Module 2 · Companies (Cost Records and Audit) Rules, 2014 P17 · topic 2.1

SM pp. 15–92. **110 marks in 7 papers — second only to the CAS.** Two slots every paper: **Q2(b) theory** (applicability, forms, items in Form CRA-1) and **Q5(a) a sum** (profit reconciliation or value addition, Part D of the Annexure to CRA-3), plus 1–3 MCQs. The SM's own Illustrations 1–9 and Cases 1–5 (SM 73–88) are where the Q5(a) sums come from: Jun'26 Q5(a) is Illustration 2 with the **same figures**.

Paper	What was asked from the CRA Rules	Marks
Jun'23	Q2(b) **value addition and earnings for distribution** (Part D para 3)	10
Dec'23	MCQ: electricity companies regulated (= SM MCQ 4) · Q2(b) **normal capacity vis-a-vis installed capacity in CRA-1** · Q5(a) **reconciliation** (Illustration 5 items)	2 + 7 + 7
Jun'24	MCQ: exports above 75% (Rule 4(3)) · Q2(b) **"normal price" for related party transactions** · Q5(a) **reconciliation** (Illustration 7 items)	2 + 7 + 7
Dec'24	MCQ: defence machinery → non-regulated · Q2(b) **applicability of cost audit** · Q5(a) **value addition**	2 + 7 + 7
Jun'25	MCQs: secondary packing · sugar regulated · wages particulars in the report · Q2(b) **CRA forms** · Q5(a) **reconciliation** (Illustration 4 items)	6 + 7 + 7
Dec'25	MCQ: CRA-2 signed by persons authorised by the Board · Q2(b) **particulars of repairs and maintenance** in cost records · Q5(a) **reconciliation** (Illustration 5 items again)	2 + 7 + 7
Jun'26	MCQ: regulated threshold ₹50 crore (= SM MCQ 1) · Q2(b) **finance costs** in cost records + assignment · Q5(a) **value addition** (= Illustration 2, same data; postal Q2(a))	2 + 7 + 7

HOW IT IS EXAMINED · DEC'26 PREDICTION

- **Q5(a), 7 marks, about 97% likely**: **reconciliation** is the better bet (all three Jun'26 practice papers have one; Jun'26 was value addition). Practise SM Illustrations 4–9 and 1–3.
- **Q2(b), 7 marks, about 97% likely**: (1) **areas of the cost accounting policy** (MQP; not yet asked); (2) an **applicability case** from product turnovers (PTP, postal; SM Cases 1–5); (3) particulars of **another CRA-1 item** (R&M and finance costs done; utilities, employee cost, packing, capacity next); (4) the **forms** and their time limits.
- MCQs: thresholds 35 / 50 + 25 / 100 + 35; exports 75%; regulated or not; which form; 30 / 180 days.

MAP OF THIS PACK

1. Rules 1–4: application, sectors, thresholds, exemptions ★★★
2. Applicability cases (SM Cases 1–5) ★★
3. Rules 5–6: records, appointment, timelines ★★★
4. Forms CRA-1 to CRA-4; the Annexure (Parts A–D) ★★
5. CRA-1: the 31 heads and the asked ones ★★★
6. Part D: reconciliation (3 sums) ★★★
7. Part D: value addition (2 sums) ★★★
8. SM exercise · numbers

R.1–4 Who must keep cost records, who needs cost audit

RULE 3
Domestic or **foreign** company
→
product or service **listed in Table A or B**
→
overall turnover ≥ ₹35 crore (preceding FY) → **cost records** (CRA-1)
→
RULE 4
A: overall ≥ **₹50 cr** and Rule 3 products ≥ **₹25 cr**
B: overall ≥ **₹100 cr** and ≥ **₹35 cr**
→
cost audit unless an exemption applies

[SM 16–17, SM 22, SM 25]

RULE 3 · APPLICATION OF COST RECORDS

- SM WORDS The class of companies, including **foreign companies** (s.2(42)), engaged in the production of the goods or providing services specified in the Table, having an **overall turnover from all its products and services of rupees thirty five crore or more during the immediately preceding financial year**, shall include cost records for such products or services in their books of account. [SM 22]

RULE 4 · APPLICABILITY FOR COST AUDIT

- SM WORDS **4(1)** Table A companies: overall annual turnover from all products and services in the immediately preceding FY is **rupees fifty crore or more** and the aggregate turnover of the individual product(s) or service(s) for which cost records are required is **rupees twenty five crore or more**. [SM 25]
- **4(2)** Table B companies: overall **rupees one hundred crore or more** and aggregate of Rule 3 products **rupees thirty five crore or more**. [SM 25]

