

THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

NOTIFICATION

Kolkata, the 25th May, 2012

F. No. CWR(1)2012.—Whereas the draft regulations further to amend the Cost and Works Accountants Regulations, 1959, were published as required by sub section (3) of section 39 of the Cost and Works Accountants Act, 1959 (23 of 1959) in the Gazette of India, part III, section 4, dated the 27th January, 2012 vide the Institute of Cost and Works Accountants of India notification number CWR(1) 2012, inviting objections and suggestions from all persons likely to be affected thereby before the expiry of forty five days from the date on which copies of the said Gazette were made available to the public;

And whereas copies of the said Gazette were made available to the public on the 31st January, 2012;

And whereas no objections and suggestions were received by the Institute;

Now, therefore, in exercise of the powers conferred by the sub-section (1) of section 39 of the Cost and Works Accountants Act, 1959 (23 of 1959), the Council with the approval of the Central Government hereby makes the following regulations further to amend the Cost and Works Accountants Regulations, 1959, namely :-

1. (1) These regulations shall be called the Cost and Works Accountants (Amendment) Regulations, 2012.

(2) They shall come into force on the date of their publication in the Official Gazette.

2. In the Cost and Works Accountants Regulations, 1959 (hereinafter referred to as the said regulations) for the words "Central Council", wherever they occur, the word "Council" shall be substituted.

3. In the said regulations, in regulation 11,-

(a) in sub-regulation (1),-

(i) in clause (d), for the figure , letters and words "30th day of September " the figure,

letters and words "30th day of June" shall be substituted;

(ii) after clause (d), the following proviso shall be inserted, namely:-

"Provided that the Council shall give reasonable notice to the member and shall afford to the member an opportunity of being heard before cancelling his Certificate.";

(b) in sub-regulation (2), in clause (b), for the figure , letters and words "1st day of October" the figure, letters and words "1st day of July" shall be substituted.

4. In the said regulations, in regulation 20A, for item (a), the following item shall be substituted, namely:-

"(a) passed Class 10 or equivalent from a recognized board or institution".

5. In the said regulations, in regulation 20B, in clause (a), item (ii) shall be omitted.

6. In the said regulations, in regulation 25A,-

(a) for the word and letter "Form I" , the words "appropriate Form" shall be substituted;

(b) after the words "under his former registration" the words "subject to the provisions of regulation 41" shall be inserted.

7. In the said regulations, in regulation 28B, for sub-regulation (3), the following shall be substituted, namely: -

"(3) Non-payment of annual subscription by persons who are existing Grad. CWA before 30th September of every year will disentitle a person the use of the descriptive letters "Grad CWA":

Provided that there shall be no further admission as a Graduate of the Institute from the date of publication of these regulations."

8. In the said regulations, in regulation 30, under the heading " 2. Conditions for appearance in the Examination", clause (a) shall be omitted.

9. In the said regulations, in regulation 31, for the words "Intermediate and Final Examinations" the words "Foundation,

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Intermediate, Final Examinations, Certificate in Accounting Technicians Course, Management Accountancy or any other certificate/diploma course as may be proposed for implementation" shall be substituted.

10. In the said regulations, in regulation 32,-

(a) in sub-regulation (1), for the words "on or after the" the words "on or after any" shall be substituted;

(b) in sub-regulation (3), for the word "Institute" the word "Council" shall be substituted;

(c) in sub-regulation (4), for the words "any of the above" the words "any of the" shall be substituted;

(d) after sub-regulation (4), the following proviso shall be inserted, namely -

"Provided that this regulation is subject to the provisions of regulation 41".

11. In the said regulations, in regulation 33, in sub-regulation (2), clause (a) shall be omitted.

12. In the said regulations, in regulation 35, -

(a) in sub-regulation (3), for the word "Institute" the word "Council" shall be substituted;

(b) in sub-regulation (4), after the proviso, the following proviso shall be inserted, namely :-

"Provided further that this regulation is subject to the provisions of regulation 41".

