



## THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

(Statutory body under an Act of Parliament)

Cost Accounting Standards Board (CASB)

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### COMMUNIQUE FROM CHAIRMAN

*"Don't cry because it's over, smile because it happened" — Dr. Seuss*

Dear Professional Colleagues,

The Cost Accounting Standards Board (CASB) in its meeting held on 22<sup>nd</sup> November 2016 approved the exposure drafts for the impact of Goods and Service Tax (GST) and IndAS on the existing Cost Accounting Standards for obtaining the public comments. After meeting these documents were to be revised by the Secretariat. During the course of revisions in these documents, the Government has issued the revised MODEL GST LAW. As there are changes in the revised Model GST Law as compared to old version of this document, the exposure draft in respect of GST impact on CASs has been put on hold and will be issued in due course. Other exposure draft for *"Limited Revisions"* in the existing Cost Accounting Standards on account of impact of IndAS has been hosted on the Institute's website for comments/ suggestions of stakeholders. The impact of IndAS will be in respect of the Cost Accounting Standards: CAS-1 Classification of Cost; CAS-7 Employee Cost; CAS-16 Depreciation and Amortisation; and CAS-17 Interest and Financing Charges.

CASB in the aforesaid meeting noted that the impact of GST on the existing Cost Accounting Standards will be on account of *"GST Valuation (Determination of the Value of Supply of Goods and Services) Rules"* as Cost Accounting Standards prescribe *"measurement of costs relating to materials, labour and other items of costs"*, that shall form the part of determination of *"Cost of Production/ Operation"*.

If any stakeholder has worked out the impact of GST and IndAS on Cost Accounting Standards themselves, they are requested to share the details at [casb@icmai.in](mailto:casb@icmai.in). Further, may I request all the stakeholders to send their comments/ suggestions to Institute on the said exposure draft so that their suggestions may be considered by the Board before the above documents are issued by the Institute in final form. I acknowledge that in past the comments/ suggestions received from the stakeholders were very valuable and each and every comments/ suggestions so received by the CASB were deliberated and discussed while finalizing the CASs and Guidance Notes.

My best wishes to members and their families on the occasions of Christmas and Happy New Year 2017 in advance.

13<sup>th</sup> December 2016

  
(CMA Balwinder Singh)