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Values Virtues Vision



President's Communication

Dear Budding Professionals,

In the current climate of the economic dynamism, influenced by excessive competition and exponential technology growth, the importance of gaining knowledge and guidance of teachers is the highest. As recited by Sant Kabir Das, a mystic poet and saint of India, "*Guru Gobind dou khare kake laagu paye, balihari Guru aapne Gobind diyo bataye.*" I, on behalf of our Institute felicitate and convey my heartiest greetings to the teaching fraternity on the auspicious occasion of Teacher's Day, which is observed every year on 5th September to commemorate the birth day of the former President of India, late Dr. Sarvepalli Radhakrishnan, a philosopher and a teacher par excellence. It is my firm belief that under the able guidance of your respective principal who is imparting practical training, you all will be successful in the realm of accounting profession. On the occasion, I also convey my warm wishes to the faculty of Board of Studies of ICAI.

I am extremely happy to convey my hearty congratulations to all the successful candidates of the May 2013 Intermediate IPC Examination. The pass percentage of both groups is 11.73%. For the Group I and Group II, the pass percentages are 19.44 and 14.83 respectively. I appreciate the hard work put in by all the successful candidates and those who have secured ranks deserve special praise for their painstaking efforts in securing the coveted positions. As a motivation to the students who are preparing for the upcoming November 2013 examinations, we are publishing the interview of the top three rank holders of the May 2013 Final examination in this issue of the journal. The key factors, which contributed to the creditable success of the rank holders include total commitment to the cause, confident approach, sincere, serious and systematic preparation from the very inception and planning of the study methodology in advance and adherence to the same.

I would also like to advice the successful

candidates, not to become complacent because, this is the profession where you are a student throughout your life and you have to keep yourself updated with the latest developments taking place in the accounting and corporate world. This is very necessary for having an edge over others in this competitive world.

The world is fast changing and the finance professionals have to play a significant role in the global scenario - whether it is in the realm of international taxation, international laws or international accounting and auditing standards. So, it is appropriate for you to equip yourself with excellent knowledge base, not only with a view to pass the examinations but to emerge successful in the future professional career.

In such a dynamic scenario, the need to modify and infuse changes is a necessary step to upgrade and update the existing curriculum. The General Management and Communications Skills (GMCS) course offered by the Institute has been revamped and revised recently. The students who have joined article training on or after 1st May 2012, have to undergo two GMCS courses of 15 days each. GMCS I is to be completed during first year of articleship and GMCS II after completion of 18 months of articleship but before completion of articleship. The Institute has decided to grant one time extension to students, who were registered for practical training between 1st May, 2012 and 31st December, 2012 to complete GMCS-I Course latest by 31st December, 2013. For the holistic skill development, the Institute has also brought out a new publication titled "Course Material on English Speaking, Writing Skills and Business Communication". This booklet is being distributed free of cost in the relevant programmes being organized by branches and regions.

Wish you all the best

CA. Subodh K. Agrawal
President

The Institute of Chartered Accountants of India



Vice President's Communication

Dear Students,

At the outset, I extend my best wishes to all the Teachers on the auspicious occasion of Teacher's Day, which is observed every year on September 5th to commemorate the birth day of the great philosopher, teacher par excellence and the former President of India, **Sarvepalli Radhakrishnan**. As you know, the role of a teacher in any society is both noteworthy and invaluable. The teachers are the role models for the students as they try to follow them in their manners, costumes, etiquette and conversational style. More over, teachers are considered architects for moulding the future of their students.

In the Chartered Accountancy profession, the role of our principal is very important. The practical training serves as the launching platform to unfold the horizons of a successful professional career. Being a well groomed and well disciplined student of Chartered Accountancy Course, it is the utmost responsibility of our students to follow the code of conduct while learning the nitty-gritty of the professional skills under the mastery and able guidance of their respective principals.

In order to be a truly global professional of high order and rank, you need to uphold high ethical standard and discharge your professional duties with due diligence. As future CA professionals, you should always keep yourself adhere with the core principles of our enduring profession viz. Integrity, Objectivity, Independence, Confidentiality, Professional Competence and Ethical Behaviour. I hope that by following these principles candidly and earnestly, you can reach to the acme of success in your professional endeavors.

Recently, the results of the IPCE May 2013 examinations were declared. I offer my heartiest congratulations to those students who have passed and my full support to those who have not been able to make up to the success list. I

also congratulate the rank holders of the examination.

As you know the examination system of the Institute is one of the best systems in the country and it has maintained very high standards of integrity, confidentiality and credibility over the years. It seeks to test the multifaceted knowledge, which a Chartered Accountant is expected to possess. To achieve success, you have to approach the examination with a positive attitude. I am sure, you would have already started your preparations for the November examinations with some plans. The study materials provided by the Institute would help you to develop a strong conceptual base. It gives you the parameters within which you have to study. Make it a habit of going through them thoroughly as these will enable you to understand the basic concepts of the subjects and develop your ability in understanding the different concepts and their application. Apart from the study material, do refer to at least one standard text book and solve all the illustrations and problems therein. This will further build your conceptual clarity of a particular subject and strengthen your problem solving skills.

I would also suggest you to take the practical training very seriously. Many a students consider practical training as a burdensome task. But practical knowledge is a must for success in your respective examinations. You should also make it a habit of visiting the Institute's website. It contains all the educational inputs of the Board of Studies like latest study materials, suggested answers, RTPs, supplementary study materials, notifications etc. It also contains announcements like relevant list of publications, Accounting and Auditing Standards etc. applicable for the examination.

Wishing you all the best in all your pursuits of life

Yours Sincerely,

K. Raghu

CA. K. Raghu

Vice President, ICAI, New Delhi



Chairman's Communication

My Dear Students,

We are living in a dynamic professional and business environment, where changes are taking place at breathtaking pace. In this dynamic world, it is very important that professionals of Chartered Accountancy be equipped with the latest and relevant techniques, processes and rules being followed all over the world. Therefore, from time to time, the ICAI reviews the course curricula of its various subjects and makes them contemporary, weeding out obsolete contents and introducing the latest ones. In this direction, the ICAI, in terms of the decision of the Council taken at its 324th meeting held in March, 2013, has revised the syllabi of **Paper 6 – Information Systems Control and Audit and Paper 8- Indirect Taxes at the Final level and Paper 4's (Taxation) Part II - Service Tax and VAT and Paper 7A: Information Technology of Intermediate (IPC) Course [IIPCC]**. The detailed announcement in this regard is available on page — of this issue and has also been hosted at the Institute's website at <http://220.227.161.86/30545bos20300.pdf>. Broadly, the syllabus of **Paper 6: Information Systems Control and Audit** of Final has been revised with a view to rationalize the same in the light of recent technological developments by making necessary additions/deletions and modifications therein. In respect of **Paper 8: Indirect Tax Laws**, the significant change is the addition of Foreign Trade Policy and deletion of VAT. Similarly, at the IIPCC level, the syllabus of **Part –II of Paper 4: Taxation** has been revised to increase the scope of its coverage in line with the growing significance of indirect taxes. For instance, basic concepts of significant indirect taxes viz., excise duty, customs duty and central sales tax have been introduced in the syllabus, in addition to service tax and VAT. The syllabus of **Paper 7A: Information Technology** has been revised to include IT concepts, which are not only current but also practically relevant since they have been properly linked with subjects such as accounting, auditing etc. to make them apposite for the CA course.

It may be noted that the examinations of the aforesaid papers in accordance with the revised syllabi will be held from **November, 2014 onwards** in respect of all the candidates. It is clarified that the revised syllabi of the aforesaid papers will not be applicable in November, 2013 and May, 2014 examinations and students will be examined only on the basis of the existing syllabi in these examinations. The Study

Materials for Final Papers 6 and 8 prepared in accordance with the revised syllabi will be hosted on the Institute's website in the first week of September, 2013. As regards IIPCC, the study materials of Part II of Paper 4 and Paper 7A prepared in accordance with the revised syllabi will be hosted on the Institute's website in November, 2013. The same will also be made available at the sale counters of the regions and branches in due course of time.

As you know that the Practical Training of three years is an important part and parcel of the Chartered Accountancy course of ICAI. For this, it has a publication called Training Guide which contains all rules, regulations, guidelines etc. relevant to the practical training. I am happy to share with you that the Training Guide is being revised and the revised version will be released shortly.

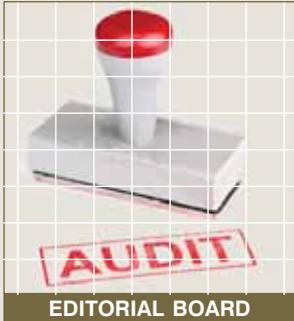
The e-learning programme of the Board of Studies (BOS) is being run successfully. Already, 101 hours of e-lectures for Common Proficiency Course, 250 hours for IIPCC and 148 hours for Final Course are uploaded on the Institute's dedicated website for the purpose <http://studentslms.icai.org>. It may be mentioned that these lectures are delivered by eminent professors and subject experts and will aid you in better understanding and revision of the respective topics and therefore, it is advised that you take full advantage of this facility of the BOS.

The BOS in its strive to provide best possible education and training to its students organizes various educational programmes and events. In this direction, a number of Conferences and Conventions at all levels – state, sub regional, regional, national and international level have been organized. I am happy to see the encouraging response of students who have participated in great numbers in these events. In the forthcoming weeks also two important events, namely, All India Conference of CA students at Bangalore (31st August and 1st September, 2013) and International Conference of CA Students at Kolkata (14th and 15th September, 2013) are scheduled. It is my earnest wish that you participate in these events in great numbers. I am sure you will find these programmes fruitful and enriching as these will give you the chance of listen to subject experts who have a wealth of experience and expertise on the topics they have been assigned to speak.

Wishing you success in all endeavors in life and a very Happy Teachers Day!

Yours sincerely,

CA. Vijay Garg
Chairman, BOS



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E-filing of Tax Audit Report-A Paradigm Shift

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** CA. Sheetal Ahuja,

Technology has impacted the lives of majority of the population of India. This advancement in technology has made our life much easier as almost everything is available at the click of the button. 20 years back, when the internet was hardly known to most of us, one could not have imagined that touch screen mobiles, i-pads would see the light of the day. There were times when a child use to wait for his 13th birthday to have a video game and today a child of 2 years old is smart enough to swipe the screen of his father's mobile to locate a game or an educational app. Due to technological advancement, no doubt the next generation has become smarter.

With the due date of filing tax audit report approaching, the new requirement of e-filing of the tax audit report is likely to pose certain teething problems. However, the benefits of technology would help to tide over these initial problems.

Areas touched upon....

As per the provisions of section 44AB of the Income-tax Act, 1961, every person carrying on the business or profession shall be required to get his accounts audited, if the total sales, turnover or gross receipts exceed Rs. 1 crore (w.e.f. A.Y. 2013-14) in case of business or Rs. 25 lakhs (w.e.f. A.Y. 2013-14) in case of profession in any previous year, by an accountant in the prescribed form.

Prescribed forms are as under:

Form No. 3CA: Audit report u/s 44AB of the Income-tax Act, 1961, in a case where the accounts of the business or profession of a person have been audited under any other law.

Form No. 3CB: Audit report u/s 44AB of the Income-tax Act, 1961, in a case where the accounts of the business or profession of a person have not been audited under any other law.

Form No. 3CD: Statement of particulars required to be furnished u/s 44AB of the Income-tax Act, 1961.

This article deals with the procedural aspects of e-filing of tax audit report.

A. E-filing- A welcome step taken by Department

By making effective use of technology to provide e-services in majority of the areas, the Government is moving step-by-step towards adoption of electronic

measures. Initially, income-tax returns were mandatorily required to be e-filed for specified class of assesseees and thereafter mechanism for e-payment of taxes was introduced. Later on, the concept of e-filing with digital signatures was also brought in. This time the Department mandated e-filing of a list of forms (other than ITR) and has laid down a process which enables online furnishing of audit reports or certificates or applications. These forms (other than ITRs) are being developed and can be filled either online or offline. The formats relating to tax audit reports form part of the said list which is presently being made available in offline mode for e-filing.

The use of technology for e-filing is a welcome step to minimize the interface between Assessing Officer and the Assessee. This is a move towards capturing each and every data at the stroke of a button, thereby facilitating maintenance of database. It makes the work of processing simpler and easier as compared to manually filed reports. It will also save valuable time of the Department in selecting scrutiny cases.

B. Purpose of introducing E-filing of Tax Audit Report

To enable adaptability of e-filing by all assesseees, income-tax returns were made annexure-less, i.e., no paper, document or report was required to be attached along with the return of income. Upto last year, the tax audit reports were also not required to be submitted along with the return of income. It was only the details of the tax audit report that were to be furnished in the ITR itself. The audit reports were rarely demanded by the income-tax authorities during assessment proceedings. The absence of mandatory requirement for filing of tax audit report resulted in adoption of malpractices and making of false claims by assesseees. Consequently, in the interest of the revenue, the Central Board of Direct Taxes took initiative and mandated e-filing of tax audit reports from A.Y. 2013-14 onwards.

