

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



CONFIDENTIAL

Minutes of 304th Extraordinary Meeting of Council of the Institute held on 17th and 18th May, 2017 at 11.00 a.m. at Delhi Office of the Institute of Cost Accountants of India, CMA Bhawan, 3, Institutional Area, Lodi Road, New Delhi - 110003.

The following members were present:

- 1) CMA Manas Kumar Thakur, President (on both days)
- 2) CMA Sanjay Gupta, Vice-President (on both days)
- 3) CMA Pramodkumar V. Bhattad, Member (on both days)
- 4) CMA Amit A. Apte, Member (on both days)
- 5) CMA Dr. I. Ashok, Member (on both days)
- 6) CMA P. Raju Iyer, Member (on both days)
- 7) CMA Dr. P.V.S. Jagan Mohan Rao, Member (on both days)
- 8) CMA H. Padmanabhan, Member (on both days)
- 9) CMA Biswarup Basu, Member (on both days)
- 10) CMA Avijit Goswami, Member (on both days)
- 11) CMA Niranjana Mishra, Member (on both days)
- 12) CMA Vijender Sharma, Member (on both days)
- 13) CMA Balwinder Singh, Member (on 18.05.2017)
- 14) Shri Surender Kumar, Member (Government Nominee) (on 17.05.2017)
- 15) Shri Sushil Behl, Member (Government Nominee) (on both days)
- 16) Shri Ajai Das Mehrotra, Member (Government Nominee) (on both days)
- 17) Shri Praveer Kumar, Member (Government Nominee) (on both days)

CMA Kaushik Banerjee, Secretary attended the Meeting as Secretary of the Council on both the days.

Leave of absence: Leave of absence was granted to the following members who could not attend the meeting:

CMA Balwinder Singh, Member on 17th May, 2017; Shri Surender Kumar, Member (Government Nominee) on 18th May, 2017; CMA Ashok Bhagawandas Nawal, CMA Papa Rao Sunkara, Members, Shri K.V.R. Murty, Member (Government Nominee) on both days.

Proceedings of the meeting held on the two dates are minuted as below.

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17th May, 2017

CMA Manas Kumar Thakur, President extended a very hearty welcome to all to the 304th Extraordinary Meeting of Council of the Institute.

The Council expressed displeasure for undue delay in circulation of Minutes of the Council once again despite having the knowledge that the next Council meeting is having a known timeline for statutory purposes. The Council directed that such violation should not be repeated.

CMA Biswarup Basu expressed that he received a threat call from a member, CMA Debjit Sanyal, on his submission of a report of a three member Committee constituted by the Council. The matter has been informed to the President, but no action has been taken on the matter as yet. The Council advised the President to take appropriate action in this regard.

Since this meeting has been convened as an extraordinary meeting, the Council decided that only urgent items having pressing need should be considered by the Council in this meeting and all other items with requisite notice of 21 days should be brought before the Council in the next meeting.

Accordingly, the following items were taken up by the Council for consideration in the meeting.

Agenda Item No.1 Noting of Minutes of 303rd Meeting of the Council of the Institute held on Friday, 17th March at 10.00 A.M. and Saturday, 18th March 2017 at 11.00 A.M. at Delhi Office of the Institute at CMA Bhawan, 3, Institutional Area, Lodi Road, New Delhi – 110 003.

The item was deferred.

Agenda Item No.2 Action taken report on 303rd Meeting of the Council of the Institute held on Friday, 17th March at 10.00 A.M. and Saturday, 18th March 2017 at 11.00 A.M. at Delhi Office of the Institute at CMA Bhawan, 3, Institutional Area, Lodi Road, New Delhi – 110 003.

The item was deferred.

Agenda Item No.3 To consider the Draft Annual Accounts for the year 2016-2017 as per Regulation 93 of the CWA Regulations, 1959 as recommended by the Finance Committee.

The Council expressed displeasure that the senior officers of Finance Directorate were not present in the meeting for presenting the annual accounts before the Council. The Finance Committee members were also unable to explain the finance and annual accounts related matters to the



Council. Further, the Finance Committee and Executive Committee Minutes on draft annual accounts for 2016-17 were not made available to the Council.

CMA Vijender Sharma gave his note of dissent on annual accounts of FY 2016-17.

The Council decided that henceforth the Council should follow GFR and CVC guidelines for all procurements for all offices of the Institute Viz. Headquarters, Delhi Office, Centres of Excellence, Regions, Chapters, companies promoted by the Institute and any other office of the Institute.

The Council also expressed that internal control mechanism and internal audit system of the Institute should be strengthened.

It was decided that there should be certification of income and expenditure of Committees by the Chairman of respective Committees.

Further, separate activity wise accounting should be made to ensure surplus / deficit from each programme.