- **(A) Regulated sectors (6):** telecommunication (TRAI); electricity — **generation, transmission, distribution and supply** (Dec'23 MCQ: all of these); petroleum products (PNGRB); **drugs and pharmaceuticals**; **fertilisers**; **sugar and industrial alcohol** (Jun'25 MCQ: regulated). [SM 22]
- **(B) Non-regulated sectors (33)**, e.g. machinery for **defence, space and atomic energy** (Dec'24 MCQ: non-regulated); turbo jets; arms; radar; tanks funded 90% or more by Government; **port services**; **aeronautical services**; iron and steel; roads; rubber; coffee and tea; railways; cement; ores; mineral fuels; base metals; chemicals; jute; edible oil; **construction**; **health services** (No. 22: hospitals, diagnostic centres); **education services** (No. 23, not philanthropy); milk powder; insecticides; plastics; tyres; paper; textiles; glass; other machinery; electricals; **medical devices** (No. 33: stents, catheters, implants, pacemakers…). [SM 22–24]
- **Out of the rules:** a **micro or small enterprise** under the MSMED Act 2006 (incl. by turnover); No. 33 does not apply to foreign companies with only **liaison offices**. [SM 25]

- SM WORDS **4(3) Cost audit does not apply** to a company covered in Rule 3: (i) whose revenue from **exports, in foreign exchange, exceeds seventy five per cent** of its total revenue (Jun'24 MCQ); (ii) operating from a **special economic zone**; (iii) generating electricity for captive consumption through a **Captive Generating Plant** (Electricity Rules 2005). Rule 3 (records) still applies. [SM 17, SM 25]
- **Turnover** = gross turnover from sale or supply of all products and services, **excluding duties and taxes**: SM Illustration 9(a) counts sales, depot trading sales, export income, job processing, scrap sale and loan-licence income, and leaves out export duty. [SM 84–85]
- Rule 1: in force from publication, **30.06.2014**; amended 31 Dec 2014, 12 June 2015, 14 July 2016; latest **15th October, 2019**. [SM 15, SM 21]

MODEL ANSWER 1 · APPLICABILITY FROM PRODUCT TURNOVERS (DEC'24 Q2(b), PTP Q2(b), POSTAL Q2(b)/Q4/Q5) · THE SM'S FIVE CASES

Case (₹ crore)	Table A	Table B	Others	Overall	Cost records (Rule 3)	Cost audit (Rule 4)
1 XYZ & Co.	6	9	18	33	No (below 35)	does not arise
2 ABC Ltd	7	8	24	39	Yes, A and B	No: overall below 50; Rule 3 products 15 < 25
3 B. K. Pvt	11	14	28	53	Yes	**Table A only**: overall ≥ 50 and Rule 3 products 25
4 Sun Enterprise	19	15	76	110	Yes	**Table A only**: Rule 3 products 34 ≥ 25 but < 35
5 Alpha Pvt	20	22	63	105	Yes	**A and B**: overall ≥ 100 and Rule 3 products 42 ≥ 35

[SM 25, SM 86–88]

How to write it: (1) Rule 3 test on **overall** turnover; (2) Rule 4(1) for Table A and 4(2) for Table B, each on overall + aggregate of Rule 3 products; (3) check the exemptions (exports above 75%, SEZ, captive power); (4) conclude product-wise. SEZ and non-SEZ units together (SM short essay 1, no SM answer): **records** for all units; ⚠ our reading is that the SEZ exemption removes **audit** only for the unit operating from the SEZ, while the non-SEZ unit stays under Rule 4 if the thresholds are met.