C. Basics/Terminology used in respect of E-filing of Tax Audit

Even though the students are expected to be aware of the basics of the tax audit, certain aspects have been touched upon in brief:-

The Contributors are *Assistant Secretary **Executive Officer, ICAI

a) Due date of furnishing tax audit report

Tax audit report in Form no. 3CA/3CB & 3CD is to be furnished by the assessee before the due date of filing return of income u/s 139(1).

b) Requirement of mandatory filing of tax audit report electronically.

e-filing refers to the process of furnishing/transmitting/ filing information with the use of electronic media. From Assessment Year 2013-14 onwards, the CBDT has mandated the filing of tax audit reports electronically vide Notification no. 34/2013, dated 01-05-2013.

c) Meaning of "Tax professional"-Terminology used by e-filing portal

Presently, a chartered accountant who is a member of Institute of Chartered Accountants of India, is the only user who can register as a tax professional and can upload tax audit reports. As per ICAI's Council Guidelines, only a member having Full time Certificate of Practice (COP) will be eligible to conduct tax audit.

d) Meaning of the term "Digital Signature"

While e- filing, security of any document becomes a basic necessity in terms authenticity, integrity and non-repudiation. The physical signatures authenticate the printed documents. Similarly, digital signatures authenticate the electronic documents. It proves the identity of signer and affirms that the person signing had agreed to the documents on which the signature is attached. Unlike physical signatures, this signature cannot be forged and thus the signer cannot later deny that the signature was forged.

e) Meaning of the term "XML"

XML is a general purpose markup language designed especially for web documents. It is an abbreviation for "Extensible Markup Language". It is being commonly used for interchange of data over the internet.

E. Process for E-filing of Tax Audit Report



Step- I	Registration on e-filing portal	Action by Chartered Accountant
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- a) Access www.incometaxindiaefiling.gov.in
- b) Click on 'Register Yourself' tab and select the user type under Tax Professional as 'Chartered Accountant'
- c) Enter Basic details:
 - Details of membership of ICAI: MRN, Enrollment date
 - Personal Details: Surname, Middle Name, First Name, Date of Birth, PAN, E-mail id
 - Digital Signature Certificate: upload .pfx file or USB token
 - Click 'Submit'
- d) After successful submission of above basic details, enter details in registration form:
 - Set Password.
 - Set primary secret question and answer thereof.
 - Set secondary secret question and answer thereof
 - Enter contact details: Landline number, mobile number; alternate number; e-mail id & alternate e-mail id; Fax number
 - Postal Address
 - Subscribe to e-mail and alerts
 - Captcha Code

After successful submission of all above details, the user will receive a confirmation e-mail containing an activation link. The user account will be activated as soon as the user triggers that link, thereby updating the database of Income-tax Department. An SMS will also be sent at the registered contact number of the user notifying that a confirmation mail was sent to his/her registered e-mail id.

Step- II	Add Chartered Accountant	Action by Chartered Assessee
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- a) Assessee is required to login into his/her account by entering user id and password at www.incometaxindiaefiling.gov.in
- b) Go to 'My Account' tab and select 'Add CA'
- c) Enter MRN of the CA. After entering correct 6 digits MRN of CA, the name of CA will automatically get prefilled.
- d) Select the Form no. for which CA is supposed to be added.

D. Pre-requisites for E-filing of Tax Audit Report By Tax Professional

A chartered accountant should have:

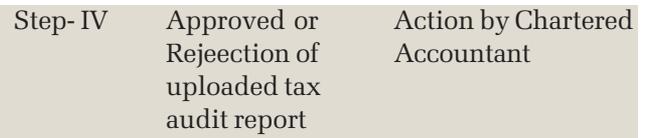


- e) Select Assessment Year
- f) Enter the image of the captcha code
- g) Click 'Submit'

After successful submission of above, a message will be displayed notifying the addition of CA in assessee's profile.



After successful uploading of tax audit report, the said form will go to assessee for approval.



- b) Click on 'View Form'
- c) Assessee can verify the form and approve/reject the form (other than ITR).
- d) The acceptance of the form (other than ITR) by the assessee is to be made under his/her Digital Signature.
- e) If assessee is rejecting the form, reason for such rejection has to be provided.

An email will be sent to the registered e-mail id after successful submission of the form alongwith the acknowledgement number.

Conclusion:

To make the tax administration system more user friendly, this paradigm shift in services of the Department was the need of hour. Every taxpayer being a partner in nation building should, instead of resisting the change, appreciate and support the efforts of the government to ensure an effective and efficient tax administration system. Issues arising due to change will, no doubt settle with time.

Disclaimer:

The views in this article are personal views of the authors and cannot construed be the views of ICAI. ■

TOPPERS OF CHARTERED ACCOUNTANTS EXAMINATION INTERMEDIATE (IPC) MAY-2013



Sakshi Sanjay Gupta
First Rank
Mumbai



Himanshu Nemichand Agrawal
Second Rank
Surat



K.N.V.V. Upendra
Second Rank
Vuyyuru



Ronak Baphna
Vadodara
Third Rank

Our Hearty Congratulations !!

Examiners' Comments on the Performance of Candidates - Final

PAPER – 1 : FINANCIAL REPORTING

Specific Comments

Question 1

(a) This question is based on AS 10 and AS 16. Most of the candidates either did not capitalize the trial run cost to the cost of machinery or erred in calculating and capitalizing the finance cost. Besides calculating the cost of machinery to be capitalised, the question also required the candidates to suggest the accounting treatment for the cost incurred during the period between the date the machine was ready for use and the date on which it was actually put to use. Many candidates did not work out the amount of interest for this period and only suggested that such interest should be charged to Profit and Loss account while some candidates had left this part of the question unanswered.

(b) Quite a few candidates did not work out the 'capital reserve' at the time of purchase of shares. Some did not add up the amount of capital reserve of Rs. 2.60 lakhs to the current profit of Rs. 2.00 lakhs (i.e. difference of sale proceeds and the net assets of B Ltd. at the time of sale), though the figures were worked out correctly. Therefore, number of candidates did not arrive at the correct profit on disposal of the investment.

(c) For calculation of net effect on the statement of profit and loss on sale and lease back of equipment, it was required to judge whether the lease was an operating lease or finance lease. Many candidates did not determine the nature of lease by applying the requisite criterias i.e. whether 'financial lease' or 'operating lease'. They solved the question directly presuming that the lease was a finance lease.

Many candidates failed to apply the provisions of AS 19 for recognition of profit in case of sale and lease back transactions resulting in finance lease though they were able to arrive at correct profit figure. Further, they were also not able to provide the net effect on profit and loss account after recognition of profit on sale and charge of depreciation on lease back of the equipment which was the main requirement of the question.

(d) To calculate "Impairment of assets", candidates had to find out the recoverable amount (i.e. higher of net selling price and its value in use).

Many candidates failed to subtract the disposal cost from market price to arrive at correct net selling price.

Few candidates correctly calculated the amount of impairment loss. However, they did not state its treatment which was specifically required in the question.

Question 2.

Majority of candidates did not consider preference dividend while making analysis of profits of both the companies. Preference share capital of the subsidiary company will form part of minority interest; this aspect was also missed out by many candidates. Only few candidates were able to correctly calculate post allocation of inter-company's share of profits into capital and revenue profits. Also candidates did not present the consolidated financial statements as per revised Schedule VI.

Question 3.

Some candidates did not work out the number of equity and preference shares to be given to shareholders' holding shares not in multiples of 5. However, overall performance of the candidates was good in this question.

Question 4.

(a) Some candidates had ignored preference share capital in computing debt equity ratio, while some had not added back debenture interest in computing interest and fixed dividend coverage ratio. For calculation of expected yield on equity shares, comparison with prescribed ratios was necessary to make adjustments to normal rate of return. However, candidates had omitted such comparisons while calculating the expected yield on equity shares thereby determining the wrong expected yield.

(b) Some candidates deferred the employees compensation expenses over 3 years which was not the vesting period. Few candidates correctly passed the entry for Bank and Share Capital Account but did not work out the amount of Employees' Compensation Expenses Account correctly.

Question 5.

(a) Several candidates considered 25% as the normal rate of return from Domestic Ltd. instead of 10% and applied the risk factor of 1% to 2%.

In computing capital employed, many

EXAMINATION

candidates did not consider the amount of investments in total assets and provision for taxation in current liability.

- (b) Actuarial losses on the obligation for 2011-12 for Rs. 1,500 had confused the candidates as they had deducted this amount from expected return. For return on plan assets for half year i.e. for 6 months, candidates failed to calculate the effective rate of 5%. They had wrongly applied annual rate of 10.25% to calculate half yearly return on addition to plan assets.

Question 6.

- (a) Few candidates did not compute and show the excise duty separately in Gross Value Added Statement. Some of the candidates treated interest on bank overdraft and interest on working capital as application of value added instead of part of manufacturing and trading activities. However, overall performance of the candidates was satisfactory.
- (b) Candidates lacked conceptual clarity on the topic mutual funds since majority of the candidates passed journal entries for normal investment by debiting or crediting 'Profit and Loss account' instead of debiting or crediting 'Revenue Account'. Even for unearned profit, credit was given to 'Profit and Loss Account', instead of crediting the same to a unrealised appreciation reserve account. Also for depreciation in value of investment, 'investment account' was credited instead of making provision for the same.

Question 7.

- (c) A number of candidates were not aware of the provisions of CENVAT Credit Rules, 2004 and passed the entry for utilization of full amount of CENVAT credit of Rs. 7.20 lakhs instead of Rs. 4.00 lakhs in the first year of availment.
- (d) The candidates were not aware of the requirements regarding disclosure of financial assets and financial liabilities in the balance sheet.
- (e) The calculation of contingent loss was done by many candidates. However, accounting treatment of such loss as per AS 29 was not given by them.

PAPER - 2 : STRATEGIC FINANCIAL MANAGEMENT

Specific Comments

Question 1.

- (a) Foreign Exchange Risk Management: The overall performance of candidates was satisfactory.
- (c) The concept of Real Option was not clear to majority of candidates hence they could not

work out correctly the probability of buoyant condition using Binomial Model. Even some candidates solved the question using traditional NPV method. Further few candidates also failed to take into account the rent from building.

- (d) Majority of candidates could not compute correctly the premium payable and net payment received from bank.

Question 2.

- (a) In this question which involves computation of expected NPV and its standard deviation the performance of majority of candidates have been found satisfactory.
- (b) Though many candidates were able to compute portfolio beta correctly but some of them could not compute correctly the theoretical value of NIFTY future for February 2013. Further even some candidates have taken number of shares as weights instead of value of shares in the calculation of portfolio beta.

Question 3.

- (b) Some candidates failed to apply the MM Model properly and hence could not compute number of shares required to be issued as required in part (iii) of the question.

Question 4.

- (b) While computing Annual Rate of Earning; many candidates have gone correct half-way i.e. upto the computation of NAV per unit but could not compute annual rate of earning.

Question 5.

- (a) This question was a dealing with the problem of redeeming bonds already issued with a fresh issue. The performance of candidates was not satisfactory as they failed to compute the correct NPV of bond refunding decision.
- (b) This question deals with determination of a project to be treated in a foreign country. The overall performance of candidates was very poor as majority of them were not clear about the concept of nominal and real cash flows and could not properly correlate the inflation rates in India and Africa. Hence they calculated exchange rate wrongly as well.

Question 6.

- (a) This was a question based on calculation of exchange ratio of shares consequent upon the acquisition of one company by another. Overall performance in this question has been found satisfactory.
- (b) This was a question based on the concept of Forward Rate Agreement (FRA). The performance of candidates was very poor as majority of them failed to calculate the effect of FRA and the actual rate of interest to the company

Question 7.

- (b) In this question some candidates confused the concept of 'Asset Securitization' with factoring and assets given as collateral loan.
- (c) Many candidates explained call money in context of Share Issue instead of Financial Market. Even some candidates have applied the concept of future and option theory.

**PAPER – 3 : ADVANCED AUDITING AND
PROFESSIONAL ETHICS**

Specific Comments**Question 1.**

- (a) Candidates in general failed to comment on the apparent mistakes appearing in the given Balance Sheet as required by the question. Some candidates were not aware of the form, content and presentation of the Balance Sheet as per revised Schedule VI. Many candidates were not able to identify that heading "Shareholder's funds" was missing in the question. Also candidates were not aware of the treatment of Capital Advances.
- (b) Many candidates answered in general and did not give reference of AS 15 rather they mentioned AS 29 which was not required. Also some candidates mentioned the provisions of CARO, 2003 and PF Act beyond the requirement of the question.
- (c) Some candidates did not mention AS 2. Many candidates could not explain the concept that in the given case, as the value of the by products is insignificant, the realizable value of by products should be ascertained and it should be deducted from the cost of the main product. Also, many candidates related this to accounting policy.
- (d) Some candidates wrongly explained the provisions of AS-21 instead of AS-13.

Question 2.

- (a) Most of the candidates failed to mention and explain the relevant clause of 'other misconduct'.
- (c) Many candidates answered that disclosure to Registrar is not a professional misconduct.

Question 3.

