



The Chartered Accountant Student

Your Monthly Guide to the CA News, Information & Events

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Chartered Accountants' Day





President's Communication

Dear Students,

On the occasion of Chartered Accountants' Day (July 01), it is my proud privilege to wish you all the very best in your future career as Chartered

Accountants. For the Chartered Accountants, it is a very momentous day to recount the glorious past and further strengthen our professional solidarity. On this awesome occasion, I would like to urge my CA brethrens to inherit the mantle and the proud traditions crafted by our forefathers and work selflessly for the betterment of the society and the nation. You are the leaders of tomorrow and the torch bearers of our profession. The responsibility of carrying the profession with bright ideas is rested on your young shoulders.

It is human tendency around the globe to take some kind of pledges during days of special occasions or remembrances. On the occasion of CA Day, I would like to urge the professional community to go for an introspection and evaluate, to what extent you have fulfilled your pledges taken during last year. Being a specialized professional community, it is our duty to uphold the high values and ethics of the profession. I firmly believe that just because one is a professional, he or she does not automatically exhibit professionalism. You should have a focused approach, pride in what you are doing and motivation towards a particular goal, accountability and commitment to your words and deeds. You have to always remember the fact that you are in a noble profession and therefore must perform your task with utmost integrity, commitment and competence. You have to realize the fact you will be remembered and admired by the society for your strict codes of conduct in your professional deeds, apart from, for your technical capability and academic accomplishments.

In the fast changing economic scenario, the Indian Chartered Accountants have to shoulder a greater responsibility in ensuring the integrated professional services to their respective clients to increase India's share in global economy. India could survive the economic crisis because of prudent fiscal and monetary policies. India's future is dependent on what you can contribute as chartered accountants. Our chartered accountants

have grown from being the simple end-of-the-year service providers, to a year round advisers not only on core areas of accounting but also on diverse aspects of risk management, investment decisions, amalgamations, restructuring and so on. The role of our chartered accountants has become even more critical in the era of globalization and economic liberalization. Our intensified efforts to focus on best global practices have helped to raise the accountancy profession in India to newer heights of excellence.

Our Institute is one of the esteemed organizations that participate in almost all the consultation processes impacting the tax system run by the government and other bodies. The contribution the Institute makes to consultation process would not be possible if it wasn't for the voluntary efforts of many of our Institute's members.

Recently, the Institute took part in the Education Boutique – 2011 organized by the Times Education at New Delhi and at Jaipur. I am happy to share with you that the response shown by the students was overwhelming. The stall had a large number of visitors enquiring about the CA course and its prospects. The services of a Chartered Accountant are always in demand and you can look forward to an interesting and challenging career, with great job prospects and opportunities. You will also find a wide variety of attractive, well paid positions. Our CA qualification is recognized and respected internationally by a wide range of organizations - from the leading professional services firms and global corporations, through small and medium-sized businesses, to charities and the public sector. Whether you want to work in traditional areas such as accounting and tax or widen your expertise into corporate finance, insolvency or corporate recovery, the opportunities are endless: from sole practitioner right up to Chief Executive of a multinational company.

I am sure that with the rapid growth in the economy, the accountancy profession is all set to witness surfeit of openings. I am also quite confident that you all will work hard to excel in this challenging and rewarding profession.

With best wishes

Yours' Sincerely

CA. G. Ramaswamy,
President, ICAI, New Delhi

"Failures do what is tension relieving, while winners do what is goal achieving."



Vice-President's Communication

Dear Students,

At the outset, I would like to convey my heartiest greetings to you all on the auspicious occasion of Chartered Accountants'

Day (1st July). It is a matter of great pride for our fraternity to celebrate this day with great enthusiasm and veneration. On this occasion, I would like to urge you to uphold the pride of the noble profession of chartered accountancy, render the best quality services to your clients and facilitate client advancement by knowledge sharing. The success of our profession largely depends upon your conscientious efforts.

Chartered Accountants should not be viewed as core accountants and book keepers. It is the time for us to change this mindset and consider ourselves as business advisors. A total change in our overall thinking about the profession and the role we have to play is the need of the hour. We have to understand the processes in which our clients are involved and to put the advice to them in a commercial and strategic context. Our aim should be to deliver best quality services to assist reliable and viable commercial decision making by our clients. Providing the best possible services to the society, the nation and the clients and moving our standard towards achieving performance excellence should be the prime aim of all our chartered accountants. Above all we should uphold the core values of integrity, honesty and reliability.

The results of various CA examinations held in May are expected this month. I know that those of you who have taken the examinations must be eagerly waiting for the results and your anxiety and apprehensions will then come to an end. I firmly believe that those of you, who have made sincere effort, will come out with flying colours and there will be moments of joy and happiness. It would be a day for all of you to cherish and remember. You should also remember those who have guided and supported you during your progress, particularly your parents and teachers. I strongly believe that without their contribution, your progress would not have been so substantial.

You have every reason to enjoy but remember, the celebration should be followed by a firm determination to work still harder. You have to face a lots of challenges as you progress in your careers. You should be very careful while responding to these challenges. Your integrity and strong ethical behavior are your most important assets. Remember, once you compromise with your integrity, it cannot be recovered. Always maintain your intellectual curiosity, bring a strong sense of values to your behaviours, and perform your life's work with a strong passion.

My sympathy also goes to those who have not passed in the examinations. Success and failure are the two realities, which we all have to face. Never be disheartened in your failure. Allow your mind to do an analysis where you might have gone wrong. Work on those weak areas and give your best next time. Apart from reading the study materials provided by the Board of Studies, you should also find time to read standard books on your respective subjects authored by reputed academicians and faculties. You should also attempt solving question papers of previous examinations within a time framework of three hours. You should invariably read the Students' Journal, the Institutes' Journal and at least one Financial Newspaper of your choice. If you adopt a consistent and systematic approach in your studies, you will succeed next time and the moments of happiness will return to your homes.

As you are all aware that the Board of Studies will be organizing an All India CA Students' Conference at Nagpur on 23rd and 24th of July. I am quite sure that all of you will take part very actively in the conference and derive benefit out of it. Apart from giving you the academic inputs, the conference will also provide an opportunity to interact personally with your fellow students from various parts of the country. You will also get an opportunity to enter into bonds of friendship, which would also help in your future professional career. I look forward to meeting you all in such conferences.

Wish you all the best

Yours sincerely

CA Jaydeep Narendra Shah,

Vice President, ICAI, New Delhi



Chairman's Communication

My Dear Students,

Colleges will be commencing their new academic year this month. CA students will be gearing up to the results and I wish each and every one of you great success for a positive and wonderful result.

BOARD OF STUDIES CARES FOR YOU

The Board of Studies has initiated a series of proactive measures to make the CA Course more enriching and to make life easier for the CA students without in any way compromising the bench marks of excellence steadfastly built over the years. You can always feel free to contact me in my email or on my mobile phones if you face any problems, issues or difficulties.

POINT TO PONDER - A FEW POINTERS TO LIVE BY

1. A '**bend**' in the road is not the '**end**' of the road unless you fail to make a turn. So it is with life.
2. Avoid anger & be cool and calm: '**Anger**' is just one letter short of '**Danger**'. Anger opens the mouth and shuts the mind. Anger is the false show of strength by a weak person, while politeness and a cool mind reflect dignity and strength of a strong person.
3. Avoid stress and tension: Performance always comes from passion not from pressure. It is not enough to be '**Busy**', but '**Be-Easy**'; Easy at work, without tension; Easy with others in approach; Easy with oneself for inner peace.
4. Develop real personality: Physically strong, mentally balanced, morally sound, intellectually sharp and spiritually advanced are the keys to a real personality.
5. Build positive relationships: A happy relationship is made up of two good forgivers. Positive relationship means: to help without hesitation, to love without limitation and to remember even without communication.
6. Stop thinking in terms of limitations and start thinking in terms of possibilities.
7. Beware of ego: Ego is a double edged sword - the outer edge cuts your popularity; while the inner edge pierces your purity.
8. Develop a sense of gratitude: In a lighter vein it is said the difference between God and human is that God '**gives, gives and forgives**' whereas a human '**gets, gets and forgets**.'
9. Inculcate values: It is said, what we leave '**in**' our children is more valuable than what we leave '**for**' our children.
10. Love what you do and do what you love.

MAKE THE MOST OF YOUR ARTICLESHIP TRAINING

No matter how mundane your work may be, put your best foot forward, give it all you've got and see the difference. There will be greater appreciation for your efforts. Swami Vivekananda said "**Work is worship! No work is insignificant. No work is impossible. Whoever works at a thing with his whole heart receives help from God.**" If you enjoy the task on hand and do it with all the commitment and dedication at your command, you are bound to reap rich rewards. Be prepared to work hard, shoulder more responsibilities, put in that little bit extra to go a long way in your workplace. As corporate trainer Robin Sharma said "**When you bring your highest talents and deepest devotion to the work you do, what you are really doing is setting yourself up for a richer, happier and more fulfilling experience of living.**"

KEEP SMILING

Dear Students, do remember Swami Chinmayananda's golden words "**To weep is folly and to smile is wisdom. Keep Smiling!**" Speed is calculated as "**Miles per hour**" whereas life is calculated as "**Smiles per hour**". To increase your life '**mileage**', please enhance your '**smileage**.' Life is like a mirror and we get the best results when we smile at it. Smile is the best accepted 'credit card' - because it is accepted worldwide, auto reload, unlimited usage, no payment and makes everyone happy. "**What sunshine is to a sunflower, smiles are to humanity.**"

SOCIAL FOCUS - NEED OF THE HOUR

Buddha said, "**Your work is to discover your world and then with all your heart give yourself to it.**" When we look around, we see doctors tending to the sick without charge. Advocates offer free legal aid to those who are unable to afford the professional fees. Surely we can also help society in many ways. John F. Kennedy had said and I quote "**Our privileges can be no greater than our obligations. The protection of our rights can endure no longer than the performance of our responsibilities.**" I request all the students associations to organize blood donation camps, medical camps, CA career awareness programmes and counselling programmes for school students. CA students should contribute to social causes and the inner satisfaction that one derives while serving the needy sections of the society will help you to get ahead in life. Each one of us is so tied down to daily routines, cares, worries and joys of one's family, that we often fail to look beyond our charmed circle. We must set aside a few minutes to look beyond ourselves, to do something for others that will put a smile on their faces. Etienne De Grellet's immortal words hold true for all time and I quote "**I expect to pass through this world but once; any good thing therefore that I can do, or any kindness that I can show to any fellow creature, let me do it now.**" This is something which needs to be inculcated in the minds of the growing youth who will be the future citizens of our country. Life is about forging human bonds- always remember before someone will lend you a hand, you need to touch their heart. Helping hands are holier than praying lips. Often people need a patient heart that listens than a brilliant mind that speaks.

WRAP UP POINT

Dear CA Students, the general perception is that you are studying a course which is demanding but remember that the strongest steel is made only through the raging fire. Swami Vivekananda's motivating words have always enthused me and I share them with you "**Take up one idea. Make that one idea your life - think of it, dream of it, live on that idea. Let the brain, muscles, nerves, every part of your body, be full of that idea, and just leave every other idea alone. This is the way to success.**" I am ever an optimist who has unshakable faith that there is a great future for all the CA students and the words of Oliver Wendell Holmes come to me "**Greatness is not in where we stand and in what direction we are moving. We may sail sometimes with the wind and sometimes against the wind, but we must sail and not drift nor lie at anchor.**"

I firmly believe in Swami Vivekananda's saying "**Don't look back- look forward! Infinite energy, infinite enthusiasm, infinite daring and infinite patience - then alone can great deeds be accomplished.**"

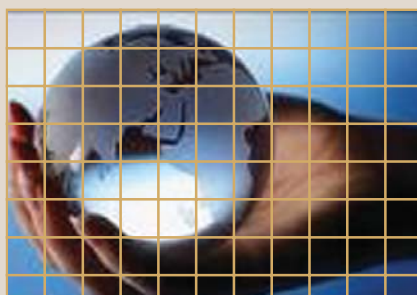
Wishing each and every one of you a Life filled with academic fulfillment, prosperity, a wonderful career and bliss at home.

With Warm Professional Regards,

Forever, yours in service,

(CA. V. Murali)

Chairman, Board of Studies



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Editorial Support
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Office

Board of Studies
The Institute of Chartered Accountants of India,
ICAI Bhawan, A-29, Sector-62,
Noida-201 309.

Phone : 0120-3045938

Correspondence with regard to subscription,
advertising and writing articles

Email : writesj@icai.org

Non-receipt of Students' Journal

Email : nosj@icai.org

Head Office

The Institute of Chartered Accountants of
India, ICAI Bhawan, Indraprastha Marg,
New Delhi - 110 104.

http://www.icai.org

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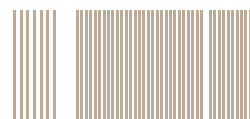
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The Origin of Board of Studies, ICAI

The journey of the Board of Studies - a premier academic wing of the Institute of Chartered Accountants of India (ICAI) has been quite eventful. The Board of Studies has been instrumental in providing a strong foundation of knowledge, imparting skills and inculcating professional values among young chartered accountants that enable them to grow as wholesome professionals and help them adapt to changes throughout their professional career. In this write up, we will trace out a brief history of Board of Studies.

