



PUNE BRANCH OF WICASA OF ICAI

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NEWSLETTER

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**CA. Moushmi Shah
Chairperson, Pune Branch of WICASA of ICAI**

It is with immense pleasure I address to you as The Chairperson of Pune Branch of WICASA.

New Year Comes with New Hope, New Dreams, New team of Leadership Set for Action to Execute Plans. Pune WICASA Team 2021 has done excellent work under the able guidance of CA. Kashinath Pathare, inspite of the pandemic and really salute their passion, dedication and Commitment, Heartiest Congratulations!

Dear dynamic and enthusiastic Students, my focus this year will be to provide you the required infrastructure and 360 degree learning opportunities. In the months to come, several Workshops, in-depth knowledge series on various technical topics, industrial tours, seminars on interpersonal development, soft skills, time management, etc. are being planned to be organized with guest faculties of repute. It will be my constant endeavour to organize technologically advanced and goal based programs and activities that will empower you, groom you and up skill you to deal with challenges in the future. My dear Students, New and innovative Ideas are always welcome. Please feel free to share your ideas and suggestions.

I strongly believe that All work and No play will make the students life so boring. So throughout the year we will hold various indoor and outdoor sports competition, treks, meditation, Yoga, cultural programs and celebration of festivals as well. Be ready for a Rocking Year with loads of knowledge, learning as well as fun and frolic.

May all your dreams come true and your aspirations find bigger wings to scale greater heights in life with each passing day. Dedication, perseverance, disciplines and commitment shows the path to realize your dreams. Always Dream Big and You will Achieve Big. Every moment counts. The only way to achieve your goals is to believe in yourself and love what you are doing.

Best Wishes,

CA. Moushmi Shah

Chairperson, Pune Branch of WICASA



**Ms. Rinky Khithani
Secretary, Pune Branch of WICASA of ICAI**

Be so focused on your goals that no one can stop you from achieving them!

Very warm greetings to everyone.

It feels so happy as these newsletters connects us with you all.

I would like to take this opportunity to congratulate the newly elected managing committee members of Pune Branch of WIRC of ICAI. I firmly believe that Pune Branch would attain newer heights under the able leadership of CA. Kashinath Pathare, Chairman, CA. Rajesh Agarwal, Vice-Chairman, CA. Pritesh Munot, Secretary, CA. Pranav Apte, Treasurer and other managing committee members.

It seems like yesterday when I got acquainted with WICASA I always wondered whether there was a student's association but here it was. I still remember the day I was new in this city all alone and one message popped up in my phone and that was from Pune WICASA for volunteers meet for upcoming National Conference and within a blink of an eye I attended the meet and in very first instance and due to the very warm welcome from the committee members at that time. I joined as an volunteer and worked with them and day by day got more curious and willing to work for students and this was the way I got associated with WICASA and found the best team of all time. I always wondered what made this journey so special. Indeed it was indeed you all!!!!

When I joined Pune WICASA as a committee member, I was welcomed with both arms open. As was not aware of many new things in WICASA. My two main mentors i.e. CA. Kashinath Pathare and CA. Sameer Ladda who were always there to support me, guided me on the right path throughout my entire tenure.

This month, we even welcomed our new WICASA chairperson CA. Moushmi Shaha with great enthusiasm and fervour. She has planned to conduct many more fruitful career-oriented sessions to start off her tenure. We conducted a

7-day series on GST, Bank Audit, organised an educational visit to and also movie show was organised for all students of our fraternity.

Last but not the least I would like to mention a small quote.

"The best way to predict the future is to create it"

Keeping a heavy heart and tears of joy rolling down, I would like to pen down my last communique as Secretary of Pune WICASA and extend my best wishes to whom so-ever whishes to contest the elections as elections are near and I'll be stepping down from this post and new committee will be taking over the charge.

End of Anything,

Is a Start of many Rides for me,

I hope, I get a bigger and better one.