- (a) Many candidates failed to understand the requirement of the question and discussed mainly the procedure of internal control and reliance on previous auditor rather than the factors that may warrant a re-test of controls.
- (b) Candidates, in general, mentioned most of the important sources of misstatements arising from other than fraud but some also wrote about sources of misstatements arising from fraud, which was not required.

- (d) Many candidates failed to mention most of the circumstances that may warrant the revision in terms of engagement. Some candidates answered the areas to be changed in the engagement letter.

Question 4.

- (a)(i) Most of the candidates correctly mentioned the NPA norms in cases of Central & State Govt. Guaranteed loans but could not write the correct answer in respect of income recognition norms.
- (b) Answer of most of the candidates was based on logic rather than applicable section of the Insurance Act. Candidates failed to mention the Sec. 64VB.
- (c) Candidates in general failed to mention the important examples of capital receipts not credited to profit & loss account requiring reporting under the clause. They lacked knowledge of form 3CD.

Question 5.

- (a) Most of the candidates failed to express precisely the factors to be considered in assessing the future maintainable turnover and mainly discussed the various points of due-diligence of the company being acquired.
- (c) Many candidates were lacking in knowledge of the topic and mentioned irrelevant points like data entry, computerised accounting system etc.
- (d) Candidates failed to identify the inherent audit risk at the level of account balance and class of transaction and rather discussed the account balance and class of transaction itself. Most of them showed lack of understanding of the topic on inherent audit risk.

Question 6.

- (b) Most of the candidates were not able to properly draft the disclaimer report. Few of them reported the matter as adverse and qualified also.
- (c) Most of the candidates were not able to mention the period of default but correctly drafted the report.

Question 7.

- (a) Many candidates failed to understand the requirement of the question and discussed the management of fund of the society rather than restrictions on investments of funds of a central co-operative society.
- (b) Candidates in general failed to discuss the technical, ethical and professional standards as per statement on peer review and rather they discussed mainly about peer review itself.
- (c) Although the candidates described the meaning

EXAMINATION

of corresponding figures correctly but most of them wrongly related it to SA 510.

- (d) Many candidates failed to explain the determination of various items of permanent consolidated adjustments and instead mentioned current consolidated adjustments.
- (e) Although the candidates discussed the concept of volatility margin but failed to explain its computation and application.

PAPER – 4 : CORPORATE AND ALLIED LAWS

Question 1.

- (a) Performance of students was quite satisfactory. Students in general knew the applicable provisions relating to right to inspection of books of accounts of the company by a person appointed by director.
- (b) Almost all the students attempted this question properly. They were very well aware of the provisions related to section 399 of the Companies Act, 1956 and answered correctly about the maintainability of the petition by the members of Supreme Chemicals Limited.
- (c) The performance of the students was average. Though most of them correctly stated the provisions related to loan by a director from the company without obtaining the approval of the Central Government under section 295 of the Companies Act, 1956 but avoidance of prosecution by applying to the Central Government for approval or by refunding the loan taken by him was not stated properly.
- (d) Most of the students were not able to explain the provisions under Securities Contracts (Regulation) Act, 1956, regarding disciplinary action by the Securities and Exchange Board of India against members of Stock Exchange. The performance of the students was average in this question.

Question 2.

- (a) Performance of students was not satisfactory. Students did not know the legal formalities to be complied with and the steps to be taken to give effect to the demerger. Procedural aspects were not known to the students.
- (b) The performance of the students was upto the mark. Almost all the students answered the question correctly about the requirement of sending notice of Board Meeting to the Directors. But some of them were confused about the legal requirements to be complied with by a public company in respect of a Board Meeting.

Question 3.

- (a) Most of the students did not attempt this question properly. Many did not answer the

particulars required to be furnished under Clause (2A) of section 217 of the Companies Act, 1956. Most of them were also unaware of the Auditor's role in verifying these particulars.

- (b) Most of the students were unaware of the conditions for preferential issue, pricing, lock-in period of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009. They were lacking the knowledge of the SEBI Regulations.

Question 4.

- (a) Almost all the students attempted this question properly. They answered correctly the provisions related to disqualification of director under section 274(1)(g) of the Companies Act, 1956.
- (b) Performance of the students was quite satisfactory in this question. Though drafting of resolution by some students for the appointment of Mr. Wahid as Managing Director for a period of 5 years was not upto the mark.

Question 5.

- (a) The performance of the students was unsatisfactory. Most of the students did not know the meaning of misfeasance, time limit for prosecution and liability of legal representative of the deceased director.
- (b) Most of the students were not able to explain the provisions related to preparation, signing and filing of Accounts and Balance Sheet under the Banking Regulation Act, 1949. The performance of the students was below average in this question.

Question 6.

- (a) Many students could not understand this question. Instead of answering the question applying the provisions of section 581-ZK of the Companies Act, 1956 relating to the Producer Company, students answered the question on the basis of the provisions as contained in Section 372A, which was not applicable in the given case.
- (b) Many students fairly attempted this question. They were able to answer properly with regards to whether the provided companies can be considered as "Foreign Companies" or not. But many of them were unaware about the issue of Indian Depository Receipts by these companies.

Question 7.

- (a) The performance of the students was highly satisfactory. Most of them answered the question correctly applying the relevant provisions of the FEMA, 1999.
- (b) The Performance of the students was below average. Most of them did not know the

provisions of section 5 the Competition Act, 2002 related to the proposed amalgamation.

- (c) The performance of the students was not upto the mark. Lack of knowledge of the concept of 'Money Laundering' was noticed in the answer given by the students.
- (d) Many students did not perform well in this question. They did not properly explained the concept of "Securitisation" under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002.
- (e) The Performance of the students was below average. Most of them did not know distinction between a mandatory provision and a directory provision.

PAPER 5 : ADVANCED MANAGEMENT ACCOUNTING

General Comments

"The performance of the examinees in both theory and practical questions has not been satisfactory and it showed lack of conceptual clarity and comprehension. It is important that the examinees undertake intensive study of various concepts included in the subject 'Advanced Management Accounting'. Conceptual Clarity along with Continuous Practice under examination condition will help examinees to approach examination with greater degree of confidence."

Specific Comments

Question 1.

- (a) This was a problem on the concept of 'Relevant Costing'. The specific treatment of *relevant cost up to the point of separation* and *after the point of separation* was not appreciated by most of the examinees. Performance of the examinees was not good in this question.
- (b) In this question examinees were asked to find the *minimum average unit price to be charged on a joint product to sustain the increased sales*. Most of the examinees failed to work out the same in correct manner.
- (c) This was a theory question from the topic 'Assignment'. Performance of the examinees was good in this question.
- (d) This was a problem on 'Cost Concepts' in decision making and the answer was based on calculation of 'Indifference Point'. Due to lack of understanding of basic cost concepts and its applications, majority of the examinees could not identify *the machine with greatest cost advantage at given level of activity*.

Question 2.

- (a) This was a straight forward problem from the

topic 'Activity Based Costing'. Performance of the examinees was good in this question.

- (b) This was also a straight forward problem from the topic 'Budgets and Budgetary Control' and it was required to prepare 'Production Budget' and 'Material Requirement Budget'. Question was generally well answered by the examinees.

Question 3.

- (a) This was a numerical problem from the topic 'Linear Programming' and could be solved by either 'Simplex Method' or 'Graphical Method'. Many examinees could answer only part of the question and could not arrive at *product – mix at maximum profit level*.
- (b) This was a problem from the topic 'Standard Costing' and good performance of the examinees was observed. Examinees were able to take the required data and compute requirements of the questions correctly.

Question 4.

- (a) This question was based on *practical situation* of a 'Transportation Problem' designed to test the concept of *feasibility, optimality* and *degeneracy*. Performance of the examinees was average in this question.
- (b) This question was a practical problem on 'Theory of Constraints' Majority of examinees could not work out correctly *allocation of machine hours on the basis of bottleneck*. Performance of the examinees was average in this question.

Question 5.

- (a) This was a problem relating to *evaluation of different proposals to utilize spare capacity*. Question was generally well answered by the examinees.
- (b) The majority of examinees did not understand the concept of 'DPP'. Performance was very poor in this question.

Question 6.

- (a) This question was from 'Program Evaluation & Review Technique' and involving 'Project Crashing'. Majority of the examinees could not answer completely. Most of the examinees answered only one or two crashing stages and thereafter lost the track.
- (b) This theory question was from the topic 'Learning Curve' required to state *main applications of Learning Curve*. Average performance of the examinees was observed.
- (c) This theory question required to state *advantages available in 'Inter-Firm Comparison'*. Average performance of the examinees was observed.

Question 7.

Limited number of examinees with knowledge of the subject matter answered well. But majority of the examinees failed to provide correct answers showing that they had not studied the subject in proper way.

- (a) This 'Theory of Constraint' question was required to explain that, *how it differs with regard to cost behavior?* Concept was not clear to the examinees. Most of the examinees gave vague answers. Performance of the examinees in this question was below average.
- (b) This question required to state *brief reasons for using 'Simulation Technique' to solve problems.* Most of the examinees could not state the correct reasons for using 'Simulation Technique'. Performance was not good.
- (c) This question required to list out *qualities required for a good 'Pricing Policy'.* Most of the examinees gave general answer instead of correct and point to point answer. Average performance was observed in this question.
- (d) This question required to state *circumstances where 'PERT' is more relevant.* Performance of the examinees was not satisfactory in this question as most of them could not give correct circumstance..
- (e) This question required to enumerate the *expected disadvantages in taking divisions as profit centres.* Average performance on the part of examinees was observed as answers given by them were very general.

PAPER – 6: INFORMATION SYSTEMS CONTROL AND AUDIT

Question 1.

This was a case study based question comprising four sub parts.

- (a) For the first part, most of the candidates answered well by listing the activities to be performed during System Requirements Analysis. However, a few of them wrote about the steps of SDLC.
- (b) Most of the candidates wrote the boundary control techniques based on their general knowledge; very few of them answered correctly. Accordingly, performance was average for this part.
- (c) The general guidelines, which are to be followed before starting the implementation of an ERP package, were written correctly by most of the candidates.
- (d) Most of the candidates could not mention the aspects, which should be covered while drafting IS Security Policy for BCP. Some of them described IS Security and aspects of BCP in a

generalized way. Hence, performance was poor for this part.

Question 2.

- (a) Most of the candidates answered well this part by mentioning the goal and strengths of Prototype Model, correctly.
- (b) This part was also attempted well by the candidates by describing the activities involved in system conversion.
- (c) The differences between Executive Information System and Traditional Information System were written correctly by most of the candidates.

Question 3.

- (a) The question based on the types of output controls, which are enforced for confidentiality, integrity and availability was not answered correctly by the candidates; instead many of them wrote a general answer. Accordingly, poor performance was observed for this part.
- (b) Most of the candidates were able to define Expert System but they could not mention the properties, which an application should possess to qualify for an Expert System. Instead of writing the same, they explained either the components or characteristics of Expert System. Therefore, overall performance was average.
- (c) In this part, 'Packet Filter Firewall and its major weaknesses' were explained well by most of the candidates.

Question 4.

- (a) Many candidates could correctly define 'System Control Audit Review File' (SCARF)' and types of information that can be collected by Auditors using SCARF.
- (b) This question was also attempted well by the candidates by defining Business Impact Analysis and mentioning the tasks, which are to be undertaken in this analysis.
- (c) In this part, the procedure to apply for a license to issue electronic signature certificate under Section 22 of Information Technology (Amendment) Act, 2008 was explained very well by most of the candidates.

Accordingly, the overall performance was good for this question.

Question 5.

- (a) Most of the candidates could not write the control objectives of 'Asset Classification and Control' in ISMS; instead they wrote a generalized answer. Hence, the performance was not satisfactory for this part.
- (b) Most of the candidates attempted well this

question by explaining the purpose of risk evaluation and its available techniques and hence, the performance was very good for this part.

- (c) The issues to be addressed in an Information Security Policy were written by some candidates only. Accordingly, an average performance was observed for this part.

Question 6.

- (a) Candidates could not discuss 'Release Management' and 'ICT Infrastructure Management' under ITIL correctly; it seems that most of them did not read the same. Hence, performance was poor for this part.
- (b) This was a scenario based question relating to Information Technology Act in which most of the candidates failed to answer correctly. They could not identify the applicable sections of the Act in the given situation and accordingly, performance was poor for this part also.
- (c) In this part, candidates were asked to describe any four phases that needs to be re-engineered while implementing ERP. Most of the candidates could not answer well; instead they discussed application areas where BPR is implemented.

In general, very few candidates attempted this question and those, who attempted it, performed poorly.

Question 7.

This question was based on the short notes comprising five sub parts.

- (a) Many candidates attempted well this part by describing the purpose of IS Audit Policy.
- (b) 'Audit tools and techniques used in DRP' were mentioned correctly of most of the candidates.
- (c) Many candidates attempted well this part by discussing Risk Assessment while some of them could not write the answer correctly. Accordingly, an average performance was observed for this part.
- (d) This part was based on the reasons for failure of ERP projects. The same was attempted well by most of the candidates.
- (e) In this part, recognition of Foreign Certifying Authorities under Section 19 of Information Technology (Amendment) Act, 2008 was explained very well by most of the candidates.