From Coaching Board to Board of Studies

When the ICAI came into existence on July 1, 1949, there was no separate distinct educational entity to provide education to students pursuing CA course. Private institutions were recognized for providing theoretical education to the students registered for the chartered accountancy course. In 1954, the need to provide such education through the agency of the Council of ICAI was felt. Accordingly, the Council set up a Committee of its own known as the "Coaching Board" in September 1954 to provide theoretical education. To start with, registration for the theoretical training was voluntary. However, from 1956, it was made compulsory. Since then, any student registered himself as an articled or audit clerk was required to register himself as a student of the Coaching Board. Since the students for the course are scattered all over the country, uniformity was ensured through correspondence course conducted by the Coaching Board. Later on in 1977, the name of Coaching Board was changed to "Board of Studies".

The then Minister of Commerce and Industry Shri Lal Bahadur Shastri, in 1958 commended the Institute's initiative in the field of education. He said, *"It is, therefore, that I have listened with great interest to the heartening account of the growth and development of your Institute since 1949 and the efforts which your Council have made over the years to organize your profession on an all-India basis and to raise the technical competence of your members through suitable revisions of your syllabi for examinations from time to time and more recently through the establishment of the Coaching Scheme. The improvement of the technical competence of a profession is of course the first and primary responsibility of a professional institute, but I am very happy to learn that Government in the appropriate departments have been able to co-operate with you actively in this task and to assist you in your efforts in this direction."*

Periodical Review of Education and Training

With the adoption of distance - education mode by the Institute since 1955 and successful implementation of the same for over five and a half decades, the Institute

has emerged as a pioneer in this field. It has always been conscious of maintaining the highest standards of education and training for the chartered accountancy course. It realizes that to keep abreast with the environmental developments, it is imperative continually updating and improving the scheme of education and training. The Institute has been taking various proactive measures from time to time, in alignment with the changing facets of the Indian economy, for continuously raising the standards of quality of accounting and financial reporting. The quality of education and the standards of examination of the Institute are acknowledged the best in the world. This is well evident from the periodical review of education and training undertaken by several high-level review committees set up from time to time, as under

- 1953 : Ad Hoc Committee
- 1959 : Special Committee (relating to Training for entry into profession of CA)
- 1963 : Review Committee
- 1968-70 : Special Committee on Education and Training
- 1972-73 : Review Committee (TO examine adequacy of academic inputs required for future chartered accountants)
- 1975-78 : Review Committee for Accounting Education
- 1985-88 : Committee for Review of Education and Training
- 1995-98 : Committee for Review of Education and Training
- 2004-05 : Committee for Review of Education and Training

The aforesaid process of carrying out the review of education and training on a periodical basis in a comprehensive manner reflects the Institute's commitment to keep pace with the changing environment both at the national and international levels. Such periodical reviews resulted not only in the introduction of new and contemporary subjects in the curriculum, rationalization of existing subjects, allocation of papers in different groups, etc. but also a detailed and a fresh review of the course contents of each paper. The Board of Studies on its part has always given shape to the dreams seen by the Council. It has provided up to date, contemporary and high quality study material for the benefits of the students. It will not be an exaggeration to say that the high standards, which the Institute has set for itself and the conscientious and scrupulous manner in which they are being applied have added to the prestige and honour in the profession.

(Source: History of the Accountancy Profession in India)

Relative of a Director under Section 314 of the Companies Act, 1956

CA. A.K. Majumdar

The Simple objective, with which Section 314 of the Companies Act, 1956, was enacted, seems to address a general concern of the legislature, that directors should not, as a rule, occupy an office or place of profit in the company in which they are directors, because of its abuse potential. However, keeping in view, the possibility of the company having bonafide need of services of a director in a different capacity for the benefit of the company, the legislature has also provided for allowing such dual capacity based on consent of the company accorded by a special resolution. However, right from the inception of this provision, a dual capacity of a director was statutorily recognized provided the same was for managing directorship, managership, or trusteeship for the debenture holders of the company. A further category of banker's is also included, the relevance and role of which is not apparent.

Over a period of time, the original concern as above was expanded to cover, amongst others, relatives of directors. As any minor place/office of profit in the company for a relative is not consequential so the legislature authorized the Central Government to prescribe a monthly remuneration for a relative of a director to hold place/office at profit in the company that would attract the regulatory provisions of Section 314(1) i.e. approval of the appointment by a special resolution. At that time, Section 314(1B) was not enacted and the monthly remuneration fixed was not very high.

But, the language used in drafting Section 314(1) (b) seems to frustrate the seemingly, original intention to cover relatives of any director of the company holding office/place of profit in the

company carrying the prescribed monthly remuneration. The confusion in this regard has been created by a single word 'such' used in the first line of Section 314(1) (b), which unwittingly leads one to construe that only relatives of a director who himself is already holding an office/ place of profit in the company are hit by the regulatory provisions of Section 314(1) the exclusion of all the relatives of directors who do not hold office/ place of profit, receiving monthly remuneration as prescribed or more. The relevant part of Section 314(1) is stated below for ready understanding of this confusing situation:

According to Section 314(1) of the Companies Act, 1956, except with the consent of the company accorded by a special resolution,—

- (a) no director of a company shall hold any office or place of profit, and
- (b) no partners or relative of such director, no firm in which such director, or a relative of such director, is a partner, no private company of which such director is a director or member, and no director or manager of such a private company, shall hold any office or place of profit carrying a total monthly remuneration of such sum as may be prescribed.

Though the appearance of the word 'such' as stated above in Section 314(1) (b), if not deliberate, does not seem to be accidental either as the language used in drafting Section 314(1B) which was included in the Act much after (only in the year 1974) is abundantly clear of the intention to cover

(The author is former Director of Studies and Secretary of the Institute)

all relatives irrespective of whether they are relatives of directors who are already holding office/place of profit in the company. The language of the relevant part of Section 314(1B) is an under:

“Notwithstanding anything contained in sub-section (1),-

- (a) no partner or relative of a director or manager,
- (b) no firm in which such director or manager, or relative of either, is a partner,
- (c) no private company of which such a director or manager, or relative of either, is a director or member,

shall hold any office or place of profit in the company which carries a total monthly remuneration of not less than such sum as may be prescribed, except with the prior consent of the company by a special resolution and the approval of the Central Government”.

This language leaves no confusion that Section 314(1B) covers within its scope all relatives of all directors and manager provided the monthly remuneration is of such sum as has been prescribed or more. Currently the monthly remunerations under Section 314(1) (b) and Section 314(1B) are ₹ 10,000 and exceeding ₹ 2,50,000 respectively. This means, the relatives

of directors carrying total monthly remuneration up to ₹, 2,50,000 are not hit by Section 314(1)(b), provided they are not relatives of directors who are already holding office/place of profit in the company. They simply escape the shareholders scrutiny under Section 314(1) (b). This incongruous situation need immediate attention of the Central government for suitable remedy, which at this moment is restricted to the option of reversing the recent hike u/s 314(1B) from ₹ 50,000 to ₹ 2,50,000 p.m., till suitable legislative measure is taken and put to operation. This hike has been announced by issuing Directors' Relatives (office or place of profit) Rules, 2011 through Notification No. G.S.R. 357(E) dated 2nd May, 2011. It is pertinent to mention that the threshold of ₹ 10,000 p.m. prescribed for Section 314(1)(b) is too low a sum in today's context. This sum should be increased to around ₹ 25,000 p.m. It is not understandable that the Government thought it fit to enhance the threshold under Section 314 (1B) fivefold but left the threshold under section 314 (1) (b) untouched. In today's world, nepotism is pervasive and the potential of privilege nepotism should be contained as far as practicable. If the Government finds reversing of the threshold under section 314 (1B) to its original figure of ₹ 50,000 p.m., the revised figure of ₹ 2,50,000 p.m. can be reduced to say ₹ 1,00,000 p.m. or ₹ 1,25,000 p.m.

CROSSWORD

June-2011

Solution

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Accounting

Enhancement of Rates of Provisioning for Non-Performing Assets and Restructured Advances

RBI vide its notification RBI 2010-11/529 DBOD.No.BPBC. 94/21.04.048/2011-12 dated May 18, 2011 has revised provisioning requirements for the following categories of non-performing advances and restructured advances for all Scheduled Commercial Banks (Excluding RRBs) as under:

1. Sub-Standard Advances : Advances classified as “sub-standard” will attract a provision of 15 per cent as against the existing 10 per cent. The “unsecured exposures” classified as sub-standard assets will attract an additional provision of 10 per cent, *i.e.*, a total of 25 per cent as against the existing 20 per cent. However, “unsecured exposures” in respect of Infrastructure loan accounts, which are classified as sub-standard, in case of which certain safeguards such as escrow accounts are available, will attract an additional provision of 5 per cent only *i.e.* a total of 20 per cent as against the existing 15 per cent.

2. Doubtful Advances : Doubtful Advances will continue to attract 100% provision to the extent the advance is not covered by the realisable value of the security to which the bank has a valid recourse and the realisable value is estimated on a realistic basis. However, in respect of the secured portion, following provisioning requirements will be applicable:

- The secured portion of advances which have remained in “doubtful” category up to one year will attract a provision of 25 per cent (as against the existing 20 per cent);
- The secured portion of advances which have remained in “doubtful” category for more than one year but upto 3 years will attract a provision of 40 per cent (as against the existing 30 per cent); and
- The secured portion of advances which have remained in “doubtful” category for more than 3 years will continue to attract a provision of 100%.

3. Restructured Advances:

i. Restructured accounts classified as standard advances will attract a provision of 2 per cent in the first two years from the date of restructuring. In cases of moratorium on payment of interest/principal after restructuring, such advances will attract a provision of 2 per cent for the period covering moratorium and two years thereafter (as against existing provision of 0.25-1.00 per cent, depending upon the category of advances);

ii. Restructured accounts classified as non-performing advances, when upgraded to standard category will attract a provision of 2 per cent in the first year from the date of upgradation (as against existing provision of 0.25-1.00 per cent, depending upon the category of advances).

4. All other instructions on provisioning will remain unchanged.

Rates of Provisioning for Non-Performing Assets and Restructured Advances are summarized as follows:

Category of Advances	Existing Rate (%)	Revised Rate (%)
Sub- standard Advances		
• Secured Exposures	10	15
• Unsecured Exposures	20	25
• Unsecured Exposures in respect of Infrastructure loan accounts where certain safeguards such as escrow accounts are available.	15	20
Doubtful Advances – Unsecured Portion	100	100
Doubtful Advances – Secured Portion		
• For Doubtful upto 1 year	20	25
• For Doubtful > 1 year and upto 3 years	30	40
• For Doubtful > 3 years	100	100
Loss Advances	100	100
Restructured accounts classified as standard advances in the first two years from the date of restructuring ; and		
• in cases of moratorium on payment of interest/ principal after restructuring – period covering moratorium and two years thereafter.	0.25 to 1.00 (depending upon the category of advance)	2

Restructured accounts earlier classified as NPA and later upgraded to standard category

- in the first year from the date of upgradation 0.25 to 1.00 (depending upon the category of advance)

(Source: www.rbi.org.in)

Note: The above notification is not applicable for Nov. 2011 examination.

Compiled by CA.Shilpa Agrawal, BoS

Corporate Laws

The Companies Act, 1956

- (i) The MCA vide Circular No. 24/2011 dated 12th May, 2011 has requested the companies to note that when the beneficiary of the loan/guarantee/security under section 295 of the Companies Act, 1956, is a Public Limited Company, approval of Central Government should only be sought if the provisions of sub-Section (d) or (e) of Section 295 of the Companies Act, 1956, are attracted. The application should also clearly bring out the facts in this regard.
- (ii) The MCA vide Circular No. 27/2011 dated 20th May, 2011 has clarified that a shareholder of the company may participate in a general meeting under the provisions of the Companies Act, 1956 through electronic mode. For this purpose, the company shall also comply with the requirements and procedures as prescribed in the circular, in addition to the normal procedures required under the Companies Act, 1956 for holding general meeting. Electronic mode means video conference facility i.e. audio-visual electronic communication facility employed which enables all persons participating in that meeting to communicate concurrently with each other without an intermediary, and to participate effectively in the meeting.
- (iii) The MCA vide circular No. 28/2011 dated 20th May, 2011 has clarified that directors of a company may participate in a meeting of Board/Committee of directors under the Companies Act, 1956 through electronic mode. For this purpose, the company shall also comply with the requirements and procedures as prescribed in the circular, in addition to the normal procedures required under the Companies Act, 1956 for holding meetings of Board/Committee of directors.
- (iv) The MCA vide Circular No. 29/2011 dated 20th May, 2011 has decided that all certificates which presently are issued physically under the manual signature of Registrar of Companies (ROC) and issued by post will now be issued electronically under the Digital Signature of the ROC. The Digital Certificates are being developed and will be available for issue by 30th June, 2011 in phased manner.
- (v) The MCA vide Circular No. 30/2011 dated 23rd May, 2011 has made sections 108A to 108I of the Companies Act, 1956, redundant as these sections were inserted in the Companies Act, 1956 through Monopolies and Restrictive Trade Practices (Amendment) Act, 1991. As MRTP Act, 1969 stands repealed; these sections will have no legal force.
- (vi) The MCA vide Notification No. S.O. 1152(E) dated 23rd May, 2011 has clarified that Limited Liability Partnership of Chartered Accountants will not be treated as body corporate for the limited purpose of Section 226(3)(a) of the Companies act, 1956.
- (vii) The MCA vide Circular dated 27th May, 2011 has decided that in the following cases challan mode for payment is allowed for amount less than ₹ 50,000/-
 - (a) Payment to 'Investor Education and Protection Fund' through 'Pay Misc. Fee' functionality
 - (b) Any payment made by user having category as 'Official Liquidator (OL) office
 - (c) Any payment made by user having category as 'MCA employee'.
- (viii) The MCA vide General Circular No. 32/2011 dated 31st May, 2011 has decided that with effect from 12th June, 2011, all DIN-1 and DIN-4 applications has to be digitally signed by the practicing Chartered Accountants,

Company Secretaries or Cost Accountants who shall also verify the particulars of the applicant given in the applications. All these applications will be approved online.

