

# Applicability of the Institute's Pronouncements, Publications for CA Final Examination May, 2012

## Paper 1: Financial Reporting

### A. Pronouncements

#### I. Statements and Standards

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

#### II. Guidance Notes on Accounting Aspects

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

## **B. Publications**

**Revision Test Paper (RTP) for May, 2012 examination-** Official Announcements and Notifications (in relation to syllabus) issued till 31<sup>st</sup> October, 2011 (not given in the study material of January, 2011) will be given in the Revision Test Paper (RTP) for May, 2012 examination.

### **Notes:**

1. Students are expected to have thorough knowledge of the Accounting Standards (AS 1 to AS 29) and Guidance Notes on various aspects issued by ICAI.
2. As far as AS 30, 31 and 32 are concerned, in view of the complexities involved, the questions involving conceptual issues (not involving application issues) may be asked. Since a separate topic of 'Financial Instruments' is included in the curriculum, simple practical problems based on AS 30, 31 and 32 may be asked.
3. The Accounting Standard Interpretations (ASI) have been issued from time to time by the Council of the ICAI. These interpretations address questions that arise in course of application of a particular Accounting Standard. ASI 2 and ASI 11 have been withdrawn. ASI 12, 23, 27 and 29 have been withdrawn and issued as Guidance Notes. The remaining interpretations have been merged as explanations to the relevant paragraphs of the related Accounting Standards.

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

### **Non-Applicability of Ind ASs**

4. The Core Group was constituted by the Ministry of Corporate Affairs (MCA) for convergence of Indian Accounting Standards with International Financial Reporting Standards (IFRS). This Core Group decided that there will be two separate sets of Accounting Standards viz.
  - (i) Indian Accounting Standards converged with the IFRS (Known as Ind AS)

The MCA has issued 35 converged Indian Accounting Standards (Ind AS) without announcing the applicability date. These are the standards which are being converged by eliminating the differences of the existing Indian Accounting Standards vis-à-vis IFRS.
  - (ii) Existing Accounting Standards

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

*Students may note that Ind ASs are not applicable for the students appearing in May,*

*2012 Examination. However existing Accounting Standards are applicable for the students appearing in May, 2012 Examination*

### Paper 3 : Advanced Auditing and Professional Ethics

#### I. Statements

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

#### II. Quality Control and Engagement Standards

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

15	SA 402	Audit Considerations Relating to an Entity Using a Service Organization	April 1, 2010
16	SA 450	Evaluation of Misstatements Identified during the Audits	April 1, 2010
17	SA 500	Audit Evidence	April 1, 2009
18	SA 501	Audit Evidence - Specific Considerations for Selected Items	April 1, 2010
19	SA 505	External Confirmations	April 1, 2010
20	SA 510	Initial Audit Engagements-Opening Balances	April 1, 2010
21	SA 520	Analytical Procedures	April 1, 2010
22	SA 530	Audit Sampling	April 1, 2009
23	SA 540	Auditing Accounting Estimates, Including Fair Value Accounting Estimates, and Related Disclosures	April 1, 2009
24	SA 550	Related Parties	April 1, 2010
25	SA 560	Subsequent Events	April 1, 2009
26	SA 570	Going Concern	April 1, 2009
27	SA 580	Written Representations	April 1, 2009
28	SA 600	Using the Work of Another Auditor	April 1, 2002
29	SA 610	Using the Work of Internal Auditors	April 1, 2010
30	SA 620	Using the Work of an Auditor's Expert	April 1, 2010
31	SA 700	Forming an Opinion and Reporting on Financial Statements	April 1, 2011
32	SA 705	Modifications to the Opinion in the Independent Auditor's Report	April 1, 2011
33	SA 706	Emphasis of Matter Paragraphs and Other Matter Paragraphs in the Independent Auditor's Report	April 1, 2011
34	SA 710	Comparative Information - Corresponding Figures and Comparative Financial Statements	April 1, 2011
35	SA 720	The Auditor's Responsibility in Relation to Other Information in Documents Containing Audited Financial Statements	April 1, 2010
36	SA 800	Special Considerations-Audits of Financial Statements Prepared in Accordance with Special Purpose Framework	April 1, 2011
37	SA 805	Special Considerations-Audits of Single Purpose Financial Statements and Specific Elements, Accounts or Items of a Financial Statement	April 1, 2011
38	SA 810	Engagements to Report on Summary Financial Statements	April 1, 2011

