cost Accounting Standards with Indian Accounting Standards. The webinar concluded with a vote of thanks by CMA Minusri S, Treasurer of the Cochin Chapter. The event was highly beneficial, helping participants bridge the gap between compliance and strategic financial insights.

### 79<sup>th</sup> Independence Day Celebration

The Cochin Chapter of the Institute of Cost Accountants of India celebrated the 79th Independence Day on August 15, 2025, at the Centre for Excellence Building. The event, filled with patriotic spirit, began at 8:20 a.m. with Chapter Chairperson CMA R. Ranjini hoisting the national flag.

In her address, she honored the sacrifices of freedom fighters and urged everyone to uphold the values of unity and integrity. Managing Committee members, staff, and students actively participated in the celebration, with representatives from both staff and students speaking about the significance of the day. The celebration concluded on an inspiring note, encouraging all attendees to contribute to the nation's progress.

### Kerala State Cost Convention 2025

The Cochin Chapter of the Institute of Cost Accountants of India (ICMAI) hosted the annual

Kerala State Cost Convention 2025 on August 22, 2025, at Hotel Taj Vivanta in Ernakulam. The theme for this year's convention was “Industrial Synergy for Developed Nation: Inclusive Growth Through Collaboration,” which explored how collaboration between industries can foster economic growth, social progress, and environmental sustainability.

The event was inaugurated by Smt. G. Priyanka, IAS, District Collector, Ernakulam, who highlighted the efforts of both central and state governments to promote industrial growth. She also stressed the need to leverage technology and promote Farmer Producer Organizations (FPOs) to double farmers’ income and emphasized the service sector’s role in leading new development paths.

The convention was presided over by SIRC Chairman Vijay Kiran Agasthya. Other dignitaries included Central Council Member Suresh R. Gunjalli, SIRC PD Committee Chairman Praveen Kumar, and the Cochin Chapter's Chairperson R. Ranjini and Secretary Arun Kumar S. The event featured sessions with eminent speakers from various industries and concluded with a panel discussion moderated by the SIRC Chairman.

The convention was highly successful, offering deep insights into the critical role of Cost and Management Accountants (CMAs) in achieving India's development goals through collaboration and competence.

### Students' Onam Celebration

The students of the Cochin Chapter of The Institute of Cost Accountants of India celebrated the Onam festival on August 30, 2025, at the Mia Riaan Lake View Resort. The event was inaugurated by Chapter Chairperson CMA Renjini R, following a welcome address from Shri Vineeth, Chairman of the Students' Committee.

CMA George P. Mathew, Vice Chairperson of the Chapter, also addressed the gathering. Students participated in a variety of cultural programmes, traditional games, and entertainment events, creating a vibrant, festive atmosphere. The highlight of the day was the traditional Onam Sadhya, which was served to all attendees. The celebration concluded with a student representative delivering a vote of thanks, expressing gratitude to everyone who made the event a memorable one.

## Glimpses of Southern India Regional Council



*Trivandrum Chapter*



*Trivandrum Chapter*



*Bengaluru Chapter*



*Bengaluru Chapter*



*Thrissur Chapter*



*Thrissur Chapter*



*Visakhapatnam Chapter*



*Visakhapatnam Chapter*



*Cochin Chapter*



*Cochin Chapter*

**WESTERN INDIA REGIONAL COUNCIL**

**AHMEDABAD CHAPTER**

**Income Tax Workshop Series**

The ICMAI Ahmedabad Chapter has organized an extensive Income Tax Workshop Series for its members. The series, which began on July 26, 2025, covers a wide range of topics related to income tax.

The workshop schedule includes sessions on:

- ⦿ Introduction to Income Tax by CMA Darshil Mehta on July 26.
- ⦿ Computation of Income from Salary, House

Property, and Other Sources on August 1, and Capital Gains and Business Income on August 8, both led by CMA (Dr.) Pradip Tulsayan.

- ⦿ A session on Exemptions, Deductions, and ITRs on August 22, also by CMA (Dr.) Pradip Tulsayan.
- ⦿ A session on Tax Audit by CMA Fenil Shah on August 30.
- ⦿ A session on Refund/Demand by CA Parin Patwari on September 6.

The sessions have been highly interactive and informative, with a large number of members

participating. Two sessions were held in August and one more is scheduled for September.

### **CPE on 'Notice the Unnoticed'**

The ICAI-Ahmedabad Chapter hosted a Continuing Professional Education (CPE) session titled "Notice the Unnoticed – Unlock your better version" on August 2, 2025. The program focused on practical skills such as Time Management, Goal Setting, and Public Speaking.

The session began with CMA Mitesh Prajapati introducing the speaker, JC Bhavik Gauswami, a Certified National Trainer of JCI India. After being felicitated with a memento, Mr. Gauswami delivered an engaging and informative presentation that was well-received by the participating members.

### **Press Meet for June 2025 CMA Exam Results**

The ICAI Ahmedabad Chapter hosted a press meet on August 11, 2025, to announce the results of the June 2025 Intermediate and Final examinations. The event was attended by reporters from several leading electronic and print media outlets.

CMA Mitesh Prajapati, the Chapter Chairman, and CMA Sunil Tejawani, the Secretary, addressed the media. Following the address, reporters also conducted interviews with the meritorious students who achieved top ranks in the Final and Intermediate exams.

### **79<sup>th</sup> Independence Day Celebration and CMA Walkathon**

The ICAI Ahmedabad Chapter celebrated India's 79th Independence Day with a Flag Hoisting Ceremony and a CMA Walkathon on August 15, 2025.

The flag hoisting ceremony was held at 8:00 a.m. at the Chapter premises. The National Flag was hoisted by Dr. Prashant Bhimani, the Guest of Honor, along with Chapter Chairman CMA Mitesh Prajapati, Secretary CMA Sunil Tejawani, Treasurer CMA Bhavesh Ramchandani, and other office bearers and defense members. The ceremony concluded with the singing of the National Anthem. The event was well-attended by members, students, defense members, and staff.

Following the ceremony, a CMA Walkathon

was organized to promote health and unity. CMA Mitesh Prajapati welcomed the participants before he and Dr. Prashant Bhimani officially flagged off the event. The walkathon's route covered several key locations, including Swastik Cross Road and Sardar Patel Stadium Cross Road. More than 300 students participated, and a tricolor march featuring posters of "Viksit Bharat," "Aatmanirbhar," and the "valour of the army" was also part of the event. Medals were awarded to all participants after the walkathon.

### **CPE on Bank Stock Audit**

The ICAI-Ahmedabad Chapter organized a Continuing Professional Education (CPE) program on Bank Stock Audit on August 23, 2025. The session was led by guest speaker CA Shikha Agarwal.

The event was attended by chapter dignitaries, including Chairman CMA Mitesh Prajapati and Secretary CMA Sunil Tejawani. CMA Jainil Patadia welcomed both the speaker and the participating members, while CMA Anil Garg presented a memento and bouquet to the speaker. CA Shikha Agarwal delivered a presentation that was highly beneficial for the attendees.

## **PUNE CHAPTER**

### **RERA and GST: A CPE Programme**

The ICAI-Pune Chapter recently hosted a Continuing Professional Education (CPE) programme on the 'Interplay between RERA and GST' at CMA Bhawan, Karvenagar, on July 31, 2025. The session featured CA Nishant Mundada, who offered clear and practical insights into the complex relationship between the Real Estate (Regulation and Development) Act and the Goods and Services Tax. The presentation was well-received by participants, and the speaker was welcomed and felicitated by CMA Rahul Chincholkar, the Vice Chairman of the ICAI-Pune Chapter.

### **Inaugural Session of Oral Coaching Batches**

The ICAI Pune Chapter held an inaugural session for its July–December 2025 Oral Coaching Batches on August 2, 2025, at the CMA Bhawan

Auditorium. The event began with the ceremonial lighting of a lamp and the Institute's Anthem.

