



THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

(Statutory body under an Act of Parliament)

Cost Accounting Standards Board (CASB)

CASB Secretariat

CMA Bhawan, 3, Institutional Area, Lodi Road

New Delhi – 110003

Phone: 011-24666112 / 109

Fax: 011-43583642

Mobile: 9871257800

Email: casb@icmai.in

Website: www.icmai.in

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Council Member

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Council member

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COMMUNIQUE FROM CHAIRMAN

"The starting point of all achievement is desire." --Napoleon Hill

Dear Professional Colleagues,

The Cost Accounting Standards Board continues its spree of developing Cost Accounting Standards on those areas where standardization and structured approach for classification, measurement, and assignment of cost to product and services is required. Also in order to provide the users the understanding, explanation and practical aspects in connection with Cost Accounting Standards issued by the Institute, the Board already developed *eight* Guidance Notes from CAS-4 to CAS-12 (except CAS-5) and available in the Institute website for download.

I am happy to inform that the Cost Accounting Standards Board (CASB) in its meeting held on 16th March 2016 approved the *ninth Guidance Note on Cost Accounting Standard- CAS 2 (Revised 2015) – "Capacity Determination"*, which is being hosted on the Institute website shortly. In the same meeting, CASB also approved *Exposure draft of CAS on "Overburden Removal Cost"* for seeking views/ suggestions/ comments from the Stakeholders. This has been hosted on the Institute website on 30th March 2016.

The Board is committed to bring the *Guidance Note on "Treatment of Costs Relating to Corporate Social Responsibilities (CSR Activities) in the Cost Statements"* the exposure draft will be hosted on the Institute website shortly for comments/ suggestions from stakeholders.

The CASB Secretariat is also working on draft Cost Accounting Standards/ Guidance *Determination of "Arm's Length Price", "Predatory Pricing", "Shared Services Cost including Outsourcing"* etc.

The Board is aware of the fact that implementation of *IFRS (IND-AS)* is likely to have effect on treatment of cost. The CASB Secretariat is working on the same and will provide guidance in due course.

I wish all the members and their family prosperity and happiness on the occasions of Gudi Padava, Baisakhi and Ram Navami.

(CMA Balwinder Singh)

1st April 2016