

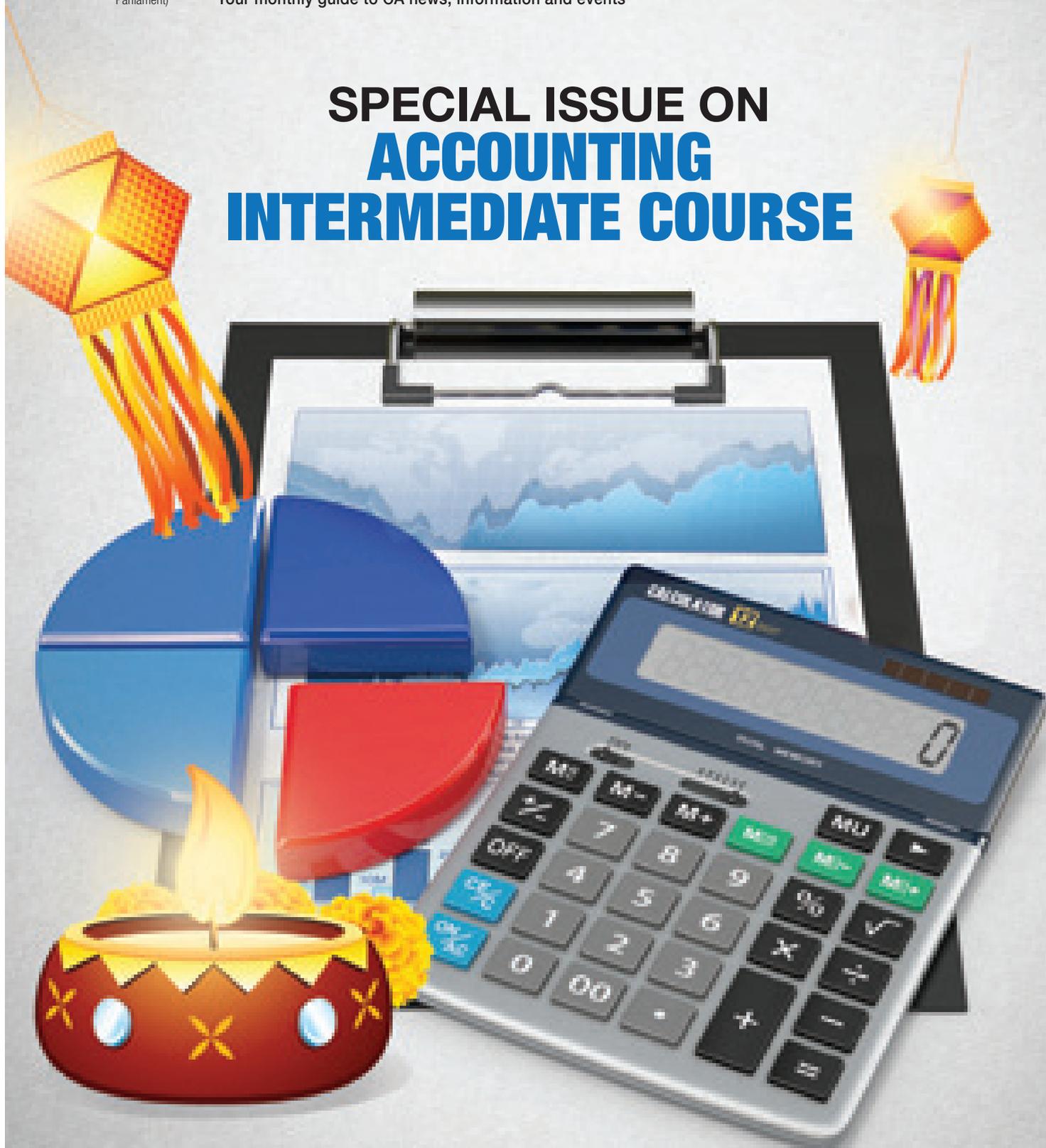


The Institute  
of Chartered  
Accountants of  
India  
(Set up by an act of  
Parliament)

# The Chartered Accountant **STUDENT**

Your monthly guide to CA news, information and events

## SPECIAL ISSUE ON **ACCOUNTING INTERMEDIATE COURSE**



## GLIMPSES ||



Acknowledging Academic Contribution: ICAI President, CA. Nilesh S. Vikamsey, Immediate Past President, CA. M. Devaraja Reddy, Vice President, CA. Naveen N. D. Gupta, Chairman, Board of Studies, CA. Atul K. Gupta, Vice Chairman, CA. Mangesh Kinare, Central Council Members, CA. Babu Abraham Kallivayalil, CA. Prafulla P. Chhajed and Director, Board of Studies, CA. Vandana D. Nagpal at the felicitation programme of faculty in Delhi.



ICAI President, CA. Nilesh S. Vikamsey, Immediate Past President, CA. M. Devaraja Reddy, Chairman, Board of Studies, CA. Atul K. Gupta, Vice Chairman, CA. Mangesh Kinare, Central Council Members, CA. Babu Abraham Kallivayalil, CA. S. B. Zaware, CA. Mukesh Singh Kushwah, CA. Jay Chhaira, CA. Prakash Sharma, CA. Rajesh Sharma, CA. Manu Agrawal, Secretary, ICAI, Shri V. Sagar and Director, Board of Studies, CA. Vandana D. Nagpal with the faculty and officials of BoS at the felicitation programme.

## TEACHERS' DAY CELEBRATION: 2017



Past President, ICAI, CA. Manoj Fadnis addressing the Teachers' Day programme at Indore. Central Council Member, CA. Kemisha Soni also seen.



Teachers' Day programme - Chittorgarh.



Teachers' Day programme - Udupi.



Teachers' Day programme - Kurnool

## PRESIDENT'S COMMUNICATION



My Dear Students,

As the nation pays tribute to father of the nation, Mahatma Gandhi on his 148<sup>th</sup> birth anniversary on October 2, 2017, we must seek lessons from his life, learn from the values and principles that he stood for and propagated throughout his life. Truth, non-violence, austerity, simplicity, perseverance, philanthropy and cleanliness are some of the virtues he practiced throughout his life. He is one of the greatest leaders of all times, who won hearts the world over and influenced world's history. He taught us that having self-faith and self-confidence is one's greatest strength, humanity is the greatest religion and truth is akin to God. Being a man of action, he showed the world that strength of character, strong determination and relentless efforts can enable you to achieve anything you aspire for, however hard it may seem in the beginning, it can be achieved through hard work and sincere efforts. His words of wisdom continue to inspire generations:

*"Men often become what they believe themselves to be. If I believe I cannot do something, it makes me incapable of doing it. But when I believe I can, then I acquire the ability to do it even if I didn't have it in the beginning."*

### Examinations are near- Study well

You must be studying in full swing with forthcoming exam just a month away now. Utilize your time optimally to make each day count. Remember, with meticulous planning and immaculate execution day in and day out, you can maximize your chances of getting successful. Board of Studies, ICAI provides ample resources both printed and web based to whet your learning needs. Read the study material thoroughly and other publications like **Suggested Answers** for the May 2017 and earlier exams, **Revisionary Test papers** and attempt to solve questions/problems from the **Practice Manual**, taking valuable cues and hints for an intensive preparation. Apart from publications, you may also effectively utilise resources like **online lectures**, **recorded webcasts**, **mentoring sessions**, **e-learning modules** to supplement

your knowledge. Most importantly, go through the **Examiners' Comments** hosted on the Institute website highlighting common mistakes, pitfalls that should be avoided. The Examiners' Comments on the May 2017 Final (Group -1) Examination is available on the link: <https://resource.cdn.icai.org/47053bos36884ecgp1.PDF> and (Group-II) on <https://resource.cdn.icai.org/47054bos36884ecgp2.PDF>. The Examiners' Comments on the Intermediate (IPC) Examination is being hosted on the website shortly.

### Schedule optimally – Follow Your Own Regimen

Being a diligent and conscientious student, you must realize your capabilities, gradually improving on your strengths for maximum performance. Judiciously calibrate the efforts in terms of man hours required to complete a subject, keeping sufficient time for revision. Please do not try to emulate someone else's study regime. Prepare and stick to your own regimen, set daily and weekly targets and strive to achieve them by putting best efforts. To assess your preparation, you must attempt mock tests. This would help you to identify learning gaps that can be rectified during revision.

### Improve Writing Skills

Remember that you will be marked on your writing abilities as your answer sheet reflects your knowledge. You must train yourself to write effectively to present the answers well to fetch good marks. Many a times, students despite best efforts, lose precious marks due to poor presentation and lack of planning to utilize the given time of three hours and fifteen minutes, end up not being able to complete the paper. As a student, you must realize that honing/cultivating your writing skills is imperative for a good performance and score. You can practice by attempting revisionary test papers in the given time stipulation of three hours. The exercise not only prepares you psychologically for the exam but also checks your writing speed and retention.

With festivals galore in the current month, I extend my best wishes for Dussehra/Durga Puja and Diwali. May the Goddess of light illuminate your mind with knowledge. You must take care of your physical and mental health and do not overindulge in festive fervor. Take reasonable rest to rejuvenate your mind and stimulate retention. Have a positive attitude, believe in yourself and give your best. Remember: ***The willingness to succeed is worthless if you do not have the willingness to work hard.***

Best Wishes,

**CA. NILESH S. VIKAMSEY**  
PRESIDENT  
ICAI, NEW DELHI

## VICE PRESIDENT'S COMMUNICATION ||



Dear Students,

**B**efore penning down this communication to you, I would like to offer my rich tributes to the Father of the Nation, Mahatma Gandhi, on his 148th birth anniversary on October 2, 2017. Mahatma Gandhi inspired the world with his faith in truth and justice for all Mankind. He was a great soul who loved even those who fought against his ideals to bring about peace with non-violence. The Mahatma transformed the minds of many to fight against injustice with peaceful means and non-violence. His message was as transparent to his enemy as it was to his followers. History attests to his power as he proved that we could bring about world peace by seeking and pursuing truth for the benefit of Mankind. We can resolve the greatest of our differences if we dare to have a constructive conversation with our enemy.

I take this opportunity to convey my best wishes to those preparing for the November 2017 Examinations. Since the exams are fast approaching, you all should gear up your preparations. Though the period just before the exams is really tough, you should not allow the pressures of studying, preparation and examinations to deter you. You must stay focused and motivated.

The Board of Studies supplies a wide range of resources designed for your respective subjects including study materials, Practice Manual, Compilation of Suggested Answers and Revision Test Papers. In my opinion, if you concentrate on the study materials, you can definitely have a good scoring in the examinations. All these tools are at your fingertips. You need not take stress or spend hours searching for them. You should keep a personal copy of all resources. In case you have not acquired a copy of the latest Revision Test Papers or Suggested Answers, you must get them at the earliest. For your

convenience, the same are already available at the various branches and regions.

In my opinion, the chartered accountancy course is not that much tough. If you plan yourself and work effectively and efficiently, you can sail through. Sincerity, commitment and dedication should be your mantra. Now-a-days, what is haunting the students especially during examination time is anxiety and fear. This state of mind needs to be dealt with very carefully. I would like to suggest the following simple tips for tackling exams and getting good results.

**Make a plan and stick to it:** Allocate study time for each paper. Make sure you evenly distribute your time across all your subjects, as you will naturally want to spend time studying the subjects you enjoy rather than the ones you do not. Include a break in your schedule every hour to give your mind a rest.

**Always arrive early, well prepared:** The stress of being late, on top of your exam stress can completely ruin your performance. Make sure you arrive sufficiently early to every exam and with all your required materials.

**Practice positive thinking:** Do not let negative thoughts get in the way of your exam preparation. Once the exam is over, avoid the 'post mortem'. Remain focused and continue with your studies without any gap.

**Make time for relaxing:** After each exam, give yourself a little bit of time to relax. Even if you have another exam the next day, take a short break. This could be something as simple as spending some time with your siblings or parents. This will help you feel refreshed to prepare for the next exam.

The Institute is determined to provide its students a decent learning environment that helps in their overall development. I would also suggest you to use ICAI Cloud Campus and e-Learning resources extensively.

Wishing you all the best,

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Naveen N. D. Gupta'.

**CA. NAVEEN N. D. GUPTA**  
VICE PRESIDENT, ICAI, NEW DELHI

## CHAIRMAN'S COMMUNICATION



Dear Students,

**A**t the outset, we convey our best wishes for the upcoming examination and the festive season ahead. By this time, you must have finished with your preparation and start writing mock test in the exam conditions to assess your preparation. Whatever the small weakness is there, we have to revise and firm up ourselves to face the challenge and come up with flying colors. A lot of expectations from the family and well wishers are there for you and you should not lose even a single minute, and remain focused. Your Board of Studies is starting the second round of mock test in a few days and advise you to take best of the benefits from the same.

### Direct Dispatch Scheme of Study Material

As you are aware that direct dispatch scheme is supporting you in getting the study material and other publications of ICAI at your doorstep; we are getting a mixed response from you for the same. Wherein large number of students are finding it very beneficiary, otherwise they have to travel multiple times long distances to take the material from branches and spend a lot of money; here it becomes so convenient to get material sitting at home, on the other hand, initial teething issues like instances of late delivery at some cases require efforts at our level to reach at expected level. Still in the overall interest of students and environment, your support is really appreciable.

### Launching of E-book and PDF version of Study Material

We are happy to intimate you that your Board of Studies has launched the e-book carrying all the material of foundation and Intermediate and PDF version of all Study material including the final one. Majority of material even applicable for old syllabus as well. Apart from that video lecture for entire old syllabus for CPT, IPCC and Final is also uploaded along with various webcasts. This entire e-initiative will help you to read anytime, anywhere. Our sincere advice will be to use this facility which not only gives you best of material with conceptual knowledge but also saves your precious time and hard earned money. We are continuously working on video lecture of new syllabus and very soon the same will also be hosted.

### 6 Days Certificate course on GST and Ind-AS for Students of ICAI

Each one of us is aware of two important changes which are going to make our economy and professionals truly international. In 2016, we witnessed the Ind-AS (carve our version of IFRS) coming into force and now from 1<sup>st</sup> July 2017, Goods and Services Tax (GST) has been introduced. As both these aspects are adopted by more than 150 countries globally, they are going to offer international opportunities for our members and students. Besides that, since both of them are integral part of our examination system, we are going to launch 6 days' course on both these topics wherein combination of live classes from head office and branch level will be there; which will be followed by a small online assessment. Once we are through with the test, your Board will issue a "Participation Certificate" to every student. First batch of the same will be launched after your November exam and you may contact local branch for other details.

### 5<sup>th</sup> September - Teachers day

Recently, we celebrated the teacher's day at national level wherein you participated in large numbers in different competitions organized by ICAI' branches. Your participation and gratitude towards seniors really motivated and appreciated by the principles across the country. We received very positive feedback from senior members and some emotional feedback also motivated us.

### 2<sup>nd</sup> October - Precious day of our life

2<sup>nd</sup> October is a very important day of our life which provides us the two important leaders; Mahatma Gandhi and late Prime Minister Lal Bahadur Shastri. Where Mahatma Gandhi Ji teaches us with his very popular saying "*Be the change, you wish to see in the world*"; Late Prime Minister Shastri Ji mentioned "*We all have to work in our respective spheres with the same dedication, the same zeal and the same determination which inspired and motivated the warrior on the battle front. And this has to be shown not by mere words, but by actual deeds*". Both these great leaders who led by example, are the source of motivation for dedication and contribution towards society. Let us pledge ourselves that we will ensure no stone remains unturned whatever sphere we get for a positive contribution.

Once again best wishes for festive season to you and all family members.

