

**The Institute of Cost Accountants of India  
12, Sudder Street, Kolkata – 700 016.**



**CONFIDENTIAL**

**Minutes of 275<sup>th</sup> Meeting of the Council of the Institute held on Saturday, 21<sup>st</sup> July, 2012 at  
11.00 a.m. at the Headquarters of the Institute at CMA Bhawan, 12, Sudder Street,  
Kolkata – 700 016.**

The following members were present:

Shri M. Gopalakrishnan, President

Shri Rakesh Singh, Vice President

Shri Amit A. Apte, Member

Shri Sanjay R. Bhargave, Member

Shri Pramodkumar V. Bhattad, Member

Smt. Aruna V. Soman, Member

Shri A.S. Durga Prasad, Member

Shri A. Om Prakash, Member

Dr. P.V.S. Jagan Mohan Rao, Member

Dr. Sanjiban Bandyopadhyaya, Member

Shri Suresh Chandra Mohanty, Member

Shri T.C.A. Srinivasa Prasad, Member

Shri Manas Kumar Thakur, Member

Shri Sanjay Gupta, Member

Shri Kaushik Banerjee, Additional Secretary attended the Meeting as Secretary of the Meeting by authority of the Council.

Leave of absence was granted to Shri Hari Krishan Goel, Member; Shri K. Govindaraj, Shri Ashish Kumar, Smt. Nandana Munshi, Shri G. Sreekumar and Shri A.K. Srivastava, Government Nominees who could not attend the meeting.

Thereafter, the proceedings of the meeting commenced.



**Welcome Address by the President.**

The President extended a very hearty welcome to all to the 275<sup>th</sup> Meeting of Council of the Institute. He mentioned that the year that has passed has been a very eventful one. He also added that the new Council which took over on 22<sup>nd</sup> July, 2011 showed the determination and the courage to stand against all odds specially on the main issue of name change of the Institute for which almost the first 6 months were spent.

He thanked Council for re-imposing confidence in him as the President as well as the Vice-President so that they could confidently take on the issues and ultimately able to achieve a reasonable degree of success. He was sure that based on the work that has been done by every Council Member, he was sure that the final change in the name of our Institute can be achieved in due course. He was confident that the policies which are laid down by this Council will have far reaching effect and the Council term 2011-15 will be written in golden letters in the history of the Institute. He expressed that he would lay down the office of President with full satisfaction having been able to be a key cog in the wheel of progress of the Institute and the profession.

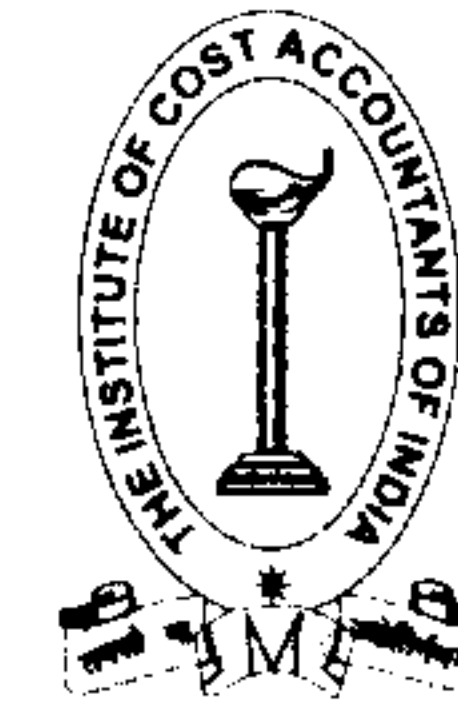
The President updated the members on the key events that took place after the previous Council meeting, which was held on 18<sup>th</sup> May, 2012.

- Shri S.C.Gupta and Shri J.P. Singh visited Dubai as the members of the FICCI delegations on 21<sup>st</sup> and 22<sup>nd</sup> May.
- On 8<sup>th</sup> June, the President attended a series of CEP programs in Srinagar and offered to open a CMA Support Centre at Srinagar and approve an examination centre at Srinagar in Kashmir. Prof. Sangami, Head of Commerce of Kashmir University agreed to render all support in this respect and also extend full co-operation of the University to the Institute in their activities.
- On 15<sup>th</sup> June, there was a meeting with Bengal Chamber of Commerce and the President met with the dignitaries of CBEC and Madam Shanti Sundaram, member CBEC.
- The CMA Global Summit was held at Colombo combined with SAFA Board Meetings. On the sidelines of the Summit, President and his team interacted with Mr. Alan Edwards, International Director of CIPFA (Chartered Institute of Public Finance and Accounting) and was offered full support. The SAFA events, meetings and International Conference organized by the Institute of Certified Management Accountants of Sri Lanka at Colombo from 19<sup>th</sup> June, 2012 to 25<sup>th</sup> June, 2012 were represented by the Institute delegation.
- Immediately the next week, the President and Vice-President met Shri A.K. Awasthi, Deputy Comptroller and Auditor General. He himself voluntarily came out with the suggestions



which were put up by the Institute earlier, where the Council has already accorded approval for opening of Indian Institute of Public Finance and Accounting. He said that it is an excellent idea and definitely he desires the Institute to make a presentation before the Comptroller and Auditor General and he will extend all possible help in the Institute's efforts.

