



CONFIDENTIAL

Minutes of
280th Meeting of the Council of the Institute held on Monday, 20th May, 2013 at 11.00 a.m.
at the Delhi Office of the Institute at CMA Bhawan, 3, Institutional Area, Lodi Road, New
Delhi – 110 003.

The following members were present:

- 1) CMA Rakesh Singh, President
- 2) CMA Suresh Chandra Mohanty, Vice-President
- 3) CMA Sanjay R. Bhargave, Member
- 4) CMA Pramodkumar V. Bhattad
- 5) CMA M. Gopalakrishnan, Member
- 6) CMA Dr. P.V.S. Jagan Mohan Rao, Member
- 7) CMA Dr. Sanjiban Bandyopadhyaya, Member
- 8) CMA T.C.A. Srinivasa Prasad, Member
- 9) CMA Manas Kumar Thakur, Member
- 10) CMA Hari Krishan Goel, Member
- 11) Shri Suresh Pal, Government Nominee

Leave of absence was granted to CMA Amit A. Apte, CMA Aruna V. Soman, CMA A.S. Durga Prasad, CMA Sanjay Gupta, Members; Shri. K. Govindaraj, Shri Ashish Kumar, Smt. Nandana Munshi and Shri G. Sreekumar, Government Nominees, who could not attend the meeting.

CMA Kaushik Banerjee, Secretary (Acting) also could not attend the meeting on account of his mother's demise.

Welcome Address by the President

The President extended a very hearty welcome to all the members for making it convenient to attend the 280th Meeting of Council of the Institute.

The members welcomed Shri Suresh Pal, Joint Secretary, Ministry of Corporate Affairs as Nominee of Central Government to the 18th Council of the Institute in place of Shri A.K. Srivastava.

The President informed that that since CMA Kaushik Banerjee, Secretary (Acting) could not attend the meeting on account of his mother's demise, the minutes of the meeting would be recorded by CMA Nisha Dewan, Joint Secretary, Delhi Office and CMA Dibbendu Roy, Deputy Secretary (Secretariat).

He then took up the agenda items for discussion.



280.1

Confirmation of Minutes of 279th Meeting of the Council of the Institute held on Monday, 25th March, 2013 at the Headquarters of the Institute at Kolkata.

The Council took a note of the following change in the last paragraph of Item No. 279.6 in Page No. 6, where the words “with an information to the Council at its next meeting” should be added after end of the sentence.

CMA M. Gopalakrishnan pointed out that in Page No. 16, Item No. 279.8.5 of the minutes, the words “Research Associates” should be replaced by “CMA Professionals” everywhere in the said item..

CMA T.C.A. Srinivasa Prasad pointed out at Page No. 14, Item No. 279.8.1, last paragraph of the said item should be read as “Provided that the Council may reduce the said period for not more than ten days without late fees.” The President informed that this is already under consideration of the Ministry, which will take a final call. The President was authorized to take further necessary action in this regard.

The Minutes of 279th Meeting of the Council held on 25th March, 2013 were confirmed subject to above.

280.2

Action Taken Report on 279th Meeting of the Council of the Institute held on Monday, 25th March, 2013 at the Headquarters of the Institute at Kolkata.

CMA M. Gopalakrishnan pointed out that the Action Taken Report on Item No. 279.8.5 needs to be changed to “Engagement of CMA Professionals”. Further, in principle approval was given by the Council to the scheme as annexed in Annexure 1 to the Minutes.

In the course of discussion, it was also decided that for all promotion of employees of the Institute from the rank above Assistant Director onwards, they would have to comply mandatorily with the minimum training of 15 days to be conducted by the Institute and based on their performance in job and in training, they would be assessed by the Executive Committee for considering their promotion by following the due process. This would also be applicable to all employees of the Institute at Regional Councils and Chapters concerned mutatis mutandis. The Executive Committee was authorized to take further necessary action in the matter.

The Action Taken Report on 279th Meeting of the Council of the Institute was noted by the members.

Suresh Chakraborty



280.3

To consider the Draft Annual Accounts for the year 2012-13 as per Regulation 93 of the CWA Regulations, 1959 as recommended by the Finance Committee.

The draft Accounts for 2012-2013 of the Headquarters (Kolkata) and Delhi Office as considered and recommended by the Finance Committee at its meeting held on 19th May, 2013 and also taken on record by the Executive Committee at its meeting held on 19th May, 2013 and circulated the members was placed by the President for discussion.

