



THE COST AND MANAGEMENT ACCOUNTANTS ACT, 196



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THE COST AND ¹[MANAGEMENT] ACCOUNTANTS ACT, 1966

²ACT NO. XIV OF 1966

[19th JULY, 1966]

An Act to make provision for the regulation of the profession of cost and [management] accountants.

WHEREAS it is expedient to make provision for the regulation of the profession of cost and ¹[management] accountants and for that purpose to establish an Institute of ¹[management] accountants;

AND WHEREAS the national interest of Pakistan in relation to the achievement of uniformity within the meaning of clause (2) of Article 131 of the Constitution requires Central legislation in the matter;

It is hereby enacted as follows:—

CHAPTER I

PRELIMINARY

1. Short title, extent and commencement.—(1) This Act may be called the ³[Cost and Management Accountants Act, 1966].

(2) It extends to the whole of Pakistan.

(3) It shall come into force on such date⁴ as the ⁵[Federal Government] may, by notification in the official Gazette, appoint in this behalf.

2. Definitions.—(1) In this Act, unless there is anything repugnant in the subject or context,—

(a) “associate” means an associate member of the Institute;

⁶[(aa) ‘cost and management accountant’ means a person who is an associate or a fellow member of the Institute;]

(b) “Council” means the Council of the Institute:

¹Subs. by the Cost and Industrial Accountants (Amdt.) Act, 1976 (70 of 1976), s. 2, for “industrial”.

²For Statement of Objects and Reasons, see Gaz. of P. 1966, Ext., p.331 (R).

³Subs. *ibid.*, s. 3, for “Cost and Industrial Accountants Act, 1966”.

⁴*i.e.* the 20th day of August, 1966, see, Gaz., of P. 1966, Ext., dated the 18th August, 1966, p.557.

⁵Subs. by F.A.O., 1975, Art. 2 and Table for “Central Government”.

⁶New cl. (aa) ins. by Act 70 of 1976, s.4.

- (c) “dissolved company” means the company registered under the Companies Act, 1913, as the Pakistan Institute of Industrial Accountants;
- (d) “fellow” means a fellow member of the Institute;
- 1* * * * * *
- (f) “Institute” means the²[Institute of Cost and Management Accountants of Pakistan] constituted under this Act;
- (g) “prescribed” means prescribed by regulations made under this Act;
- (h) “President” means the President of the Council;
- (i) “Register” means the Register of members of the Institute maintained under this Act;
- (j) “Vice-President” means the Vice-President of the Council;
- (k) “year” means the financial year.

(2) Save as otherwise provided in this Act, a member of the Institute shall be deemed “to be in practice” when, individually or in partnership with one or more members of the Institute in practice, he, in consideration of remuneration received or to be received,

- (a) engages himself in the practice of cost and ³[management] accounting; or
- (b) offers to perform service involving the costing or pricing of goods or services, or the preparation, verification or certification of cost accounting and related statements, or holds himself out to the public as a cost and ³[management] accountant; or
- (c) renders professional service or assistance in or about matter of principles or detail relating to the cost and ³[management] accounting procedures, or the recording, presentation or the certification of costing facts or data; or
- (d) renders such other services as, in the opinion of the Council, are or may be rendered by [a cost and management] accountant;

and the expression “to be in practice”, with its grammatical variations and cognate expressions, shall be construed accordingly.

Explanation.— A member of the Institute who is a whole-time salaried employee of any person shall not be deemed "to be in practise" within the meaning of this sub-section.

¹ Cl (e) omitted by the Cost and Industrial Accountants (Amdt.) Act, 1976 (70 of 1976), s.4.

² Subs. *ibid.*, for “Pakistan Institute of Industrial Accountants”.

³ Subs. *ibid.* for “Industrial”.

CHAPTER II

¹[INSTITUTE OF COST AND MANAGEMENT ACCOUNTANTS OF PAKISTAN].

3. In Corporation of the Institute.—(1) All persons whose names are entered in the Register at the commencement of this Act and all persons who may hereafter have their names entered in the Register under the provisions of this Act, so long as they continue to have their names borne on the said Register are hereby constituted a body corporate by the name of the ²[Institute of Cost and Management Accountants of Pakistan] and all such persons shall be known as members of the Institute.

(2) The Institute shall have perpetual succession and a common seal, and shall have power to acquire, hold and dispose of property, both movable and immovable, and shall by its name sue or be sued.

4. Entry of names in the Register.—(1) The following persons shall be entitled to have their names entered in the Register, namely:—

- (a) any person who was, immediately before the commencement of this Act, a fellow or associate of the dissolved company;
- (b) any person who has passed such examination and completed such training as may be prescribed for membership of the Institute;
- (c) any person who has passed such other examination and completed such other training outside Pakistan as is recognised by the ³[Federal Government], or by the Council with the approval of the ³[Federal Government], as being equivalent to the examination and training prescribed for membership of the Institute and, in case he is not permanently residing in Pakistan, fulfils such other conditions as the ³[Federal Government], or the Council with the approval of the ³[Federal Government], as the case may be, may deem fit to impose;
- (d) any person domiciled in Pakistan, who is, at the commencement of this Act, whether within or without Pakistan,—
 - (i) studying for any foreign examination and also undergoing training and passes such examination and completes such training within three years of such commencement, or

¹Subs. by the Cost and Industrial Accountants (Amdt.) Act 1976 (70 of 1976) s. 5, for heading “Pakistan Institute of Industrial Accountants.”

²Subs. *ibid.* s.6, for “Pakistan Institute of Industrial Accountants”.

³Subs. by F.A.O, 1975, Art. 2 and Table for “Central Government”.