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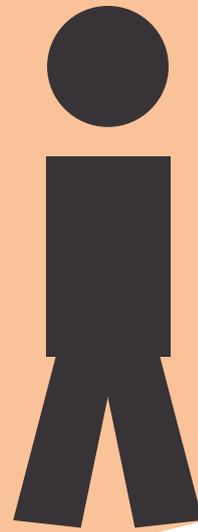
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Values Virtues Vision



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Inside

October

2. Message - President
3. Message - Vice President
4. Message - Chairman, Board of Studies
6. Related Party Transactions
8. The Companies Act, 2013 - 5 key issues
9. Academic Update
10. Examination
23. Announcement
30. Did You Know?
31. Report

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President's Communication

Dear Budding Professionals,

I take this opportunity to convey my best wishes for the upcoming November 2013 Examinations. When you receive this issue of Journal, you all must be busy preparing and will be fully geared up for your respective examinations. To tackle the examination successfully, you are expected to sharpen your technical as well as analytical skills. Adhering to a systematic and well-planned timetable for your regular studies is more important. Also develop a practical approach based on your learning during articleship training to solve the problems rather than depending upon cramming the notes. You should be aware of the fact that the Chartered Accountancy Examinations aim to test the practical application of the theoretical concepts. All this brings CA examination at par with any professional courses of international repute and you are expected to prepare accordingly.

I am sure that your Articleship training will enable you to apply theory into practice in a competent manner. The period of practical training is also highly important to shape up your career. This opportunity will not come back and any lack of devotion will not only adversely affect your performance in the examination but your career growth as well. In the last issue of the CA Students Journal, we had published the interviews of the students who performed exceedingly well in the previous examinations. You can derive benefits of the views and interviews as it can be a benchmark for you to chart out your study plan. The Institute is very proactive in facilitating you to prepare systematically for your respective examinations. A deep and thorough study of practice manual and compilation of suggested answers will help you to understand the difficulty level and pattern of examination. Similarly, the summary of examiners' comments will be instrumental in identifying the common pitfalls committed by the

students while attempting the questions. Also, try to attempt a self examination/assessment test based upon previous question papers or model test papers. Such a strategy will be very beneficial in building an environment of self-confidence and would boost your morale.

I do hope that you all are being benefited from the webcasts organised by the Board of Studies on Accounting Standards and other subjects of the Intermediate IPC Course and Final Course. The webcasts aim to take learning and development to the doorsteps of the students through a platform across the country. These webcasts are available on the ICAI Web TV portal and you can take the benefit of the same even now in case you have missed to see them earlier.

While appearing in the examinations, students are advised to desist from the adoption of unfair means. You are also advised to carefully read and make yourself familiar with the Instructions to Examinees being supplied along with the admit card. These instructions can be downloaded from the website from where admit card is downloaded.

Before winding up this message, I, on behalf of the Institute would like to pay rich tributes to the Father of the Nation, Mahatma Gandhi on his 144th birth anniversary on October 2, 2013. He was a great soul who inspired the world with his faith in truth and justice for all mankind. He was a person who loved even those who fought against his ideals to bring about peace with non-violence. He once said that 'Strength does not come from physical capacity. It comes from an indomitable will.' On this birth anniversary of Mahatma you must remember these words and come forward with a strong will to put your best foot forward for the examinations, for your professional life and for the society as a whole. This will be a real tribute to him.

Wishing you best for the festival season,

CA. Subodh K. Agrawal
President

The Institute of Chartered Accountants of India



Vice President's Communication

Dear Students,

At the outset, I wish to extend my heartiest wishes to all of you for your forthcoming Examinations, which is scheduled to be held in November 2013. I am confident that your strenuous and persistent efforts will lead you along the path of crowning glory and soaring success. This is one of the most important examinations of your professional career so remember not to be entangled in the web of overconfidence. Concentrate on your studies and develop an integrated approach to deal with practical problems. The CA course is a course that offers a perfect blend of theoretical knowledge and practical training. Whatever is taught in the course is applied and tested in the Practical Training.

As you know, the Institute has been providing you salubrious learning environment for your multifaceted professional growth. It is also our earnest endeavor to motivate and guide you all in the right perspective. I strongly believe that if our students are given appropriate platforms, they can do wonders in their professional world.

The CA course is in distance learning mode. Hence, to narrow down the geographical distance and to make learning process alive and smooth, the Board of Studies has been organizing regular Coaching Classes for the Students undergoing CA Course at various levels through the Regional Councils as well as Branches. The Board of Studies has also organized Faculty Development Programs (FDPs) to ensure the quality and uniformity of the deliverables. Considering the remarkable growth of students scattered across the Country, the Institute has established Additional Reading Rooms at various places for providing a conducive reading environment to students. This will definitely help the students particularly from the weaker sections and the

students from remote areas. I am sure that this pedagogical initiative will cultivate a sense of belonging, discipline and sincerity amongst our generation next of CAs.

I am happy to note that the e-Learning initiative launched by the Board of Studies has been growing in strength and a large number of students have registered on the Learning Management System (LMS). The initiative taken by the Board of Studies for increasing the number of lectures through e-Learning mode is also commendable.

The world is fast changing and the finance professionals will have a significant role to play 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 during the students' days with an excellent knowledge base, not only with a view to pass the examinations but to emerge successful in the competitive environment.

Knowledge is infinite that requires one to update on a regular basis in order to meet the challenges of the competitive professional world. Keeping in view this subtle fact, the Board of Studies brought out Practice Manuals for the Final and IPC Courses so that you can develop a pragmatic approach to solve the practical problems.

As you know, the Accounting Profession is all about Honesty, Integrity, Transparency and Ethical Practices. On the occasion of 144th birth anniversary of Father of the Nation, Mahatma Gandhi, let's swear an oath to redeem our country from the menace of all forms of un ethical practices.

Yours Sincerely,

K. Raghu

CA. K. Raghu
Vice President, ICAI, New Delhi



Chairman's Communication

My Dear Students,

By the time this issue reaches you, you would be in the midst of your preparation for the November examinations. I can imagine the stress you would be going through. However, do not get over anxious. Based on your capability, chalk out your study plan and stick to it. Work hard and do not waste your time. I am sure that if you make a firm determination to succeed then there is nothing which can stop you from succeeding. Your present painstaking efforts are bound to bear fruit in the future. No one starts out as an expert. Don't be afraid of failure; just move forward with courage and positive attitude.

The Board of Studies always has the interest of its students uppermost in its mind with the help of Regional offices and branches, conducts **Mock Tests** before the final examinations. I suggest that you take these mock tests seriously and sincerely as they would help you assess your level of preparedness for the exams. They would also help you to evaluate the level of your preparation and correct your shortcomings.

Another step in this direction is **extension of time period to complete Information Technology Training (ITT), General Management and Communication Skills (GMCS) I and Orientation Course**. Seeing the hardships faced by students of Direct Entry Scheme registered between 1st August, 2012 and 31st January 2013, in not been able to complete the ITT and Orientation Course before 31st May, 2013, the Institute has decided to extend the date of completion of these courses from **31st May, 2013 to 31st December, 2013**. Similarly, students joining practical training between **1st May, 2012 and 31st December, 2012** are now allowed to complete GMCS-I Course latest by **31st December, 2013**. This will surely mitigate the hardships of the affected students.

I am happy to share with you that recently the Board of Studies organized a **Summit on Accountancy and Commerce Education in Delhi**. The summit was attended by Vice Chancellors, Principals, Head of Departments, Professors and delegates from educational institutes and universities in India. The main objective of the Conference was to assess the current state of the commerce and accountancy education in India, to consider the changing environment particularly in view of the introduction of the XBRL, coming into force of the Companies Act

2013, proposed implementation of IFRS & GST etc., and integrate the same in the course curriculum so as to produce competent accounting manpower relevant for the Indian business and society. The aim was also to build synergy between the University education and the professional accountancy education system so as to utilise the strength of each institution to impart relevant commerce and accountancy education in the country. The Conference provided a forum for exchange of thoughts and interaction on various areas of academic and practical interest such as, the need for relevant course curriculum, method of imparting education and examination reforms amongst leading academicians in the field of Commerce and Accountancy Education in India and the professional Chartered Accountants.

Recently, two mega events namely, **All India Students Conference (31st August - 1st September 2013) and International Conference for CA Students (14th and 15th September 2013)** were successfully organized by the BOS in Bangalore and Kolkata respectively. While Bangalore had students participating from all over India, Kolkata had participation even from other countries. A galaxy of eminent speakers from different parts of the country also adorned the stage and a high level exchange of thoughts on many matters of professional interest took place. I was quite amazed to see the enthusiasm amongst students. The types of queries raised by them also showed their quest for knowledge and learning. Moreover, not only they showcased their talent in the professional topics but also exhibited their proficiency in soft skills in the cultural programme. I am sure these enriching experiences will go a long way in polishing their lives.

The Indian Economy is passing through a difficult time. The GDP is growing at less than 5%, Current Account Deficits are mounting, Rupee is weakening, foreign exchange reserves are depleting and inflation is perching at a very high level. It is also a testing time for the Chartered Accountancy profession. Chartered Accountancy profession is expected to provide a business model for increasing the momentum of economic activities through good governance and competitiveness. Let us rise up to the occasion and justify the trust placed on us.

Wishing you All the Best for your Examination and A Very Happy Festive Season.

Yours sincerely,

CA. Vijay Garg
Chairman, BOS

Related Party Transactions

G P Madaan

In this article, there is an analysis of provisions relating to **Related Party Transactions under Companies Act, 2013** (hereinafter called "the Act"). As we all are aware that Companies Act, 2013 has been assented by the President on 29th August, 2013 and 98 Sections of the Act have also been notified by the Ministry of Corporate Affairs on 12th September, 2013. The Act contains many new provisions and amendments in respect of Related Party Transactions.

Related party Transactions under Companies Act, 2013

Before we move the discussion further, we should know the meaning of term "**Related Party**".

Related party with reference to a company has been defined by sec 2(76) the Act, which includes the following.

- Director or his relative
- Key Managerial Person his relative
- Firm in which director, manager or their relative is a partner
- Any Private Company in which director or manager is a member or director
- Public company in which director is a director or holds along with his relatives more than 2% of paid up share capital
- A body corporate whose board of directors, managing director or manager is accustomed to act in accordance with the advice, directions or instructions of a director or manager
- Any person on whose advice director or manager is accustomed to act except in a professional capacity
- Any company which is-
 - A holding , subsidiary or an associate company of such company; or
 - A subsidiary of a holding company to which it is also a subsidiary;
- Such other person as may be prescribed.

Contract with Related Parties are, most of the times, are viewed with suspicion, as it is presumed that these contracts are entered with the related parties just to divert the funds of the companies or to pass on the undue benefits to the relatives or entities owned or controlled by the promoters or directors of the companies or their relatives. Actually, in case of family

controlled businesses, transactions with related parties became very easy as there was virtually no control on the functioning of these companies. Though, these companies used public funds by way of short term loans by way of working capital and long term funds from Banks and other Institutions, but they were not supposed to appoint any nominee director or independent Director. Further, these companies were also not required to subject to any disclosure requirements stipulated by SEBI or any Stock Exchange.

But, Companies Act, 2013, though on the one hand dispenses with the govt approvals as laid down in the Section 297 of the 1956 Act and gives autonomy to the Board and Shareholders of the Companies to approve related party transactions, but on the other hand it prescribes onerous responsibilities and imposes stringent penalties on the Directors, including Independent Directors, if the transactions with related parties are not on arms length basis.

This major change in law of doing away with the bureaucratic approvals simply suggests that the existing system of approval did not yield the desired results and the transactions with related parties went on abated. The new changes favour self regulations, disclosures, transparency but with strict penalties in case of violation of law.

Section-184 (Disclosure of interest by director)

Disclosure of interest by a director has been made mandatory. This disclosure is to be given by the directorate the first Board Meeting which he attends after his appointment and subsequently in every first meeting of the Board in each financial year.

Further, this disclosure is also to be given before any proposed contract is entered into with any related party. Any violation of the provisions of this Section by any director shall make him liable for imprisonment up to one year.

Section-188 (Related Party Transactions)

Section 188 of the new Companies Act, which specifically deals with Related party Transactions, can be said to be a Combination of Sections 294, 297 and 314 of the 1956 Act.

