



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

“If opportunity doesn't knock, build a door.” - Milton Berle

Dear Professional Colleagues,

It gives me immense pleasure to reach all of you through this Communique. I am happy to inform you that the Cost Accounting Standards Board (CASB) in its 84th meeting held on 19th May 2016 approved the below mentioned Standards and Guidance Note. Based on the recommendation of CASB, the Council of the Institute also approved these documents. The Council also approved mandatory application of Cost Accounting Standards (CAS-23 & CAS-24) from 1st April 2017 for being applied for preparation and certification of the General Purpose Cost Statements:

- 1. Cost Accounting Standard (CAS-23) on Overburden Removal Cost**
- 2. Cost Accounting Standard (CAS-24) on Treatment of Revenue in Cost Statements**
- 3. Guidance Note on Treatment of Costs Relating to Corporate Social Responsibility (CSR) Activities**

I am thankful to all stakeholders for their contributions through suggestions/ comments based on which the Board finalized the above Standards and Guidance Note.

The Cost Accounting Standards: *CAS-23 on Overburden Removal Cost* and *CAS-24 on Treatment of Revenue in Cost Statements* were very much required to provide the standardized principles and methods of measurement and assignment of costs relevant to mining industry and treatment of revenues in cost statements which is relevant to all industries.

The Guidance Note on *“Treatment of Costs Relating to Corporate Social Responsibility (CSR) Activities”* provides necessary guidance to members and industry regarding treatment of costs relating to CSR activities as per provisions of Section 135 read with Schedule VII of the Companies Act, 2013.

The Cost Accounting Standards Board along with Professional Development Committee organized two Seminars on the theme: **“Analysis & Implications of Cost Accounting Standards and Standards on Cost Auditing”** on 5th and 12th May 2016 at New Delhi and Chennai respectively.

The Secretariat is working out the impact of Indian Accounting Standards (Ind AS) on Cost Accounting Standards (CAS) and limited revisions of some the CAS and will be issued by the Institute/Cost Accounting Standards Board soon.

The CASB has already decided to hold Seminars on PAN India basis to provide proper analysis and impact of the Cost Accounting Standards (CASs) on the measurement, classification, assignment, presentation and disclosure of costs in cost statements. Programs on the above theme have already been conducted by the Institute at three Regions: New Delhi, SIRC, Chennai and EIRC, Kolkata. Chapters interested to conduct the programs on the above topics may contact the Chairman/ Secretariat of CASB at casb@icmai.in

Best wishes.

1st June 2016


(CMA Balwinder Singh)