Warm Regards,

**CA. ATUL K GUPTA**  
CHAIRMAN, BOARD OF STUDIES, ICAI

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## INSIDE

- 02 Glimpses
- 03 President's Communication
- 04 Vice-President's Communication
- 05 Chairman's Communication
- 07 Accounting - A Capsule for Quick Revision
- 28 Toppers Speak
- 30 Announcements
- 35 Glimpses
- 36 Crossword

## SWACHH BHARAT - A STEP TOWARDS CLEANLINESS

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## Accounting - A Capsule for Quick Revision

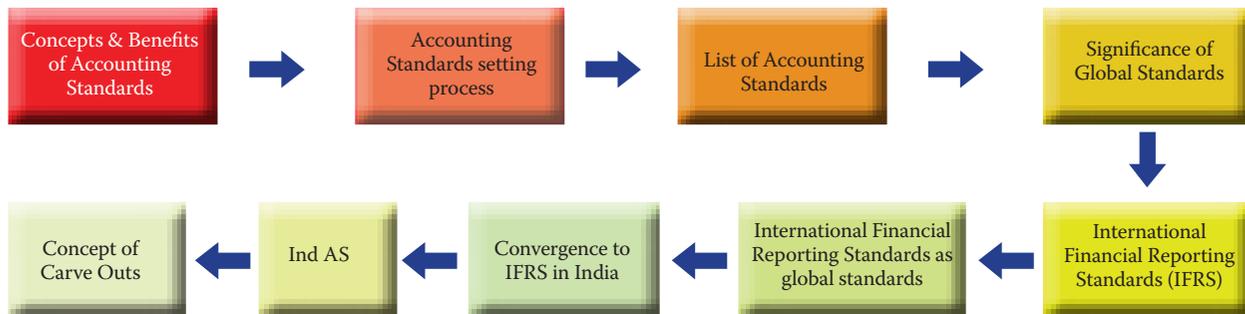
Accounting constitutes a significant area of core competence for Chartered Accountancy students. The significance of this subject can be judged from the fact that we have a paper on Accounting at every level of CA course. Accounting papers at Intermediate level under Chartered Accountancy curriculum concentrate on conceptual understanding of the crucial aspects of accounting and acquaint students with the basic concepts, theories and accounting techniques followed by different entities. The objective of Paper 1 “Accounting” at Intermediate level is to acquire the ability to apply specific accounting standards and legislations to different transactions and events and in preparation and presentation of financial statements of various business entities.

It has always been the endeavour of Board of Studies to provide quality academic inputs to the students. Keeping in mind this objective, it has been decided to bring forth a crisp and concise capsule for Intermediate Paper 1 ‘Accounting.’ Chapter overview has been provided to present a broad outline of the topic coverage in each chapter. The significant points of the topics have been presented through pictorial presentations in this capsule which will help the students in grasping the intricate practical aspects of each topic. This will facilitate the students to recapitulate the whole concepts within minimum time and efforts in the later stages of preparation. Although, the capsule has been prepared keeping in view the new and revised scheme of Education and Training of ICAI, the students of earlier scheme may also be benefitted from it.

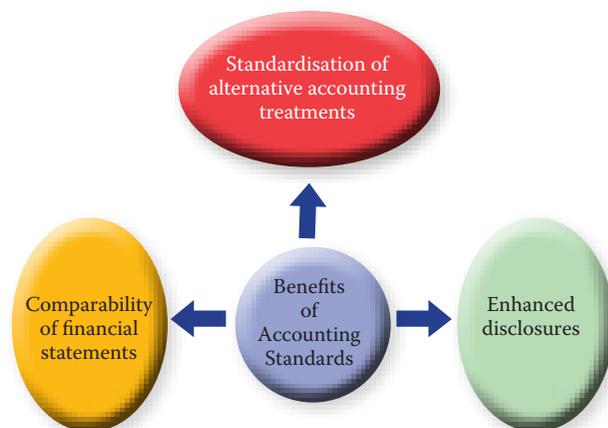
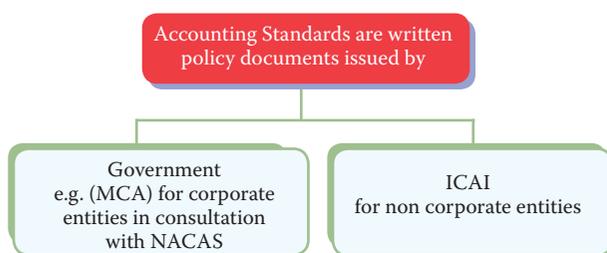
This capsule, though, facilitates the students in undergoing quick revision, under no circumstances, such revisions can substitute the detailed study of the material provided by the BoS.

### CHAPTER 1: INTRODUCTION TO ACCOUNTING STANDARDS

#### Chapter Overview



#### Issuance of Accounting Standards



#### Accounting Standards - Benefits

Recognition of events and transactions	Measurement of transactions and events	Presentation of transactions and events	Disclosures
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# ACCOUNTING ||

## Accounting Standards Setting Process



## List of Accounting Standards

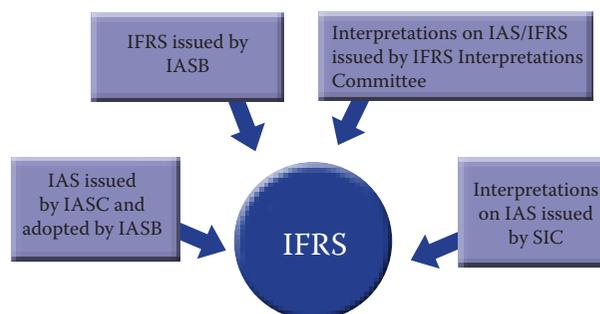
1	Disclosure of Accounting Policies
2	Valuation of Inventories
3	Cash Flow Statement
4	Contingencies and Events Occurring after the Balance Sheet Date
5	Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies
7	Construction Contracts
9	Revenue Recognition
10	Property, Plant and Equipment
11	The Effects of Changes in Foreign Exchange Rates
12	Accounting for Government Grants
13	Accounting for Investments
14	Accounting for Amalgamations
15	Employee Benefits
16	Borrowing Costs
17	Segment Reporting
18	Related Party Disclosures
19	Leases
20	Earnings Per Share
21	Consolidated Financial Statements
22	Accounting for Taxes on Income
23	Accounting for Investments in Associates in Consolidated Financial Statements
24	Discontinuing Operations
25	Interim Financial Reporting
26	Intangible Assets
27	Financial Reporting of Interests in Joint Ventures
28	Impairment of Assets
29	Provisions, Contingent Liabilities and Contingent Assets

Effectively, there are now only 27 Accounting Standards.

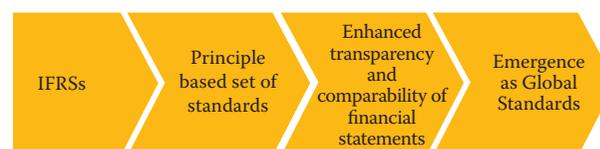
## Significance of Global Standards



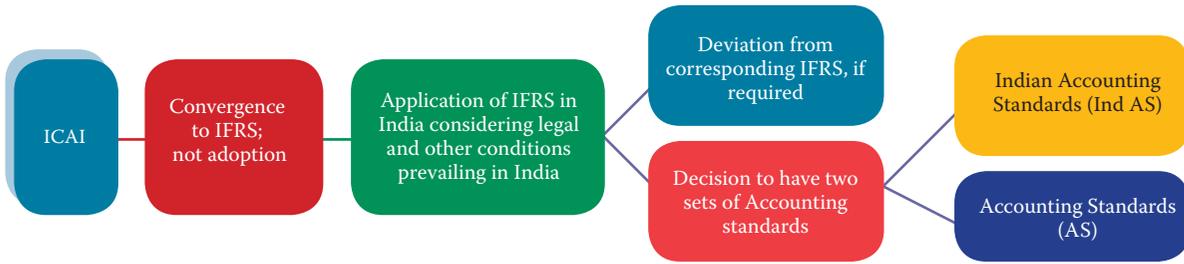
## International Financial Reporting Standards (IFRS)



## International Financial Reporting Standards (IFRSs) as Global Standards



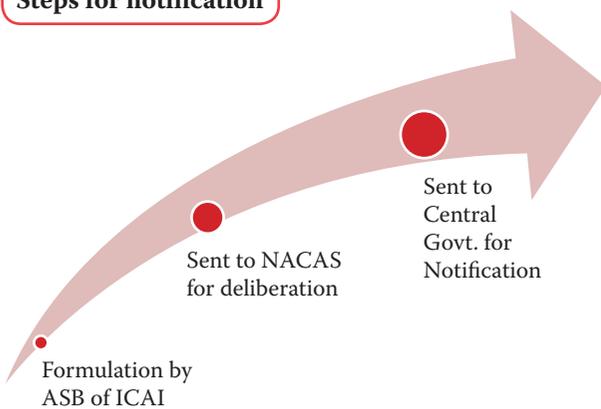
**Convergence to IFRS in India**



**Ind AS**

Ind AS are IFRS converged standards issued by the Central Government with certain carve outs.

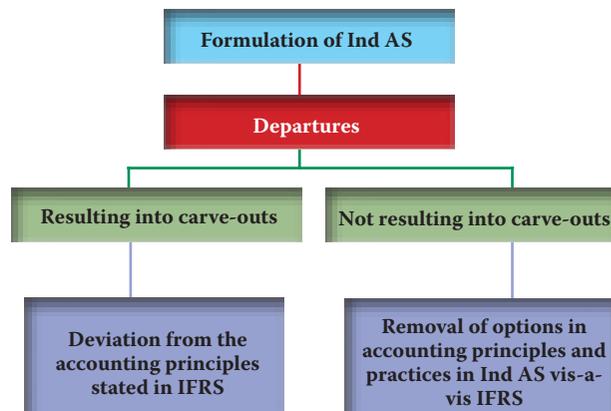
**Steps for notification**



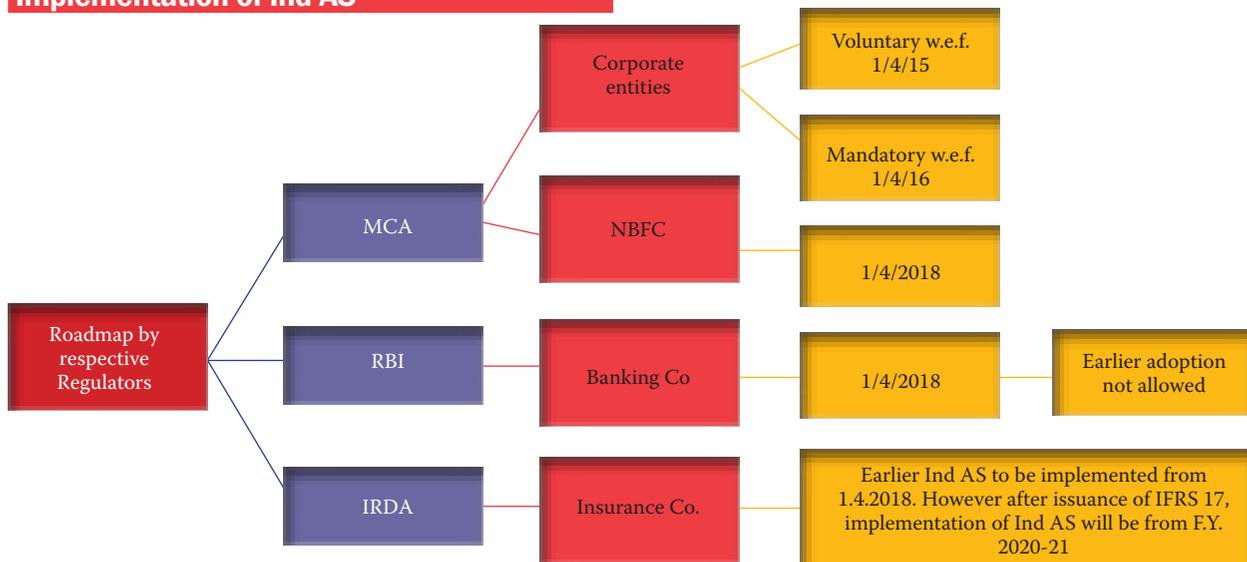
**Indian Accounting Standards - Benefits**

Globalization and Liberalization	Transparency of financial statements	Comparability of financial statements	Enhanced Disclosure requirements
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**Objectives and Concepts of Carve Outs**



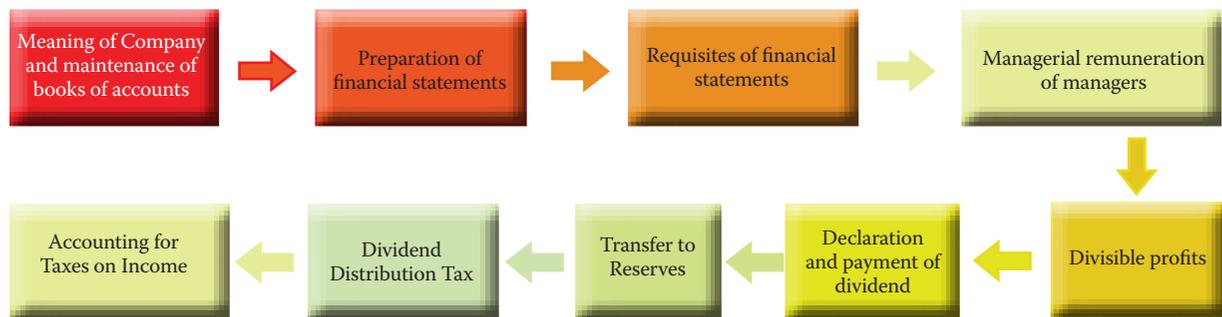
**Implementation of Ind AS**



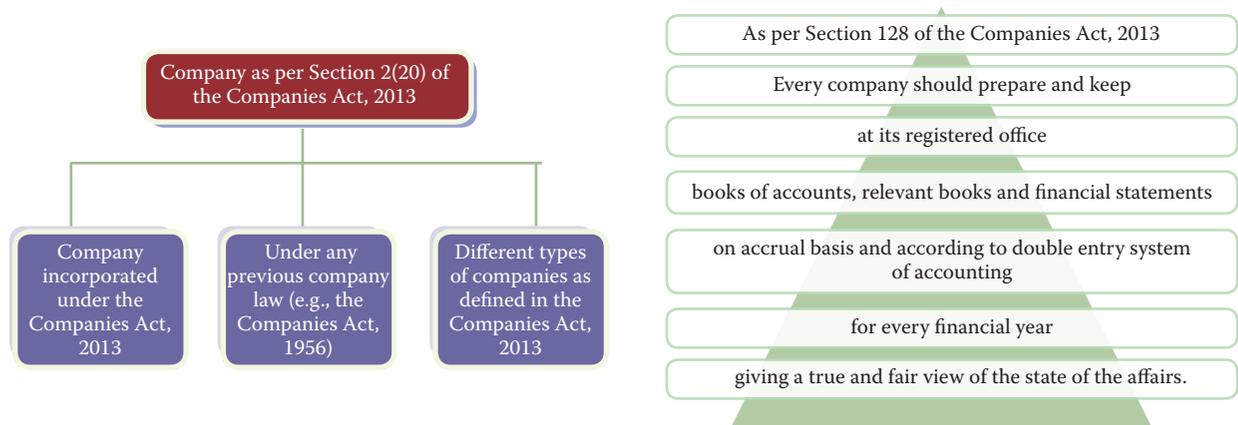
## CHAPTER 4: FINANCIAL STATEMENTS OF COMPANIES

### Unit 1: Preparation of Financial Statements of Companies

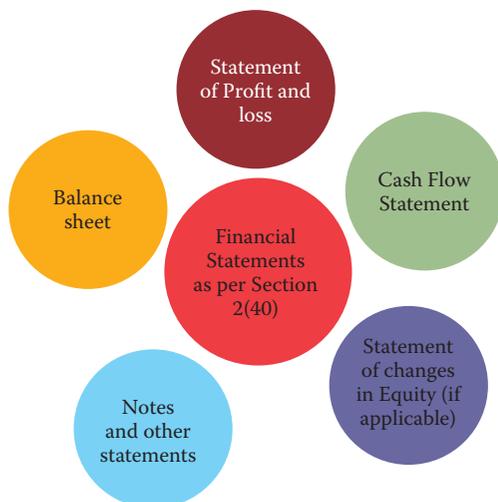
#### Unit Overview



#### Meaning of Company and Maintenance of Books of Accounts of a Company



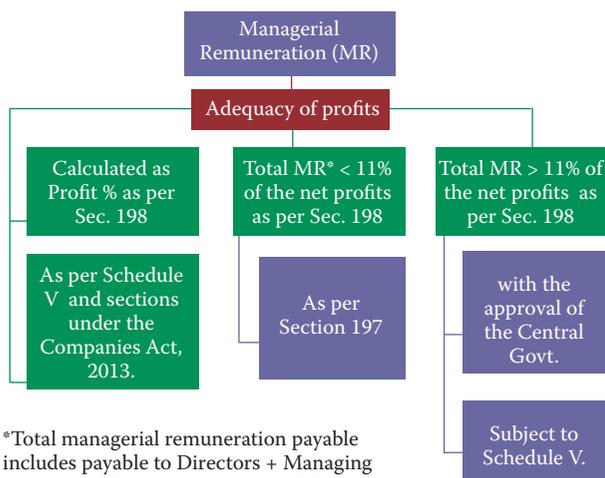
#### Preparation of Financial Statements