Under section 297 of the Companies Act, 1956, a director of the company or his relative, a firm in which such a director or relative is a partner, any other partner in such a firm or a private company of which

The author is a CEO of Corporate Knowledge Foundation

the director is a member or director shall not enter into any contract with the company unless the consent of board of directors is received for the following transactions:-

- For the sale, purchase or supply of any goods, materials or services; or
- For underwriting the subscription of any shares or debentures of the company;

Besides that in case of company having paid-up capital of not less than Rs. One Crore, previous approval of central government is also required along with the consent of Board of Directors.

Section 188 of the Companies Act, 2013, the transaction area has been widened with a relaxation that there is no need to take the previous approval of central government even in the case of companies having paid-up capital more than One Crore. The new Act has also introduced the requirement of resolutions to be passed in favour of transactions by shareholders only, if the transaction amount is beyond a particular threshold limit.

Section 188 has taken in its ambit some more transactions which are as follows:-

- Sale, purchase or supply of any goods or materials
- Selling or otherwise disposing of , or buying property of any kind
- Leasing of property of any kind
- Appointment of any agents for purchase or sale of goods, materials, services or property
- such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company; and
- underwriting the subscription of any securities or derivatives thereof, of the company;

Section 188 does not apply to any transactions if:

- the transaction is in the ordinary course of business; and
- is at arm's length price.

The term arm's length has been defined in the new Act to mean a transaction between related parties, which is conducted as if they were unrelated so that there is no conflict of interest.

Section 188 further provides that no member of the company shall vote on such special resolution to approve any contract or arrangement which may be entered into by the company, if such member is a related party. It means that only unrelated or disinterested shareholders only can vote on a Special Resolution.

Every contract or arrangement entered into under this shall be referred to in the Board's report to the

shareholders along with the justification for entering into such contract or arrangement

Any such contract or arrangement shall be voidable at the option of the Board if such contract or arrangement is entered into without obtaining the consent of the Board or approval by a special resolution, as the case may be. Further, the directors concerned shall indemnify the company against any loss incurred by it.

Penalties

Any director who had entered into any contract or arrangement in violation of the provisions of this section shall,-

- (i) in case of listed company, be punishable with imprisonment for a term which may extend to one year or with fine which shall not be less than twenty-five thousand rupees but which may extend to five lakh rupees, or with both; and
- (ii) in case of any other company, be punishable with fine which shall not be less than twenty-five thousand rupees but which may extend to five lakh rupees.

Disqualification

Section 164 states that a person shall not be eligible for appointment as a director of a company, if he has been convicted of the offence dealing with related party transactions under section 188 at any time during the last preceding five years.

Treatment of Related Party Transactions under Income Tax, 1961

Like the Companies Act, Income Tax Act also prescribes some provisions under which a disclosure that a related party transactions was made during the year has to be disclosed.

Section 40a(2)(b) of the Income Tax Act disallows the expenditure incurred in relation with specified persons (Related Parties), if assessing officer is in the opinion that the expenditure is excessive & unreasonable with respect to fair market value of goods, services or facilities used.

Code for Independent Directors and Related Party Transaction

Last but not the least, Schedule IV of the Companies Act, 2013 which prescribes Code for Independent Directors states that it shall be the duty of Independent Directors to pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the company.

At the end, we can say that though these self regulatory provisions may seem to be simple, but actually they cast upon a greater responsibility on the directors, employees and shareholders of the companies. ■

The Companies Act, 2013 - 5 key issues

CA. Parveen Kumar

The new Companies Act, 2013 has triggered new debate. What are the key changes? What is an impact on corporate world? Lot of seminars, conferences and clinics are being organized by various institutions and organizations to understand the nitty-gritty of the new law. Despite the fact that rules are yet to be notified and they are too many, quite a bit of apprehension prevailing right now in the air.

In this write up, I will focus on limited area to capture 5 key issues, which will have an impact on accounting and auditing of companies with this new development.

Financial Year

The financial year is proposed to be synchronized and all the companies will have their yearly closing on 31st March. Sounds nice! Let us have a closer look. What will happen to auditors? All the audit reports to be issued simultaneously. Auditor community will have to work hard on closing dates and it will not be possible to spread the work. Any concern for Independent directors, who will have to attend the board meetings - all happening at the same time ?. Issue remains open. The subsidiary companies of foreign companies will have another addition to their compliance requirement and they will need another permission in order to close the books according to head office guidelines.

Accounting Standards

Second issue is about Accounting Standards. Already there is lot of confusion as to International Financial Reporting Standards (IFRS), Indian Accounting Standards (Ind-AS), which are converged with IFRS and notified Accounting Standards (AS) are all on my desk. IFRS applicable for the companies who need to report outside India - so they are converting their financials accordingly. Ind-AS already notified and awaiting date of implementation. It is heard informally that they might become applicable to section of companies with effect from April 1, 2015. All companies are supposed to prepare financial statements according to AS - which may result in conflicts with this new Act. At various places, IFRS has been kept in mind, as this is the future. What about present? The Act itself is defining what will be called financial statements. Besides Balance sheet, Statement of Profit and Loss and accounting policies, Statement of Change in Equity (SOCIE) and Cash flow statements (CFS) are now necessary. This is in contradiction of existing Schedule VI and Accounting Standard on Cash Flow (AS-3) which is mandating CFS only for certain companies and not everyone.

Auditors

As per the new Act, auditors are to be appointed for a term of five years and the same auditor can be there for

two terms. That means it will be compulsory to change auditor after every 10 years. All of us know Indian scenario. Maximum of family owned businesses are having old association with their auditor and the same auditor is carrying out audit for many years. Advantage - they are aware of the business environment and quickly complete the audits. Disadvantage can be seen as probability of overlooking is higher and relationship can influence the audit results. Another issue is deciding the fate of old auditors - whether this 5 year and 10 year term starts now or will be retrospective. Yet to see.



Consolidation

Fourth, consolidation made mandatory and is surely a welcome move. But what about definition of control. As per IFRS-10, the companies, which have power to govern financial and operation policies of an entity and are exposed to risk and ownership rights thereof are supposed to be controlling the entity and are supposed to consolidate. AS 10 is more rule based and defines control in terms of having more than 50 per cent of voting rights or control over more than half of board. This will need clear guidance and will certainly ignite some serious debate in the market. Of course, we all want true and fair presentation of the financial statements, but practical realities and subjectivity remain there.

Reopening of Financials

Once the financial statements have been adopted by the shareholders, the previous Act did not allow any tinkering with those financial statements. That means there was no possibility of restatement or re-opening of such financial statements. This Act will allow reopening of previous financial statements. The concept is similar to IFRS, and probably outcome of recent exposed cases in Indian corporate world. It carries its own challenges in terms of role and responsibilities of previous directors and auditors. Details have to be seen how it will be used or misused in Indian Scenario. This is my fifth case.

Lots of questions are floating in the air. Dependency on rules, draft is exposed to public for comments (when this piece is written). Personally feel that full marks to be given to our young minister for being able to push it through, as there had been lot of disappointments and wasted efforts in the past. We all know about human tendency to resist change - but change is rule and this change is certainly one of the most welcome changes in the corporate world. ■

The author is a Member of the Institute (Mem.No.88810)

Corporate Laws

(i) The Companies Act, 2013

The Companies Bill, 2012 which was earlier passed by the Lok Sabha on 18th December, 2012 was passed by the Rajya Sabha on 8th August, 2013. The Hon'ble President of India accorded his assent to the Bill on 29th August, 2013 and the Bill matured into an Act. Immediately on the next day i.e. 30th August, 2013, the Ministry of Law and Justice (Legislative Department) published the Act in the Official Gazette for public information stating that different dates may be appointed for enforcement of different provisions of Companies Act, 2013, through a notification.

First tranche of Draft Rules, except Forms, covering 16 Chapters under the New Act, have been posted on the website of the Ministry of Corporate Affairs on 5th September, 2013. The stakeholders were requested to send their suggestions, if any, on the Ministry's website www.mca.gov.in by 8th October, 2013.

Further, on 12th September, 2013, the Central Government (Ministry of Corporate Affairs) has notified 98 sections of the Companies Act, 2013 effective from the issue date i.e. 12th September, 2013.

The Draft Forms in respect of rules made live under phase-1 has also been posted on the Ministry website on 17th September, 2013.

To download the Companies Act, 2013, students may visit http://egazette.nic.in/WriteReadData/2013/E_27_2013_425.pdf

To download the notification which notifies 98 sections of Companies Act, 2013, students may visit <http://www.mca.gov.in/Ministry/pdf/CommencementNotificationOfCA2013.pdf>

The exact date of applicability of above 98 sections (to the extent they are applicable for Intermediate (IPC) Course and Final Course) for May 2014 examination shall be announced in due course. A communication in this regard will also be circulated among the students through Mass SMS and Mail.

(ii) The Securities and Exchange Board of India Act, 1992

In exercise of the powers conferred by Section 30 of the Securities and Exchange Board of India Act, 1992, the board vide Notification No. LAD-NRO/GN/2013-14/19/6422 dated 26th August, 2013 has amended SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2009 and these regulations may be called the SEBI (Issue of Capital and Disclosure Requirements) (Second Amendment) Regulations, 2013.

To download the above notification, students may visit http://www.sebi.gov.in/cms/sebi_data/attachdocs/1377576669523.pdf

(Contributed by CS. Megha Goel, BoS)

CROSSWORD

September, 2013

Solution

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November 2013 Intermediate (IPC) Examination

Paper 4 -Taxation : Some Essentials for Preparation

In order to ensure clarity as regards the applicability of provisions of income-tax, service tax and VAT for November, 2013 Intermediate (IPC) Examination, as well as the BOS publications relevant for the said examination, the details regarding the same are briefed hereunder:

I. Applicability of Finance Act, Assessment Year etc. for November, 2013 Examination

- (1) The amendments made by the Finance Act, 2012 in income-tax and service tax;
- (2) The provisions of income-tax law as applicable for the assessment year 2013-14;
- (3) The significant notifications and circulars issued upto 30th April, 2013 (income-tax and service tax)

II. BOS Publications relevant for November, 2013 Examination

Publication	Edition	Objective & Content
(1) Study Material (and Practice Manual) on Taxation		
Volume I Study Material (Part I: Income-tax) (A.Y.2013-14) (As amended by the Finance Act, 2012) (Thoroughly revised and updated)	November, 2012	Volume I of this edition of the Study Material is based on the provisions of the Income-tax Act, 1961, as amended by the Finance Act, 2012 and applicable for A.Y.2013-14 , and the significant notifications and circulars issued upto 30.6.2012. Study each topic of your syllabus thoroughly for conceptual clarity. The aim of the Study Material is to build a strong conceptual base by explaining the complex tax laws in a lucid manner.
Volume II Practice Manual (Part I: Income-tax) (Thoroughly revised and updated) (Questions adapted/modified and solved on the basis of the provisions of law applicable for A.Y. 2013-14)	November, 2012	Each problem on income-tax contained in Volume II of this edition of the Practice Manual has been adapted/modified and solved on the basis of the provisions of law applicable for A.Y. 2013-14 . The amendments made by the Finance Act, 2012 and significant notifications and circulars issued upto 30.6.2012 have been taken into account. The Practice Manual has also been grouped chapter-wise and contains a variety of questions and problems in each topic for the better understanding and application of the concepts explained in the Study Material. In the Practice Manual, questions set at the past PE-II, PCC, and IPCC level examinations of chartered accountancy course have been modified and adapted and answered on the basis of the provisions of law applicable for A.Y.2013-14. After reading each chapter in the Study Material, try to work out the problems in the corresponding chapter of the Practice Manual on your own, and thereafter compare your answers with the answers given therein. This would help you to identify your mistakes and also learn from your mistakes. Further, this process would help in revision of the concepts and principles contained in each chapter of the Study Material and application of the same while solving practical problems. <i>Note - After you complete study of the entire syllabus content, solve all the questions in the Practice Manual once again to make sure that there are no grey areas.</i>