13. In the said regulations, in regulation 41,-

(a) after sub-regulation (1), the following sub-regulation shall be substituted, namely:-

"(1A) A candidate, who appears for both the stages or groups of Intermediate or Final examination shall be declared to have passed in the Intermediate or Final examination, as the case may be, if he gets at one sitting the minimum per cent, of the total marks in each paper from which he has not obtained exemption as specified in column II of clause (1) and an aggregate of fifty per cent, of the total marks of all such papers including the papers in which he has obtained exemption, taking both the Stages or Groups (under old syllabus) together."

(b) in sub-regulation (2)-

(i) after the words "examination but" the words "who has appeared in all the papers of that stage or Group" shall be inserted;

(ii) for the proviso, the following provisions shall be substituted, namely:-

"Provided that he shall not be entitled to the benefit of exemption or carry forward mentioned in clause (i) and (ii) above if he has appeared for the papers in which he has the benefit of exemption or carry forward in a subsequent examination or voluntarily withdraws such benefit:

Provided further that the candidate shall not be entitled to the benefit of exemption or carry forward on and from the examination in which he appears for the same papers or as the case may be the examination in which he appears after withdrawal of exemption or carry forward:

Provided also that any benefit of exemption or carry forward shall be available to a student for three consecutive terms immediately succeeding the term in which such exemption or carry forward has accrued."

14. In the said regulations, in regulation 44, in sub-regulation (2), after the words "Stores, Materials, Labour, Overhead etc. the words "or any other area as the Council may decide" shall be inserted.

15. In the said regulations, for regulation 48 the following regulation shall be substituted, namely :

"48. Papers and Syllabus for Part I of Management Accountancy Examination:—
Candidates for Part I of the Management Accountancy Examination shall be examined in the groups and subjects as may be decided and approved by the Council."

16. In the said regulations, in regulation 96,-

(a) for the words "auditors elected" the words "auditors appointed" shall be substituted;

(b) for the words "eligible for election" the words "eligible for re-appointment" shall be substituted ;

17. In the said regulations, in regulation 97, for the word "re-election" the word "re-appointment" shall be substituted.

18. In the said regulations, in regulation 102, in sub-regulation (1), for the words "certificate of practice" the word "certificate" shall be substituted.

19. In the said regulations, in regulation 116, in sub-regulation (2),-

(a) after item (xiii), the following provisos shall be inserted, namely:-

"Provided that no research or allied activities shall be conducted by Regional Councils except with the prior sanction of the Council for carrying out such activities:

Provided further that the Council while sanctioning such activities shall fix the total amount which may be expended for a research or other allied project and shall fix a time frame."

(b) after item (xvii), the following proviso shall be inserted, namely:-

"Provided that no Regional Council shall organize any programme, directly or indirectly in a place outside the region concerned including any foreign programme."

20. In the said regulations, regulation 117 shall be omitted.

21. In the said regulations, for regulation 118, the following regulation shall be substituted, namely:

"118 Conduct of elections —

(1) Notwithstanding anything contained in this Chapter, the elections to the Regional Councils shall be held by the Council and the Cost and Works Accountants (Election to the Council) Rules, 2006 shall apply to the elections to the Regional Councils mutatis mutandis.

(2) Any provision in this Chapter inconsistent with the provisions of the Cost and Works Accountants (Election to the Council) Rules, 2006 shall, to the extent of such inconsistency, be void.

(3) Any reference in the Cost and Works Accountants (Election to the Council) Rules, 2006 to the President of the Council shall, for the purpose of elections to the Regional Councils, be construed as a reference to the Chairman of the Regional Council.

22. In the said regulations, for regulation 123, the following regulation shall be substituted, namely:-

"123 Powers and Duties of Chairman of a Regional Council – (a) The Chairman of a Regional Council shall exercise such powers and perform such duties as are conferred or imposed on him by the Act or these regulations, or as may be delegated to him by the Regional Council from time to time.