#### Requisites of Financial Statements

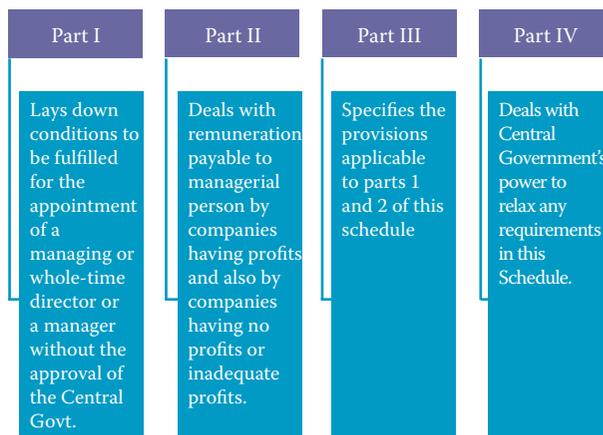


**Managerial Remuneration**



\*Total managerial remuneration payable includes payable to Directors + Managing director + Whole-time director+ Manager

**Schedule V**

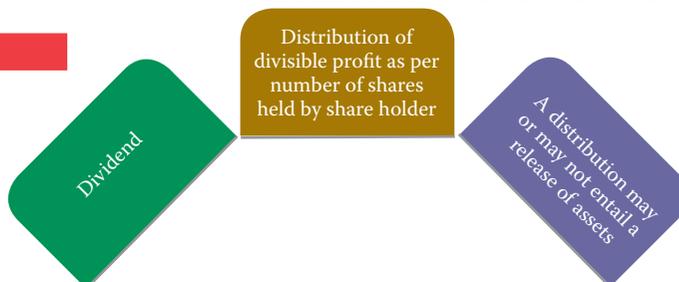


**Remuneration Payable by Companies having no Profit or Inadequate Profit without Central Government Approval**

	Where the effective capital is	Limit of yearly remuneration payable should not exceed (Rupees)
(i)	Negative or less than 5 crores	60 Lakh
(ii)	5 crores and above but less than 100 crores	84 Lakh
(iii)	100 crores and above but less than 250 crores	120 Lakh
(iv)	250 crores and above	120 lakh plus 0.01% of the effective capital in excess of ₹ 250 crore.

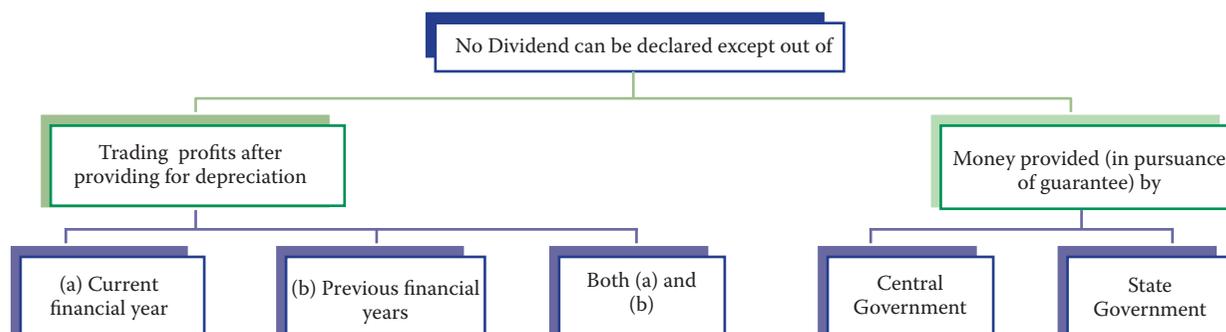
**Divisible Profits**

The availability of Divisible Profits (available for distribution) depends on a number of factors, e.g., their composition, the amount of provisions and appropriations that must be made out of them in priority, etc.



Declaration of a dividend presupposes that there is a trading profit or a surplus available for distribution, arrived at after providing for depreciation on assets, not only for the year in which the profits were earned but also for any arrears of depreciation of the past years. Board of Directors of a company may declare interim dividend during any financial year out of the surplus in the profit and loss account and out of profits of the financial year in which such interim dividend is sought to be declared.

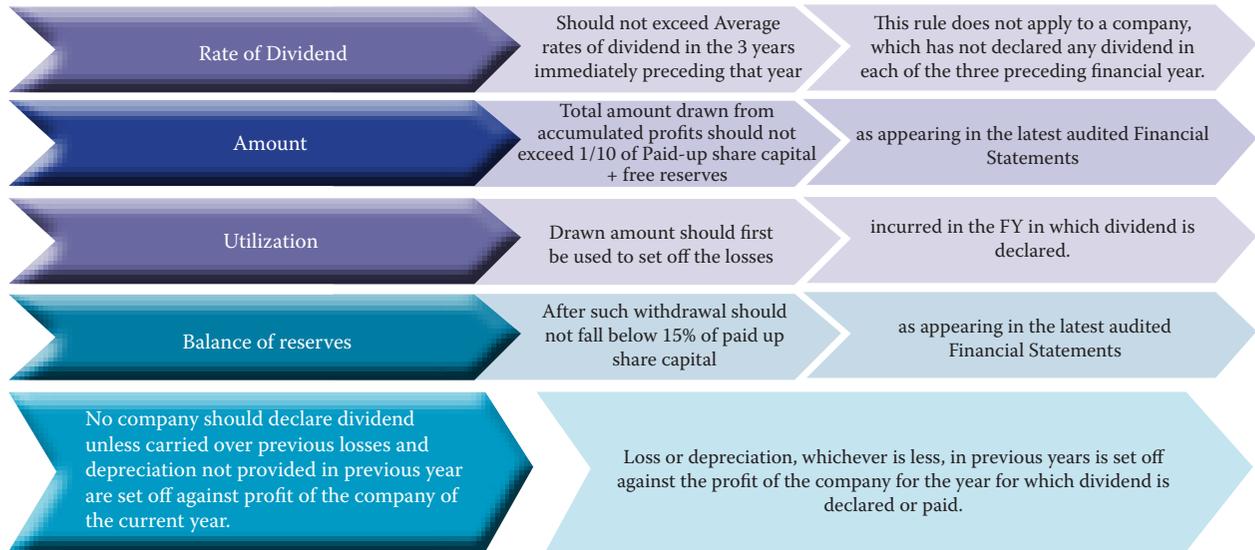
**Declaration and Payment of Dividend**



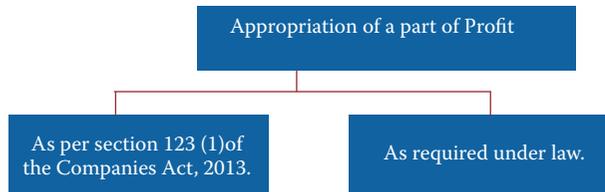
Capital cannot be returned to the shareholders by way of dividend.  
No dividend should be declared or paid by a company from its reserves other than free reserves.

# ACCOUNTING ||

## Conditions as per Companies (Declaration and Payment of Dividend) Rules, 2014



### Transfer to Reserves

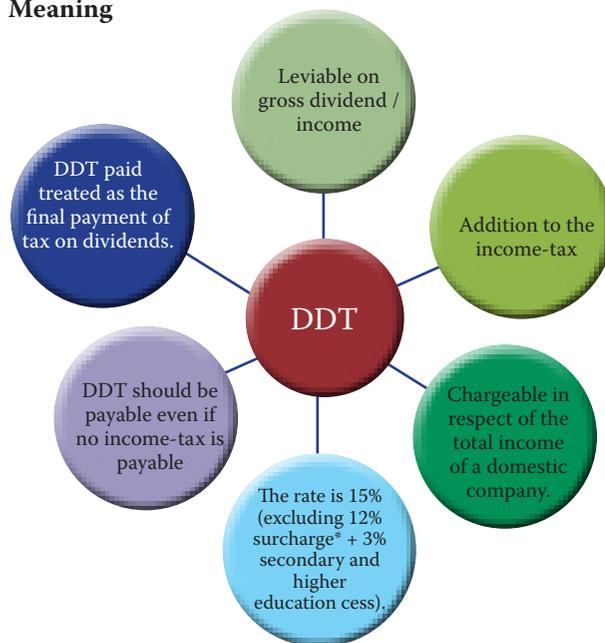


### Disclosure and Presentation of DDT in Financial Statements

- Dividend on shares is shown as an appropriation of profit in the 'Notes to Accounts' of the 'Reserves and Surplus' item of the Balance sheet.
- DDT liability relates to distribution of profits as dividends which are disclosed as appropriation /allocation of profit in the 'Notes to Accounts' of 'Reserves and Surplus', it is appropriate that the liability in respect of DDT should also be disclosed therein.

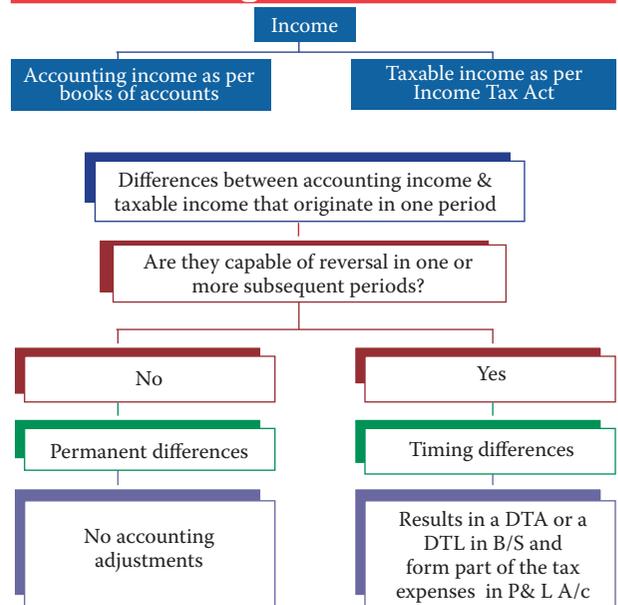
### Dividend Distribution Tax (DDT)

#### Meaning



\* In specified cases

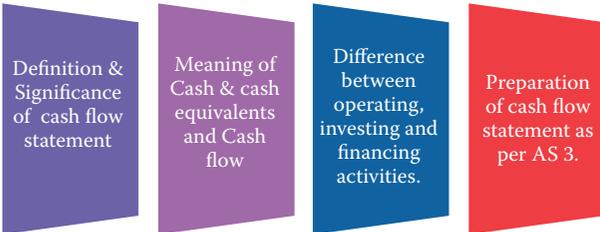
### AS 22 Accounting for Taxes on Income \*



\*Accounting for Taxes on Income is not covered in syllabus of Paper 1 under earlier scheme.

## Unit 2: Cash Flow Statement

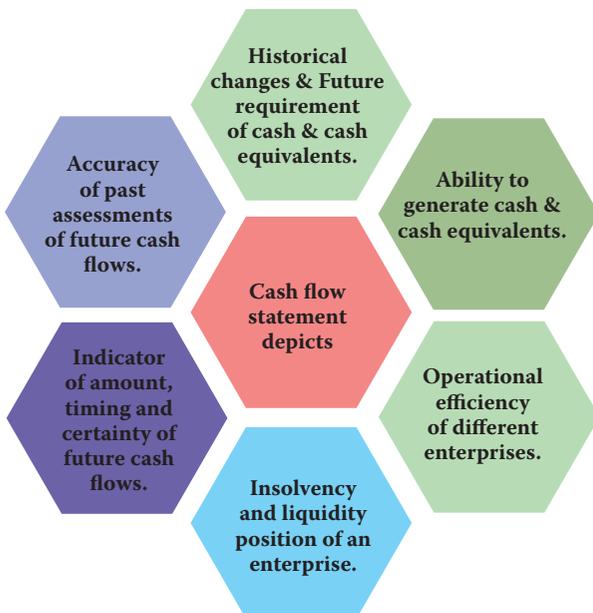
### Unit Overview



### Definition of Cash Flow Statement

Cash flow statement is a summary of cash receipts and cash payments for accounting period.

### Significance of Cash Flow Statement



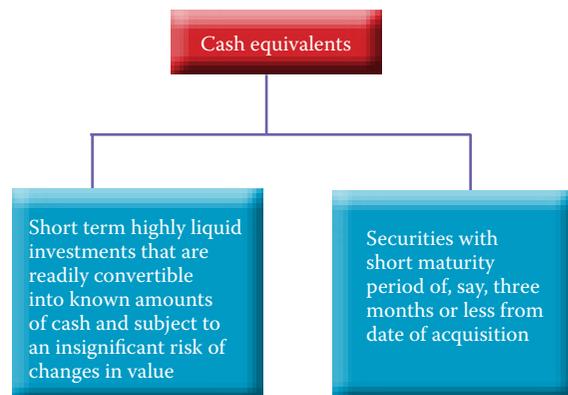
### Cash and Cash Equivalents for the Purpose of Cash Flow Statement

'Cash' include: Cash, Bank balances

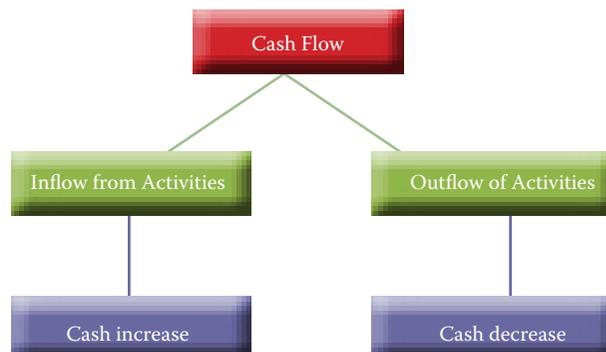


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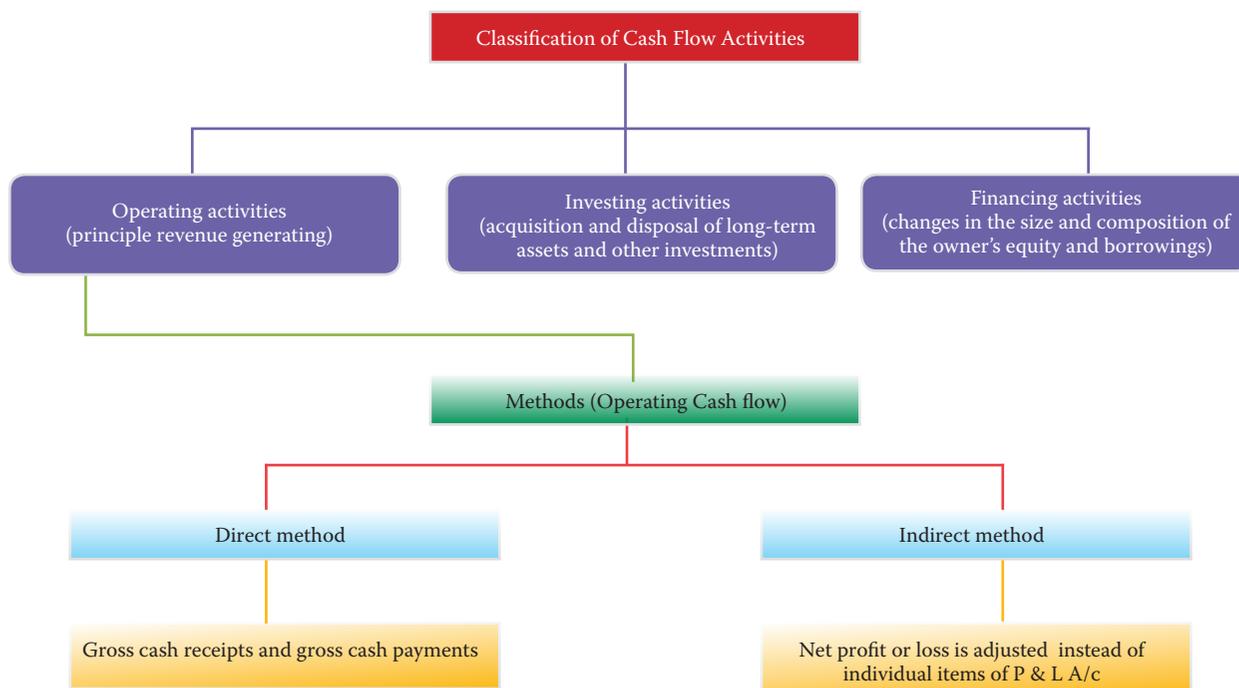
and