39	SRE 2400	Engagements to Review Financial Statements	April 1, 2010
40	SRE 2410	Review of Interim Financial Information Performed by the Independent Auditor of the Entity	April 1, 2010
41	SAE 3400	The Examination of Prospective Financial Information	April 1, 2007
42	SAE 3402	Assurance Reports on Controls At a Service Organisation	April 1, 2011
43	SRS 4400	Engagements to Perform Agreed Upon Procedures Regarding Financial Information	April 1, 2004
44	SRS 4410	Engagements to Compile Financial Information	April 1, 2004

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

### **III. Guidance Notes/Study Guide/Monograph**

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

19. Guidance Note on Auditing of Accounts of Liquidators.
  20. Guidance Note on Section 293A of the Companies Act and the Auditor.
  21. Guidance Note on Audit of Consolidated Financial Statements.
- \* Guidance Note on Audit under section 44AB of the Income-tax Act, 1961 (2005 edition) alongwith the supplementary guidance note (excluding the portion relating to Fringe Benefit Tax Provisions) published in September, 2006.

### Paper 4 : Corporate and Allied Laws

**Applicability of relevant Amendments / Circulars / Notifications / Regulations etc. for May 2012, Examination:**

**1. The Companies Act, 1956**

Amendment	Content	Links For Reference
Amendment in Companies (Particulars of Employees) Rules, 1975	The Ministry of Corporate Affairs (MCA) vide Notification No. G.S.R. 289(E) dated 31 <sup>st</sup> March, 2011 has made Companies (Particulars of Employees) Amendment Rules, 2011 by amending Companies (Particulars of Employees) Rules, 1975.	<a href="http://www.mca.gov.in/Ministry/notification/pdf/G.S.R.289%28E%29_31mar2011.pdf">http://www.mca.gov.in/Ministry/notification/pdf/G.S.R.289%28E%29_31mar2011.pdf</a>
Marking a company as having management dispute by Registrar of Companies under MCA-21 system.	The MCA vide General Circular No. 19/2011 dated 2 <sup>nd</sup> May, 2011 has clarified that the Registrar of Companies (Roc) shall use the facility to mark a company 'marked as having management dispute' on the basis of complaints received in his office according to the prescribed conditions.	<a href="http://www.mca.gov.in/Ministry/pdf/Circular_19-2011_02may2011.pdf">http://www.mca.gov.in/Ministry/pdf/Circular_19-2011_02may2011.pdf</a>
Form 32 under Straight Through Process (STP) mode	MCA vide General Circular No. 20/2011 dated 2 <sup>nd</sup> May, 2011 has decided that the Form 32 will also be taken on records under Straight Through Process (STP) mode i.e., the information given in the e-form 32 is being taken on file maintained by the RoC through electronic mode on the basis of statement of correctness given by the filing company and further verification by the practicing professional.	<a href="http://www.mca.gov.in/Ministry/pdf/Circular_20-2011_02may2011.pdf">http://www.mca.gov.in/Ministry/pdf/Circular_20-2011_02may2011.pdf</a>
Filing of Balance Sheet and Profit and Loss Account	The MCA vide General Circular No. 09/2011 dated 31 <sup>st</sup> March, 2011, General Circular No. 25/2011 dated 12 <sup>th</sup> May, 2011, General Circular No. 37/2011 dated 7 <sup>th</sup> June, 2011, General Circular No. 43/2011 dated 7 <sup>th</sup> July, 2011 and General Circular No. 57/2011 dated 28 <sup>th</sup> July,	<a href="http://www.mca.gov.in/Ministry/notification/pdf/notification_XBRL_rules.pdf">http://www.mca.gov.in/Ministry/notification/pdf/notification_XBRL_rules.pdf</a>