CMA Shrikant Ippalpalli, Chairman of the ICMAI Pune Chapter, welcomed the new students and dignitaries, including Chief Guest CMA Meena Vaidya and CMA Chaitanya Mohrir. He advised students to attend lectures, use the available resources, and adopt a logical, exam-oriented approach. He also cautioned them about the limitations of AI tools.

CMA Chaitanya Mohrir, Secretary of the WIRC of ICMAI, congratulated the students, emphasizing the importance of conceptual clarity, self-study, and effective use of technology. He also highlighted the need for strong English communication and networking skills.

Chief Guest CMA Meena Vaidya spoke about the evolving role of CMAs, urging students to be responsible in the digital age and study with passion. She pointed out diverse career opportunities in fields like indirect taxation and IT, while also stressing the need for innovative thinking and strong English language skills.

The dignitaries were formally felicitated during the session. CMA Rahul Chincholkar, Vice Chairman of the ICMAI Pune Chapter, shared details about a recent counter-terrorism initiative, "Operation Mahadev." The event concluded with a vote of thanks from CMA Himanshu Dave, who encouraged the students to stay involved with the chapter.

### SAP Skill Training for CMA Final Students

The ICMAI Pune Chapter conducted a three-day SAP Skill Training Programme for CMA Final students at CMA Bhawan, Karvenagar, from August 4 to August 6, 2025. The training, which was held in a physical/offline format, was led by CMA Amey Tikale, who provided detailed insights into the S/4HANA application. The program gave students valuable hands-on experience with SAP, significantly boosting their practical knowledge and job readiness. Participants found the initiative highly beneficial for strengthening their technical skills.

### 79<sup>th</sup> Independence Day Celebration

On August 15, 2025, the ICMAI-Pune Chapter

celebrated India's 79th Independence Day at the CMA Bhawan, Karvenagar. The ceremony began with the hoisting of the national flag by CMA Shrikant Ippalpalli, Chairman of the ICMAI-Pune Chapter, and CMA Soma Ghosh, India CFO of Cummins India, followed by the singing of the National Anthem.

The event was attended by numerous dignitaries, including past president CMA Dr. Dananjay Joshi, and other notable members like CMA Dr. Sanjay Bhargave, CMA Chaitanya Mohrir, CMA Dr. Narhar Nimkar, and CMA Meena Vaidya. Speeches were delivered by all the distinguished guests, which inspired a sense of patriotism and unity among the members, students, and staff of the CMA fraternity. The celebration was a vibrant reflection of patriotic spirit and unity.

### Student Day Program and Felicitation Ceremony

On August 16, 2025, the ICMAI Pune Chapter hosted a Student Day Program at CMA Bhawan to celebrate the achievements of its students. The event featured a grand welcome for CMA Neeraj Joshi, Vice President of ICMAI, and included a felicitation ceremony honoring 40 newly qualified CMA students and 78 Intermediate qualified students.

The program was attended by esteemed guests, including Chief Guest CMA Akshay Gokhale and Guest of Honor Prof. Rekha Kumar. The ceremony commenced with a welcome address by CMA Amey Tikale, who noted the chapter's commitment to promptly recognizing student success. CMA Shrikant Ippalpalli and CMA Rahul Chincholkar also addressed the gathering, congratulating the students and their families while emphasizing the importance of dedicated study and professional development.

Dignitaries, including past president CMA Dr. D.V. Joshi and WIRC Secretary CMA Chaitanya Mohrir, were honored. In their speeches, they stressed the importance of conceptual clarity, strong communication skills, and responsible use of technology. They also encouraged newly qualified CMAs to pursue membership and participate in professional development programs.

CMA Neeraj Joshi delivered an inspiring address,

advising students to obtain membership, enhance their soft skills, and explore diverse career paths. He drew parallels with national leaders and concluded with a quote from Winston Churchill, signifying that the qualification is just the beginning of their journey.

Guest of Honor Prof. Rekha Kumar and Chief Guest CMA Akshay Gokhale also offered words of wisdom, encouraging students to set clear goals, learn from failures, and continuously adapt to the evolving corporate world.

A special prize was awarded to the top-scoring Final student in memory of the late CMA Saumitra Bhavthankar. The felicitation ceremony was a poignant moment, with students and parents sharing emotional testimonials about their journeys. The program ended with a vote of thanks from CMA Himanshu Dave, who encouraged students to remain engaged with the chapter.

### **"CV Writing" Session for Newly Qualified Students**

On August 18, 2025, the ICAI Pune Chapter hosted a special online session on "CV Writing" for newly qualified students. The two-hour session, which was also attended by some students at CMA Bhawan, was led by Prof. Ashish Joshi, a professional growth coach and author. The training was designed to be highly informative and beneficial for students preparing for campus interviews, providing them with essential skills for crafting a compelling CV.

### **Career Counselling Session at Garware College**

On August 22, 2025, the ICAI Pune Chapter held a career counselling session at Garware College to inform Class 11 students about the CMA (Cost and Management Accountant) course. The session was led by CMA Shrikant Ippalpalli, CMA Himanshu Dave, and CMA Smita Chapekar. CMA Himanshu Dave, the Chapter's Secretary, gave students an overview of the CMA course, emphasizing the benefits of oral coaching and the facilities available at the Chapter. He also discussed the crucial role of CMAs in today's professional world. Following his address, CMA Smita Chapekar, a faculty member, delved into the course syllabus and provided practical study techniques to help students succeed. The session

was interactive, drawing enthusiastic participation from a large number of students and effectively highlighting the CMA course as a valuable career option.

### **Articleship Drive for CMA Intermediate Students**

On August 22, 2025, the ICAI Pune Chapter hosted an Articleship Drive at CMA Bhawan to help CMA Intermediate qualified students secure their mandatory 15-month training. This initiative successfully connected students with practicing Cost Accountants, ensuring they gain essential practical experience under the guidance of experienced professionals.

The drive saw strong participation from several firms, including:

- ⦿ P. S. Ghadage & Co.
- ⦿ Smita N. Kulkarni & Associates
- ⦿ Inamdar & Co.
- ⦿ Prasad N. Joshi Cost Accountants
- ⦿ SJ RP & Associates LLP
- ⦿ IC & Associates
- ⦿ EximTrade Consulting Services Pvt. Ltd.
- ⦿ S. R. Bhargave & Co.
- ⦿ Bhushan N. Rane & Co.
- ⦿ Omkar Shete & Associates

The active involvement of these firms provided students with valuable mentorship opportunities and played a significant role in developing the next generation of skilled CMA professionals.

### **Industry Oriented Training Programme (IOTP)**

The ICAI Pune Chapter has initiated a 10-day Industry Oriented Training Programme (IOTP) for CMA Final students, which began on August 23, 2025, at CMA Bhawan, Karvenagar. This program, designed for both Oral and Postal students, aims to provide practical, industry-relevant skills to complement their academic learning.

The inaugural session featured lectures by CMA Amit Shahane and CMA Rahul Pore. CMA Himanshu Dave, the Secretary of the ICAI Pune Chapter, welcomed the attendees and highlighted

the training's importance in preparing students for professional roles. The session saw a large number of students in attendance, eager to gain insights into applying their knowledge in a real-world context.

### **CMA Awareness Counter at BMCC College**

The ICMAI Pune Chapter recently set up an informative counter at a chess competition organized by Kreedha Bharati at BMCC College in Pune. The goal was to raise awareness about the CMA (Cost and Management Accountancy) course among students and visitors.

