

COST ACCOUNTING RECORDS (NYLON) RULES,1977

MINISTRY OF LAW, JUSTICE AND COMPANY AFFAIRS
(Department of Company Affairs)

NOTIFICATION

New Delhi, the 1st April, 1977

G.S.R. 157(E)-In exercise of the powers conferred by sub-section (1) of Section 642, read with clause (d) of sub-section (1) of Section 209, of the Companies Act, 1956 (I of 1956), the Central Government hereby makes the following rules namely

1. Short title and commencement.-(1) These rules, may be called the Cost Accounting Records (Nylon) Rules, 1977.

(2) They shall come into force on the 1st day of April, 1977.

2. Application.-They shall apply to every company, engaged in the production, processing or manufacturing any of the following Nylon products, namely:

- (1) Nylon chip
- (2) Nylon fibre
- (3) Nylon filament yarn
- (4) Nylon partially oriented yarn
- (5) Nylon tyre yarn or cord.
- (6) Nylon tyre cord fabric
- (7) 100% Nylon fabrics.¹

[*excepting those companies falling under the category of "small scale industrial units".]²

{ {Explanation:-For purpose of this rule, the expression 'small scale industrial unit' means a Company -

(a) aggregate value of machinery and plant installed wherein does not exceed the limit specified for a small scale industrial undertaking under the Industries (Development and Regulation)Act 1951 (65 of 1951),as on the last date of the preceding financial year; and } }³

(b) [the aggregate value of the realisation made by the Company from the sale or supply of all its products during the preceding financial year does not exceed ten crore rupees.]⁴

[*****]⁵

3. Maintenance of records.- (1) Every company to which these rules apply shall, in respect of each of its financial year commencing, on or after the commencement of these rules [till the 31st day of March,2001 or the relevant close of the financial year in 2001,]⁶ keep proper, books of account containing. *inter alia* the particulars specified in, Schedules I and II annexed to these rules relating to the utilisation of materials, labour and other items of cost in so far as these are applicable, to the Nylon products referred to in rule 2 ;

¹ Substituted by GSR 695(E) dated 31st August,2000

² Inserted by GSR 38 dated 5th January,1983.

³ Substituted by GSR 445(E) dated 3rd August,1998.

⁴ Inserted by GSR 320(E) dated 24th March,1993

⁵ omitted by GSR 695(E) dated 31st August,2000.

⁶ Inserted by GSR 695(E) dated 31st August,2000.

Provided that if the said company is manufacturing any other product(s) in addition to those referred to in rule 2, or is engaged in other activities, the particulars relating to the utilisation of materials, labour and other items of cost in so far as they are applicable to such other products or activities shall not be included in the cost of products referred to in rule 2.

(2) The books of account referred to in sub-rule (1) shall be kept in such a way as to make it possible to calculate the cost of production and cost of sale of each product referred to in rule 2 during a financial year (hereinafter referred to as the relevant period) from the particulars entered therein and every such books of account and the proforma specified in Schedule II shall be completed within ninety days from the end of the financial year of the company.

{{(2A) Every company to which these rules apply shall, in respect of each of its financial year commencing on or after the 1st day of April, 2001, keep proper books of account containing, inter alia, the particulars specified in Schedule III annexed to these rules and Proformae A,B,C, D and E mentioned in the said Schedule relating to the utilization of materials, labour and other items of cost in so far as they are related to the production, processing or manufacturing of Nylon products:

Provided that if the said company is manufacturing any other product(s) or is engaged in other activities in addition to manufacture of Nylon products, the particulars relating to utilization of materials, labour and other items of cost in so far as they are related to the manufacture of such other products or activities shall not be included in the cost of Nylon products referred to in rule 2.

Provided further that in case, the products mentioned in rule 2 are utilised as raw-material or input to produce the products covered under the Cost Accounting Records (Textiles), Rules 1977, proper cost accounting records shall be maintained as per that rule so as to arrive at the cost and margin of those products.

(2B) The books of accounts referred to in sub-rule (2A) shall be kept on a regular basis in such manner so as to make it possible to calculate the cost of production and cost of sales of each type of Nylon products manufactured or produced for every financial year from the particulars entered therein. Every such books of account and the Proformae specified in the said Schedule III shall be completed not later than ninety days from the close of the financial year of the company to which it relates.

(2C) The statistical and other records shall be maintained in accordance with the provisions of Schedule III, which shall be such as to enable the company to exercise, as far as possible, control over various operations and costs with a view to achieve optimum economies in cost. These records shall also provide the necessary data required by the Cost Auditor to suitably report on all the points referred to in the Cost Audit (Report) Rules, 1996, as amended from time to time.”}}⁷

(3) It shall be the duty of every person referred to in sub-section (6) and sub-section (7) of Section 209 of the Companies Act, 1956 (I of 1956) to take all reasonable steps to secure compliance by company with the provisions of sub-rules [(1) ,(2),(2A),(2B) and (2C)] ⁸in the same manner as they are liable to maintain financial accounts required under sub-section (1) of Section 209 of the said Act.

4. Penalty:-*If* a company contravenes the provisions of rule 3, the company and every officer thereof who is in default including the persons referred to in sub-rule (3) of rule 3, shall be-punishable with fine which may extend to five hundred rupees and where the contravention is a continuing one, with a further fine which may extend to fifty rupees for every day after the first day during which such contravention continues.

⁷ Inserted by GSR 695(E) dated 31st August,2000.

⁸ *ibid*

SCHEDULE - I⁹

(See Rule 3)

1. Materials

(a) **Raw Materials.**-(i) Proper records shall be maintained showing separately the quantity and cost of Caprolactum and other materials used in the manufacture of nylon/chips which are used in the manufacture of nylon yarn/nylon tyre yarn. Where Caprolactum is obtained from different sources, the records shall be maintained in such a manner that the cost of Caprolactum obtained from imported and indigenous sources are available separately. If Caprolactum is manufactured by the company, detailed records indicating the break up of raw materials consumed for the production and conversion cost shall be maintained to enable ascertainment of the cost of the Caprolactum including charges incurred, if any, upto Nylon Factory.

(ii) The records shall also indicate the proportion of indigenous and imported Caprolactum used for the manufacture of different qualities of nylon/nylon tyre yarn.

(iii) Proper records shall also be maintained showing the quantity and cost of Caprolactum recovered from waste obtained after the polymerisation and reused for production of polymerised Caprolactum chips or nylon chips.

(iv) Proper records shall be maintained to arrive at the cost of Caprolactum purchased by the company inclusive of all direct charges such as freight, insurance, octroi, etc., incurred upto works. The records shall show the receipts, issues and balances both in quantity and cost of Caprolactum separately for indigenous and imported purchases and for different qualities.

If polyester filament yarn is also produced by the company using the same plant and machinery, similar records as mentioned in para 1(i) to iv) above shall be maintained for Polyester chips. In case Polyester chips are manufactured, similar records for Di-methyl terephthalate, ethylene glycol, recovered methanol and catalyst shall also be maintained.

(b) **Process Materials.**-Proper records shall be maintained to show the receipts, issues and balances both in quantities and cost of each item of process chemicals such as Acetic Acid, Titanium di-oxide, etc.. The costs shall include all direct charges upto the works wherever specially incurred. The issues shall be properly identified with the departments, cost centres and products manufactured. Where these process chemicals are produced by the company, separate records showing the cost of manufacture of each such chemical indicating the break up of raw materials consumed for their production and conversion cost shall be maintained in such details as may enable the company to determine the cost of such process materials produced.

(c) **Recoveries of Process Chemicals.**-Proper records shall be maintained indicating the quantity of chemicals recovered in the different processes. In the case of certain chemicals thus recovered which cannot be reused in process due to lower chemical content and are sold, the realizations from the same shall be recorded and adjusted against the cost of consumption of respective chemicals, if practicable, or adjusted against the process concerned on a reasonable basis.

In case further processing is necessary to make these chemicals useable or saleable, proper records of cost incurred for such further processing shall be maintained. If such further processing is done by an outside agency, records to show the quantity sent for processing, quantity processed and the cost involved thereon shall be maintained in detail.

(d) **Consumable Stores, Small Tools, Machinery Spares, etc.**-(i) Proper records shall be maintained to show the receipts, issues and balances both in quantities and cost of each item of consumable stores, small tools and machinery spares referred to in rule 2. The costs shown shall include all direct charges upto works, wherever specifically incurred.

⁹ Applicable upto 31st March, 2001 or close of relevant financial year in 2001 vide GSR ibid.

(ii) In the case of consumable stores and small tools, the cost of which are insignificant, the company may, if it so desires, maintain such records for the main groups of such items.

(iii) The cost of consumable stores, small tools and machinery spares, issued shall be charged to the relevant heads of account such as production, repairs to plant and machinery, repairs to buildings. Materials consumed on capital works such as addition to buildings, plant and machinery and other assets shall be shown under the relevant capital heads.

(e) Wastages, Spoilages, Rejections, Losses, etc. of Materials.-Proper records shall be maintained showing the quantity and cost of wastages, spoilages, rejections and losses of raw materials, process materials, consumable stores, small tools and machinery spares, whether in transit, storage, manufacture or for other reasons.

The total waste in terms of Caprolactum in the polymerisation process as well as wastage incurred in the spinning process shall be recorded separately to enable control of such wastages. If facilities for recovery of Caprolactum from the wash water and spinning wastes exist, the records shall also show the extent of Caprolactum recovered and the net losses in terms of both quantity and value. The method followed for the adjustment of the above losses in the cost of production of Nylon Yarn/Nylon Tyre Yarn shall be indicated in the cost records.