- On 27<sup>th</sup> June, the Institute explored the possibility of having an outreach programme across the country by arranging for a call in program in Gyan Darshan TV, a facility which is being made available by Indira Gandhi National Open University (IGNOU). It was a 2 hour national telecast session, where the President along with Shri R.N. Pal, Shri J.P.Singh and Shri L. Gurumurthy conducted the program with a lot of calls in from across the country. It is a pilot for the Institute to also start future direct learning programs to be delivered through the Gyan Darshan TV. These IGNOU Gyan Darshan programs can also be webcast to the computers of whoever wants to participate in it. In addition once a program is telecast live, the recorded can also be re-telecasted with a minimum fee or free of cost whenever they want to fill the time slot. The Senior Director of Studies and officials from Delhi visited IGNOU for exploring the possibilities of future events.
- Interviews were conducted to fill in vacant positions both at senior and junior level. Shri Kaushik Banerjee and Shri J.P. Singh were selected internally as Additional Secretary of Headquarters (Kolkata) and Delhi Office respectively, have taken charge.
- The President visited Trichy, Salem and Trivandrum Chapters, which boosted the image of the professionals.
- The President met the Honourable Chief Minister of Kerala Shri.Oomen Chandy and offered to train the youth from Kerala in accounting sector specific skills special through CAT and Foundation Course. He promptly referred the matter to the Principal Secretary to Government, Higher Education Department, Government of Kerala to take up the matter who agreed to make the Institute a knowledge partner in a land mark initiative in which 100,000 Plus 1 and Plus 2 students will be trained in CAT and foundation course of the Institute.
- On 13<sup>th</sup> July, the GRI G4 Conference took place, where many other Industry Associations and stakeholders participated and our Institute hosted the GRI G4 discussions.
- On 14<sup>th</sup> July, the national launch of CMA Support Centre was made by Dr. M. Veerappa Moily, Honourable Minister of Corporate Affairs at Chickaballapur, during a Mega Event by Government "Employment and Career Mela-2012" in which around 15,000 students participated.



- He also informed that he had a veru good interaction with the Honorable Deputy Chief Minister of Bihar, Shri.Sushil Mody, who is the Chairman of the Empowered Committee on GST during a Seminar organized by the Patna Chapter of the Institute On 15<sup>th</sup> July, 2012.
- On 16<sup>th</sup> July, at Hyderabad, the Institute launched the first course of Advanced Studies on the Enterprise Performance Management and Appraisal. There was a very good press conference and coverage in the newspapers, television and media at Hyderabad the next day.
- On 17<sup>th</sup>, the Institute conducted the 9<sup>th</sup> CMA Excellence Awards which were graced both by Dr. M. Veerappa Moily, Honourable Minister of Corporate Affairs and Shri Naved Masood, Secretary, Ministry of Corporate Affairs. The speeches by the Minister and the Secretary clearly indicated that the Institute has gained a major recognition in the eyes of the Ministry.
- On 18<sup>th</sup> July, a joint direct interlinked video conferencing seminar was arranged between the Institute and the Karachi Council of ICMAP.
- Series of programs were held on CAR and CARR with CMA B.B. Goel as the Director. In all the programmes, there was excellent response from the participants. The President and Vice-President attended the programme at Delhi, where there was a very good gathering and for the first time there were a large number of participants from the industry and who were able to clear their doubts regarding CAR and CARR directly from the Ministry as well as from the Institute. The Institute's guidelines were well appreciated. The President complemented Shri Sanjay Bhargave, Chairman of PD Committee, who did a very good job in bringing out these publications.

The President thanked the Council Members who made this a very eventful year.

He then took up the agenda items for discussion.

**275.1 Confirmation of Minutes of 274<sup>th</sup> Meeting of the Council of the Institute held on Friday, 18<sup>th</sup> May, 2012 at 11.00 a.m. at the Delhi Office of the Institute at CMA Bhawan, 3, Institutional Area, Lodi Road, New Delhi – 700 016.**

The Council took a note of item nos. mentioned as 274.11.4 to 274.11.14 in the Minutes of 274<sup>th</sup> Meeting of Council held on 18<sup>th</sup> May, 2012, which should be read as item nos. 274.11.3 to 274.11.13. Also in page, no. 3 of the said Minutes, third paragraph, the word "and" after "Shashi Deshmukh & Associates" should be read as deleted.