	<p>Volume III Study Material & Practice Manual (Part II: Service tax and VAT) (Thoroughly revised and updated with the amendments made by the Finance Act, 2012. Questions in Practice Manual are adapted/modified and solved on the basis of the provisions of law as amended by the Finance Act, 2012)</p>	November, 2012	<p>Volume III comprising of the Study Material and Practice Manual on Part II: Service tax & VAT has been amended by the Finance Act, 2012 and the significant notifications and circulars issued upto 30.6.2012.</p> <p>Each problem on service tax contained in the Practice Manual has been adapted/modified and solved on the basis of the provisions of law as amended by the Finance Act, 2012 and significant notifications and circulars issued upto 30.6.2012.</p> <p>Students appearing in November, 2013 examination are advised to read this edition of the Study Material, since the concept of taxation of services has undergone a complete change from a positive to negative approach. Therefore, the service tax portion of the Study Material has been completely revamped.</p> <p>The objective (purpose) of the Study Material and manner of solving the questions in the Practice Manual on Part II: Service-tax and VAT are the same as described for Part I: Income-tax.</p>
(2)	<p>Supplementary Study Paper - 2012 (Taxation) [A discussion of amendments made by the Finance Act, 2012 in income-tax and service tax]</p>	<p>This publication explains the amendments made by the Finance Act, 2012 in income-tax and service tax as well as the significant circulars and notifications in income-tax issued between 1.5.2011 and 30.4.2012. The amendments by way of significant circulars and notifications in service tax issued between 1.5.2011 and 30.6.2012 are hosted at the BOS Knowledge Portal.</p> <p>It is especially relevant in case you have the earlier edition of the Taxation Study Material (i.e., the December 2011 edition), which is based on the provisions of law as amended by the Finance Act, 2011. However, even if you have the November, 2012 edition of the Taxation Study Material, you are still advised to read the Supplementary Study Paper-2012 for a better understanding of the statutory amendments.</p>	
(3)	<p>Revision Test Paper (RTP) for November, 2013 Examination [Revision material for self-assessment and updation]</p>	<p>The November 2012 edition of the Study Material, updated on the basis of the amendments made by the Finance Act, 2012 and significant notifications and circulars issued upto 30th June, 2012, is the Study Material relevant for November, 2013 examination. However, the significant notifications and circulars issued upto 30th April, 2013 are applicable for November, 2013 examination.</p> <p>The RTP for November, 2013, therefore, contains the significant notifications and circulars issued after the date up to which they are covered in the November 2012 edition of the Study Material on Taxation, till 30th April, 2013.</p> <p>The RTP also helps you self-assess your preparation by solving the questions contained therein independently and comparing the same with the answers given.</p>	
<p>Note: All the publications mentioned above have also been hosted at the BOS Knowledge Portal on the Institute's website www.icai.org.</p>			

November 2013 Final Examination : Some Essentials for Preparation Paper 7: Direct Tax Laws & Paper 8: Indirect Tax Laws

In order to ensure clarity as regards the applicability of provisions of Direct Tax Laws (DTL) and Indirect Tax Laws (IDTL) for November 2013 examination, as well as the BOS publications relevant for the said examination, the details regarding the same are briefed hereunder:

I. Applicability of Finance Act, Assessment Year etc. for November 2013 Final Examination

- (1) The amendments made by the Finance Act, 2012 in DTL & IDTL;
- (2) The provisions of direct tax laws as applicable for the assessment year 2013-14;
- (3) The significant notifications and circulars issued upto 30th April, 2013 (DTL & IDTL)

II. BOS Publications relevant for November 2013 Final Examination

Publication	Edition	Objective & Content
(1) Study Material on DTL (Vol. I & II) (A.Y.2013-14) (As amended by the Finance Act, 2012) (Thoroughly revised and updated)	October, 2012	This edition of the Study Material is based on the provisions of the Income-tax Act, 1961 and Wealth-tax Act, 1957, as amended by the Finance Act, 2012 and applicable for A.Y.2013-14 , and the significant notifications and circulars issued upto 30.6.2012. Study each topic of your syllabus thoroughly for conceptual clarity. The aim of the Study Material is to build a strong conceptual base by explaining the complex tax laws in a lucid manner. Do keep the Bare Acts i.e., Income-tax Act, 1961, and Wealth-tax Act, 1957 by your side for reference purposes. This will facilitate understanding of the language of law and the logical sequence of the sections. You should make it a habit to read the tax provisions along with the relevant sections so that you are able to relate the provisions of law, circulars and notifications with the respective sections.
Practice Manual on DTL (Vol. III) (Thoroughly revised and updated) (Questions adapted/modified and solved on the basis of provisions of law applicable for A.Y.2013-14)	October, 2012	Each problem contained in this edition of the Practice Manual has been solved on the basis of the provisions of law applicable for A.Y.2013-14. The amendments made by the Finance Act, 2012 and significant notifications and circulars issued upto 30.6.2012 have been taken into account. The Practice Manual has also been grouped chapter-wise and contains a variety of questions and problems in each topic for the better understanding and application of the concepts explained in the Study Material. In the Practice Manual, questions set at the past Final examinations of chartered accountancy course have been modified and adapted and answered on the basis of the provisions of law applicable for A.Y. 2013-14. After reading each chapter in the Study Material, try to work out the problems in the corresponding chapter of the Practice Manual on your own, and thereafter compare your answers with the answers given therein. This would help you to identify your mistakes and also learn from your mistakes. Further, this process would help in revision of the concepts and principles contained in each chapter of the Study Material and application of the same while solving practical problems. Note - After you complete study of the entire syllabus content, solve all the questions in the Practice Manual once again to make sure that there are no grey areas.

(2)	Study Material on IDTL (Vol. I & II) (As amended by the Finance Act, 2012) (Thoroughly revised and updated)	November, 2012	This edition of the Study Material is based on the provisions of indirect tax laws, as amended by the Finance Act, 2012 and the significant notifications and circulars issued upto 30.6.2012. Students appearing in November 2013 examination are advised to read this edition of the Study Material, since the concept of taxation of services has undergone a complete change from a positive to negative approach. Therefore, the service tax portion of the Study Material has been completely revamped. The objective of the Study Material on IDTL and manner of studying is the same as described for the Study Material on DTL.
	Practice Manual on IDTL (Vol. III) (Thoroughly revised and updated as per the law as amended by the Finance Act, 2012)	November, 2012	The questions contained in this edition of the Practice Manual have been adapted/modified and solved on the basis of the provisions of law as amended by the Finance Act, 2012 and significant notifications and circulars issued upto 30.6.2012. The objective of the Practice Manual on IDTL and the manner of solving the questions is the same as given for the Practice Manual on DTL.
(3)	Supplementary Study Paper - 2012 (DTL & IDTL) [A discussion of amendments made by the Finance Act, 2012 in DTL & IDTL]		This publication explains the amendments made by the Finance Act, 2012 in DTL & IDTL as well as the significant circulars and notifications issued between 1.7.2011 and 30.6.2012. It is especially relevant in case you have the earlier edition of the DTL & IDTL Study Materials (i.e., the November 2011 & December 2011 editions, respectively), which is based on the provisions of law as amended by the Finance Act, 2011. However, even if you have the October, 2012 and November, 2012 editions, respectively, of the DTL & IDTL Study Materials, you are still advised to read the Supplementary Study Paper-2012 for a better understanding of the statutory amendments.
(4)	Select Cases in Direct & Indirect Tax Laws - An Essential reading for the Final Course (Relevant for May 2013 & November 2013 Examinations)		This publication is a compilation of significant recent judicial decisions of Supreme Court and High Courts which, when read in conjunction with the DTL & IDTL Study Materials, will enable you to appreciate the significant issues involved in interpretation and application of tax laws.
(5)	Revision Test Paper (RTP) for November 2013 Examination [Revision material for self-assessment and updation]		The October, 2012 edition of DTL Study Material & the November 2012 edition of the IDTL Study Material, updated on the basis of the amendments made by the Finance Act, 2012 and significant notifications and circulars issued upto 30th June, 2012, are the Study Materials relevant for November, 2013 examination. However, the significant notifications and circulars issued upto 30th April, 2013 are applicable for November, 2013 examination. The RTP for November, 2013, therefore, contains the significant notifications and circulars issued after the date up to which they are covered in the DTL & IDTL Study Materials i.e. the significant notifications and circulars issued between 1st July, 2012 and 30th April, 2013. The RTP also helps you self-assess your preparation by solving the questions contained therein independently and comparing the same with the answers given.
Note: All the publications mentioned above have also been hosted at the BOS Knowledge Portal on the Institute's website www.icai.org .			

(Contributed by CA. Priya Subramanian/CA. Smita Mishra, BoS)

Examiners' Comments on the Performance of Candidates Intermediate (IPC)

PAPER – 1 : ACCOUNTING

Specific Comments

Question 1.

- (a) Few candidates failed to compute the amount of closing balance of hire purchase stock and therefore, they could not work out the profit from hire purchase business correctly.
- (b) Most of the candidates did not answer the question as per self-balancing system and consequently, they failed to give the necessary journal entries to rectify the errors given in the question.
- (c) Very few candidates could not arrive at the correct value of closing stock for the purpose of ascertainment of insurance claim.
- (d) Most of the candidates erred in calculation of cost of debentures purchased and sold.

Question 2.

Some candidates could not calculate gaining ratio of partners Q and R, value of goodwill, P's share of profits for period of 5 months i.e. till date of death and consequently, could not prepare P's capital account and P's heir account correctly.

Question 3.

Few candidates passed the journal entries for reduction in preference share capital and equity share capital based on authorized share capital instead of issued share capital. Some of them gave wrong journal entries regarding penalty on cancellation of contract and transfer of balance of reconstruction account to capital reserve. Most of the candidates were not able to prepare Notes to Balance Sheet on Share capital and Tangible assets to the balance sheet of the reconstructed company.

Question 4.

Few candidates were not able to compute missing figures required for preparation of trading, profit and loss account and balance sheet with the help of the information given in the question. Some of the candidates failed to transfer the amount of bills receivable endorsed to debtors and bills payable accepted by creditors to trade debtors and trade creditors accounts resulting in wrong calculation of amounts for credit sales and credit purchases.

Question 5.

- (a) Majority of the candidates did not consider outstanding entrance fee of ₹10,000 while preparing balance sheet of the club as on 31st March, 2012 which resulted in wrong computation of opening capital fund. Very few candidates could arrive at the correct amounts of outstanding subscription receivable and subscription received in advance on 31st March, 2013.

Question 6.

- (a) A handful of candidates erred in segregation of expenses between pre and post incorporation periods. Some of them deducted all expenses from sales instead of deducting from gross profit for calculating net profit.
- (b) Some candidates could not ascertain the amount of cash flow from operating, investing and financing activities. Thus they failed to compute the net decrease in cash and cash equivalents.

Question 7.

- (a) Most of the candidates narrated advantages and disadvantages of ERP instead of explaining the various factors to be considered for choosing an ERP.
- (b) Majority of the candidates only named the fundamental accounting assumptions as per AS 1 but did not describe them.
- (c) Large number of candidates couldn't give the correct valuation of finished unit and also could not explain the reasons for desirability or otherwise of producing the finished unit.
- (d) Most of the candidates gave unnecessary explanations instead of answering the question in line with requirements of AS 9 'Revenue Recognition'.
- (e) Most of the candidates showed lack of the understanding of the question and stated irrelevant points such as a list of Accounting Standards instead of stating the issues which accounting standards deal with.

PAPER – 2 : BUSINESS LAWS, ETHICS AND COMMUNICATION

Specific Comments

Question 1.

- (a) In respect to the question based on the concept of the 'Invitation to Offer' under the Indian Contract

Act, 1872, majority of the candidates could not explain properly the difference between “offer” and “invitation to offer”.

- (b) Question pertaining to the provision relating to the powers and functions of an inspector under the Payment of Bonus Act, 1965, large number of students gave the generalized answer which implied that students were not familiar with the provision.
- (c) In respect to the question based on the Companies Act, 1956 in both the part (i) and (ii) of the question, performances of the majority of the students were not meeting up the expected level. Justifications were substandard.
- (d) Question based on the guidelines handling the communication ethics dilemmas were answered by majority of the students in vague and general manner. Whereas some of the students were confused with the guidelines relating to handling of ethical dilemmas and the active listening.

Question 2.

- (a) Question dealing with the provision as to payment of gratuity in a seasonal establishment as per the Payment of Gratuity Act, 1972, some of the students were not well versed with the eligibility criteria i.e., 75 % of the no. of days of the operation of the establishment entitling for the payment of gratuity.
- (b) Question pertaining to the differences between the Negotiability and Assignability as per the Negotiable Instruments Act, 1881, majority of the students were not aware of clear distinction between these two terminologies. Their answer were vague and general without specifying the legal provisions of the same.
- (c) In respect to question based on the provision related to reduction of share capital in the Companies Act, 1956, answer given by some of students were not meeting up the level as is expected from the student of this level. Their presentation of the answer lacks the touch of a professional student showing the lack of knowledge of the provision.
- (d) In respect to question relating to distinction between the ‘Moral and Ethics’ majority of the students have fairly attempted the question.