CMA Anuja Dabhade, a Managing Committee Member of the ICMAI-Pune Chapter, spearheaded the initiative. Staff members Mrs. Sangita Gawade and Mr. Baliram Bolade represented the chapter at the counter, where they engaged with a large number of participants and their parents. This strategic effort effectively highlighted the career prospects available in the field of Cost and Management Accountancy to a young audience.

### **CPE Webinar: Capital Gain under Income Tax**

On August 30, 2025, the ICMAI-Pune Chapter held a webinar on "Capital Gain under Income Tax" using Google Meet. The session, which ran from 4:00 PM to 6:30 PM, was led by CMA Rahul Pore.

CMA Nilesh Kekan welcomed and introduced the speaker to a large audience of members. CMA Rahul Pore's lecture was described as clear and informative. The event concluded with a vote of thanks delivered by CMA Rahul Chincholkar.

## PIMPRI CHINCHWAD CHAPTER

### **CPE Webinar: Digitizing Documentation**

On July 1, 2025, the ICMAI-Pimpri Chinchwad Chapter, in partnership with the Maharashtra Tax Practitioners Association (MTPA), hosted a webinar on "Digitizing Documentation: The Future of GST with E-Way Bill & E-Invoicing." Led by CA Sanjan Kumawat, the session focused on how these digital tools streamline business processes, reduce paperwork, and enhance transparency in GST compliance. Experts discussed regulatory updates, practical implementation challenges, and how to integrate these digital solutions into existing systems.

### **CPE Webinar: Reverse Charge Mechanism (RCM)**

On July 2, 2025, the ICMAI-Pimpri Chinchwad Chapter and MTPA held a webinar on "Reverse Charge Mechanism (RCM): A Silent Compliance Killer?" CA Yogesh Ingale demystified the complexities of RCM, which shifts the tax payment responsibility to the recipient. The session highlighted common pitfalls like missed liabilities and input tax credit reversals, offering practical strategies to mitigate risks through proactive management, robust controls, and staff training.

### **CPE Webinar: Unresolved GST Matters & Tech-Powered Practices**

On July 3, 2025, a webinar on "GST Under the Lens: Unresolved Matters Affecting Taxpayers" was hosted by the ICMAI-Pimpri Chinchwad Chapter and MTPA. CA Yogesh Ingale addressed persistent grey areas in GST, while CMA Mahendra Bhombe spoke on the necessity of a tech-powered GST practice. The session underscored how automation, real-time updates, and improved visibility can help navigate the complex landscape of shifting regulations, intricate documentation, and potential human errors.

### **CPE Webinar: GST Audits, Annual Returns & Departmental Triggers**

The ICMAI-Pimpri Chinchwad Chapter and MTPA organized a webinar on July 4, 2025, on the topics of GST audits, annual return filing, and departmental triggers. The session, led by CMA CA CS Dr. Shailendra Saxena, highlighted the importance of audits as a critical checkpoint for compliance. It also stressed the need for accurate annual returns and continuous monitoring to avoid penalties and departmental scrutiny triggered by data mismatches.

### **GST Day Celebration & GST 2.0 Seminar**

On July 5, 2025, the ICMAI-Pimpri Chinchwad Chapter and MTPA celebrated GST Day at CMA Bhawan. The event, attended by Chief Guest CMA Sanjali Dias, began with a ceremonial lamp lighting and cake cutting. Following the celebrations, a webinar titled "GST 2.0: The New Language of Efficiency" was conducted by CMA FCA Shekhar Sane, who explored how new technologies like

AI and advanced analytics are transforming GST compliance.

**CPE Seminar: 'Nachu Kirtanache Rangī – Dnyandeep Lavu Jagī'**

On July 6, 2025, the ICAI-Pimpri Chinchwad Chapter hosted a unique webinar titled 'Nachu Kirtanache Rangī – Dnyandeep Lavu Jagī,' blending the cultural tradition of Kirtan with professional knowledge and ethical values. The session, led by CMA Guruprasad Kulkarni and his team, offered a refreshing perspective on professional conduct and was well-received by members and participants.

**CPE Webinar: 'Trade Wars and Geopolitics'**

On July 12, 2025, the ICAI-Pimpri Chinchwad Chapter held a webinar on "Trade Wars and Geopolitics: At the Crossroads of Power and Policy." Led by CMA Dhananjay Kumar Vatsyayan, the session explored how global trade tensions and geopolitical shifts impact international business and national economies. It emphasized the need for professionals to stay informed and adaptable in an interconnected world.

**'Power-Packed' CPE Series on Income Tax Amendments**

From July 14-18, 2025, the ICAI-Pimpri Chinchwad Chapter and MTPA hosted a five-day CPE series.

- ⦿ Day 1 (July 14): CA Rajesh Mehta spoke on "Changes in ITR Forms," providing insights into legislative updates and practical challenges.
- ⦿ Day 2 (July 15): CA Subodh Shah led a session on "Changes in Audit Report," focusing on new regulatory changes and reporting standards.
- ⦿ Day 3 (July 16): Dr. CA Dilip Satbhai discussed "Changes in TDS & TCS," detailing recent amendments and compliance timelines.
- ⦿ Day 4 (July 17): CA (Adv) Akshay Modi covered "Precaution while Filing ITR," highlighting common errors and strategies for accurate submission.
- ⦿ Day 5 (July 18): CA Parikshit Aurangabadkar and TPr Santosh Sharma led two sessions on "Presumptive Taxation," explaining Sections 44AD and 44ADA for small businesses and

professionals, respectively.

**CPE Seminar: Cost Audit Case Studies**

On July 20, 2025, CMA Rahul Kute conducted a CPE webinar on "Critical Case Studies and Recent Changes under Cost Audit." The session focused on dissecting complex scenarios and discussing the latest regulatory changes, providing cost accounting professionals with actionable insights for navigating the dynamic requirements of the profession.

**Career Counseling at PCACA, Ravet**

On July 24, 2025, the ICAI-Pimpri Chinchwad-Akurdi Chapter held a career counseling session at Pimpri Chinchwad Arts, Commerce & Science College, Ravet. The session, led by CMA Ajit Shinde, aimed to raise awareness about the CMA course and career opportunities, with students showing enthusiastic interest.

**CPE Seminar: Global Trade & Customs Compliance**

On July 26, 2025, the ICAI-Pimpri Chinchwad Chapter hosted a webinar on "Global Trade Made Easy: How CMAs Support Customs Compliance for Startups and MSMEs." Led by CMA Vinit Mehta, the session focused on empowering small businesses to navigate complex global trade regulations and customs compliance challenges efficiently.

**Career Counseling at Ramkrishna More College**

On July 30, 2025, the ICAI-Pimpri Chinchwad Chapter hosted an interactive career counseling session at Ramkrishna More College in Akurdi. The event was led by CMA Ashish Deshmukh, a practicing Cost Accountant and past chairman of the chapter, who was welcomed by Dr. Ingole, the Head of the Commerce Department.

CMA Ashish Deshmukh's lecture provided students with valuable insights into career planning and the benefits of pursuing the Cost and Management Accountancy (CMA) course. He stressed the importance of aligning career choices with personal interests and highlighted the growing demand for CMAs in today's job market. Students enthusiastically engaged with the speaker, seeking information about the course structure, registration

process, and the wide range of career opportunities available in finance and management accounting. The session was well-received by both students and faculty, inspiring them to consider the CMA profession as a path for future growth.

### **Inauguration of Oral Coaching Session**

On August 2, 2025, the ICAI – Pimpri Chinchwad Chapter held an inauguration ceremony for its new oral coaching session at CMA Bhawan, Pimpri. The event welcomed new students and set a motivating tone for their academic journey. The ceremony's chief guest, CMA Sushil Barmecha, an SAP Finance and Controlling Consultant at IBM India, was welcomed by CMA Ajit Shinde, the chapter's chairman. CMA Barmecha delivered an inspiring speech, emphasizing the vast career opportunities for Cost and Management Accountants across various industries and encouraging students to embrace continuous learning. The event also featured a presentation by CMA Ajit Shinde on the chapter's activities and course details. The program concluded with a vote of thanks and refreshments, marking a positive start for the new aspirants.