Shri Amit Apte, Council Member pointed out that in page no. 7, the reasoning for the Section 25 company and the tax implications thereof have been given. However, there was one more item which was discussed regarding the interest charged by Headquarters from Regions and Chapters, which could also get attracted to Income Tax. Therefore, a conscious decision may be with effect from 1<sup>st</sup> April, 2012, the Institute will do away with the interest. Accordingly, it was decided that with effect from 1<sup>st</sup> April, 2012, the interest charged on loans by the Headquarters from Regional Councils and Chapters should be waived.

He further pointed out that in page no. 11, second paragraph, there is a discrepancy in approval of the guidance note on Performance Appraisal Report. Accordingly, it was decided that in page no. 11, second paragraph, third line, the word “approved” after “Council”, should be read as “considered”.

Shri Sanjay Bhargave, Council Member pointed out that in agenda item no. 274.9 in page no. 12, it was decided that the time period for obtaining requisite CEP credit hours for renewal of Certificate of Practice upto 31<sup>st</sup> March, 2013 would be extended to 30<sup>th</sup> June, 2012 . However, there are many members who could not obtain the requisite CEP credit hours within 30<sup>th</sup> June, 2012. Accordingly, he proposed that this date of 30<sup>th</sup> June, 2012 may be extended. The Council agreed to the proposal for extension of time with a roll over upto 31<sup>st</sup> December, 2012. Accordingly, it was:

**“Resolved that** the Certificate of Practice of the members who have paid the prescribed fees and submitted the prescribed form for renewal of Certificate of Practice for 2012-2013 within due date but not having requisite CEP credit hours, shall be renewed upto 31<sup>st</sup> March, 2013 without creating a precedence and their Certificate of Practice so renewed shall be valid subject to their obtaining requisite CEP credit hours within 31<sup>st</sup> December, 2012 positively.”

**“Resolved further that** the President of the Institute be and is hereby authorized to issue notification in the journal of the Institute in this regard pursuant to the proviso to sub-regulation (1) of Regulation 10 of the Cost and Works Accountants Regulations, 1959 as amended vide Notification no. CWR(1) 2010 dated 4<sup>th</sup> February, 2011.”

**“Resolved further that** the notification issued by the President in this regard shall be uploaded on the website of the Institute and a copy of the same shall be sent to these practising members along with the renewed Certificate of Practice valid upto 31<sup>st</sup> March, 2012.”



Shri Sanjay Bhargave further expressed that on recruitment, the Institute is becoming top heavy now. That recruitment should also be in the middle and junior positions to enable them show their talent. So that needs to be considered. His observations were noted by the Council.

The Minutes of 274<sup>th</sup> Meeting of Council held on 18<sup>th</sup> May, 2012 were confirmed subject to above.

**275.2**

**Action Taken Report on 274<sup>th</sup> Meeting of the Council of the Institute held on Friday, 18<sup>th</sup> May, 2012 at 11.00 a.m. at the Delhi Office of the Institute at CMA Bhawan, 3 Institutional Area, Lodi Road, New Delhi – 110 003.**

Regarding item no. 274.4 of Action Taken Report, Shri Kaushik Banerjee, Additional Secretary was requested to inform the details. Shri Kaushik Banerjee informed that application was made to the Registrar of Companies, West Bengal for change of name of ICWAI Management Accounting Research Foundation to ICAI Management Accounting Research Foundation. But the Registrar of Companies, West Bengal has raised objection on the said name and informed to obtain No Objection Certificate from the Institute of Chartered Accountants of India for change of the name. The members were of the view that a fresh application should be made in this regard clearly intimating the Registrar of Companies, West Bengal that the question of obtaining No Objection Certificate from the Institute of Chartered Accountants of India for change of the name of the company does not arise since the name of the Institute of Cost and Works Accountants of India (ICWAI) has been changed to the Institute of Cost Accountants of India (ICAI) by the Central Government. Accordingly, the only option lying with Section 25 company is to apply for change of name to ICAI Management Accounting Research Foundation. It was also decided that if the Registrar of Companies, West Bengal refuses to change the name of the Section 25 company despite the said explanation, then the Ministry of Corporate Affairs would be approached in this regard.

Regarding item no. 274.11.1 for consideration of new domain name upon name change of the Institute, Shri Amit A. Apte, Council Member asked about the feedback from IT Department about any domain name with "CMA". The President informed that both "CMA" and "CMA INDIA" are blocked. The Vice-President informed that now the Institute can think about icmai.org. If the Council prefers this name, the Institute can immediately go for this domain name. If .org is not available then .com or .edu may be used. The President and Vice-President were authorized to take further necessary action on the matter.