But will always be there to help everyone in one way or the other. This tenure has been a roller coaster ride with full of ups and downs that gave me memories for lifetime.

For students who are preparing for upcoming examination, proceed with faith and patience. The course requires a proper combination of hard work and efforts along with proper planning and execution. With due vision and focus, you shall be able to achieve success. Always remember that those who have believed in one's self have always succeeded.

If any student has any suggestions for or any kind of new Ideas for session and wishes to contact us can feel free to connect with us through our website **puneicai.org** or Instagram page- **pune_wicasa_icai** or can Mail us on **wicasa@puneicai.org** or even connect through WhatsApp and share their ideas. We will be more than happy to work upon it.

All the students who wish to contest elections for the year 2022-23 can fill up the form and be part of elections & Join Pune WICASA for the betterment of all the students. They would take Pune WICASA to greater heights.

With this I would like to conclude and extend my warm regards and gratitude for your constant support to PUNE WICASA.

Thank You.

With Love.



Saurabh Hanumant Jadhav

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Decoding Cost Optimisation

Traditional approaches to cost control will not always help to bridge the gap between attempted performance and targeted performance. For that, one needs an innovative and out-of-the-box approach. Moreover, cost cut will only bring short term benefit, for a long term and alluring benefits, cost optimisation is more beneficial. A streamlined process needs to be followed for effective cost optimisation.

First and foremost, objectives need to be established. The selection of skilled and committed people in the team is very crucial. Once members are selected, the team should start thinking about viable ways for cost optimisation.

Then start with effective brainstorming. An overview of the whole process needs to be given to all the members so that they can come up with something innovative. The primary aim of this stage should be on creating new ideas and not on logical analysis and error detection as this will follow.

As soon as this is done, we can start classifying and filtering the ideas based on sustainability and the more synergistic idea. Around 12 to 20 ideas should pass through this stage. More detailed analysis of filtered ideas based on benefits and risk, resource requirements and financial payoff needs to be done to choose the best. Now we are ready to develop project plans and implement them in the organization. (Khoury, 2010)

With a 27% share in the biscuit market, Parle is known for its cost optimisation strategy. The company believes that whatever they save on the procurement of raw material is their net profit. Their buying intelligence has decreased their cost of production to a great extent as they procure the raw material from direct sources.

Their production and operation department are developed to such an extent that in around 115 tons of output, only 1% of the output is wasted. Additionally, they focus on KRA and KPI which helped them to check employee truancy. Their manufacturing units are located in such locations that they provide strategic benefits in saving costs related to transportation,

warehousing and logistics.

The in-depth understanding of the Indian consumer psyche, extensive distribution network and efficient supply chain management has helped to keep the consumer satisfied. Also, the replacement of wax packaging with simple plastic has helped them to decrease the cost of the final product.

The technique of just noticeable difference has helped them to cover their cost of production without disappointing the customers as Indian consumers are price and quality cautious. The 100-gram pack of Parle G biscuit which were used to be sold at Rs 5 in around 2003 is sold for the same price today but with abated quantity.

Parle entered into forward contracts with suppliers, outsourced production, increased the number of manufacturing locations to 60 and consolidated buying. Raw material costs account for 60% of the total costs and packaging costs account for 20-25% of this. (Raman, 2014)

Oil companies like Petronas in response to rising costs and declining oil prices launched an industry wide program, CORAL 2.0 (Cost Reduction Alliance) involving 25 operators. Under this alliance, there are 11 identified initiatives for proactive demand management, spend consolidation and innovation. This led to an annual cost saving of USD 0.9 to 1.7 billion in 2019. (Bruno Sousa, 2018)

It is evident from the case of Parle that there is a very thin line between cost reduction and cost optimisation. Cost optimization is the reason why Parle is able to sustain and survive in the market. Cost optimisation is more holistic and sophisticated approach which helps to achieve long term goals whereas cost reduction will only bring short term benefit and, in some cases, it may adversely affect the profitability of the business.



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