### **79<sup>th</sup> Independence Day Celebration**

On August 15, 2025, the ICAI – Pimpri Chinchwad Chapter celebrated India's Independence Day with a flag hoisting ceremony at CMA Bhawan. Members, students, and faculty gathered for the event, which featured the unfurling of the national flag and the singing of the national anthem. The chapter invited Subedar Anilkumar Shinde, a retired army officer, to hoist the flag and speak on the importance of patriotism, discipline, and service. His inspiring address resonated with the audience, encouraging them to uphold integrity in their professional and personal lives.

Other dignitaries, including CMA Ajit Shinde, CMA Mahendra Bhome, CMA Dhananjay Kumar Vatsyayan, and CMA Sagar Malpure, also shared their insights on the role of cost and management accountants in the nation's development and the importance of lifelong learning. The event fostered a sense of community and pride, leaving attendees with renewed motivation.

### **Two-Day Seminar on GST Litigation**

On August 23 and 24, 2025, the ICAI – Pimpri Chinchwad Chapter and the Maharashtra Tax

Practitioners Association (MTPA) jointly organized a two-day hybrid seminar titled "The GSTAT Leap – Learn, Litigate, Lead: Advance Masterclass on GST Litigation and Tribunal Practice." The event, held at Kar Prabodhini Hall in Pune, was inaugurated by Chief Guest CMA Sanjali Dias, Joint Commissioner, State Tax (GST Appeal).

The seminar featured six technical sessions led by experts in the field. Day 1 focused on the foundational aspects of GST litigation, including judicial approaches to show cause notices and replies (by CA Yogesh Ingale), strategic approaches to appeals (by CA (Adv.) Abhay Desai), and the scope and process of inquiry and investigation proceedings (by CA Jatin Christopher).

Day 2 delved into more advanced topics. Adv. Bharat Raichandani spoke on the powers of various GST authorities, while CA (Adv.) Avinash Poddar provided a practical guide to drafting appeals for the Appellate Authority and Tribunal. The final session, led by CA Aanchal Kapoor, offered a comprehensive walkthrough of the newly introduced GST Appellate Tribunal (GSTAT) Rules, 2025. The seminar concluded with a Q&A session, fostering a productive dialogue among attendees, professionals, and regulators.

### **Ganesh Sthapana Celebration**

On August 27, 2025, the ICAI – Pimpri Chinchwad Chapter will host a Ganesh Sthapana Celebration at CMA Bhawan. Members, staff, professionals, and their families are invited to the event, which marks the auspicious installation of Lord Ganesha. The celebration will feature traditional rituals and devotional music, aiming to invoke blessings for prosperity and wisdom while fostering community bonding and a positive spirit within the association.

## **BARODA CHAPTER**

### **Box Cricket Tournament**

On August 3, 2025, the ICAI Baroda Chapter successfully held a Box Cricket Tournament for students at Hercules Sports Arena, Vadodara. The event, which ran from noon until 10:00 p.m., was a huge success, featuring multiple student teams who showcased great energy and sportsmanship.

The tournament was guided by CMA Amruta Vyas, the chapter's First Lady Chairperson, and CMA

Anuj Pathak, Chairman of the Sports Committee. The event promoted physical fitness and teamwork while strengthening the bond among the CMA student community. The day concluded with a fellowship dinner, making it a memorable experience for all attendees.

### Webinars on Professional Development

The Baroda Chapter of the Institute of Cost Accountants of India successfully hosted two Continuing Professional Education (CPE) sessions in August 2025 to keep its members updated on key professional topics.

On August 5, 2025, the chapter, in association with the EXIM Club, organized a webinar on the "Manufacturing & Other Operations under Warehousing Regulations (MOOWR) Scheme." The session, led by CMA Vandit Trivedi, provided an in-depth look at the scheme's benefits and compliance requirements. Over 80 members participated, earning 2 CPE hours.

Two days later, on August 7, 2025, the chapter held an in-person session at its premises on "Cost Audit Filings: New CRA-2 & CRA-4 Formats and MCA Circulars." The speakers, CS Niraj Trivedi and CS Divya Vaswani, provided valuable insights into recent changes in MCA circulars and filing procedures. The event was attended by 27 members, who also earned 2 CPE hours. Both sessions were highly successful in helping members enhance their professional knowledge.

### "Viksit Bharat – Young Leaders Dialogue"

On August 10, 2025, the ICAI Baroda Chapter, along with other local institutions, took part in the Vadodara Youth Conclave at Sayaji Nagar Gruh. The event, titled "Viksit Bharat – Young Leaders Dialogue," was coordinated by the Ministry of Youth Affairs and Sports, Government of India. The conclave served as a platform for young leaders to discuss their role in shaping a developed India. The sessions focused on themes like leadership, innovation, and youth participation in social and economic development. The event saw enthusiastic participation from many members and students of the ICAI Baroda Chapter, contributing to a vibrant and impactful dialogue. The conclave ended with a strong message about the importance of youth as a driving force for India's future.

### Meeting with ESIC Official

On Monday, CMA Vandit Trivedi, the Secretary of the ICAI Baroda Chapter, met with Shri P. K. Barik, Assistant Director of ESIC Vadodara. The meeting, held at the chapter office, focused on the SPREE Scheme 2025 (Scheme to Promote Registration of Employers/Employees) and its benefits for various establishments. Shri Barik also proposed holding a special session on ESIC Regulations for the chapter's members and students to promote awareness and improve compliance with the ESI Act. The Baroda Chapter welcomed the initiative and pledged its full support for organizing the session.

### Celebration Success in CMA June 2025 Examinations

On August 11, 2025, the Institute of Cost Accountants of India (ICAI) released the results for the June 2025 Intermediate and Final Examinations. The Baroda Chapter celebrated the success of numerous students, with a total of 54 students completing the Intermediate level and 18 students completing the Final level, earning the CMA designation.

#### Intermediate Examination Results

In the Intermediate exams, the pass percentages were as follows:

- ⊙ Group I: 12.11% (23 out of 190 students passed)
- ⊙ Group II: 31.11% (70 out of 225 students passed)
- ⊙ Both Groups: 16.48% (15 out of 91 students passed)

The chapter also recognized its Intermediate rank holders:

- ⊙ Niyati Vikasbhai Khandelwal, who secured an impressive All India Rank 21 with 569 marks.
- ⊙ Divyani Vasantbhai Solanki (471 marks)
- ⊙ Atharv Nandkumar Jadhav (442 marks)

#### Final Examination Results

For the Final exams, the pass rates were:

- ⊙ Group III: 19.49% (23 out of 118 students passed)
- ⊙ Group IV: 11.54% (6 out of 52 students passed)
- ⊙ Both Groups: 10.71% (3 out of 28 students passed)

The Final Examination rank holders from the Baroda Chapter were:

- ⊙ Taher Moiyuddin Kaydawala (453 marks)

- ⊙ Honey Nareshbhai Chandnani (437 marks)
- ⊙ Mihir Indravadan Patel (350 marks)

The Baroda Chapter extended its heartfelt congratulations to all the successful students and rank holders for their dedication and outstanding achievements.

### 79<sup>th</sup> Independence Day Celebration

On August 15, 2025, the ICMAI Baroda Chapter celebrated Independence Day with a patriotic flag-hoisting ceremony. The national flag was proudly hoisted by CMA Amruta Vyas, the chapter's Chairperson. Members, students, and staff attended the event, paying tribute to freedom fighters and reaffirming their commitment to national progress. The celebration concluded with the singing of the national anthem, a final message of unity, and a sense of shared purpose.