Similar records regarding wastes and recovery shall also be maintained in respect of Polyester yarn, if manufactured.

II. Salaries and wages

(a) Proper records shall be maintained to show the attendance and earnings of all employees in the departments or units or cost centres and the work on which they are employed. The records shall also indicate separately for each department and cost centre:

- (i) piece-rate wages earned,
- (ii) incentive wages earned, either individually or collectively as production bonus or under any other scheme based on output
- (iii) overtime wages earned,
- (iv) earnings of casual labour engaged on casual work.

(b) Idle time shall be separately recorded under classified headings in 'Proforma F' of Schedule II indicating the reasons therefor. The method followed for accounting of idle time payments in determining the cost of the products shall be disclosed in the cost records.

(c) Any wages and salaries allocable to capital works such as additions to plant and machinery, buildings or other fixed assets shall be accounted for under the relevant capital heads.

III. Service Department Expenses :

Detailed records shall be maintained to indicate expenses incurred for each service department or cost centre. These expenses shall be apportioned to other service and production departments on an equitable basis and applied consistently.

IV. Utilities :

(i) **Nitrogen:-** Proper records showing the cost of nitrogen purchased by the company for use in the production of Nylon chips, Nylon yarn/Nylon tyre yarn and Polyester filament yarn shall be maintained. These records shall show the cost of Nitrogen delivered upto the works including all direct charges. If nitrogen is produced by the company,

proper records showing the quantity and cost of nitrogen produced shall be maintained in such details as to enable the company to furnish necessary particulars in Annexure I appended to this Schedule or in a form as near thereto as far as possible. The records shall also show the cost of nitrogen consumed by the Nylon yarn and Nylon tyre yarn units separately. The cost of Nitrogen shall be charged to the individual products on a reasonable basis and applied consistently.

(ii) **Steam.**-If steam is raised by the Nylon factory of the company proper records showing the quantity and cost of steam raised and consumed for the production of Nylon yarn and Nylon tyre yarn and Polyester Filament yarn shall be maintained in such details as may enable the company to furnish the necessary particulars in Annexure II to this Schedule. The cost of steam consumed by the Nylon factory and other units of the company, if any, shall be calculated on a reasonable basis and applied consistently. The cost of steam charged to Nylon chips used for the manufacture of Nylon yarn/ Nylon tyre yarn and other activities shall also be calculated on a reasonable basis and applied consistently.

Where steam is raised and supplied by any other unit of the company to the Nylon factory, the cost of steam so supplied shall be charged on a reasonable basis and applied consistently.

(iii) **Power.** Proper records shall be maintained for the quantity and cost of power purchased. If any expenses are included for the distribution of the power thus purchased proper records to show the expenses shall be maintained. In case power is generated and supplied by any other unit of the company proper records shall be maintained to show the quantity and cost of power supplied. Where the company also generates power, adequate records shall be maintained to show the cost of power generated in a similar Proforma as for steam. The rate charged by the supplying unit shall be on a reasonable basis. The records shall also show the consumption of power by various departments or cost centres. The cost of power allocated to cost centres and further to individual products shall be on a reasonable basis and applied consistently.

(iv) **Chilled Water.** - Proper records shall be maintained to show the cost of chilled water chargeable to the Nylon chips manufactured and used for the production of different qualities of Nylon yarn/Nylon tyre yarn. The cost of chilled water allocated to the cost centres and further to the individual products shall be on a reasonable basis and applied consistently.

(v) **Air-Conditioning.** :- Proper records shall be maintained to enable determination of cost of air-conditioning and its distribution to different departments and cost centres. These records shall be maintained in such details as may enable the company to furnish the necessary particulars in Annexure III to this Schedule.

V. WORKSHOP/REPAIRS AND MAINTENANCE

Proper records showing the expenditure incurred by the workshop under different basis and on repairs and maintenance by the various departments and cost centres shall be maintained. The records shall also indicate the basis charging the workshop expenses to different departments and cost centres.

Expenditure on major repairs works from which benefit is likely to accrue for more than one financial year shall be shown separately in the cost records indicating the method of its accounting in determining the cost of various products manufactured during the relevant period.

Expenditure incurred on works of capital nature shall be capitalised. The cost of such jobs shall include the expenditure on material, labour and a share of the overheads. The jobs carried out by the workshop of the Nylon factory for other units of the company and *vice versa* shall be charged/ credited on a reasonable basis and applied consistently.

VI. DEPRECIATION

(a) Proper records shall be maintained showing the cost and other particulars of fixed assets in respect of which depreciation is to be provided. These record shall *inter alia* indicate the cost of each item of asset including installation

charges, if any, the date of installation and the rate of depreciation. In respect of those assets, the original cost of acquisition of which cannot be ascertained without an unreasonable expenditure or delay, the valuations shown in the books on the first day of the financial year beginning on or after the commencement of these rules shall be taken as the opening balance.

(b) The basis on which depreciation is calculated and allocated to the various departments and cost centres and to the products shall be clearly indicated in the records. Depreciation chargeable to the different department and cost centres shall not be less than the amount of depreciation chargeable in accordance with the provisions of sub-section (2) of Section 205 of the Companies Act, 1956 (I of 1956) and shall relate to, plant and machinery and other fixed assets utilised in such departments and cost centres. In case the amount of depreciation charged in the cost records in any financial year is higher than the amount of depreciation chargeable under the aforesaid provisions of the Companies Act, the amount so charged in excess and the incidence of such excess depreciation and its impact on the unit cost of individual Nylon products shall be indicated clearly in the cost records. The cumulative depreciation charged in the cost records against any individual item of the asset shall not, however, exceed the original cost of the respective asset.

VII. OVERHEADS

Proper records shall be maintained showing the various items of expenses comprising overheads. These expenses shall be analysed, classified and grouped in the works, administration and selling and distribution overheads. The methods followed for allocation and absorption of the above categories of overheads to the Departments /Cost Centres/Products shall be indicated in the cost records.

Where the company is engaged in the manufacture of any other products in addition to Nylon products, the records shall clearly indicate the basis followed for apportionment of the common overheads including head office expenses of the company to different Nylon product activity, other activities and capital works. The basis followed for apportionment of the overheads shall be equitable. In case, any expense included in the above categories of overheads can be identified with a particular activity/product such expenses shall be segregated and charged to the relevant activity/product in the first instance and thereafter the remaining common expenses under the above categories of overheads shall be allocated on a reasonable basis and applied consistently.

The details of administration, selling and distribution expenses and share thereof applicable to Nylon activity and to individual Nylon products shall be maintained in such a manner as to enable the company to fill up the particulars in the cost of sales statements, in Proforma 'A' to 'D' of Schedule II.

VII (a) EXPENSES ON EXPORT

Records showing the expenses incurred on export of Nylon products if any, shall be separately maintained, so that the cost of export sales can be determined correctly. The expenses incurred on export, as well as any export incentives earned shall be reflected in the cost statements relating to export sales.

VIII PACKING :

Proper records shall be maintained showing the quantity and cost of various packing materials such as bobbins, cops, paper boxes, wooden and card board boxes etc used for packing Nylon yarn/Nylon tyre yarn, Polyester filament yarn. Records shall also be maintained showing the total quantity of first stage bobbins used and for returnable cops received and reused. If metallic cops are manufactured by the company, detailed records indicating the break of raw materials consumed for the production and conversion cost shall be maintained to enable determination of cost of such cops produced. Records shall also be maintained showing wages and other expenses incurred in respect of different types and sizes of packages adopted for marketing Nylon yarn and other products. Where such expenses are incurred in common the basis of apportionment expenses between different Nylon products shall be equitable and clearly indicated in the cost records and applied consistently.

Separate records of special expenses incurred on a particular export packing in respect of Nylon yarn/Nylon tyre yarn/cord/fabric, if any, shall be maintained indicating special expenses so that the cost of export sales can be determined correctly.

IX. RESEARCH AND DEVELOPMENT EXPENSE :

Proper records showing the details of expenses incurred by the company for the development of existing products or new products or processes, if any, shall be maintained separately. Such records shall indicate the expenses incurred on generic research and brand promotion separately. Expenses incurred on brand promotion shall be excluded from costs and charged to profit directly. If the research and development department is also engaged in the design and development of plant facilities, the appropriate share thereof shall be capitalised. The method of charging research and development expenses to the cost production shall be indicated in the relevant cost records and such expenses shall be charged to Nylon yarn of different end uses, Nylon tyre yarn and polyester filament yarn on a reasonable basis.

Wherever the utility of such research extends over more than one financial year such expenses shall be treated as deferred expenses and charged to cost of production on some reasonable basis which is to be followed consistently.

Expenses incurred by the Research & Development Department for furnishing technical know-how to outsiders shall be recorded separately and excluded from the cost of products referred to in rule (2) of Schedule I. The amounts recovered for providing technical know-how to outsiders shall also be indicated separately.

X. NYLON GOODS TRANSFERRED FOR SELF CONSUMPTION:

If Nylon yarn/Nylon tyre yarn is used for self consumption proper records shall be maintained showing the quantity and cost of each items of Nylon products transferred to another department/unit of the company for self consumption. The rates at which such transfers are effected shall be at cost.

Self consumption of finished Nylon products by the company for other uses shall also be shown separately in Proforma 'C' and 'D' indicating the quantity, rate and value thereof.

