



# GLOBAL SUMMIT BULLETIN 2020

## MISSION 5 TRILLION CMA AS A CRYOGENIC FORCE

9-11 JANUARY 2020, THE ASHOK HOTEL, NEW DELHI

DAY - II, 10 JANUARY 2020



“In the last 5 years now, our government's approach has been to ***Reform with intent, Perform with integrity and Transform with intensity.***’ Our focus is on governance that is professional and process driven. We are acting as enabler, facilitator and promote to realize the dream of a five trillion-dollar economy.”

- Hon'ble Prime Minister of India, Shri Narendra Modi stated in his message for the Global Summit 2020 on “Mission 5 Trillion - CMA as a Cryogenic Force” in New Delhi.



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**Behind Every Successful Business Decision, there is always a CMA**

CMA V. Murali, Council Member, ICAI in his Welcome Address of the Technical Session - II pointed out *“for Sustainability Liquidity is very important”*. He touched upon the role of CMAs saying *“CMAs are drivers to take stakeholders to their destination without any jerk”*.

*If CMAs are grass rooted they cannot be uprooted -*  
CMA V. Murali

CMA B.B. Goyal, Former Addl. Chief Advisor (Cost), Ministry of Finance, GOI said *“As a professional we should advise our client to adopt sustainable development strategies”*.

Talking about one of the 17 SDGs-Good Health and Well-being, Mr. Goyal said that *to achieve this we should provide access to affordable health coverage for all to enhance sustainability. If the society remains healthy; human resources can be better utilized. Investment on health for all will give good rich economic dividend in the long term and consequently will achieve higher GDP growth.*



**Mission Impossible:** *Embrace only sustainable growth, tackle climate change using “Green Technologies” and be Earth's Ambassador.*

**Possibilities:** *Replace billions of litres of petroleum based fuels, reduce millions of tons of coal consumption and carbon footprint annually -* Dr Manoj Jain, Chairman, Flat Globe Capital Partners, US stated. He also expressed his concern on how future of humanity is buried in plastic. He said, *“If we are not careful today there will be no tomorrow”*. *Over USD 10 billion can be saved yearly from converting waste to energy. Waste becomes the “new gold” of the future.*

Mr. Alan Hatfield, Executive Director of Strategy and Development, ACCA-UK said in the context of achieving *“Meaningful Sustainable Prosperity”*, *“I believe professional accountants like us have ingenuity, know – how and will to get it done”*.

Mr. Hatfield concluded his speech by *outlining four areas where businesses and business leaders can really make a difference, by achieving better scientific literacy for business, particularly climate risk and environmental issues and how they relate to value creation, investments*

*etc, balancing risks against their effects so that business ecosystem can be shifted radically into social and environmental value creation, focussing in better collaboration with people to people and their networking skills, recognizing the connections that relate social and environmental values for accounting on sustainable value creation.*

Prof. Lakshman R. Watawala, President, Institute of Certified Management Accountants of Sri Lanka said *CMAs need to consider few drivers of Change - High level of indebtedness; Impact of digitalization and data; Impact of Global Wars; Geo-political concerns; Technological intervention (AI, IOT, Robotics, Proliferation of data, need for Data governance, Cyber attacks); Environment issues and societal impacts where CMAs need to look upon re-skilling/re-training private/public sector people.*

CMA Niranjana Mishra, Council Member, ICAI concluded the Technical Session-II on Mission 5 Trillion-Driving SDG thru' CMA by offering Vote of Thanks.





**Dr. Aditi Halder**, Director, GRI South Asia, Moderator of Technical Session - III on Driving value Creation through Governance in her address on *Management Systems for Sustainable Strategy stated Professional Accountants must ensure that the SDGs are incorporated into national planning and policy on sustainable development. Core of any strategy and systems in accountability is: Counting what counts.....to whom and by whom?*

*Members of the Board need to understand the concept of Value Creation and its relationship with the Capital. Board should be active in promoting ethical leadership and culture* - **Prof. Graham Terry**, Professor, University of Johannesburg, South Africa.

