

AS PASSED BY THE RAJYA SABHA  
ON THE 12TH DECEMBER, 2011

**Bill No. XXVI-C of 2010**

THE COST AND WORKS ACCOUNTANTS  
(AMENDMENT) BILL, 2011

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*further to amend the Cost and Works Accountants Act, 1959.*

BE it enacted by Parliament in the Sixty-second Year of the Republic of India as follows:—

1. (1) This Act may be called the Cost and Works Accountants (Amendment) Act, 2011. Short title and commencement.

5 (2) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

Amendment of section 2.	<p><b>2.</b> In section 2 of the Cost and Works Accountants Act, 1959 (hereinafter referred to as the principal Act),—</p> <p>(i) in sub-section (1),—</p> <p style="padding-left: 40px;">(I) after clause (e), the following clause shall be inserted, namely:—</p> <p style="padding-left: 80px;">'(ea) "firm" shall have the meaning assigned to it in section 4 of the Indian Partnership Act, 1932, and includes,—</p> <p style="padding-left: 120px;">(i) the limited liability partnership as defined in clause (n) of sub-section (1) of section 2 of the Limited Liability Partnership Act, 2008; or</p> <p style="padding-left: 120px;">(ii) the sole proprietorship,</p> <p style="padding-left: 40px;">registered with the Institute;'</p> <p style="padding-left: 40px;">(II) in clause (f), for the words "Institute of Cost and Works Accountants of India", the words "Institute of Cost Accountants of India" shall be substituted;</p> <p style="padding-left: 40px;">(III) after clause (fa), the following clauses, shall be inserted, namely:—</p> <p style="padding-left: 80px;">'(fb) "partner" shall have the meaning assigned to it in section 4 of the Indian Partnership Act, 1932 or in clause (q) of sub-section (1) of section 2 of the Limited Liability Partnership Act, 2008, as the case may be;</p> <p style="padding-left: 40px;">(fc) "partnership" means—</p> <p style="padding-left: 80px;">(A) a partnership as defined in section 4 of the Indian Partnership Act, 1932; or</p> <p style="padding-left: 80px;">(B) a limited liability partnership which has no company as its Partner;'</p> <p style="padding-left: 40px;">(IV) after clause (ia), the following clause shall be inserted, namely:—</p> <p style="padding-left: 80px;">'(iaa) "sole proprietorship" means an individual who engages himself in the practice of cost accountancy or offers to perform services referred to in clauses (ii) to (iv) of sub-section (2);'</p> <p>(ii) in sub-section (2),—</p> <p style="padding-left: 40px;">(a) after the words "in partnership with one or more members of the Institute in practice", the words "or in partnership with members of such other recognised professions as may be prescribed" shall be inserted;</p> <p style="padding-left: 40px;">(b) in clause (i), for the words "cost and works accountancy", the words "cost accountancy" shall be substituted;</p> <p style="padding-left: 40px;">(c) in clause (ii), for the words "certification of cost accounting and related statements or holds himself out to the public as a cost accountant in practice", the words "certification or auditing of cost accounting and related statements or holds himself out to the public as a cost accountant in practice" shall be substituted.</p>	<p>23 of 1959.</p> <p>5</p> <p>9 of 1932.</p> <p>6 of 2009.</p> <p>10</p> <p>15</p> <p>9 of 1932.</p> <p>6 of 2009.</p> <p>20</p> <p>9 of 1932.</p> <p>25</p> <p>30</p> <p>35</p>
Amendment of section 3.	<p><b>3.</b> In section 3 of the principal Act, in sub-section (1), for the words "Institute of Cost and Works Accountants of India", the words "Institute of Cost Accountants of India" shall be substituted.</p>	<p>40</p>
Amendment of section 5.	<p><b>4.</b> In section 5 of the principal Act,—</p> <p>(a) in sub-section (2),—</p> <p style="padding-left: 40px;">(i) for the letters "AICWA", the letters "ACMA" shall be substituted;</p>	

(ii) for the words "Institute of Cost and Works Accountants", the words "Institute of Cost Accountants of India" shall be substituted;

(b) in sub-section (5),—

(i) for the letters "FICWA", the letters "FCMA" shall be substituted;

5 (ii) for the words "Institute of Cost and Works Accountants", the words "Institute of Cost Accountants of India" shall be substituted.

5. In section 22A of the principal Act, for the words "Institute of Cost and Works Accountants of India", the words "Institute of Cost Accountants of India" shall be substituted. Amendment of section 22A.

10 6. In section 25 of the principal Act, in sub-section (1), in clause (iii), for the words "cost and works accountants", the words "cost accountants" shall be substituted. Amendment of section 25.

7. In section 26 of the principal Act, in sub-section (1), the following *Explanation* shall be inserted, namely:— Amendment of section 26.

15 ‘*Explanation.*—For the removal of doubts, it is hereby declared that the "company" shall include any limited liability partnership which has company as its partner for the purposes of this section.’

8. In the First Schedule to the principal Act, in Part I, in item (7), for the words "Institute of Cost Accountants of India", the words "Institute of Cost Accountants of India" shall be substituted. Amendment of First Schedule.

RAJYA SABHA

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*(As passed by the Rajya Sabha)*