	2011 has mandated certain class of companies to file Balance Sheets and Profit and Loss Account alongwith Director's and Auditor's Report for the year 2010-11 onwards by using XBRL taxonomy.	
Loan to Public Limited Companies under Section 295	MCA vide General circular No. 24/2011 dated 12 <sup>th</sup> May, 2011 has requested the companies to note that when the beneficiary of the loan /guarantee /security is a Public Limited Company, approval of Central Government should only be sought if the provisions of sub-section (d) or (e) of Section 295 of the Companies Act, 1956 are attracted.	<a href="http://www.mca.gov.in/Ministry/pdf/Circular_24-2011_12may2011.pdf">http://www.mca.gov.in/Ministry/pdf/Circular_24-2011_12may2011.pdf</a>
Participate by directors in board meetings	The MCA vide General Circular No. 28/2011 dated 20 <sup>th</sup> May, 2011 has clarified that directors may participate in meetings of Board/ Committee of directors under the Companies Act, 1956 through electronic mode.	<a href="http://www.mca.gov.in/Ministry/pdf/Circular_28-2011_20may2011.pdf">http://www.mca.gov.in/Ministry/pdf/Circular_28-2011_20may2011.pdf</a>
LLP as a Body Corporate	MCA vide Notification No. S.O. 1152(E) dated 23 <sup>rd</sup> May, 2011 has clarified that LLP of Chartered Accountants will not be treated as Body corporate for the limited purpose of section 226 (3)(a) of the Companies Act, 1956.	<a href="http://www.mca.gov.in/Ministry/pdf/Circular_30A-2011_26may2011.pdf">http://www.mca.gov.in/Ministry/pdf/Circular_30A-2011_26may2011.pdf</a>
Schedule XIII (Section 198)	The MCA vide Notification No. G.S.R. 396(E) dated 23 <sup>rd</sup> May, 2011 has made further amendments in Schedule XIII by providing that approval of the Central Government is not required for a subsidiary of a listed company provided the prescribed conditions are fulfilled.	<a href="http://www.mca.gov.in/Ministry/notification/pdf/G.S.R.396%28E%29_23may2011.pdf">http://www.mca.gov.in/Ministry/notification/pdf/G.S.R.396%28E%29_23may2011.pdf</a>
Depreciation for the purpose of declaration of Dividend under Section 205 in case of companies referred to in Section 616 (C)	MCA vide General Circular No. 31/2011 dated 31 <sup>st</sup> May, 2011 has clarified that companies referred to in Section 616(c) can distribute dividend out of profit arrived at after providing for depreciation following the rates as well as methodology notified by Central Electricity Regulatory Commission (CERC) and same shall be sufficient compliance of section 205 of the Companies Act, 1956.	<a href="http://www.mca.gov.in/Ministry/pdf/Circular_31-2011_31may2011.pdf">http://www.mca.gov.in/Ministry/pdf/Circular_31-2011_31may2011.pdf</a>
Fast Track Exit mode u/s 560	In order to give an opportunity for fast track exit by a defunct company, for getting its name struck off from the RoC, the MCA vide General Circular No. 36/2011 dated 7 <sup>th</sup> June, 2011 has decided to modify the existing route through e-form – 61 and has prescribed the new	<a href="http://www.mca.gov.in/Ministry/pdf/Circular_36-2011_07jun2011.pdf">http://www.mca.gov.in/Ministry/pdf/Circular_36-2011_07jun2011.pdf</a>