### Meaning of term Cash Flow



## Classification of Cash Flow Activities



## Proforma of Cash Flow Statement prescribed by AS 3

### Direct Method

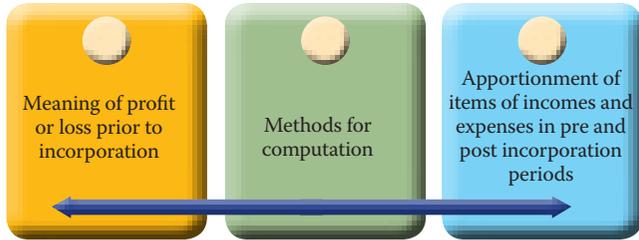
Particulars		
Operating Activities:		
Cash received from sale of goods	xxx	
Cash received from Trade receivables	xxx	
Cash received from sale of services	xxx	xxx
Less: Payment for Cash Purchases	xxx	
Payment to Trade payables	xxx	
Payment for Operating Expenses e.g. power, rent, electricity	xxx	
Payment for wages & salaries	xxx	
Payment for Income Tax	xxx	xxx
		xxx
Adjustment for Extraordinary Items		xxx
Net Cash Flow from Operating Activities		xxx

### Indirect Method

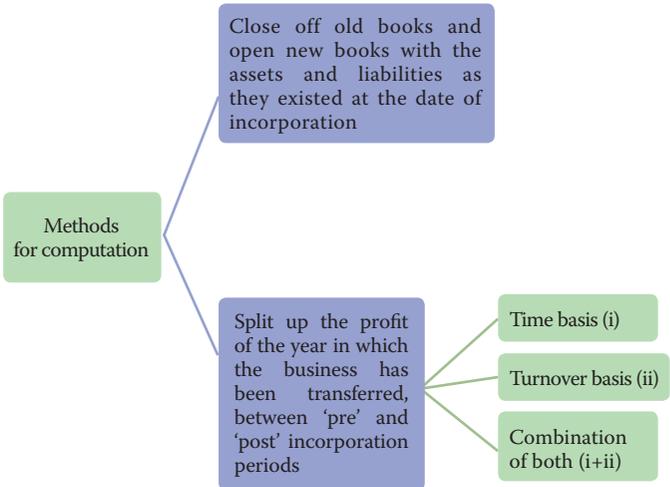
Particulars		
Operating Activities:		
Closing balance of Profit & Loss Account	xxx	
Less: Opening balance of Profit & Loss Account	xxx	
		xxx
Reversal of the effects of Profit & Loss Appropriation Account	xxx	
Net Profit after tax		xxx
Add: Provision for Income Tax	xxx	
Net Profit Before Tax and Extraordinary Items	xxx	
Reversal of the effects of non-cash and non-operating items	xxx	
Effects for changes in Working Capital except cash & cash equivalent	xxx	
		xxx
Less : Payment of Income Tax	xxx	xxx
Net Cash Flow from Operating Activities		xxx

CHAPTER 5: PROFIT OR LOSS PRE AND POST INCORPORATION

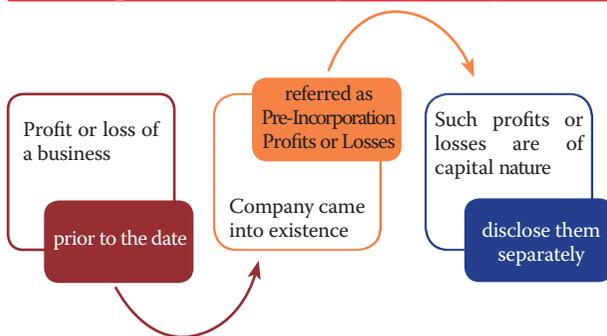
Chapter Overview



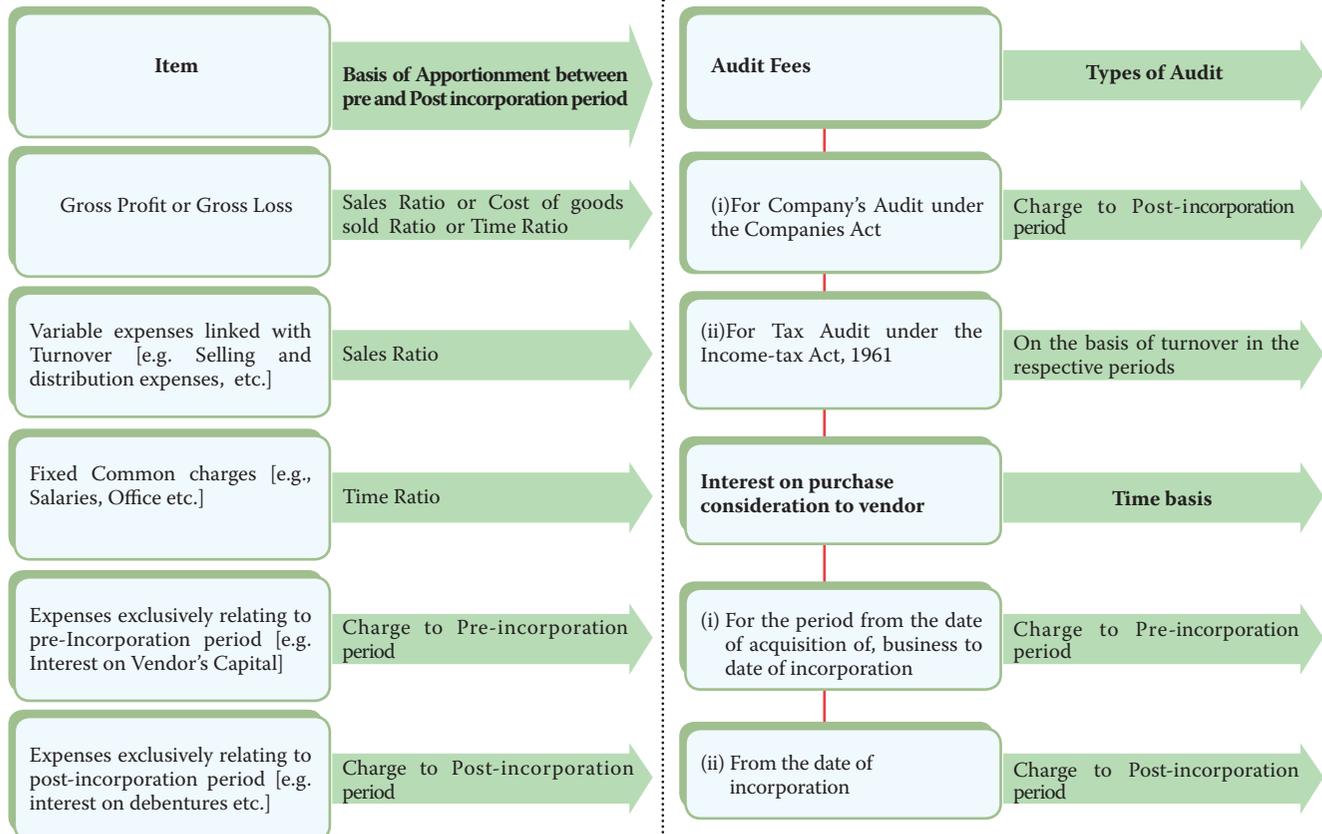
Methods for Computation



Meaning of Profit or Loss prior to Incorporation

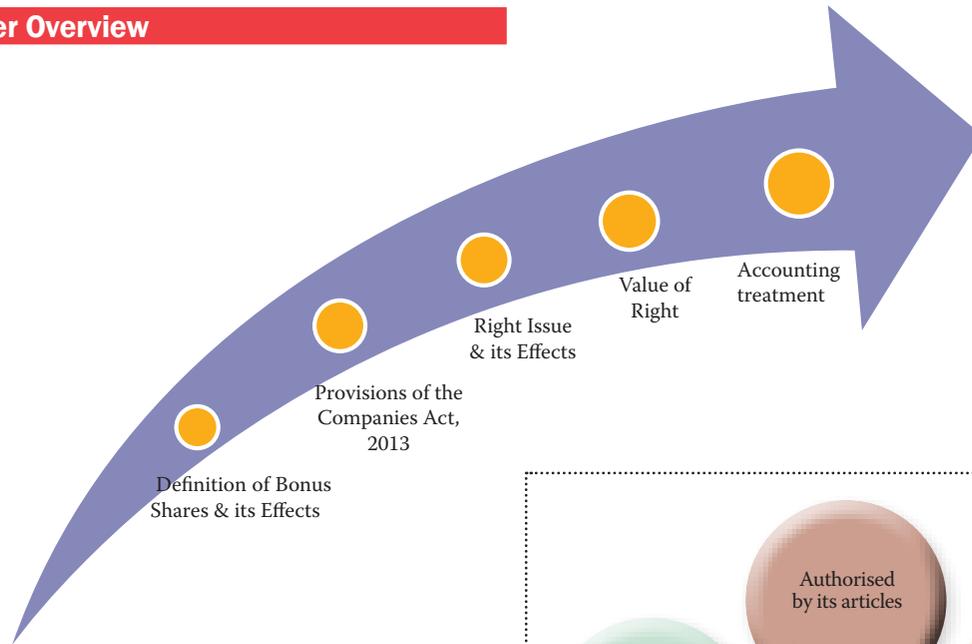


Apportionment of Items of Incomes and Expenses in Pre and Post Incorporation Periods

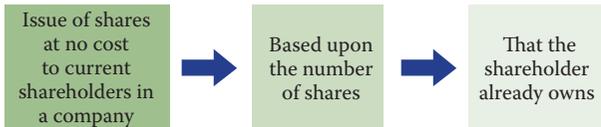


## CHAPTER 6: ACCOUNTING FOR BONUS ISSUE AND RIGHT ISSUE\*

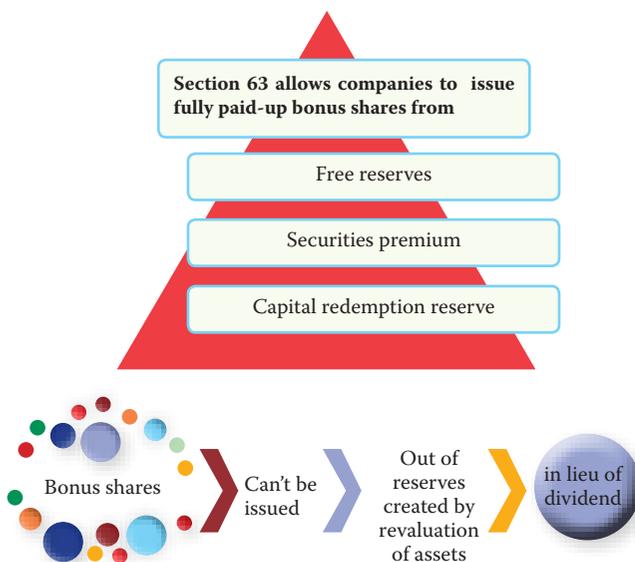
### Chapter Overview



### Definition of Bonus issue



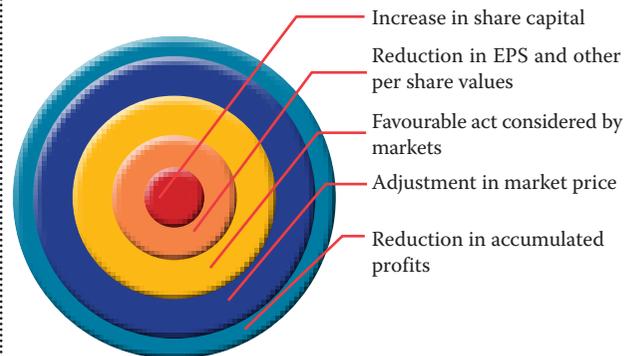
### Provisions of the Companies Act



\*Right Issue is not covered in the syllabus of Paper 1 under the earlier scheme.



### Effects of Bonus Issue



## Accounting Entries

### Upon the sanction of an issue of bonus shares

- Debit Capital Redemption Reserve Account
- Debit Securities Premium Account
- Debit General Reserve Account
- Debit Profit & Loss Account
- Credit Bonus to Shareholders Account.

### Upon issue of bonus shares

- Debit Bonus to Shareholders Account
- Credit Share Capital Account.

### Upon the sanction of bonus by converting partly paid shares into fully paid shares

- Debit General Reserve Account
- Debit Profit & Loss Account
- Credit Bonus to Shareholders Account.

### On making the final call due

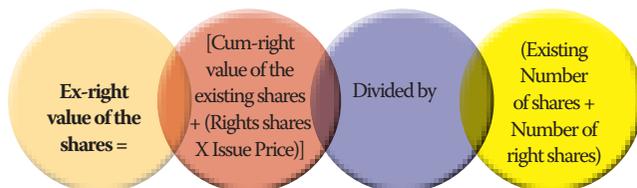
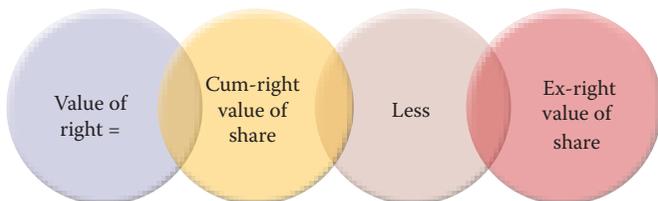
- Debit Share Final Call Account
- Credit Share Capital Account.

### On adjustment of final call

- Debit Bonus to Shareholders Account
- Credit Share Final Call Account.

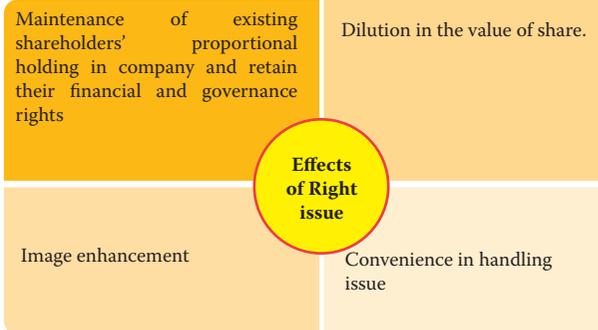
## Definition of Right Issue; Value of Right and Right of Renunciation

The existing shareholders have a right to subscribe to any fresh issue of shares by the company in proportion to their existing holding for shares.

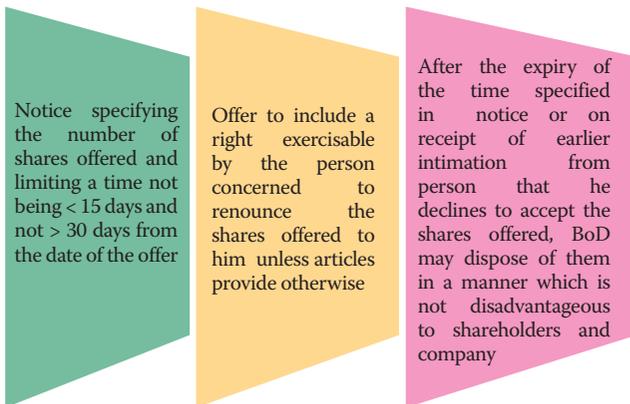


**Right of renunciation** refers to the right of the shareholder to surrender his right to buy the securities and transfer such right to any other person.