Regarding item no. 274.11.14 for conduct of Election of Managing Committee of Chapters, Shri Kaushik Banerjee, Additional Secretary was requested to inform the status. He informed that there were some lacuna in the list of voters and nomination of Jaipur Chapter and accordingly, they were directed under Regulation 146A of the Cost and Works Accountants Regulations, 1959 as amended to keep the last date for inclusion in the list of voters and the last date of filing nomination same. They were also directed that the nomination form should be filed along with signature of two members (Proposer & Seconder). It was further directed that Shri Hari Krishan Goel, Council Member would be the observer for their election of Management Committee. However, since one of the partners of Shri Hari Krishan Goel was a candidate, he was intimated not to go to Jaipur to act as observer.

The Action Taken Report was noted subject to the above observations.

**275.3**

**To consider and adopt audited Annual Accounts for the year 2011-12 and audited report thereon.**

The President requested the members to consider the accounts that had been circulated to them after consideration of the Finance Committee along with Auditor's Report thereof. The President requested Shri S.R. Saha, Director (Finance) and Shri Kushal Sengupta, Dy. Director (Finance) to attend the meeting for this agenda item. The audited Annual Accounts of the Headquarters (Kolkata) and Delhi Office for the year ended 31<sup>st</sup> March, 2012 along with Auditor's Report, as circulated to the members, was placed for discussion. Shri S.R. Saha, Director (Finance) was requested to make a presentation on the accounts.

Shri S.R. Saha placed before the Council the consolidated annual accounts comprising of the Headquarters (Kolkata), Delhi Office, four Regional Councils and all Chapters (except Rajkot Chapter). The Council appreciated that it is for the first time that the consolidated accounts have been placed before the Council its annual meeting.

The Council considered the audited accounts of the Headquarters (Kolkata) and Delhi Office for the year ended 31<sup>st</sup> March, 2012 and adopted the same. The Council also considered the audited accounts of the four Regional Councils and the audited accounts of the Chapters which had submitted their audited accounts. The Council was of the opinion that strong action should be taken against the Chapters which did not submit their audited accounts in time and specifically against Rajkot Chapter, which did not submit their accounts. The Council directed that the consolidated accounts of Headquarters (Kolkata), Delhi Office, Regional Councils and all Chapters should be made ready at the earliest



thereby complying with the provisions of Regulation 97B of the CWA Regulations. Shri S.R. Saha was directed to coordinate with the Regional Councils and Chapters through the Regional Coordinators.

The President informed the members that certain gross irregularities and observations of auditor of Eastern India Regional Council (EIRC) were noticed in the accounts of EIRC and consequently directions had to be issued to EIRC under Regulation 145A of the Cost and Works Accountants Regulations, 1959 as amended to protect the interest of the Institute in accounts related matters. He further informed the members that Shri Kaushik Banerjee, Additional Secretary was authorized to issue the directions and take such other necessary action to ensure that the accounts of EIRC for 2011-12 is drawn up correctly and in accordance with the Cost and Works Accountants Act and Regulations.

The Council noted that EIRC is already in the process of taking necessary steps to modify their accounts in accordance with the directions issued to them.

In connection with accounts related matters, the Council reiterated that as per Regulation 93(3) and Regulation 97(B)(2) of the Cost and Works Accountants Regulations, 1959, it is the statutory responsibility of the Council to take into consideration the annual accounts of the respective Regional Councils and Chapters and consolidate the same with the annual accounts of the Institute. However, despite repeated reminders and instructions, the Chapters have not been adhering to the time schedule of sending their audited accounts to the Headquarters. The Council considered the issue and authorized Shri Kaushik Banerjee, Additional Secretary to communicate the decisions of the Council/President to all the offices of the Institute as well as issue directions under Reg. 145A & 146A of the Cost and Works Accountants Regulations, 1959.

The President placed before the meeting letter dated 19<sup>th</sup> July, 2012 from Employees' Provident Fund Organisation. The Council noted that as per the provisions of Provident Fund, the liability on account of Provident Fund in respect of employees of the Institute, whether employed at Headquarters or at any of the Regional Councils, Chapters and any other unit falls on the Institute. The Council also noted that though the Headquarters (Kolkata) and Delhi Office has been regular in discharging its liability on account of Provident Fund through a Trust Fund, the same is not true in respect of Regional Council and Chapters. The issue has come to light in view of the notices received at EIRC and the observations made by the auditor of EIRC. In view of this the Council decided that immediate action is required to be taken to set right the Provident Fund issue of the Institute keeping in mind that the Institute's Central Council is responsible for the entire liability in respect of full time employees employed at