R.5–6 Maintenance of records · appointment and the cost audit timeline

RULE 5 · MAINTENANCE

- Every company under the rules, incl. **all units and branches**, for each FY from **1st April, 2014**, maintains cost records in **Form CRA-1**; for coffee and tea (No. 12) and Nos. 24–32 of Table B, from **1st April, 2015**. [SM 25]
- On a **regular basis**, so as to calculate per unit cost of production or operations, cost of sales and margin for each product and activity, **monthly, quarterly, half-yearly or annually**; to exercise control over operations and costs and achieve optimum economies. [SM 25]
- **Records (not exhaustive):** production (consumption, rejection, machine running hours, idle time); WIP and finished goods; repairs (job cards); utilities (input-output, source-wise own vs purchased power); service centres (QC, R&D, pollution: basis of apportionment); materials (GRN, bin cards, ledgers, physical verification); wages (attendance, overtime, **VRS, retrenchment, lay-off**);

RULE 6 · COST AUDIT

1. Appoint a cost auditor **within one hundred and eighty days of the commencement** of every FY, after obtaining his **written consent** and a **certificate** (eligible, not disqualified; satisfies s.141; within limits; list of pending proceedings true). [SM 27]
2. Inform the auditor and file **CRA-2** with the CG within **30 days of the Board meeting** or **180 days of the FY's commencement, whichever is earlier**. [SM 27–28]
3. Tenure: till **180 days from the closure** of the FY or till he submits the report. Removal before that: **Board resolution**, reasonable opportunity of being heard, reasons recorded; new CRA-2 with the resolution. The auditor may resign. [SM 28]
4. **Casual vacancy** (resignation, death, removal): filled by the **Board within thirty days**; CRA-2 within thirty days of the appointment. [SM 28]

overheads; sales (product-wise, export, related parties); related-party and **normal price** data; cost statements; **reconciliation** of cost and financial profit. [SM 25–27]

5. Cost statements are **approved by the Board** before a director authorised by it signs them for the auditor. [SM 28]
6. Report in **CRA-3**, with reservations or qualifications, to the **Board of Directors** within **180 days from the closure** of the FY (SM T/F 3: not the audit committee). [SM 28]
7. Company files the report with the CG in **CRA-4 (XBRL) within thirty days from receipt**, with explanations on every qualification; an AGM extension under s.96(1) extends it to the s.137 period. [SM 28]
8. **s.143(12)** (fraud reporting) applies *mutatis mutandis* to the cost auditor. [SM 28]

Form	What it is · by whom · when
CRA-1	the form in which **cost records** are maintained (Rule 5(1)): headings for each item of cost (next page) [SM 19]
CRA-2	**intimation of appointment** of the cost auditor to the CG (Rule 6(2), 6(3A)): CIN/FCRN, products covered, auditor details, FY covered, previous auditor not reappointed; attach the **Board resolution**; signed by a person **authorised by the Board** (Dec'25 MCQ) [SM 19, SM 51]
CRA-3	the **cost audit report** (Rule 6(4)) + Annexure in Parts A–D; clause (vii): unit-wise and product-wise cost statements are / are not kept [SM 19–20]
CRA-4	**filing the cost audit report** with the CG (Rule 6(6)) in **XBRL**: products covered and not covered, auditor details, observations; attach the XBRL document and the company's explanation on every qualification [SM 20]

Annexure	Contents (Jun'25 MCQ: wages particulars sit in the report)
Part A	1 general information · 2 details of cost auditors · 3 **cost accounting policy** · 4 product / service details (company as a whole) [SM 20]
Part B / C	manufacturing / service sector: quantitative information · abridged cost statement · materials consumed · utilities consumed · industry-specific operating expenses [SM 20]
Part D	1 product and service profitability · 2 **profit reconciliation** · 3 **value addition and distribution of earnings** · 4 financial position and ratios · 5 related party transactions · 6 reconciliation of indirect taxes [SM 20]

CRA-1 Particulars of the items of cost to be kept in the books · Dec'23, Jun'24, Dec'25, Jun'26 Q2(b)

The SM calls them 30 headings but lists **31**: (1) material · (2) employee · (3) utilities · (4) direct expenses · (5) **repairs and maintenance** · (6) fixed assets and depreciation · (7) overheads · (8) administrative overheads · (9) transportation · (10) royalty and know-how · (11) R&D · (12) quality control · (13) pollution control · (14) service departments · (15) **packing** · (16) **finance costs** · (17) any other item · (18) **capacity determination** · (19) WIP and finished stock · (20) captive consumption · (21) by-products and joint products · (22) adjustment of cost variances · (23) **reconciliation of cost and financial accounts** · (24) **related party transactions** · (25) export expenses or incentives · (26) production records · (27) sales records · (28) cost statements · (29) statistical records · (30) physical verification · (31) unit of measurement. Items 1–16 repeat the CAS of the same name (Module 4). [SM 19]