(b) The Chairman may direct any business to be brought before Regional Council or any committee for consideration.

(c) If the office of the Chairman is vacant or if the Chairman is unable to exercise the powers or perform the duties of his office, the Vice- Chairman shall act in his place and shall exercise the powers and perform the duties of the Chairman.

23. In the said regulations, in regulation 127, in sub- regulation (2), in the fourth proviso, the words 'or "Grad. CWA" ' shall be omitted;

24. In the said regulations, for regulation 132, the following regulation shall be substituted, namely:-

"132 Expenditure from fund —

(1) The funds of a Regional Council shall not be employed for any purpose without previous sanction in writing by the Regional Council and may only be utilized for such purposes as may be expressly sanctioned by the Regional Council.

(2) No part of the funds of a Regional Council shall be expended unless, bills, invoices and in the event bills/invoices are not available, vouchers signed by the competent person are produced before the competent authority of the Regional Council and such authority is satisfied that the expense is genuine and authorized:

Provided that no funds thereof shall be applied, either directly or indirectly, for payment to the members of the Regional Council or officers and staff of Regional

Councils except for reimbursing them for any expenses incurred by them in connection with the business of the Regional Council in the region concerned unless prior approval for making expenses including travelling or any other expenses outside the territorial boundaries of the region concerned is obtained from the Council in writing:

Provided further that no fund of Regional Councils shall be applied, directly or indirectly, for payment of any kind in relation to any foreign travel or programme held in a foreign country."

25. In the said regulations, in regulation 136, in sub-regulation (1), for the figure, letters and word "31st July", the figure, letters and word "30th June" shall be substituted.

26. In the said regulations, for regulation 137, the following shall be substituted, namely:-

"137. Extraordinary General Meetings. - (1) A Regional Council-

- (a) may, as often as it considers necessary; and
- (b) shall, on requisition made in writing by at least twenty per cent. of the total number of members of the regional Register,

convene an extra ordinary general meeting.

(2) Any requisition made in writing for convening an Extraordinary General Meeting shall specify the objects for which the meeting is called and shall be signed by the members making the same and shall be delivered at the office of the Regional Council.

(3) When a requisition is made under sub-regulation (1), the Regional Council shall convene an Extraordinary General Meeting within six weeks after the receipt of such requisition".

27. In the said regulations, after regulation 145, the following regulation shall be inserted, namely:-

"145A. Directions of Council - The

Council may from time to time issue such directions to the Regional Councils as in the opinion of the Council are conducive to the fulfillment of the objects of the Act and in the discharge of their functions, and the Regional Councils shall be bound to carry out any such directions".

28. In the said regulations, after regulation 146, the following regulation shall be inserted, namely:-

"146A. Directions of Council - The Council may from time to time issue such directions to the Chapters as in the opinion of the Council are conducive to the fulfillment of the objects of the Act and in the discharge of their functions, and the Managing Committee of the Chapters shall be bound to carry out any such directions".

M. GOPALAKRISHNAN, President
[ADVT III/4/71/12/Exty.]

Note:- The Principal regulations were published in the Gazette of India vide number G.S.R. 611 dated 25th May, 1959, and amended vide-

- (1) Notification Number CWR (2)/69 dated 8th May, 1969
- (2) Notification Number CWR (2)/70 dated 25th May, 1970
- (3) Notification Number CWR (2)/70 dated 22nd January, 1972
- (4) Notification Number CWR (1)/81 dated 6th January, 1981
- (5) Notification Number CWR (1)/88 dated 31st January, 1989
- (6) Notification Number CWR (1)/93 dated 25th September, 1993
- (7) Notification Number CWR (1)/2002 dated 26th June, 2002
- (8) Notification Number CWR (1)/2002 dated 27th March, 2003
- (9) Notification Number CWR (1)/2008 dated 17th November, 2008
- (10) Notification Number CWR (3) 2008 dated 6th April, 2009.
- (11) Notification Number CWR (1) 2010 dated 4th February, 2011