- (ix) The MCA vide General Circular No. 33/2011 dated 1st June 2011 has decided that in order to ensure corporate governance and proper compliances of provisions of Companies Act, 1956, it has been decided that no request, whether oral, in writing or through e-forms, for recording any event based information/ changes shall be accepted by the ROC from such defaulting companies which are filing only their event based information with the ROC without filing their upto date Balance Sheet and Profit and Loss Accounts and Annual Return, unless they file their updated Balance Sheet and Profit and Loss Accounts and Annual Return with the ROC.

However, in the interest of other stakeholders some event based information/ changes as prescribed in the circular will continue to be accepted by the ROC from such defaulting companies.

- (x) The MCA vide General Circular No. 34/2011 dated 2nd June, 2011 has framed some guidelines as prescribed in the circular for declaring financial institution as Public Financial Institutions (PFI) under Section 4A of the Companies Act, 1956. Any financial institution applying for declaration as PFI shall fulfill the said criteria.
- (xi) As per Section 560 of the Companies Act, 1956, ROC may strike off the name of companies on satisfying the conditions therein. As per present practice, a company desirous of getting its name struck off, has to apply to ROC in e-form 61. In order to give an opportunity for fast track exit by a defunct company, for getting its name struck off from the register of companies, the MCA has decided to modify the existing route through e-form – 61 and has prescribed the new Guidelines “Fast Track Exit mode” vide General Circular No. 36/2011 dated 7th June,

2011. These Guidelines will be implemented w.e.f. 3rd July, 2011.

- (xii) In exercise of the powers conferred by section 192A read with clauses (a) and (b) of sub-section (1) of section 642 of the Companies Act, 1956, the Central Government vide Notification dated 30th May, 2011 makes the Companies (Passing of resolution by postal ballot) Rules, 2011, in supersession of Companies (Passing of resolution by postal ballot) Rules, 2001.
- (xiii) In exercise of the powers conferred by clause (a) and (b) of sub-section (1) of section 642 read with sections 266A, 266B and 266E of the Companies Act, 1956, the Central Government vide Notification dated 2nd June, 2011 makes the Companies Director Identification Number (Second Amendment) Rules, 2011 further to amend the Companies (Director Identification Number) Rules, 2006.
- (xiv) In exercise of the powers conferred by clause (b) of sub-section (1) of section 642 read with sub-section (4) of section 233B, and sub-section (1) of section 227 of the Companies Act, 1956, the Central Government vide Notification No. G.S.R. 430(E) dated 3rd June, 2011 makes the Companies (Cost Audit Report) Rules, 2011 in supersession of the Cost Audit Report Rules, 2001.
- (xv) In exercise of the powers conferred by clause (b) of sub-section (1) of section 642 read with clause (d) of sub-section (1) of section 209 of the Companies Act, 1956, the Central Government vide Notification No. G.S.R. 429(E) dated 3rd June, 2011 makes the Companies (Cost Accounting Records) Rules, 2011 in supersession of the Cost Accounting Records Rules in so far as they relate to the Cost Accounting Records Rules published vide various notifications.

For further details, refer www.mca.gov.in

All aforesaid amendments are not applicable for November 2011, examinations.

Compiled by CS. Megha Goel, BoS

Income Tax

Significant Notifications/Circulars issued by CBDT during February – May, 2011

I NOTIFICATIONS

1. Notification No. 12/2011 dated 25.02.11 **United Stock Exchange of India Ltd. notified as a recognized stock exchange**

Clause (d) of the proviso to section 43(5) provides that an eligible transaction in respect of trading in derivatives referred to in section 2(ac) of the Securities Contracts (Regulation) Act, 1956 carried out in a recognised stock exchange, which is notified by the Central Government for this purpose, shall not be deemed to be a speculative transaction.

Accordingly, in exercise of the powers conferred under section 43(5) read with Rule 6DDB, the Central Government has notified the United Stock Exchange of India Limited as a recognised stock exchange for the purpose of the said clause. The notification also lays down certain conditions to be fulfilled by the stock exchange.

It may be noted that at present, there are three other stock exchanges notified as recognized stock exchanges for the purposes of section 43(5), namely, the National Stock Exchange, Bombay Stock Exchange and MCX Stock Exchange.

2. Notification No. 14/2011 dated 9.3.2011 **Conditions to be fulfilled for a stock exchange to qualify as a recognized stock exchange for the purposes of section 43(5) - Modification of cash and derivative market transactions registered in the system permitted in case of genuine error**

Clause (d) of proviso to section 43(5) provides that an eligible transaction in respect of trading in derivatives referred to in section 2(ac) of the Securities Contracts (Regulation) Act, 1956 carried out in a recognised stock exchange shall not be deemed to be a speculative transaction. Rule 6DDB provides for notification of recognised stock exchange for the purposes of said clause.

Further, Rule 6DDA provides the conditions that a stock exchange is required to fulfil to be notified as a recognised stock exchange for the purpose of abovementioned clause. One of the conditions, specified in clause (iv) of Rule

6DDA, is that the stock exchange shall ensure that transactions once registered in the system cannot be erased or modified. This clause has been substituted to provide that the stock exchange shall ensure that transactions (*in respect of cash and derivative market*) once registered in the system *are not erased*.

Another condition has been stipulated by insertion of clause (v), which provides that the stock exchange shall ensure that the transactions (in respect of cash and derivative market) once registered in the system are modified only in cases of genuine error. The stock exchange should maintain data regarding all transactions (in respect of cash and derivative market) registered in the system which have been modified and submit a monthly statement in Form No. 3BB to the Director General of Income-tax (Intelligence), New Delhi within fifteen days from the last day of each month to which such statement relates.

Corresponding amendment has been made in Rule 6DDB requiring that the application for notification of a recognised stock exchange should be accompanied by *inter alia*, confirmation regarding fulfilling the conditions referred to in clauses (ii) to (v) of Rule 6DDA.

3. Notification No. 15/2011 dated 18.3.2011 **Approval for creation of the Directorate of Income Tax (Expenditure Budget)**

The President of India has, vide this Notification, approved the creation of the Directorate of Income Tax (Expenditure Budget), Central Board of Direct Taxes, Department of Revenue, Ministry of Finance. The Directorate of Income Tax (Expenditure Budget) will act as the Nodal Authority in respect of all Budget matters for the Grant No. 42-Direct Taxes and will perform all work related to the management of Expenditure Budget under this grant. The Directorate will be headed by a Director of Income-tax (Expenditure Budget), who will be an officer of the level of Commissioner of Income Tax and will be located in New Delhi. The Directorate will function under the administrative control of the Director General

of Income Tax (Logistics), New Delhi and will be an attached office of CBDT.

**4. Notification No. 18/2011 dated 5.4.2011
Notification of return forms for A.Y.2011-12**

The CBDT has notified the new income-tax return forms for the Assessment year 2011-12. Rule 12 of the Income-tax Rules, 1962 has been amended in respect of the following :-

- (1) Reference to return of fringe benefits has been removed.
- (2) Form Saral-II (ITR-1) has been substituted by the Form "SAHAJ" (ITR-1), which would be applicable for individuals, whose total income includes income chargeable under the head –
 - (i) "Salaries" or income in the nature of family pension under section 57(iiia); or
 - (ii) "Income from house property", where the assessee does not own more than one house property and does not have any brought forward loss under the head; or
 - (iii) "Income from other sources", except winnings from lottery or income from race horses.
- (3) The return of income in case of a person being an individual and HUF deriving business income and such income is computed on presumptive basis under section 44AD and section 44AE to be in Form SUGAM (ITR-4S) and be verified in the manner indicated therein.

SAHAJ and SUGAM Forms notified by CBDT are the simplest, technology enabled and taxpayer friendly return forms. These have been designed to facilitate error free and faster digitization. This is expected to curtail processing cycle and expedite issue of refunds.

**5. Notification No. 19/2011 dated 5.4.2011
Amendment of Rule 5C & Substitution of Rule 5D consequent to inclusion of approved research associations undertaking research in social science or statistical research within the ambit of section 35(1)(iii)**

In exercise of the powers conferred by section 295 of the Income-tax Act, 1961, the CBDT has made the Income-tax (Fourth Amendment) Rules, 2011, amending Rule 5C and substituting Rule 5D, which shall come into force on the date of their publication in the Official Gazette.

Under section 35(1)(ii), a weighted deduction of 175% of any sum paid to an approved and

notified research association or to a university, college or other institution to be used for scientific research is allowed. Similarly, under section 35(1)(iii), a weighted deduction of 125% of the sum paid to an approved and notified university, college or other institution to be used for research in social science or statistical research is allowed.

Prior to amendment by the Finance Act, 2010, section 35(1)(iii) did not include within its scope, the associations which are engaged in undertaking research in social science or statistical research. Therefore, in order to provide parity in treatment to these associations, the Finance Act, 2010 has amended section 35(1)(iii) to extend the benefit under that section to any sum paid to an approved research association which has as its object undertaking research in social science or statistical research.

Consequential amendment has been made in Rule 5C, providing for guidelines, form and manner in respect of approval under clause (ii) and clause (iii) of section 35(1), to require an application for approval under clause (ii) or clause (iii) of section 35(1) by a *research association* to be made in duplicate in Form No. 3CF-I at any time during the financial year immediately preceding the assessment year from which the approval is sought, to the Commissioner of Income-tax or the Director of Income-tax having jurisdiction over the applicant. Further, since approved research associations undertaking research in social science or statistical research are now eligible for benefit under section 35(1)(iii), reference is now being made to a "research association" instead of "scientific research association" in Rule 5C also.

Further, Rule 5D has been substituted to provide the conditions subject to which approval is to be granted to a *research association* under clause (ii) or clause (iii) of sub-section (1) of section 35. The new Rule 5D makes a reference to "*research association*" in the place of "scientific research association" and includes within its ambit, research association seeking approval under clause (iii) of section 35(1) also. The sole object of the applicant research institution shall be to undertake scientific research or *research in social science or statistical research*, as the case may be. The applicant research association shall carry on research activity by

itself. All the other conditions specified in erstwhile Rule 5D have been retained and would now be applicable to a research association seeking approval under clause (iii) of section 35(1) also.

Form No.3CF-I has also been substituted to give effect to the above changes.

6. Notification No. 24/2011 dated 13.05.2011 (in supersession of Notification No. 69/2010 dated 26.8.2010)

9.5% notified as the interest rate on RPF, the interest in excess of which would be taxable as salary

Rule 6 of Part A of the Fourth Schedule to the Income-tax Act, 1961, provides, *inter alia*, that interest credited on the balance to the credit of an employee participating in a recognized provident fund in so far as it is allowed at a rate exceeding such rate notified by the Central Government, shall be deemed to have been received by the employee in the relevant previous year and shall be included in his total income.

Accordingly, the Central Government has, vide this notification, notified w.e.f. 1st September, 2010, in exercise of the powers conferred by Rule 6, 9.5% as the rate of interest on employer's annual contributions in a recognized provident fund. In effect, the Notification No. 69/2010 dated 26.8.2010, notifying the rate of interest as 8.5% w.e.f. 1st September, 2010, has been superseded by this notification.

This implies that interest credited on the balance to the credit of the employee in excess of 9.5% (and not 8.5% as earlier notified to be effective from 1.9.2010) shall be deemed to have been received by the employee in the previous year and shall be included in the total income of the employee. Prior to 1.9.2010, in any case, the interest credited in excess of 9.5% was deemed to be the income of the employee.

Therefore, the position of law as it stands now after issue of this notification is that irrespective of the date of credit of interest, whether before or on or after 1.9.2010, only the interest credited on the balance to the credit of the employee in excess of 9.5% shall be included in the total income of the employee. For example, if an employer credits interest @10% for the P.Y.2010-11 and P.Y.2011-12 on the balance standing to the credit of each employee, then the excess

interest of 0.5% (10% - 9.5%) would be included in the total income of the employee for the respective years.

7. Notification No.29/2011 dated 30.5.2011 Approval for creation of the Directorate of Income Tax (Criminal Investigation)[DCI]

The President of India has, vide this Notification, approved the creation of the Directorate of Income Tax (Criminal Investigation), Central Board of Direct Taxes, Department of Revenue, Ministry of Finance. The DCI will perform functions in respect of criminal matters having any financial implication punishable as an offence under any direct tax law including, *inter alia*, Chapter XXII of the Income-tax Act, 1961 and Chapter VIII of the Wealth-tax Act, 1957. The Directorate will be headed by a Director General of Income-tax (Criminal Investigation), who will be an officer of the rank of Chief Commissioner of Income Tax and will be located in New Delhi. The Directorate will function under the administrative control of the Member (Investigation) in the CBDT and will be a subordinate office of CBDT.