The President mentioned that in the draft Accounts for the year 2012-13 the following departures from previous years have been made:

Income

- **Membership Fees** : Due to increase in the fees from members, there was an additional income from the Membership Fees.
- **Tuition and Other Fees**: The system of account for tuition and other fees collected from the students has been changed from session to session basis to the amount received during the year with introduction of IEPS system from 5th November, 2011.
- **Examination Fees**: Since the online system of examination application is at the nascent stage, the existing system of accounting of the examination fees received during the year as income has been continued.
- **CAT Course Fees**: Due to advent of two major projects at Kerala and Rajasthan in line with the Council decision, the CAT course would take a fillip with the formation of a Company under Section 25 which has already been formulated. This initiative has been informed to the Ministry of Corporate Affairs and the Institute has the plan to take up this CAT Course on Pan India basis.
- **C.E.P. & Other Programme Fees** : The activities under CEP 1 have been transferred to ICWAI Management Accounting Research Foundation with effect from 1st April, 2013.

Expenditure

- **Establishment Expenses**: There was increase in establishment expenses due to revision of salaries and allowances with effect from 1st January, 2013 and perquisites with effect from 1st April, 2011 in line with the sister professional Institutes to a certain extent. Provision for increase in Dearness Allowance due from 1st January, 2013 has been considered in the accounts.

After detailed deliberations in the matter, the following decisions were taken:



- (i) Wherever the income and expenditure exceeds Rs.50 lakhs a separate groupings be compiled and submitted to the Council.
- (ii) It was decided that the Chairman of each Committee will approve the expenditures and be responsible and accountable for Income and Expenditure pertaining to the respective Committees within the budget approved by the Council. When the amount of expenditure exceeds 10% of the Budget, then approval of the President would be required and in case it exceeds more than 10%, prior approval of the Council would be necessary.
- (iii) The present policy of routing the proposals through Purchase Committee/specific Committees/delegation of authority and the procedure followed for purchase/tender would continue, whereby the Executive Committee is authorized to device/amend the procedures. The Executive Committee has empowered the Secretary (Acting) to deal with and sanction expenses for all ongoing and routine matters, both revenue and capital, where budget has been sanctioned by the Council. The Secretary (Acting) has also been authorized to deal with and sanction expenses for all administrative and legal matters. In case of exigencies or for anything exceeding the budget, the same can be approved by the President but it should not supersede the provisions of the Cost and Works Accountants Act, Rules & Regulations.
- (iv) The proposal for release of funds for the expenditure of the Committees should mention the budgeted amount, expenditure incurred till date, proposed expenditure and the balance amount available invariably. The travelling expenses of the Council Members and Secretary of the Committee will be incurred from the respective approved budget.
- (v) The Chairmen of the respective committees would be accountable for the budget of their respective committees and the calendar of activities justifying the proposed expenditure to be incurred.
- (vi) With the shifting of the activities undertaken by CEP 1 to ICWAIMARF from 01.04.2013, the activities undertaken by CEP 2 will be considered as CEP activities.

The members made detailed deliberations on the draft Annual Accounts for the year 2012-13 and the Director (Finance) was advised to incorporate the changes suggested by the members.

Suresh D. N.



The consolidated accounts should be compiled incorporating the accounts of the Regional Councils and Chapters and the Director (Finance) was instructed to take the help of Regional Coordinators in each Region and to closely follow up with the Regional Councils and Chapters to expedite the process of consolidation of accounts for the year 2012-13.

The Council, thereafter, passed the following resolutions:

“Resolved that the draft annual accounts of the H.Q. for the year 2012-13 with the proposed adjustment / provisions / write offs as approved and recommended by the Finance Committee be and is hereby approved and the same shall be placed before the Auditors for their audit and report thereon.”

“Resolved further that the Council approved the adjustment of Rs.119,54,409/- towards the loan amount, Rs.8,10,000/- towards the advance amount and Rs. 15,88,548/- towards the interest accrued on the loans given to RCs / Chapters in the books of the Institute for the year 2012-13 to comply the requirements of CWA Act, 1959, as amended and Regulations framed thereon.”

“Resolved further that the President be and is hereby authorized to make such changes and amendments as may be required to be done during the course of the audit and incorporate such changes in the accounts on the advise of the auditors and finalize the same.”

“Resolved further that the President, Vice President, Secretary (Acting) and Director (Finance) be and are hereby authorized to sign the Financial Statements of the Institute.”

280.4

To consider approval of Cost Accounting Standard on Depreciation and Amortisation (CAS-16).

The CASB at its 60th Meeting held on 17th April, 2013 has approved the Cost Accounting Standard on Depreciation and Amortisation (CAS- 16). The Council of the Institute considered the same and the following resolution was passed:

“Resolved that the Cost Accounting Standard on Depreciation and Amortisation (CAS- 16) as recommended by the CASB is approved and the same will be mandatory with effect from period commencing on or after 1st April, 2014 for being applied for the preparation and certification of General Purpose Cost Accounting Statements.”

Lavesh D/h.