Headquarters (Kolkata), Delhi Office, Centres of Excellence, Regional Councils, Chapters and any other unit of the Institute. The Council thereafter decided the following action plan:

- (i) The Task Force on Finance would recommend the manner of sorting out Provident Fund related issues which have cropped up at present. The President Vice-President were authorized to take further necessary action to set right the issue.
- (ii) Regulation 93(3) of the Cost and Works Accountants Regulations, 1959 requires that while preparing the annual accounts, the Finance Committee shall take into consideration the annual accounts of the respective Regional Councils and Chapters and consolidate the same with the annual accounts of the Institute. Regulation 97(B)(2) states that the Council shall cause to be published in the Gazette of India –
  - (a) a copy of the audited accounts including accounts of Regional Councils and its Chapters; and
  - (b) the report of the Council for that year duly approved by the Council and shall forward a copy of the said accounts and report to the Central Government and to all members of the Institute on or before 30<sup>th</sup> day of September of the year next following in pursuance of sub-section 5(B) of Section 18 of the Act.

As a corollary to the above discussions, the Council gave in principle approval that all the full time employees of Regional Councils, Chapters and any other unit of the Institute be integrated with the full time employees of the Institute and taken on the payroll of the Institute. This would enable the Institute to have a uniform policy in respect of salary as well as discharge of statutory dues of Provident Fund, Gratuity and other dues, which are necessary to comply with the provisions of the Cost and Works Accountants Act and Regulations as well as other statutory provisions in this regard. The road map for the full integration will be charted out by the HR Task Force and submitted to the Council. In this regard, the President and Vice-President were authorized to take all necessary steps to implement the above decision and other related matters that may arise in this connection.

The presentation of consolidated accounts as well as the other matters related to EPF and other regulatory aspects, have been a major challenge for the Institute, as vital information from Regional Councils and Chapters are not readily available to the Head quarters on an ongoing basis. As a result of



this, the Council is not aware of any even unintended violations of law or non compliance by the Regional Councils and Chapters.

Further, in view of the provisions of Section 3, 9(1), 15, 16 & 23 of the Cost and Works Accountants Act, 1959, the Regional Councils and Chapters of the Institute cannot be considered to be separate entities. The Institute has to function within the four corners of the CWA Act and Regulations and the Institute shall function under the overall control, guidance and supervision of the Central Council and the duty of carrying out the provisions of the Act are vested in the Central Council. As a result, the liability of any legal infirmity committed by any of the Regional Council or Chapter would also fall on the Central Council.

Taking into account all these factors, the Council further decided to issue directions to the Regional Councils and Chapters under Regulations 145A and 146A respectively by Shri Kaushik Banerjee, Additional Secretary requiring them to furnish within two weeks from the date of issue of the direction some minimum information details in connection with their bank accounts, RTGS number, fixed deposits and other accounts related issues, details regarding employees on permanent rolls or temporary/contractual rolls etc. Shri Kaushik Banerjee, Additional Secretary and Shri S. R. Saha, Director (Finance) were authorized and directed to prepare a complete list of such details as would be required to put into effect the integration of employees etc. in a suitable format for sending to Regional Councils and Chapters. The details to be asked for shall, inter alia include, details of Bank Account, IFSC Code, Bank Deposits, Fixed Assets, Current Assets, Loans, Advances, Statutory Dues, Rental Income, Rent Paid, Employees under the payroll with their pay structure as on 31.03.2012 and as on the date of issue of the direction, Provident Fund, Gratuity, Service Rules, details of contractual/outsourced manpower and other allied matters. The Chapters and Regional Councils would also be directed to maintain status quo regarding all these matters, and appropriation/payment from any fund/deposit; recruitment/ retrenchment of any employee; purchase/sale of any property shall not be made till further direction in this regard by the Council.

The Council noted that similar system is also followed in the two sister Institutes, i.e. the Institute of Chartered Accountants of India and the Institute of Company Secretaries of India keeping in view the provisions of their respective Act & Regulations which are same/similar to that of the



Institute of Cost Accountants of India. The Additional Secretary was further authorized to take proper legal advice for a smooth transition from the existing system to an integrated administrative system. The President Vice-President in office were authorized to take all necessary action in this matter.

**275.4 To consider and approve draft Annual Report of the Institute for the year 2011-12.**

The President requested the members to consider the Annual Report of the Institute for the year 2011-12 that had been circulated to them. He also called for the suggestions for incorporating in the Annual Report.

The Council directed that the Annual Report should be redrafted and made ready at the earliest thereby complying with the provisions of Regulation 97B of the CWA Regulations.