PAPER – 7 : DIRECT TAX LAWS

Question 1.

- (a) Some candidates have brought to tax the entire capital gains in the A.Y.2013-14, instead of restricting the same to 75%, being the percentage of flats (held as stock-in-trade) sold during the year. Therefore, they have wrongly computed the capital gains chargeable to tax.

- (b) Some of the candidates have simply answered whether or not the assets are chargeable to wealth-tax without giving reasons for their answer. In the answer to Q.1(b)(iv), some of the candidates have wrongly stated that out of Rs. 2.50 lakhs, being cash not recorded in the books of account, only Rs. 2 lakhs is chargeable to wealth-tax, without understanding that in case of persons other than individuals and HUFs, the entire amount not recorded in the books of account is chargeable to wealth-tax.
- (c) Many candidates committed mistake in computing the capitalized value of Net Maintainable Rent (NMR). Though in case of a house constructed on freehold land, the NMR has to be multiplied by 12.5 to compute the capitalized value of NMR, many candidates have computed the capitalized value wrongly, by multiplying the NMR by either 8 or 10, which are applicable in respect of houses constructed on leasehold land.

Question 2.

Majority of the candidates were not aware that contribution to employees welfare trust is disallowed under section 40A(9). Many candidates were not aware that payment on account of increase in liability due to currency rate fluctuation should be added to the cost of asset (machinery, in this case) as per the provisions of section 43A.

Many candidates were also not aware that provision for audit fees for the year ended 31.3.2012 for which tax was not deducted in the F.Y.2011-12, but was deducted and paid in the F.Y.2012-13 is allowable as deduction in the A.Y.2013-14, as per the proviso to section 40(a)(ia).

Question 3.

- (b) Many of the candidates have answered sub-part (i) of the question on the basis of the provisions of section 64, even though the question requires the candidates to discuss the taxability under section 56(2) of the Income-tax Act, 1961. In respect of sub-part (ii), candidates have not understood that the difference between issue price and fair market value is taxable under section 56(2)(viib) and not the difference between the fair market value and the share premium.
- (c) Very few candidates have been able to bring out the nature of transactions which would be treated as a specified domestic transaction under section 92BA.

Question 4.

- (a) Most of the candidates were not aware that definition of rent under section 194-I includes payment made for use of (either separately or

together) of building, furniture, fittings etc. They have wrongly stated that tax has to be deducted under section 194C for payment for use of furniture.

Further, many candidates were not aware that the definition of “work” under section 194C includes “catering”.

Most of the candidates were not aware of the provisions of section 194LB, inserted by the Finance Act, 2011, and hence were not able to answer this part of the question.

- (b) Most of the candidates have not understood that disallowance under section 43B is only for computation of income under the normal provisions of the Act and not for computation of book profit under section 115JB, and have wrongly made adjustment for interest not paid before the due date while computing book profit under section 115JB.

Question 5

- (a) Majority of the candidates have not understood that where the partnership deed provides for the manner of computation of book profits, remuneration paid to partners is allowable, subject to the limits specified in section 40(b)(v). Some candidates have simply stated the limits specified in section 40(b)(v) in their answer.
- (b) Some candidates have wrongly answered that the fees is taxable in the hands of society. They were not aware that the same would be exempt on the principle of mutuality, where there is no taint of commerciality, trade or business.
- (c) Many candidates have just reproduced the facts given in the problem and concluded that the reassessment made by Assessing Officer is valid or invalid. The emphasis on the crucial words “AND ALSO” in section 147 is not brought out by the candidates.
- (e) Very few candidates have correctly explained the non-taxability of the term loans waived and taxability of cash credit waived under the provisions of section 41(1).

Question 6.

- (a) Some of the candidates have provided deduction for investment in infrastructure bonds, which is, however, not applicable from A.Y. 2013-14.
- (c) Majority of the candidates were not aware of the provisions of section 255(4) and hence, could not answer the question correctly.

Question 7.

- (a) Some of the candidates were not aware of the provisions of section 69C and 115BBE and hence,

were not able to explain that the unexplained expenditure would be deemed as income under section 69C and would be subject to tax at the maximum marginal rate of 30% under section 115BBE.

- (b) Candidates have not been able to apply the provisions of section 64(1)(vi) to state that the income from indirect transfer of house property to son’s wife, Mrs. C, would be taxable in the hands of the Mr. A, who is the deemed owner of the house property initially transferred to Mrs. B without consideration. Further, most of the candidates have not mentioned that the provisions of section 56(2)(vii) would not get attracted since the receipt of property in each case was from a “relative”.

PAPER – 8 : INDIRECT TAX LAWS

General comments

The overall performance of the candidates has not been up to the mark. However, the candidates who had gone through the Institute’s publications namely, Study Material including Practice Manual, Select Cases in Direct and Indirect Tax Laws, Supplementary Study Paper-2012 have fared well. It has been observed that candidates do not attempt all parts of a question at one place and answer them separately at random places, which has really been a cause of great inconvenience to the examiners. The presentation of the answers has also not been satisfactory. Lack of in-depth study is reflected from the answers. Candidates have a tendency of writing general answers based on mere guess work and idea instead of giving specific and precise answers which would fetch them more marks.

As regards the questions based on case laws, the feedback of the examiners has been that though, by and large the candidates performed satisfactorily in this segment, many of them tend to repeat the facts given in the question and do not arrive at any conclusion. They are also unable to connect the facts of the case law with the facts given in the question.

Specific Comments

Question 1.

- (a)(ii) Question required the candidates to compute the amount payable towards CENVAT credit already availed at the time of disposal of the equipment after being used. However, almost all the candidates failed to arrive at the correct answer as they wrongly calculated the number of quarters required for computation of amount payable towards CENVAT credit.

- (b) Most of the candidates exhibited lack of knowledge regarding treatment of turnover in rural area. Though the question clearly specified that the SSI unit was located in rural area, many of the candidates assumed otherwise.
- (c) Question required computation of value of taxable services provided by a bank together with service tax payable thereon. There was general difficulty envisaged by the students in solving this question owing to lack of preparation and study of theoretical background involved in the said question. In most of the cases, candidates displayed little or no knowledge of the applicable provisions relating to chargeability of various items listed in the question. For instance, many wrongly reckoned that discount earned on bills discounted is liable to service tax while many others wrongly considered the commission received for services rendered to the Government for tax collection to be exempt.

Question 2.

- (a)(iii) Very few candidates could mention that Indian Ordinance Factories, Department of Defence Production and Ministry of Defence are exempt from filing the Annual Financial Information Return.
- (c)(i) Many candidates confused the commission or service charges paid to the canalizing agents with the buying commission and wrongly concluded that such payment was not includible in assessable value.

Question 5.

- (a)(ii) Most of the candidates gave general answers instead of mentioning the specific duties

prescribed by *Notification Nos. 19 & 21/2004 dated 06.09.2004*. Further, some of the candidates explained the procedure for claiming rebate which was not the requirement of the question.

Question 6.

- (a)(i) A large number of candidates were not able to provide all the four points of differences between the compounded levy scheme and duty based on production capacity. Here again, they answered generally and on the basis of guesswork.

Question 6.

- (a) **Alternative** Very few candidates attempted this question and majority of them could not enumerate the safeguards, conditions and limitations subject to which the refund of CENVAT credit can be allowed under rule 5 of the CENVAT Credit Rules, 2004. Few of the candidates defined the concept of refund of CENVAT credit in their own way which was totally out of context.
- (c) Most of the candidates did not mention that provisional attachment of property requires prior approval of the Commissioner of the Customs and that the property could be attached for a period of six months extendible up to two years.

Question 7.

- (a)(i) Few candidates wrongly concluded that duty remission is not available when the assessee receives insurance claim.
- (c) Majority of the candidates understood the rights of the “owner of the warehoused goods” to be the rights of the “owner of the warehouse” and thus, answered wrongly. ■

ANNOUNCEMENT

ANNOUNCEMENT

Case Study- TSIL- Expanding Horizon

This has reference to the Case Study published in the July 2013 issue of the Students' Journal wherein students were requested to submit their responses latest by 31st of July 2013. Since adequate responses have not been received, the said date is further extended to 30th September 2013. Two best solutions will be published in one of the forthcoming issues of the Students' Journal and an honorarium of Rs. 1,250 each shall be paid.

Revision of Syllabus

Revision of syllabus of Group – I – Paper- 4 - Taxation – Part – II and Group– II – Paper – 7 - Section A: Information Technology of Intermediate (IPC) Course; and Group – II – Paper – 6 Information Systems Control and Audit and Group – II – Paper – 8 – Indirect Tax Laws of Final Course.

As per the decision of the Council taken at its 324th meeting held in March, 2013, it is notified for information of students and the public at large that the examination in the following papers effective from November 2014 examination and onwards shall be held as per the revised syllabus, as specified by the Council in terms of its authority as vested in Regulation 28E (3) and 31(iii) in respect of Intermediate (IPC)/Accounting Technician Examination and Final Examination respectively.

Intermediate (IPC) Examination/ Accounting Technician Examination (ATE) under Regulation 28E (3) of the Chartered Accountants Regulations, 1988.	Paper 4: Part I : No change Part II: Taxation i.e. Service Tax (25 Marks) and VAT (25 Marks) Paper 7: Section A: Information Technology (50 Marks)
Final Examination under Regulation 31 (iii) of the Chartered Accountants Regulations, 1988	Paper 6: Information Systems Control and Audit (100 Marks) Paper: 8: Indirect Tax Laws (100 Marks)

The detailed Revised Syllabi in respect of aforesaid papers of Intermediate (IPC) and Final Examinations are hereby attached for the information of students and general public.

It is clarified that there is no change in the syllabus of remaining papers of Intermediate (IPC) Course and Final Course, except as specified above.

Director, Board of Studies

Intermediate (IPC), Group I, Paper 4: Taxation

Syllabus

PART II – INDIRECT TAXES (50 MARKS)

Objective:

To develop an understanding of the basic concepts of the different types of indirect taxes and to acquire the ability to analyse the significant provisions of service tax.

1. Introduction to excise duty, customs duty, central sales tax and VAT – Constitutional aspects, Basic concepts relating to levy, taxable event and related provisions

2. Significant provisions of service tax

- (i). Constitutional Aspects
- (ii) Basic Concepts and General Principles
- (iii) Charge of service tax including negative list of services
- (iv) Point of taxation of services
- (v) Exemptions and Abatements
- (vi) Valuation of taxable services
- (vii) Invoicing for taxable services
- (viii) Payment of service tax

(ix) Registration

(x) Furnishing of returns

(xi) CENVAT Credit [Rule 1 -9 of CENVAT Credit Rules, 2004]

Note – If new legislations are enacted in place of the existing legislations the syllabus will accordingly include the corresponding provisions of such new legislations in place of the existing legislations with effect from the date to be notified by the Institute. Students shall not be examined with reference to any particular State VAT Law.

Intermediate (IPC), Group-II, Paper-7A: Information Technology

Paper - 7A: Information Technology (50 Marks)

Syllabus

Level of Knowledge: Working Knowledge

Objective: “To develop understanding of Information Technology as a key enabler and facilitator of implementing Information Systems in enterprises and their impact on business processes and controls”.

Contents

1. Business Process Management & IT

- Introduction to various Business processes –



- Accounting, Finances, Sale, Purchase etc.
 - Business Process Automation – Benefits & Risks
 - Approach to mapping systems : Entity Diagrams, Data Flow Diagrams, Systems Flow diagrams, Decision trees/tables,
 - Accounting systems vs. Value chain automation, Information as a business asset
 - Impact of IT on business processes, Business Risks of failure of IT
 - Business Process Re-engineering
- 2. Information Systems and IT Fundamentals**
- Understand importance of IT in business and relevance to Audit with case studies.
 - Understand working of computers and networks in business process automation from business information perspective
 - Concepts of Computing (Definition provided by ACM/IEEE and overview of related terminologies)
 - Overview of IS Layers – Applications, DBMS, systems software, hardware, networks & links and people
 - Overview of Information Systems life cycle and key phases
 - Computing Technologies & Hardware – Servers, end points, popular computing architectures, emerging computing architectures & delivery models – example: SaaS, Cloud Computing, Mobile computing, etc.
 - Example: Overview of latest devices/technologies – i5, Bluetooth, Tablet, Wi-Fi, Android, Touchpad, iPad, iPod, Laptop, Notebook, Smartphone, Ultra-Mobile PC etc.)
- 3. Telecommunication and Networks**
- Fundamentals of telecommunication
 - Components and functions of Telecommunication Systems
 - Data networks – types of architecture, LAN, WAN, Wireless, private and public networks etc.
 - Overview of computing architectures – centralised, de-centralised, mainframe, client-server, thin-thick client etc.
 - Network Fundamentals – Components, Standards and protocols, Network risks & controls – VPN, Encryption, Secure protocols,
 - Network administration and management – concepts and issues
 - How information systems are facilitated through telecommunications.