Question 3.

- (a) In relation to the question on the managing of ethics in workplace, answer of the majority of the students were vague and general not covering the specific guidelines relating to the same and thus

no appropriate answer to the question. Many of the students not read the question properly and were confused and answered on the ethical issues, harassment and discrimination and about the sources of ethical standards.

- (b) The performance of the student in respect to question relating to the Companies Act, 1956 on the provision calling of extra-ordinary general meeting on requisition, most of the students failed to identify the respective provision in the Act and failed to explain it properly.
- (c) Pertaining to the question based on the ‘Agency’, most of the students replied the answer correctly without properly explaining the concept of “Agency” and the liability of “A” towards “B”. Students were not aware of the legal presumption in case of co-habitation by married woman under the Indian Contract Act, 1872.

Question 4.

- (a) In reference to question relating to e-filing, majority of the candidates failed to answer correctly the steps requires for e-filing under MCA 21. Their answer were more focused to the Income Tax return e-filing.
- (c) In respect to question relating to the material alteration under the Negotiable Instruments Act, 1881, most of the students could not explain properly the meaning of “material alteration” as per the Act.

Question 5.

- (a) In question relating to the drafting of the lease deed, only few students fairly attempted the question mentioning the definition as per the provision of the relevant Act. Whereas majority of the students straightaway started with the drafting of the deed. In toto, Performance of the candidates was not up to the mark.
- (b) The performance of the student in respect to the question based on the provision effect of memorandum and article on the company and its members as per the Companies Act, 1956, most of the students replied the answer correctly. Many of the students missed the ‘outsider’ concept in their answer. Most of the candidates in relation to second part of the question, did not write the correct reasons regarding powers of a company to remove “L” as solicitor.
- (c) In respect to the question relating to the prospectus given in the provision laid down in the Companies Act, 1956, the performance of the majority of the students were satisfactory.

Question 6.

- (a) In respect to the question relating to the liability of the promoters in the case of the pre-incorporation of the contract as given in the Companies Act, 1956, the performance of the candidates was not upto the standard because the majority of the candidates could not state correctly the principle or conclude the provision that a company has no power to ratify any contract entered into by the promoters before incorporation. The word 'adoption' given in the question have been mis-understood by the students with the 'acceptance/ratification' and thus confused the student while answering the question.
- (b) Pertaining to the question on the critical thinking, majority of the students attempted the question from common sense without mentioning attributes/ features.
- (c) In respect to the question on the explanation of the sources of the ethical standards, large number of the students answer were vague and general not covering the specific sources of ethical standards.

Answer 7.

- (a) Question related to oral mode of communication is well attempted by majority of the students.
- (c) The question pertaining to the elements that influences organizational culture answered by the majority, were vague and general. Students were unable to identify the question. Only handful of students gave the correct answer.
- (d) The question relating to the Employees' Deposit Linked Insurance (Amendment) Scheme, 2011 under the EPF & Miscellaneous Provisions Act, 1952, the performance of the majority were unsatisfactory because the candidates were not aware of the latest amendments carried out under Employees' Deposit Linked Insurance (Amendment) Scheme, 2011.
- (e) Pertaining to the question based on the concept of the healthy competition and protecting consumers interest, many of the candidates gave the answer in general.

PAPER – 3 : COST ACCOUNTING AND FINANCIAL MANAGEMENT**General Comments**

The overall performance of the candidates was average. Performance revealed lack of in-depth knowledge and rigorous study. The candidates need to understand the subjects conceptually and

also fine tune their presentation skills. Candidates are advised to practice the practical problems more extensively and pay attention towards properly presenting their answers supported by adequate working notes. It is also advised that the candidates read the question paper thoroughly before attempting it and attempt different parts of the same question consecutively rather than in a random manner.

Specific Comments**Question 1.**

- (a) This was a practical question from Standard Costing. Examinees were required to find out 'Actual Quantity of material Used', 'Actual Price of material', 'Material Usage Variance' and 'Material Cost Variance'. Performance of the examinees in this question was average. However, most of the examinees were unable to calculate 'Actual Price' and 'Actual Quantity' of material used consequently answer to the question remains either incomplete or incorrect.
- (b) This was also a practical question from the chapter Marginal Costing. Cost and sales data for two years were given and examinees were required to calculate 'Break-even Point (in units) and Profit at 75% of the total capacity. This question was well attempted by the examinees. However, few examinees were unable to arrive at correct profit figure. Overall good performance was observed.
- (c) This was a practical question relating to calculation of cost of preference shares. Majority of the candidates attempted it well. However, a few candidates could not compute redeemable value and net proceeds of preference shares on correct lines.
- (d) This was a practical question relating to computation of proprietor's fund, fixed assets and net profit ratio. Though majority of the candidates computed them correctly, however, few candidates inversely interpreted the fixed asset to proprietor's fund ratio resulting in incorrect answers.

Question 2.

- (a) Majority of the candidates have attempted this question on preparation of Cash Flow Statement on correct lines. However, a small percentage of the candidates did not consider interest on debentures and dividend from investment while computing cash flow from operating activities. Further, the candidates have not presented their answers supported by proper working notes and have also failed to present it in the proper format.

(b) This was a practical question from the topic Incentive system of 'Labour'. The question was divided into two interlinking parts. In the first part examinees were required to calculate 'effective hourly rate under Rowan Incentive plan' and in the second part job completion time so that effective hourly rate under Halsey Incentive Plan would be as same as under the Rowan Incentive plan in the first part of the question. Average performance by the examinees was observed. However, examinees were able to calculate the effective hourly rate under Rowan Incentive plan but failed to calculate the job completion time under Halsey Incentive plan.

Question 3.

- (a) This practical question was related with the topic 'Process Costing'. In this question examinees were asked to prepare statement of equivalent production, statement showing the cost of finished goods, abnormal loss and closing balance of work in progress and Process-B & abnormal loss account. Though statement of equivalent production was correctly prepared by the most of the examinees but majority of them could not calculate cost per unit of finished goods, abnormal loss and closing balance of work-in-progress correctly.
- (b) This was a practical question relating to computation of operating and combined leverages and earnings per share. Majority of the candidates have performed well. However, a few candidates wrongly considered contribution figure as EBIT and worked out the problem accordingly.

Question 4.

- (a) This practical question was from the topic 'Joint products & by-products'. Examinees were required to prepare statement showing allocation of joint cost and productwise and overall profitability of the company. Lack of conceptual clarity was observed as some of the examinees were unable to allocate joint cost correctly.
- (b) This was a practical question on estimation of working capital based on cash cost. Most of the candidates have solved on correct lines. However, few candidates have answered part (iv), regarding reduction in working capital requirement, theoretically instead of computing in numerical terms.

Question 5.

- (a) It was a theory question from the topic 'Cost units'. Examinees were required to express suitable cost unit used in the steel, automobile, transport and power industries. Most of the examinees were not able to give correct answer for automobile.

(b) This theory question was from the chapter 'Overheads'. Examinees were asked to distinguish between cost allocation and cost absorption. Performance of the examinees in this question was satisfactory. Lack of comprehension and conceptual clarity was observed in cases of some examinees.

(c) This was a theoretical question relating to the concept of debt securitization and its advantages. Majority of the candidates failed to express the concept on correct lines. They described it as a security of their loan funds, debentures, etc. and not as a method of recycling of funds.

(d) This was a theoretical question requiring candidates to distinguish between factoring and bill discounting. Majority of the candidates answered bill discounting on correct lines but failed to explain the concept of factoring. Some of them explained it as a present value factor concept.

Question 6.

- (a) It was a practical question from the chapter 'Budget and Budgetary control'. Examinees were required to prepare flexible production budget for the two given level of production. This question was well attempted by the most of the examinees except few who could not calculate fixed cost correctly.
- (b) This was a practical question on capital budgeting relating to computation of Discounted Payback Period, Net Present Value and Profitability Index. Majority of the candidates answered well, however, some percentage of them could not calculate annual cash inflows on correct lines and worked out rest of the problem accordingly and ended up with incorrect answers. Few candidates failed to work out the discounted payback period for both the machines.

Question 7.

(a) This was a theoretical question related with the topic Inventory control from the chapter 'Material'. Examinees were asked to comment on the efficacy of the continuous stock taking in perpetual inventory system. Performance of some examinees was adequate however some of them lack in conceptual clarity and comprehension.

(b) This was also a theory question related with the topic Integrated accounting system from the chapter 'Non Integrated Accounts'. Examinees were asked whether reconciliation of cost accounts and financial accounts are necessary in case of integrated accounting system. In this question also examinees' lack of conceptual

EXAMINATION

understanding was revealed. Inadequate understanding about the integrated accounting system was observed in case of some examinees.

- (c) This was a theoretical question relating to operating risk and financial risk associated with capital structure of a business concern. A small percentage of candidates answered it well; however, majority of the candidates failed to grasp the requirement of the question and answered in vague terms.
- (d) This was a theoretical question relating to venture capital financing and the factors to be considered in financing any risky project. Majority of the candidates knew the concept of venture capital financing, however, few candidates gave incorrect and vague factors for consideration.
- (e) This was a theoretical question requiring candidates to state the advantages of electronic cash management system. Majority of them answered it on correct lines.

PAPER - 4 : TAXATION

General Comments

Candidates were found lacking in conceptual clarity, application skills and communication skills. Their answers were poor in content, expression and language. The presentation of answers was also not upto the mark.

Specific Comments

Question 1.

- (a) Majority of the candidates have not computed the total income and the tax payable in the hands of Mrs. Rani correctly, due to the following reasons –
 - (i) They have failed to compute tax on winnings from lotteries separately @30% and deduct the TDS of ₹ 3,000 while computing the tax payable by Mrs. Rani.
 - (ii) Further, some candidates have not grossed up lottery income while computing “Income from other sources”. Also, a few candidates have incorrectly claimed the cost of lottery ticket of ₹ 2,500 as expense.
 - (iii) They have treated the amount received on maturity of LIC policy as part of income.
- (b) Majority of the candidates could not arrive at the correct amount of service tax payable due to one or more of the following reasons:-
 - (i) Few candidates wrongly calculated EC and SHEC as 2% and 1% of the value of taxable service instead of amount of service tax.

- (ii) Majority of the candidates wrongly considered the services for supply of farm labour as liable to service tax.
- (iii) Most of the candidates got confused regarding the point of taxation.

Question 2.

- (a) Many candidates have failed to provide deduction under section 80TTA, which indicates their lack of awareness of the recent amendments.
- (b) Majority of the candidates were not aware of the services provided by Government or Local authority which are not included in the negative list of services.
- (c) Many candidates provided general answers explaining the mechanism of VAT instead of elaborating as to how VAT is neutral to the decision making.

Question 3.

- (a) Majority of the candidates have failed to answer sub-part (i) correctly, as they have not understood the difference in tax treatment for leave travel concession in respect of three children, in cases where multiple births have taken place on the first occasion vis-à-vis on the second occasion. As regards sub-part (ii), candidates have failed to correctly compute the amount in accordance with the provisions of section 25F of the Industrial Disputes Act, 1947, which is one of the three limits under section 10(10B).
- (c) The question required the candidates to discuss as to whether a registered dealer, having stock of goods purchased from outside the State, can opt for composition scheme. Few candidates, however, mistakenly discussed the non-availability of input tax credit to the dealers opting for composition scheme.

Question 4.

- (a) While computing income under the head “Profits and gains of business and profession”, many candidates have set-off the loss of ₹ 50,000 pertaining to A.Y.2011-12 in respect of discontinued chemical business, even before giving effect to the set-off of current year’s textile business loss of ₹ 40,000 and the set-off of brought forward loss of the textile business, pertaining to A.Y.2009-10. Further, many candidates were not aware that the share of profit of a partner is exempt under section 10(2A). Some candidates have failed to provide deduction under section 80C in respect of life insurance premium paid.

- (c) Many candidates wrongly mentioned that tax paid would be available as input tax credit after retention of 2% of CST instead of mentioning 2% of VAT.

Question 5.

- (a) Many candidates have simply included the salary income of Mrs. A with that of Mr. A, without giving any reason for such inclusion. Some candidates committed mistake in calculating exemption under section 10(32).