XI. Work-in-progress and finished goods

The method followed for determining the cost of work-in-progress and finished goods stocks shall be indicated in the cost records so as to reveal the cost elements that have been taken into account in such computation. The method adopted shall be followed consistently. Records showing the value of work in progress and quantities and cost of finished items shall be maintained in such details as to enable the company to fill up the particulars in Proforma 'G' of Schedule II.

XII. Cost statements

(i) Separate Cost statements showing the cost of production of Nylon chips shall be maintained in Proforma 'A' or in a form as near thereto as practicable.

- (i) Cost Statements showing the cost of product and cost of sales of Nylon yarn, Nylon tyre yarn fabric and Polyester filament yarn shall be maintained in Proformae 'B','C' and 'D' respectively. Such cost statements shall be maintained for the production obtained under extrusion and grid processes separately. The cost statements shall also be maintained separately in respect of each quality of Nylon like plain, semi dull, mono filaments, multi-filament and for yarn used for fishing nets ,parachutes as well as for each denier of Nylon yarn.
- (ii) Cost statements shall also be maintained for each quality of tyre yarn produced in Proformae 'B' and 'D'. If Nylon tyre cord and fabrics are also manufactured and sold by the company similar cost statements incorporating the additional expenses incurred for the manufacture and sale of tyre cord/fabrics shall be maintained in Proforma 'D'.
- (iii) Export of Nylon yarn/Nylon tyre yarn/cord/fabrics shall be exhibited separately in respective cost statements and the same shall be excluded from the cost statements meant for sale in the internal market.

(v) Similar cost statements shall be maintained for polyester filament yarn of different qualities and deniers produced by substituting appropriate raw materials in a suitable manner in the Proformae 'B' and 'C'.

XIII. RECONCILIATION OF COST AND FINANCIAL ACCOUNTS:

The cost records shall be reconciled preferably periodically with the financial books of account so as to ensure accuracy. Variations, if any, shall be clearly indicated and explained. The period for which such reconciliation is effected shall not exceed the period of the financial year of the company. The reconciliation shall be done in such a manner that the profitability of the product under reference can be correctly adjudged and reconciled with the over all profits of the company.

A statement showing the total production as well as total expenses incurred and the income received by the company and the share applicable to Nylon products shall be maintained in Proforma 'E' duly reconciled with the financial accounts.

XIV. ADJUSTMENT OF COST VARIANCES

Where the company maintains cost records on any basis other than actuals, such as standard costing, the records shall indicate the procedures followed by the company in working out the cost of the product under such a system. The method followed for adjusting the cost variances in determining the actual cost of the product shall be indicated clearly in the cost records. The cost variances shall be shown against the relevant heads in the respective Proformae of Schedule II. The reasons for the variances shall be detailed in the cost records.

XV. RECORDS OF PHYSICAL VERIFICATION

Records of physical verification shall be maintained in respect of all items held in stock such as raw materials, process materials, packing materials, consumable stores, machinery spares, chemicals, fuels, finished goods and fixed assets. Reasons for shortages/surpluses arising out of such verification and the method followed for adjusting the same in the cost of the products shall be indicated in the records.

XVI .INTER-COMPANY TRANSACTIONS :

In respect of supplies made or services rendered by the company to its holding or a subsidiary or a company in the same management as defined under Section 370(IB) of the Companies Act 1956 ,(I of 1956) or a company in which a Director of the company is also a Director in such companies and *vice versa*, records shall be maintained showing contracts entered into, agreements or understandings reached in respect of

- (a) purchase and sale of raw materials and process materials and by products;
- (b) utilisation of plant facilities;
- (c) supply of utilities;
- (d) administrative, technical, managerial and any other consultancy services; and
- (e) sale of finished products.

These records shall indicate the basis followed for arriving at the rates charged between them so as to enable determination of the reasonableness of the rates charged/paid for such services.

XVII. STATISTICAL RECORDS:

Data such as loss of Caprolactum, different types of wastes occurring in polymerisation, spinning and other stages shall be maintained to enable control of process losses. Data regarding plant utilisation for different types of yarn produced including yarn produced from regenerated cellulosic Nylon fibre or non- cellulosic fibre permitted under Textile Commissioner Order No. 2 (10)/ 64-Control dated the 14th August, 1964, if any, shall also be kept.

Statistical data regarding available machine hours, spindle hours and actual machine hours/spindle hours worked shall also be maintained. Reasons for plant stoppages shall also be recorded under classified headings as per Proforma 'G'.

Records as will enable the company to identify , as far as possible, the capital employed separately for Nylon yarn, Nylon Tyre yarn and other activities shall also be maintained. Fresh investments on fixed assets that have not contributed to the production during the relevant period shall also be indicated in the records. The records shall in addition show assets added as replacement, and that added for increasing existing capacity.

Statistical and other records maintained in accordance with the provisions of this Schedule and Schedule II shall be such as to enable the company to exercise, as far as possible, control over the various operations and costs with a view to achieve optimum economies in costs and to provide the necessary data required by the cost auditor to suitably report on all the points referred to in the Cost Audit (Report) Rules, 1968 as amended from time to time. Such records shall be reconciled with the returns submitted to the Textile Commissioner, under the Art Silk Textiles (Production & Distribution) Control Order ,1962 and Notifications issued thereunder as well as the returns submitted to Excise and other authorities.

- (b) Nylon Tyre Yarn:
 - (i) Polymerisation Plant
 - (ii) Spinning
- © Polyester Filament Yarn
 - (i) Polymerisation Plant
 - (ii) Spinning
- (d) Other units

Total

Note

(1) Bonus to employees other than incentive bonus, provision for statutory gratuity and interest charges shall be shown in 'Proforma 'C' and D only.

ANNEXURE II

Name of the Company-----

Name and address of the Nylon factory-----

Statement showing the cost of steam raised & consumed during the year ending-----

Installed steam generation capacity Kg./hr at Kg./Cm²g.-----

Quantity of Steam raised -----Tonnes Pressure-Kg./Cm²g

Particulars	Quantity (Units)	Rate (Rs.)	Amount (Rs.)	Cost per tonne of steam raised
(1)	(2)	(3)	(4)	5

1. Water (As per Annexure 1)
2. Fuels:-
 - (a) Coal
 - (b) Fuel Oil
 - (c) Electricity
 - (d) Other Fuel, if any (to be specified)
3. Other Direct Expenses (such as Boiler Inspection fees)
4. Consumable Stores
5. Salaries and Wages
6. Repairs and Maintenance
7. Other overheads
8. Depreciation

TOTAL

9. Add: Steam from Recovery Plant
10. Less: (a) Cost of live steam used by power houses for generating electricity
(b) Other units of the Company
11. Balance Quantity and cost of live steam

	Units	Amount(Rs)
Consumed in		
(a) Nylon Yarn		
(i) Polymerisation Plant		
(ii) Spinning		
(b) Nylon Tyre Yarn:		
(i) Polymerisation Plant		
(ii) Spinning		
© Polyester Filament Yarn		
(i) Polymerisation Plant		
(ii) Spinning		

- Notes :*
1. If steam is supplied to any other outside party, necessary credit for recoveries made shall be given against item 10.
 - 2 Where metres are not installed, consumption of steam shall be assessed on a reasonable basis and applied consistently. The basis of allocation to be indicated.
 - 3 Bonus to employees other than incentive bonus, provision for statutory gratuity and interest charges shall be shown in Proforma 'C' and 'D' only.

ANNEXURE III

Name of the Company-----

Name and address of the Nylon Factory-----

Statement showing the cost of Air-Conditioning during the year ending- ----

- (a) Installed capacity-----: million BTU(basis to be indicated)
- (b) Average hourly work load :B T U/HR.....
- (c) No. of hours worked during the year : hours.....

Particulars	Quantity Units	Rate (Rs.)	Amount (Rs-)
(1)	(2)	(3)	(4)

- 1. Chemicals
- 2. Salaries and Wages
- 3. Power and Other Services:
 - (a) Power
 - (b) Water
- 4. Consumable Stores
- 5. Repairs and Maintenance .
- 6. Works Overheads
- 7. Depreciation

-----Total cost

Apportionment	Cost	Percentage
(1.) Nylon Yarn		
(i)Polyrnerisation Plant		
(ii)Spinning		
(iii) Coning		
(2.)Nylon Tyre Yarn:		
(i)Polyrnerisation Plant		
(ii)Spinning		
(iii) Coning		
(3) Polyester Filament Yarn		
(i)Polyrnerisation Plant		
(ii)Spinning		
(iii) Coning		
(4.) Other units		

Notes

- 1. The apportionment of Air-Conditioning cost to the different departments and cost centres shall be done on scientific and reasonable basis and applied consistently
- 2. Bonus to employees other than incentive bonus, provision for statutory gratuity and interest charges shall be shown in Proformae 'C' and 'D' only.

SCHEDULE II ¹⁰
(See rule 3)

PROFORMA 'A'

Name of the Company-----

Name and address of the Nylon-----

Statement showing the cost of production of Nylon chips produced for the manufacture of Nylon Yarn/Nylon Tyre Yarn for the year ending -----

1.	Installed capacity	Tonnes
2.	Budgeted capacity	Tonnes
3.	Achieved capacity (Production)	Tonnes
4.	Caprolactum consumed	Tonnes
5.	Production of Nylon chips	Tonnes
6.	Waste % on input	

Particulars	Quantity (units)	Rate per unit (Rs)	Total cost (Rs.)	COST PER Kg. Current year	COST PER Kg. Previous year
1	2	3	4	5	6
1. Raw Materials :- Caprolactum (a) Imported (b) Indigenous (c) Recovered Less: Losses (Quantity only)					
Net Quantity and cost of Caprolactum					
2. Process Chemicals (a)Acetic Acid (b)Titanium Dioxide © Other Chemicals (to be specified)					
3. Salaries & Wages					
4. Utilities (a) Nitrogen (b) Steam (c) Power (d) Chilled Water					

¹⁰ Applicable upto 31st March,2001 or the relevant close of financial year in 2001(inserted vide GSR695(E) dated 31.8.2000.