	Guidelines for "Fast Track Exit mode" .	
Companies (Central Government's) General Rules and Forms (Amendment) Rules, 2011	The MCA vide Notification No. 514(E) dated 7 <sup>th</sup> July, 2011 has made Companies (Central Government's) General Rules and Forms (Amendment) Rules, 2011 by amending Companies (Central Government's) General Rules and Forms, 1956.	<a href="http://www.mca.gov.in/Ministry/notification/pdf/GSR_514%28E%29_07july2011.pdf">http://www.mca.gov.in/Ministry/notification/pdf/GSR_514%28E%29_07july2011.pdf</a>
Schedule XIII	The MCA vide General Circular No. 46/2011 dated 14 <sup>th</sup> July, 2011 has amended Schedule XIII to the Companies Act, 1956. Pursuant to this amendment, no approval of Central Government will be required by the listed companies and their subsidiary companies, which are not having profits or having inadequate profits for payment of remunerations exceeding Rs. 4 lakh p.m., if the managerial person fulfills prescribed conditions.	<a href="http://www.mca.gov.in/Ministry/pdf/Circular_46-2011_14july2011.pdf">http://www.mca.gov.in/Ministry/pdf/Circular_46-2011_14july2011.pdf</a>
Simplified procedure u/s 297	The MCA vide General Circular No. 52/2011 dated 25 <sup>th</sup> July, 2011 has decided to simplify the procedures and to give online approval of Central Government under section 297 of the Act, if the proposed contract has been approved by the shareholders by way of special resolutions in a general meeting.	<a href="http://www.mca.gov.in/Ministry/pdf/Circular_52-2011_25july2011.pdf">http://www.mca.gov.in/Ministry/pdf/Circular_52-2011_25july2011.pdf</a>
Guidelines for RDs/ROCs in the matter of scheme of arrangement/amalgamation under section 391-394	The MCA vide General Circular No. 53/2011 dated 26 <sup>th</sup> July, 2011 has issued guidelines for the Regional Director / Registrar of Companies in order to streamline the procedure in the matter of scheme of arrangement/ amalgamation under section 391-394 of the Companies Act, 1956. These guidelines supersede all previous guidelines on the matter.	<a href="http://www.mca.gov.in/Ministry/pdf/Circular_53-2011_26july2011.pdf">http://www.mca.gov.in/Ministry/pdf/Circular_53-2011_26july2011.pdf</a>
Amendments in Companies (Central Government's) General Rules and Forms, 1956	MCA vide Notification No. <a href="#">G.S.R. 259(E)</a> dated 26 <sup>th</sup> March, 2011, Notification No. <a href="#">G.S.R. 351(E)</a> dated 29 <sup>th</sup> April, 2011, Notification No. <a href="#">G.S.R.407(E)</a> dated 26 <sup>th</sup> May, 2011, Notification No. <a href="#">G.S.R.408(E)</a> dated 26 <sup>th</sup> May, 2011, Notification No. <a href="#">G.S.R. 533(E)</a> dated 14 <sup>th</sup> July, 2011, Notification No. G.S.R. (E) dated 14 <sup>th</sup> July, 2011, Notification No. G.S.R. 618(E) dated 11 <sup>th</sup> August, 2011, Notification No. G.S.R. (E) dated 23 <sup>rd</sup> September,	<a href="http://www.mca.gov.in/Ministry/notification/pdf/notification_23AC_23ACA_XBRL.pdf">http://www.mca.gov.in/Ministry/notification/pdf/notification_23AC_23ACA_XBRL.pdf</a>



	2011 and Notification No. G.S.R. (E) dated 5 <sup>th</sup> October, 2011 has amended Companies (Central Government's) General Rules and Forms, 1956.	
DIN	Allotment of Director Identification Number (DIN) under Companies Act, 1956 vide General Circular No. 5/2011 dated 4 <sup>th</sup> March, 2011, General Circular No. 11/2011 dated 7 <sup>th</sup> April, 2011, General Circular No. 32/2011 dated 31 <sup>st</sup> May, 2011, General Circular No. 44/2011 dated 8 <sup>th</sup> July, 2011 and General Circular No. 66/2011 dated 4 <sup>th</sup> October, 2011 issued by MCA	<a href="http://www.mca.gov.in/Ministry/pdf/Circular66-2011_04oct2011.pdf">http://www.mca.gov.in/Ministry/pdf/Circular66-2011_04oct2011.pdf</a>
Compliance of Provision of the Companies Act, 1956 and Rules made there under	MCA vide General Circular No. 33/2011 dated 1 <sup>st</sup> June, 2011, General Circular No. 38/2011 dated 20 <sup>th</sup> June, 2011 and General Circular No. 63/2011 dated 6 <sup>th</sup> September, 2011 has decided no request, whether oral, in writing or through e-forms, for recording any event based information/changes shall be accepted by the RoC from defaulting companies, unless they file their updated Balance Sheet and Profit and Loss Account and Annual Return with the RoC	<a href="http://www.mca.gov.in/Ministry/pdf/Circular33-2011_01jun2011.pdf">http://www.mca.gov.in/Ministry/pdf/Circular33-2011_01jun2011.pdf</a>

## 2. The SEBI Act, 1992:

SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2009	SEBI vide Notification No. LAD-NRO/GN/2011-12/25/30309 dated 23 <sup>rd</sup> September, 2011 has issued SEBI (Issue of Capital and Disclosure Requirements) (Second Amendment) Regulations, 2011 by amending SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2009.	<a href="http://www.sebi.gov.in/cms/sebi_data/attach_docs/1316774298578.pdf">http://www.sebi.gov.in/cms/sebi_data/attach_docs/1316774298578.pdf</a>
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## 3. The Competition Act, 2002