It was decided that the expenditure on foreign travel has to be relooked. CMA Biswarup Basu expressed his dissatisfaction on expenditure on foreign travel and informed that all foreign travels should have the approval of the Council keeping in view the directives of MCA in 2011.

CMA Niranjana Mishra expressed his dissatisfaction on incurring election expenses during 2016-17 despite the elections being over in 2015. The Returning Officer mentioned that this has occurred mainly due to late submission of bills by a printing press, which is a Govt. press.

The Council deliberated on the draft Annual Accounts of FY 2016-17. The Council decided that since the Institute has to go ahead with its work, the draft Annual Accounts for the FY 2016-17 as recommended by the Finance Committee should be placed before the Statutory Auditors for audit. Since most of the members have not yet received the draft Annual Accounts till date and in view of above, the members would reserve their right to give their views and observations before adoption of Annual Accounts for 2016-17.



Agenda Item No.4 To consider quarterly and annual budget of the Institute.

The Council expressed displeasure that the senior officers of Finance Directorate were not present in the meeting for presenting the budget before the Council. The Finance Committee members were also unable to explain the budget to the Council. Further, the Finance Committee and Executive Committee Minutes on budget for 2016-17 were not made available to the Council.

The Council noticed that there are some defaulting Regional Councils and Chapters, who have not submitted budget in time. It was decided to issue show cause notice to all these Regions and Chapters through Secretary of the Institute.

It was decided that there should be certification of budget of Committees by the Chairman of respective Committees.

The Council decided that the revised estimate should henceforth be considered within 15th November every year.

The Council noted that there has been an increase in expenditure towards travelling expenses over and above the budgeted amount, which needs to be explained to the Council in details. There should also be a system where the Finance Directorate should inform immediately when the budget limit for any expenditure has been exceeded.

The Council also noticed that there has been over estimation of income from students during the last year. It was decided that last 3 years income should be reviewed and last 3 years average income or the income of last year, whichever is lower should be considered in the budget.

It was also decided that the expenditure on salary should be recast without the impact of 7th Pay Commission in the budget. However, salary, all allowances including increase in D.A. and annual increment and other routine payments to the employees should be included. For other expenses, it was decided that last year's expenses reduced by 30% should be considered in the budget. All expenses should be linked up with income, wherever possible. However, examination expenses and expenses towards salary and other payments to employees shall not come within the purview of this.



The budget shall be split into four quarters in equal proportion. The budget of first quarter with actual should be placed in the next Council Meeting.

The budget was approved subject to above, which shall be recasted. The recasted budget duly vetted by the Finance Committee should be placed in the next Council Meeting. The revised estimates shall be considered within 15th November, 2017.

It was decided that detailed capital budget along with recommendation of Finance Committee and Executive Committee shall be considered in the next Council Meeting. However, expenditure on small capital items of very urgent nature and under unavoidable circumstances may be incurred with approval of President, which shall be placed in the next council meeting for ratification along with the capital budget.

At this stage, the Council decided to continue the meeting on the next day i.e. 18th May, 2017.

18th May, 2017

CMA Manas Kumar Thakur, President extended a very hearty welcome to all.

Thereafter, the following items were taken up by the Council for consideration:

Agenda Item No.5 To consider the Report of Chairman of each Committee on the activities of the respective Committee.

The item was deferred.

Agenda Item No.6 To consider matters arising out of Executive Committee.

The item was deferred.

Agenda Item No.7 To consider matters arising out of Finance Committee.

The item was deferred.

Agenda Item No.8 To consider matters arising out of Examination Committee.

The Council took a serious view on the leakage of the examination paper and felt that much stronger action should have been taken in this regard.

The following decisions were taken in this regard:



1. The report of three member Committee on examination paper leakage should be placed before the Council in the next meeting.
2. Police complaints which have been lodged is not sufficient and it was decided that FIR should be lodged by the Secretary after taking into consideration all documentary evidences in this regard.
3. Drinking water needs to be supplied to the examinees in the examination hall. However, instead as small bottles, big crates may be used for the supply of drinking water to the examinees, which would economize the cost.
4. The Examination Committee would examine the possibility of revaluation of answer scripts and report back its suggestions to the Council.
5. The entire examination system needs to be reviewed in view of paper leakage. It was decided that in the absence of Director (Examination), the senior most Joint Director has to be given the charge of Examination till the post of Director (Examination) is filled up.
6. There should be proper internal control system in the examination process.
7. The report on review of examination system should be placed before the Council in the next meeting.

Agenda Item No.9 To consider revision of CAT Syllabus.

The item was deferred.

Agenda Item No.10 To consider the matters related to GST implementation & issues & aspect arising there from starting GST certificate course.

The item was deferred.

Agenda Item No.11 To consider matters arising out of Infrastructure Committee.

The item was deferred.

Agenda Item No.12 To consider matters arising out of Training and Education Facilities Committee.