5.	Stores and Spares				
6.	Other Works verheads				
7.	Repairs & Maintenance				
8.	Research and development expenses				
9.	Depreciation				
10.	Share of admin. Overhead				
	TOTAL				
11.	Less : Credit for recoveries ,if any.				
12.	Adjustment for opening and closing balance of Work-in-Progress				
13.	Stock Adjustments Add: opening Stock Less : Closing Stock				
14.	Total cost of Nylon chips transferred for spinning Nylon Yarn/Nylon Tyre Yarn.				

Notes:

1. The quantity of Caprolactum recovered /realised should be recorded on a reasonable basis in addition to quantity of irrecoverable waste.
2. Separate cost statements shall be maintained in respect of Nylon chips manufactured for the production of Nylon textile yarn and Nylon tyre yarn.
- 3.The basis on which the cost of Caprolactum recovered has been arrived at shall be indicated in the records.
4. Records shall be maintained to show the nylon chips sold, if any, indicating share of selling expenses and sales realisation.
- 5..The apportionment of head office overheads and other common overheads to the product under reference shall be equitable.
- 6.Bonus to employees other than incentive bonus, provision for statutory gratuity and interest charges shall be shown in Proforma 'C' and 'D' only.

PROFORMA 'B'

Name Of The Company-----

Name And Address Of The Nylon R Factory-----

Statement showing the cost of Production of Nylon yarn/Nylon tyre yarn/
Polyester filament yarn during the year ending -----

Product		Process extrusion/Grid/other Processes, if any			
Category		Production			
Denier		Current Year		Previous Tear	
Nylon chips/Polyester chips consumed		Tonnes	No. of hours of operation	Tonnes	No. of hours of operation
Production					
Nylon yarn/Nylon tyre yarn/Polyester filament yarn					
Waste % on input..					

Particulars	Qty Units	Rate (Rs)	Total Cost (Rs)	Cost Per Kg	
				Current Year(Rs)	Previous Year (Rs)
1	2	3	4	5	6

1. Materials:
 - (a) **Nylon chips** transferred from Proforma 'A' .
 - (b) Nylon chips purchased, if any
 - * © Polyester chips
2. Process Materials/Chemicals (to be specified)
3. Utilities:
 - (a) Nitrogen
 - (b) Air conditioning
 - (c) Power
 - (d) Others
4. Salaries and wages
5. Bobbins
6. Paper cones
7. Cops
8. Other Works overheads
9. Repairs & Maintenance
10. Research & Development Expenses
- 11 .Depreciation
12. Share of Administrative over-heads

TOTAL

- Less : Credit for
- (a) Spinning Waste
 - (b) Other wastes
13. Adjustment for opening and closing Stock of work-in-progress
14. Stock Adjustments Add Opening Stock
Less Closing Stock
15. Cost of Nylon yarn/Nylon tyre yarn/Polyester Filament yarn transferred to Proforma 'C' and 'D'
-

Notes

- (1) *In case Polyester chips are produced appropriate cost statement similar to Proforma 'A' shall be maintained.
- (2) Separate cost statements shall be maintained for each category like Textile ,Nylon Yarn used for fishing nets, parachutes and for each denier of Nylon Yarn/Nylon tyre yarn/Ployester filament yarn. Separate cost statements, shall also be maintained for production under alternate processes.
- (3) The basis on which denier wise cost is ascertained shall be equitable and consistent. The basis adopted shall be revealed in the records.
- (4) The cost of bobbins charged shall be based on their life and be realistic basis. Proper accounts shall be maintained for returnable cops re-used and charges therefor shall be on realistic basis. If Nylon cops are manufactured by the company, proper records showing the cost of cops manufactured shall also be maintained.
- (5) Credit for spinning,waste/other wastes shall be reasonable.
- (6) Extra cost incurred, if any, for special treatments like crimping shall be shown separately in relevant cost statements.
- (7) Bonus to employees other than incentive bonus, provision for statutory gratuity shall be shown in Proforma 'C' and 'D' only and not in any other Proforma .

PROFORMA 'C'

Name of the Company-_____

Name and address of the Nylon Factory _____

Statement showing the cost of sales of Nylon yarn/Polyester filament yarn(category of Nylon /Polyester filament yarn to be specified)packed and sold during the year ending -----

	Current Year	Previous Year
(a). Denier		
(b) Type of winding: Hanks/Cones/Cops		
1. Quantity Packed		
2. Quantity sold		

Particulars	Qty. (Units)	Rate per unit (Rs.)	Total Cost (Rs.)	Cost per Kg.	
				Current year (Rs.)	Previous Year Rs.)
1. Cost of Nylon /Polyester filament yarn transferred from Proforma B					
2. Winding charges					
(i) Cops					
(ii) Cones					
(iii) Wages					
(iv) Depreciation					
(v) Other overheads					
Total					
Less :Credit for winding waste					
Stock adjustments:					
Add: Opening stock					
Less: Closing stock					
Quantity transferred for packing					
Quantity Actually packed					
3.. Packing Cost(For quantities packed only)					
(a)Packing Materials:					
(i) Polythelene sheet					
(ii)Wooden Boxes					
(iii)Card Board Boxes					
(iv) Other packing materials					
(b)Salaries and wages					

(c) Repairs and maintenance					
(d) Other Overheads					
(e) Depreciation					
Total					
4. Stock Adjustments: (Packed goods only) Add: Opening stock Less : Closing stock					
Cost of packed quantity transferred to (a) Sales (b) Self consumption, if any.					
5. Selling and Distribution Expenses: (For quantities sold only) (i) Salaries and wages (ii) Commission to selling agents (iii) Freight and transport charges less recovered from customers. (iv) Loading and unloading charges (v) Godown rent (vi) Retail sale office expenses (vii) Other expenses (viii) Share of Admn. Overheads					
6. Total cost including selling and distribution expenses.					
7. Interest charges					
8. Annual Bonus to employees					
9. Provision for statutory gratuity					
10. Other expenses and included in cost (to be specified)					
Total					
11. Less : Other incomes not considered in cost (to be specified)					
12. Total expenses excluding excise duty for quantity sold within the country.					
13. Sales realisation excluding excise duty for quantity sold within the country in the form of hanks/cones/cops:					

(a)At prices under voluntary agreemtn					
(b) At prices under free sales					
14. Margin:					
(1)Under Voluntary agreement					
(2) Under free sale price.					

Notes .

I. Separate cost statements shall be maintained in respect of each category of Nylon Yarn/Polyester Filament Yarn manufactured and sold and each type of winding like hanks, cones or cops.

2.Only appropriate packing expenses are to be charged in case of self consumption .

3.Separate cost statements shall be maintained for the respective production obtained under Extrusion of Grid or other alternative processes..

4. The apportionment of common selling and distribution expenses to the product under reference in the case of multi-product units shall be equitable and consistent.

5. Interest charges, actually incurred shall only be shown against item 7

6. Bonus to employees other than incentive bonus, provision for statutory gratuity and interest charges shall be shown separately in this Proforma only and not in any other Proforma.

7. Separate cost statements under this Proforma (suitably modified) shall be maintained in respect of Nylon Yarn/Polyester Filament Yarn exported wherein expenses incurred on exports and incentives earned thereon shall be shown.

8. Expenses incurred on brand promotion shall be excluded from costs and charged to Profit and loss account direct.

PROFORMA 'D'

Name of the Company-----

Name and address of the Nylon Factory-----

Statement showing the cost of Sales of Nylon Tyre Yarn/Cord/Fabric (quality to be specified) packed and sold during the year-----

	Current year (Qty Kg)	Previous year (Qty Kg)
(1) Total Tyre Yarn Input		
(2) Tyre cord produced		
(3)Waste % of input		
(4)Tyre cord input		
(5) Fabric output		
(6) Waste % of Input		
(7) Quantity packed		
(8) Quantity sold..		

Particulars	Qty. (Units)	Rate per unit (Rs.)	Total Cost (Rs.)	Cost per Kg.	
				Current year (Rs.)	Previous Year Rs.)
1. Cost of Nylon Tyre Yarn transferred from Proforma 'B' or Tyre Yarn/Cord*					
2. Expenses on Secondary coning					
(a) Salaries and wages					
(b) Power					
(c) Repairs & Maintenance					

(d) Depreciation (e) Other overhead					
3. Expenses cord making (a) Salaries and wages (b) Power (c) Repairs & Maintenance (d) Depreciation (e) Other overheads					
Expenses on Fabric making: a) Cotton weft b) Salaries & Wages c) Power d) Repairs & Maintenance e) Depreciation f) Other overheads					
(a) Adjustment for opening and closing work in progress (b) Stock adjustment: (c) Add: Opening stock Less: Closing stock					
6. Packing expenses (for the quantity packed only) (a) Cops (b) Cones (c) Bobbins (d) Polis (e) Wooden boxes (f) Other materials, if any (g) Salaries and Wages (h) Repairs and Maintenance (i) Depreciation. (j) Other overheads					
Total					
7. Stock Adjustments Add: Opening Stock Less: Closing Stock					
Total					
8. selling and distribution expenses (for quantities sold only) (a) salaries & wages (b) commission to selling agents (c) freight & transport charges less recovered from customers					

(d)loading and unloading charges (e)other expenses (f)share of administration overhead					
9.Total cost including selling and distribution expenses					
10.Interest charges					
11. Annual Bonus to employees					
12.Provision for statutory gratuity					
13.Other expenses not included in cost (to be specified)					
Total					
14. Less Other incomes not considered in cost (items to be specified).					
15.Total expenses excluding excise duty for quantity sold within the country					
16. Sales realisation for Nylon Tyre Yarn/cord/fabric excluding excise duty for quantity sold within the country					
17. Margin					

* For companies manufacturing Nylon cord fabric only.