Question 6.

- (a) Some candidates have failed to understand the difference that in case of bonus shares allotted before 1.4.1981, the fair market value as on 1.4.1981 would be taken as the cost of acquisition whereas in case of bonus shares allotted after 1.4.1981, the cost of acquisition would be Nil.

Question 7.

- (a) Though the question requires the candidates to discuss the provisions relating to advance tax specifically in case of capital gains and casual income, the candidates have discussed the general provisions relating to payment of advance tax without touching upon the specific provisions relating to advance tax in case of capital gains and casual income.

Most of the candidates were not aware of the tax treatment of limited liability partnerships.

- (b) Many candidates wrongly answered that where value of the service is not ascertainable; such value is determined by the Department.
- (c) Few candidates discussed the variants of VAT instead of procedural requirements for claiming set off of input tax on capital goods.

PAPER - 5 : ADVANCED ACCOUNTING

Specific Comments

Question 1.

- (a) Most of the candidates failed to compute the correct value of diluted earnings per share.
- (b) Many candidates were not able to calculate the correct value of closing stock to be shown in the profit and loss account. They did not give the required treatment for net realizable value of damaged stock in the profit and loss account as per the provisions of AS 5.
- (c) Very few candidates were able to compute the correct amount of provision to be made for warranty under AS 29. Most of them calculated the provision to be made for warranty considering

the time period from the date of sale instead of balance warranty period which resulted in wrong computation of provisions.

- (d) Large number of candidates erred in amortization of patent cost at the time of reassessment of carrying amount after third year.

Question 2.

Most of the candidates could not arrive at correct amount of average profit for the purpose of valuation of goodwill. Few among them failed to distribute shares among partners at the time of conversion of firm into company. As a result, they could not draw the profit and loss account of the firm and the balance sheet of the company in the correct manner.

Question 3.

- (a) Few candidates were unable to distribute unmarked applications in gross liability ratio which lead to incorrect computation of liability of individual underwriters. They also failed to give the correct journal entries in the books of the company relating to underwriting.
- (b) Small number of candidates failed to give correct journal entry for transfer of employee compensation expense to profit and loss account.

Question 4.

Some candidates were unable to give the required journal entries. Few of them could not give the reconstructed company's balance sheet and notes to accounts in the prescribed formats.

Question 5.

- (a) Most of the candidates erred in calculation of correct amounts of premium earned (net) and claims incurred (net) in Schedules 1 and 2. Consequently, they failed to arrive at the correct amount of operating profit from insurance business.
- (b) Few candidates erred in computation of amounts of 'rebate on bills discounted' and 'discount credited to profit and loss account'. Also, some of them could not give the required journal entries.

Question 6.

Most of the candidates were not able to convert the New York Branch trial balance into Indian Rupees. Particularly, the conversion rate per \$ into Rs. was not correctly considered for Goods received from head office, Head office current account and closing stock. They also failed to calculate branch stock reserve on opening and closing stocks of branch.

Question 7.

- (a) Most of the candidates failed to answer the question in line with the provisions of AS 4.
- (b) Many candidates failed to give the required classification of the given items into monetary and non-monetary in accordance with AS 11. They could not write about the recognition of monetary items at each balance sheet date.
- (c) Few candidates failed to arrive at the correct amount of unrealized profit of each department.
- (d) Most of the candidates did not explain the conditions where Garner Vs Murray rule is not applicable.
- (e) Most of the candidates could not give the required answer.

PAPER – 6 : AUDITING AND ASSURANCE

Specific Comments

Question 1.

- (a) (i) Most of the candidates did not understand the question and wrote irrelevant answer. Either they wrote about the audit procedure or reporting points of the audit report etc. Also, some students misconstrued ‘charged with governance’ as ‘Government Department’. They stressed on the role of the Government. Those who answered failed to give various types of significant findings. Candidates were lacking in the knowledge of SA-260.
- (b) (i) Candidates mentioned about the benefits of surprise checks instead of circumstances under which it is required. Many candidates explained the advantages and disadvantages of surprise checks instead of giving important recommendations. Also, some candidates focused on surprise checks and not its desirability in audit.
- (ii) Many candidates did not understand the question properly and were answering with respect to internal and external confirmations only. Some candidates wrote the definition of inquiry only and other points were not mentioned. Also, some other candidates explained the importance of inquiry but could not explain it as one of the audit procedure to obtain audit evidence. A few candidates misunderstood the question and wrote the difference between procedure and technique.

Question 2.

- (i) Some candidates lacked in conceptual clarity and did not understand that underwriting commission is to be excluded from preliminary expenses .
- (iv) Many candidates wrote about internal control system instead of internal check.

(vii) Many candidates did not understand the provision of the Companies Act correctly. They linked the turnover with provisions of Section 44 AB of the Income Tax Act.

(viii) Many candidates were not aware of AS-26 and answered it wrongly as intangible asset.

Question 3.

- (a) The candidates have answered the advantages and disadvantages of the continuous audit rather than the precautions to be taken to avoid the disadvantages of continuous audit. .
- (b) A few candidates have misinterpreted the question as the basic principles of Government audit.

Question 4.

- (a) Many candidates wrote about the audit plan instead of answering as to information an auditor has to collect to prepare an audit plan in CIS environment. Also, candidates confused it with Audit through computers and Audit around the computer.
- (b) (ii) Candidates wrongly understood them as the rights and patents etc. and failed to attempt properly.

Question 5.

- (b) Some of the candidates misunderstood this for Government audit and instead of writing about the cases in which special audit may be called by the Central Government, they wrote about Government audit itself.

Question 6.

- (b) Most of the candidates have given the routine aspects of audit of NGO rather than the planning aspects involved in its audit of NGO.

Question 7.

- (iv) Although the performance of the candidates was good yet few had taken this as letter from management to the auditor.

PAPER - 7 : INFORMATION TECHNOLOGY AND STRATEGIC MANAGEMENT

SECTION – A : INFORMATION TECHNOLOGY

Specific Comments

Question 1.

Being a compulsory question, almost all the candidates attempted this question. The question has ten sub parts in which candidates were required to describe briefly about various terms with reference to Information Technology. Most

of the candidates could answer it fairly well except for the part 'Multi-processing' where many candidates got confused the term with 'Multi-programming'. Overall performance was good.

Question 2.

- (a) This was a basic question on describing the functions of an operating system. Most of the candidates wrote the correct answer but a few of them answered in a generalized way.
- (b) This question was based on the conversion from one number system to another number system. Most of the candidates attempted very well and accordingly, the performance was good for this part.

Question 3.

- (a) Most of the candidates explained the components of LAN correctly. Hence, performance was good.
- (b) 'Mesh Network Topology and its advantages' were described well by most of the candidates and hence, the performance was found good for this part also.

Question 4.

- (a) The question based on the factors in determining the best file organization was attempted well by almost all the candidates and their performance was found satisfactory for this part.
- (b) Instead of mentioning the specific differences between Internet and WWW, many candidates wrote the general answer and accordingly, their performance was average for this part.

Question 5.

- (a) In this question, candidates were expected to describe M-Commerce and the business areas affected by M-Commerce technology. Most of the candidates performed poorly in this question, mainly because of not understanding the concept of M-Commerce technically.
- (b) Similarly, in this part, candidates were expected to discuss the dimensions of E-Commerce Security. But, due to not understanding the concept of Security with reference to Information Technology, poor performance was observed for this part also.

Question 6.

- (a) Only a few candidates could differentiate between 'Condition Stub' and 'Condition Entries'.
- (b) This question was based on a flowchart to compute appropriate total House Tax including surcharge for any house located in a municipality. Many candidates did commit mistakes in computing the House Tax

particularly in the second and third slab mentioned in the question. But, the overall performance was satisfactory.

Question 7.

In this question, short notes on any four technical terms were required to be written by the candidates. Out of these terms, most of the candidates could not explain 'Host-based Intrusion Detection (HID)' and 'Honey-pot' mainly because of not understanding these terms with reference to Information Technology.

SECTION – B : STRATEGIC MANAGEMENT

General Comments

The performance of the candidates in general was poor. In depth knowledge of the basic concepts that was required, was found lacking in the answers given by many candidates. Some of the candidates have given vague and irrelevant answers. Candidates were found lacking in multiple areas; including knowledge of the subject, writing skills and proper presentation of answers.

Required command over the language was also missing in many cases. Answers given by some of the candidates were illegible as they have been written in poor handwriting. On the other hand, some of the candidates were not able to take care of basic things such as correct mention of question number and its part.

Special Comments

Question 8.

- (a) The candidates gave poor explanations for the relationship between organization and its larger environment. A substantial number of students failed to write correct answers. Answers provided were general explanations.
- (b) The first half of the question on the concept of financial strategy was answered fairly well. However, the second half of the question was not properly answered in most of the cases. Most of the examinees gave just a general description without giving specific methods for evaluating worth of business.
- (c) Candidates fairly well understood the concept of Porter's generic strategies for competitive advantage. However, in some cases examinees on account of lack of knowledge or misinterpretation of the question explained Porter's Five Forces Model instead of generic strategies.
- (d) Performance, in general was good reflecting adequate knowledge of Ansoff's Product Market

EXAMINATION

Growth matrix. At the same time, some of the candidates were not able to present the matrix or provide proper explanations.

- (e) The candidates had little knowledge on characteristics of six sigma. Accordingly, the performance was poor. Answers were not clear and precise. Large number of examinees explained themes of six sigma, instead of distinguishing features that make six sigma, significantly different from other past quality programmes. Answers were mainly restricted to the prime characteristic of 'meeting customer satisfaction' without mention of other characteristics. Even the significance of reduced defects, causing lowered costs was not mentioned.

Question 9.

- (a) Majority of the candidates were able to provide the answers in terms of correctness or incorrectness of the statement. However, adequate and valid reasoning was found missing. Answers to part (i) related to strategic groups were lacking in precision and were not definite. At the same time substantial number of candidates were able to provide correct answer with satisfactory explanations in part (ii) related to Total Quality Management.
- (b) The question was generally not answered by the candidates. Even in a few cases, where answers were provided by the candidates show that they have not properly understood the meaning of strategic vision. The answers in general were irrelevant.

Question 10.

The concept of micro environment and its elements was fairly understood by the candidates.

Question 11.

- (a) Performance of some of the candidates was good reflecting adequate conceptual clarity in the area of SWOT and TOWS matrix. However, majority of

the candidates have not understood the question. Mostly they have emphasized on explaining the strength, weaknesses, opportunities, and threats and not the improvement of TOWS Matrix over SWOT Analysis. Very few candidates were able to explain the TOWS matrix.

- (b) Role of strategic management in non-profit organizations was not properly prepared by the candidates. The performance was poor as the answers were general, lacked precision with hardly any reference to non-profit organizations.

Question 12.

- (a) The performance of some candidates was unsatisfactory reflecting lack of adequate preparation by them on the topic of strategic change as well as its stages, as suggested by Kurt Lewin. They have given vague and general answers completely by passing of Kurt Lewin's model.
- (b) The performance was average as most of the explanations on impact of E-commerce on business were highly general and were found wanting in substance.

Question 13.

- (a) The difference between transformational and traditional leadership styles was not properly brought out by most of the examinees.
- (b) Poor answers were provided by several candidates reflecting lack of conceptual clarity in the area of top-down and bottom-up planning.

Question 14.

- (a) Majority of the candidates were able to properly explain the elements of marketing mix.
- (b) Candidates were not thorough with the concepts of importance of strategic management and network structure. Accordingly, candidates choosing any of the two alternatives wrote vague and ambiguous answers. ■

Corrigendum

Paper 4: Taxation

In the August 2013 edition of the Study Material on Taxation [Volume I: Income-tax], students may kindly ignore point (ix) in pages 4.231-4.232.

Further, in page 4.69, after point (iv) in the first two lines, point (v) has been inadvertently omitted - "(v) an eligible transaction in respect of trading in commodity derivatives carried out in a recognized association."

Paper 7: Direct Tax Laws

In page 84 of the Supplementary Study Paper - 2013 for Final Course and page 81 of the RTP for November, 2013 Examination, under Notification No.8/2013 dated 31.1.2013, in the second sentence (third line) of the first paragraph, the words "does not" should be omitted.

