



## 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

Dear Professional Colleagues,

In my first communique as Chairman- Cost Accounting Standards Board I gave the Roadmap for term 2015-16, which includes revision of Cost Accounting Standards (CASs) already issued, revision of preface to the CASs, development of new CASs and Guidance Notes thereon. To propagate and create awareness in respect of CASs through seminars. I am happy to inform that with the support of Board members, President, Vice President and Secretariat of CASB, as Chairman- CASB has fulfilled the task satisfactory for the term 2015-16 which is set to expire on 21<sup>st</sup> July 2016.

Board approved two new Standards: *Cost Accounting Standards on "Overburden Removal Cost (CAS-23)" and "Treatment of Revenue in Cost Statements (CAS-24)"* and revised two Standards: *Cost Accounting Standard on Capacity Determination (CAS-2) (Revised 2015)* replacing the Cost Accounting Standard on Capacity Determination (CAS-2) (Revised 2012) and Cost Accounting Standards on *"Production/ Operation Overheads" (CAS-3) (Revised 2015)* replacing the "Overheads" (CAS-3) (Revised 2011) and . After approval of the Council these were issued by the Institute.

The Cost Accounting Standards Board also approved and issued three new Guidance Notes on *"Cost Accounting Standard (CAS-2) (Revised 2015) on Capacity Determination"*, *"Cost Accounting Standard (CAS-12) Repairs and Maintenance Cost"* and *"Treatment of Costs Relating to Corporate Social Responsibility (CSR) Activities"*.

The Board also approved *limited revisions in the Guidance Notes* in view of new Rules 2014- The Companies (Cost Records and Audit) Rules, 2014:

- 1) *Guidance Note on CAS 6 Material Cost*
- 2) *Guidance Note on CAS 7 Employee Cost*
- 3) *Guidance Note on CAS 8 Cost of Utilities*
- 4) *Guidance Note on CAS 9 Packing Material Cost*
- 5) *Guidance Note on CAS 10 Direct Expenses*
- 6) *Guidance Note on CAS 11 Administrative Overheads*

CASB for the purposes of awareness and advocacy organized Seminars on **"Analysis & Implications of Cost Accounting Standards and Standards on Cost Auditing"** on 5<sup>th</sup> May 2016 at New Delhi, 12<sup>th</sup> May 2016 at Chennai, 17<sup>th</sup> May 2016 by EIRC at Kolkata and 22<sup>nd</sup> May 2016 at Patna Chapter.

I am also thankful for the contributions of members and industry for giving suggestions/ comments in improving the Standards and the Guidance Notes published by Institute/CASB and support extended by Board members, President and Vice President.

My best wishes to members and their families on the occasion of Eid-ul-Fitr and Jagannath Rath Yatra.

4<sup>th</sup> July 2016

  
(CMA Balwinder Singh)