

ICAI to release White Paper on agriculture costing

The Institute of Cost Accountants of India (ICAI) will release the White Paper on Agricultural Costing and Pricing methods on Thursday.

The release, first on the subject by ICAI, will be made at the 3-day 'National Cost Convention' beginning here on March 15, said an official.

"The government has assigned us to come out with improved costing and pricing methods in four areas - agricultural pricing, services (including toll charges), healthcare and ports. We will come out with the first white paper on agriculture in the National Cost Convention," ICAI President M Gopalakrishnan told reporters here today.

He said all reports for the assigned sectors will be completed within three months.

The government has assigned the Institute with working out the cheapest prices for various services like healthcare, where there are set guidelines for pricing various facilities, he added.

The Institute is also working on common cost accounting practices and has come out with Cost Accounting Standards and Generally Accepted Cost Accounting Principles.

This, he said, "will remove the subjective element in computation of costs and make them comparable across entities".

The government also recently revised the Cost Accounting Records and Cost Audit mechanism from a format-based to a principal-based approach. This is aimed at facilitating tariff authorities such as telecom, sugar, pharmaceuticals, cement, pesticides, electricity and chemicals in fixing tariffs based on a reasonable return over costs.

The Convention, which is expected to be attended by over 1,000 delegates from March 15-17, will debate issues such as policy intervention for sustainable development with CMA (certified management accountants), among others.

The Institute of Cost Accountants of India has around 95 chapters across the country, catering to 50,000 members and 4.5 lakh students, he said.

(Economic Times)