- How Internet works, Internet architecture, key concepts, risks and controls
 - e-Commerce and M-commerce technologies
- 4. Business Information Systems**
- Information Systems and their role in businesses
 - IT as a business enabler & driver – ERP, Core Banking System, CRM, SCM, HRMS, Payment Mechanisms
 - The relationship between organisations, information systems and business processes
 - Accounting Information Systems and linkages to Operational systems
 - Business Reporting, MIS & IT
 - Organisation Roles & responsibilities and table or authorities, importance of access controls, privilege controls
 - Specialised systems - MIS, DSS, Business Intelligence, Expert Systems, Artificial Intelligence, Knowledge Management systems etc.
- 5. Business process automation through Application software**
- Business Applications – overview and types
 - Business Process Automation, relevant controls and information systems
 - Information Processing & Delivery channels and their role in Information Systems
 - Key types of Application Controls and their need
 - Emerging concepts – Virtualisation, Grid Computing, Cloud delivery model

Final Course, Group-II, Paper-6:

Information Systems Control and Audit

(One Paper – Three Hours - 100 Marks)

Syllabus

Level of Knowledge: Advanced Knowledge

Objective:

“To develop competencies and skill-sets in evaluation of controls and relevant evidence gathering in an IT environment using IT tools and techniques for effective and efficient performance of accounting, assurance and compliance services provided by a Chartered Accountant”.

Contents

- 1. Concepts of Governance and Management of Information Systems:** Governance, Risk and compliance and relationship between governance and management. Role of information technology and IS Strategy in business strategy, operations and



control, business value from use of IT, business impact of IS risks different types of Information Systems Risks, IS Risk management overview, IT Compliance overview – Role and responsibilities of top management as regards IT-GRC. Role of Information Systems Assurance. Overview of Governance of Enterprise IT and COBIT

2. **Information Systems Concepts:** Overview of information systems in IT environment and practical aspects of application of information systems in enterprise processes. Information as a key business asset and its relation to business objectives, business processes and relative importance of information systems from strategic and operational perspectives. Various types of business applications, overview of underlying IT technologies.
3. **Protection of Information Systems:** Need for protection of Information systems, types of controls, IT general controls, logical access controls & application controls. Technologies and security management features, IS Security Policies, procedures, practices, standards and guidelines, IT controls and control objectives, Role of technology systems in control monitoring, segregation of duties. Impact of IT controls on Internal controls over financial reporting, cyber frauds and control failures.
4. **Business Continuity Planning and Disaster recovery planning:** Assessing Business Continuity Management, Business Impact Analysis and Business Continuity Plans, Disaster recovery from perspective of going concern, Recovery Strategies
5. **Acquisition, Development and Implementation of Information Systems (SDLC):** Business process design (integrated systems, automated, and manual interfaces), Software procurement, RFP process, evaluation of IT proposals, computing ROI, Computing Cost of IT implementation and cost benefit analysis, systematic approach to SDLC and review of SDLC controls at different stages.
6. **Auditing & Information Systems:** Different types of IS audit and assurance engagements. Evaluating IT dependencies for audit planning. Overview of continuous auditing. Auditing Information Systems- Approach methodology, and standards for auditing information systems. IS Audit planning, performing an IS audit, rules of digital evidence, best practices and standards for IS audit. Reviewing General Controls, Application Controls, Application control reviews: Review of controls at various levels/layers such as: Parameters, user

creation, granting of access rights, input, processing and output controls.

7. **Information Technology Regulatory issues**
Overview of Specific section of IT Act 2008 & Rules as relevant for assurance: Electronic Contracting, digital signatures, cyber offences, etc. Need for systems audit as per various regulations such as: SEBI Clause 49 listing requirements and internal controls, systems control & audit requirements as per RBI, SEBI, IRDA. Concepts of Cyber forensics/ Cyber Fraud investigation, Overview of Information Security Standards ISO 27001, ISAE 3402/SA 402, ITIL
8. **Emerging Technology:** Overview of Cloud Computing, Software as a Service, Mobile Computing & BYOD, Web 2.0 & social media, Green IT and related security and audit issues

FINAL GROUP II

PAPER 8 : INDIRECT TAX LAWS

(One paper – Three hours – 100 marks)

Syllabus

Level of Knowledge: Advanced knowledge

Objectives:

- (a) To gain advanced knowledge of the principles of the laws relating to central excise, service tax and customs
- (b) To acquire the ability to apply the knowledge of the provisions of the above-mentioned laws to various situations in actual practice

Contents:

Section A: Central Excise (25 marks)

Central Excise Act, 1944 and the Central Excise Tariff Act, 1985

Section B: Service Tax (50 marks)

Law relating to service tax as contained in the Finance Act, 1994 as amended from time to time

Section C: Customs and Foreign Trade Policy (25 marks)

Customs Act, 1962, Customs Tariff Act, 1975 and Foreign Trade Policy to the extent relevant to the Customs Law

Note – If new legislations are enacted in place of the existing legislations relating to central excise, customs and service tax, the syllabus will accordingly include such new legislations in place of the existing legislations with effect from the date to be notified by the Institute. ■

Significant Changes made in the Revised Syllabi of Select Papers of Intermediate (IPC) Course

The syllabi of **Part II: Service Tax and VAT of Paper 4: Taxation and Paper 7A: Information Technology** of Intermediate (IPC) Course have been revised in terms of the decision of the Council taken at its 324th meeting held in March, 2013.

The detailed announcement in this regard has been hosted at the Institute's website at <http://220.227.161.86/30545bos20300.pdf>.

It may be noted that the examinations of the aforesaid papers in accordance with the revised syllabi will be held from November, 2014 onwards in respect of all the candidates.

It is clarified that the revised syllabi of the aforesaid papers will not be applicable in November, 2013 and May, 2014 examinations and students will be examined only on the basis of the existing syllabi in these examinations.

The syllabus of **Part –II of Paper 4: Taxation** has been revised to increase the scope of its coverage in line with the growing significance of indirect taxes. For instance, basic concepts of significant indirect taxes viz., excise duty, customs duty and central sales tax have been introduced in the syllabus, in addition to service tax and VAT.

The syllabus of **Paper 7A: Information Technology** has been revised to include IT concepts, which are not only current but also practical and relevant to the CA students at Intermediate (IPC) level along with their proper linkages with other subjects such as accounting, auditing etc.

Highlights of the significant changes made in the syllabus

A. Part –II of Paper 4: Taxation

- (i) Part-II of the paper has been rechristened as "Indirect Taxes" as the objective of the revised syllabus is to develop an understanding of the

basic concepts of the different types of indirect taxes and to acquire the ability to analyze the significant provisions of service tax as against the existing coverage which is limited to service tax and VAT.

- (ii) Basic concepts relating to levy, taxable event etc. of excise duty, customs duty and central sales tax have been included in the syllabus.

- (iii) Following new topics have been added in service tax:

- (a) Exemption and abatements
- (b) Invoicing for taxable services
- (c) Registration
- (iv) CENVAT Credit [Rule 1 -9 of CENVAT Credit Rules, 2004] provisions have also been included in the syllabus.

B. Paper 7A: Information Technology

Following new major topics have been added in the syllabus:

- (i) *Business Process Management and IT* highlighting Introduction to various Business processes, Business Process Automation-Benefits and Risks, Approaches for mapping, Impact of IT on Business processes, Business Risks of failure of IT and Business Process Re-Engineering etc., and
- (ii) *Business Process Automation through Application Software* highlighting Overview of Business Applications, Relevant controls and Information Systems, Information Processing, Emerging concepts like virtualization etc.

The Study Materials prepared in accordance with the revised syllabi will be hosted on the Institute's website in the first week of November, 2013. The same will also be made available at the sale counters of the regions and branches in due course of time. ■

Significant Changes made in the Revised Syllabi of Select Papers of Final Course

The syllabi of **Paper 6: Information Systems Control and Audit and Paper 8: Indirect Tax Laws** of Final Course have been revised in terms of the decision of the Council taken at its 324th meeting held in March, 2013.

The detailed announcement in this regard has been hosted at the Institute's website at <http://220.227.161.86/30545bos20300.pdf>.

It may be noted that the examinations of the

aforesaid papers in accordance with the revised syllabi will be held from November, 2014 onwards in respect of all the candidates.

It is clarified that the revised syllabi of the aforesaid papers will not be applicable in November, 2013 and May, 2014 examinations and students will be examined only on the basis of the existing syllabi in these examinations.

The syllabus of **Paper 6: Information Systems**

ANNOUNCEMENT

Control and Audit has been revised with a view to rationalize the same in the light of recent technological developments by making necessary additions/deletions and modifications therein.

In respect of **Paper 8: Indirect Tax Laws**, the significant change is the addition of Foreign Trade Policy in Section C: Customs to facilitate the understanding of practical application of the provisions of customs law.

Highlights of the significant changes made in the syllabus

A. Paper 6: Information Systems Control and Audit

- (i) Following new major topics have been added in the syllabus:
 - (a) *Concepts of Governance and Management of Information Systems* highlighting GRC and its related concepts, Role of IT, Business Impact of IS Risks, Role of Information Assurance, COBIT etc.; and
 - (b) *Emerging Technologies* highlighting Cloud Computing and its related issues, Mobile Computing, Green IT, Web 2.0 and Social Media etc.
- (ii) In addition, the topic on *IT Regulatory Issues* has been added highlighting not only the

relevant sections of IT Act 2000, which is covered in the current syllabus, but also other related regulatory issues e.g. need for system audit as per Clause 49 of SEBI listing requirements and audit requirements as per RBI, IRDA.

B. Paper 8: Indirect Tax Laws

- (i) Foreign Trade Policy to the extent relevant to the customs law has been included in Section C: Customs.
- (ii) Marks distribution among the three sections namely, Central Excise, Service Tax and Customs and Foreign trade Policy has been altered as under:

Section A	Central Excise	25 marks
Section B	Service Tax	50 marks
Section C	Customs and Foreign Trade Policy	25 marks
Total		100 marks

- (iii) VAT has been excluded from the syllabus.

The Study Materials prepared in accordance with the revised syllabi will be hosted on the Institute's website in the first week of September, 2013. The same will also be made available at the sale counters of the regions and branches in due course of time.

Important Announcement

Attention: Intermediate (IPC) and Final Course students

Applicability of Companies Bill, 2012 (to be enacted as the Companies Act, 2013) for May 2014, Examination

This is to bring to the notice of students that the Companies Bill, 2012 (to be enacted as the Companies Act, 2013) which was passed by the Lok Sabha on 18th December, 2012 and was pending before the Rajya Sabha, has been passed on 8th of August, 2013. This Companies Bill, 2012 will be enacted as the Companies Act, 2013 on receiving the assent of the President of India and notification in the Official Gazette, which will replace the existing statute, the Companies Act, 1956.

Thereafter, the decision regarding the applicability of the Companies Act, 2013 for CA Examination would be taken and informed to the students well in time before the May, 2014 Examination.

In any case, it is clarified that the Companies Act, 2013 will **NOT** be applicable for November 2013 examination.

Director, Board of Studies

Corrigendum

Paper 8: Indirect Tax Laws

Revision Test Paper of Group –II for November, 2013 examinations (Printed copy): In answer 7 on page 196, word “preceding” may be read as “current”.

Select Cases in Direct and Indirect Taxes [Relevant for May, 2013 and November, 2013 Examinations] (Printed copy): In Question 2 on page 116, word “preceding” may be read as “current”. Further, case law no. 2 on page 139 may be ignored.

Companies Bill, 2012 - Highlights

The Rajya Sabha passed the Companies Bill, 2012, on 8th August, 2013 paving the way for replacing the Companies Act, 1956, with a new legislation more in sync with the requirements of the corporate world in a globalised environment. The new law will be marked by greater focus on shareholder democracy, need for more corporate disclosures and less intrusive regulations. Several provisions have been introduced to ease corporate decision-making and improved governance.

The Bill, already passed by the Lok Sabha on 18th December, 2012, will now go for President's assent. The new law will be called the Companies Act, 2013. Much of the Act will be governed by rules which will be framed by the Corporate Affairs ministry. Through its around 470 Clauses, 29 Chapters and 7 Schedules, the new law proposes to make it mandatory for companies to maintain their documents in electronic format, introduces the concept of one person company, asks big companies to set aside funds for corporate social activity and suggests rotation of auditors.

Some of the major highlights of the Companies Bill, 2012 are as follows:

Introduction of new types of companies

- (i) **One person Company:** "One Person Company" means a company which has only one person as a member. [Clause 2(62)]
- (ii) **Associate Company:** A company is considered to be an associate company of the other, if the other company has significant influence over such company but which is not a subsidiary company of the company and includes a joint venture company. Significant influence means control of at least 20 per cent. of total share capital of a company or of business decisions under an agreement. [Clause 2(6)]
- (iii) **Small company:** "Small company" means a company, other than a public company,-
 - (a) paid-up share capital of which does not exceed fifty lakh rupees or such higher amount as may be prescribed not exceeding Rs. 5 crore or
 - (b) turnover of which does not exceed two crore rupees or such higher amount as may be prescribed not exceeding twenty crore rupees. [Clause 2(85)].
- (iv) **Dormant Company:** Where a company is formed and registered under this Act for a future project or to hold an asset or intellectual property and has no significant accounting transaction, such a company or an inactive company may make an application to the Registrar in such manner as may be prescribed for obtaining the status of a dormant company.