### Industrial Oriented Training Programme (IOTP)

On August 18, 2025, the ICMAI Baroda Chapter launched the Industrial Oriented Training Programme (IOTP) for its Final students. The daily sessions are held from 6:00 p.m. to 8:00 p.m. at the chapter premises and are designed to provide practical, professional knowledge. The training covers a diverse range of topics, including Taxation, Company Formation, Risk Management, MIS Reports, Project Financing, Accounts & Audits, and EHS/ESG practices.

Expert faculty members, including CMA D. S. Mahajani, CS Mitul Suthar, and CMA Priyank Zala, are leading the interactive sessions, which are receiving positive feedback and active participation from students, making the program highly effective.

### "CMA Career Awareness" Conclave for Educators

On August 23, 2025, the ICMAI Baroda Chapter successfully organized a Principal & Teacher Conclave at Hotel Hyatt Place, Vadodara. The event, focused on "CMA Career Awareness," aimed to educate key mentors about the profession. Over 350 principals and teachers from around 250 schools in the Vadodara district attended.

The conclave's chief guest was Dr. Mahesh Pandey, the District Education Officer for the Vadodara Zone. Special guest CA Krunal Brahmbhatt also attended. The sessions provided a comprehensive overview of the CMA profession:

- ⊙ CMA Dhaval Shah explained the CMA course curriculum.
- ⊙ CMA Alok Shah discussed career opportunities in practice.
- ⊙ CMA Hardik Diwanji highlighted career paths in the industry.

The conclave was highly insightful and helped educators better understand the CMA profession and its diverse career opportunities.

### Career Awareness Programs

The ICMAI Baroda Chapter has successfully completed a series of Career Awareness Programs at multiple schools across Vadodara. The initiative aimed to introduce students to the CMA (Cost and Management Accountancy) profession and highlight its diverse career opportunities in finance and management.

The programs were held at prominent schools, including:

- ⊙ Panchsheel School
- ⊙ Navjivan High School
- ⊙ Little Flower High School (Manjalpur)
- ⊙ New Horizon High School (English & Gujarati Medium)
- ⊙ Adarsh Hindi Vidhyalaya
- ⊙ Anand Vidyavihar School
- ⊙ Kelavani English School & Kelavani Trust Gujarati School
- ⊙ Baroda High School (ONGC)
- ⊙ M.E.S. Boys English Medium School

During these sessions, CMA Dhaval Shah and CMA Nihar Naik represented the chapter, providing students with valuable information on the CMA course structure, career scope, and admission process. A large number of students participated enthusiastically, gaining practical insights and guidance from real-world examples. The chapter thanked the school administrations for their support and reaffirmed its commitment to guiding young minds toward a professional career in Cost and Management Accountancy.

### Activity Of Placement & Training”

Baroda Chapter, arranged Various Activities regarding Placement & Training, Large number of Students & Members take benefit of this placement.

## Glimpses of Western India Regional Council



*Ahmedabad Chapter*



*Ahmedabad Chapter*



*Pune Chapter*



*Pune Chapter*



*Pimpri Chinchwad Chapter*



*Pimpri Chinchwad Chapter*



*Baroda Chapter*



*Baroda Chapter*

**"IFSC: EMERGING AS A DOMINANT GATEWAY FOR INDIA'S FINANCIAL SECTOR",**  
organized by The Journal & Publications Committee, ICMAI on August 28, 2025

**T**he Journal & Publications Committee of ICMAI organized a webinar on **"IFSC: Emerging as a Dominant Gateway for India's Financial Sector"** on August 28, 2025.

The session featured Dr. Praveen Trivedi, Executive Director of IFSCA, GIFT City, Gandhinagar, as the Resource Person, who shared valuable insights on the subject. Adding further depth to the discussion, Mr. Arjun Prasad, General Manager and Mr. Arun Kumar Singh, General Manager of IFSCA, GIFT City, Gandhinagar, also addressed the participants as eminent speakers, making the webinar highly engaging and informative. Dr. Praveen Trivedi highlighted that the journey of establishing the International Financial Services Centre (IFSC) over the past five years has been both challenging and rewarding. The centre was founded with the vision of providing India with a strong ecosystem and greater ease of doing business. Initiated by the Prime Minister, who was then the Chief Minister of Gujarat, the idea of GIFT City has evolved with the active involvement of three key regulatory bodies that act as its lifeline. The core objective has been to ensure that the financial activities and capital outflows previously directed abroad are retained within India, thereby strengthening domestic capital inflows. A series of measures have already been implemented, though the work remains in progress. The government is also working on establishing an arbitration centre to offer a comprehensive package within a single hub. With world-class regulations and alignment with leading international jurisdictions, the IFSC aims to minimize compliance burdens and create a globally competitive financial ecosystem in India. The main objective is to ensure that retail investors are protected and that the system is not

misused by anyone, while at the same time reducing and minimizing unnecessary regulatory burdens. This balanced approach aims to create a secure, transparent, and efficient financial environment that safeguards investors' interests without imposing excessive compliance requirements. Mr. Arjun Prasad and Mr. Arun Kumar Singh, the eminent speakers, elaborated on the concept of GIFT City and IFSCA within the Special Economic Zone (SEZ), highlighting that out of the 886 acres, two-thirds of the area is designated as domestic while one-third accommodates entities in the IFSC under SEZ. They emphasized that IFSCA has notified more than 30 Regulations and Frameworks covering various financial services, with its mandate being the development and regulation of financial institutions, services, and products within IFSCs in India. Vested with the combined powers of four domestic regulators, RBI, SEBI, IRDAI, and PFRDA under 16 Central Statutes, IFSCA plays a crucial role in shaping India's international financial ecosystem. The speakers also discussed the objectives of IFSC as a dominant gateway for channelizing global capital towards *Viksit Bharat @ 2047*, the products traded on exchanges, the vision and mandate of the IFSCA Academy, and its broader role in the financial sector. The interactive question-and-answer session added further value to the discourse. The event began with a warm welcome and insightful remarks by CMA Sucharita Chakraborty, Additional Director and HoD, Journal & Publications Committee, ICMAI, while the webinar was moderated by Ms. Indrakshi Bhattacharya from the Journal & Publications Department, ICMAI, and concluded with a formal vote of thanks delivered by CMA Sucharita Chakraborty, HoD, Journal & Publications Committee, ICMAI.



## Direct &amp; Indirect Tax Updates - August 2025

## DIRECT TAXES

The Income-tax Act, 2025 receives the President's assent. It will replace the 1961 Act after six decades.

**Notification No. 132/2025 dated 14-08-2025**

W.e.f. 01-09-2025, Form No. 7 has been amended to incorporate a reference to the block period, aligning it with the provisions for block assessment.

**Notification No. 133/2025 dated 18-08-2025**

The threshold for identifying a "specified employee" under section 17(2)(iii) has been significantly increased from ₹ 50,000 to ₹ 4 lakh – Rule 3C

The exemption for travel expenses related to overseas medical treatment for employees and their family members is linked to the gross total income (GTI) of the employee. Under the earlier provisions, only those with a GTI of up to ₹ 2 lakh could avail this tax-free benefit. However, Rule 3D now raises this threshold to ₹ 8 lakh, thereby extending the exemption to a wider segment of employees.

**Notification No. 135/2025 dated 20-08-2025**

Form 10CCF has been amended to incorporate a reference to section 44 and the First Schedule of the Income-tax Act for computing income in the case of an IFSC Insurance Office engaged in the insurance business

**Notification No. 136/2025 dated 21-08-2025**

The CBDT has introduced the Income-tax (Twenty-Fourth Amendment) Rules, 2025, to amend Rule 21AIA [which provides other conditions required to be fulfilled by a specified fund referred to in sec. 10(4D)] of the Income-tax Rules, 1962. The amendment omits sub-rule (4) and substitutes the existing Explanation with a new one. The revised Explanation clarifies that, for the purposes of Rule 21AIA, the term "specified fund" shall carry the same meaning as assigned to it in sub-clause (i) of clause (c) of the Explanation to clause (4D) of section 10 of the Income-tax Act, 1961.