ANNOUNCEMENT

Release of Study Materials of Paper 6: Information Systems Control and Audit and Paper 8: Indirect Tax Laws of Final Course prepared in accordance with revised syllabi

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. It has been decided to hold the examinations of the aforesaid papers in accordance with the revised syllabi from November, 2014 onwards. [Refer the detailed Announcement and Note explaining significant changes made in the revised syllabi published in September, 2013 issue of this Journal as also hosted on the Institute's website at BoS page.]

The Study Materials of both the papers prepared on the basis of the revised syllabi are now available at the Institute's sale counters. The same have also been hosted at the BoS Knowledge Portal on the website of the Institute.

The law stated in the Study Material of Paper 8: Indirect Tax Laws is updated with the amendments made vide the Finance Act, 2013 and notifications/circulars issued till April 30, 2013.

It is to be noted that the Study Material of Paper 8: Indirect Tax Laws, though prepared as per the revised syllabus (the examinations under which will be held from November 2014 onwards), is also applicable for May, 2014 examination. Students appearing in May, 2014 examination are advised to prepare for their examination from the Revised Study Material in the following manner:

- (i) Ignore Chapter 16 - Foreign Trade Policy in Section C: Customs and Foreign Trade Policy of the Study Material [as it is included only in the revised syllabus]; and
- (ii) Refer to Chapters 1 - 8 relating to VAT and Inter-relationship of accounting with excise, customs and service tax grouped together under the Appendix [as these Chapters are included in the old syllabus but do not form part of the revised syllabus]. The Appendix is, however, not relevant for students appearing in November, 2014 examination.

ANNOUNCEMENT

Release of Revised Study Material and Practice Manual of Part I : Income-tax of Intermediate (IPC) Paper 4: Taxation [Relevant for May, 2014 and November, 2014 examinations]

The Board of Studies has come out with the August 2013 edition of the Study Material and Practice Manual of Intermediate (IPC) Course **Paper 4: Taxation [Part I: Income-tax]**, which is relevant for students appearing in May, 2014 and November, 2014 examinations.

The August 2013 edition of the Study Material and Practice Manual is based on the provisions of income-tax law as amended by the Finance Act, 2013 and applicable for A.Y.2014-15, which is the relevant assessment year for May, 2014 and November, 2014 examinations. The significant notifications and circulars issued upto 30th April, 2013 have been covered in this edition of the Study Material.

The Study Material of Part I: Income-tax constitutes Volume I and the Practice Manual of Part I: Income-tax constitutes Volume II. Each question on income-tax contained in Volume II of this edition of the Practice Manual has been adapted/modified and solved on the basis of the provisions of law applicable for A.Y. 2014-15. The amendments made by the Finance Act, 2013 and significant notifications and circulars issued up to 30.4.2013 have been given effect to while solving the problems. The Practice Manual has also been grouped chapter-wise and contains a variety of questions and problems in each topic for the better understanding and application of the concepts explained in the Study Material.

The August 2013 edition of the Study Material and Practice Manual, based on the provisions of income-tax law as amended by the Finance Act, 2013 and applicable for A.Y.2014-15, are now available at the Institute's sale counters. The same have also been hosted at the BOS Knowledge Portal on the Institute's website.

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

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.icaai.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.icaai.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@icaai.org.

**Chairman,
Board of Studies**

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)

ANNOUNCEMENT

Revised Scheme of Revalidation of Registration in CA course

The Council in order to streamline the period of validity of registration for Common Proficiency Course (CPC), Intermediate (Integrated Professional Competence) Course and Final Course decided as under:

- Revised Scheme of Revalidation of Registration for CA courses shall be effective from 1st January, 2013 onwards.

Common Proficiency Course (CPC):

- Initial registration for Common Proficiency Course (CPC) is valid for 3 years.
- Fee for revalidation is ₹ 300/- for 3 years period.

Intermediate (Integrated Professional Competence) Course:

- Initial registration for Intermediate (IPC) Course is valid for 4 years.
- Validity period for students converted from erstwhile Intermediate/ Professional Education (Course-II)/ Professional Competence Course is counted from the date of conversion to Intermediate (IPC) Course.
- Fee for revalidation is ₹ 400/- for 4 years period.

Final Course:

- Initial registration for Final Course is valid for 5 years.
- Fee for revalidation is ₹ 500/- for 5 years period

Students of respective course can revalidate their registration any number of times as per the scheme applicable and should have valid registration before applying for the relevant level of examination.

Student who have completed/completing prescribed registration period on or before December 31, 2013 in Common Proficiency Course (CPC), Intermediate (IPC) Course and Final Course may revalidate their registration without paying revalidation fee till 31st December, 2013, failing which effect from 1st January, 2014 onwards all students are required to pay prescribed revalidation fee for revalidation of their registration in the respective courses.

For format of application and further details, please visit www.icai.org

**Director,
Board of Studies**

ANNOUNCEMENT

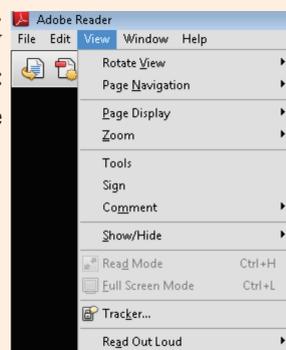
ICAI launches Audio Reading Facility for Visually Handicapped Students

The Institute of Chartered Accountants of India (ICAI) is very sensitive to the needs of its students, especially, the differently abled ones. For Blind students having difficulty in reading the Study Materials, the ICAI provides **Audio Study Materials**. It provides Soft Copy of the Study Materials in CD as a part of the kit issued to the students on registration for the respective courses - Common Proficiency Test, Intermediate (IPC) Course and Final Courses. A soft copy of the Study Material, as updated from time to time, is also available on the **BoS Knowledge Portal** on the Institute Website at www.icai.org.

Read Out Loud: The Soft Copy of Study Materials available on the CD and on the **BoS Knowledge Portal** is available in the Adobe Acrobat PDF Format with the file name extension ".pdf". The Adobe Acrobat Reader has the facility to "**Read Out Loud**" under the VIEW Tab, as depicted in the following screenshot, that enables users to hear the content::

The Adobe Acrobat Reader, in the option View → Read Out Loud, provides the following options for the file we have opened:

Activate Read Out Loud	Shift+Ctrl+Y
Read This Page Only	Shift+Ctrl+V
Read To End of Document	Shift+Ctrl+B
Pause	Shift+Ctrl+C
Stop	Shift+Ctrl+E



For using the *Read Out Loud* the First time, we need to Activate this facility by clicking on the first option → Activate Read Out Loud. As noted in the in the diagram above, the Short Cut to activate *Read Out Loud* is

to press the Y key while keeping Shift and Ctrl Keys depressed. It is important to note that selecting this option or pressing the said key combination would deactivate this facility, if it has been already activated. Once you have activated the *Read Out Loud* feature, the remaining options become operational to Read this Page Only, Read to End of Document, Pause Reading or to Stop reading.

Podcasts in e-Learning on Students Learning Management System (LMS)

Besides, the e-Learning facility available to the students on the Students Learning Management System (LMS) at <http://studentslms.icai.org>, has a facility to download Podcasts/ MP3 files, that students can download and hear on their Desktop/ Laptop Computer and/ or Mobile Phones.

Students are encouraged to make greater use of these facilities.

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.

Bank

IDBI Bank
Bank of Maharashtra
Corporation Bank
Oriental Bank of Commerce

Website

www.idbi.com
www.bankofmaharashtra.in
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

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

Industrial Training

CA Regulations, 1988 under proviso 51 & 72 provides scope for Industrial Training facilitating articled assistants real life exposure in office workings at industry and service organizations in order to develop their professional acumen. Industrial Training is highly benefiting to articled assistants in terms of practical knowledge & learning. The period of Industrial Training may range between nine months to twelve months during last year of the prescribed period of Practical Training under CA Course.

An articled assistant who has passed Intermediate (Integrated Professional Competence) Examination/Intermediate (Professional Competence) Examination/Professional Education (Examination-II)/Intermediate Examination may serve as an Industrial Trainee in any of the financial, commercial, industrial undertakings under an eligible member of the Institute working with such organization. A list of registered organization permitted to impart Industrial Training is available at the ICAI website.

Eligible articled assistant completing second year of articled training are advised to pursue industrial training under consent of their Principal. It requires termination of current articled services on submission of Form 109 and registration in Industrial Training on submission of Form 104 under an eligible member serving with registered Industry/Organization/Department. Detailed information and prescribed application forms are available on ICAI website www.icai.org as well as may be obtained from concerned regional offices of ICAI.



The Institute of Chartered Accountants of India
[Set up by an Act of Parliament]



ICAI Online e-Learning for CA Course Common Proficiency Test (CPT), Intermediate (IPC) Course and Final Course

<http://StudentsLMS.icai.org>

Introduction

The Board of Studies of the Institute has made available e-Learning facility for the CA Course at three levels: (a) Common Proficiency Course, (b) Intermediate (IPC) Course and (c) Final Course on the Students Learning Management System (LMS).

Objective

Provide quality education for learning, re-learning and revising anytime and anywhere in an affordable manner through a self learning/ development facility.

Salient Features

- Anytime/ Anywhere Online Learning
- Foundation for understanding concepts and Self Study of Study Materials
- Examination Oriented
- Online Self-Assessment Quiz - Chapter, Subject, All Subjects
- Quality Lectures by leading Faculty
- Uniform training across the country
- Multimedia Lectures
- Presentation & Podcast Download
- Tracks Learning - Lesson/ Self Assessment completed

Anytime/ Anywhere Learning

This e-Learning facility takes learning and development to the doorsteps of students and they can now learn at their convenience from their homes/ offices/ cyber cafes even in smaller cities and mofussil towns.

How to Access?

Students of the Common Proficiency Course and Intermediate (IPC) Course of the Institute interested in pursuing the e-Learning can register themselves on the Students LMS using their Student Registration Number and start using the e-Learning facility immediately. **Currently free access.**

Students with temporary Student Registration Numbers or belonging to earlier courses or those who are not able to register are required to contact their concerned Regional Offices.

Requirements

Multimedia Computer/ Laptop with Internet Connection and Adobe Flash Player, which is available for free download at www.adobe.com.

ANNOUNCEMENT

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-October, 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.ica.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.ica.org> to learn anytime from anywhere.

Director of Studies

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

Date	Webcast Topic	Faculty	Link/ URL
Oct 5	Revised Schedule VI	CA. Pankajj Goel	http://icaitv.com/live/ica051013
	Accounting Standards - AS 1, 2, 3, 4, 5, 9, 29	CA. Parveen Kumar	
Oct 12	Accounting Standards - AS 12, 16	CA. Ravi Sonkhiya	http://icaitv.com/live/ica121013
	Accounting Standards - AS 25	CA. Manoj Mittal	
Oct 19	Strategy to qualify and excel in CPT Section-B Mercantile Laws	Dr. V. Seshadri	http://icaitv.com/live/ica191013
	Strategy to qualify and excel in CPT Section-D Quantitative Aptitude	Dr. P.R. Vittal	
Oct 26	Strategy to qualify and excel in CPT Section-C General Economics	CS. Manish Dua	http://icaitv.com/live/ica261013
	Strategy to qualify and excel in CPT Section-A Fundamentals of Accounting	CA. Pankajj Goel	

Webcasts Currently Available

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

ANNOUNCEMENT

National Convention for CA Students – Siliguri

28th & 29th December 2013

Venue: Savin Kingdom, Siliguri

Organized by: Board of Studies, ICAI

Hosted by: Siliguri Branch of EIRC of ICAI & Siliguri Branch of EICASA

Theme: "Enlightening Mind... Creating Future..."