Notes:

1. Delete items not applicable for any one product.
2. Separate statements shall be maintained for each quantity of Nylon Tyre Yarn/Cord/Fabrics transferred and sold.
3. The apportionment of common selling and distribution expenses to the product under reference in the case of multi-product unit shall be equitable and consistent.
4. Interest charges, actually incurred shall only be shown against item 10.
5. Bonus to employees other than incentive bonus, provision for statutory gratuity and interest charges shall be shown separately in this Proforma only and not in any other Proforma.
6. Separate cost statements under this Proforma (suitably modified) shall be maintained in respect of Nylon Tyre Yarn/ Cord/Fabric exported wherein expenses incurred on exports and incentives earned thereon shall be shown.
- 7.If tyre yarn is got converted into fabric by outside parties, necessary records relating to conversion cost paid shall be maintained and the same indicated under item 4 of this Proforma.
- 8.Adjustment for work in progress and finished stocks shall be made at different stages.

PROFORMA 'E'

Name of the Company-----

Name and address of the Nylon Factory-----

Statement showing total production of Nylon Products and allocation of total expenses and income of the company between Nylon Yarn/Nylon Tyre Yarn/Polyester Filament Yarn and other activities for the year ending -----

	Nylon Yarn				Nylon Tyre Yarns				Polyester Filament Yarn			
	Current Year		Previous Year		Current Year		Previous Year		Current Year		Previous Year	
	Qty	No. of Hours operated	Qty	No. of Hours operated	Qty	No. of hours Operated	Qty	No. of hours operated	Qty	No. of hours Operated	Qty	No. of hours operated
1.Licensed Capacity												
2.Installed capacity (basis to be indicated)												
3.Budgeted capacity (basis to be indicated)												
4,Actual utilisation /production during the year (basis to be indicated)												
5.Percentage of (4) to (2)												
6.Percentage of (4) to(3)												

B. Allocation of Total expenses and income for the year ending-----

Particulars	Total Actual expenses				
		Nylon Yarn (Rs)	Nylon Tyre Yarn (Rs)	Polyester Filament Yarn (Rs)	Other activities (Rs)
1	2	3	4	5	6
1. Raw Materials consumed					
2. Process Materials consumed					
3.Packing Materials					

4. Salaries and wages					
5. Utilities					
6. Stores and spares					
7. Repairs & Maintenance					
8. Other Works Overheads					
9. Research & Development expenses					
10. Depreciation					
11. Administration Overheads					
Total					
12. Adjustment for difference between opening and closing balances of work-in-progress					
Total					
13. Less :Credits for recoveries: (i) Spinning Wastes (ii) Others					
14. Packing cost					
15. Stock Adjustments for difference between opening and closing stock.					
16. Selling & Distribution expenses					
17. Annual bonus to employees other than incentive bonus					
18. Provision for statutory gratuity					
19. Interest charges					
20. Other expenses not included in cost (Items to be specified)					
21. Less :Other incomes not considered in cost (items to specified)					
22. Total excluding excise duty					
23. Deduct export benefits, if any					
24. Net Sales realization (excluding excise duty)					
25. Margin					

Note:

All items of income and expenditure in this Proforma shall be reconciled with the financial accounts for the relevant period.

		(Rs.)		(Rs.)		(Rs.)		(Rs.)		(Rs.)
1	2	3	4	5	6	7	8	9	10	11
1.Caprolactum (a) indigenous (b) imported										
2. Nylon Chips										
3. Nylon yarn of different qualities/deniers: (i) (ii)										
4.Nylon tyre yarn of different qualities/deniers (i) (ii) (iii)										
5.Polyester filament yarn of different deniers (i) (ii) (iii)										
6. Polyester chips										
7. Catalyst										
8.Others to be specified										

Notes:1. The items of finished stock shall be shown in as much details as practicable .

2.Values shall exclude excise duty wherever applicable.

"SCHEDULE III **¹¹
[See rule 3(2A)]

1. MATERIALS:

(1) The proper records shall be maintained showing separately the quantity and cost of Caprolactum and other materials used in the manufacture of Nylon products to which these rules apply. These records shall contain such details so as to enable the company to determine the quantity and cost of receipt (including all direct charges upto the works in respect of major raw material), issues and balances in quantity as well as value of each item of all such raw materials. The basis on which said quantities and costs of issue and consumption have been calculated, shall be indicated in the cost records and followed consistently. In the case of imported raw materials, proper records shall be maintained showing FOB value, overseas freight, insurance, customs duty and inland freight charges. If both indigenous and imported materials are consumed, the records showing details of percentage mix of the same, have to be maintained for each item. In the case of imported raw material, proper records shall be maintained showing license-wise allowed quantities, actual quantities imported, actual quantities consumed, quantities in stock and quantities yet to be imported out of total licensed quantities.

(2) The proper records shall be maintained showing the quantity and cost of caprolactum recovered from waste obtained after the polymerisation and re-used for the production of polymerised caprolactum chips or Nylon chips..

(3) The proper records shall be maintained separately showing the receipts, issues and balances both in quantities and cost of each item of process material or chemicals such as acetic acid, titanium dioxide, catalysts used in the manufacture of the intermediate/ Nylon products. The cost shall include all direct charges upto works. The issues or consumption shall be properly identified with the departments, cost centres and products manufactured. Where these process materials are produced by the company, separate records showing the quantity and cost of production, issues and balances in quantity as well as value of each item of such process material shall be maintained. The records shall also indicate the break up of raw materials consumed for production of process materials. The basis on which the quantities and cost of issues and consumption of process materials produced by the company are calculated, shall be indicated in the cost records and followed consistently.

(4) The proper records shall be maintained indicating the quantity as well as value of the by products recovered in different processes and having significant value of the cost of input of materials. In the case of certain by-products recovered, which cannot be reused in the process and are sold or disposed of without further processing, the realization from such sales shall be recorded and adjusted against the process concerned on a reasonable basis. In case further processing is necessary to make the by-products usable or saleable, as the case may be, adequate records of the cost involved for such further processing shall be maintained. If such processing is done by any outside agency, proper records to show the quantity sent for processing, quantity received after reprocessing and cost incurred thereon shall be maintained in detail. The net realization, if any, shall be adjusted against the major process relating to such by-product. The basis adopted for determining cost of the by-products shall be on equitable and consistent. The records indicating the actual sales realization of by-products shall also be maintained.

(5) The proper records shall be maintained to show the receipts, issues and balances, both in quantities and cost of each item of consumable stores, other chemicals not covered by sub-rule (2 A), tools and machinery spares. The cost shall include all direct charges upto works.

¹¹ **inserted vide GSR 695(E) dated 31.8.2000 – Applicable for each of the financial year commencing on or after 1st April, 2001.

(6) In the case of consumable stores and small tools the cost of which are insignificant, the company may, if it so desires, maintain such records for the group of such consumable stores and tools.

(7) The cost of consumption of consumable stores, small tools and machinery spares shall be charged to the relevant cost centre or department on the basis of actual issues.

(8) The proper records shall be maintained showing the quantity and value of wastage, spoilage, rejections and losses of raw materials, process materials, consumable stores whether in transit, storage, manufacture or at any other stage. The method followed for adjusting the above losses as well as the income derived from the disposal of rejected and waste materials including spoilage, if any, in determining the cost of product, shall be indicated in the cost records. Any abnormal wastage or spoilage or rejection shall be indicated distinctly and separately along with reasons thereof. The records shall also be maintained to indicate the value of raw materials and components, finished and semi-finished which have not moved for more than twelve months.

(9) Where any credit under Modified Value Added Tax (MODVAT) or any other benefits of the nature of MODVAT credit under the Central Excise Act, 1944 (1 of 1944), are available on any item of material, the cost of such material should be shown after adjusting such credit or benefits.

(10) If any of the materials purchased is processed by an outside party proper records shall be maintained for the quantities sent for processing, quantity received after processing, by products received, if any, and the cost involved in processing.

2. SALARIES AND WAGES:

(1) The proper records shall be maintained to show the attendance and earnings of all employees of the cost centres or departments and the work on which they are employed. The records shall also indicate the following separately for each cost centre or department:

- (a) piece rate wages (wherever applicable);
- (b) incentive wages, either individually or collectively as production bonus or under any other scheme based on output;
- (c) overtime wages;
- (d) earnings of casual labour;
- (e) bonus or gratuity;
- (f) contribution to superannuation scheme ; and
- (g) any other earning.

(2) The records shall be maintained in such a manner as to enable the company to furnish necessary particulars under this head in Proformae A, B, C, D and E of Schedule III annexed to these rules. The records may be maintained to book these expenses cost-centrewise and departmentwise under raw-material preparation , polymerisation, spinning, twisting, etc. with reference to activities like production of Nylon chips and Nylon fibres etc.. Where the employees work in such a manner that it is not possible to identify them with any cost centre and department, the labour charges shall be apportioned to the cost centres and departments on equitable and reasonable basis and applied consistently.