## INDIRECT TAXES

## CUSTOMS

**Instruction No. 26/2025 – Customs dated 14-08-2025**

The CBIC has issued guidelines regarding the export of items suspected to fall under the SCOMET list,

addressing technical challenges faced by exporters and field formations. As per the Foreign Trade Policy 2023 and Handbook of Procedures, the DGFT's Inter-Ministerial Working Group (IMWG) is responsible for determining licensing requirements and technical classification of SCOMET items. In cases of ambiguity, final classification is decided by the SCOMET Cell at DGFT in consultation with technical authorities. Exporters are encouraged to obtain clarifications in advance to avoid delays. Additionally, DGFT regularly issues updates on item classifications, which are consolidated in a repository available on the CBIC website (<https://www.cbic.gov.in/entities/cbic-content-mst/MTexMTI3>), and field formations are advised to consult this repository for guidance.

**Instruction No. 27/2025 – Customs dated 26-08-2025**

The CBIC has directed that, during customs clearance, field officers must validate the status of BIS registration numbers—particularly for CCTVs notified under MeitY's Electronics and IT Goods (Compulsory Registration) Order, 2021 on the BIS-CRS portal (<https://www.crsbis.in/BIS/publicdashAction.do>) instead of relying solely on the Bill of Entry. It was observed that goods are being cleared despite "deferred" or non-compliant registrations. Officers must ensure that only valid BIS registration numbers are accepted, and verify associated details such as manufacturer name, model number, and location. This procedure must apply to all goods requiring BIS registration under the CRO, not just CCTVs.

**Instruction No. 28/2025 – Customs dated 27-08-2025**

The CBIC has addressed the increasing grievances related to imports and exports via Courier and Postal modes, particularly concerning duty structures on gifts and personal imports and KYC compliance. Despite existing guidelines, a lack of awareness persists among traders and the public. To enhance transparency, Customs Zones have been advised to publish a comprehensive FAQ document on their websites covering duty structures with demo calculations, KYC norms, applicable fees, grievance redressal mechanisms, and related procedures. Additionally, proper record-keeping and regular monitoring of grievances are mandated to improve compliance and citizen support. MA



# THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

Statutory Body under an Act of Parliament

[www.icmai.in](http://www.icmai.in) [studies@icmai.in](mailto:studies@icmai.in)



Since 1944

The Institute of Cost Accountants of India is a premier professional Institute and a Statutory Body established under an Act of Parliament under the administrative control of **Ministry of Corporate Affairs (MCA), Government of India** to regulate and develop the profession of Cost and Management Accountancy (CMA) in the country.

## CMA COURSE GOING GLOBAL

CMA Courses - Eligibility Criterion

### Admission in Foundation Course

- 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)

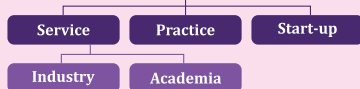
### Registration to Intermediate Course

- 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



### Career Opportunities for CMAs



University Grants Commission (UGC) recognizes CMA Qualification as equivalent to PG Degree

CMA Qualification is recognised by NARIC (National Recognition Information Centre of UK) as equivalent to Master's Degree in U.K. and UAE

### Course Fees

FOUNDATION - Rs. 6,000/-

INTERMEDIATE - Rs. 23,100/-\*

FINAL - Rs. 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 ....

## CMA LEADS

6,00,000+ Students

1,00,000+ Alumni

4 Regional Councils

112 Chapters across India

401 ROCC

11 Overseas Centers

Largest CMA body in the Globe

# ADMISSION OPEN

## PROMINENT RECRUITERS IN CMA CAMPUS PLACEMENT DRIVES



And Many More ..

Highest CTC offered **INR 36 lakh p.a.**

Avg. CTC offered **INR 12 lakh p.a.**

More than **3,000 Placements** in **2022, 2023 & 2024**



### The Institute of Cost Accountants of India

Headquarters: CMA Bhawan, 3, Institutional Area, Lodhi Road, New Delhi - 110003  
Kolkata Office: CMA Bhawan, 12, Sudder Street, Kolkata - 700016



Help Desk:  
<https://eicmai.in/Grievance-Portal/index.aspx>



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Behind Every Successful Business Decision, there is always a **CMA**

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**TIME TABLE & PROGRAMME- DECEMBER 2025**

**FOUNDATION COURSE EXAMINATION**

(Multiple Choice Questions through offline OMR based from Centre)

Day & Date	Foundation Course Examination Syllabus-2022	
	Time 10.00 A.M. to 12.00 Noon. - IST Paper – 1 & 2 (200 Marks)	Time 02.00 P.M. to 04.00 P.M. - IST Paper – 3 & 4 (200 Marks)
Saturday, 13 <sup>th</sup> December, 2025	<b>Paper – 1</b> : Fundamentals of Business Laws and Business Communication (100 Marks 50 Multiple Choice Questions)  <b>Paper – 2</b> : Fundamentals of Financial and Cost Accounting (100 Marks 50 Multiple Choice Questions)	<b>Paper – 3</b> : Fundamentals of Business Mathematics and Statistics (100 Marks 50 Multiple Choice Questions)  <b>Paper – 4</b> : Fundamentals of Business Economics and Management (100 Marks 50 Multiple Choice Questions)

**The Institute has decided to conduct December 2025 Foundation Examination through offline OMR centre based.**

Examination Fees

Foundation Course Examination	Inland Candidate	₹1500/-
	Overseas Candidate	US \$ 100