II CIRCULARS

1. Circular No. 2/2011 dated 27.4.2011

Procedure for regulating refund of amount paid in excess of tax deducted and/or deductible in respect of TDS on residents

This circular prescribes the procedure for regulating refund of amount paid in excess of tax deducted and/or deductible in respect of TDS on residents covered under sections 192 to 194LA of the Income-tax Act, 1961. It has been clarified that this circular will not be applicable to TDS on non-residents falling under sections 192, 194E and 195 which are covered by circular No. 7/2007 issued by the Board.

Also, it has been clarified that in view of provisions of section 200A of the Income-tax Act, 1961 prescribing processing of statement of TDS and issue of refund with effect from 1-4-2010, this circular would be applicable for claim of refunds for the period upto 31-3-2010. The procedure mentioned in the circular is summarized hereunder:

- (1) The excess payment to be refunded would be the difference between the actual payment made by the deductor to the credit of the Central Government and the tax deductible at source.

(2) In case such excess payment is discovered by the deductor during the financial year concerned, the present system permits credit of the excess payment in the quarterly statement of TDS of the next quarter during the financial year.

(3) In case the detection of such excess amount is made beyond the financial year concerned, such claim can be made to the AO (TDS) concerned. However, no claim of refund can be made after two years from the end of financial year in which tax was deductible at source.

However, to avoid double claim of TDS by the deductor as well as by the deductee, the following safeguards must be exercised by the Assessing Officer concerned:

(i) the applicant deductor shall establish before the Assessing Officer that:

(a) it is a case of genuine error and that the error had occurred inadvertently;

(b) the TDS certificate for the refund amount requested has not been issued to the deductee(s); and

(c) the credit for the excess amount has not been claimed by the deductee(s) in the return of income or the deductee(s) undertakes not to claim such credit.

(ii) Prior administrative approval of the Additional Commissioner or the Commissioner (TDS) concerned shall be obtained, depending upon the quantum of refund claimed in excess of rupees one lakh and rupees ten lakh, respectively.

(iii) After meeting any existing tax liability of the deductor, the balance amount may be refunded to the deductor.

2. Circular No.3/2011 dated 13.5.2011 Manner of Authentication of TDS Certificate in Form No.16A

Section 203 of the Income-tax Act, 1961 read with the Rule 31 of the Income-tax Rules, 1962 provides for furnishing of certificate of tax deduction at source (TDS) by the deductor to the deductee specifying therein the prescribed particulars. The

relevant form for such TDS certificate is Form No.16A for deduction under any provisions of Chapter XVII-B of the Act other than section 192 i.e. in respect of salaries.

Currently, a deductor has an option to authenticate TDS certificate in Form No.16 by using a digital signature. However, no such option of using a digital signature is available to a deductor for issuing TDS certificate in Form No.16A and it, therefore, needs to be authenticated by a manual signature which is very time consuming, specially for deductors who are required to issue a large number of TDS certificates.

The Department has already enabled the online viewing of TDS return in Form No.26AS by deductees which contains TDS details of the deductee based on the TDS statement (e-TDS statement) filed electronically by the deductor. It was found that in some cases the figures contained in Form No.26AS are different from the figures reported in Form No.16A, mainly on account of wrong data entry by the deductor or non-filing of e-TDS statement by the deductor. To overcome the challenge of mismatch, a common link has now been created between the TDS certificate in Form No.16A and Form No.26AS through a facility in the Tax Information Network website (TIN Website) which will enable a deductor to download TDS certificate in Form No.16A from the TIN Website based on the figures reported in e-TDS statement filed by him. As both Form No.16A and Form No.26AS will be generated on the basis of figures reported by the deductor in the e-TDS statement filed, the likelihood of mismatch between Form No.16A and Form No.26AS will be completely eliminated.

In view of the above, for proper administration of the Act, the Board has, in exercise of powers under section 119 of the Act, decided the following:-

Issuance of TDS Certificate in Form 16A (1) For deduction of tax at source during Financial Year 2010-11

Issuance of Form 16A generated through TIN central system which is downloaded from TIN website with a unique TDS certificate number in respect of all sums deducted during the financial year 2010-11 under any of the provisions of Chapter- XVII-B other than section 192 is **optional for all deductors.**

(2) For deduction of tax at source made on or after 1.4.2011

For the following categories of deductors, from the FY 2011-12 it is **mandatory** to issue TDS certificate in Form No.16A generated through TIN central system and which is downloaded from the TIN Website with a unique TDS certificate number in respect of all sums deducted on or after 1st April, 2011 under any of the provisions of Chapter-XVII-B other than section 192:

- (i) Companies, including banking companies
- (ii) Banks/banking institutions
- (iii) Co-operative society engaged in banking business

For **other deductors**, the same is **optional**.

Digital Signing of Form 16A

A deductor issuing Form 16A which is downloaded from TIN website has the option to authenticate such TDS certificate by either using digital signature or manual signature. TDS Certificates not generated from TIN central system will have to be authenticated by manual signature only.

Procedure and Format

Director General of income-tax (Systems) shall specify the standards, procedure and format for issuing of TDS Certificates in Form 16A which is downloaded from TIN Web Site

The complete details of the text of the notifications and circulars can be downloaded from the following link <http://law.incometaxindia.gov.in/DIT/Notifications.aspx>

Compiled by CA.Priya Subramanian, BoS

Finance

Circular No. CIR/CFD/DIL/3/2011 dated 03-06-2011: Redemption of Indian Depository Receipts (IDRs) into Underlying Equity Shares

This circular is issued in exercise of the powers conferred under Section 11 read with Section 11A of the Securities and Exchange Board of India Act 1992 to protect the liquidity in the domestic market resulting from absence of two way fungibility.

Guidelines regarding the Redemption of Indian Depository Receipts (IDRs) into Underlying Equity Shares

- a. After the completion of one year from the date of issuance of IDRs, redemption of the IDRs shall be permitted only if the IDRs are infrequently traded on the stock exchange(s) in India.

Explanation- For this purpose, IDRs shall be deemed to be “infrequently traded” if the annualized trading turnover in IDRs during the six calendar months immediately preceding the month of redemption is less than five percent of the listed IDRs.

- b. The issuer company shall test the frequency of trading of IDRs on a half yearly basis ending on June and December of every year.
- c. When the IDRs are considered “infrequently traded” on the above basis, it shall be the trigger event for redemption.

- d. The issuer company shall make a public announcement in an English and Hindi language newspaper with wide circulation in the prescribed format (including brief details about the trigger of the redemption event, time period for submission of application and the approach for processing the applications) as well as notify the stock exchanges. Such announcement shall be made within seven days of closure of the half year ending on which the liquidity criteria is tested. A suitable format for this purpose shall be prescribed by the stock exchange(s).
- e. The IDR holders may submit their application to the domestic depository for redemption of IDRs within a period of thirty days from the date of such public announcement.
- f. The redemption of IDRs shall be completed within a period of thirty days from the date of receipt of application for redemption.
- g. Pursuant to such redemption, the domestic depository shall notify the revised shareholding pattern of the issuer company to the concerned stock exchanges within seven days of completion of the process of redemption.

The complete text of the above circular can be downloaded from **<http://www.sebi.gov.in/circulars/2011/circfdil032011.pdf>**

Compiled by CA.Ashish Gupta, BoS

In exercise of the powers conferred by Regulation 41 read with Regulation 176 of the Chartered Accountants Regulation, 1988, the Council of the Institute of Chartered Accountants of India has decided as follows:-

Sr.No.	Name	Roll No.	Exam	Punishment Given for adopting unfair means
1.	Shri Varun Verma	41684 (Regn. No. NRO0229134)	IPCE	Result of his appearance in the Chartered Accountants Integrated Professional Competence Examination held in November 2009 was Cancelled and further he was Debarred from Appearing in the Integrated Professional Competence Examination till and Inclusive of May 2010 Examinations.
2.	Shri N. V. Pradeep	20521 (Regn. No. SRO0165563)	FINAL	Result of his appearance in the final Examinations held in May, 2010 was Cancelled and he was further debarred from Appearing in the final Examination till & Inclusive of November, 2010 Examinations.
3.	Shri Gaurav Kumar Agarwalla	21213 (Regn. No. ERO0088994)	FINAL	Result of his appearance in the final Examination held in May, 2010 was Cancelled and he was further debarred from Appearing in the final Examination till and Inclusive of May, 2011 Examinations.
4.	Shri Mayur Subhash Nikam	14537 (Regn. No. WRO0271845)	PCE	Result of his appearance in the Professional Competency Examination held in May, 2010 was cancelled and he was further debarred from Appearing in the PCE/IPCE Examination till and Inclusive of November, 2011 Examinations.
5.	Shri Ashutosh Shukla	42946 (Regn. No. CRO0179932)	PCE	Result of his appearance in the Professional Competency Examination held in May, 2010 was cancelled and he was further debarred from Appearing in the PCE/IPCE Examination till and Inclusive of November, 2011 Examinations.
6.	Shri Mitul Kumar S. Raval	10735 (Regn. No. WRO0304346)	PCE	Result of his appearance in the Professional Competency Examination held in May, 2010 was cancelled and he was further Debarred from Appearing in the PCE/IPCC Examination till and Inclusive of November, 2011 Examinations.
7.	Shri Keshav Aggarwal	95505 (Regn. No. NRO0156810)	PE-II	Result of his appearance in the PE-II Examination held in May, 2010 was cancelled and he was further debarred from Appearing in the PE-II /IPCC Examination till and Inclusive of November, 2011 Examinations.
8.	Ms. Preeti Bajaj	212321 (Regn. No. NRO0279926)	CPT	Result of her appearance in the Common Proficiency Test (CPT) held in June, 2010 was Cancelled.
9.	Shri Ramanathan S.	18477(Regn. No. SRO0038372)	FINAL	Result of his appearance in the final Examination held in May, 2010 was cancelled and he was further debarred from Appearing in the final Examination till and inclusive of November, 2011 Examinations.
10.	Ms. Dhivya K.	154707 (Regn. No. SRO0324105)	CPT	Result of her appearance in the Common Proficiency Test (CPT) held in June, 2010 was cancelled and she was further debarred from Appearing in the Common Proficiency Test (CPT) till and Inclusive of December, 2011 Examinations.
11.	Shri. Ravi Kumar	187060 (Regn. No. CRO0356504)	CPT	Result of his appearance in the Common Proficiency Test (CPT) held in June, 2010 was Cancelled.
12.	Shri Pranav Talwar	200929 (Regn. No. NRO0282133)	CPT	Result of his appearance in the Common Proficiency Test (CPT) held in June, 2010 was Cancelled.
13.	Ms. Mayuri T. D.	20010 (Regn. No. SRO0197116)	FINAL	Result of her appearance in the final Examination held in May, 2010 was cancelled and she was further debarred from Appearing in the final Examination till and inclusive of May, 2011 Examinations.
14.	Ms. Surbhi Parakh	47582 (Regn. No. CRO0203411)	PCE	Result of her appearance in the Professional Competency Examination held in November 2009 (Roll No. 47582) & PCE Examination (Roll No. 52507) held in May 2010 was Cancelled.
15.	Shri Arpit Jain	02238(Regn. No. CRO0185845)	PCE	Result of his appearance in the Professional Competency Examination held in May, 2010 was Cancelled.
16.	Shri. Meghshyam Pandit	40230 (Regn. No. NRO0229816)	IPCE	Result of his appearance in the Chartered Accountants Integrated Professional Competence Examination held in May 2010 was Cancelled and further he was Permanently Debarred from Appearing in the Integrated Professional Competency Examination.
17.	Ms. Namrata Singh	170832(Regn. No. CRO0325858)	CPT	Result of her appearance in the Common Proficiency Test (CPT) held in June, 2010 was Cancelled and she was further debarred from Appearing in the Common Proficiency Test (CPT) till and inclusive of June, 2012 Examinations.

List of Institute's Publications relevant for November 2011 examination

Final Course

Paper 1: Financial Reporting

I. Statements and Standards

1. Framework for the Preparation and Presentation of Financial Statements
2. Accounting Standards (including limited revisions) – AS 1 to AS 32*.

II. Guidance Notes on Accounting Aspects

1. Guidance Note on Treatment of Reserves created on Revaluation of Fixed Assets.
2. Guidance Note on Accrual Basis of Accounting.
3. Guidance Note on Accounting Treatment for Excise Duty.
4. Guidance Note on Terms Used in Financial Statements.
5. Guidance Note on Accounting for Depreciation in Companies.
6. Guidance Note on Availability of Revaluation Reserve for Issue of Bonus Shares.
7. Guidance Note on Accounting Treatment for MODVAT/CENVAT.
8. Guidance Note on Accounting for Corporate Dividend Tax.
9. Guidance Note on Accounting for Employee Share-based Payments.
10. Guidance Note on Accounting for Credit Available in respect of Minimum Alternate Tax under the Income Tax Act, 1961.
11. Guidance Note on Measurement of Income Tax for Interim Financial Reporting in the context of AS 25
12. Guidance Note on Applicability of Accounting Standard (AS) 20, Earnings per Share.
13. Guidance Note on Remuneration paid to key management personnel – whether a related party transaction.