Section 20	The MCA vide Notification No. S.O. 480(E) dated 4 <sup>th</sup> March, 2011 enhance on the basis of the wholesale price index, the value of assets and the value of turnover, by fifty percent for the purposes of Section 5 of the Competition Act, 2002.	<a href="http://www.cci.gov.in/images/media/notifications/SO479%28E%29,480%28E%29,481%28E%29,482%28E%29240611.pdf">http://www.cci.gov.in/images/media/notifications/SO479%28E%29,480%28E%29,481%28E%29,482%28E%29240611.pdf</a>
Exemption granted to group	The MCA vide Notification No. S.O. 481(E) dated 4 <sup>th</sup> March, 2011 in exercise of the powers conferred by clause (a) of Section 54 of the Competition Act, 2002, exempts, in the public interest, the 'Group' exercising less than fifty	<a href="http://www.cci.gov.in/images/media/notifications/SO479%28E%29,480%28E%29,481%28E%29,482%28E%29240611.pdf">http://www.cci.gov.in/images/media/notifications/SO479%28E%29,480%28E%29,481%28E%29,482%28E%29240611.pdf</a>

	percent of voting rights in other enterprise from the provisions of Section 5 of the said Act for a period of five years.	
Exemption granted to enterprise	The MCA vide Notification No. S.O. 482(E) dated 4 <sup>th</sup> March, 2011 in exercise of the powers conferred by clause (a) of Section 54 of the Competition Act, 2002, exempts, in the public interest, an enterprise, whose control, shares, voting rights or assets are being acquired has either assets of the value of not more than Rs. 250 crores in India or turnover of not more than Rs. 750 crores in India from the provisions of Section 5 of the said Act for a period of five years.	<a href="http://www.cci.gov.in/images/media/notifications/SO479%28E%29,480%28E%29,481%28E%29,482%28E%29240611.pdf">http://www.cci.gov.in/images/media/notifications/SO479%28E%29,480%28E%29,481%28E%29,482%28E%29240611.pdf</a>

**Non-Applicability of the following Amendments / Circulars / Notifications:**

S. No.	Subject Matter	CA Final – Corporate and Allied Laws	Website for reference
1.	The Companies Bill, 2009	Not Applicable	<a href="http://www.mca.gov.in">www.mca.gov.in</a>
2.	Companies (Second Amendment) Act, 2002 [relating to Winding up]	Not Applicable [As Companies (Second Amendment) Act, 2002 has not come into force till date, questions should be asked only from the General Provisions of winding up as covered under Paragraph 9.4 of the study material]	<a href="http://www.mca.gov.in">www.mca.gov.in</a>
3.	Provisions relating to Revival and Rehabilitation of Sick-Industrial Companies	Not Applicable	<a href="http://www.mca.gov.in">www.mca.gov.in</a>
4.	Schedule VI	Not Applicable The MCA vide Notification No. S.O. 447(E) dated 28th February, 2011 and Notification No. S.O. 653(E) dated 30th	<a href="http://www.mca.gov.in/Ministry/notification/pdf/SO_653%28E%29_30mar2011.pdf">http://www.mca.gov.in/Ministry/notification/pdf/SO_653%28E%29_30mar2011.pdf</a>

		March, 2011 has revised Schedule VI pertaining to the preparation of Balance Sheet and Profit & Loss Account to be prepared for the financial year commencing on or after 1st April, 2011.	
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### Paper 7 : Direct Tax Laws

1. The **Study Material and Practice Manual for Paper 7: Direct Tax Laws (A.Y.2012-13)**, as amended by the **Finance Act, 2011** (relevant for A.Y.2012-13) and significant notifications/circulars/other legislations up to 30.6.2011. The Study Material contains three volumes. Volume III is the Practice Manual.
2. **Final Course - Supplementary Study Paper – 2011**, which explains the amendments made by the Finance Act, 2011 (relevant for A.Y. 2012-13) and significant notifications/circulars issued between 1.5.2010 and 30.6.2011 [Portions relating to Direct Tax Laws].
3. **Revision Test Paper (RTP) for May 2012 examination** - The significant amendments made by circulars/notifications issued between 1.7.2011 and 31.10.2011 and significant recent Supreme Court and High Court rulings would be given in the RTP for May, 2012 examination.