**Prof. Luckmika Perera**, Director, Deakin Integrated Reporting Centre, Australia highlighted *the need to engage more women especially housewives in the workforce giving them the option of work from home that would enhance women empowerment, improve gender parity and facilitate the Indian economy to hit the 5 Trillion mark.*

**CMA Dr. Ashish P. Thatte**, Council Member, ICAI delivered the Welcome Address and **CMA Kaushik Banerjee**, Secretary, ICAI concluded the session by offering Vote of Thanks.



**CMA Chittaranjan Chattopadhyay**, Council Member, ICAI introduced the Technical Session - IV on Cost Management Strategies/Tools and gave welcome address.

*Documents of Niti Aayog talks about four drivers viz Growth, Infrastructure, Governance, Global Competitiveness that boost for the achievement of Mission \$ 5 Trillion economy in India* - **CMA K Narasimha Murthy**, Fellow Cost Accountant, Chairman of the session said.

*Digitization is one of the areas where CMAs must practice and this will increase cost efficiency and will help in Cost Management* - **CMA A K Tiwari**, Director (Finance), GAIL India Ltd.

*“Cost Management is critical for Auto OEMs to ensure long-term sustainability”*- **CMA Asim K Mukhopadhyay**, Vice President, TATA Motors Ltd stated. Value creation trilogy - *Cost management technique would lead in value enhancement thus building sustainable businesses*, he added.



*The transition from managerial cost analysis to strategic cost management will help in determining the prominence of cost management in the future. Cost Analysis helps in assessing the financial impact of alternative managerial decisions. In strategic cost management, understanding of a firm's cost structure helps in formulating strategies for sustainable competitive advantage* - **Prof Shailesh Gandhi**, Professor, Finance & Accounting, IIM Ahmedabad pointed out.

*In Budget 2019, 3 Main Drivers for the Mission \$ 5 Trillion Economic Backup were discussed – Massive Infrastructure development, easing the credit squeeze, Major structural changes in Agriculture* - **CMA Neeraj D Joshi**, Council Member and Chairman, Cost Accounting Standards Board ICAI said, adding *Importance of Cost Audit and information are generated from the mechanism in key areas like Education, Healthcare, Banking to analyse NPAs, Make in India initiative.*

**Only Efficient Cost Management Strategies make the businesses and economy fit for survival and for sustaining growth.**

**CMA Jyothi Satish**, Chairperson, SIRC delivered the Vote of Thanks.

Welcome address of Technical Session - V on Global Cost Management Practices was given by **CMA P. Raju Iyer**, Council Member, ICAI and moderated by **CMA M. Gopalakrishnan**, Former President, ICAI.

It can be inferred from the Address of **Ms. Daping Gao**, Deputy Director General, Ministry of Finance, People's Republic of China *that the Chinese economy has become quite competitive and emerged a lot mainly due to the availability of abundant labour at relatively competitive prices. Chinese companies have been advancing their competitiveness emphasizing on best management accounting practices and digital disruption.*

Release of **Global Summit 2020 Bulletin** based on the deliberations of the Experts on Day - 1 of the event.

*Difficult to harness 'one version of the truth' that optimizes shareholder value - Mr. Paul Sharman, President, Focused Management Information Inc., Canada.*

*How does our implementation plan ensure that goals, designs, performance measures and management of departments, processes, and positions/ people support the strategy? Improving Insight and Business Value, Critical Management Accountant capabilities, Change=Increased Risk, CPM: A tool to orchestrate the data - Mr Paul Sharman.*

*Mr Parmod Kumar Duggal, Sr. Vice President, Subros Ltd. focussed more on auto ancillary industry, what kind of challenges we are facing, CMA's contribution to such challenges, Japanese Cost Management System which has a competitive advantage, Agenda, Globalization and Industry Challenge.*



*There is a normal misconception we have is higher the quality, higher is the cost but there is a very important co-relation one needs to understand is - **More safe environment will give high quality product and higher productivity at less cost ...** the thought shared by Mr. Parmod Kumar Duggal.*

**CMA Dr. K. Ch. A.V.S.N. Murthy**, Council Member, ICAI concluded last session of Day-2, GS2020 by offering the Vote of Thanks.



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