14. Guidance Note on Applicability of AS 25 to Interim Financial Results.

15. Guidance Note on Turnover in case of Contractors.

*Note

1. The Core Group was constituted by the Ministry of Corporate Affairs (MCA) for convergence of Indian Accounting Standards with International Financial Reporting Standards (IFRS). This Core Group decided that there will be two separate sets of Accounting Standards viz.

(i) Indian Accounting Standards converged with the IFRS (Known as Ind AS)

The MCA has issued 35 converged Indian Accounting Standards (Ind 'AS') without announcing the applicability date. These are the standards which are being converged by eliminating the differences of the Indian Accounting Standards vis-à-vis IFRS. These standards shall be applied for all companies falling under Phase I to Phase III as prescribed under the roadmap issued by the core group. These Ind ASs are not applicable for the students appearing in November, 2011 Examination.

(ii) Existing Accounting Standards

The companies not falling within the threshold limits prescribed for IFRS compliance in the respective phases shall continue to use these standards in the preparation and presentation of financial statements.

2. Students are expected to have thorough knowledge of the Accounting Standards (AS 1 to AS 29) and Guidance Notes on various aspects issued by ICAI. As far as AS 30, 31 and 32 are concerned, in view of the complexities involved, the questions involving conceptual issues (not involving application issues) may be asked. Since a

separate topic of 'Financial Instruments' is included in the curriculum, simple practical problems based on AS 30, 31 and 32 may be asked.

3. The Accounting Standard Interpretations (ASI) have been issued from time to time by the Council of the ICAI. These interpretations address questions that arise in course of application of a particular Accounting Standard. ASI 2 and ASI 11 have been withdrawn. ASI 12, 23, 27 and 29 have been withdrawn and issued as Guidance Notes. The remaining interpretations have been merged as explanations to the relevant paragraphs of the related Accounting Standards.

Text of all applicable Accounting Standards and Guidance Notes are available in the Appendices, Volume II of Financial Reporting Study Material. These can be accessed at- http://www.icai.org/post.html?post_id=5936.

4. Official Announcements and Notifications (in relation to syllabus) issued till 30th April, 2011 will be given in the Revision Test Paper (RTP) for November, 2011 examination.

PAPER 3 : ADVANCED AUDITING AND PROFESSIONAL ETHICS

I. Statements

1. Statement on Reporting under Section 227 (1A) of the Companies Act, 1956
2. Statement on the Companies (Auditor's Report) Order, 2003 (2005 Edition)

II. Standards on Auditing (SQC/SA/SRS/SRE/SAE)

S.No	SA	Title of Standard on Auditing	Effective Date
1	SQC 1	Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements	April 1, 2009
2	SA 200	Overall Objectives of the Independent Auditor and the Conduct of an Audit in Accordance with Standards on Auditing	April 1, 2010
3	SA 210	Agreeing the Terms of Audit Engagements	April 1, 2010
4	SA 220	Quality Control for Audit of Financial Statements	April 1, 2010
5	SA 230	Audit Documentation	April 1, 2009
6	SA 240	The Auditor's responsibilities Relating to Fraud in an Audit of Financial Statements	April 1, 2009
7	SA 250	Consideration of Laws and Regulations in An Audit of Financial Statements	April 1, 2009
8	SA 260	Communication with Those Charged with Governance	April 1, 2009
9	SA 265	Communicating Deficiencies in Internal Control to Those Charged with Governance and Management	April 1, 2010
10	SA 299	Responsibility of Joint Auditors	April 1, 1996
11	SA 300	Planning an Audit of Financial Statements	April 1, 2008
12	SA 315	Identifying and Assessing the Risks of Material Misstatement through Understanding the Entity and its Environment	April 1, 2008
13	SA 320	Materiality in Planning and Performing an Audit	April 1, 2010
14	SA 330	The Auditor's Responses to Assessed Risks	April 1, 2008
15	SA 402	Audit Considerations Relating to an Entity Using a Service Organization	April 1, 2010

S.No	SA	Title of Standard on Auditing	Effective Date
16	SA 450	Evaluation of Misstatements Identified during the Audits	April 1, 2010
17	SA 500	Audit Evidence	April 1, 2009
18	SA 501	Audit Evidence - Specific Considerations for Selected Items	April 1, 2010
19	SA 505	External Confirmations	April 1, 2010
20	SA 510	Initial Audit Engagements-Opening Balances	April 1, 2010
21	SA 520	Analytical Procedures	April 1, 2010
22	SA 530	Audit Sampling	April 1, 2009
23	SA 540	Auditing Accounting Estimates, Including Fair Value Accounting Estimates, and Related Disclosures	April 1, 2009
24	SA 550	Related Parties	April 1, 2010
25	SA 560	Subsequent Events	April 1, 2009
26	SA 570	Going Concern	April 1, 2009
27	SA 580	Written Representations	April 1, 2009
28	SA 600	Using the Work of Another Auditor	April 1, 2002
29	SA 610	Using the Work of Internal Auditors	April 1, 2010
30	SA 620	Using the Work of an Auditor's Expert	April 1, 2010
31	SA 700	Forming an Opinion and Reporting on Financial Statements	April 1, 2011
32	SA 705	Modifications to the Opinion in the Independent Auditor's Report	April 1, 2011
33	SA 706	Emphasis of Matter Paragraphs and Other Matter Paragraphs in the Independent Auditor's Report	April 1, 2011
34	SA 710	Comparative Information - Corresponding Figures and Comparative Financial Statements	April 1, 2011
35	SA 720	The Auditor's Responsibility in Relation to Other Information in Documents Containing Audited Financial Statements	April 1, 2010
36	SA 800	Special Considerations-Audits of Financial Statements Prepared in Accordance with Special Purpose Framework	April 1, 2011
37	SA 805	Special Considerations-Audits of Single Purpose Financial Statements and Specific Elements, Accounts or Items of a Financial Statement	April 1, 2011
38	SA 810	Engagements to Report on Summary Financial Statements	April 1, 2011
39	SRE 2400	Engagements to Review Financial Statements	April 1, 2010
40	SRE 2410	Review of Interim Financial Information Performed by the Independent Auditor of the Entity	April 1, 2010
41	SAE 3400	The Examination of Prospective Financial Information	April 1, 2007
42	SRS 4400	Engagements to Perform Agreed Upon Procedures Regarding Financial Information	April 1, 2004
43	SRS 4410	Engagements to Compile Financial Information	April 1, 2004

Effective date means that the SA is effective for audits of the financial statements for periods beginning on or after the specified date.



III. Guidance Notes/Study Guide/Monograph

1. Guidance Note on Independence of Auditors.
2. Guidance Note on Audit Reports and Certificates for Special Purposes.
3. Guidance Note on Audit under Section 44AB of the Income-tax Act (2005 Edition).*
4. Guidance Note on Audit of Abridged Financial Statements.
5. Guidance Note on Audit of Inventories.
6. Guidance note on Audit of Debtors, Loans and Advances.
7. Guidance note on Audit of Investments.
8. Guidance note on Audit of Miscellaneous Expenditure.
9. Guidance Note on Audit of Cash and Bank Balances.
10. Guidance Note on Audit of Liabilities.
11. Guidance Note on Audit of Revenue.
12. Guidance Note on Audit of Expenses.
13. Guidance Note on Sections 227(3)(e) and (f) of the Companies Act, 1956.
14. Guidance Note on Certificate of Corporate Governance (2006 Edition)
15. Guidance Note on Computer Assisted Audit Techniques (CAATs).
16. Guidance Note on Audit of Payment of Dividend.
17. Guidance Note on Audit of Capital and Reserves.
18. Guidance Note on Provision for Proposed Dividend.
19. Guidance Note on Auditing of Accounts of Liquidators.
20. Guidance Note on Section 293A of the Companies Act and the Auditor.
21. Guidance Note on Audit of Consolidated Financial Statements.

* Guidance Note on Audit under section 44 AB of the Income-tax Act, 1961 (2005 edition) alongwith the supplementary guidance note (excluding the portion relating to Fringe Benefit Tax Provisions) published in September, 2006.

PAPER 4 : CORPORATE AND ALLIED LAWS**Applicability of relevant Amendments/Circulars/Notifications/Regulations etc.**

SUBJECT	AMENDMENT	CONTENT	LINKS FOR REFERENCE
The Companies Act, 1956	Section 212	The Ministry of Corporate Affairs (MCA) through a General Circular No. 2/2011 dated 8th Feb, 2011 decided that the permission for not attaching accounts of subsidiary along with holding company's accounts may be granted on a general basis wherever the conditions prescribed by the Ministry are complied with.	http://www.mca.gov.in/Ministry/pdf/Circular_08feb2011.pdf
The Companies Act, 1956	Section 211	The MCA through Notification No. S.O. 301(E) dated 8th Feb, 2011 issued a notification on General Exemption whereby the prescribed categories of companies will be exempted from the disclosures of certain quantitative details required under Schedule VI	http://www.mca.gov.in/Ministry/notification/pdf/SO_301%28E%29_8feb2011.pdf

The Companies Act, 1956	Payment of Commission to Non-Whole Time Directors of the Company under Section 309(4)(b)	The MCA through Press Release ID 69674 dated 8th Feb, 2011 issued a notification on Managerial Remuneration, according to this, Schedule XIII is being amended to provide that unlisted companies (which are not subsidiaries of listed companies) shall not require Government approval for managerial remuneration in cases where they have no profits/ inadequate profits, provided they meet the other conditions stipulated in the Schedule.	http://www.mca.gov.in/Ministry/press/press/Press_Note_No.4_08feb2011.pdf
The Companies Act, 1956	Payment of remuneration by way of commission under section 309(4)	The MCA through General Circular No. 4/2011 dated 4th March, 2011 has decided that a company shall not require approval of the Central Government for making payment of remuneration by way of commission to its Non-Whole Time Director(s) in addition to the sitting fee if the total commission to be paid to all those Non- Whole Time Directors does not exceed 1% of the net profit of the company if it has a Whole Time Director(s) or 3% of the net profit of the company if does not have a Managing Director or Whole Time Director(s).	http://www.mca.gov.in/Ministry/pdf/Circular_4-2011_4mar2011.pdf
The Companies Act, 1956	Directors Identification Number (DIN) u/s 266B.	The MCA through General Circular No. 5/2011 dated 4th March, 2011 has simplified the procedure for obtaining Directors Identification Number (DIN) u/s 266B.	http://www.mca.gov.in/Ministry/pdf/Circular_04Mar2011.pdf
The Companies Act, 1956	E-Governance	The MCA through General Circular dated 9th March, 2011 has decided to accept payments of value upto ₹ 50,000, for MCA 21 services, only in electronic mode w.e.f. 27th March, 2011.	http://www.mca.gov.in/Ministry/pdf/Circular_9mar2011.pdf
The Companies Act, 1956	Prosecution of Directors	The MCA through General Circular No. 8/2011 dated 25th March 2011, has issued guidelines regarding prosecution of directors by the Registrar of Companies, wherein certain categories of Directors have been kept out of the purview of prosecution/Penal actions for defaults committed under the Companies Act, 1956.	http://www.mca.gov.in/Ministry/pdf/Circular_08-2011_25mar2011.pdf
The Companies Act, 1956	Filing of Balance Sheet and Profit and Loss Account	The MCA through General Circular No. 09/2011 dated 31st March, 2011 has mandated certain class of companies to file balance sheets and profit and loss account for the year 2010-11 onwards by using XBRL taxonomy.	http://www.mca.gov.in/Ministry/pdf/xbrl_31mar2011.pdf
The Companies Act, 1956	Section 217(2A)	The MCA through Notification No. 289(E) dated 31st March, 2011 has made Companies (Particulars of Employees) Amendment Rules, 2011 by amending Companies (Particulars of Employees) Rules, 1975	http://www.mca.gov.in/Ministry/notification/pdf/G.S.R.289%28E%29_31mar2011.pdf
The Companies Act, 1956	Section 314(1B)	The MCA through Notification No. 303(E) dated 6th April, 2011 has made the Director's Relatives (Office or Place of Profit) Amendment	http://www.mca.gov.in/Ministry/notification/pdf/G.S.R.303%



		Rules, 2011 by amending Director's Relatives (Office or Place of Profit) Rules, 2003	28E%29_06apr 2011.pdf
The Companies Act, 1956	Appointment of Cost Auditor	The MCA through General Circular No. 15/2011 dated 11th April, 2011 has revised the procedure for the appointment of cost auditor under section 233B of the Companies Act, 1956 to be followed by the companies and the cost auditor.	http://www.mca.gov.in/Ministry/mcaoffices/CAB_Circular_15-2011_11Apr2011.pdf
The Companies Act, 1956	Amalgamation of Government Companies	The MCA through General Circular No. 16/2011 dated 20th April, 2011 has simplified the procedure for amalgamation of Government Companies under section 396 of the Companies Act, 1956 in appropriate cases.	http://www.mca.gov.in/Ministry/pdf/Circular_16-2011_20apr2011.pdf
The Companies Act, 1956	Annual Reports through electronic mode	The MCA through Circular No. 18/2011 dated 29th April, 2011 has clarified that the company would be in compliance of sections 219(1) of the Companies Act, 1956, in case, a copy of Balance Sheet etc., is sent by electronic mail to its members subject to some conditions.	http://www.mca.gov.in/Ministry/pdf/Circular_18-2011_29apr2011.pdf
The SEBI Act, 1992	SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2009	SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2009 as amended by SEBI (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2010 dated 12th November, 2010.	http://www.sebi.gov.in/Index.jsp?contentDisp=SubSection&sec_id=5&sub_sec_id=5

Non-Applicability of the following Amendments/Circulars/Notifications in Corporate and Allied Laws (Final)

S.No.	Subject Matter	CA Final - Corporate and Allied Laws	Website for reference
1.	The Companies Bill, 2009	Not Applicable	www.mca.gov.in
2.	The Easy Exit Scheme, 2011	Not Applicable	www.mca.gov.in
3.	Companies (Second Amendment) Act, 2002 [relating to Winding up]	Not Applicable [Students are advised to study the General Provisions of winding up as covered under Paragraph 9.4 of the study material]	www.mca.gov.in
4.	Provisions relating to Revival and Rehabilitation of Sick-Industrial Companies	Not Applicable	www.mca.gov.in

Paper 7 : Direct Tax Laws

1. The Study Material for Paper 7: Direct Tax Laws (A.Y.2011-12), as amended by the Finance Act, 2010 (relevant for A.Y.2011-12) and significant notifications/ circulars/other legislations up to 30.4.2010. The Study Material contains three volumes. Volume III is the Practice Manual.
2. Final Course - Supplementary Study Paper - 2010, which explains the amendments made by the Finance Act, 2010 (relevant for A.Y. 2011-12) and significant notifications/circulars issued between 1.5.2009 and 30.4.2010 [Portions relating to Direct Tax Laws].
3. Select cases in Direct and Indirect Tax Laws (2010) - An Essential reading for the Final Course [Portions relating to Direct Tax Laws].