Board of Directors

- (i) **Number of Directors:** Maximum number of directors in a company has been increased to 15 from 12. More directors can be added by passing of special resolution without getting the approval of Central Government as earlier required. [Clause 149(1)]
- (ii) **Women director:** At least one woman director shall be on the Board of such class or classes of companies as may be prescribed. [Clause 149(2)]
- (iii) **Resident Director:** Every company shall have at least one director who has stayed in India for a total period of not less than one hundred and eighty-two days in the previous calendar year. [Clause 149(3)]
- (iv) **Independent Director:** Concept of independent directors has been introduced for the first time in Company Law. All listed companies shall have at least one-third of the Board as independent directors. [Clause 149(4)]
- (v) **Duties of Director:** Duties of directors have been defined in the Bill for the first time. [Clause 166]

Appointment of Key Managerial Personnel: Every company belonging to such class or classes of companies as may be prescribed shall have the following whole-time key managerial personnel:

- (i) Managing director, or Chief Executive Officer or manager and in their absence, a whole-time director;
- (ii) Company Secretary; and
- (iii) Chief Financial Officer [Clause 203]

Related Party Transaction: Related party transactions by a company having prescribed paid-up capital or value of transaction exceeding prescribed limits will require prior approval of members by special resolution. The related party who is a member of such a company cannot vote in such special resolution. The Boards' report has to disclose related party transactions along with the justification. [Clause 188]

Financial Statement: Financial Statement has been defined first time and includes—

- (i) a balance sheet as at the end of the financial year;
- (ii) a profit and loss account, or in the case of a company carrying on any activity not for profit, an income and expenditure account for the financial year;
- (iii) cash flow statement for the financial year;
- (iv) a statement of changes in equity, if applicable; and
- (v) any explanatory note annexed to, or forming part of, any document referred to in sub-clause (i) to sub-clause (iv)

Provided that the financial statement, with respect to One Person Company, small company and dormant company, may not include the cash flow statement. [Clause 2(40)]

Corporate Social Responsibility (CSR): Every company having net worth of rupees 500 crore or more, or turnover of rupees 1000 crore or more or a net profit of rupees 5 crore or more during any financial year shall constitute a CSR Committee of the Board consisting of three or more directors, out of which at least one director shall be an independent director. The Board of every company shall ensure that the company spends in every financial year atleast 2% of the average net profits of the company made during the three immediately preceding financial years in pursuance of its CSR policy. [Clause 135]

Rotation of Auditors: A company shall appoint an individual or a firm as an auditor at annual general meeting who shall hold office till the conclusion of sixth annual general meeting. No listed company or a company belonging to such class or classes of companies as may be prescribed, shall appoint or re-appoint an individual as auditor for more than one term of five consecutive years; and an audit firm as auditor for more than two terms of five consecutive years.

An individual auditor who has completed his term shall not be eligible for re-appointment as auditor in the same company for five years from the completion of his term and an audit firm which has completed its term shall not be eligible for re-appointment as auditor in the same company for five years from the completion of such term.

Cross Border Amalgamation: Mergers and amalgamations between companies registered under this Act and companies incorporated in the jurisdictions of such countries as may be notified from time to time by the Central Government are allowed.

Class Action Suits: For the first time, a provision has been made for class action suits. Class-action suits may be filed by investors in a court of law if they believe that the affairs of the company are being conducted in a manner detrimental to the interest of the company and its shareholders. Enabling such class-action suits should, in the long-run, may help to improve the quality of financial reporting as well as the quality of corporate governance among firms. [Clause 245]

Serious Fraud Investigation Office (SFIO): The Companies Bill, 2012 has provisions to give SFIO suo motu powers to arm it with legal and statutory powers to probe corporate misdoings. Given that corporate frauds are becoming increasingly sophisticated with the improvement in technology, SFIO has been demanding more powers, in line with those enjoyed by Income Tax Authorities, Customs Department, Enforcement Directorate, etc. [Clause 211]

Prohibition of insider trading: New clause has been introduced with respect to prohibition of insider trading of securities. The government proposes to tighten the insider trading regulations, prescribing up to five years of jail for key company executives and directors found guilty. [Clause 195]

Fraud defined: The term “Fraud” has for the first time been defined in the Bill. Any person who is found to be guilty of fraud, shall be punishable with imprisonment for a term which shall not be less than six months but which may extend to ten years and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which may extend to three times the amount involved in the fraud. [Clause 447]

National Company Law Tribunal and Appellate Tribunal: The Central Government shall, by notification, constitute a Tribunal to be known as National Company Law Tribunal and an Appellate Tribunal to be known as National Company law Appellate Tribunal. [Clause 408 and 410]

Special Court: The Central Government may, for the purpose of providing speedy trial of offences under this Act, by notification, establish or designate as many Special Courts as may be necessary.

Constitution of National Financial Reporting Authority: The Central Government may, by notification, constitute a National Financial Reporting Authority to provide for matters relating to accounting and auditing standards under this Act. [Clause 132]

This Companies Bill will be enacted into the Act on receiving the assent of the President of India and by notification in the gazette, which will replace the existing statute, the Companies Act, 1956. ■

(Contributed by CS. Megha Goel, BoS)

TOPPERS SPEAK....

A set of questions were asked to the first three rank holders of CA Final Examination of May 2013. The questions and their responses, which are included in these pages would definitely help the students sail through the examination smoothly and get good scoring



Kruti Bhadresh Shah
1st Rank,
Mumbai

Q. How does it feel to be at the top? Whom would you give credit for your success?

Ans. It is a great feeling, which everyone dreams of and I feel myself very lucky to have relished this feeling. I would thank God, My parents, Teachers and all my friends who always motivated me and helped me to achieve this position.

Q. Did you ever consider gender as a limiting factor/contributing factor in achieving your goal?

Ans. No, I never considered it as a limiting factor.

Q. According to you, what are the intrinsic and external factors contributing to your outstanding success in the final exam.

Ans. I would say my firm dedication and determination to become a CA helped me. Also I had a peaceful environment at library where I used to go for Studies that enhanced my concentration and the environment there used to boost my confidence.

Q. What strategy/study plan did you follow while preparing for the exam?

Ans. First of all I tried to collect the study Material from where I was planning to study and then based on availability of time I drew a time table, which provided me enough time to revise and take mock tests. I would also regularly update myself based on portion completion and new additions to the study material.

Q. How have been the inputs provided by the Institute contributed to your success in the examinations?

Ans. Practice manuals and Suggested Answers were of great help to have a brief idea of diverse questions that can be asked on particular chapter. Further taking Mock tests also prepared me for the final exams.

Q. What are your aspirations for the future? Do you have any specific career choice?

Ans. I plan to join a place that would widen my knowledge in areas of Taxation and Advisory.

Q. Do you think the Chartered Accountancy Course is the gateway to achieving professional excellence?

Ans. Definitely yes, as it a course where there is a mix of practical and theory which gives a greater insight into different areas. It is a course that imbibes expert knowledge of the industry.

Q. How would you motivate the youngsters joining this course?

Ans. Once you decide that you want to be CA, then no can stop you from achieving it. Give your best and God will take care of the Rest. All the Best !!! ■



Calvin Fernandes
2nd Rank, Mumbai

Q. How does it feel to be at the top?

Ans. Great! An All India Rank was completely unexpected. I couldn't believe it at first; however when I saw it online, it started to sink in.

Q. According to you, what are the intrinsic and external factors contributing to your outstanding success in the final exam.

Ans. The most important thing is to be focused and have the willingness to work hard. My classes helped me a lot, especially in financial reporting and financial management. The concepts were explained in a lucid manner. Also, I would say that my articleship played a key role in my preparation. Subjects like audit and tax become much easier to absorb with practical experience.

Q. What strategy/study plan did you follow while preparing for the exam?

Ans. I took leave from my articleship in the last week of December but my classes continued till the end of January. I made a rough plan; that I would work on theory papers in the morning and then practical papers in the evening. I would wake up at 7am every day and start studying by 8am while taking small breaks in between and I would end my day at 11 or 11:30 pm. So in the months of Feb - April, I used to study for probably a minimum of 10 hours a day.

Q. How have been the inputs provided by the Institute contributed to your success in the examinations?

Ans. The practice manual, the suggested answers of past papers and the RTP of the institute proved

invaluable for me. I would also like to emphasize the importance of the digest of case laws for direct and indirect tax issued by the ICAI.

Q. What are your aspirations for the future? Do you have any specific career choice?

Ans. At this moment, I am continuing my articleship and evaluating my options. I do not have any specific career choice. However, I would like to work with something related to the stock market.

Q. Do you think the Chartered Accountancy Course is the gateway to achieving professional excellence?

Ans. Yes, indeed it is. This course thoroughly trains a person both theoretically and practically to face the many challenges in the world today.

Q. How would you motivate the youngsters joining this course?

Ans. I would say, do not get scared of this course or the pass percentages. All it takes is determination to succeed. ■



S. Aatresh
3rd Rank
Jaipur

Q. How does it feel to be at the top?

Ans. It feels unbelievable, exotic and out of the world. Moreover, watching the smile on the face of your parents and knowing that it is because of you is even more satisfying. I used to always dream of CA. Subodh Kumar Agrawal, the Presidency of ICAI, calling up and telling about my rank. I just couldn't believe when it actually happened. It was the most wonderful moment of my life till now. My mom picking up the call and being the first to know about it was an icing on the cake.

Q. According to you, what are the intrinsic and external factors contributing to your outstanding success in the final exam.

Ans. For me, the main intrinsic factor was determination and the fodder for this was extreme hard work. Planning very well, having the determination and will power to achieve something, self-belief, motivation and hard work were the reason of my success.

The main external factors were definitely my parents and people for whom and to whom I wanted to prove myself. The fact that life would be much better and secure after one acs this exam kept me going.

Q. What strategy/study plan did you follow while preparing for the exam?

Ans. The strategy was simple. I concentrated on all the subjects as all have equal weightage. I gave equal time to all the subjects when I read them for the first time. After that I devoted time on subjects which I felt are tough for me or required more practice. I studied for 14 hours daily and effectively 12 hours. I used to get up at 4 in the morning and sleep at 10. I revised 3 times, gave mock tests by myself and solved the RTPs to check myself. I solved the practical problems myself and revised the theory subjects in regular intervals. I ensured that I cover 100% syllabus. I made monthly, weekly and daily plans and strived daily to achieve them. The motto was simple: These 4 months will never come back. It's now or never.

Q. How have been the inputs provided by the Institute contributed to your success in the examinations?

Ans. The institute's books in general and practice manual in particular are like the Bible. They are a compulsory read for each and every aspirant. Moreover, the RTPs, mock test papers and case laws supplement your study very well and give you the right exam-oriented approach. However, the main modules seemed to be a bit tough and hence I didn't study them except for ISCA.

Q. What are your aspirations for the future? Do you have any specific career choice?

Ans. My aspiration for the future is to carve a self-satisfied career which enables my knowledge to be channelized for the well being the society as a whole. My passion is to become an Indian Administrative Officer (IAS). However, any job that enables me to take decisions and leads to self-satisfaction will be my choice.

Q. Do you think the Chartered Accountancy Course is the gateway to achieving professional excellence?

Ans. I absolutely agree. It is a very comprehensive course giving you insight on various areas like accounting, taxation, costing, financial management, laws etc. Moreover, the practical training enables you to apply what you have actually learnt which is very unique to this course. It also tests one's grit and determination. Hence, it develops a thorough professional who is a one-stop solution to all the financial problems and is of the highest caliber in the financial field.

Q. How would you motivate the youngsters joining this course?

Ans. This is a course for those who are clear in their mind as to why they wish to be a Chartered accountant as it is a test of your mental and physical strength, will power passion and grit. This is a one of its kind course which once you clear opens up an ocean of opportunities and gives you a platform to excel and work with the best minds in the financial sector. Good luck to all...!!!! ■

Exclusion of Hire Purchase Trading Account (Debtors) Method and Stock and Debtors Method from Chapter 11 of Intermediate (I P C) Course Paper 1: Accounting Study Material

It has been observed that Hire Purchase Trading Account (Debtors) method and Stock and Debtors method of ascertaining profit or loss on sale of goods of small value under hire purchase system based on the simplified approach followed in the Study Material are not fully compliant with AS 19 "Leases" since loading amount contains both profit as well as interest element.

However, students may note that both these methods would be fully compliant with AS 19, provided the usage of interest rate, IRR, etc. are followed to bifurcate the element of interest and profit. Such an approach to apply both these methods involves more complication and hence may not be relevant in practice for Intermediate (IPC) Students. Therefore, Board of Studies has decided to exclude the Hire Purchase Trading Account (Debtors) Method and Stock and Debtors Method in the Paper 1: Accounting Study Material at Intermediate (IPC) level.