It was further decided that the Annual Report being the Report of the activities of the Council, should be aesthetically well designed and printed. The President informed that a proper printer who is technically competent with excellent exposure to Corporate Annual Report printing should be engaged and he indicated that CMA.Aruna Soman has helped in shortlisting a good professional printer at Mumbai. The charges indicated were also approximately Rs.13/ per book for approximately 74 pages. The usual procedure in this matter should be followed. The Annual Report should also be sent to all members of the Institute, other authorities and VVIPS like MPs so that they can be aware of the Institute activities. The Task Force on Finance was authorized to recommend their proposal on finalization of the Annual Report. The President and Vice-President in office were authorized to take further necessary action on the same.

**275.5 To appoint Statutory Auditors and fix their remuneration for the year 2012-13 in terms of Regulation 95 & 96 of the Cost and Works Accountants Regulations, 1959.**

The Council noted that M/s. K.S. Aiyar & Co., Chartered Accountants, the retiring auditors have expressed their willingness to continue to act as Statutory Auditors of the Institute, if reappointed. The Council thereafter passed the following resolution:

“Resolved that M/s. K.S. Aiyar & Co., Chartered Accountants be and are hereby reappointed as auditors of the Institute for the financial year ending 31<sup>st</sup> March



2011 to hold office till the date of the next Annual Meeting at a remuneration of Rs.2,00,000 (Rupees two lakhs only) plus applicable taxes and out of pocket expenses”.

**275.6 To appoint Internal Auditors and fix their remuneration for the year 2012-13.**

The Council noted that two separate firms of Cost Accountants viz. M/s. SPK Associates of Kolkata, and M/s. Goyal, Goyal & Associates of Delhi were appointed at a remuneration of Rs 60,000/- and Rs.24,000/- respectively for conducting the Internal Audit of the Institute for its Headquarters (Kolkata) and Delhi office the financial year 2011-12.

The Finance Committee at its 21st meeting held on July 9, 2012 decided to invite applications from the firms of Cost Accountants through website of the Institute on or before July 19, 2012 with documentary evidences to appoint Internal Auditors for Headquarters (Kolkata) and Delhi Office for the financial year 2012-13. Three applications received from M/s. Kumar & Associates, M/s. A.C. Dutta & Co. and M/s. Musib & Co. for internal audit of Headquarters (Kolkata) were placed before the Council. The Council authorized the Finance Committee to finalize the appointment of internal auditor for Headquarters (Kolkata) from amongst the three applications received after examination of the details of the applicants.

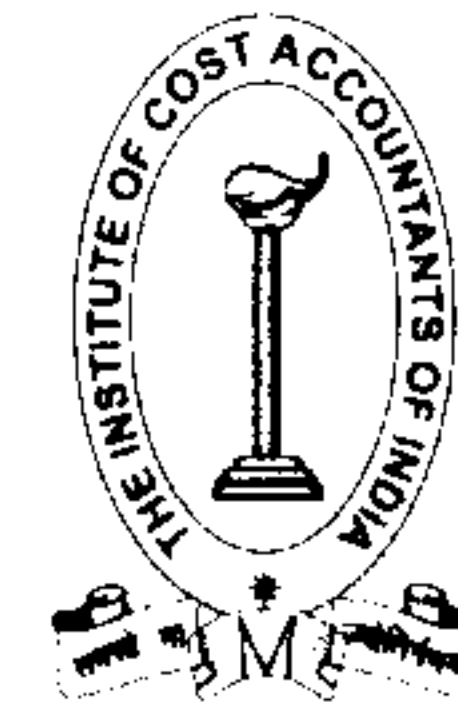
However, for Delhi Office, since no applications have been received till date, it was decided to extend the date of submission of application upto the close of office hours on 14<sup>th</sup> August, 2012 and the Finance Committee was authorized to finalize the appointment of internal auditor for Delhi Office after examination of the details of the applicants.

It was further decided that the remuneration for the Internal Auditors for the financial 2012-13 shall be Rs.1.00 lakh for Headquarters (Kolkata) and Rs.50,000/- for Delhi Office, plus applicable taxes and out of pocket expenses for both the offices.

**275.7 Any other item with the permission of the Chair.**

**275.7.1 Consideration of Guidance note on Cost Accounting Standard on Packing Material Cost (CAS-9).**

The Council noted that the CASB at its 54<sup>th</sup> meeting held on 3<sup>rd</sup> July , 2012 approved the Guidance Note on CAS 9 on Packing Material Cost and



recommended that same for approval of the Council. The Council considered and approved that same. Accordingly, it was:

“Resolved that the Guidance Note on CAS 9 on Packing Material Cost as recommended by the CASB be and is hereby approved.”