### Paper 8 : Indirect Tax Laws

1. The **Study Material and Practice Manual for Paper 8: Indirect Tax Laws**, as amended by the **Finance Act, 2011** and significant notifications/circulars/other legislations up to 30.6.2011. The Study Material contains three volumes. Volume III is the Practice Manual.
2. **Final Course – Supplementary Study Paper – 2011**, which explains the amendments made by the Finance Act, 2011 and significant amendments made by notifications and circulars issued between 1.5.2010 and 30.6.2011 [Portions relating to Indirect Tax Laws]
3. **Revision Test Paper (RTP) for May 2012 examination** - The significant amendments made by circulars/notifications issued between 1.7.2011 and 31.10.2011 and significant recent Supreme Court and High Court rulings would be given in the RTP for May, 2012 examination.
4. In respect of taxable services covered in the syllabus, students should be examined only in respect of the following taxable services:
  - **Intellectual Property Services**
    1. Franchise services

- 2. Intellectual property services
- **Financial services**
  - 3. Banking & other financial services
  - 4. Credit rating agency's services
  - 5. Stock broking services
- **Transport of goods services**
  - 6. Goods transport agency's services
  - 7. Courier services
  - 8. Mailing list compilation and mailing services
  - 9. Transport of goods by air services
  - 10. Clearing and forwarding agent's services
  - 11. Cargo handling services
  - 12. Custom house agent's services
  - 13. Storage and warehousing services
  - 14. Transport of goods through pipeline or other conduit
  - 15. Transport of goods by rail services
- **Professional Services**
  - 16. Practising Chartered Accountant's services
  - 17. Management or business consultant's services
  - 18. Technical testing and analysis services
  - 19. Market research agency's services
  - 20. Legal consultancy services
  - 21. Public relations services
- **Real estate & infrastructure services**
  - 22. Construction in respect of commercial or industrial buildings or civil structures
  - 23. Construction services in respect of residential complexes
  - 24. Architect's services

- 25. Real estate agent's services
- 26. Site preparation and clearance, excavation, earthmoving and demolition services
- 27. Interior decorator's services
- 28. Renting of immovable property services

- **Business services**

- 29. Business auxiliary services
- 30. Business support services
- 31. Manpower recruitment agent's services
- 32. Management, maintenance or repair services

## Applicability of the Institute's Pronouncements, Publications and other Notifications for CA PCC/IPCC Examination May, 2012

### PCC Paper 1: Advanced Accounting

#### A. Pronouncements

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

#### B. Publications

2. The **study materials of Accounting and Advanced Accounting for IPCC along with practice manuals** (revised edition of July, 2011) will be relevant for PCC students for May, 2012 examination.
3. **Revision Test Paper (RTP) for May, 2012 examination** - Official Announcements and Notifications (in relation to syllabus) issued till 31<sup>st</sup> October, 2011 (not given in the study material) will be given in the Revision Test Paper (RTP) for May, 2012 examination.

#### C. Notifications relevant for May, 2012 examination

4. **Enhancement of Rates of Provisioning for Non-Performing Assets and Restructured Advances** (RBI notification no. RBI 2010-11/529 DBOD.No.BP.BC. 94/21.04.048/2011-12 dated May 18, 2011)

### IPCC Paper 1: Accounting

#### A. Pronouncements

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

#### B. Publications

2. The **study material of Accounting for IPCC along with the practice manual** (revised edition of July, 2011) will be relevant for May, 2012 examination.
3. **Revision Test Paper (RTP) for May, 2012 examination** - Official Announcements and Notifications (in relation to syllabus) issued till 31<sup>st</sup> October, 2011 (not given in the study material) will be given in the Revision Test Paper (RTP) for May, 2012 examination.

## IPCC Paper 5: Advanced Accounting

### A. Pronouncements

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

### B. Publications

2. The study material of Advanced Accounting for IPCC along with the practice manual (revised edition of July, 2011) will be relevant for May, 2012 examination.
3. **Revision Test Paper (RTP) for May, 2012 examination** - Official Announcements and Notifications (in relation to syllabus) issued till 31<sup>st</sup> October, 2011 (not given in the study material) will be given in the Revision Test Paper (RTP) for May, 2012 examination.

### C. Notifications relevant for May, 2012 examination

4. **Enhancement of Rates of Provisioning for Non-Performing Assets and Restructured Advances** (RBI notification no. RBI 2010-11/529 DBOD.No.BP.BC. 94/21.04.048/2011-12 dated May 18, 2011)

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

#### **Non-Applicability of Ind ASs for May 2012 examination**

The MCA has issued 35 converged Indian Accounting Standards (Ind 'AS') without announcing the applicability date. These are the standards which are being converged by eliminating the differences of the Indian Accounting Standards vis-à-vis IFRS. These standards shall be applied for all companies falling under Phase I to Phase III as prescribed under the roadmap issued by the core group. **These Ind ASs are not applicable for the students appearing in May, 2012 Examination.**