Accordingly, students of Intermediate (IPC) Course Paper 1: Accounting are advised not to read the said methods given in Chapter 11 of the Study Material. The details of the relevant page nos. and questions in the Study Material and Practice Manual of July, 2013 (Revised edition) respectively, are given hereunder:

Volume I	Study Material	Para 9 to 13 and Illustrations 13 to 19 in Page nos. 11.32 to 11.50
Volume II	Practice Manual	Questions 1, 2, 4, 5, 6, 7, 8 and 10 in Page nos. 11.1 to 11.20

Director, Board of Studies

ANNOUNCEMENT

Education Loan for CA Course

With a view to facilitate the students pursuing the Chartered Accountancy Course, the Institute of Chartered Accountants of India has made tie-up with the following Banks under the "Join CA Educational Loan Scheme" to provide the Education loan to its aspiring students to meet out the Course fees etc.

<u>Bank</u>	<u>Website</u>
IDBI Bank	www.idbi.com
Bank of Maharashtra Corporation Bank	www.bankofmaharashtra.in
Oriental Bank of Commerce	www.corpbank.co.in
	www.obc.india.co.in

To know more about the Scheme, students are advised to visit the ICAI website - www.icai.org

Chairman,
Board of Studies

ANNOUNCEMENT

Stringent Action Against Adoption of Unfair Means

Cases of adoption/attempt to adopt unfair means are received in respect of the examinations held every time. In respect of the Examinations in November, 2012, over 65 cases of infringement/violation of Instructions to Examinees which tantamount to adoption of adopt unfair means were reported. The nature of infringement/violation in these cases, inter alia, included the following:

- (1) Writing/jotting on the question paper [other than Roll Number on the specified place]
- (2) Writing in the answer book or additional book of, e.g. Roll Number [other than on the specified space], Registration Number, Name, Mobile number, unwarranted Remarks, irrelevant notes etc
- (3) Possession of inside the examination hall/ room/ washroom, e.g. writing/copying material/books/notes/ writing on desk/writing on writing pad/geometric box/admit card (relevant for the day of the examination or otherwise), mobile phone [in switched off mode or otherwise], I Pod etc.
- (4) Seeking Sympathy/Making Appeal, e.g. Parent or relative passed away, met with accident, was hospitalized, award marks/ minimum required marks, inducement to examiner, writing irrelevant/unrelated remarks etc.
- (5) Writing/Making in the answer book or additional answer book distinguishing marks — e.g. Religious symbols, Prayers, Om, Swastika, 786, etc.
- (6) Others, e.g. not handing over the answer book on the conclusion of the specified time, taking away the answer book, misbehaving with the examination functionaries, use of different inks/ highlighter, availing of services of an ineligible person by the differently abled candidates

The above cases were considered by the Examination Committee in accordance with the provisions of Regulation 41, read with Regulation 176, of the Chartered Accountants Regulations, 1988. The decisions taken by the Committee included cancellation of result and debarment from appearing in the examination in future.

In view of the above, students are advised to read the Instructions to Examinees supplied with the admit card. Even where the admit card is downloaded from website, Instructions to Examinees also be downloaded without fail. Hence, students may acquaint with the instructions to avoid falling under the ambit of unfair means leading to avoidable difficulties.

ANNOUNCEMENT

Extension of time period to complete ITT and Orientation Course by students registered under Direct Entry Scheme

It has been brought to the notice of the Council that some students of the Direct Entry Scheme, who were registered between 01.08.2012 and 31.01.2013 for the Intermediate (Integrated Professional Competence) Course and were required to complete ITT and Orientation Course by 31.05.2013, could not complete the same for some reason or the other.

With a view to mitigate the hardship of such students (namely those registered between 01.08.2012 and 31.01.2013 under Direct Entry Scheme), the Council of the Institute as a special case has decided to extend the date for completion of ITT and Orientation Course upto 31.12.2013.

Such students are therefore required to complete ITT and Orientation Course latest by 31.12.2013 and submit relevant certificate/s to the concerned regional office of ICAI where they are registered with.

-Sd-

Joint Secretary (MSS)

Scholarships for CA Students

The Board of Studies awards following Scholarships to students twice a year i.e. in the month of April and October:

Sr. No.	Scholarship Name	No. of Scholarships	Amount (p.m.)	Eligibility Criteria
1.	Merit	As per eligibility criteria	Rs. 1500/- for Intermediate (IPC) Students & Rs. 2000/- for Final Students	Awarded to students whose names appear at Sl. No. 1-10 of Merit lists of CPT/ Intermediate (IPC) of June/ May 2013 Exam. In case the Rank at Sl. No.10 continues to Sl. No. 11 or 12 or so on, then all such rank holders securing the same marks in a particular rank shall be covered.
2.	Merit-cum-Need	30	Rs.1500/-	Rank holders (other than covered under Merit category at Sr. No.1) of CPT/ Intermediate (IPC) June/May 2013 Exam provided their parents/guardians total annual income does not exceed Rs.1,50,000/-
3.	Need Based and Weaker Sections	100	Rs.1250/-	Students of Intermediate (IPC) /Final provided their parents/guardians total annual income does not exceed Rs. 1,00,000/-
4.	Sri Dhanraj Kanhaiyalal Dudharia Scholarship	4	Rs.1250/-	Students of Intermediate (IPC)/Final from Karnataka State under Need Based & Weaker Sections criteria
5.	R. K. Khanna Memorial Scholarships	2	Rs.1250/-	Students of Intermediate (IPC)/Final under Need Based & Weaker Sections criteria
6.	J.S. Lodha Memorial Scholarship	3	Rs.1250/-	Students of Intermediate (IPC)/Final under Need Based & Weaker Sections criteria
7.	Out of Joint Corpus formed by Donors	3	Rs.1250/-	Student of Intermediate (IPC)/Final under Need Based & Weaker Sections criteria

Merit Scholarships under Serial No. 1 are automatically awarded to the eligible students hence they are not required to apply.

With regard to Scholarship from Sl. No. 2 to 7, applications are invited for grant of scholarship to be paid from October 1, 2013 onwards.

The detailed guidelines along with the requisite application forms are available on the Institute's Website (www.icai.org) (link: http://icai.org/post.html?post_id=6486).

Notes:

- Applicants shall be the registered students of Intermediate (IPC) or Final Course.
- Scholarship will be paid to Intermediate (IPC) and Final students for a maximum period of 18 months and 30 months respectively or balance period of their articleship.
- An additional amount of Rs. 100/- p.m. will be paid to SC/ ST/ OBC students, under Need-based and Weaker Sections Category. They shall have to enclose a certificate/ documentary proof duly attested by a gazetted officer or a member of the Institute.
- One scholarship under the Need-Based and Weaker Section Category is reserved for a Physically Challenged student.

Duly completed and signed Application Forms in the prescribed formats (Form No. 3 & Form No. 4) should reach the Director, Board of Studies, The Institute of Chartered Accountants of India, ICAI Bhawan, A-29, Sector-62, NOIDA-201309 **latest by 30th September, 2013.**

In case of any clarification, please contact the Board of Studies, ICAI Bhawan, A-29, Sector-62, Noida-201309, Tel. No. 0120-3045930/931; email: gagandeepsingh@icai.in, bosnoida@icai.in

Director, Board of Studies

Announcement

One time extension to complete GMCS-I Course

The Council at its 326th Meeting decided to grant one time extension to students, who were registered for practical training between **1st May, 2012 and 31st December, 2012** to complete GMCS-I Course **latest by 31st December, 2013**.

The eligible students are advised to contact the nearest Regional Council/Branch for registration of GMCS-I Course and complete the same at the earliest but not later than 31st December, 2013.

Director,
Board of Studies

On Line Articles Placement Portal for selection of Articled Assistants by CA Firms

The Board of Studies of the ICAI has been providing optional Online Articles Placement facility for selection of Articled Assistants by CA Firms through its Articles Placement Portal on pan India basis. It provides a platform to the firms of Chartered Accountants having vacancies for Articled Assistants to shortlist eligible students for selection of articled assistants, and call them for Interview at their offices, as per date and time convenient to them. The eligible candidates who have passed Group-I or both Groups of the Intermediate (Integrated Professional Competence) Course or have been admitted under the Direct Entry Scheme and are willing to join articled training can register themselves on the portal. **The services to the Online Placement Portal are available free of charge for both CA Firms and students and they can register themselves online through the Portal at <http://bosapp.icai.org>.**

The services on the Portal would be available for two months, twice a year from the date of registration by the firms. Similarly the bio data of a student will also be available on the portal for a maximum period of 2 months from student's registration. The candidates shortlisted by CA Firms would be informed by e-mails through the Portal, to appear for interview at their respective Offices, at the designated date and time.

Detailed guidelines are available at the institutes' website www.icai.org and on the Portal. In case of any further clarification, please contact the Board of Studies, ICAI Bhawan, A-29, Sector-62, Noida-201309, Tel. No. 0120-3045930/931; eMail: bosapp@icai.org.

Chairman, Board of Studies

ANNOUNCEMENT

National Convention for CA Students - Siliguri

Siliguri Branch of EIRC of ICAI is hosting National Convention for CA Students organised by Board of Studies, ICAI on 28th & 29th December, 2013 at Siliguri. For details please contact at ICAI Bhawan, Near Overbridge, Tinbatti More, Siliguri - 734 405, Phone: 0353-2560445 and Email- siliguri@icai.org.

ANNOUNCEMENT

ICAI Four Weeks Residential Programme on Professional Skills Development at the Centre of Excellence,(COE), Hyderabad

The ICAI Four Weeks Residential Programme on Professional Skills Development, is a flagship programme, offers a unique opportunity and focus on development of communication skills, leadership skills, personal traits for effective functioning in business organization and profession. More emphasis is given on soft skills, developing personality trait and communication skills of the participants.

All the eligible students** who have passed Chartered Accountancy IPCC/ PCC/ PE – II Examination and pursuing last year of article training or completed Articleship training and recently qualified Chartered Accountants can join the course.

The Board of Studies is pleased to announce/inform the following:

S.No	Batch No	Date of Programme	Eligibility**
1.	22 nd Batch	11th September, 2013 to 8th October, 2013	For Females
2.	23 rd and 24 th Batch	21st November,2013 to 20th December, 2013	For Males
3.	25 th and 26 th Batch	27 th January 2014 to 23 rd February 2014	For Females

For online registration and further details of 22nd Batch visit the Board of Studies Announcements under the Students Icon on the Home Page of ICAI website www.icai.org or follow the link http://www.icai.org/new_category.html?c_id=345

For remaining batches, announcements shall be hosted in due course.

Chairman, Board of Studies

New RBI Governor



World-renowned economist and award-winning expert in the finance of economic growth, Dr. Raghuram Rajan is the new Governor of the Reserve Bank of India (RBI). Prior to his new appointment, he has served as the Chief Economic Advisor to the Government of India. Previously Rajan was Economic Counselor and Director of Research (chief economist) at the International Monetary Fund from 2003 to December 2006, the youngest person ever to hold the position.

Dr. Rajan was one of the first people to see our financial crisis coming. As chief economist of the IMF, he warned in 2005 that disaster loomed and pushed the IMF's research department to focus on financial-sector issues. Professor Rajan is currently focused on coming up with institutional reforms that will avoid regulatory backlash against free markets and open trade. Dr. Rajan is an expert on economic development and on emerging economies, especially India.

He has held a number of visiting professorships and is an advisor to the Prime Minister of India. He has been a consultant to the Indian Finance Ministry, the World Bank, the US Federal Reserve Board, the Swedish Parliamentary Commission, and various other financial institutions.

Dr. Rajan is the co-author of *Saving Capitalism from the Capitalists: Unleashing the Power of Financial Markets to Create Wealth and Spread Opportunity*, a fresh approach to understanding the wealth-generating capabilities of free markets.

Raghuram Rajan is Eric J. Gleacher Distinguished Service Professor of Finance at the Booth School of Business, University of Chicago.

(Contributed by Editorial Support Team)

The Institute of Chartered Accountants of India

Board of Studies

Webcasts for Students: Intermediate (IPC) Course, Final Course and Accounting Standards

The Board of Studies of the Institute is organizing Webcasts on Accounting Standards and respective subjects of the Intermediate (IPC) Course and Final Course on Saturdays from 1.00 p.m. to 5.00 p.m. and/ or Sundays from 10.00 a.m. to 2.00 p.m. in July-September, 2013.

The Subject specific webcasts by leading faculty members aim to mentor Students on the successful strategies to succeed in their forthcoming examinations.

The webcasts aim to take learning and development to the doorsteps of students through a uniform platform across the country. Students can also ask specific queries/ questions, many of which would get answered subject to relevance and availability of time, through links that would be made available for each of the forthcoming webcasts.

The schedule of forthcoming webcasts and links to access available webcasts would be available on the Institute's website at the link http://www.icaai.org/new_post.html?post_id=9630&c_id=344 and updated from time to time.

Students of the CA Course are encouraged to make good use of this opportunity to learn from and interact with the eminent speakers on the topic. Students are also encouraged to view recorded webcasts and the Online e-Learning facility available on Students Learning Management System at <http://studentslms.icaai.org> to learn anytime from anywhere.

Director of Studies

Forthcoming Webcasts Schedule for September 2013: Saturdays from 1.00 p.m. to 5.00 p.m.