**275.7.2 Consideration of CAS-2 (Revised 2012) Cost Accounting Standard on Capacity Determination.**

The Council noted that the CASB at its 54<sup>th</sup> meeting held on 3<sup>rd</sup> July, 2012 has approved the Revised CAS 2 (Revised 2012) on Capacity Determination and recommended that same for approval of the Council. . The Council considered and approved that same. Accordingly, it was:

“Resolved that the Revised CAS 2 (Revised 2012) on Capacity Determination as recommended by the CASB be and is approved and the same will be mandatory with effect from period commencing on or after 1st April, 2012 for being applied for the preparation and certification of General Purpose Cost Accounting Statements.”

**275.7.3 Consideration of Tour Report by the Institute Delegation on SAFA events, meetings and International Conference.**

The Council took on record the tour report by the Institute delegation on SAFA events, meetings and International Conference organized by the Institute of Certified Management Accountants of Sri Lanka at Colombo from 19<sup>th</sup> June, 2012 to 25<sup>th</sup> June, 2012 consisting of the following members and officials:

1. Shri M. Gopalakrishnan, President represented the Institute in SAFA Board Meeting and as Leader of the delegation from the Institute of Cost Accountants of India.
2. Shri T.C.A. Srinivasa Prasad, Council Member and Chairman, PAIB Committee of SAFA.
3. Shri S.C. Mohanty, Council Member as member of Accounting and Auditing Committee of SAFA.
4. Shri P.V. Bhattad, Council Member as member of Governmental and Public Sector Accounting of SAFA.
5. Dr. Asish Kumar Bhattacharya, Advisor (Advanced Studies) to make a presentation in International Seminar.
6. Shri R.N. Pal, Senior Director (Studies).
7. Shri S.C. Gupta, Director (Administration).



8. Shri Sudhir Kumar Sharma, Joint Director (Technical) as Secretary to PAIB Committee of SAFA.

**275.7.4 Consideration of change in format of Associate, Fellowship and Certificate of Practice and indicating the use of the descriptive letters ACMA / FCMA.**

It was decided to change the format of Associate, Fellowship and Certificate of Practice and indicating the use of the descriptive letters ACMA / FCMA. The President and Vice-President in office in office were authorized to take further necessary action in the matter.

**275.7.5 Consideration of current status of property no registered in the name of the Institute.**

The Council took on record the note dated 19<sup>th</sup> July, 2012 placed by Shri R.N. Pal, Sr. Director (Studies) on registration of land and premises as follows:

As decided by the Council in its Meeting held on 22<sup>nd</sup> January, 2012, letters were sent to all the Chapters, where registration of their land & building are pending or not registered in favour of the Institute, as required under the Act & Regulations. Subsequently, the matter was followed up with all of them regularly.

Again in the meeting of the Council held on 31<sup>st</sup> March, 2012, the matter was deliberated. It was noted that the status of the pending cases remained the same as before. The Council decided to give one more month to complete all the pending cases of registration and rectification of Deed, wherever required.

The matter is being strongly followed up regularly with all the Chapters. But, till date, not a single deed could be registered.

The status of registration / rectification of deeds of the Chapters are as under:

1. Bilaspur – The Chapter has taken up the matter with their advocate, who has suggested that “instead of changing the rectification in dalil change in Khasra will be of same impact and name of the Institute of Kolkata will appear in every records. In future ICAI, Kolkata will have the right to sell. It will cost only Rs. 15,000/-, Otherwise if you want to change in dalil it will cost full amount of Rs. 65,000/- like sale deed.” We have requested for the draft of the proposed document for our examination.



2. Nasik Ojhar – The Chapter purchased three flats in the same building from three different owners. Two parts have already been registered in the name of the Institute. The third part could not be registered due to non-availability of the seller at Nasik. The seller is now living at some other place. The matter was discussed with the advocate of Nasik Chapter, where Shri V. S. Datey, Chairman of the Chapter was also present. They are trying to fix up the date with the seller and as soon as he is available at Nasik, the registration will be done. Regular follow ups are being made with Nasik Chapter.
3. Ranchi – The new land purchased by Ranchi Chapter has already been registered in the name of the Institute. The deed of their earlier premises, which is now in the name of Ranchi Chapter will have to be rectified. During our last visit to Ranchi, the matter was discussed with them in details. They are yet to finalise the plan for rectification. We are following up regularly with Ranchi Chapter.
4. Indore Dewas – The advocate of the Chapter proposed to register a fresh deed considering this as a transfer. We have requested the Chapter to follow up with the advocate and explain this as rectification. The matter is being followed up regularly.
5. Allahabad – They have discussed with their advocate and asked for some documents from the HQ. Those are to be provided by the Finance Directorate and Administration Directorate of HQ. On receipt of those, their advocate will find out the possibility of rectification of deed.
6. Thrissur – The draft deed forwarded by Thrissur Chapter has been forwarded to them after legal vetting by the HQ. Now, the Chapter has to fix the date for execution of rectification deed and inform us. We have requested them to expedite.
7. Bhopal – They forwarded the draft deed, which is drafted in hindi, has already been forwarded to our legal counsel for their vetting. Once, the same is received, the Chapter may proceed further.
8. Bhilai – The land has been allotted by the SAIL within their area and the allotment has been made in the name of the Chapter. As informed by the Chapter, the concerned authorities of SAIL have not agreed to change the document. We have requested to Chapter to pursue the matter with SAIL.