## PCC Paper 2 & IPCC Paper 6: Auditing and Assurance

### I. Statements

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

### II. Standards on Auditing (SAs)

S.No	SA	Title of Standard on Auditing	Effective Date
1	SA 200	Overall Objectives of the Independent Auditor and the Conduct of an Audit in Accordance with Standards on Auditing	April 1, 2010
2	SA 210	Agreeing the Terms of Audit Engagements	April 1, 2010

3	SA 220	Quality Control for an Audit of Financial Statements	April 1, 2010
4	SA 230	Audit Documentation	April 1, 2009
5	SA 240	The Auditor's responsibilities Relating to Fraud in an Audit of Financial Statements	April 1, 2009
6	SA 250	Consideration of Laws and Regulations in An Audit of Financial Statements	April 1, 2009
7	SA 260	Communication with Those Charged with Governance	April 1, 2009
8	SA 265	Communicating Deficiencies in Internal Control to Those Charged with Governance and Management	April 1, 2010
9	SA 299	Responsibility of Joint Auditors	April 1, 1996
10	SA 300	Planning an Audit of Financial Statements	April 1, 2008
11	SA 315	Identifying and Assessing the Risks of Material Misstatement through Understanding the Entity and its Environment	April 1, 2008
12	SA 320	Materiality in Planning and Performing an Audit	April 1, 2010
13	SA 330	The Auditor's Responses to Assessed Risks	April 1, 2008
14	SA 402	Audit Considerations Relating to an Entity Using a Service Organization	April 1, 2010
15	SA 450	Evaluation of Misstatements Identified during the Audits	April 1, 2010
16	SA 500	Audit Evidence	April 1, 2009
17	SA 501	Audit Evidence - Specific Considerations for Selected Items	April 1, 2010
18	SA 505	External Confirmations	April 1, 2010
19	SA 510	Initial Audit Engagements-Opening Balances	April 1, 2010
20	SA 520	Analytical Procedures	April 1, 2010
21	SA 530	Audit Sampling	April 1, 2009
22	SA 540	Auditing Accounting Estimates, Including Fair Value Accounting Estimates, and Related Disclosures	April 1, 2009
23	SA 550	Related Parties	April 1, 2010
24	SA 560	Subsequent Events	April 1, 2009
25	SA 570	Going Concern	April 1, 2009
26	SA 580	Written Representations	April 1, 2009
27	SA 600	Using the Work of Another Auditor	April 1, 2002



28	SA 610	Using the Work of Internal Auditors	April 1, 2010
29	SA 620	Using the Work of an Auditor's Expert	April 1, 2010
30	SA 700	Forming an Opinion and Reporting on Financial Statements	April 1, 2011
31	SA 705	Modifications to the Opinion in the Independent Auditor's Report	April 1, 2011
32	SA 706	Emphasis of Matter Paragraphs and Other Matter Paragraphs in the Independent Auditor's Report	April 1, 2011
33	SA 710	Comparative Information – Corresponding Figures and Comparative Financial Statements	April 1, 2011
34	SA 720	The Auditor's Responsibility in Relation to Other Information in Documents Containing Audited Financial Statements	April 1, 2010

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

### III. Guidance Notes /Study Guide / Monograph

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

**PCC Paper 3: Laws, Ethics and Communication**  
**IPCC Paper 2: Business Laws, Ethics and communication**

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

1. The Employees' Provident Funds and Miscellaneous Provisions Act, 1952

Amendment	Content	Links for Reference
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Reconstitution of Executive Committee u/s 5AA	The Ministry of Labour and Employment vide Notification No. S.O. 1045(E) dated 13 <sup>th</sup> May, 2011 reconstitutes the Executive Committee constituted under the said Act.	<a href="http://labour.nic.in/ss/Notificaiton/ListCBT.pdf">http://labour.nic.in/ss/Notificaiton/ListCBT.pdf</a>
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## 2. The Companies Act, 1956