- The significant amendments made by circulars/notifications issued between 1.5.2010 and 30.4.2011 would be hosted at the BOS knowledge portal on the website of the Institute **www.icai.org** and would also be given in the Revision Test Paper (RTP) for November, 2011 examination.

Paper 8 : Indirect Tax Laws

- The Study Material for Paper 8: Indirect Tax Laws, as amended by the Finance Act, 2010 and significant notifications/circulars/other legislations up to 30.4.2010. The Study Material contains three volumes. Volume III is the Practice Manual.
- Final Course - Supplementary Study Paper - 2010, which explains the amendments made by the Finance Act, 2010 and significant amendments made by notifications and circulars issued between 1.5.2009 and 30.4.2010 [Portions relating to Indirect Tax Laws]
- Select cases in Direct and Indirect Tax Laws (2010) - An Essential reading for the Final Course [Portions relating to Indirect Tax Laws].
- The significant amendments made by circulars/notifications issued between 1.5.2010 and 30.4.2011 would be hosted at the BOS knowledge portal on the website of the Institute **www.icai.org** and would also be given in the Revision Test Paper (RTP) for November, 2011 examination.

PROFESSIONAL COMPETENCE COURSE/ INTEGRATED PROFESSIONAL COMPETENCE COURSE

PCC PAPER 1: ADVANCED ACCOUNTING

Accounting Standards 1, 2, 3, 4, 5, 6, 7, 9, 10, 11, 12, 13, 14, 16, 19, 20, 26, 29 are covered in the syllabus.

IPCC PAPER 1: ACCOUNTING

Accounting Standards 1, 2, 3, 6, 7, 9, 10, 13, 14, are covered in the syllabus.

IPCC PAPER 5: ADVANCED ACCOUNTING

Accounting Standards 4, 5, 11, 12, 16, 19, 20, 26, 29 are covered in the syllabus.

Note (Common for PCC/IPCC Paper 1/Paper 5):

- The MCA has issued 35 converged Indian Accounting Standards (Ind 'AS') without announcing the applicability date. These are the standards which are being converged by eliminating the differences of the Indian Accounting Standards vis-à-vis IFRS. These standards shall be applicable for all companies falling under Phase I to Phase III as prescribed under the roadmap issued by the core group. These Ind ASs are not applicable for the students appearing in November, 2011 Examination.
- Official Announcements and Notifications (in relation to syllabus) issued till 30th April, 2011 will be given in the Revision Test Paper (RTP) for November, 2011 examination.

PCC PAPER 2 & IPCC PAPER 6 : AUDITING AND ASSURANCE

I. Statements

- Statement on Reporting under Section 227 (1A) of the Companies Act, 1956
- Statement on the Companies (Auditor's Report) Order, 2003 (2005 Edition)

II. Standards on Auditing (SAs)

S.No	SA	Title of Standard on Auditing	Effective Date
1	SA 200	Overall Objectives of the Independent Auditor and the Conduct of an Audit in Accordance with Standards on Auditing	April 1, 2010
2	SA 210	Agreeing the Terms of Audit Engagements	April 1, 2010
3	SA 220	Quality Control for Audit of Financial Statements	April 1, 2010
4	SA 230	Audit Documentation	April 1, 2009
5	SA 240	The Auditor's responsibilities Relating to Fraud in an Audit of Financial Statements	April 1, 2009
6	SA 250	Consideration of Laws and Regulations in An Audit of Financial Statements	April 1, 2009



S.No	SA	Title of Standard on Auditing	Effective Date
7	SA 260	Communication with Those Charged with Governance	April 1, 2009
8	SA 265	Communicating Deficiencies in Internal Control to Those Charged with Governance and Management	April 1, 2010
9	SA 299	Responsibility of Joint Auditors	April 1, 1996
10	SA 300	Planning an Audit of Financial Statements	April 1, 2008
11	SA 315	Identifying and Assessing the Risks of Material Misstatement through Understanding the Entity and its Environment	April 1, 2008
12	SA 320	Materiality in Planning and Performing an Audit	April 1, 2010
13	SA 330	The Auditor's Responses to Assessed Risks	April 1, 2008
14	SA 402	Audit Considerations Relating to an Entity Using a Service Organization	April 1, 2010
15	SA 450	Evaluation of Misstatements Identified during the Audits	April 1, 2010
16	SA 500	Audit Evidence	April 1, 2009
17	SA 501	Audit Evidence - Specific Considerations for Selected Items	April 1, 2010
18	SA 505	External Confirmations	April 1, 2010
19	SA 510	Initial Audit Engagements-Opening Balances	April 1, 2010
20	SA 520	Analytical Procedures	April 1, 2010
21	SA 530	Audit Sampling	April 1, 2009
22	SA 540	Auditing Accounting Estimates, Including Fair Value Accounting Estimates, and Related Disclosures	April 1, 2009
23	SA 550	Related Parties	April 1, 2010
24	SA 560	Subsequent Events	April 1, 2009
25	SA 570	Going Concern	April 1, 2009
26	SA 580	Written Representations	April 1, 2009
27	SA 600	Using the Work of Another Auditor	April 1, 2002
28	SA 610	Using the Work of Internal Auditors	April 1, 2010
29	SA 620	Using the Work of an Auditor's Expert	April 1, 2010
30	SA 700	Forming an Opinion and Reporting on Financial Statements	April 1, 2011
31	SA 705	Modifications to the Opinion in the Independent Auditor's Report	April 1, 2011
32	SA 706	Emphasis of Matter Paragraphs and Other Matter Paragraphs in the Independent Auditor's Report	April 1, 2011
33	SA 710	Comparative Information - Corresponding Figures and Comparative Financial Statements	April 1, 2011
34	SA 720	The Auditor's Responsibility in Relation to Other Information in Documents Containing Audited Financial Statements	April 1, 2010
35	SRE 2400	Engagements to Review Financial Statements	April 1, 2010
36	SRE 2410	Review of Interim Financial Information Performed by the Independent Auditor of the Entity	April 1, 2010
37	SAE 3400	The Examination of Prospective Financial Information	April 1, 2007
38	SRS 4400	Engagements to Perform Agreed Upon Procedures Regarding Financial Information	April 1, 2004
39	SRS 4410	Engagements to Compile Financial Information	April 1, 2004

*Effective date means that the SA is effective for audits of the financial statements for periods beginning on or after the specified date



III. Guidance Notes/Study Guide/Monograph

1. Guidance Note on Audit of Inventories.
2. Guidance Note on Audit of Debtors, Loans and Advances.
3. Guidance Note on Audit of Investments.
4. Guidance Note on Audit of Miscellaneous Expenditure.
5. Guidance Note on Audit of Cash and Bank Balances.
6. Guidance Note on Audit of Liabilities.
7. Guidance Note on Audit of Revenue.
8. Guidance Note on Audit of Expenses.
9. Guidance Note on Provision for Proposed Dividend

PCC PAPER 3: LAWS, ETHICS AND COMMUNICATION

IPCC PAPER 2: BUSINESS LAWS, ETHICS AND COMMUNICATION

Applicability of relevant Amendments/Circulars/Notifications/Regulations etc.

SUBJECT	AMENDMENT	CONTENT	LINKS FOR REFERENCE
The Companies Act, 1956	Sending of Documents by electronic mode	The MCA through Circular No. 17/2011 dated 21st April, 2011 has clarified that a company would have complied with Section 53 of the Companies Act, 1956, if the service of document has been made through electronic mode subject to some conditions.	http://www.mca.gov.in/Ministry/pdf/Circular_17-2011_21apr2011.pdf

PCC PAPER 5: TAXATION

1. Study Material and Practice Manual for IPCC Paper 4: Taxation (based on the law as amended by the Finance Act, 2010). The relevant assessment year for Income tax is A.Y. 2011-12. The Study Material and Practice Manual are based on the law as amended by the Finance Act, 2010 as well as the significant notifications and circulars issued up to 30.4.2010. The Study Material and Practice Manual for IPCC is relevant for PCC students also, however, with the exception of the following chapters in Part II: Service tax and VAT - Unit 2 of Chapter 2 on Taxable Services; Chapter 5 on Input Tax Credit and Composition Scheme for Small Dealers; and Chapter 6 on VAT Procedures.
2. Supplementary Study Paper - 2010 for PCC/IPCC, which explains the amendments made by the Finance Act, 2010 and important notifications/circulars issued between 1.5.2009 and 30.4.2010.
3. The significant amendments made by circulars/notifications issued between 1.5.2010 and 30.4.2011 would be hosted at the BOS knowledge portal on the website of the Institute **www.icai.org** and would also be given in the RTP for November 2011 examination.

IPCC PAPER 4: TAXATION

1. Study Material and Practice Manual for IPCC Paper 4: Taxation (based on the law as amended by the Finance Act, 2010). The relevant assessment year for Income-tax is A.Y. 2011-12. The Study Material and Practice Manual is based on the law as amended by the Finance Act, 2010 as well as the significant notifications and circulars issued up to 30.4.2010.
2. Supplementary Study Paper - 2010 for PCC/IPCC, which explains the amendments made by the Finance Act, 2010 and important notifications/ circulars issued between 1.5.2009 and 30.4.2010.
3. The significant amendments made by circulars/notifications issued between 1.5.2010 and 30.4.2011 would be hosted at the BOS knowledge portal on the website of the Institute **www.icai.org** and would also be given in the RTP for November 2011 examination.

Period of Validation of Registration in Chartered Accountancy Course

In order to streamline the period of validity of registration for Common Proficiency Course (CPC), Professional Competence Course (PCC)/ Integrated Professional Competence Course (IPCC) and Final levels of Chartered Accountancy Course, the Council at its 303rd Meeting held on February 10-12, 2011 decided as under:

CPT students:

- Initial registration for Common Proficiency Course (CPC) is valid for 3 years.
- Revalidation of registration shall be done for further period of 3 years before expiry of initial registration. Students who have got their registration revalidated with the concerned Decentralised Offices may have the registration revalidated every 3 years after the expiry of the earlier revalidated period.
- Fee for revalidation is ₹ 300/- for each revalidation.
- Students are required to ensure before applying for admission to CPT examination that they have valid registration.
- CPT students who have registered on or before 30th November, 2008 are required to revalidate their registration before applying for December, 2011 CPT examination.

PCC/IPCC students:

- Initial registration for Professional Competence Course (PCC)/ Integrated Professional Competence Course (IPCC) is valid for 4 years.
- Revalidation of registration shall be done for further period of 4 years before expiry of initial registration. Students who have got their registration revalidated with the concerned Decentralised Offices may have the registration revalidated every 4 years after the expiry of the earlier revalidated period.
- Fee for revalidation is ₹ 400/- for each revalidation.
- Students are required to ensure before applying for admission to PCC/ IPCC examination that they valid registration.
- PCC students who have registered on or before 31st October, 2007 are required to revalidate their registration before applying for November, 2011 PCC examination.

- Students who have registered in Intermediate or Professional Education (Course-II) are required to switchover to Integrated Professional Competence Course (IPCC) in order to continue their studies in chartered accountancy course.

Final students:

- Initial registration for Final Course is valid for 5 years.
- Revalidation of registration shall be done for further period of 5 years before expiry of initial registration. Students who have got their registration revalidated with the concerned Decentralised Offices may have the registration revalidated every 5 years after the expiry of the earlier revalidated period.
- Fee for revalidation is ₹ 500/- for every revalidation.
- Students are required to ensure before applying for admission to Final examination that they have valid registration.
- Final students who have registered on or before 31st October, 2006 are required to revalidate their registration before applying for November, 2011 Final examination.

