



CMA Rakesh Singh, President

"An investment in knowledge always pays the best interest".

—Benjamin Franklin

Dear Professional Colleagues,

All of us recognize the importance of good quality investment. Quality investment is a key ingredient for sustainable development. All countries require investment to prosper and provide a decent standard of living to their population. The Hon'ble Prime Minister has also stressed upon the need of boosting infrastructure investment, which can play a major role in short and long-run.

We, the Cost and Management Accountants, also need to Invest to serve the community. But there is a difference between the investment of a businessman and a professional Accountant. The Investment of a businessman mainly comprises monetary matters whereas the investment of a CMA comprises time. We have to invest our time to enhance our competencies and better serve the society. This can be done by acquiring knowledge about the current changes as the present day economy is vibrant and volatile.

The Society and the government also look at us as a knowledge bank. They expect an informed advice and solution to their problems. We can meet their expectation only when we are informed and updated about the current changes. We should spend adequate time in gathering quality information relevant to our profession. This will not only satisfy our clients but at the same time help us prepare for the future. To facilitate our members, the Institute organizes many programmes. I am very happy to inform the members that the Institute has initiated many online services for Students and Members. This will not only enhance the quality of working but also reduce the time and effort.

Demise of CMA A. Om Prakash, Council Member

It is with great grief and sorrow I share the news of untimely demise of CMA A. Om Prakash, our beloved colleague in the Council, who passed away in Chennai on the morning of 2nd December 2012. CMA Om Prakash was suffering for sometime but I never knew that the end was so near. A true fighter as he was, he fought his best to delay the inevitable. Erudite and knowledgeable, CMA Om Prakash's contribution to the profession as well as to the development of the Institute was immense. CMA Om Prakash, during his tenure as Chairman, Training & Educational Facilities (TEF) for the year 2011-12 was responsible for the implementation of IEPS (Integrated Education Processing System) introduction of Communication & Soft Skills Training, Industry Oriented Training Programme, modification of scheme of Modular Training with a view to bring about a qualitative change in the Course. The formalization of restructuring the course curriculum and its contents through introduction of Syllabus 2012 was another major contribution. He was the one who devised the roadmap for implementing a high-quality teaching-learning through standardized lecture delivery mechanism. As Chairman of Journal committee, CMA Om Prakash imparted valuable guidance and support for improvement of the quality of 'The Management Accountant' Journal.

CMA A. Om Prakash will always be remembered for his lovable nature, generosity, humanity and bounteousness.

To apprise all the members of the activities / initiatives undertaken by the Departments/ Directorates of the Institute, I now present a brief summary of the activities.

Professional Development Directorate

Guidance Note on Training & Guidance Manual for Cost Audit Report & Compliance Report in XBRL Format-

The Technical Research Cell of the Institute released the Exposure Draft of Training & Guidance Manual for filing of Cost Audit Report & Compliance Report in XBRL Format at Institute's website for seeking views/comments/suggestions from all stakeholders. The same is expected to be finalized in the light of the comments/suggestions received. This Guidance Note will assist the members of the Institute in understanding the Architectural of costing taxonomy, filing of Cost Audit Report & Compliance Report in XBRL format as per the mandate given by the Ministry of Corporate Affairs.

MoU with Taxmann for making available the web contents to the students

I am happy to inform members and students of the Institute that in continuation of efforts towards capacity building, the Institute signed another MOU with Taxmann on 12th November 2012 in addition to MOU signed by the Institute for members on 6th July 2012 for providing the web contents by Taxmann through their website.

Any student who has enrolled or registered with the Institute is eligible to subscribe web contents of Taxmann at a concessional rate of Rs. 500/- (for one year subscription), Rs. 600/- for two years subscription) and Rs. 750/- (for three years subscription). The concessional subscription rates are inclusive of service tax. After subscription the students will be able to access Taxmann's web contents for last 3 years (i.e. since year 2009) through their website relating to Direct Tax Laws, Indirect Tax Laws, judgments of Supreme Court/High courts, Orders of ITAT, Notifications, Circulars and Articles etc.

Appointment of Cost Auditor by Companies

Ministry of Corporate Affairs vide General Circular No. 36/2012 dated 6th November 2012, clarified some of the issues relating to e-form Nos 23C and 23D with respect to death of existing cost auditor, resignation or change of cost auditor and additional fee thereof etc. It clarifies the following issues:

- (i) In case of death of existing cost auditor, companies are allowed to file fresh e-form 23C, without any additional fee, within 90 days of the date of death.
- (ii) In case of change of cost auditor for reasons other than death of the existing cost auditor, companies are required to file fresh e-form 23C with applicable fee & additional fee clearly specifying the reasons of change.
- (iii) If there is error in filing the e-form 23C or 23D due to typographical errors or other mistakes, there is no provision in MCA21 system, which may allow such correction. The circular cautioned members to be careful while filing e-forms 23C or 23D. In rare case, if still any error or mistake is observed, it should be brought to the notice of MCA well before approval, enabling it to return the said form for re-submission. Else, the companies and cost auditors are required to file the fresh e-forms and pay applicable fee and additional fee.