9. Bokaro Steel City – The land is leasehold and allotted by the SAIL in the name of the Chapter. We have requested the Chapter to pursue the matter with the concerned authorities of SAIL.
10. Cuttack Bhubaneswar – The Chapter has requested for time and informed that they are trying for a bigger land and once the same is allotted to them, the entire formalities may be completed at a time.
11. Pune – We have requested the Chapter to forward the draft deed to rectification for legal vetting by our advocate. We have not received the same so far. We are following up the matter.
12. Chandigarh Panchkula – We have requested the Chapter to forward the draft deed of rectification for legal vetting by our advocate. We have not received the same so far. We are following up the matter.
13. Kota – The Chapter has been requested to send the draft deed of rectification for legal vetting. We are yet to receive the same.

It was noted by the Council that despite continuous efforts, no deed of rectification has yet been executed by any of the Chapters. Accordingly, it was decided that further efforts should be made for execution of the deeds of rectification.

It was further decided in this connection that since Shri Kaushik Banerjee has taken over the charge as Additional Secretary of Headquarters, Kolkata, he should henceforth be entrusted with the duty of registration of all properties of the Institute. Accordingly, he was directed and authorized to sign all papers and documents in connection with registration of land and buildings and any further documents relating to property matters on behalf of The Institute of Cost Accountants of India. The President and Vice President in office were also authorized to recommend necessary direction under Regulation 145 A to comply with the direction of the Council.

**275.7.6 Consideration of notice of dissolution issued to Rajkot Chapter.**

The Council noted that a notice of dissolution dated July 11, 2012 was issued to Rajkot Chapter for their failure to submit accounts within the stipulated time. However, consideration of the item was deferred.

**275.7.7 Consideration of TA / DA for visit by Officers below the rank of Director.**





It was decided that the practice followed by other sister Institutes in this connection are to be ascertained and placed before the Council for consideration. The President and Vice President in office were authorized to finalise the same after considering the practice followed by the sister institutes.

**275.7.8 Consideration of letter received from Government of Kerala.**

The President informed that a letter dated 20<sup>th</sup> July, 2012 has been received from Dr. K.M. Abraham, Principal Secretary to Government, Higher Education Department, Government of Kerala regarding State Skill Development Project for enhancing the employability and skill sets of the youth in the State in general, emphasizing industry linkages. In response, it has been intimated immediately vide letter dated 20<sup>th</sup> July, 2012 that the Institute will be glad to associate with Government of Kerala in their pioneering State Skill Development Project for enhancing employability and skill sets of the youths in the state.

The Institute will be the knowledge partners in venture and will be working out a proposal based on their model of combining courses offered by the Institute with the skill development program being run by Government of Kerala. The Institute will come back with a tentative proposal in this respect, which can be considered as a part of their project.

For this purpose, it was decided to depute Shri L. Gurumurthy Director (CAT, Training & Placement) to arrive at a detailed proposal for signing MOU with Government of Kerala.

The President and Vice-President in office were authorized to take further necessary action in this regard.

**275.7.9 Consideration of Institute response to revision of IFAC Document on Statement of Membership Obligations.**

The President informed Council to consider the item relating to Institute response to revision of Statement of Membership Obligations (SMOs) for the year 2012-13 to IFAC as recommended by the WTO and International Affairs Committee at its meeting held on 21<sup>st</sup> July, 2012. The Council approved the revised response of the Institute on SMOs for the year 2012-13 for submission to IFAC.

Accordingly, it was:



**“Resolved that approval be and is hereby given for the revision of SMOs for the year 2012-13 as vetted by IFAC and recommended by WTO and IA Committee at its meeting held on 21<sup>st</sup> July 2012 for submission to IFAC.”**

**“Resolved further that the President in consultation with Chairman, WTO and IA Committee shall take urgent necessary steps for further course of action in connection with revision of SMOs of Institute for the year 2012-13 for submission to IFAC.”**

**The meeting concluded with thanks from all the Council Members as well as the President upon end of first year of the Council term 2011-2015.**

There being no other item for discussion, the meeting ended with a vote of thanks to the Chair.

**M. Gopalakrishnan  
President**

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Circulated to all members of the Council on 13 AUG 2012