It may be noted that if a student appears in the CPT or PCC/IPCC or Final examination without having valid registration, he shall have to pay a penal fee of ₹ 250/- (in addition to the prescribed revalidation fee with retrospective effect) within 30 days prior to the date of declaration of results.

Candidates, whose period of initial registration has expired, may apply for revalidation by making an application on plain paper, together with the prescribed fee by way of Demand Draft drawn in favour of **“The Secretary, The Institute of Chartered Accountants of India, payable at Mumbai/ Chennai/ Kolkata/ Kanpur/ Delhi”** as the case may be and forward the same to the Decentralised Office concerned at Mumbai, Chennai, Kolkata, Kanpur and Delhi.

The above decision of the Council shall be applicable from November/ December, 2011 examination onwards.

Director, Board of Studies

Important Announcement for students of CA PCC/IPCC/Final Course appearing for November 2011 examination

Deferment of Applicability of Revised Schedule VI

This is to bring to the attention of students that a decision has been taken to defer the applicability of the Revised Schedule VI, consequent to which the same will not be applicable for the PCC, IPCC and Final examinations to be held in November 2011.

Accordingly, in the list of publications/amendments relevant for November 2011 examination published in Students' Journal "The Chartered Accountant Student", the following portions given in column (4) of the table below are to be excluded

Month of Issue	Page No.	Particulars / Heading	Portion to be excluded
May 2011	27	List of Institute's Publications relevant for November 2011 examination	Sl. No. III. relating to Revised Schedule VI (under Final Course Paper 1: Financial Reporting)
May 2011	30	-do-	Note 1 (Common for PCC/IPCC Paper 1/Paper 5) under Paper 5: Advanced Accounting
June 2011	28-29	Applicability of relevant amendments etc. relating to Corporate and Allied Laws (Final) for November, 2011 examination	The seventh row under the said heading relating to Schedule VI

Further, the first sentence in the Note given in page 25 below the illustrative format of "Notes to Accounts" published in the June 2011 issue of the Students' Journal, mentioning, *inter alia*, that the Revised Schedule VI is applicable from November 2011 examination should also be ignored.

Vijay Kapur
Director, Board of Studies

Campus Placement Programme for Newly Qualified Chartered Accountants August-September, 2011

The Committee for Members in Industry of the Institute organises Campus Placement Programme for newly qualified Chartered Accountants at various centres all over India. The scheme has been evolved to provide an opportunity both to employing organisations as well as the young professional aspirants to meet and explore the possibility of taking up positions in Industry.

Invitation to Organisations/CA Firms

Campus Placement Programme will be organized at various centres viz. Ahmedabad, Bangalore, Baroda, Bhubaneswar, Chandigarh, Chennai, Coimbatore, Ernakulam, Hyderabad, Indore, Jaipur, Kanpur, Kolkata, Mumbai, Nagpur, New Delhi and Pune. The schedule of programme is given below.

S No.	Centre	Dates*
1	Bangalore, Chennai, Hyderabad Kolkata, Mumbai and New Delhi	16,17,18,19 & 20 August, 2011
2	Bhubaneswar, Coimbatore and Ernakulam	1 & 2 September, 2011
3	Baroda, Chandigarh, Indore, Kanpur, and Nagpur	2 & 3 September, 2011
4	Ahmedabad and Jaipur	5, 6 & 7 September, 2011
5	Pune	9,10 & 12 September 2011

The programme would be organized in the months of August-September, 2011 for the candidates who would be passing in the CA Final examination held in May 2011 and also for others who are eligible. Organisations intending to recruit Newly Qualified Chartered Accountants through the scheme are requested to get in touch with Secretary, Committee for Members in Industry, Indraprastha Marg, New Delhi -110002 and Tel. No. (011) 30110450/548 E-mail: placements@icai.org, mii@icai.org and campus@icai.org. The complete details of the programme are hosted on www.icai.org and on www.cmii.icai.org.

Chairman
Committee for Members in Industry

The Chartered Accountants Students Benevolent Fund (CASBF)

The Board of Trustees of The Chartered Accountants Students Benevolent Fund have decided to grant financial assistance to 200 students who are currently undergoing articled training in accordance with The Chartered Accountants Regulation, 1988 and are poor, needy but meritorious requiring financial assistance to pursue the Chartered Accountancy course @ ₹ 1500/- p.m. for one year with effect from October, 2010 to September, 2011 to be paid in lump sum.

The eligibility criteria for obtaining financial assistance from CASBF are as under;

- i) Passed 10 + 2 examination with a minimum of 70 percent marks and Passed Common Proficiency Test of ICAI in the first attempt

or

Passed B.Com Examination of a recognized University with a minimum of 60% marks.

- ii) Currently undergoing articled training as per CA Regulations.

- iii) Annual income of both parents from all sources be not more than ₹ 1.50 lakh.

Students who are needy, poor but meritorious and are fulfilling the above criteria may apply for financial assistance from the Chartered Accountants Students Benevolent Fund. Students may send their request in the prescribed form, duly completed to the Member Secretary, Chartered Accountants Students Benevolent Fund at the following address so as reach on or before 1st August, 2011. The form can be downloaded from website of the Institute www.icai.org.

The Board of Trustees will consider each such cases on merit basis and decide at their discretion the amount of financial assistance to be granted.

Member Secretary

Chartered Accountants Students Benevolent Fund
C/ 00 The Institute of Chartered Accountants of India,
“ICAI Bhawan” Indraprastha Marg, New Delhi-110002
website www.icai.org email : casbf@icai.in

All India CA Students Conference - Nagpur

The 2011 All India CA Students Conference – organized by the ICAI under the aegis of the Board of Studies, is being jointly hosted by the Nagpur Branch of WIRC of ICAI and Nagpur Branch of WICASA. The theme is “**Empowering Excellence**”.

This Mega event will be comprised of presentations and lectures. Students are requested to register for the Convention at the earliest. Students are also invited to submit Papers (7-8 pages) for the various technical sessions. *The selected Paper Writers’ Registration fees will be reimbursed. (Three papers will be selected on each topic)*

Programme Schedule Day I: Saturday 23/07/2011

Time	Event
08.00. AM – 09.00 AM	Registration
09:00 AM –10:30 AM	Inaugural Session Chief Guest – CA. G. Ramaswamy, Hon. President, ICAI Guest of Honor - CA. Jaydeep Shah –Hon. Vice President, ICAI CA. Murli V. –Hon. Chairman, Board of Studies, ICAI
10:30 AM – 12:30 PM	Technical Session I Accountability in Public Domain Chairman – CA. S. B. Zaware, Central Council Member Topic : 1. Corporate Social Responsibility 2. Code of Ethics - Pre- requisites for Chartered Accountants in Practice, Industry & Service in the light of Globalization.

ANNOUNCEMENT

01.30 PM – 03.30 PM	Technical Session II Future Prospects Chairman – CA. Nilesh Vikamsey, Central Council Member Topic : 1) XBRL- Reporting Language 2) E- Office
03.30 PM – 05.00 PM	Special Session
06.30 PM – 09.00 PM	Cultural Evening
Day II: Sunday 24/07/2011	
Time	Event
09:30 AM – 11.30 AM	Technical Session III Legal and Technical Skills Chairman – CA. Rajkumar Adukia, Central Council Member Topic : 1) Analysis of Revised Schedule VI to the Companies Act ,1956 2) Presentation and Drafting Skill
11.30 PM – 01.30 PM	Technical Session IV Finance Management and Taxation Chairman – CA. P. Rajendra Kumar, Central Council Member Topic : 1) Service Tax - Point of Taxation Rule 2) Significant Aspects of Project Report
02.30 PM – 04.00 PM	Special Session
04.00 PM – 05.00 PM	Valedictory Session

Convention dates: 23rd – 24th July, 2011 (Saturday & Sunday)

Venue:

Rajwada Palace, Mahal, Nagpur

Registration fees: Rs. 500/- per student.

For Registration, sending Papers and for further queries, please contact:

The Convener

All India CA Students Conference

Nagpur Branch of WIRC of ICAI

ICAI Bhawan, 20/1, Dhantoli, Nagpur - 440012.

Tel No. 0712 - 2443968, 2441196 Fax no. 0712 - 2454166

E-mail: nagpur@icai.org web: www.nagpuricai.org.

IMPORTANT ANNOUNCEMENTS

Exclusion of certain topics in the CA Final Examination to be held in November, 2011 and thereafter

On a review of the syllabus for the Final Course, the Council has decided to exclude the following topics from the Final Examination to be held in November, 2011 and thereafter:-

Paper 1 Financial Reporting

- Inflation Accounting

Paper 5 Advanced Management Accounting

- Time Series Analysis; and

- Test of Hypothesis.

Students are advised to note the change.

Director, Board of Studies

Extension of date for registration for Integrated Professional Competence Course (IPCC)

In order to mitigate the hardship being faced by the students in registering for Integrated Professional Competence Course (IPCC), the Council at its 306th Meeting held from 7-9th June, 2011 decided that candidates who register for Integrated Professional Competence Course (IPCC) in the respective Decentralized Office on or before 16th August, 2011 would be eligible to appear in the Integrated Professional Competence Examination (IPCE) to be held in May, 2012.

Students are therefore advised to ensure that the registration papers are submitted to the respective Decentralized Offices of the Institute latest by 16th August, 2011 so as to be eligible to appear for Integrated Professional Competence Examination (IPCE) to be held in May, 2012.

Students are also advised not to wait for CPT marks statement to be received from the Examination Division for registration for IPCC but proceed for IPCC registration with a copy of the downloaded CPT marks statement.

Director, Board of Studies

SOUTHERN INDIA CHARTERED ACCOUNTANTS STUDENTS' ASSOCIATION

ICAI Bhawan, No.122, Mahatma Gandhi Road, Nungambakkam, Chennai – 600034

54th

ANNUAL GENERAL MEETING OF SICASA OF SIRC NOTICE

Notice is hereby given that the **Fifty-Fourth Annual General Meeting** of the Members of the Southern India Chartered Accountants Students' Association will be held on **Saturday, the 30th July 2011** at **5.30 p.m.** at the premises of the Institute at **ICAI Bhawan**, No.122, Mahatma Gandhi Road, Nungambakkam, Chennai – 600 034 to transact the following agenda:

AGENDA

1. To adopt the accounts for the year 2010-11;
2. To receive the report of the activities of the Association
3. To elect twelve (12) members to the Managing Committee for the year 2011-12; and
4. Any other matter with the permission of the Chairman.

BY ORDER OF THE
SOUTHERN INDIA CHARTERED STUDENTS ASSOCIATION

Sd/-

Place: Chennai

C.S. Srinivas

Date : 21st June 2011

Chairman, SICASA

Note: Details regarding the eligibility to vote, eligibility to stand for election and nominations etc. can be had from the SICASA Website <http://sicasa.sircoficai.org>

National Convention for CA Students - Kolkata

Organised by: Board of Studies, ICAI

Hosted by : EIRC of the ICAI & EICASA of the ICAI

Theme : "Chartered Accountancy : Present Glowing, Future Perfect"

Date: 27th & 28th of August, 2011

Venue : Calcutta University – Centenary Hall,
Calcutta University Campus, College Street, Kolkata - 700 073

Day 1 : 27/08/2011

Registration : 9 AM – 10 AM

Inaugural Session : 10 AM – 11 AM

Technical Session 1 – Accounting & Reporting – 11 AM – 1 PM

- Topics :
- 1) Major Departures in Indian Accounting Standards from the corresponding IFRS.
 - 2) Concept of Revised Schedule VI
 - 3) Application of SA 315 & SA 330 on SMEs.

LUNCH - 1 P.M. – 2 P.M.

Special Session 1 - Artileship Training-The Stepping Stone to own SWOT Analysis:

A continuous process – 2 P.M. – 3 P.M.

Technical Session 2 : Strategic Finance - 3 P.M. – 5 P.M.

- Topics :
- 1) Corporate Restructuring : A necessary Evil ??
 - 2) Deficit Financing
 - 3) Impact of mutual funds and derivatives on Indian economy and its auditing techniques.

Cultural Programme – 5.30 P.M. – 8 P.M.

Dinner – 8 P.M. – 9 P.M.

DAY 2 : 28/08/2011

Technical Session 3 : Taxation – Direct And Indirect – 10 AM – 12 Noon

- Topics :
- 1) Impact of Introduction of Point Of Taxation Rules 2011 and significance of the change in CENVAT Credit Rules 2004 wef 1st April 2011.
 - 2) Taxation of Non Residents
 - 3) Expenses incurred in respect of Exempted Income : Section 14A read with Rule 8D.

Special Session II - : Motivation and Inspiration – 12 noon – 1.00 PM

Lunch – 1.00 PM – 2.00 PM

Technical Session 4 : Legal Arena - 2.00 P.M. – 4.00 PM

- Topics :
- 1) Right To Information Act 2005
 - 2) Life post MCA – 21 : An innovative initiative
 - 3) Impact of Micro, Small & Medium Enterprises Development Act, 2006.

Valedictory Session - 4.00 PM – 5.30 PM

Distribution of Certificates – 5.30 P.M. – 6.30 P.M.