(3) The idle labour cost shall be separately recorded under classified headings indicating the reasons therefor. The method followed for accounting of idle time payments in determining the cost of the product shall be disclosed in the cost records.

(4) Any wages and salaries allocable to capital works, such as, additions to plant and machinery, buildings or other fixed assets shall be accounted for under the relevant capital heads.

3. SERVICE DEPARTMENT EXPENSES:

The detailed records shall be maintained to indicate expenses incurred in respect of each service department or cost centre like laboratory, welfare, transport etc. These expenses shall be apportioned to other services and production departments on equitable and reasonable basis and applied consistently. Where these services are utilized for other products of the company also, the basis of apportionment of such expenses to any type of Nylon products and to the other products shall be on equitable and reasonable basis and applied consistently.

4. UTILITIES:

(1) Water:- The proper records showing the quantity and cost of treated or cooling water produced and consumed, if any, for the manufacture of any type of Nylon products in different cost centres or departments shall be maintained. The cost of treated water apportioned to the cost centres or departments concerned shall be on equitable and reasonable basis and applied consistently.

(2) Steam:- Where steam is raised by the company, proper records showing the quantity and cost of steam raised and consumed for the manufacture of the Nylon products shall be maintained. The cost of steam consumed shall be apportioned to the Nylon plant and other units of the company on an equitable and reasonable basis and applied consistently. Where steam is raised and supplied by any other unit of the company to the Nylon plant, the cost of steam so supplied shall be charged to the Nylon plant on actual cost basis.

(3) Power: - The proper records shall be maintained for the units and cost of power consumed for the production of Nylon products in different cost centres or departments. Where power is generated by the company itself, adequate records, showing all elements of cost shall be maintained to show the cost of power generated and consumed for the production of the Nylon products in different cost centres or departments. The records shall also indicate installed capacity, number of units generated losses and consumption in each cost-centres or departments separately. Where power is generated and supplied by any other unit of the company to the Nylon plant, adequate records shall be maintained to indicate the quantity and cost of power so supplied. The cost of power allocated to the production or manufacture of Nylon products shall be on equitable and reasonable basis and applied consistently. The records should state clearly the measures taken on conservation of energy and its corresponding impact on unit cost of production.

(4) Nitrogen:- The proper records shall be maintained as per the Cost Accounting Records (Industrial Gases) Rules, 1996 as amended from time to time, showing the cost of Nitrogen produced or manufactured by the company for use in the production of Nylon products on actual cost only. If the nitrogen is purchased by the company, proper records showing the quantity purchased and consumed cost centre-wise or department-wise shall be maintained. These records shall show the cost of Nitrogen delivered upto works including all direct charges.

(5) Air-conditioning: - The proper records shall be prepared to enable determination of the cost of air-conditioning and its distribution cost centre-wise or department-wise. The cost of air conditioning shall be charged to Nylon products on actual cost only.

(6) Compressed Air:- The proper records shall be prepared to enable determination of the cost of compressed air and its distribution cost centre-wise or department-wise. The cost of compressed air shall be charged to Nylon products on actual cost only.

(7) Other Utilities: - The proper records showing quantity and cost shall be maintained in respect of any other utilities produced or purchased by the company for the production or manufacture of Nylon products.

(8) The cost statement for each utility shall be maintained in Proforma A.

5. WORKSHOP OR REPAIRS AND MAINTENANCE OR TOOL ROOMS:

(1) The proper records showing the expenditure incurred by the workshop and tool room under different heads and on repairs and maintenance in the various cost centres or departments shall be maintained. The records shall also indicate the basis of charging the workshop or tool room expenses to different cost centres or departments. Where maintenance work is done by direct workers of any production cost centre or department, the wages and salaries of such workers shall be treated as direct expenses of the respective cost centre or department. If the services are utilized for other products also, the manner of charging a share to such products shall be on equitable and reasonable and clearly indicated in records and applied consistently. In addition to the above, records should indicate the amount and also the proportion of closing inventory of stores and spare parts representing items which have not moved for over 24 months.

(2) The expenditure on major repair work from which benefit is likely to accrue for more than one financial year shall be allocated over the period expected to benefit on a reasonable and equitable basis and applied consistently. Such costs shall be shown separately and method of accounting and basis of allocation of such costs shall also be clearly indicated in cost records.

6. DEPRECIATION:

The basis on which depreciation is calculated and allocated or apportioned to the various cost centres or departments and absorbed on all products shall be clearly indicated in the cost records. If depreciation charged or chargeable to the cost centres or departments is in excess or lower than the depreciation calculated by applying the rates of depreciation prescribed under the provisions of sub-section (2) of Section 205 of the Companies Act, 1956 (1 of 1956), such amount of excess or lower depreciation shall be indicated clearly in the cost records. The cost records shall also show the effect of such excess or lower depreciation as the case may be, on the per unit cost of Nylon product. The cumulative depreciation charged in the cost records, against any individual item of asset shall not, however, exceed the original cost of the respective asset.

OTHER OVERHEADS:

(1) The proper records shall be maintained for the product under reference showing the various items of expenses comprising the other overheads. These expenses shall be analyzed, classified and grouped according to functions, namely, works, administration, selling and distribution.

(2) Where the company is manufacturing products other than the Nylon products, the records shall clearly indicate the basis followed for apportionment of the common overheads including head office expenses of the company to such products and Nylon products, including capital works. Where certain expenses forming part of overheads can be identified with a particular activity or a product, such expenses shall be first segregated and charged to the relevant activity or product and thereafter the residue expenses under the above categories of overheads shall be apportioned on a reasonable and equitable basis and applied consistently. Overheads chargeable to capital works shall be indicated separately in the cost records. The basis of apportionment or absorption of overheads to the cost centres or departments and products shall be indicated in the cost records. The records shall be maintained in such a manner as to indicate the details of works, administration, selling and distribution overheads.

8. ROYALTY OR TECHNICAL KNOW-HOW FEE:

The adequate records shall be maintained showing the royalty and/or technical know-how fee including other recurring or non-recurring payments of similar nature, if any, made for the product under reference to collaborators or technology suppliers in terms of agreements entered into with them. Such records shall be

kept separately in respect of each such collaborator or supplier. The basis of charging such amount, including lump sum payment, to the products shall be indicated in the cost records.

9. RESEARCH AND DEVELOPMENT EXPENSES:

(1) The proper records showing the details of expenses, if any, incurred by the company for the research and development work on the product covered under these rules according to the nature of development of products, existing and new product and processes, development of process of manufacture, existing and new, design and development of new plant facilities and market research for the existing and new products, shall be maintained separately.

(2) The method of charging these expenses to the cost of Nylon products and all other products shall be indicated in the cost records. Where the utility of such research and development work extends over more than one financial year, such expenses shall be treated as deferred expenses and charged to the cost of production of the Nylon products and all other products, if any, on equitable and reasonable basis and applied consistently.

(3) The expenses incurred by the Research and Development Department for providing technical know-how to outsiders shall be recorded separately and excluded from the cost of Nylon products. The amount recovered for providing technical know-how to outsiders shall also be indicated separately and excluded from the income arising from the sale of Nylon products.

10. QUALITY CONTROL:

The adequate records shall be maintained to indicate the expenses incurred in respect of quality control department or cost centre for product under reference. Where these services are also utilized for other products of the company, the basis of apportionment to Nylon products and to other products shall be equitable and reasonable and clearly indicated in the records and applied consistently.

11. INTEREST:

The proper records shall be maintained for interest charges paid. The amount of interest shall be allocated or apportioned to the product covered by these rules and other activities on a reasonable and equitable basis, which shall be followed consistently. The basis of further charging of the share of the interest to the various types of such products shall also be reasonable and equitable and the same shall be followed consistently. The basis of such allocation or apportionment shall be spelt out clearly in the cost records/statements.

12. EXPENSES OR INCENTIVES ON EXPORTS:

The proper records showing the expenses incurred on the export sales, if any, of the Nylon products shall be separately maintained so that the cost of export sales can be determined correctly. The separate cost statement shall be prepared for Nylon products exported giving details of export expenses incurred or incentive earned. In case, duty free imports are made, the cost statements should reflect this fact. If the duty free imports have been made after actual production, the statement should reflect this fact also.

13. PACKING EXPENSES:

(1) The proper records shall be maintained showing the quantity and cost of various packing materials and other expenses incurred on packing for marketing of the Nylon products. Where such expenses are incurred in common for other products also, the basis of apportioning the expenses between the relevant products shall be equitable and reasonable basis and applied consistently.

2) The detailed records of the expenses incurred on export packing, if any, shall also be kept separately and exhibited in the relevant cost statements for exports.

14. WORK IN PROGRESS AND FINISHED STOCK:

The method followed for determining the cost of work in progress and finished stock of the Nylon products shall be indicated in the cost records so as to reveal the cost element that have been taken into account in such computation. The appropriate share of conversion cost upto the stage of completion shall be taken into account while computing the cost of work in progress. The method adopted for determining the cost of work in progress and finished goods shall be followed consistently.

15. COST STATEMENTS:

(1) The cost statement showing details of installed capacity, production, wastage, issues and sales and all elements of cost of the current financial year and previous year shall be prepared for each process adopted in manufacture or production of Nylon products in Proformae A, B, C, D and E..

(2) The product emerging from a process, which forms raw material for a subsequent process, shall be valued at the cost of production up to the previous stage.

(3) If the company is operating more than one plant or factory, separate cost statements as specified above shall be prepared in respect of each plant or factory.