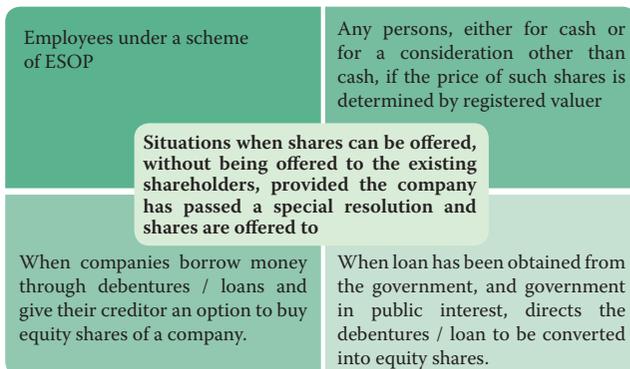
## Effects of Right Issue



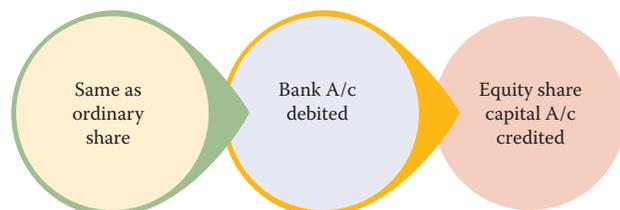
## Conditions for right issue as per the Companies Act



## Situations when Right shares are offered



## Accounting treatment

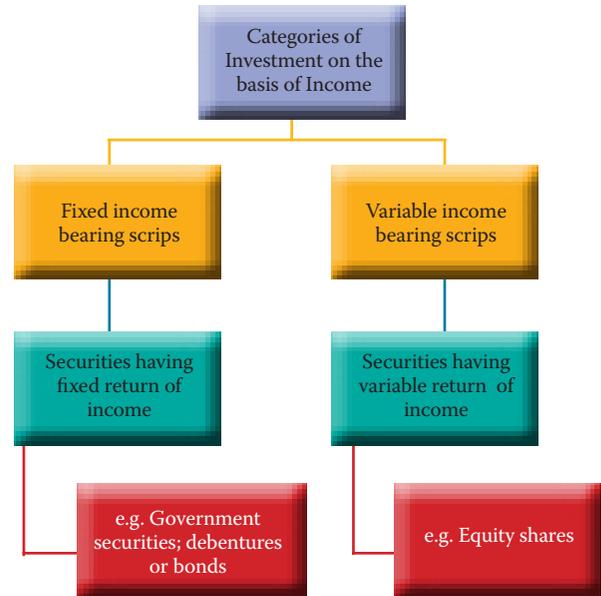


## CHAPTER 9: INVESTMENT ACCOUNTS

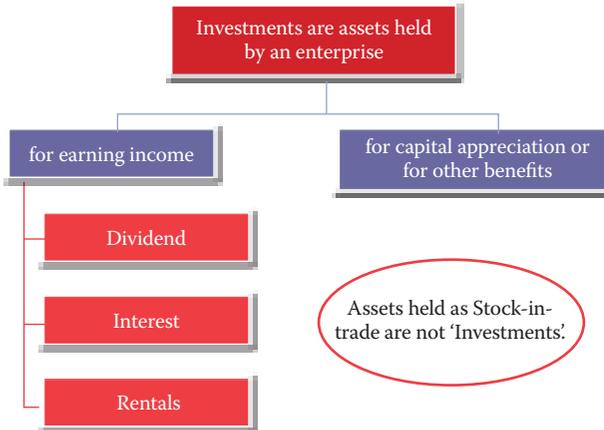
### Chapter Overview



### Categories of Investments



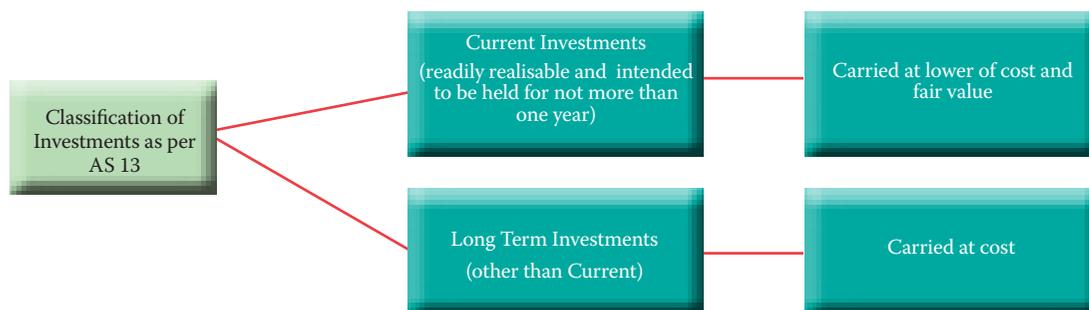
### Definition of Investments



### Cost of Investments

Type of acquisition	Cost
Payment in Cash/ bank	Cash price including charges such as brokerages, fees and duties
By Issue of shares/ other securities	Fair value of securities issued
In exchange for another asset	Fair value of asset given up or fair value of investment acquired, whichever is more clearly evident

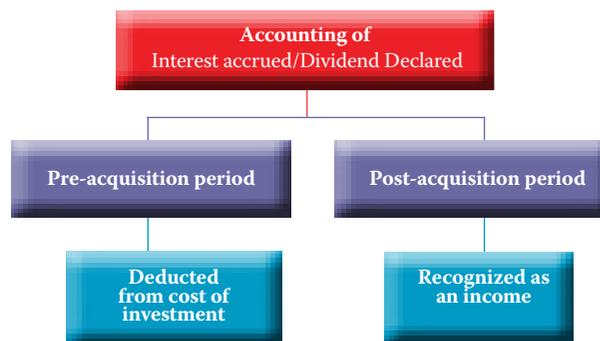
### Classification and Carrying Amount of Investments



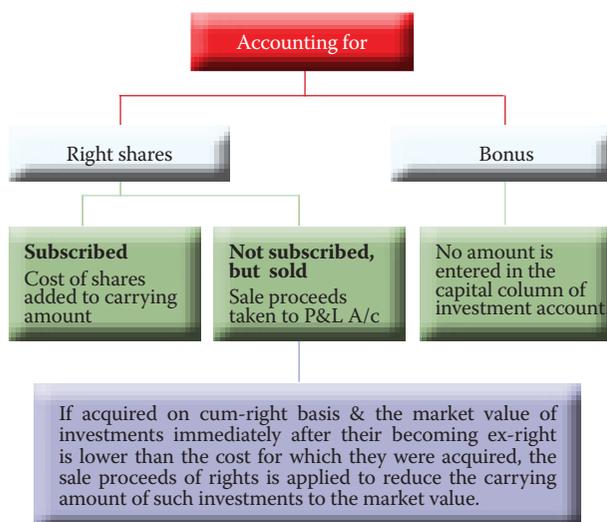
## Accounting in the Books at the Time of Purchase and Sale of Investments

Particulars	Value in 'capital' column of Investment Account	
	Purchase	Sale
Transaction on ex-interest basis	Purchase price of investment, i.e., no impact of interest accrued up to the date of transaction	Entire sale proceeds i.e., no impact of accrued interest (from the date of last payment to the date of sale)
Transaction on cum-interest basis	Purchase price of investment less accrued interest up to the date of transaction	Sale proceeds, net of accrued interest (from the date of last payment to the date of sale)

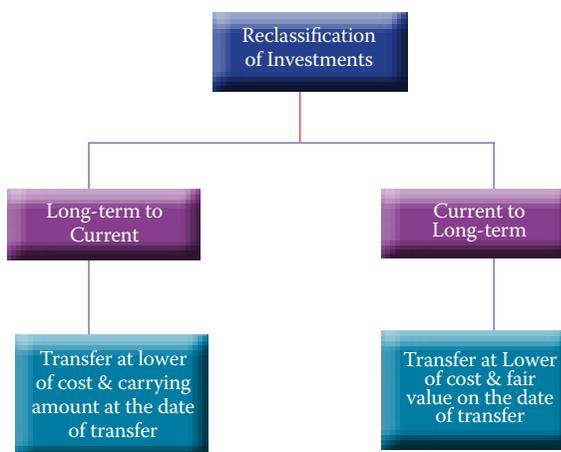
## Accounting for Income on Investments



## Accounting for Right Shares and Bonus Shares



## Reclassification of Investments



## Disposal of Investments

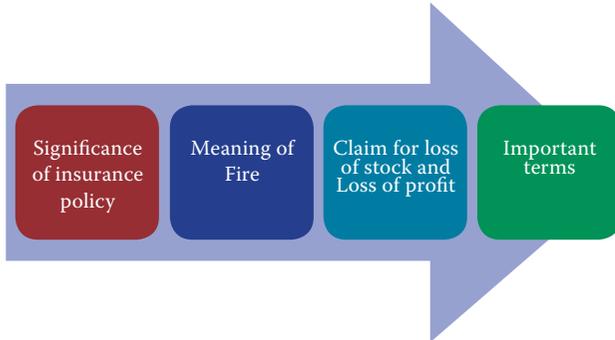
Difference between the carrying amount and the disposal proceeds, net of expenses is recognised in the P & L statement.

Part of investment is disposed:  
Carrying amount is allocated to that part on the basis of average carrying amount of total investment.

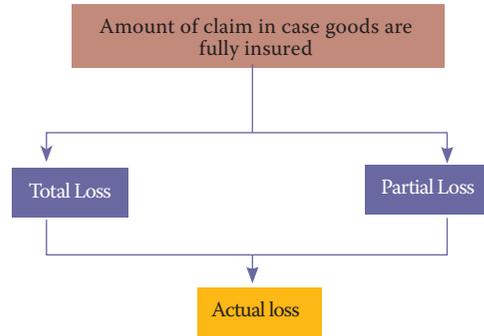
Investments held as stock-in-trade:  
Cost of stocks disposed = formula as per AS 2.

## CHAPTER 10: INSURANCE CLAIMS FOR LOSS OF STOCK AND LOSS OF PROFIT

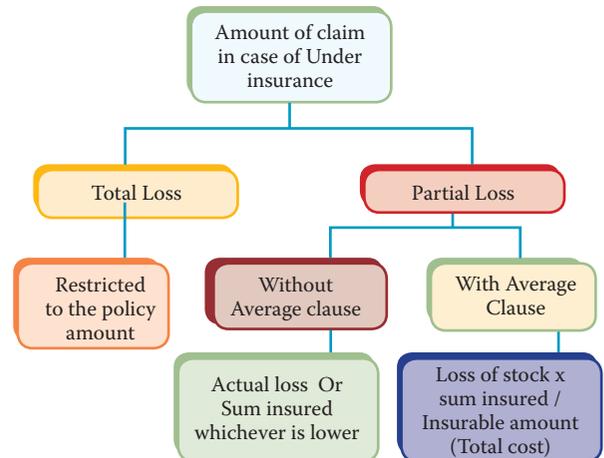
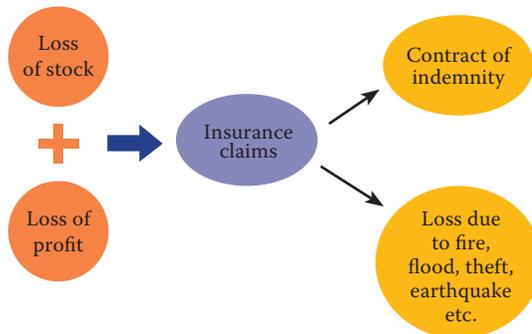
### Chapter Overview



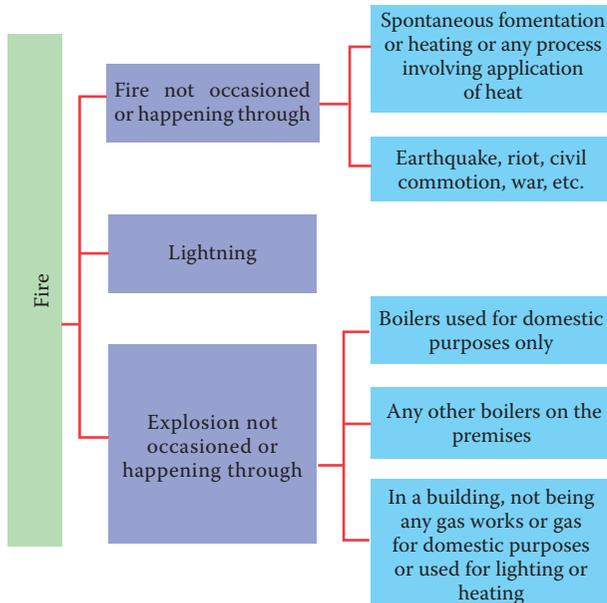
### Claim for Loss of Stock



### Significance of Insurance Policy



### Meaning of Fire



### Important Points

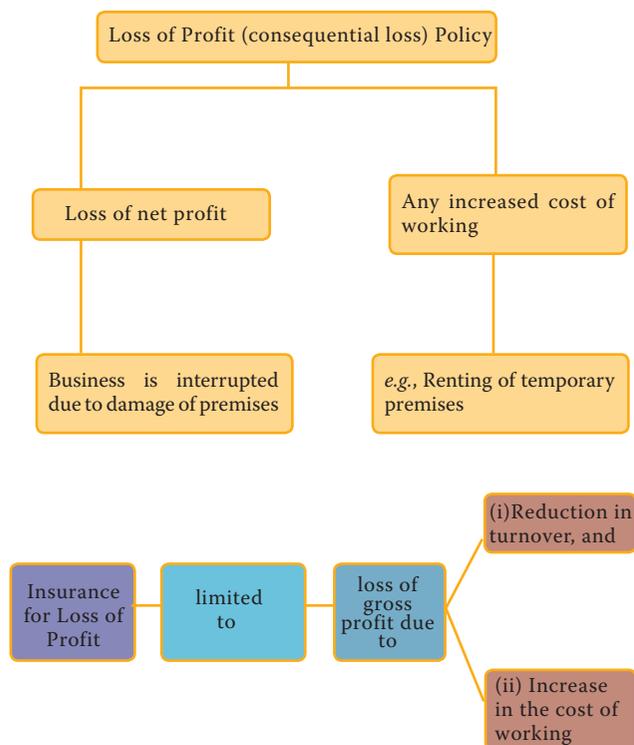
- Stock records are maintained**
  - Value of the stock as at the date of the fire can be easily arrived.
- Stock records are not available or are destroyed by fire**
  - Trading Account is prepared. After allowing for the usual gross profit, closing stock ascertained as balancing item.
- Books of account are destroyed**
  - Trading Account preparation is difficult. Information is obtained from the customers and suppliers to ascertain the amount of sales and purchases.
- Insurance company makes payment**
  - Damaged stocks are subrogated to the insurance company. Subrogation is the right of an insurer to legally pursue a third party that caused an insurance loss to the insured.
- Salvaged stock is made saleable after it is reconditioned**
  - Cost of such stock credited to the Trading Account and debited to a salvaged stock account. The expenses on reconditioning debited and sales credited to this account, final balance being transferred to the P & L A/c

**Loss of Stock**

Particulars	Amount
Value of stock on the date of fire	xxx
Less:- Value of Salvaged stock	xxx
Amount of loss of stock	<u>xxx</u>

Particulars	Amount
Value of salvaged stock	xxx
Add: Expenses on re-conditioning	xxx
Less: Sales	xxx
Profit/(loss)	<u>xxx</u>