Students are invited to contribute papers for the four technical sessions. It has been decided to select two

papers on each topic. Paper writers selected for presentation of paper at the Convention are exempted from payment of registration fee. All selected paper-writers of the National Convention will be reimbursed to and fro AC 2 tier railway fare by the shortest route in trains Express on production of necessary proof (both ways ticket) and also be paid an allowance of ₹1,500/- per day (upto 3 days) to meet expenses (deducting expenses for stay on actual basis).

Students interested to submit a paper can do so by sending soft copies to erobos@icai.in & sbardhan@icai.in within July 20, 2011. The emails should be addressed to Shri Vijay Kapur, Director, Board Of Studies. A student cannot submit more than one paper. Please provide your registration number, course of study, complete postal address for communication, phone no. (landline & mobile) & e-mail id. Scanned passport size photograph and the Paper in MS – Word format in 2003 version (12 points typing), not exceeding 10 pages, to be sent as attachment to the mail.

Registration fee: ₹600 per student.

Fees for outstation delegates (Delegate fee plus ₹200 per day for accommodation).

Accommodation charges: ₹200 per day over & above delegate fees of ₹600.

(For outstation students, if required)

The total amount(inclusive of registration fees) is as given below:

Staying for	2 days	3 days	4 days
Rate	₹ 1000.00	₹ 1200.00	₹ 1400.00

Outstation delegates are requested to confirm their participation latest by 31st July, 2011 for accommodation arrangement. Demand Draft to be drawn in favour of "Institute Chartered Accountants of India, EIRC", payable at 'Kolkata'. Delegate fee can be paid in cash only in case of submission in Person (not through Post / Courier) at EIRC office with effect from 15th June 2011 during office hours on working days (Monday to Friday excepting holidays).

Students joining the programme would get their delegate certificate at the end of the Convention.

All correspondence relating to registration may be addressed to:

Chairman, EIRC,

ICAI, 7, Anandilal Poddar Sarani (Russell Street),
Kolkata, 700 071,

Phone: 033-39893989/3021-1120 to 23,

Fax: 033-30211145/46;

E-mail: ero@icai.org; website: www.icai.org

Working hours of the Articled Assistants

The Council has considered the issue regarding the working hours of the articled assistants. The Council is of the view that the article training is an important part of the CA curriculum and the same needs to be carried out in accordance with the scheme framed by the ICAI in this behalf. Accordingly, to clarify the doubts being raised by various quarters about the working hours of the articled assistants and for pursuing graduation/other course, the Council decided to issue the following directions:-

1. The articled assistants should undergo practical training in accordance with the Chartered Accountants Regulations, 1988 as explained hereinafter.
 - i. The working hours for the articled assistants shall be 35 hours in a week excluding the lunch break.
 - ii. The office hours of the Principal for providing article training to the articled assistants shall not be generally before 9.00 A.M. or after 7.00 P.M.
 - iii. The normal working hours for the articled assistants shall not start after 11.00 A.M. or end before 5.00 P.M.
 - iv. The working hours for the articled assistants should not exceed 35 hours in a week excluding the lunch break and normally an articled assistant be required to work during the normal working hours fixed for articled assistants.
 - v. **In case of the exigencies of work with the Principal, an articled assistant may be required to work beyond his/her normal working hours. However, under such circumstances, the aggregate number of working hours shall not exceed 45 hours per week. The requirement to work beyond 35 hours in a week should not be a practice but only in exceptional circumstances. Further, where the articled assistant is required to work beyond normal working hours, and aggregate of such hours exceed 35 hours per week, he/she shall be entitled to compensatory leave calculated with reference to number of completed working hours, over and above, 35 hours per week.**
 - vi. The facility of allowing flexible office hours stands withdrawn.
2. During the working hours, the articled assistant is not permitted to attend college/other institutions for pursuing any course including graduation. Accordingly, college timings of such course should not be such (after taking into account the time required to commute) which clashes with the normal working hours of the article training.
3. To ensure that the working hours do not clash with the graduation or any other course, if any pursued by the article assistant, each articled assistant registered on or after 1st April, 2008 shall now be required to obtain specific permission from the ICAI for pursuing graduation or other course as permitted under the Chartered Accountants Regulation by

submitting Form No.112, within one month from the date of joining the college or course to the ICAI.

4. The Certificate in Form No. 112 indicating college timings etc. shall be counter-signed by the concerned Principal of the college with the seal and stamp of the College and also indicating the telephone number/s and full address of the College.
5. In case a student does not comply with the above requirements or violates any of the above guidelines, his/her articleship period shall not be recognised.
6. In this connection, attention is invited to the Regulations 65 and 66 read with Regulation 60 of the Chartered Accountants Regulations, 1988 which provide as under:-

Regulation 60: Working hours of an Articled Assistant
The minimum working hours of an articled assistant shall be 35 hours per week (excluding lunch break) which shall be regulated by the Principal from time to time, subject to such directions and guidelines, as may be issued by the Council.

Regulation 65: Articled assistant not to engage in any other occupation

"Without the previous permission of the Council, obtained on application made in the *approved form, no articled assistant shall, during the period of his service as an articled assistant, take any other course of study or training, whether academic or professional, or engage in any business or occupation."

Regulation 66: Enquiries against articled assistant"

- (1) Where a complaint or information of any misconduct or breach of Regulation 65 or breach of the Code of Conduct applicable to articled assistants or breach of any of the covenants contained in the articles is received against an articled assistant from his principal or any other person, the President or the Vice-President as the Executive Committee may decide from time to time, may cause an investigation to be made.
- (2) The Executive Committee may, on a consideration of the report of the investigation and after giving the articled assistant an opportunity of being heard, make any of the following orders, namely;-
 - i. direct that the papers be filed and the complaint be dismissed, if the Executive Committee finds that the articled assistant is not guilty of any misconduct of breach of Regulation 65 or breach of any of the covenants contained in the articles; or
 - ii. if the articled assistant is found guilty, reprimand the articled assistant or cancel the registration of articles or direct that any period already served under such articles shall not be reckoned as service for the purpose of the period of practical training specified in Regulation 50.
- (3) The articled assistant, the registration of whose articles has been cancelled under this regulation, shall not, except with the permission of the Executive Committee be retained or taken as an articled assistant or audit assistant by any member".



Director's Communication

Dear Student Friends,

Let me begin by wishing you all on the happy occasion of the Chartered Accountants Day – 1st July. This is indeed a day to commemorate - not only for the members of the CA fraternity but also for you who are the future torchbearers of this coveted

profession. July 1st, 1949, the momentous day in the almanac of the profession in India, saw the emergence of The Chartered Accountants Act, 1949 which endowed complete autonomy on the profession and vested the entire regulation and organization of the profession in the hands of the profession itself. It was on this day that the Institute of Chartered Accountants of India was set up for the purpose of regulation of the profession of chartered accountants.

Consistent hard work : Key to success

While celebrating this joyous occasion, one must not forget that it takes a lot of hard work and commitment to emerge as a member of this aspired profession. The hard work should not be restricted only during the last couple of months before the examination but should be consistent right from day one when you enroll yourself for the CA course. Coupled with an effective study plan, hard work will definitely lead you to the path of success.

Effective Study Plan : Six point strategy

Point One : Draw up a detailed study time table

Preparing a comprehensive study time table well in advance would be of great help in organizing your study in an effective manner. The time table should be prepared keeping in mind the number of months remaining before the examination, the number of working days and holidays comprised therein and the effective number of hours available in a day for study after taking into consideration the working hours of articleship training, the hours spent in commuting, the hours of rest required etc. For instance, if you are taking your Final Examination in November, 2012, you have sixteen whole months ahead of you before the examination for your study. The last month should be earmarked for final revision. The effective number of hours available for study on a working day can range from, say, 2 to 4 and on a holiday from 10 to 12 hours. In this manner, you can arrive at the total number of hours which would be available for study before the examination. This would encompass the time for initial round/rounds of revision as well.

Point Two : Allocate time for each subject and also for each topic therein

The next step is to apportion the time between the different subjects. It would, no doubt, involve estimation of time to be allocated for each subject and also for each topic/chapter of the subject. The scope of syllabus, the contents of each chapter in the study material and practice manual would help you to broadly assess the time which each subject and each topic of the subject would consume. Of course, you have to keep some percentage margin over and above the time assessed by you to take care of possible difficulty in understanding or interpreting concepts, particularly relating to accounting standards and tax laws. Try to organize your time table to fit in theory and practical subjects intermittently since reading too much theory at a stretch may cause boredom.

Point Three : Follow systematic study pattern

Ideally, when you take up any topic for study, you must first go through the relevant chapter of the study material for building a strong conceptual base. After reading each chapter in the study material, try to work out the problems in the corresponding chapter of the Practice Manual on your own, and thereafter compare your answers with the answers given therein. This would help you to identify your mistakes and also learn from your mistakes. Further, this process would help in revision of the concepts and principles contained in each chapter of the study material and application of the same while solving practical problems. One line of advice - never indulge in selective study and always cover the whole syllabus.

Make it a habit to jot down the key points including formulae, if any, in each topic, and particularly, in your problem areas. This would facilitate revision, especially when you have a limited time of just one day before each examination.

Point Four : Learn, revise, revise again

In addition to the study material and the publications of the Institute, you should preferably go through at least one of the recommended text books of each subject to complete the process of study. Appropriately, the first round of study should be concluded at least 3 months before the examination; the initial round/rounds of revision should be done in the penultimate two months prior to the examination and the final revision in the last month before the examination wherein all the loose ends should be sorted out. Solving the questions and problems in the Revision Test Papers would help you to self-assess the effectiveness of your study and revision.

Further, you should also make an honest attempt to solve the immediately preceding examination papers within a time span of three hours and compare your answers with the suggested answers published by the Board of Studies. This will help you to identify the areas where you are deficient and enable you to take corrective steps to avoid such mistakes in your examination.

Point Five : Learn through Group Study

You may choose to study in a group with your friends/colleagues. Group study has been demonstrated as a faster and more effective method of learning, provided the members of the group are more or less on the same wavelength and remain focused on the subject matter of study. For group study to be truly effective, the size of the group should be small, not exceeding 3 to 4 members. Large groups, generally, do not help to serve the intended purpose of faster learning.

Point Six : Adhere to time table and implement your study plan

To summarise, if you have already enrolled for the CA course, do take out a pen and paper and draw out a study plan today itself. You would be relieved of the stress and anxiety that generally arise at a later point of time when one is not adequately prepared to face the examination. Do remember that implementation of your study plan is equally important – the plan should not remain on paper alone. So make sure you adhere to the time table and avoid significant deviation, except, of course, in case of exigency. Rest assured, if you put in your best efforts, success will surely follow!

Wishing You All the Best,

Yours sincerely,

(Vijay Kapur)

Director, Board of Studies



CA. G.Ramaswamy, President, ICAI and CA. Jaydeep Narendra Shah, Vice President, ICAI at the Interactive Meet with the Students organized by the Nagpur Branch of WICASA .



CA. G.Ramaswamy, President, ICAI and CA. Jaydeep Narendra Shah, Vice President, ICAI at the Interactive Session with the Students organized by the Nagpur Branch of WICASA .



A group photo taken on the occasion of the Interactive Meeting organized by Nagpur Branch of WICASA.



CA.G. Ramaswamy, President,ICAI with the students at the Interactive Meet at Lucknow.



CA. V Murali, Chairman, Board of Studies addressing the gathering at the joint seminar organized by Board of Studies, ICAI with Barkatullah University, Bhopal. Also seen in picture, CA. Manoj Fadnis Central Council Member and Smt.Dr. Nisha Dubey, Vice-Chancellor, Barkatullah University.



Student Members of Indore Branch of CICASA with CA. Manoj Fadnis and Chairman BOS at the Interactive Session held on 10th June, 2011

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CROSSWORD

Across

1. Acredit Rating Company
6. _____ Interest is that which is considered to be paid, even though no interest payment has been made.
8. The provisions of section 45 of Income tax Act 1961 relating to chargeability of capital gains would not apply to any transfer of a capital asset, inter alia, by a company to a LLP as a result of conversion of the company into a LLP in accordance of the Limited Liability Partnership Act, 2008.
11. According to Section 2(47) of Income - tax Act 1961, transfer includes maturity & _____ of zero coupon bonds.
14. Legally obliged or responsible
15. Lima is its capital.
16. _____ integrates internal and external management information across an entire organization.
18. Budget 2011 has imposed a nominal excise duty of _____ percent on about 130 items.
19. An allowance exempted to the extent of Rs 100 under Income-tax Act 1961.
20. W.e.f. 1.04.11, _____ rules determine the time when the services tax liability arise.

Down

2. A public sector bank in India characterized by RBI as "other public sector bank".
3. All companies _____ in India and their subsidiaries including overseas subsidiaries are required to file the financial statements in XBRL form from the year 2010-2011.
4. The portion of a company's profit allocated to each outstanding share of common stock.
5. ----- Scheme helps banks recover non-performing loans of Micro and Small enterprises.
7. Maximum penalty for delay in filing of service tax return under Section 70 is _____ thousand.
8. Wage sheet is prepared by ----- department.
9. Factors which can be easily varied with a change in the level of output are called _____ factors.
10. Risks and rewards of ownership of the goods under _____ sales are not transferred at the time of entering into an agreement or endorsement of the documents of title.
12. The main purpose of accounting of joint products and by- products is to determine profit or loss on each ----- line.
13. The popular tax refund scheme which has been extended till September 30, 2011.
17. It is also called transformation curve in Economics.