



THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

(Statutory body under an Act of Parliament)

Cost Accounting Standards Board (CASB)

CASB Secretariat

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CMA Balwinder Singh
Chairman
Cost Accounting Standards Board



Communique from Chairman

"I can't change the direction of the wind, but I can adjust my sails to always reach my destination"
Jimmy Dean

Dear Professional Colleagues,

At the outset, I would like to express my gratitude to President and Council of the Institute for reposing the confidence and trust in me and entrusted the responsibility of **Chairman- Cost Accounting Standards Board (CASB) of the Institute for next year 2016-17** (July 2016-July 2017) again.

The Cost Accounting Standards Board during its 2015-16 term accomplished the following tasks:

1. Cost Accounting Standard (CAS-23) on Overburden Removal Cost
2. Cost Accounting Standard (CAS-24) on Treatment of Revenue in Cost Statements
3. Cost Accounting Standard (CAS-2) (Revised 2015) on Capacity Determination
4. Cost Accounting Standard (CAS-3) (Revised 2015) on Production and Operation Overheads
5. Guidance Note on "Cost Accounting Standard (CAS-2) (Revised 2015) on Capacity Determination"
6. Guidance Note "Cost Accounting Standard (CAS-12) Repairs and Maintenance Cost"
7. Guidance Note on "Treatment of Costs Relating to Corporate Social Responsibility (CSR) Activities"
8. Limited Revisions of the following Guidance Notes:
 - (i) Guidance Note on CAS 6 Material Cost
 - (ii) Guidance Note on CAS 7 Employee Cost
 - (iii) Guidance Note on CAS 8 Cost of Utilities
 - (iv) Guidance Note on CAS 9 Packing Material Cost
 - (v) Guidance Note on CAS 10 Direct Expenses
 - (vi) Guidance Note on CAS 11 Administrative Overheads

The above tasks could be possible with the technical knowledge and support of members of CASB, Secretariat of CASB and members of the Institute who had provided their value additions by sending their comments/ suggestions to improve the exposure drafts of Cost Accounting Standards and Guidance Notes.

Friends the Road Ahead for the CAS Board is very long and we have to cross it along with members of the Board, Council Members and members of the profession.



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CASB Secretariat is already working on the following tasks:

1. Develop new Cost Accounting Standards in view of new market dynamics taking place in the form of new legislations particularly GST and implementation of IFRS (Ind AS) in India.
2. Develop and release Guidance Notes:
 - 2.1. Guidance Note on CAS-13- Service Cost Centre
 - 2.2. Guidance Note on Identification & recognition of Cost Centre
 - 2.3. Guidance Note on Arm's Length Pricing
 - 2.4. Guidance Note on Shared Services including Outsourcing
 - 2.5. Guidance Note on Credit for Recoveries
 - 2.6. Limited Revision of CAS on Account of IND AS.
3. Practical Case Study oriented Seminars, Workshops and Webinars for the purposes of awareness and advocacy on Cost Accounting Standards.

I strongly believe that the year 2016-17 would be an eventful year in the history of CASB.

I would sincerely request the CMA fraternity, members in industry, industry association, student pursuing CMA and our well-wishers to suggest additional areas needed to be focussed upon by CASB in the year 2016-17 which will benefit all stakeholders.

My best wishes to members and their families on the occasion of Independence Day, Raksha Bandhan and Shri Krishna Janmashtmi.

9th August 2016

(CMA Balwinder Singh)