**Claim for Loss of Profit**

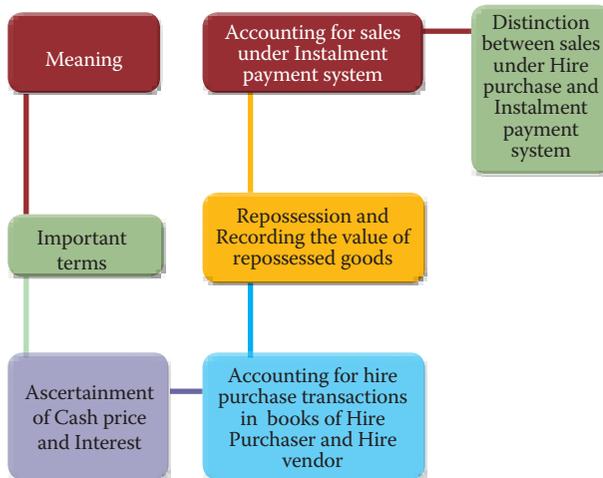


**Important Terms**

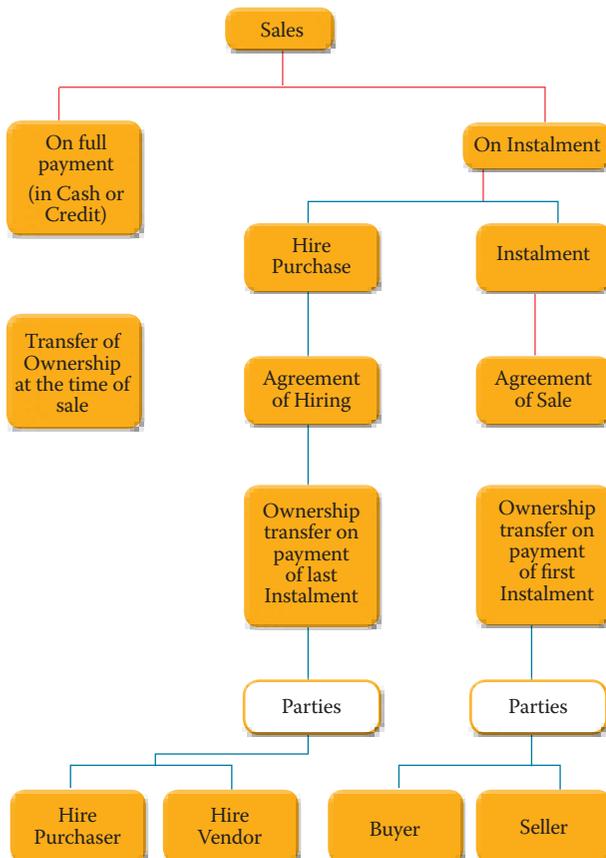
<b>Claim for Loss of Profit</b>	The Loss of Profit Policy normally covers the following items:  (1) Loss of net profit (2) Any increased cost of working
<b>Gross Profit</b>	Net profit + Insured Standing charges OR Insured Standing charges – [Net Trading Loss (If any) X Insured Standing charges/ All standing charges of business]
<b>Net Profit</b>	The net trading profit (exclusive of all capital receipts and accretion and all outlay properly chargeable to capital) resulting from the business of the Insured at the premises after due provision has been made for all standing and other charges including depreciation.
<b>Insured Standing Charges</b>	Interest on Debentures, Mortgage Loans and Bank Overdrafts, Rent, Rates and Taxes (other than taxes which form part of net profit) Salaries of Permanent Staff and Wages to Skilled Employees, Boarding and Lodging of resident Directors and/or Manager, Directors' Fees, Unspecified Standing Charges.
<b>Rate of Gross Profit</b>	The rate of Gross Profit earned on turnover during the financial year immediately before the date of damage.
<b>Annual Turnover (adjusted)</b>	The turnover during the twelve months immediately before the damage.
<b>Standard Turnover</b>	The turnover during that period (in the twelve months immediately before the date of damage) which corresponds with the Indemnity Period.
<b>Indemnity Period</b>	The period beginning with the occurrence of the damage and ending not later than twelve months.

## CHAPTER 11: HIRE PURCHASE AND INSTALMENT SALE TRANSACTIONS

### Chapter Overview



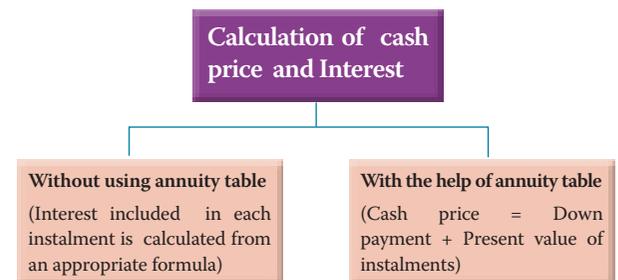
### Sales under Hire Purchase and Instalment Payment System



### Important Terms Used in Hire Purchase Arrangements and Instalment Payment System

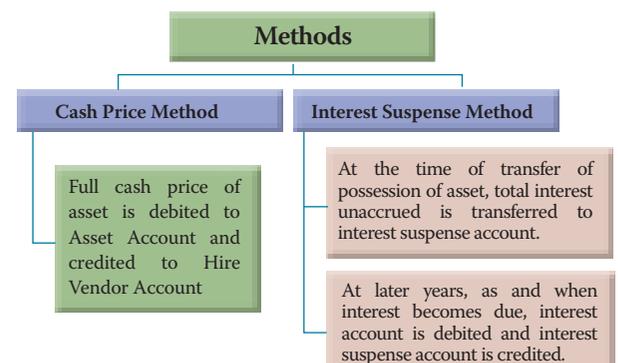
Hire Vendor	Person who delivers the goods along with its possession to the hire purchaser under a hire purchase agreement.
Hire Purchaser	Person who obtains the goods and rights to use the same from hire vendor under a hire purchase agreement.
Cash Price	Amount to be paid by the buyer on outright purchase in cash.
Down Payment	Initial payment made to the hire vendor by the hire purchaser at the time of entering into a hire purchase agreement.
Hire Purchase Instalment	Amount which the hire purchaser has to pay after a regular interval upto certain period as per the agreement to obtain the ownership of the asset purchased (on payment of the last Instalment). It comprises of principal amount and the interest on the unpaid amount.
Hire purchase price	Total sum payable by the hire purchaser to obtain the ownership of the asset purchased under hire purchase agreement. It comprises of cash price and interest on outstanding balances.
Repossession	If the hire purchaser fails to pay any of the instalments, the hire vendor takes the asset back in its actual form. This act of recovery of possession of the asset is termed as repossession.

### Ascertainment of Cash Price



### Accounting for Hire Purchase Transactions

#### Books of Hire Purchaser



## Journal Entries

### Cash Price Method

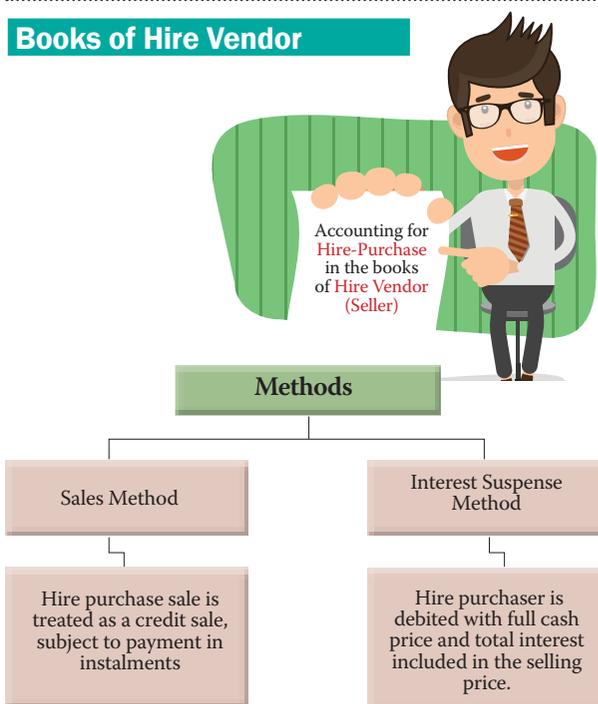
<b>At the time of entering into the agreement</b>	
Asset Account	Dr. [Full cash price]
To Hire Vendor Account	
<b>When down payment is made</b>	
Hire Vendor Account	Dr. [Down payment]
To Cash/Bank Account	
<b>When an instalment becomes due</b>	
Interest Account	Dr. [Interest on outstanding balance]
To Hire Vendor Account	
<b>When an instalment is paid</b>	
Hire Vendor Account	Dr. [Amount of instalment]
To Bank Account	
<b>When depreciation is charged on the asset</b>	
Depreciation Account	Dr. [Calculated on cash price]
To Asset Account	
<b>For closing interest and depreciation account</b>	
Profit and Loss Account	Dr.
To Interest Account	
To Depreciation Account	

### Interest Suspense Method

<b>When the asset is acquired on hire purchase</b>	
Asset Account	Dr. [Full cash price]
To Hire Vendor Account	
<b>For total interest payment</b>	
H.P. Interest Suspense Account	Dr. [Total interest]
To Hire Vendor Account	
<b>When down payment is made</b>	
Hire Vendor Account	Dr.
To Bank Account	
<b>For Interest of the relevant period</b>	
Interest Account	Dr. [Interest of the relevant period]
To H.P. Interest Suspense Account	
<b>When an instalment is paid</b>	
Hire Vendor Account	Dr.
To Bank Account	
<b>When depreciation is charged on the asset</b>	
Depreciation Account	Dr. [Calculated on cash price]

To Asset Account	
<b>For closing interest and depreciation account</b>	
Profit and Loss Account	Dr.
To Interest Account	
To Depreciation Account	

### Books of Hire Vendor



## Journal Entries

### Sales Method

<b>When Goods are sold and delivered</b>	
Hire Purchaser Account	Dr. [Full cash price]
To H.P. Sales Account	
<b>When the down payment is received</b>	
Bank Account	Dr.
To Hire Purchaser Account	
<b>When an instalment becomes due</b>	
Hire Purchaser Account	Dr.
To Interest Account	
<b>When the amount of instalment is received</b>	
Bank Account	Dr.
To Hire Purchaser Account	
<b>For closing interest Account</b>	
Interest Account	Dr.
To Profit and Loss Account	
<b>For closing Hire Purchase Sales Account</b>	
H.P. Sales Account	Dr.
To Trading Account	

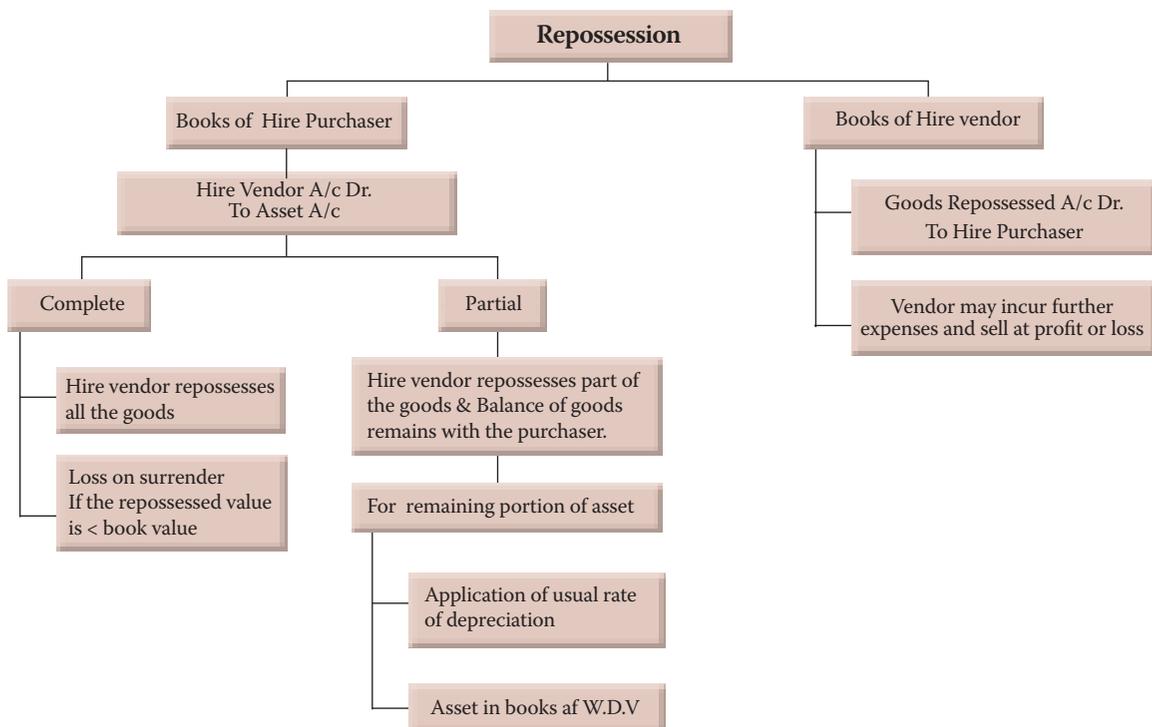
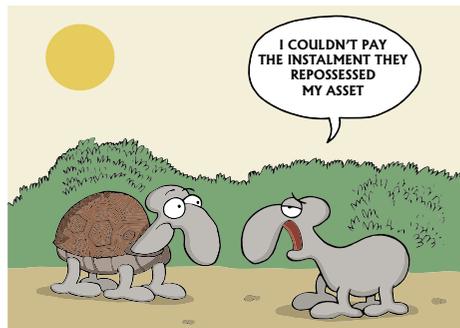
# ACCOUNTING ||

## Interest Suspense Method

When Goods are sold and delivered	
Hire Purchaser Account	Dr. [Full cash price + total interest]
To H.P. Sales Account	[Full cash price]
To Interest Suspense Account	[Total Interest]
When down payment/instalment is received	
Bank Account	Dr.
To Hire Purchaser Account	

For interest of the relevant accounting period	
Interest Suspense Account	Dr.
To Interest Account	
For closing interest Account	
Interest Account	Dr.
To Profit and Loss Account	
For closing Hire Purchase Sales Account	
H.P. Sales Account	Dr.
To Trading Account	

## REPOSESSION



## Accounting Treatment of Sales Under Instalment Payment System

Books of buyer		Books of Seller	
Asset A/c	Dr. Full cash price	Purchaser	Dr. Full Instalment price
Interest Suspense A/c	Dr. Full Instalment price less cash price	To Sales A/c	cash price
To Vendor	Full Instalment price	To Interest Suspense A/c	Full Instalment price less cash price

**Differences Between Sales Under Hire Purchase And Instalment System**

Basis of Distinction	Hire Purchase	Instalment System
<b>Governing Act</b>	It is governed by Hire Purchase Act,1972.	It is governed by the Sale of Goods Act, 1930.
<b>Nature of Contract</b>	It is an agreement of hiring.	It is an agreement of sale.
<b>Passing of Title (ownership)</b>	The title to goods passes on last payment.	The title to goods passes immediately as in the case of usual sales.
<b>Right to Return goods</b>	The hirer may return goods without further payment except for accrued instalments.	Unless seller defaults, goods are not returnable.
<b>Seller's right to repossess</b>	The seller may take possession of the goods if hirer is in default.	The seller can sue for price if the buyer is in default. He cannot take possession of the goods.
<b>Right of Disposal</b>	Hirer cannot hire out, sell, pledge or assign entitling transferee to retain possession as against the hire vendor.	The buyer may dispose of the goods and give good title to the purchaser.
<b>Responsibility for Risk of Loss.</b>	The hirer is not responsible for risk of loss of goods if he has taken reasonable precaution because the ownership has not yet transferred.	The buyer is responsible for risk of loss of goods because ownership has transferred.
<b>Name of Parties involved</b>	The parties involved are called Hirer and Hire vendor.	The parties involved are called buyer and seller.
<b>Component other than cash price.</b>	Component other than Cash Price included in instalment is called Hire charges.	Component other than Cash Price included in Instalment is called Interest.

**CHAPTER 14: ACCOUNTS FROM INCOMPLETE RECORDS**

**Chapter overview**

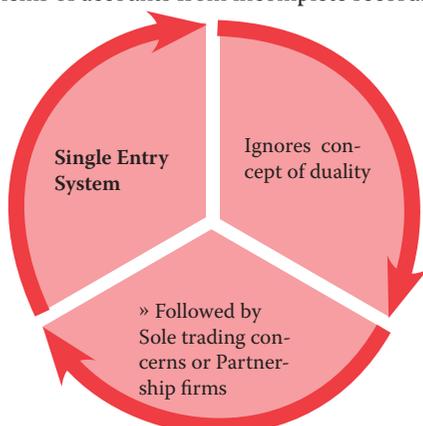
- Definition of Single Entry System and its features
- Types of Single entry system
- Determination of profit by comparing capitals at different points of time
- Statement of Affairs and its comparison with Balance sheet
- Technique of obtaining complete information for preparation of financial statements

**Features**

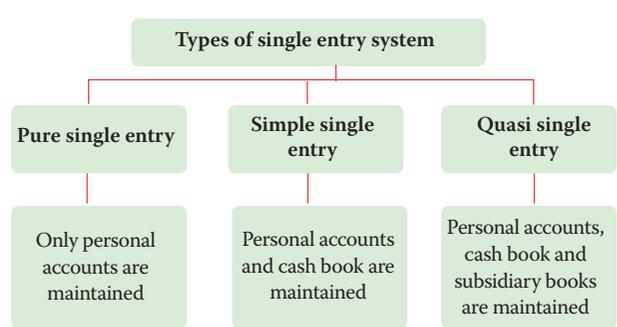


**Definition of Single Entry System**

The term "Single Entry System" is popularly used to describe the problems of accounts from incomplete records.