(Day 1)

8.30 to 9.30 am	Registration
9.30 to 10.30 am	Inaugural Session Chief Guest : CA. Subodh Kumar Agarwal, President ICAI Guests of Honour : CA. Sumantra Guha, Central Council Member, ICAI : CA. Abhijit Bandyopadhyay, Central Council Member, ICAI : CA. Ranjeet Kumar Agarwala, Chairman, EIRC of ICAI Convention Chairman : CA. Vijay Garg, Chairman, Board of Studies, ICAI EICASA Chairman : CA. Subhash Chandra Saraf, Vice Chairman EIRC of ICAI
10.45 to 12.45 am	1st Technical Session - Corporate Governance and Corporate Laws Speaker: Eminent Person (i) Revised Schedule VI : Raising Presentation Level by Indian Corporate Companies Act-2013
1:00 to 2:00 pm	Special Interaction Session-1 CA. Subodh Kumar Agarwal , President, ICAI CA. Vijay Garg, Chairman, Board of Studies, ICAI
3.00 to 5.00 pm	2nd Technical Session : Taxation Speaker : Eminent Person (i) Service Tax- Reverse Charge Mechanism (ii) Taxation of Real Estate Transactions
5.00 pm onwards	Cultural Evening
(Day 2)	
9.30 to 11.30 am	3rd Technical Session : Information Technology Speaker: Eminent Person (i) Social Networking Websites- New Avenue to Expand the Business? (ii) Cloud Computing- Opportunities and Challenges
11.30 to 1.00 pm	Special Session-2 - Speaker: Eminent Person
2.00 to 4.00 pm	4th Technical Session : Finance and Economy Speaker: Eminent Person (i) FDI in Retail and Service Sector, (ii) Recent Economic Crisis in India
4.00 to 5.00 pm	Special Session-3 - Speaker: Eminent Person
5.00 to 6.00 pm	Valedictory Session - Chief Guest: Mr. Vijay Kapur, Director, Board of Studies

Students are hereby requested to register for the Convention as per the following details:-

Regn fees	Rs.600/-per student	Accommodation (Max 2 Nights) @ Rs.1500/- per student Extra
Payment	Cash/DD/Cheque to be drawn in favour of "The Institute of Chartered Accountants of India" payable at Siliguri.	

For registration queries contact:-

Siliguri Branch of EIRC of ICAI, ICAI BHAWAN, Near Overbridge,(Tinbatti More), SILIGURI - 734 405,
Ph 0353-2560445/2562984 & Email - siliguri@icai.org, conventionsiliguri@gmail.com, Website: www.icaisiliguri.org

Students are invited to contribute papers for presentation (1500 to 2000 words) for topics in Technical Sessions and submit for approval a soft copy of the paper at conventionsiliguri@gmail.com by 1st Dec,2013 and a hard copy of the same along with Student's Photograph (with his/her name on the back of the photograph), Regn No, Course pursuing, complete postal address, Mobile, Landline numbers and e-mail ID may also be sent to the branch. Outstation students shall be reimbursed actual travelling expenses equivalent to 2 tier AC and DA @ 1500 per day for lodging etc.

CA. Sanjay Goyal Chairman, Siliguri Branch of EICASA & Vice-Chairman, Siliguri Branch of EIRC of ICAI 97330-91111	CA. Dinesh Goyal Chairman Siliguri Branch of EIRC of ICAI 94348-06937	CA. V. Murali Convention Co-Chairman & Vice-Chairman Board of Studies, ICAI	CA. Vijay Garg Convention Chairman & Chairman Board of Studies, ICAI
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Did You Know?

The new sign for the Indian Rupee was introduced exactly three year ago and was immediately assigned a position in the Unicode standard. Many people were skeptical as to whether the new symbol would be accepted and used, but the adoption rate for the new rupee sign is stunning. Unscientific estimate show that 75 percent of prices now use the new currency symbol. The rupee symbol, a blend of the Devanagari 'Ra' and Roman 'R' gives India a symbol of confidence and recognition in the global economy.



Designed by Bombay IIT student D. Udaya Kumar, it was presented to the public by the Government of India on 15 July 2010, following its selection through an "open" competition among Indian residents. Before its adoption, the most commonly used symbols for the rupee were Rs, Re or, if the text was in an Indian language, an appropriate abbreviation in that language. The new sign relates solely to the Indian rupee. The design resembles both the Devanagari Letter "र" (ra) and the Latin capital letter "R", with a double horizontal line at the top.

On 5 March 2009, the Indian government announced a contest to create a sign for the Indian rupee. During the 2010 Union Budget, the then Finance Minister, Mr. Pranab Mukherjee said that the proposed sign should reflect and capture the Indian ethos and culture. From around 3,331 responses received, five symbols were shortlisted. These were the entries from Nondita Correa-Mehrotra, Hitesh Padmashali, Shibin KK, Shahrukh J Irani, and D Udaya Kumar and one of them was due to be selected at the Union Council of Ministers meeting held on 24 June 2010. However, the decision was deferred at the request of the Finance Minister, and the final decision was made when they met again on 15 July 2010, when they chose the symbol created by D Udaya Kumar.

The new sign is a combination of the Devanagari letter "र" (ra) and the Latin capital letter "R" without its vertical bar. The parallel lines at the top (with white space between them) are said to allude to the National Flag and depict an equality sign that symbolizes the nation's desire to reduce economic disparity.

The final selected symbol was designed by D Udaya Kumar, a Graduate in Architecture and student of visual communication at the Industrial Design Centre, IIT Bombay. The thoughts and philosophy behind the design are explained in this presentation.

The Indian rupee sign selection process was challenged in the Delhi High Court by petitioner Rakesh Kumar, who was a participant in the competition, described the process as "full of discrepancies" and "flawed", and named the Finance Ministry and the chairperson of Indian Rupee Symbol Selection Committee as respondents. On 26 November 2010, the Delhi High

Court single bench dismissed the writ petition, stating there was no justifiable ground for the stated allegations.

Falling of Rupee has invited criticism from astrologers who claim that the symbol was adopted on an inauspicious day and that the symbol appears to "slit the throat" of the currency. Upon the symbol's adoption in July 2010, the Indian government said it would try to adopt the sign within six months in

the country and globally within 18 to 24 months. Various new solutions on how to use the new symbol have been also developed, such as Web Rupee providing an API that facilitates the usage of the Rupee symbol over the Web. Additionally, the Ubuntu operating system is the first computer software, out of the box, to support the new rupee symbol.

Major banks have also started printing cheques with the new Indian rupee sign, where the traditional "Rs" sign was used. The Indian Postal Department also started printing postage stamps with this new Indian rupee sign, when it issued the Commonwealth Games commemorative stamps on 3 October 2010. In his budget speech on 28 February 2011, the then Finance Minister, Mr. Pranab Mukherjee, announced that the sign will be incorporated in future coin issues. Coins of denomination of 1, 2, 5 and 10 with the new rupee symbol have been put into circulation. As of January 2012, the new Indian rupee sign has been incorporated in the currency notes in the denominations of 10, 100, 500 and 1000 and as of 12 April 2012, this was extended to denominations of 20 and 50. There still remains no widespread, uniform way to enter this symbol into computers, as it is not present on the majority of keyboards, even those sold in India.

On 10 August 2010, the Unicode Technical Committee accepted the proposed code position U+20B9 Indian rupee sign (HTML: ₹ graphic:₹). The character has been encoded in the Unicode 6.0, and named distinctly from the existing character U+20A8 ? rupee sign(HTML: ₨), which will continue to be available as the generic rupee sign.

Ubuntu became the first operating system to support the Indian rupee symbol by default. Since its 10.10 version, it has supported the symbol out of the box, as it was added to the Ubuntu font family by a contributor. The rupee symbol has been added in Fedora 15, codenamed as Lovelock.

On 18 May 2011, Microsoft released an update KB2496898 to Windows Vista, Windows Server 2008, Windows 7 and Windows Server 2008 R2 operating systems to include support for this new Indian rupee symbol. This update includes font support, locale changes and keyboard support. With the Windows update, it is now possible to use alt code text entry to obtain the Indian Rupee symbol - Alt 8377.

(Contributed by Editorial Support Team)

Accountancy & Commerce Education Summit – A Report

The Institute of Chartered Accountants of India organized Accountancy & Commerce Education Summit - 2013 in New Delhi on September 11, 2013. The Conference provided a forum for exchange of thoughts and interaction on various areas of academic and practical interest such as the need for relevant course curriculum, method of imparting education and examination reforms amongst leading academicians in the field of Commerce and Accountancy Education in India and the professional Chartered Accountants.

The summit was attended by Vice Chancellors, Principals, Head of Departments, Professors and delegates from educational institutes and universities in India.

Mr. Vijay Kapur, Director of Board of studies, ICAI welcomed the participants and stated that globalization is going to stay and thus we must learn to change for the benefit of the country as a whole. Hence, the international developments like IFRS, xBRL etc. need to be adapted having regard to specific circumstances of each country. The Chairman Board of Studies, CA. Vijay Garg explained the role of Board of Studies of ICAI in promoting excellence in accountancy education. CA. K. Raghu, Vice President, ICAI also deliberated on the ICAI initiative in the field of higher education, various certification courses and post qualification courses. On behalf of ICAI, he solicited the cooperation of universities and faculty members in modernising commerce education, incorporating the latest development in the course curriculum and promotion of employment. CA. Subodh Kumar Agrawal, President, ICAI, was the Chief Guest of this Occasion. He also enlightened the gathering on issues relating to financial reforms-IFRS, recent economic laws, about the international capital market and its integration, integrating Accounting and Auditing Standards into university curriculum. Shri Suman Jyoti Khaitan, President, PHD Chamber of Commerce and Industry was the Guest of Honour in the Summit. He underscored the need to have an integrated and updated commerce education in the

present globalised world. He also stressed on the fact that in the present scenario when there is a shortage of talent abroad, there are a plethora of opportunities for Indians as they have an upper hand in this respect. He also emphasised on the need for a greater vigilance in view of the fact that a number of scams have hit the country.

The main objective of the Conference was to assess the current state of the commerce and accountancy education in India, to consider the changing environment particularly in view of the introduction of the IFRS, Companies Bill 2012, XBRL, Goods and Services Tax, Schedule VI etc., and integrate the same in the course curriculum so as to produce competent accounting manpower relevant for the Indian business and society. The aim was also to build synergy between the University education and the professional accountancy education system so as to utilise the strength of each institution to impart relevant commerce and accountancy education in the country.

The objective of the event was to solicit and attract quality inputs and insights on the issue from the honoured and renowned academicians of the Education in Commerce stream having made a remarkable contribution towards the academic pursuit of the Commerce and Accountancy branch which would necessarily aid the propagation of universal understanding on the imperatives of the theme of the conclave.

In the Technical session I -Steering New Era of Financial Reporting in Accountancy Education, the discussion centred around the latest developments in the field of Financial Reporting namely, International Financial Reporting Standards (IFRS), Revised Schedule VI and XBRL. **CA. Amarjit Chopra, Past President, ICAI** focused on the role of International Financial Reporting Standards (IFRS) in the era of globalisation and the challenges ahead for implementation of Ind AS in India. He also narrated the role of ICAI in the entire process of convergence of Indian Accounting Standards in line

with IFRS in an effective manner. He also discussed the need of revision of Schedule VI (Schedule III in Companies Act, 2013) due to implementation of Ind ASs.

Dr. Avinash Chander, Technical Director with the ICAI and an expert on the IFRS dealt with issues on IFRS converged Ind ASs and the problems in their practical application. He also underscored the challenges ahead for the implementation of newly issued Ind ASs or revised existing ASs by giving illustrative case studies. He also described the role of ICAI in the formulation of International Standards.

CA. Praveen Kumar, an expert on IFRS discussed the concept of financial statements, their usefulness, qualitative characteristics and underlying assumptions therein in very basic terms for the benefit of invitees. He also emphasized that our education system should be geared up to meet the challenges ahead in effective implementation of IFRS/Ind ASs.

In the Technical Session- II - Impact of Recent Developments on Commerce Education, the discussion centred around the latest developments in the field of Direct Taxation, Indirect Taxation and Corporate Laws. CA. Atul Gupta, Central Council Member, ICAI discussed at length momentous share of Indirect Tax Laws in the total tax revenues and the need to make Indirect Tax Laws part of the course curriculum of University education. He further elaborated the applicability of service tax on the Educational Institutes.

CA. Kapil Goel, taxation expert, dealt with the radical changes brought by the recent developments in the

area of Direct Taxation, particularly, in the real estate sector. He underscored the need for stability and regularity in the tax regime.

Mrs. Harpreet Kaur, Professor, National Law University outlined the significant provisions as introduced by the Companies Act, 2013 and discussed the provisions relating to Board of Directors at length. She talked about the blending of some definitions of SEBI Act into the Companies Act, 2013.

Panel Discussion: CA. T.S. Vishwanath, Past President, ICAI, CA. Charanjot Singh Nanda, Central Council Member, CA. Jay Chhaira, Central Council Member, Shri Vijay Kapur, Director, Board of Studies, Prof. Madhu Vij, FMS, Delhi University participated in the Panel discussion. The discussion basically focussed on

- (i) Integration of University Education and Professional Education of Chartered Accountancy- Way Forward.
- (ii) Leveraging technology for imparting Education.
- (iii) Examination Reforms.