5 · REPAIRS AND MAINTENANCE (DEC'25 Q2(b))

a. records of expenditure of the **workshop, tool room** and repairs in each cost centre, under different heads;
b. cost = **direct** (materials, stores, spares, manpower, equipment usage, utilities) + **indirect** (common manpower, equipment usage);
c. in-house: materials, stores, spares, manpower, equipment, utilities; contractor inside: his charges + own resources; at his premises: invoice price net of discounts (other than cash discount) and refundable taxes + resources supplied;
d. each type of repairs a **distinct activity**; measured per **major asset category**;
e. **spares replaced** that do not enhance future benefits → R&M cost; **major overhaul** amortised;

18 · CAPACITY DETERMINATION (DEC'23 Q2(b))

- In units of production or services, or equivalent machine or man hours. **Installed**: manufacturer's technical specifications; capacities of interrelated centres; critical machines; number of shifts; experts' estimate if no specifications; **reassessed** on addition, discard or process improvement. [SM 45]
- SM WORDS **Normal capacity shall be determined vis-a-vis installed capacity after** adjusting: (i) holidays, normal shut-down days and normal idle time; (ii) normal time lost in **batch change over**; (iii) **preventive maintenance** and normal breakdowns; (iv) loss of efficiency due to **ageing**; (v) number of shifts. **Capacity utilization** = actual production as a % of **installed** capacity. [SM 45]

24 · RELATED PARTY TRANSACTIONS (JUN'24 Q2(b))

f. no finance or imputed cost; price variances and normal usage variances in;

g. subsidy reduced; **abnormal** (fire, explosion, flood) and **fines** excluded; credits deducted;

h. traced where feasible, else **cause and effect** or **benefits received**; shared cost aggregated and distributed.

[SM 33–35]

16 · FINANCE COSTS (JUN'26 Q2(b))

a. SM WORDS finance costs are costs incurred in connection with the **borrowing of fund** or other costs which in effect represent payment for the use of **non-equity fund**;

b. identified for (i) **qualifying assets** incl. fixed assets and (ii) other finance costs for production or services;

c. those directly attributable to a qualifying asset are **included in the cost of the asset**;

d. no imputed costs; subsidy reduced;

e. **penal interest**, fines, penalties excluded (interest for late statutory dues is not penal interest);

f. interest paid or received on **investment** excluded from production financing;

g. **assignment**: (1) **cause and effect**, (2) **benefits received**.

[SM 44–45]

- Related party as in **s.2(76)** of the Companies Act, 2013. [SM 46]
- SM WORDS **"Normal" price** means price charged for comparable and similar products in the ordinary course of trade and commerce where the price is the **sole consideration** of sale and the sale is **not made to a related party**; the price at which **two unrelated and non-desperate parties** would agree, not clouded by their proximity. [SM 46]
- **Basis of normal price:** (i) comparable uncontrolled price; (ii) resale price; (iii) cost plus; (iv) profit split; (v) transactional net margin; (vi) any other method, specified. [SM 46–47]
- Records of contracts for purchase and sale of materials and goods, use of plant and know-how, utilities, consultancy, capital goods, other payments, with the **basis of rates** to judge reasonableness. [SM 47]

15 · PACKING · 23 · RECONCILIATION · 28 · COST STATEMENTS

- Separate records for **domestic and export** packing; **primary packing → cost of production; secondary → distribution overheads** (Jun'25 MCQ). [SM 43–44]
- Cost statements reconciled with financial statements, showing **expenses or incomes not considered** in cost records; variations explained. [SM 46]
- Cost statements (monthly, quarterly, annually): capacity, production as per excise and **GST** records, utilisation, cost of production, cost of sales and margin, in total and per unit; a separate statement per plant. [SM 48]

OTHER HEADS IN ONE LINE EACH

2 Employee: cost centre-wise; gross pay + benefits incl. retirement benefits (Ind AS re-measurements in OCI excluded); executive directors in, non-executive → admin. **6 Depreciation**: as recognised in the financial statements (Schedule II); temporarily retired asset → abnormal; impairment out. **7 Overheads**: variable on actual capacity, **fixed on normal capacity**; operating-lease rentals → admin. **9 Transport**: outward cost apportioned by weight, volume, tonne-km, unit, value, space. **19 WIP / FG**: all conversion costs to present location and condition, method consistent. **22 Variances**: material, labour, overheads, into quantity, price, efficiency, with reasons. **25 Exports**: cost of export sales; export commitments licence-wise. **29 Statistical**: machine and labour hours, capital employed. **31 UoM**: as in the Customs Tariff Act. [SM 30–31, SM 35–37, SM 45–48]