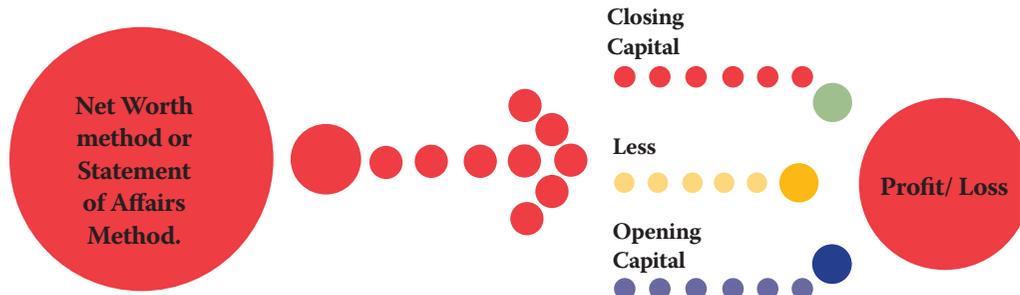


**Types of Single Entry System**



# ACCOUNTING ||

## Ascertainment of Profit by Capital Comparison at Different Points of Time



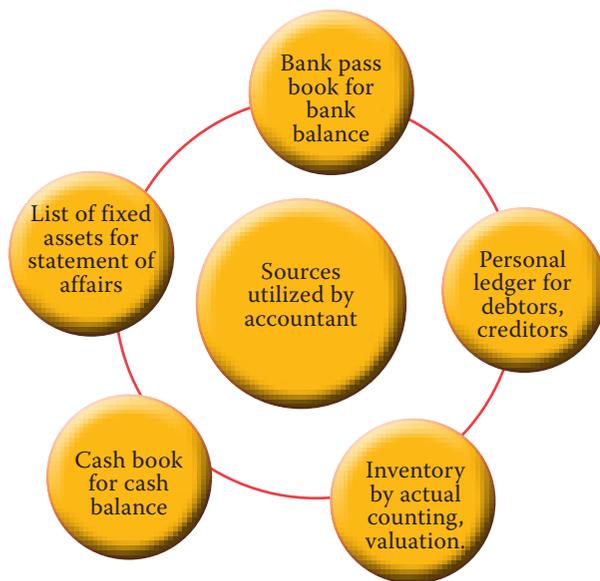
Particulars	₹
Capital at the end (a)	.....
Add: Drawings	.....
Less: Fresh capital introduced	.....
Capital at the beginning (b)	.....
Profit/Loss (a-b)	.....

## Design of statement of affairs

Statement of affairs as on.....

Liabilities		Assets	
Capital (Bal. Fig.)	xx	Building	xx
Loans, Bank overdraft	xx	Machinery	xx
Sundry creditors	xx	Furniture	xx
Bills payable	xx	Inventory	xx
Outstanding expenses		Sundry debtors	xx
		Bills receivable	xx
		Loans and advances	xx
		Cash and bank	xx
		Prepaid expenses	xx
	xx		xx

## Preparation of Statement of Affairs



Sources utilized by Accountant

Collection of necessary information about assets and liabilities

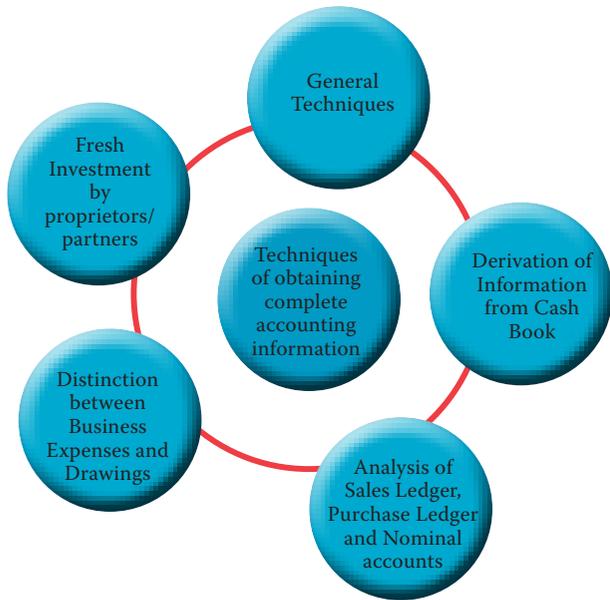
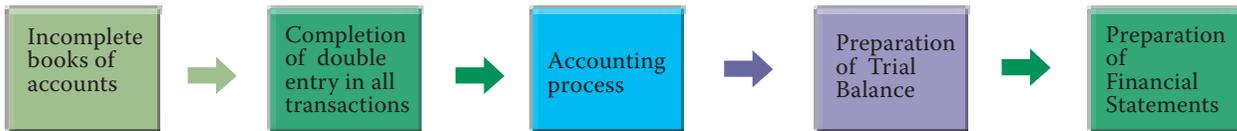
Derivation of opening and closing capitals

Statement of Affairs at different points of time

## Distinction between Statement of Affairs and Balance Sheet

Basis	Statement of affairs	Balance sheet
Reliability	It is prepared on the basis of transactions partly recorded on the basis of double entry book keeping and partly on the basis of single entry.	It is based on transactions recorded strictly on the basis of double entry book keeping.
Capital	In this statement, capital is merely a balancing figure being excess of assets over capital. Hence assets need not be equal to liabilities.	Capital is derived from the capital account in the ledger and total of assets side will always be equal to the total of liabilities side.
Omission	Since this statement is prepared on basis of incomplete records, it is difficult to locate assets and liabilities, if they are omitted from the books.	All items are properly recorded. It is easy to locate missing items since the balance sheet will not agree.
Basis of Valuation	The valuation of assets is generally done in an arbitrary manner; no method of valuation is disclosed.	The valuation of assets is done on scientific basis. Method of valuation is disclosed.
Objective	The object of preparing this statement is the calculation of capital figures in beginning and at end of accounting period respectively.	The object of preparing the balance sheet is to ascertain the financial position on a date.

**Techniques of Obtaining Complete Accounting Information**



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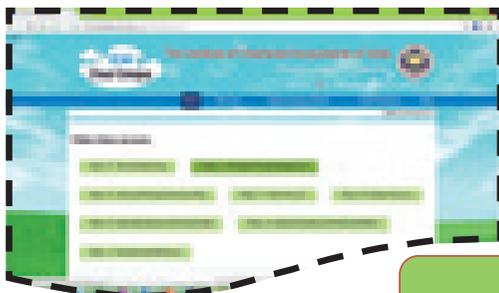
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Further Details: e-Mail: [boscourses@icai.in](mailto:boscourses@icai.in). Tel.: 0120-3876859



## TOPPERS SPEAK...

A set of questions were asked to the first three rank holders of the CA Final Examination- May 2017. The questions and their responses, which are included in these pages, would be helpful to the students sail through the Examinations smoothly and with good scoring.



**Raj Paresh Sheth**

First Rank  
Dombivalli

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

It really feels very good to be at the top. Being a CA was always my dream and getting an AIR 1 is like an icing on the cake. When I received a call from the President of the Institute at 11:14 am, I was on Cloud 9 and tears of joy had started flowing from my eyes. I felt – ‘Yes, dreams do come true!!’

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

According to me, focus, self-belief, perseverance and a strong will to succeed were some of the intrinsic factors that contributed to my success. Talking about the external factors. I would like to give credit to the support of my family, friends and their constant guidance and belief in me that contributed to my success.

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

I followed a simple strategy of studying regularly from the very beginning and hence, not letting the pressure builds up during last 6 months or so. I used to prepare notes for theory subjects which I could revise during those 1.5 days we get during exams. For practical subjects, I used to practise problems and note the problems I couldn't solve during the first revision, so that I revise only those problems for my second revision. This way I could filter out problems which I needed to practise during those 1.5 days before exams. I had also appeared for preliminary examination of my coaching classes in March, to understand time management techniques and to have a ‘dress rehearsal’ before the actual exams.

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

Inputs from the Institute have contributed majorly for my success. The Study Material, the Practice Manual and the Revision Test Papers provided by the Institute were my first point of reference. It was only after I completed

the reading of these inputs, did I go for other material like the notes provided by my coaching classes. It's very sad that students ignore the Pronouncements in respect of Accounting Standards and Standards on Auditing provided by the Institute. Practising Illustrations from Pronouncements on Accounting Standard is a must. Reading the Pronouncements on Standards on Auditing and marking important paragraphs should also be done.

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

I would aspire to pursue my further studies in the field of Actuarial Science. For now, I would like to go into the field of International Taxation which is impressively expanding in India.

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

I definitely feel that Chartered Accountancy is the gateway to achieving professional excellence. Being a Chartered Accountant is just the beginning of an amazing journey, known as, Professional Career. It gives a launching pad for your career, which you can leverage and achieve excellent heights as you go further in life.

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

Have your goals set and have your ways defined – be focused. Further, there will be times when you will be in a low phase of your life. Never give up. Remember that there is always a sunshine after a dark night. Be positive. All the best!



**Agathiswaran S**

Second Rank  
Vellore

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

It gives me great pleasure at the thought of having secured AIR – 2 in CA Final Exams. Getting to know your results directly from the Hon'ble President of ICAI is the highlight and the feeling cannot be described in words.

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

I must definitely thank my parents, teachers, my principal and God Almighty for their support and guidance. That apart, one has to work hard and try to cover the entire syllabus. So, time management is critical both during the preparations and in the exam hall. It is extremely important to remain focussed during the study holidays and exams. I was fully cut-off from the Social Media during the last few months before exams. It helped me a lot to focus on the subjects and save precious time.

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

My plan was to cover the entire syllabus and not to do any selective study. I did prepare a timetable for the last 4 months and allocated time amongst the various subjects as per my needs and I stuck with it. It is important to revise as many times as possible. I also attended the model exams conducted by ICAI which was really helpful in my preparations for the main exams.

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

I extensively used the Study Material and Practice Manual of the Institute for my preparations. Practice Manual has a very good database of questions. Apart from that I also used RTP and Select Case Laws and Supplementary study material for Direct and Indirect Tax Laws which really helped me in securing good marks in my exams.

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

I would like to get into either Management Consultancy or Corporate Banking.

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

Definitely CA course is a gateway to achieving professional excellence. It opens up opportunities in varied and diverse fields. Plus the rigours that we undergo during this CA course makes us tough and gives us the confidence and belief that anything is certainly achievable, if only we have the necessary dedication and focus.

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

CA is a very rewarding course but it comes at a cost. It is important to sacrifice certain things if we are to achieve our goals because I feel the person who sacrificed the most will achieve the greatest success. Ultimately,

our efforts will be rewarded. During preparations, we should think about the results day and the happiness that we would give to our parents and society when the result comes out as "PASS". When we do that, we will automatically give our best and leave the rest to God.



**Krishna Pawan Gupta**

Third Rank  
Mumbai

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

The feeling is amazing and its memory will stay with me forever. My parents were delighted by my results and that was the most important thing for me.

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

The support from my family was a very important part of my success. Also, for CA Examinations and especially for CA Final, a lot of dedication is required and I think focus on studies helped me to crack the exams. Enough emphasis needs to be given on maintaining good health too as the examinations go on for more than two weeks and one cannot afford to miss even a single day of preparation in the last few months before the examination.

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

I ensured that I devoted equal time to all the subjects since each of the papers carry equal weightage. I tried to solve the practice manual multiple times for practical subjects and also every day I would try to do theory subjects in the morning and practical subjects in the morning. I tried to do 2 practical subjects once before going on study leaves and the balance subjects as well as the revision of those 2 subjects was done during the study leave as it helped to relieve the pressure of at least those 2 subjects.

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

Institute material is very helpful especially the practice manual. Practice manual provided very good practice questions and also helped in applying the provisions learned for subjects like law. The practice manual is very much an indispensable tool for success at the CA Final level.

## INTERVIEW ||

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

My aspiration is to lead a multinational corporation. I would enjoy working in the industry or pursuing careers in consulting or investment banking to help me broaden my understanding of business.

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

Absolutely. Our curriculum ensures that the concepts learned in theory are put to application during the articleship period. Also, this course is one of the best courses since it covers diverse areas like finance, audit, taxation, compliance etc. which makes CA

professionals truly unique and a very important part of the economy.

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

To all my friends who are about to join this course or who have just ventured into this course, I would like to tell that this course will polish your skills in the best possible manner and will give deeper understanding of the legal and conceptual framework of our economy. The subjects are very relevant and it's enjoyable to read those subjects. Also, the members of our Institute are respected not only in India but the entire world. Just stay focused and I am sure all of you will make your family and the nation at large proud!

### ANNOUNCEMENT

Board of Studies is organizing Six Days Course on GST and Ind AS through a combination of Webcasts from Head Office and physical classes at Regional Councils and Branch(es) for the students as per following schedule:

Certificate Course	Date of Webcast	Timing
GST	17 <sup>th</sup> , 18 <sup>th</sup> , 24 <sup>th</sup> , 31 <sup>st</sup> December, 2017 and 6 <sup>th</sup> , 7 <sup>th</sup> January, 2018	1st Session: 10 AM to 1 PM
Ind AS	13 <sup>th</sup> , 14 <sup>th</sup> , 20 <sup>th</sup> , 21 <sup>st</sup> , 27 <sup>th</sup> , 28 <sup>th</sup> January, 2018	2nd Session: 2 PM to 5 PM

Students, after completion of the Course(s) are required to pass a mobile app based online test with 50% marks to be eligible for receiving participation certificate issued by Board. The fee for above Courses is ₹1,500/- each per student.

Students are required to contact their nearest Branch/Regional Council for Registration. The last date of registration is 10<sup>th</sup> December 2017.

Director, Board of Studies

### ATTENTION: INTERMEDIATE (IPC) STUDENTS

Pursuant to the amendment in CA Regulations, 1988, a candidate who has passed either or both the Groups of Intermediate (Integrated Professional Competence) Examination can commence their Practical Training.

In other words, now students of Intermediate (Integrated Professional Competence) Course can commence their Practical Training even after passing Group 2 or Group 1 or both the groups of Intermediate (Integrated Professional Competence) Examination.

Director, Board of Studies

## CA Students Conference - BANGALORE

9<sup>TH</sup> & 10<sup>TH</sup> DECEMBER 2017

SOPHIA AUDITORIUM,  
BANGALORE

**Organized by:** Board of Studies, ICAI

**Hosted by:** Bangalore Branch of SIRC and SICASA Bangalore Branch

**THEME: NURTURING VALUES & INTEGRITY- ATTAINING EXCELLENCE IN PROFESSIONAL PURSUITS**

### DAY-1

9:30 am to 11:00 am	<b>Inaugural Session</b>
11.15 am-12.00 noon	<b>Special Session : I: Interaction and Open House with Board of Studies on "How to Crack CA Examination"</b>
12.00 noon to 1.30 pm	<b>Technical Session : I : Topics: IND AS</b>
2.30 pm to 3.30 pm	<b>Special Session : II: Topic: Ethical Values in the Profession and Importance of Article Training</b>
3.45 pm to 5.15 pm	<b>Technical session : II: Topic: Company Law</b>

### DAY-2

9:30 am to 10:30 am	<b>Special Session : III: Motivational Session</b>
10.45 am to 12.15 pm	<b>Technical Session : III : Topic: Income Tax</b>
12.15 pm to 1.30 pm	<b>Technical Session : IV : Topic: Information Technology</b>
2.30 pm to 3.30 pm	<b>Special Session : IV : Topic: Opportunities for CA</b>
3.45 pm to 5.00 pm	<b>Technical Session : V: Topics: GST</b>

**Students Eligible to attend the Students Conference:** Students who have registered as IPCC/Intermediate Students/ Students who are pursuing their Articleship Training/ Students who have completed their Practical Training but could not qualify their final examinations may attend the conference till next one year from the date of completion of Practical Training.(CPT Students and Students who have completed one year beyond their Articleship training will not be eligible to register for these Conferences)

<b>Registration fees</b>	₹ 500/-per student	<b>Accommodation</b> (if required) @ ₹1,000/- per student per day.
<b>Payment Mode</b>	<b>Cash/DD/Cheque</b> to be drawn in favor of Bangalore Branch of SICASA, payable at Bangalore or Online registration at <a href="http://www.bangaloreicai.org">www.bangaloreicai.org</a> ; <b>Ph:</b> 080 - 30563511, 3056 3500, <b>e-mail:</b> blrsicasa@icai.org, <b>website:</b> www.bangaloreicai.org	

**CA. Atul Kumar Gupta**, Chairman, BoS; **CA. Mangesh Pandurang Kinare**, Vice-Chairman, BoS; **CA. Madhukar Narayan Hiregange**, Central Council Member, Conference Director; **CA. Geetha A.B.**, Chairman, Bangalore Branch & **CA. Bhojaraj T. Shetty**, Chairman, SICASA Bangalore Branch, Conference Coordinator.