- Application Forms for Foundation Examination has to be filled up through online and fees will be accepted through online mode (including Payfee Module of IDBI Bank)
  - STUDENTS FROM OVERSEAS HAVE TO APPLY OFFLINE AND SEND DD ALONG WITH THE FORM.
- (a) Students can login to the website [www.icmai.in](http://www.icmai.in) and apply online through payment gateway by using Credit/Debit card or Net banking.  
(b) Students can also pay their requisite fee through pay-fee module of IDBI Bank.
- Last date for receipt of Examination Application Forms is 14<sup>th</sup> October, 2025 without late fee, and from 15<sup>th</sup> October, 2025 to 21<sup>st</sup> October, 2025 with late fee of ₹500/- (Rupees Five hundred only) for December 2025 examination.**
- (i) The Foundation Examination will be conducted in M.C.Q Mode through offline OMR based from Centre.  
(ii) Each paper will carry 100 marks 50 Multiple Choice Questions (Each Question will carry 2 Marks). Each session will have a total of 100 Multiple Choice Questions of 200 marks.  
(iii) All Candidates/students are to appear in the Foundation examination through offline OMR centre based.
- A candidate/student who is completing all conditions for appearing in the examination as per Regulations will only be allowed to appear for the examination.
- There is no negative marking.
- Detailed instructions will be provided along with Admit Card.
- Examination Centres: Adipur-Kacheh (Gujarat), Agartala, Agra, Ahmedabad, Ahmednagar (Maharashtra), Akurdi, Allahabad (Prayagraj), Angul Talcher, Asansol, Anandpur Sahib (Punjab), Aurangabad (Sambhaji Nagar), Balasore (Odisha), Ballari (Karnataka), Bangalore, Bankura, Baroda, Bathinda (Punjab), Berhampur – Ganjam (Odisha), Bharuch Ankleshwar, Bhilai, Bhiwara, Bhiwandi (Maharashtra), Bhiwani (Haryana), Bhopal, Bewar City(Rajasthan), Bhubaneswar, Bilaspur, Bikaner (Rajasthan), Bokaro, Calicut, Chandigarh, Chennai, Coimbatore, Cuttack, Dindigul, Dehradun, Delhi, Dhanbad, Duliajan (Assam), Durgapur, Ernakulam, Erode, Faridabad, Gaya, Ghaziabad, Gorakhpur (Uttar Pradesh), Guntur, Gurgaon, Guwahati, Haridwar, Hazaribagh, Hosur, Howrah, Hubballi (Karnataka), Hyderabad, Indore, Jaipur, Jabalpur, Jalandhar, Jalgaon-Dhule (Maharashtra), Jammu, Jamshedpur, Jeypore (Odisha), Jhunjhunu (Rajasthan), Jodhpur, Kalyan, Kannur, Kanpur, Karnal (Haryana), Kanchipuram, Kharagpur (West Bengal), Kolhapur, Kolkata, Kollam, Kota, Kottakkal (Malappuram), Kottayam, Kurnool, (Andhra Pradesh), Lucknow, Ludhiana, Madurai, Mangalore, Meerut, Mumbai, Muzaffarpur (Bihar), Mysore, Nagpur, Naihati, Nanded (Maharashtra), Nasik, Nellore, Neyveli, Noida, Palakkad, Palghar, Panaji (Goa), Patiala, Patna, Pollachi (Tamil Nadu), Pondicherry, Port Blair, Pune, Raipur, Rajahmundry, Ranchi, Ratnagiri (Maharashtra), Rewari (Haryana), Rourkela, Salem, Sambalpur, Sangrur (Punjab), Satara (Maharashtra), Serampore, Shillong, Shimla, Siliguri, Singrauli (Vindhyanagar), Sivaganga (Tamil Nadu), Solapur, Srinagar, Surat, Thanjavur (Tamil Nadu), Thoothukudi (Tamil Nadu), Thrissur, Tiruchirapalli, Tirunelveli, Tirupati, Trivandrum, Udaipur, Vapi, Varanasi (Uttar Pradesh), Vashi, Vellore, Vijayawada, Visakhapatnam and Overseas Centres at Bahrain, Dubai and Muscat.
- Date of publication of result: Foundation examination latest by 8<sup>th</sup> January, 2026.

\* The Candidates/students are advised to keep regularly in touch with the website of the Institute for further notifications and announcements relating to Foundation Examination of December 2025 and in case of any query or clarification can e-mail us at- [exam.helpdesk@icmai.in](mailto:exam.helpdesk@icmai.in)

CMA Dr. Debaprosanna Nandy  
Secretary (Officiating)

**THE INSTITUTE OF COST ACCOUNTANTS OF INDIA**  
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**INTERMEDIATE AND FINAL EXAMINATION TIME TABLE & PROGRAMME – DECEMBER 2025**

**ATTENTION: INTERMEDIATE & FINAL EXAMINATION (DECEMBER – 2025 TERM) WILL BE HELD ON ALTERNATE DATES FOR EACH GROUP.**

Day & Date	FINAL (Time: 10.00 A.M. to 01.00 P.M. - IST) PROGRAMME FOR SYLLABUS 2022	INTERMEDIATE (Time: 2.00 P.M. to 5.00 P.M. - IST) PROGRAMME FOR SYLLABUS 2022
Wednesday, 10th December, 2025	Corporate and Economic Laws (P-13)	Business Laws and Ethics (P-05)
Thursday, 11th December, 2025	Cost and Management Audit (P-17)	Operations Management and Strategic Management (P-09)
Friday, 12th December, 2025	Strategic Financial Management (P-14)	Financial Accounting (P-06)
Saturday, 13th December, 2025	Corporate Financial Reporting (P-18)	Corporate Accounting and Auditing (P-10)
Sunday, 14th December, 2025	Direct Tax Laws and International Taxation (P-15)	Direct and Indirect Taxation (P-07)
Monday, 15th December, 2025	Indirect Tax Laws and Practice (P-19)	Financial Management and Business Data Analytics (P-11)
Tuesday, 16th December, 2025	Strategic Cost Management (P-16)	Cost Accounting (P-08)
Wednesday, 17th December, 2025	<b>Electives (Any one of three Papers) :</b> (i) Strategic Performance Management and Business Valuation (P-20A) (ii) Risk Management in Banking and Insurance (P-20B) (iii) Entrepreneurship and Start up (P-20C)	Management Accounting (P-12)

Group (s)	Final Examination	Intermediate Examination
One Group (Inland Centres) (Overseas Centres)	₹1800/- US \$ 100	₹1500/- US \$ 100
Two Groups (Inland Centres) (Overseas Centres)	₹3200/- US \$ 150	₹2800/- US \$ 150

- Application Forms for Intermediate and Final Examination has to be filled up through online only and fees will be accepted through online mode only (including Payfee Module of IDBI Bank). No Offline form and DD payment will be accepted for domestic candidate.
- STUDENTS OPTING FOR OVERSEAS CENTRES HAVE TO APPLY OFFLINE AND SEND DD ALONG WITH THE FORM.
- Students can login to the website [www.icmai.in](http://www.icmai.in) and apply online through payment gateway by using Credit/Debit card or Net banking.
- Students can also pay their requisite fee through pay-fee module of IDBI Bank.  
**Last date for receipt of Examination Application Forms is 10<sup>th</sup> October, 2025 without late fee, and from 11<sup>th</sup> October, 2025 with late fee of ₹500/- (Rupees Five hundred only) for December 2025 examination.**
- The mode of examination will be offline-centre based.
- Candidates are required to follow clarifications of DOS related to December 2025 term of examination and the same will be issued by DOS in due course.
- Examination Centres: Adipur-Kachchh (Gujarat), Agartala, Agra, Ahmedabad, Ahmednagar (Maharashtra), Akurdi, Allahabad (Prayagraj), Angul Talcher, Asansol, Anandpur Sahib (Punjab), Aurangabad (Sambhaji Nagar), Balasore (Odisha), Ballari (Karnataka), Bangalore, Bankura, Baroda, Berhampur – Ganjam (Odisha), Bharuch Andeshwar, Bhilai, Bhiwani (Maharashtra), Bhiwandi (Maharashtra), Bhiwani (Haryana), Bhopal, Bewar City (Rajasthan), Bhubaneswar, Bilaspur, Bikaner (Rajasthan), Bokaro, Calicut, Chandigarh, Chennai, Coimbatore, Cuttack, Dindigul, Dehradun, Delhi, Dhanbad, Duijajan (Assam), Durgapur, Ernakulam, Erode, Faridabad, Gaya, Ghazabad, Gorakhpur (Uttar Pradesh), Guntur, Gurgaon, Guwahati, Haridwar, Hazaribagh, Hosur, Howrah, Hubballi (Karnataka), Hyderabad, Indore, Jaipur, Jabalpur, Jalandhar, Jalgaon-Dhule (Maharashtra), Jammu, Jamshedpur, Jeypore (Odisha), Jhunjhunu (Rajasthan), Jodhpur, Kalyan, Kannur, Kanpur, Karnal (Haryana), Kanchipuram, Kharagpur (West Bengal), Kolhapur, Kolkata, Kollam, Kota, Kottakkal (Malappuram), Kottayam, Kurnoor (Andhra Pradesh), Lucknow, Ludhiana, Madurai, Mangalore, Meerut, Mumbai, Muzaffarpur (Bihar), Mysore, Nagpur, Naitati, Nanded (Maharashtra), Nasik, Nellore, Neyveli, Noida, Palakkad, Palghat, Panaji (Goa), Patiala, Patna, Pollachi (Tamil Nadu), Pondicherry, Port Blair, Pune, Raipur, Rajahmundry, Ranchi, Ratnagiri (Maharashtra), Rewari (Haryana), Rourkela, Salem, Sambalpur, Satara (Maharashtra), Serampore, Shillong, Shimla, Sifiguri, Singrauli (Vindhyanagar), Sivaganga (Tamil Nadu), Solapur, Srirangar, Surat, Thanjavur (Tamil Nadu), Thoothukudi (Tamil Nadu), Thrissur, Tiruchirappalli, Tirunelveli, Tirupati, Trivandrum, Udaipur, Vapi, Varanasi (Uttar Pradesh), Vashi, Vellore, Vijayawada, Visakhapatnam and Overseas Centres at Bahrain, Dubai and Muscat.
- A candidate who is fulfilling all conditions specified for appearing in examination will only be allowed to appear for examination.
- Date of publication of result: Inter & Final examination latest by 11<sup>th</sup> February, 2026.