D-2 Profit reconciliation (Part D para 2) · the Q5(a) sum asked 4 times

THE FORMAT (PART D-2) AND THE RULE

(1) Profit as per **cost** accounts (audited + un-audited products) · (2) **add** incomes not considered in cost accounts · (3) **less** expenses not considered · (4) difference in **stock valuation** · (5) other adjustments · (6) = profit as per **financial** accounts. Show abnormal wastage, strike expenses and abnormal items separately. Questions usually start from the financial profit, so reverse every sign. [SM 64]

STARTING FROM FINANCIAL PROFIT: SIGN RULES

- **Less** incomes only in financial accounts: profit on sale of assets, dividend or interest on outside investments, insurance claim of an earlier year, subsidies, trading profit, exchange gain, refunds.
- **Add** expenses only in financial accounts: CSR, donations, VRS, loss on sale of assets or investments, trading loss, the **unexpired 4/5th** of a renovation or overhaul charged in full.
- **Stock**: overvalued closing stock in financial accounts → **less**; overvalued opening stock → **add**.

[SM 79–85]

MODEL ANSWER 2 · DEC'25 Q5(a) (THE SAME SIX ITEMS AS DEC'23 Q5(a) AND SM ILLUSTRATION 5 = ICMAI PTP Q5(a)) · 7 MARKS

Reconciliation of profit, 2024-25	**₹**	**₹**
Profit as per financial accounts		17,73,350
Add: trading loss (6,75,000 + 20,400 − 6,71,150), not a cost-accounts item	24,250	
Add: 4/5th of renovation 3,87,500 (useful life five years; one year's 77,500 is cost)	3,10,000	
Add: CSR expenditure	29,000	3,63,250
Less: profit on sale of machine (4,65,000 − 3,27,000)	1,38,000	
Less: dividend from investments	42,250	
Less: net overvaluation of closing inventory in financial records (32,700 − 14,800)	17,900	(1,98,150)
Profit as per cost accounts		**19,38,450**

MODEL ANSWER 3 · JUN'25 Q5(a) (= SM ILLUSTRATION 4 WITH NEW FIGURES, ₹ '000) · 7 MARKS

Item	**₹ '000**	**₹ '000**
Profit as per financial accounts		87,806
Less incomes not in cost accounts: profit on sale of fixed assets 160 · urea and transport subsidy 358 · prior-year litigation recovery 135 · favourable exchange variation 304 · purchase tax refund 463 · own-consumption valuation difference (392 − 375) 17	1,437	(1,437)
Add expenses not in cost accounts: CSR 66 · post-retirement medical grant 594	660	660
Stock: increase in financial accounts (1,25,950 − 1,16,920 = 9,030) minus increase in cost accounts (1,21,570 − 1,15,800 = 5,770)	3,260	(3,260)
Profit as per cost accounts		**83,769**

MODEL ANSWER 4 · JUN'24 Q5(a) (= SM ILLUSTRATION 7 WITH NEW FIGURES) · 7 MARKS

Item	**₹**	**₹**
Profit as per financial accounts		33,18,100
Add: loss on sale of investments 45,600 · VRS compensation in F/A 56,25,000 · donation 80,000	57,50,600	90,68,700
Less: profit on sale of fixed assets 3,05,000 · prior-year insurance claim 5,28,700 · retail trading profit 30,00,600 · ICD interest 7,25,000	45,59,300	
Less: decrease in inventory per cost accounts 3,98,15,200 − per financial accounts 3,92,06,480	6,08,720	(51,68,020)
Profit as per cost accounts		**39,00,680**

D-3 Value addition and distribution of earnings (Part D para 3) · Jun'23, Dec'24, Jun'26

THE FORMAT (PART D-3)

Revenue from operations − taxes and duties = **net revenue** · + export incentives · ± adjustment in stocks · − **cost of bought-out inputs** (materials, process materials, stores and spares, utilities, others) = **value added** · + income from other sources · + exceptional income, OCI = **earnings available for distribution**. **Distribution to:** employees · shareholders (dividend) · company (retained funds) · Government (taxes) · exceptional expenses · others. [SM 65]

SM definition used in Illustration 1: value addition is the difference between the net output value (net sales) and the cost of bought-out materials and services. [SM 74]

HOW THE SM SORTS THE ITEMS

- **Bought-out "other overheads"**: other manufacturing OH, audit fees, other admin OH, packing and forwarding, other S&D OH, **interest on working capital loans**.
- **Not bought-out** (they are distributions): wages and salaries (incl. S&D salaries), directors' pay, cess and local taxes, income tax, dividend, interest on **fixed loans and debentures**, depreciation (sits in retained funds).
- Retained funds = earnings − employees − directors − dividend − taxes − interest.

