



THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

(Statutory body under an Act of Parliament)

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ADVISORY FOR THE MEMBERS

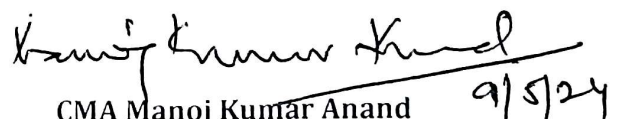
Unit of Measure (UOM) for compilation of Annexures to the Cost Audit Report

All the members of the ICMAI are hereby advised to ensure that Annexures to Cost Audit Report under The Companies Act 2013 are complied strictly using the Unit of Measure as specified under the Customs Tariff Act 1975. In case of any deviation the same needs to be clearly mentioned in the cost audit report by way of appropriate Qualification or Matter of Emphasis or Disclosure. Explanation / Justification shall be obtained from the company in form of Management Representation Letter (MRL) and the same shall be mentioned in the Cost Audit Report.

For example, in case of Pharma industry, where the Unit of Measure is to be given in terms of weight, weight of Drug (excl. excipients) shall be used for compilation of Annexure to the Cost Audit Report.

Submission of Cost Audit Report:

All Practising members of the ICMAI are hereby advised to ensure strict adherence to the statutory timelines for submission of the Cost Audit Report as per The Companies (Cost Records and Audit) Rules 2014. In case there is a delay, the same needs to be informed to appropriate authorities including Cost Audit Branch, MCA, GOI.



CMA Manoj Kumar Anand

Chairman, Professional Development &
CPE Committee

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