(4) The cost statements shall be prepared countwise or denierwise or sortwise for items whose production is substantial and which constitutes eighty-five percent or more of the total value of production and for the remaining items whose production is relatively negligible and where all such items put together constitute nearly fifteen percent of the total value of production, combined cost statements should be prepared for groups of counts or deniers or sorts.

16. PRODUCTION RECORDS:

The quantitative records of all finished goods whether packed or unpacked showing production, issues for sales and balances of different types of the product under reference shall be maintained.

17. RECONCILIATION OF COST AND FINANCIAL ACCOUNTS:

(1) The cost statements shall be reconciled with the financial statements for the financial year specifically indicating the expenses or incomes not considered in the cost records or statements so as to ensure accuracy and to adjudge the profit of the product under reference with the overall profit of the company. Variations, if any, shall be clearly indicated and explained.

(2) A statement showing the total expenses incurred and income received by the company under different heads of accounts and the share applicable to the products shall be prepared and reconciled with the financial statement.

18. ADJUSTMENT OF COST VARIANCES:

Where the company maintains cost records on any basis other than actual such as standard costing, the records shall indicate the procedure followed by the company in working out the cost of the product under such system. The method followed for adjusting the cost variances in determining the actual cost of the product shall be indicated clearly in the cost records. The cost variances shall be shown against the separate heads and

analyzed into material, labour, overheads and further segregated into quantity, price and efficiency variances. The reasons for the variances shall be duly explained in the cost records or statements.

19. STATISTICAL RECORDS:

(1) The records regarding available machine hours or direct labour hours in different production departments and actually utilized shall be maintained for production of Nylon products and shortfall suitably analyzed. The suitable records for computation of idle time of machines shall also be maintained and analyzed.

(2) The adequate records shall be maintained to enable the company to identify the capital employed, net fixed assets and working capital separately for the production or manufacture of Nylon products and other products and other activities. The fresh investments on fixed assets that have not contributed to the production of Nylon products during the relevant period shall be indicated in the cost records. The records shall, in addition, show assets added as replacement and those added for increasing existing capacity.

3) Whenever WTO provisions are attracted, proper records shall be maintained to identify the competitiveness of the product in the domestic as well as global market and the expenses, if any, incurred to combat the competition arising out of WTO provisions. The adequate statistical records shall also be maintained to identify the market share of the product manufactured and the likely impact thereon on account of competitive goods imported in to the country. These records shall indicate, inter alia, the total volume of imports, names of importers countries of origin and contain such empirical evidence as to show whether such imports can be construed as dumping and affecting the market share of the product. The proper records shall also be maintained, containing such details as may be necessary to show that the export price of the product is not such as to be construed as dumping in the importing country, by applying the provisions of WTO regarding anti dumping measures under Article VI of GATT 94.

20. CAPTIVE CONSUMPTION:

If Nylon product is used for captive consumption, proper records shall be maintained showing the quantity and cost of each item of Nylon product transferred to other departments or units of the company for self-consumption. The rates at which the transfers are effected shall be at cost only.

21. POLLUTION CONTROL:

The expenditure incurred by the company on various measures to protect the environment like effluent treatment, control of pollution of air, water, etc., should be properly recorded.

22. HUMAN RESOURCES DEVELOPMENT:

The expenditure incurred by the company on the human resources development activity shall be recorded suitably.

[23 INTER-COMPANY TRANSFER:

(1) In respect of related party transactions or supplies made or services rendered by a company to its holding company or subsidiary or a company termed "related party relationship" as defined below and vice-a-versa, records shall be maintained showing contracts entered into, agreements or understanding reached in respect of:

(a) Purchase and sale of raw materials, finished products, process materials, chemicals and rejected goods including scraps, etc;

(b) Utilization of plant facilities and technical know-how;

- (c) Supply of utilities and any other services;
- (d) Administrative, technical, managerial or any other consultancy services; (e) purchase and sale of capital goods including plant and machinery;
- (f) Any other payment related to production, processing or manufacturing of product under reference. These records shall also indicate the basis followed for arriving at the rates charged or paid for such products or services so as to enable determination of the reasonableness of such rates in so far as they are in any way related to product under reference.

(2) The transactions by the following "related party relationships" shall be covered under sub-rule (1):

- (a) Enterprises that directly, or indirectly through one or more intermediaries, control, or are controlled by, of are under common control with, the reporting enterprise (this includes holding companies, subsidiaries and fellow subsidiaries);
- (b) Associates and joint ventures of the reporting enterprise and the investing party or venture in respect of Which the reporting enterprise is an associate or a joint venture;
- (c) Individuals owning, directly or indirectly, an interest in the voting power of the reporting enterprise that gives Them control or significant influence over the enterprise, and relatives of any such individual;
- (d) Key management personnel and relatives of such personnel; and
- (e) Enterprises over which any person described in (c) or (d) is able to exercise significant influence. This includes enterprises owned by directors or major shareholders of the reporting enterprise and enterprises that have a member of key management in common with the reporting enterprise.

However, the following shall not be deemed as "related party relationships":

- (a) Two companies simply because they have a Director in common, notwithstanding paragraph (d) or (e) above (Unless the Director is able to affect the policies of both companies in their mutual dealings);
- (b) A single customer, supplier, franchiser, distributor, or general agent with whom an enterprise transacts a Significant volume of business merely by virtue of the resulting economic dependence; and
- (c) The parties listed below, in the course of their normal dealings with an enterprise by virtue only of those dealings (although they may circumscribe the freedom of action of the enterprise or participate in its decision Making process);
 - (i) Providers of finance;
 - (ii) Trade unions;
 - (iii) Public utilities;
 - (iv) Government departments and government agencies including government sponsored bodies.

Explanation: -For the purpose of these Rules,

(a) "Related party relationship" mean parties who are considered to be related if at any time during the reporting period one party has the ability to control the other party or exercise significant influence over the other party in making financial and/or operating decisions;

(b) "Related party transaction" means a transfer of resources or obligations between related parties, whether or not a price is charged;

(c) "Control" means

- (i) Ownership, directly or indirectly, of more than one-half of the voting power of an enterprise; or
- (ii) Control of the composition of the Board of Directors in the case of a company or of the Composition of the corresponding governing body in case of any other enterprise; or
- (iii) a substantial interest in voting power and the power to direct, by statute or agreement, the financial and/or operating policies of the enterprise.

(d) "Significant influence" means participation in the financial or operating policy decisions of an enterprise, but not

control of those policies;

(e) "Associate," means an enterprise in which an investing reporting party has significant influence and which is neither a subsidiary nor a joint venture of that party;

(t) "Joint venture" means a contractual arrangement whereby two or more parties undertake an economic activity, which is subject to joint control;

(g) "Joint Control" means the contractually agreed sharing of power to govern the financial and operating policies of an economic activity so as to obtain benefits from it;

(h) "Key management personnel" mean those persons who have the authority and responsibility for planning, directing and controlling the activities of the reporting enterprise;

(i) "Relative"-in relation to an individual, means the spouse, son, daughter, brother, sister, father and mother who may be connected by blood relationship;

(j) "Holding company" means a holding company within the meaning of Section 4 of the Companies Act, 1956 (1 of 1956);

(k) "Subsidiary" means a subsidiary company within the meaning of Section 4 of the Companies Act, 1956 (1 of 1956);

(l) "Fellow subsidiary" means a company is said to be a fellow subsidiary of another company if both are subsidiaries of the same holding company;

(m) "State-controlled enterprise" means an enterprise which is under the control of the central Government or a State Government."]*

*Inserted vide GSR NO . 726(E) dated 28th September,2001

PROFORMA 'A'

Name of the company

Name and address of the factory

Statement showing the cost of Utility like Nitrogen, Power, Steam, Water, , etc. produced and consumed during the year/period _____

A. Quantitative Information:

Serial number	Particulars	Current Year (unit)	Previous Year (unit)
1.	Installed capacity		
2.	Quantity produced		
3.	Capacity utilisation		
4.	Quantity recirculated		
5.	Quantity purchased		
6.	Consumption including other losses		
7.	Net units consumed		

B. Cost Information :

Serial number	Particulars	Quantity	Rate (Rupees) per unit	Amount (Rupees) (in lacs)	Cost Unit	
					Current Year	Previous Year
A 1.	Materials(specify) (a) (b) (c)					
2.	Utilities (specify) (a) (b) (c)					
3.	Consumable stores					
4.	Salaries and wages					
5.	Repairs and maintenance					
6.	Other overheads					
7.	Depreciation					
8.	Total					
9.	Less: Credit (if any)					
10.	Net Total					
B.	Apportioned to 1. 2. 3.					

	4.					
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Note 1.- Separate cost sheet is to be prepared for each utility as well as effluent treatment.

Note 2.- If any of the utilities, which are manufactured by the company, is sold, proper credit should be given in the cost of production of the respective utility.