Cost Audit Order dated 6th November 2012

Ministry of Corporate Affairs vide its Cost Audit Order No. 52/26/CAB-2010 dated 6th November 2012 superseded Cost Audit Orders dated 2nd May 2011, 3rd May 2011, 30th June 2011 and 24th January 2012 and directed all companies covered in Cost Accounting Records (Industry Specific) Rules 2011 and Companies (Cost Accounting Records) Rules 2011 are required to get the cost audit done under this cost audit order for the products or activities Groups given in Table-I and Table-2 respectively, in respect of each of its financial year commencing on or after the 1st day of January 2013, audited by a cost auditor.

Membership Department

The Ministry of Corporate Affairs has mandated filing of cost audit and compliance report in the XBRL Mode. Filing of these reports and filing of Form 23C and Form 23D requires providing the "Firm Registration Number". The Institute, in order to meet the requirement of the MCA, has allotted six-digit "Firm Registration Number" to Partnership Firms as well as Sole Proprietors/Individuals which would supersede any other Firm Registration number allotted earlier to them. Members are requested to strictly adhere to this "Firm Registration Number" and their firm name as has been communicated by the Institute.

President's Communique

Technical Directorate

The Institute has released the following Exposure Drafts with the approval of the CAASB & CASB:

1. CASS 103
2. CAAS 104
3. The Guidance Note on CAS on Cost of Utilities

I request the members to give their valued comments/suggestions on the above Exposure Drafts.

International Affairs Department

The delegation from the Institute attended following National / International Events during the month:

- CMA T.C.A. Srinivasa Prasad, Council Member attended the SAFA Board and Committee meetings from 8th to 10th November 2012 organised by the Institute of Cost and Management Accountants of Pakistan at Lahore.
- The President and Vice President attended IFAC Council Meeting at Cape Town, South Africa from 13th to 15th Nov 2012.
- CMA Sanjay Gupta, Council Member attended the Malaysian Institute of Accountants Conference 2012 from 26th to 28 November 2012 at Kuala Lumpur.

HR Department

Internal Promotion

In order to motivate the work force of the Institute an internal process of promotional activity was conducted from the position of Senior Officer to Assistant Director. The decision was taken by the Executive Committee of the Council on 31st October, 2012.

Employee Engagement

As a part of employee engagement, "Bijoya Sammiloni & Deepawali" was celebrated at the headquarters, Kolkata on 23rd November 2012, wherein employees of the Institute and their families participated and presented a musical soiree. The event was mainly organized to highlight the cultural aspects and to showcase their talent.

Hyderabad Centre of Excellence

The center conducted following programs during the month:

- **Cost Accounting Policy Framework** - A Practical Approach by CMA AVNS Nageswara Rao. The program was attended by large number of participants.

- **Implementation of Cost Accounting System** - A Systems Approach by CMA E Vidyasagar. The Programs was well attended.

Training Programs

The CEP-2 Directorate organized the Filing of Cost Audit and Compliance Report in XBRL" at Cochin. The Institute supported the Asian Centre for Corporate Governance & Sustainability for an International Conference on "Corporate Governance, Sustainability & Integrated Reporting" on 19 November 2012 at Mumbai.

The Institute was also associated with Confederation of Indian Industry (CII) as a 'Knowledge Partner' for the Conference on "Salvaging Dispute Resolution" on 24th November 2012 at New Delhi. Our members actively participated in the Conference.

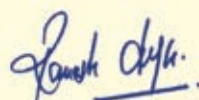
CEP - 1 department organized two Residential programmes simultaneously during 20-23th November, 2012 at Srinagar (J&K) on 'Management of Taxation' and 'Finance for Jr. Finance and AOs and Non Executives (F&A)'.

The two week induction training program for the first batch of Punjab State Power Corporation Ltd. is being held at Delhi NCR (Vaishali) during 25th November to 8th December, 2012. The training programme for the 2nd and 3rd batches are proposed to commence from 9th December and 23rd December 2012 respectively.

The International Program on 'Strategic Financial Management' is being organized during 29th November to 9th December 2012 at Singapore, Kuala Lumpur and Bangkok.

I wish all the members and their families on the occasion of Christmas and New Years' eve.

With warm regards,



(CMA Rakesh Singh)
President, Institute of Cost Accountants of India
2nd December 2012