



**THE INSTITUTE OF
COST ACCOUNTANTS OF INDIA**
(STATUTORY BODY UNDER AN ACT OF PARLIAMENT)
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25th October, 2022

Notification

Subject: Format of communication to the previous Cost Auditor

In view of the decision taken in the 337th Meeting of Council of the Institute held on 11th September, 2022, the Institute prescribes the following format of communication by a Cost Accountant in Practice in case he accepts a position as a Cost Accountant previously held by another Cost Accountant in Practice.

In case of the non-compliance a member in practice shall be liable to disciplinary proceedings as per clause (8) of Part I of the First Schedule to The Cost and Works Accountants Act, 1959.

The above shall come into force from the date of this notification.

Draft of Communication to the Previous Cost Auditor

Date:

To,

Dear Sir,

I/We have been approached by M/S (name of the Company) to conduct the cost audit relating to its product(s) covered under Cost Audit of the Company/unit(s) located at ----- for the year ending on----- I/We understand that you were the cost auditor of the Company immediately prior to this offer. Accordingly, I/We hereby communicate to you before I/We accept the said appointment. May I/We request you to provide your feedback on this matter. This communication is being addressed to you in view of the provisions of clause (8) of Part I of the First Schedule to The Cost and Works Accountants Act, 1959.

I/We also hereby confirm that, based on the information provided by the Company, the audit fees that will be received by me/us for this assignment will not be lower than the fees received by you for the conduct of cost audit.

Thanking You,

Yours faithfully,

For M/s
Cost Accountant
M.No.

Note: The communication must be addressed by Registered/ Speed Post.

CMA Kaushik Banerjee
Secretary