Date	Webcast Topic	Faculty	Link/ URL
Sep 7	Strategy to qualify and excel in Final Course Paper-7: Direct Tax Laws	CA. Vinod Gupta	http://icaity.com/live/icaai070913
	Latest Circulars/ Case Laws/ Developments in Direct Tax Laws		
Sep 14	Revised Schedule VI	CA. Pankajj Goel	http://icaity.com/live/icaai140913
Sep 28	Strategy to qualify and excel in Final Course Paper-6: Information Systems Control and Audit	Mr. Dinesh Madan	http://icaity.com/live/icaai280913
	Strategy to qualify and excel in Intermediate (IPC) Course Paper-7 Section-B: Strategic Management	Mr. P.S. Rathore	

Webcasts Currently Available

Webcast Topic	Link to Access
Strategy to qualify and excel in Intermediate (IPC) Course	
Paper 1: Accounting	http://icaity.com/?p=2905
Paper 2: Business Laws, Ethics & Communication	http://icaity.com/?p=2945
Paper 3 Part-I: Cost Accounting	http://icaity.com/?p=2930
Paper 3 Part-II: Financial Management	http://icaity.com/?p=2934
Paper 4 Part-I: Income Tax	http://icaity.com/?p=2941
Paper 5: Advanced Accounting	http://icaity.com/?p=2943
Paper 6: Auditing & Assurance	http://icaity.com/?p=2947
Paper 7 Section-A: Information Technology	http://icaity.com/?p=2965
Paper 7 Section-B: Strategic Management	http://icaity.com/?p=2972
How to Prepare for CA Exams	http://icaity.com/?p=1930
Strategy to qualify and excel in Final Course	
Paper-1: Financial Reporting	http://icaity.com/?p=3529
Paper-2: Strategic Financial Management	http://icaity.com/?p=3537
Paper-3: Advanced Auditing and Professional Ethics	http://icaity.com/?p=3535
Paper-4: Corporate and Allied Laws	http://icaity.com/?p=3543
Paper-5: Advanced Management Accounting	http://icaity.com/?p=3533
Paper 5: Advanced Management Accounting	http://icaity.com/?p=2877
Paper 5: Advanced Management Accounting (Operations Research)	http://icaity.com/?p=3541
Paper-6: Information Systems Control and Audit	http://icaity.com/?p=3539
Paper-7: Direct Tax Laws	http://icaity.com/?p=3531
Paper-7: Direct Tax Laws (Income Tax)	http://icaity.com/?p=1861
Paper-8: Indirect Tax Laws	http://icaity.com/?p=3545
How to Prepare for CA Exams	http://icaity.com/?p=1930

ANNOUNCEMENT

International Conference for CA Students - Kolkata

14th & 15th September, 2013

Venue: Science City Auditorium, Kolkata

Organized by: Board of Studies, ICAI

Hosted by: EIRC of ICAI & EICASA

Theme: ACCOUNTING PROFESSIONAL - ACE, ASTUTE & ADAPTABLE

DAY 1

9 - 10 AM	Registration
10 AM- 11.30 AM	Inaugural Session Chief Guest - Shri K. Rahman Khan, Hon'ble Union Minister for Minority Affairs, Govt. of India Guests of Honour - CA. Subodh Kumar Agrawal, President, ICAI, CA. K Raghu, Vice-President, ICAI, CA. Vijay Garg, Chairman, Board of Studies, ICAI
11.30 AM - 1 PM	Technical Session 1: Financial Reporting & Analysis Chairman: CA. Abhijit Bandyopadhyay, Central Council Member, ICAI Key Note Speaker: CA. Nilesh S. Vikamsey, Central Council Member, ICAI (a) Financial Reporting - Paradigm Shift Internationally (b) Reforms in Government Accounting & Public Finance (c) Convergence of Accounting Standards
2 PM - 3.30 PM	Special Session 1: Making of a Successful Professional Chairman: CA. V. Murali, Vice-Chairman, Board of Studies, ICAI Key Note Speaker: CA. Shyam Lal Agarwal, Central Council Member, ICAI
3.30 PM - 5 .00 PM	Technical Session 2: Audit : Dynamic Shift Chairman: CA Rajkumar S. Adukia, Central Council Member, ICAI Key Note Speaker: CA. Tarun J. Ghia, Central Council Member, ICAI (a) Risk Based Audit (b) Audit Tools & Data Analysis (c) Audit Reporting - Recent Developments
5.30 PM - 7.00 PM	Special Session 2: Special Session on communication skills : "Bindass Bol" Guest Speaker: Mr. Akash Gautam

DAY 2

9 - 10 AM	Registration
10 AM - 11.30 AM	Technical Session 3: Taxation : New Dimension Chairman: CA Manoj Fadnis, Central Council Member, ICAI Key Note Speaker: CA Sanjay Agarwal, Central Council Member, ICAI (a) Recent Changes in Non-Resident Taxation (b) Transfer Pricing (c) Goods & Service Tax (GST)
11.30 AM - 1:00 PM	Special Session 3: Practical Training : An Important Ingredient of a Successful CA Moderator: CA. A.C. Chakrabortti, Past President, ICAI Address by Past Presidents, ICAI- CA. S. K. Gupta, CA. S.K. Dasgupta, Padmashree CA T. N. Manoharan
2.00 PM - 3.30 PM	Technical Session 4: Impact of IT on CA Profession Chairman: CA. S. Santhanakrishnan, Central Council Member ICAI Key Note Speaker: CA. Sumantra Guha, Central Council Member ICAI (a) Cloud Computing - Opportunities, Risks & Challenges (b) Online Filing & Reporting (c) ERP Implementation - CA's role
03:30 PM - 04:00 PM	Valedictory Address, Certificate & Prize Distribution
04:30 PM - 07:30 PM	Cultural Program & Closure

Students are hereby requested to register for the Conference at the earliest. The details are as under:-

Regn. Fees	Rs.600 per student (Early bird discount of Rs. 100 is applicable for registrations on and before 5th August, 2013, i.e. Fees Payable upto 5th August, 2013 will be Rs. 500)
Accommodation	Rs.400 per day over & above delegate fees of Rs.500. (For outstation students, if required). Outstation delegates to register names with the delegate fee within 5th August 2013.
Payment Mode	DD to be drawn in favour of "The Institute of Chartered Accountants of India, EIRC", payable at 'Kolkata'. Fee can also be paid in cash at EIRC office during office hours in person.

For Registration Contact:-

Chairman, EIRC, ICAI, 7, Anandilal Poddar Sarani (Russell Street), Kolkata-700 071, Phone: 033-39893989/3021-1120 to 23
Fax: 033-30211146; E-mail: erobos@icai.in, eircorient@icai.in; website: www.icai.org, www.eircicai.org

CA. Sumantra Guha Conference Director & Member, Board of Studies, ICAI	CA. V. Murali Conference Co-Chairman & Vice-Chairman, Board of Studies, ICAI	CA. Vijay Garg Conference Chairman & Chairman, Board of Studies, ICAI
CA. Abhijit Bandyopadhyay Central Council Member, ICAI	CA. Subhash Chandra Saraf Vice-Chairman, EIRC & Chairman, EICASA 09831087579	CA. Ranjeet Kumar Agarwal Chairman, EIRC 09830140211

CROSSWORD

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Across

1. _____code is used in banking field and is given to each branch.
5. _____is a statistical tool, used in project management that is designed to analyze and represent the tasks involved in completing a given project.
7. Ind AS 38 deals with _____ assets.
9. _____is a protein found in all body tissues.
11. The _____ is a long-haired bovine found throughout the Himalayan region of South Central Asia.
13. CNN and _____ are the famous news channels.
14. The mega exemption notification provides exemption to services by way of slaughtering of _____ animals.
16. The _____was established in 1964 in order to provide a forum where the developing countries could discuss the problems relating to their economic development.
17. _____ is required to be obtained by all persons responsible for deducting tax.
20. _____ is responsible for enforcement of the FEMA 1999.
21. An organization that holds the securities and other assets of mutual funds and other institutional investors.
23. Cost _____ is a factor or variable which effect the level of cost.
25. Advance Ruling can be sought on the issue of admissibility of _____of service tax paid or deemed to have been paid.
26. Conjunction used with either.
28. _____ exemption is not available to an assessee who lives in his own house.
29. _____ deals with different outside countries.
30. In favour of preposition or opinion.

Down

1. A rising trend in prices.
2. SA-320 on Materiality in Planning and Performing an Audit lays down standard on the concept of materiality and its relationship with audit _____.
3. Students joining the practical training on or after 1st August, 2012 shall be required to undergo Advanced— _____ training.
4. Payment made to shareholders, in a year out of a company’s profit.
5. _____ includes ships, vehicles, books, scientific apparatus and surgical equipments used for the purpose of business or profession.
6. _____ is an order of fish.
8. _____provides computer education.
10. It is mandatory for opening a Bank Account.
12. Commission on reinsurance ceded appears as _____in revenue account.
15. The jewellery allowance under Baggage Rules, 1998 for an Indian _____passenger who had stayed abroad for more than one year is rupees one lakh.
18. _____is a British multinational insurance headquartered in London, United Kingdom.
19. Standardization of diverse accounting policies.
20. An unintentional misstatement in financial statements, including the omission of an amount or a disclosure is termed as _____.
22. _____is a part of an eye.
24. Under _____Act, any citizen may request information from a “public authority” which is required to reply expeditiously or within thirty days.
25. Special audit under service tax under section 72A can be done by either a _____ or cost accountant nominated for the said purpose.
27. _____ is a water purification technology.



Shri Praful Patel, Union Minister of Heavy Industry & Public Enterprises watching the inaugural ceremony of the National Convention for CA Students in Nagpur as CA. Jaydeep Narendra Shah, Immediate Past President, ICAI lighting the auspicious lamp. Also seen in picture (L-R) CA. Mahesh Madkholkar, Chairman WICASA, CA. Swapnil Agrawal, Chairman Nagpur Branch of ICAI, CA. Sandeep Jotwani, Chairman Nagpur Branch of WICASA, CA Julfesh Shah, Regional Council Member, WIRC and CA. Kirti Agrawal, Secretary, Nagpur Branch of ICAI



Shri Praful Patel, Union Minister of Heavy Industry & Public Enterprises addresses the National Convention for CA Students in Nagpur. In Dais (L-R) CA. Kirti Agrawal, Secretary, Nagpur Branch of ICAI, CA. Julfesh Shah, Regional Council Member, WIRC, CA. Mangesh Kinare, Chairman WIRC, CA. Swapnil Agrawal, Chairman, Nagpur Branch of ICAI, CA. Jaydeep Shah, Immediate Past President, ICAI, CA. Sandeep Jotwani, Chairman Nagpur Branch of WICASA and CA Mahesh Madkholkar, Chairman WICASA.



CA. Subodh Kumar Agrawal, President, ICAI inaugurates the new ITT Lab at Hyderabad Branch of SIRC of ICAI in the presence of CA. K. Raghu, Vice President, ICAI, CA. J. Venkateswarlu, Central Council Member, ICAI, CA. D. Prasanna Kumar, Chairman, SIRC and other dignitaries.



CA. Subodh Kumar Agrawal, President, ICAI with the students and office bearers on the occasion of CPE Seminar organized by the Dibrugarh Chapter of Chartered Accountants.



CA. K. Raghu, Vice President, ICAI inaugurating the CA Students Regional Conference by lighting the lamp at Bhopal while Central Council Members CA. Manoj Fadnis, CA. Mukesh Singh Kushwah, CA. Vikash Jain, Chairman, CIRC, CA. Abhay Kumar Chhajed, Chairman, CICASA and CA. Sunita Baheti, Chairperson, Bhopal Branch share the moment.



CA. K. Raghu, Vice President, ICAI, Central Council Members CA. CA.M. Devaraja Reddy, CA.G. Sekar and CA. D. Prasanna Kumar, Chairman, SIRC of ICAI at the inaugural function of ITT Lab at Hubli, Karnataka.

◀ CROSSWORD



CA. Vijay Garg, Chairman, Board of Studies, ICAI with the Students of GMCS- I and ITT of Patna Branch. Also seen in picture (L to R) CA. Ravi Shankar Dubey, Treasurer, Patna Branch, CA. Vijay Kumar, Chairman, CICASA, CA. Kumar Hari , Ex-CICASA Chairman, Patna branch of CIRC of ICAI, CA. Amiy K. Mishra, Chairman, Patna Branch, and CA. Rituja Shrivastava, Secretary, Patna Branch.



A group photo taken on the occasion of the inaugural ceremony of CA Students' Convention at Baroda. Seen in picture include CA. Mukesh Singh Kushwah, Central Council Member, CA. Jay Chhaira, Central Council Member, CA. Mangesh Kinare, Chairman, WIRC of ICAI, CA. Nayan R. Kothari, Chairman, WICASA, Baroda Branch and CA. Ashish Parikh, Chairman Baroda Branch of WIRC of ICAI.



A group photo taken on the occasion of the Seminar on "International Financial Reporting Standards (IFRS) - Indian Current Scenario" jointly organized by the Board of Studies and Periyar University and hosted by Salem Branch of SIRC of ICAI.

If undelivered, please return to:
The Institute of Chartered Accountants of India
ICAI Bhawan, Indraprastha Marg
New Delhi - 110 104