The changes that occur in the global business world have a great impact on the functioning of the business. To survive in such dynamic environment business arena requires highly skilled professionals who are able to incorporate these changes in the best possible manner. The responsibility of imparting such skills and knowledge is on the shoulders of the education system of the society. Thus we need to bring reforms in the education sector to include the new rules and regulations.

Announcement

The following National Conventions for CA students are also being organized by ICAI Branches/Regional Councils. For further details, please contact the respective Branch/Regional Council

S. N.	Branch/RC	Name of the Conference	Proposed Dates	Contact Details
1.	Bhubaneswar (EIRC)	National Convention	29th & 30th November, 13	Phone: 674 - 2392 391, 2390 773, Email: bhubaneswar@icai.org
2.	Vijayawada (SIRC)	National Convention	1st & 2nd December, 13	Phone: 866 - 2432 406, Email: vijayawada@icai.in
3.	Ernakulam (SIRC)	National Convention	6th & 7th December, 13	Phone: 484 - 2369 238, 2372 953, Email: ernakulam@icai.org
4.	Ludhiana (NIRC)	National Convention	21st & 22nd December, 13	Phone: 7355551043, Email: ludhiana@icai.org
5.	New Delhi (NIRC)	National Convention	27th & 28th December, 13	Phone: 011 - 30100504 / 539, Email: nirc@icai.in
6.	Pune (WIRC)	National Convention	11th & 12th January, 14	Phone: 20 - 2421 2251 / 52, Email: pune@icai.org

For further details please visit at www.icai.org under link http://icai.org/new_category.html?c_id=348

International Conference for CA Students – Kolkata

It was a historic moment for the City of Joy and The Cultural Capital of the country, Kolkata to host an International Conference for CA students for the first time on the 14th & 15th September 2013 at Science City auditorium. The conference was organized by Board of Studies and was jointly hosted by Eastern India Regional Council of ICAI (EIRC) and Eastern India Chartered Accountant Students Association (EICASA). The theme of the conference was '**Accounting Professional: Ace, Astute & Adaptable**'. There were a record number of 2600 registrations, including 43 foreign delegates from Nepal, Bangladesh, Pakistan and Sri Lanka, 75 outstation delegates and 21 paper presenters, including 6 foreign paper writers.

The Inaugural session was conducted by CA Sumantra Guha, Conference Director. Amongst the dignitaries present on the dais were Shri K. Rahman Khan, Union Minister for Minority Affairs, Govt. of India (Chief Guest), CA Subodh Kumar Agrawal, Hon'ble President, ICAI (Guest of Honour), CA Vijay Garg, Chairman, BOS and Conference Chairman, CA V Murali, Vice Chairman, BOS and Conference Coordinator, CA Ranjeet Kumar Agarwal, Chairman, EIRC & Conference Coordinator, CA Subhash Ch. Saraf, Vice Chairman, EIRC and Conference Coordinator and Mr Navin Begwani, Vice Chairman, EICASA.

CA. K. Rahman Khan, Union Minister of Minority Affairs, Govt of India, in his speech said that Chartered Accountants are trustees of the society and the role of CAs is to protect millions of investors who have reposed their trust on Chartered Accountants. He mentioned that he was proud of his profession and is proud of ICAI, which has grown in strength. He emphasized on the important role of Chartered Accountants in the nation building process, and said that no other profession is as involved in the growth of the economy as the Chartered Accountancy profession. Reminding the Institute's entire motto, he pointed out that Chartered Accountants should be vigilant and well equipped with knowledge and expertise to give their best to save the nation's wealth, and that CAs can neither afford negligence nor afford to ignore any instance of negligence. Shri Khan reiterated that he was sure that the conference would take students and the Institute to greater heights. In line with the comments made by President, ICAI on

women empowerment within the Institute with more and more women joining the profession, he said that he would like to see a lady as President, ICAI in future.

CA. Subodh Kumar Agrawal, Hon'ble President, ICAI said that it was a historic day for the Eastern Region, since an international conference was being held for the first time in this City of Joy, and the Cultural Capital of the country, Kolkata. He emphasized on the role of accountancy profession in the governance system as well as in the nation building process. He reminded the students about the importance of ethics in the profession.

CA. K Raghu, Hon'ble Vice President, ICAI mentioned about the various initiatives taken by the Institute to update the syllabus and introduce new and advanced training programmes like Advanced ITT and GMCS, etc.

EIRC Members' Referencer 2013-14 was released by Union Minister, CA. K. Rahman Khan, Chief Guest. CA V Murali, Vice Chairman, BOS and Conference Co-Chairman proposed a vote of thanks.

The two day programme was divided into four technical sessions, three special sessions apart from the Inaugural, Interactive session with CA. Vijay Garg, Chairman, BOS and Shri Vijay Kapur, Director, BOS and Valedictory session. The 4 technical sessions namely Financial Reporting & Analysis, Audit: Dynamic Shift, Taxation: New Dimension and Impact of IT on CA Profession covered a variety of topics and were discussed at length. Apart from these technical sessions, 3 Special Sessions namely, Making of a successful professional, Communication Skills and Practical Training: An important ingredient of a successful CA was also organized.

During the Valedictory session, certificates and mementos were awarded to best paper writers and EICASA members by CA Sumantra Guha, Mr Vijay Kapur, Director, BOS, CA Ranjeet Kumar Agarwal, Chairman, EIRC, CA Subhash Ch Saraf, CA Anirban Datta, Treasurer, EIRC and CA Sunil Kr Sahoo, Member, EIRC.

Finally, the marvelous mega event came to an end with a cultural programme. Students carried fond memories of the two day International Conference.

CROSSWORD

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ACROSS

- Agency of the USA government that is responsible for the nation's civilian space program and for aeronautics and aerospace research.
- An AOP/BOI is a type of _____ under the Income Tax Act, 1961.
- Import of Petroleum, _____ and Lubricants is a major factor for high Current Account Deficit of India.
- A loud, confused noise.
- _____ is a demand pursuant to terms of issue to pay a part of the balance remaining payable on shares after allotment.
- At one's wits _____ means perplexed.
- One of the major items of exports at the time of Independence of India.
- _____ away with means to kill.
- Break the _____ means try to become friends.
- Roman numeral for 106.
- A transcendental number, approximately equal to 3.14159.
- Person who has committed offence under the finance Act, 1994 has been _____ to act as authorized representative.
- The _____ Act has increased transparency and greater accountability in the functioning of the Indian government.
- _____ means the discount rate used in capital budgeting that makes the net present value of all cash flows from a particular project equal to zero.
- A group of autonomous public engineering institutes of India.
- A company in Dubai catering to local marine industry.
- Under a _____ there are no tariffs, import quotas, and preferences on most goods and services traded between the countries.
- All illegal agreements are _____.
- _____ is the term used to provide an endnote or footnote citation or reference for a source that was cited in the preceding endnote or footnote.
- "_____ for it" means about to suffer unpleasant consequences.
- "Also _____" refers to an unsuccessful person.
- An obsolete unit of Japanese currency equal to 1?1000 yen.
- An organization which intends to supervise and liberalize international trade.
- _____ of a line is a number that describes both the direction and the steepness of the line.
- A public sector company established in 1964 by an Act of Parliament to provide credit and other facilities for the development of the fledgling Indian industry.

DOWN

- _____ is one or more locations from which network monitoring and control, or network management, is exercised over a computer or telecommunication network.
- Aria means _____.
- _____ means to cause pain.
- All existing assesses or taxpayers or persons who are required to furnish a return of income, even on behalf of others, must obtain _____.
- The primary function of an _____ & _____ group is to develop new products, processes, and services.
- Location
- Personal Penalty up to Rupees _____ lakh has been imposed on director, manager, secretary, or other officer found to be knowingly concerned with specified contraventions under service tax.
- _____ depreciation over and above normal depreciation is allowed for new plant and machinery installed after 31st March 2005.
- Latin word for example.
- _____ is distribution to shareholders out of profits or reserves.
- Environmental threat related to combustion of fossil fuel.
- A trade term requiring the seller to arrange for the carriage of goods by sea to a port of destination, and provide the buyer with the documents necessary to obtain the goods from the carrier.
- _____ is an account usually of the nature of a reserve or a provision which is represented by specifically earmarked assets.
- _____ provisions do not apply in respect of non revocable transfers.
- A statistical tool used in project management.
- Activity-based costing uses a variety of cost _____ to trace overhead costs to products and services.
- _____ cable : One of the multi-system operators in India.
- An autonomous organisation to help professionalize the country's foreign trade management and increase exports .
- _____ has the power to call for periodical return of affairs of every recognized Stock Exchange.
- An _____ is a unit used in the measurement of composite video signals.
- A public sector bank in India.
- In a perfect competition, a firm has _____ control over the price.
- _____ - Fi, is a popular technology that allows an electronic device to exchange data or connect to the internet wirelessly using radio waves.



ICAI President, CA. Subodh Kumar Agrawal felicitates CA. K.Rahman Khan, Chief Guest, Hon'ble Union Minister of Minority Affairs, Govt. of India at the International Conference for CA students at Kolkata. Also seen in picture (L-R) CA. Subhash Chandra Saraf, Vice Chairman, EIRC, CA. Vijay Garg, Chairman, Board of Studies and CA. V. Murali, Vice Chairman, Board of Studies.



CA. K.Rahman Khan, Chief Guest, Hon'ble Union Minister of Minority Affairs, Govt. of India addresses the International Conference for CA students at Kolkata.



ICAI Vice President, CA. K.Raghu addresses the International Conference for CA students at Kolkata. Seen in Dais (L-R) CA. Ranjeet Kumar Agarwal, Chairman, EIRC CA. Subodh Kumar Agrawal, President, ICAI, CA. Vijay Garg, Chairman, BoS, and CA. Subhash Chandra Saraf.



ICAI President, CA. Subodh Kumar Agrawal with the Nepal Delegates at the International Conference for CA students at Kolkata.



ICAI President, CA. Subodh Kumar Agrawal, with the Sri Lankan Delegates at the International Conference for CA students at Kolkata.



Sri R.K.Dubey, Chairman & Managing Director, Canara Bank, release the Souvenir of All India CA Students Conference at Bangalore in the presence of CA. Subodh Kumar Agrawal, President ICAI, CA. K.Raghu Vice-President, ICAI, CA. Vijay Garg, Chairman, Board of Studies, CA. V.Murali Vice-Chairman, Board of Studies and CA Ravindranath S N, Chairman, Bangalore Branch of SIRC Of ICAI.



ICAI President CA. Subodh Kumar Agrawal, lighting the auspicious Lamp to inaugurate the National Convention for CA Students in Ghaziabad in the presence of CA.Vijay Garg, Chairman - Board of Studies, Central Council Members CA. Shyam Lal Agarwal, CA. Sumantra Guha, CA. G. Sekar, CA. Jay Chhaira, CA. Mukesh Singh Kushwah and CA. Rajeev VD Gupta, Chairman, Ghaziabad Branch of CIRC and other dignitaries.



CA. Subodh Kumar Agrawal, President, ICAI, Shri Suman Jyoti Khaitan, President, PHD Chamber of Commerce, CA. K. Raghu, Vice-President, ICAI shares the Dias on the occasion of Accountancy and Commerce Education Summit in New Delhi along with CA. Vijay Garg, Chairman, Board of Studies and Central Council Members CA. Mukesh Singh Kushwah, CA. Prafulla Preamsukh Chhajed and CA. Shiwaji Bhikaji Zaware.



CA. Subodh Kumar Agrawal, President, ICAI visit the Hon'ble Prime Minister of India, Dr Manmohan Singh to hand over the contribution of CA profession towards the Prime Minister's National Relief Fund in the presence of CA. K. Rahman Khan, Hon'ble Minister of Minority Affairs.



Hon'ble Prime Minister of India, Dr Manmohan Singh receiving a cheque of Rs 62, 50,000/- from CA. Subodh Kumar Agrawal, President, ICAI. towards Prime Minister's National Relief Fund contributed by CA Profession in the presence of CA. K. Rahman Khan, Hon'ble Minister of Minority Affairs.



CA. Devaraja Reddy M, Central Council Member and CA. Y Chakravarthy, Faculty, with the Participants of the 21st batch during the Valedictory Session of the Residential Programme on Professional Skills Development at Centre of Excellence Hyderabad.