\* The candidates/students are advised to keep regularly in touch with the website of the Institute for further notifications and announcements relating to Examination of December 2025 and in case of any query or clarification can e-mail us only at [exam.helpdesk@icmai.in](mailto:exam.helpdesk@icmai.in)

CMA Dr. Debaprosanna Nandy  
Secretary (Officiating)

# THE MANAGEMENT ACCOUNTANT

## PAPERS INVITED

Cover Stories on the topics given below are invited for 'The Management Accountant' for the four forthcoming months

October 2025	Theme	Cost Management in the Modern Era: Redefining Business Strategies for Sustainable Growth and Operational Efficiency- through Cost Management Lenses	Subtopics	<ul style="list-style-type: none"> <li>⊙ Sustainability Linked Cost Management: An Integral Component of Enhanced Profitability</li> <li>⊙ Evolving Role of CMAs in Project Cost Management–delivering real time insights</li> <li>⊙ Azure Cost Management: Optimizing Cloud Spend in the Digital Age</li> <li>⊙ Technology driven Cost Management for Operational Efficiency- Linking Industry 4.0</li> <li>⊙ Managerial Costing Techniques: Tools for Competitive Advantage</li> <li>⊙ Behavioral Aspects of Cost management in Organizations – shifting emphasis from cost to value.</li> <li>⊙ Cost Management in Supply Chain and Procurement</li> <li>⊙ Global Cost Management: Navigating Currency, Compliance, and Cross-Border Operations</li> <li>⊙ Nuances and complexities of cost management in B2B Vs B2C</li> <li>⊙ Customer profitability analysis – historical, real time and Predictive</li> <li>⊙ Redefining Budgeting – Causal based Budgeting</li> <li>⊙ Managing Investments - Evaluating strategy through TCO</li> </ul>
November 2025	Theme	Sustainable Finance: Steering India Towards a Greener Future	Subtopics	<ul style="list-style-type: none"> <li>⊙ Sustainability Mission: Unleashing A Journey towards Green Finance</li> <li>⊙ Emergence of Climate Policy envisaging Greener Future</li> <li>⊙ Vikshit Bharat initiatives for funding climate related Companies</li> <li>⊙ India's Green Bond Market</li> <li>⊙ India's EV financing landscape to align India's climate priorities</li> <li>⊙ Sustainable Finance &amp; Investor Awareness</li> <li>⊙ Union Budget 2024-25 decoding Sustainable path to combat impact of climate change</li> <li>⊙ India's Journey towards Net Zero by 2070</li> </ul>
December 2025	Theme	Cost Audit: Enhancing Transparency, Efficiency, and Strategic Decision-Making	Subtopics	<ul style="list-style-type: none"> <li>⊙ Legal Framework of Cost Audit in India</li> <li>⊙ Role of Cost Auditors in Corporate Governance and Compliance</li> <li>⊙ Cost Audit and Performance Improvement: Identifying Inefficiencies</li> <li>⊙ Use of Information Technology in Cost Auditing: Tools, Techniques and Challenges</li> <li>⊙ Industry specific or Sector Specific guidance on Cost Audit</li> <li>⊙ Interpreting the Cost Audit Report: Key Metrics and Insights for Management</li> <li>⊙ Cost audit as a tool for strategic planning and pricing decisions</li> <li>⊙ Way forward for Cost Audit in India: Strategic Insights Beyond Compliance</li> <li>⊙ Linkage of Cost Audit with GST Compliance and Input Tax Credit Verification</li> <li>⊙ Cost Audit and Transfer Pricing: Supporting Arms-Length Transactions</li> <li>⊙ Using Cost Audit Reports in Tax Assessments and Dispute Resolution</li> <li>⊙ Capacity building of CMAs and recommendations for policymakers, industry, and academia in the areas of Cost Audit.</li> </ul>
January 2026	Theme	Strategic Role of CMAs in Risk Management, Cost Management and Innovation in the Banking Sector	Subtopics	<ul style="list-style-type: none"> <li>⊙ Role of CMAs in strengthening risk-based internal audits in banks</li> <li>⊙ CMA's role in credit risk assessment and recovery management</li> <li>⊙ CMA's role in Credit appraisal, project financing, and cost-benefit analysis</li> <li>⊙ Cybersecurity, risk assessment and financial controls</li> <li>⊙ Digital Banking &amp; Fintech</li> <li>⊙ Role of CMAs in treasury operations and foreign exchange risk management</li> <li>⊙ Sustainability &amp; ESG in Banking</li> <li>⊙ Agency for Specialized Monitoring (ASM) of large borrowal accounts</li> <li>⊙ Due diligence and valuation for mergers, acquisitions, and restructuring of banks</li> <li>⊙ CMA's role in evaluating cost efficiency of financial inclusion schemes</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.



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# RESEARCH BULLETIN

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## THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

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### 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:

- Artificial Intelligence in Education
- Green Energy
- Cybersecurity in an AI-Dominated World
- Asset Pricing Dynamics and Derivative Strategies
- Corporate Sustainability and Corporate Governance
- Global Health Equity
- Financial Risk and Resilience in different markets
- Startups
- Banking & Insurance
- Integrating Sustainability, Ethical Considerations, and Digital Innovations for Sustainable Growth
- GST
- Cost Audit
- Customer Relationship Management (CRM)
- Venture capital
- Forensic accounting and auditing

Papers must be received within

**15<sup>th</sup> November, 2025**

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# Benevolent Fund

## FOR THE MEMBERS OF THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

CMA Bhawan, 12 Sudder Street, Kolkata - 700016

### OBJECTIVE

The Fund has been created to provide outright grant of prescribed amount to the member in the event of critical illness of a member / beneficiary of the Fund. It is also for outright grant of prescribed amount to the beneficiary in the event of death of a member of the Fund.

### LIFE MEMBERSHIP FEE

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- ⊙ **Outright grant not exceeding ₹1,50,000.00/- in each case to the member and beneficiary for critical illness duly certified by the doctor under whom the treatment is continuing.**

#### Coverage of Critical Illness, leading to hospitalization, may cover the following -

- ⊙ Cancer / Malignancy
- ⊙ Coronary Artery Bypass Graft Surgery
- ⊙ Stroke / Cerebral Attack / Paralysis
- ⊙ Heart Valve Replacement Surgery
- ⊙ Myocardial Infarction (heart attack) / Heart Failure / Pace Maker Surgery / Kidney Dialysis(CKD)/ Renal Failure
- ⊙ Major Organ Transplant
- ⊙ Hemophilia
- ⊙ Thalassaemia
- ⊙ Neurological Diseases
- ⊙ Flue Blown acquired Immune Deficiency Syndrome
- ⊙ Multiple sclerosis
- ⊙ Tuberculosis / Bronchopneumonia/ Pleurisy
- ⊙ Permanent disablement
- ⊙ Any other disease that may be considered by the Board of Trustees to be critical in nature.

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