[SM 76, SM 78]

MODEL ANSWER 5 · JUN'26 Q5(a) = SM ILLUSTRATION 2 (SINJINI LTD), SAME FIGURES (₹ LAKH) · 7 MARKS

Value addition	2026	2025	Distribution of earnings	2026	2025
Net sales + increase in FG stock (20 / 10)	4,820	3,850	Employees (440 + 36; 352 + 30)	476	382
Less: raw materials	1,760	1,440	Directors: salaries and commission	48	40
Less: stores and spares · power and fuel	160 + 240	140 + 192	Shareholders: dividend	420	230
Less: other overheads (430+36+260+20+250+60; 370+30+220+16+200+25)	1,056	861	Government: local taxes + income tax (120+316; 100+200)	436	300
Value added (bought-out 3,216 / 2,633)	**1,604**	**1,217**	**Interest: debentures + IDBI (30+90; 30+70)**	**120**	**100**
+ other income 300 / 200 = earnings for distribution	**1,904**	**1,417**	**Company: retained funds (incl. depreciation)**	**404**	**365**

[SM 75–76]

MODEL ANSWER 6 · DEC'24 Q5(a) WXY LTD (₹ LAKH), SAME METHOD · 7 MARKS

Item	2024	2023
Revenue from operations incl. GST 10,324 / 8,773 less GST 510 / 440 = net revenue	9,814	8,333
Add: export incentives 116 / 103 · increase in finished stock 235 / 182	10,165	8,618
Less bought-out inputs: materials 5,278 / 4,473 · stores 348 / 287 · power 522 / 450 · manufacturing OH 203 / 186 · packing 44 / 35	(6,395)	(5,431)
Value added	**3,770**	**3,187**
Add: income from other sources 218 / 178 = **earnings for distribution**	3,988	3,365
Distributed: wages 1,325 / 1,115 · dividend 175 / 160 · income tax 385 / 190 · interest 265 / 201 · retained (balance)	1,838	1,699

Interest is not split here, so all of it is shown as a distribution to providers of capital; if a question splits out working-capital interest, treat that part as a bought-out input (SM Illustration 2).

EX The SM's own exercise for Module 2 (SM 89–92) · numbers

1 regulated: cost audit threshold ★	**₹50 crore or more** (= Jun'26 MCQ)	7 report filed on the MCA portal in	**CRA-4**
2 CRA-4 uploaded under	**Rule 6(6)**	8 CRA-1 pertains to	**cost accounting records**
3 form of cost records	**CRA-1**	9 report prepared in	**CRA-3**
4 electricity regulated ★	**all the above** (= Dec'23 MCQ)	10 general information in	**Part A-1**
5 not regulated	**automobile**	11 Table B item for health services	**22**
6 casual vacancy filled within	**30 days**	12 notice of appointment	**CRA-2**

True/False: (1) only **micro and small** enterprises are out (not medium) — F; (2) exports above 75% removes **audit**, not records — F; (3) report goes to the **Board**, not the audit committee — F; (4) tenure ends 180 days after the FY **or on submitting the report** — F; (5) ss.139, 143, 144, 145 apply to the cost auditor (s.148(5)) — T. **Fill-ins:** report in **CRA-3** · company files within **30 days** · 180 days from closure = **27th September** · maximum fine for a company's default under s.148 = **₹5.00 lacs**. [SM 90–92]

Rule	Number	Rule	Number
cost records (Rule 3): overall turnover	₹35 crore	appoint the cost auditor	within 180 days of FY start
audit, Table A: overall / Rule 3 products	₹50 cr / ₹25 cr	CRA-2	30 days of Board meeting or 180 days, earlier
audit, Table B: overall / Rule 3 products	₹100 cr / ₹35 cr	casual vacancy / CRA-2 after it	30 days / 30 days
exports exemption	> 75% of revenue	report to the Board	180 days from FY end
sectors: regulated / non-regulated	6 / 33	CRA-4 to the CG	30 days from receipt
Rules in force · latest amendment	30.06.2014 · 15 October 2019	renovation in a reconciliation (5-year life)	add 4/5th