Proforma `B`

Name of the company

Name and address of the factory

Statement showing the summary cost of sales, sales realization and margin in respect of each type of Nylon Chips, produced or manufactured and sold during the year/period _____

A. Quantitative Information:

Serial number	Particulars	In MTs	
		Current Year	Previous Year
1.	Installed capacity		
2.	Quantity produced		
3.	Capacity utilization		
4.	Quantity sold (a) Domestic (b) Export		
5.	Quantity captively consumed		
6.	Waste percentage		
7.	Closing stock (finished goods)		
8.	Opening stock (finished goods)		

B. Cost Information:

Serial number	Particulars	Quantity	Rate	Amount	Per MT	
			(Rupees)	(Rupees in lacs)	Current Year (Rupees)	Previous Year (Rupees)
1.	Material cost (itemwise covering 80% of value) (a) caprolactum: (i) imported (ii) indigenous (iii) recovered (b) Process material/chemicals (specify) (c) Others (specify) (d) Total (a to c) (e) Less by products & recoveries. (f) Net cost of Materials (a – e)					
2.	Direct wages and salaries					

3.	Utilities (a)Power (b)Steam (c)Water (d) nitrogen (e) Air- Conditioning (f)Compressed Air (g)Others (specify major items) (h)Total(a to g)					
4..	Consumable stores and spares					
5..	Depreciation					
6.	Repairs and Maintenance					
7..	Royalty					
8.	Research and Development					
9.	Quality control					
10.	Factory overhead					
11.	Administrative Overhead (a)Salaries and wages (b)Others (Please specify) (c) Total(a+b)					
12.	Total(1 to 12)					
13.	Stock adjustment (Work-in- progress)					
14.	Less: Credits (from wastages and by- products)					
15.	Cost of production					
16.	Stock adjustment (finished products)					
17.	Net cost of Production of unpacked finished goods.					
18.	Less : Captive consumption					
19.	Packing Cost (a) Materials (b) Others					
20.	Less: Captive consumption in packed condition					
21.	Net cost of materials available for sales.					
22.	Selling and distribution					

	Expenses (a)Salaries and wages (b)Freight and transport charges (c)Commission to selling agents (d)Advertise-ment expenses (e)Others (f)Total(a to e)					
23..	Cost of sales					
24.	Interest					
25.	Annual bonus to employees Minimum Statutory Bonus Other than Statutory Bonus					
26.	Statutory Gratuity including provisions					
27.	Contribution to superannuation scheme					
28.	Total cost excluding excise duty					
29.	Total sales realization Less : (i)excise duty (ii)export incentives					
30.	Margin(29 – 28)					

Note 1.- Separate Proforma shall be prepared for each type or description of product.

Note 2.- Separate Proforma shall be prepared for the quantity sold within the country and the quantity exported.
Expenses incurred on export and the incentive earned thereon shall be indicated in the Proforma applicable for the quantity produced and exported.

Proforma `C`

Name of the company

Name and address of the factory

Statement showing the summary cost of sales, sales realization and margin in respect of each type of Nylon fibre, Nylon filament yarn, Nylon partially oriented yarn, etc produced or manufactured during the year/period ended-----

Denier /Type/Quality of the product -----

A. Quantitative Information:

Serial number	Particulars	In MTs	
		Current Year	Previous Year
1.	Installed capacity		
2.	Quantity produced		
3.	Capacity utilization		
4.	Quantity sold (a) Domestic (b) Export		
5.	Waste		
6.	Closing stock (finished goods)		
7.	Opening stock (finished goods)		

B. Cost Information:

Serial number	Particulars	Quantity	Rate	Amount	Per MT	
			(Rupees)	(Rupees in lacs)	Current Year (Rupees)	Previous Year (Rupees)
1.	Material cost (itemwise covering 80% of value) (a) Nylon chips (i) Own manufactured (ii) Purchased (b) Process material/chemicals (specify) (c) Others (specify) (d) Total (a to c) (e) Less : credits (f) Total Net Material cost (a – e)					
2.	Direct wages					

	and salaries					
3.	Utilities (a)Power (b)Steam (c)Water (d) nitrogen (e) Air- Conditioning (f)Others (specify major items) (h)Total (a to f)					
4.	Bobbins					
5.	Paper cones					
6.	Cops					
7..	Consumable stores and spares					
8.	Depreciation					
9.	Repairs and Maintenance					
10.	Royalty					
11.	Research and Development					
12.	Quality control					
13.	Factory overhead					
14.	Administrative Overhead (a)Salaries and wages (b)Others (Please specify) (c) Total(a+b)					
15.	Total(1 to 12)					
16.	Stock adjustment (Work-in- progress)					
17.	Less: Credits (from wastages and by- products)					
18.	Cost of production					
19.	Stock adjustment (finished products)					
20.	Net cost of Production of unpacked finished goods.					
21.	Less : Captive consumption					
22.	Packing Cost (c) Materials (d) Others					
23.	Less: Captive consumption in packed condition					

24.	Net cost of materials available for sales.					
25.	Selling and distribution Expenses (a)Salaries and wages (b)Freight and transport charges (c)Commission to selling agents (d)Advertisement expenses (e)Others (f)Total(a to e)					
26.	Cost of sales					
27.	Interest					
28.	Annual bonus to employees Minimum Statutory Bonus Other than Statutory Bonus					
29.	Statutory Gratuity including provisions					
30.	Contribution to superannuation scheme					
31.	Total cost excluding excise duty					
32.	Total sales realization Less : (i)excise duty (ii)export incentives					
33.	Margin(32 – 31)					

Note 1.- Separate Proforma shall be prepared for each type or description of product.

Note 2.- Separate Proforma shall be prepared for the quantity sold within the country and the quantity exported.
Expenses incurred on export and the incentive earned thereon shall be indicated in the Proforma applicable for the quantity produced and exported.

Proforma 'D'

Name of the company-----

Name and address of the factory-----

Statement showing the summary cost of sales, sales realization and margin in respect of each type of yarn sold during the year/period ended-----

A. Quantitative Information:

Serial number	Particulars	Current Year (in M.T.)	Previous Year (in M.T.)
1.	Denier and description of yarn		
2.	Quantity packed for sale		
3.	Quantity sold (a)Domestic (b)Export		
4.	Closing stock(finished goods)		
5.	Opening stock(finished goods)		

B. Cost Information:

Serial number	Particulars	Amount	Cost per Kg	
		(Rupees in lacs)	Current Year (Rupees)	Previous Year (Rupees)
1.	Material cost (a)raw material cost (b)process material cost (c)purchased yarn cost (d)total(a to c)			
2.	Conversion cost (a)texturising (b)twisting (c)crimping (d)winding (e)dyeing (f)others(Pl .specify)			
3.	WIP Stock Adjustment			
4.	Less:Credit for hard waste			
5.	Cost of Production (1-4)			
6.	Packing cost: a)Material cost b)Conversion cost			
7.	Finished goods – stock adjustment			
8.	Net cost of production(5+6+7)			
9.	Selling and distribution Expenses (a)salaries			

	and wages (b)freight and transport charges (c)commission to selling agents (d)advertisement expenses (e)others (f)total(a to e)			
10.	Interest			
11.	Bonus to employees: (a)minimum statutory bonus (b)other than statutory bonus			
12.	Statutory gratuity including provisions			
13.	Contribution to superannuation scheme			
14.	Cost of sales excluding excise duty(8 to 13)			
15.	Total sales realisation Less: i)excise duty ii)export incentives			
16	Margin(15-14)			

Proforma `E'

Name of the company-----

Name and address of the factory-----

Statement showing the total production and allocation of total actual expenses and income of the company between Nylon products and other activities for the year ending _____

A. Production Data:

Serial number	Particulars	Current Year	Previous Year	Current Year	Previous Year
1.	Installed capacity				
2.	Budgeted capacity				
3.	Actual utilisation/production during the year				
4.	Percentage of (3) to(1)				
5.	Percentage of (3) to(2)				

B. Allocation of total expenses and income for the year ending

Serial number	Particulars	Total actual expenses	Share applicable to other activities	Share applicable to Nylon activity No.1	I Share applicable to Nylon activity No.2
1.	Raw-material consumed				
2.	Process materials/chemicals consumed				
3.	Packing materials				
4.	Salaries and wages				
5.	Utilities				
6.	Consumable stores and spares				
7.	Depreciation				
8.	Repairs and Maintenance				
9.	Royalty				
10.	Research and development				
11.	Quality control				
12.	Other factory overheads				
13.	Administrative Overhead (a)salaries and wages (b)others (specify)				

	(c)total(a+b)				
14.	Total(1 to 13)				
15.	Stock adjustment (Work-in-progress)				
16.	Less: Credits (from wastages and by-products)				
17.	Cost of production				
18.	Stock adjustment (finished products)				
19.	Net cost of production of unpacked finished goods				
20.	Less: captive consumption				
21.	Packing cost (e) Materials (f) Others				
22.	Less: captive consumption in packed condition				
23.	Net cost of materials available for sales				
24.	Selling and distribution expenses (a)salaries and wages (b)freight and transport charges (c)commission to selling agents (d)advertisement expenses (e)others (f)total(a to e)				
25.	Cost of sales				
26.	Interest				
27.	Annual bonus to employees (a)minimum statutory bonus (b)other than statutory bonus				
28.	Statutory gratuity including provisions				
29.	Contribution to superannuation scheme				
30.	Total cost excluding excise duty				
31.	Total sales realization				

	Less: (i)excise duty (ii) export incentives				
32.	Margin(31 – 30)				

Note.- All items of income and expenditure in this Proforma shall be reconciled with the financial accounts for the relevant period.”

(A.Ramaswamy)

Joint Secretary

F.No.52/6/CAB-99

Foot note.- The principal notification was published vide G.S.R. number 157(E)dated the 1st April, 1977 and subsequently amended vide –

1. GSR 38, dated the 5th January 1983
2. GSR 560, dated the 22nd July, 1989
3. GSR 320(E), dated the 24th March, 1993
4. GSR 445(E), dated the 3rd August, 1998
5. GSR 695(E) dated 31st August, 2000
6. GSR 726 (E) dated 28th September,2001