## CROSSWORD SOLUTION - SEPTEMBER 2017

<sup>1</sup> E	<sup>2</sup> M	A	<sup>3</sup> I	L		<sup>4</sup> L	<sup>5</sup> A	<sup>6</sup> P	T	<sup>7</sup> O	<sup>8</sup> P	
<sup>9</sup> L	O	A	N		<sup>10</sup> C	A	D	P		<sup>11</sup> D	A	<sup>12</sup> P
E	V		F		<sup>13</sup> U	N	D	P		<sup>14</sup> D	N	A
<sup>15</sup> C	E	<sup>16</sup> I	L		R				<sup>17</sup> R			R
T		<sup>18</sup> O	A	<sup>19</sup> T	S		<sup>20</sup> E	M	I		<sup>21</sup> I	I
<sup>22</sup> S	<sup>23</sup> H	U	T	D	O	W	N		<sup>24</sup> C	<sup>25</sup> O	S	T
	D		<sup>26</sup> I	S	R			<sup>27</sup> T	O	A	D	Y
<sup>28</sup> F	I	<sup>29</sup> F	O				<sup>30</sup> I	E		R		
E		<sup>31</sup> A	N	<sup>32</sup> O	<sup>33</sup> T	<sup>34</sup> E		<sup>35</sup> S	<sup>36</sup> A	S	<sup>37</sup> S	<sup>38</sup> Y
<sup>39</sup> M	<sup>40</sup> A	T		<sup>41</sup> F	O	U	R	T	H		O	E
<sup>42</sup> A	R	C		<sup>43</sup> F	N	R			<sup>44</sup> O	U	S	T
	<sup>45</sup> T	A	N		<sup>46</sup> E	O	E		Y	E		I

## Residential Programme on Professional Skills Development at Centre of Excellence, Hyderabad

The Board of Studies is pleased to announce the next two batches of ICAI's 'Four Weeks Residential Programme' on Professional Skills Development as below:

Venue	Participant	Fees	Date	Online Registration
Centre of Excellence (CoE), Hyderabad	Women	₹ 60,000/-	25 <sup>th</sup> November, 2017 to 22 <sup>nd</sup> December, 2017	<a href="https://www.icai.org/new_category.html?c_id=345">https://www.icai.org/new_category.html?c_id=345</a>
Centre of Excellence (CoE), Hyderabad	Men	₹ 60,000/-	27 <sup>th</sup> December, 2017 to 23 <sup>rd</sup> January, 2018	<a href="https://www.icai.org/new_category.html?c_id=345">https://www.icai.org/new_category.html?c_id=345</a>

This programme aims to help the Chartered Accountancy students and newly qualified Chartered Accountants in imbibing the professional skills required for effective functioning in business organisations and the profession. The Programme environment focuses on development of communication skills, personal qualities, interpersonal and teamwork skills, problem solving skills, leadership skills etc.,

### Salient Features of the Programme:

- Emphasis on Soft Skills, Communication Skills and Personality Development.
- Exemption from payment of Fees to Top 10 Rank holders.
- Part of Practical Training.
- No need for Separate Management and Communication Skills(MCS) forming part of Advanced Integrated Course on Information Technology and Soft Skills (AICITSS).
- Special Session on Group Discussion & Interview.
- Preparation of Project and Presentation Skills.
- Building Team Spirit.

Students who have passed Chartered Accountancy IPCC/ PCC/ PE- II examination and pursuing last year of Practical training or completed Practical training are invited to join the course for this batch. Recently qualified Chartered Accountants are also welcome to join the course.

### Student's opinion

CoE is a place to learn from best of speakers who fill the session with loads of learning and bundle of creativity. It is a great place to learn from students and professional with diverse background. A must-do course for all CA Students.

CA. Kevin Dharmesh Gandhi  
(Participant of 37<sup>th</sup> batch)

It was an amazing experience and the faculties were exceptionally good. It bridges the gap between a CA students and a professional. It influences us to be creative and think out of box.

Ms. Parnika Poddar  
(Participant of 40<sup>th</sup> batch)

For online registration, you can proceed with 'Board of Studies Announcements' [https://www.icai.org/new\\_category.html?c\\_id=345](https://www.icai.org/new_category.html?c_id=345) under the 'Students' tab on the Home Page of the ICAI's website [www.icai.org](http://www.icai.org). For any query, you can write us at [ashokdua@icai.in](mailto:ashokdua@icai.in) or may also contact us on 0120-3045935.

Director, Board of Studies



# The Institute of Chartered Accountants of India(ICAI)

## World/National Commerce Education Day

Organised By: Career Counseling sub-group under BOS, ICAI

10<sup>th</sup> November, 2017

## Commerce Education for All

National/World Commerce Education Day will be celebrated on 10th November, 2017 with the theme "Commerce Education for All" will be conducted by the Career Counselling Committee of the Institute of Chartered Accountants of India in India as well as Abroad.

### Objectives of Celebrating National/World Commerce Education Day

National/World Commerce Education Day will be celebrated every year with the following objectives

- To widely spread a message about the significance of Commerce Education in the daily life of the people.
- To display all the activities, efforts and achievements in the field of Commerce for human welfare.
- To discuss all the issues and implement innovative strategies for the development of the Commerce education.
- To give an opportunity to showcase the talents of Commerce students in the country. To encourage the people as well as popularize the Commerce education.

The Commerce Carnival is going to be an event with a series of activities and programs involving school and college students, eminent Educationists and faculties of the state, country & abroad. We want to provide a real platform for the budding students to make their career and profession in Commerce.

### 10th November - National/World Commerce Education Day-2017

#### Why

On November 10, 1494, a book titled Summa de Arithmetica, Geometria, Proportioni et Proportionalita (Everything About Arithmetic, Geometry and Proportion) was published in Venice. This was the first book that aimed to summarize the mathematical knowledge of those days. One of the tractatus of the Summa, entitled "Particularis de computis et scripturis" (About accounts and other writings) provides a detailed description of Venetian book-keeping. This was the first printed essay on double entry bookkeeping - called "Method of Venice" - and was direct base of some widespread works on mercantile

#### Deputy Convener

Career Counseling sub-group under BOS, ICAI

accounting. The author of the book was Italian mathematician and Franciscan friar Luca Bartolomeo de Pacioli. Although double-entry bookkeeping had been around for centuries, Pacioli's 27-page treatise on the subject has earned him the title "The Father of Modern Accounting." The system he published included most of the accounting cycle as we know it today.

### Commemoration of World/National Commerce Education Day

- The World/National Commerce Education Day will be expected to celebrate in capital cities of each state as well as other cities and in abroad destinations
- Career Counselling/Mega Career Counselling Programme will be organized to promote the Commerce Education in in each Branch/ Regional Councils/Chapter Abroad.
- Mega Career Counselling Programme cum Exhibitions will be organized to promote the Commerce Education in Branch/ Regional Councils/Chapter Abroad.

### Activities to be organized during the Commerce Education Day in the Branches/ Regional Councils/ Chapter Abroad on 10th Nov., 2017

- Career Counselling Programme /Mega Career Counselling Programme
- Press Conference
- Radio/TV talk shows
- Public speech
- Commerce exhibitions
- Debate Competition
- Quiz competitions
- Elocution Competition
- Essay Writing Competition
- Marathon race/ Human Chain
- Variety of other programmes

The aforesaid programmes will be organized to popularize the Commerce education in the country as well as abroad amongst the student community & other stakeholders.

#### Convener

Career Counseling sub-group under BOS, ICAI

For any Query please contact:

Secretary, Career Counselling sub-group under BOS, The Institute of Chartered Accountants of India  
ICAI Bhawan, A-29, Sector 62, Noida (U.P.) - 201309, Telephone (O): 0120-3876871, 886  
Email: ccc.events@icai.in, ccc.secretary@icai.in



# The Institute of Chartered Accountants of India (ICAI)

## ICAI Commerce Wizard-2017: A Talent Search Test in Commerce

Organised By: Career Counseling sub-group under BOS, ICAI

For Details and Registration please visit the Exclusive Website for ICAI Commerce Wizard, 2017: [icw.icai.org](http://icw.icai.org)

The Commerce Talent Search Test called as Commerce Wizard -2017 is a diagnostic test that measures the concept understanding ability of a student. Unlike regular tests which try only to find out how much a child knows, this test measures how well a student has understood the concepts.

**Eligibility: Students appearing in class X/XI/XII examination**

### Online Registration

**Registration Fees** : ₹100/- upto 27<sup>th</sup> Oct. 2017

**Late Registration Fees** : ₹150/- 28<sup>th</sup> Oct. to 2<sup>nd</sup> Nov. 2017

The Commerce Wizard will be conducted by means of online test in English language for Students studying in Class X/XI/XII separately:

Class	No. of Questions	Duration	Subjects	Mode	Negative Marking	Max. Marks	Pattern
X	100	1 Hrs 15 Min	(I) Social Studies (Economics) (II) Mathematics (III) Business Awareness (IV) Aptitude	Online	0.25	100	Objective - type (Multiple Choice) questions
XI	100	1 Hrs 15 Min	(I) Business Studies (II) Accountancy (III) Economics (IV) Aptitude	Online	0.25	100	
XII	100	1 Hrs 15 Min	(I) Business Studies (II) Accountancy (III) Economics (IV) Aptitude	Online	0.25	100	

### Date Timings for the aforesaid test :

Date & Timing of the Test	Date: 5 <sup>th</sup> November, 2017 (Sunday)
Class X	11.45 AM to 1.00 PM
Class XI	2.00 PM to 3.15 PM
Class XII	4.15 PM to 5.30 PM

### Prizes for Participants

#### Online Test

- **1<sup>st</sup> Rank holder will be awarded with Rs 1,00,000/-** for Class X, Class XI & Class XII separately, if multiple winners are there, the prize amount will be shared by them. If more than 50 joint rank holders for the same, the awardee will at least awarded with the cash prize of Rs 2,000/-.
- **2<sup>nd</sup> Rank will be awarded with Rs 50,000/-** for Class X, Class XI & Class XII separately, if multiple winners are there, the prize amount will be shared by them. If several joint rank holders for the same are there, the awardee will at least awarded with the cash prize of Rs 1,500/-.
- **3<sup>rd</sup> Rank will be awarded with Rs 25,000/-** for Class X, Class XI & Class XII separately, if multiple winners are there, the prize amount will be shared by them. If several joint rank holders for the same are there, the awardee will at least awarded with the cash prize of Rs 1,000/-.
- Top 250 consolation prizes will be awarded worth Rs500/- for Class X, Class XI & Class XII separately
- Appreciation certificate to the candidates who have secured 50% marks in the aforesaid online test.
- Participation Certificate will be given to each participant appeared for the aforesaid online test.

### Other Important Dates:

**Award Ceremony:** Award Ceremony will be held at Delhi NCR/Mumbai tentatively in the month of November/December, 2017

**ICAI/Test Management Committee reserves the right to change in any of the modalities cited above.**

#### Deputy Convener

Career Counseling sub-group under BOS, ICAI

#### Convener

Career Counseling sub-group under BOS, ICAI

For any Query please contact :

Secretary, Career Counselling sub-group under BOS, The Institute of Chartered Accountants of India

ICAI Bhawan, A-29, Sector 62, Noida (U.P.) - 201309,

Telephone (O): 0120-3876871, 886 Email: [ccc.events@icai.in](mailto:ccc.events@icai.in), [ccc.secretary@icai.in](mailto:ccc.secretary@icai.in)





Teachers' Day programme - Ludhiana



Teachers' Day programme - Noida



Teachers' Day programme – Salem



Teachers' Day programme - Allahabad



Teachers' Day programme- Baroda



Teachers' Day programme- Siliguri



Teachers' Day programme- Raipur



Faculty Development Programme on Advanced ITT in Delhi

## CROSSWORD - OCTOBER 2017

1	2	3	4		5	6	7	8		9	10	11	12	13	
14				15		16					17				
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45				46		47			48		49		50		51
				52					53			54			
55								56							
57														58	

- 25. Eat, often formally
- 28. Draw in a match
- 30. Originally known Cease-fire line
- 32. An index used for analyzing income inequality.
- 34. A key on a computer keyboard which is used to perform various functions, such as executing a command or selecting options on a menu.
- 36. A prefix for new.
- 38. One of the oldest networking protocol for clock synchronization between computer systems over packet-switched, variable-latency data networks.
- 39. Makes a mistake.
- 40. -----Unto others as you would have them ----- (same word) unto you.
- 41. Raised a Question.
- 44. Tenth least populated district of India.
- 47. Roman fifty three.
- 48. A market condition in which security prices fall consistently.
- 49. A large body of a matter which has no shape.
- 51. -----based theory of motivation given by Maslow which explains how employees are motivated.
- 53. An indefinite & very long period of time.

### ACROSS

- 1. New thought concept.
- 5. Table land.
- 9. Bet.
- 14. As per SQC-1 "An appropriate time limit within which to complete the assembly of the final audit file is ordinarily not more than \_\_\_\_ days after the date of the auditor's report".
- 16. Make Sure.
- 17. Learning method.
- 18. Repeat.
- 20. Highest court in the Country.
- 21. Expert.
- 23. Unspoken
- 24. A feature of a computer that allows a user to cancel or reverse the last command executed.
- 26. Run away.
- 27. -----hairs; means make petty objections.
- 29. -----the cows come home means for a very long time.
- 31. Roman numeral for 49.
- 33. Latin clarifier.
- 35. Time of day when the sun is in its zenith
- 37. The auditor's \_\_\_\_\_ safeguards the auditor's ability to form an audit opinion without being affected by any influences.
- 41. Beforehand
- 42. \_\_\_\_ Sir, with love : autobiography of E.R. Braithwale
- 43. A poem of praise.
- 45. A small financial tool that helps one to create wealth by investing small amount of money.
- 46. Annoy.
- 50. Accommodation for travellers.
- 52. An evening Party.
- 54. An Angle that measures less than 90 degrees.
- 55. Jealousy.
- 56. These are used for rowing.

- 57. Audit risk is a function of the risks of material misstatement and \_\_\_\_\_.
- 58. -----is used to label years after the birth of Jesus Christ.

### DOWN:

- 1. An important topic or problem for debate or discussion
- 2. A Roman numeral for 501.
- 3. Goes out.
- 4. ----- of once voice: very loud.
- 6. The name of an agency of US whose mission is to protect human & environmental health.
- 7. A new tax payer service module Aaykar -----, launched on 10.7.2017, is an effort by the Income-tax Department to directly communicate with the taxpayers, on a range of multiple informative and useful tax services aimed at providing tax information at their fingertips.
- 8. The provision of section 269 ST shall not apply to, inter alia receipt from an \_\_\_\_ by an issue of pre-paid payment instruments, in accordance with the authorization issued by RBI under the payment and settlement systems Act, 2007
- 10. A part of the circumference of a circle.
- 11. Opposite of come.
- 12. Latin word which means 'and others'.
- 13. The scope of reporting in serial no. 31 in Form 3CD in the context of section 269T, relating to repayment of loan or deposit or specified advance, has been increased to also require reporting by the ----- of such loan or deposit or specified advance which has been repaid.
- 15. Shout in a loud sharp way.
- 19. A family based behavioral treatment to address autism.
- 20. A farewell remark.
- 22. A type of fish.

