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PRESIDENT



THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

(Statutory body under an Act of Parliament)

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Prof. Balram Bhargava

Secretary to the Government of India

Department of Health Research,

Ministry of Health & Family Welfare and

Director General,

Indian Council of Medical Research (ICMR)

Ansari Nagar

New Delhi - 110029

Subject: Offering Voluntary Services of the Institute to ICMR w.r.t. Costing of COVID 19 Tests

Dear Sir,

Greetings from the Institute of Cost Accountants of India;

The Institute of Cost Accountants of India is a statutory body set up under an Act of Parliament namely Cost and Works Accountants Act 1959, to educate, train, & promote the best Cost and Management Accounting Practices in India. The Institute is under the administrative control of the **Ministry of Corporate Affairs**, Government of India. It has its headquarters at Kolkata, another office in Delhi, 4 Regional Councils, 107 Chapters spread all over the India and 10 overseas centres. The Institute is a member of International Federation of Accountants (IFAC), Confederation of Asian and Pacific Accountants (CAPA), South Asian Federation of Accountants (SAFA) and Accounting Body Network (ABN) for Prince's Accounting for Sustainability (A4S).

We all are aware that the entire world is grappling with the COVID 19 disease and Government is taking all possible steps to curb the spread of the fatal Corona virus in the Country. One of the measures taken by the Government is testing of COVID 19 disease through various testing protocols. We understand that the recommendation of ICMR to put a cap of INR 4500 for one of the Coronavirus test protocols, has been challenged in the Hon'ble Supreme Court of India and the apex court has ordered to make all coronavirus tests free of cost. However there has been resentment in the healthcare firms involved with such tests and they have termed the ruling as impractical to implement due to costing issues.

Sir, the challenge for any country around the world today is to carry out Coronavirus Tests for its population at affordable cost. The challenge is particularly acute given the rising cost of resources involved with the testing protocols. **The Institute of Cost Accountants of India will be pleased to offer its services on a voluntary basis to ICMR with regard to the costing of the coronavirus tests to be carried out by the government or private pathological laboratories.**

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We would like to bring to your notice that the Government of India has put healthcare services under the ambit of maintenance of Cost Records and Audit under the Companies (Cost Records and Audit) Rules 2014 issued by the Ministry of Corporate Affairs, also covering thereby trading and supply of medical devices. Hence, the members of the Institute, known as Cost and Management Accountants, are well versed with the nitty-gritty of the Healthcare business.

The Institute has also come out with a series of Cost Accounting Standards and Generally Accepted Cost Accounting Principles, which has been embedded in the Companies (Cost Records and Audit) Rules 2014 issued by the Ministry of Corporate Affairs, which enable a principle based approach for computing costs.

With the given background, the Institute offers its support to the ICMR is finding ways to deal with the costing of COVID 19 tests so that more and more tests can be carried out by the laboratories on optimum cost.

We are sure that our association will be fruitful to all concerned. We are looking forward to your positive response and to work with you for the welfare of cross sections of the society.

With warm regards

Yours faithfully,

CMA Balwinder Singh
President