Electronic platform for electronic voting	The Ministry of Corporate Affairs (MCA) vide General Circular No. 21/2011 dated 2 <sup>nd</sup> May, 2011 has clarified that for voting by electronic mode for postal ballot u/s 192A, National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd. (CDSL) are being approved by the MCA.	<a href="http://www.mca.gov.in/Ministry/pdf/Circular_21-2011_02may2011.pdf">http://www.mca.gov.in/Ministry/pdf/Circular_21-2011_02may2011.pdf</a>
Participation by shareholders in general meetings	The MCA vide General Circular No. 27/2011 dated 20 <sup>th</sup> May, 2011 has clarified that a shareholder of the company may participate in a general meeting under the provisions of the Companies Act, 1956 through electronic mode.	<a href="http://www.mca.gov.in/Ministry/pdf/Circular_27-2011_20may2011.pdf">http://www.mca.gov.in/Ministry/pdf/Circular_27-2011_20may2011.pdf</a>
Issue of Certificate by Digital Signature	The MCA vide General Circular No. 29/2011 dated 20 <sup>th</sup> May, 2011 has decided that all certificates and standard letters issued by the Registrar of Companies (RoC) will now be issued electronically under the Digital Signature of the RoC.	<a href="http://www.mca.gov.in/Ministry/pdf/Circular_29-2011_20may2011.pdf">http://www.mca.gov.in/Ministry/pdf/Circular_29-2011_20may2011.pdf</a>
Section 108A to 108I	The MCA vide General Circular No. 30/2011 dated 23 <sup>rd</sup> May, 2011 has clarified that the provisions of Section 108A to 108I have become redundant after the repeal of the MRTP Act, 1969, and will have no legal force.	<a href="http://www.mca.gov.in/Ministry/pdf/Circular_30-2011_23may2011.pdf">http://www.mca.gov.in/Ministry/pdf/Circular_30-2011_23may2011.pdf</a>
Declaration of Financial Institutions as Public Financial Institutions (PFI) u/s 4A	The MCA vide General Circular No. 34/2011 dated 2 <sup>nd</sup> June, 2011 has framed a criteria for declaring any financial institution as PFI u/s 4A of the Companies Act, 1956.	<a href="http://www.mca.gov.in/Ministry/pdf/Circular_34-2011_02jun2011.pdf">http://www.mca.gov.in/Ministry/pdf/Circular_34-2011_02jun2011.pdf</a>
Name Availability Guidelines, 2011	The MCA vide General Circular No. 45/2011 dated 8 <sup>th</sup> July has issued Name Availability Guidelines, 2011.	<a href="http://www.mca.gov.in/Ministry/pdf/Circular_45-2011_08july2011.pdf">http://www.mca.gov.in/Ministry/pdf/Circular_45-2011_08july2011.pdf</a>
Online incorporation of	The MCA vide General Circular No. 49/2011 dated 23 <sup>rd</sup> July, 2011 has simplified the procedures for online	<a href="http://www.mca.gov.in/Ministry/pdf/Circular">http://www.mca.gov.in/Ministry/pdf/Circular</a>

companies within 24 hours	approval of applications forms for incorporation of companies.	<a href="#">49-2011_23july2011.pdf</a>
Shifting of registered office from one state to another state under section 17	The MCA vide General Circular No. 50/2011 dated 25 <sup>th</sup> July, 2011 has decided to reduce the cost and the time to get confirmation of shifting of registered office from one state to another state under section 17 of the said Act and alteration to Memorandum of Association.	<a href="http://www.mca.gov.in/Ministry/pdf/Circular_50-2011_25july2011.pdf">http://www.mca.gov.in/Ministry/pdf/Circular_50-2011_25july2011.pdf</a>
Condonation under section 141	The MCA vide General Circular No. 51/2011 dated 25 <sup>th</sup> July, 2011 has decided to reduce the cost and the time to get condonation under section 141 of the said Act.	<a href="http://www.mca.gov.in/Ministry/pdf/Circular_51-2011_25july2011.pdf">http://www.mca.gov.in/Ministry/pdf/Circular_51-2011_25july2011.pdf</a>

### PCC Paper 5: Taxation

1. The **Study Material and Practice Manual for IPCC Paper 4: Taxation (based on the law as amended by the Finance Act, 2011)**. The relevant assessment year for Income-tax is **A.Y. 2012-13**. The Study Material (Volume I) and Practice Manual (Volume II) would be based on the law as amended by the Finance Act, 2011 as well as the significant notifications and circulars issued up to 30.4.2011. The Study Material and Practice Manual for IPCC would be relevant for PCC students also, however, with the exception of the following chapters in Part II: Service tax and VAT –  
Unit 2 of Chapter 2 on Taxable Services;  
Chapter 5 on Input Tax Credit and Composition Scheme for Small Dealers; and  
Chapter 6 on VAT Procedures.
2. **Supplementary Study Paper – 2011 for PCC/IPCC**, which explains the amendments made by the Finance Act, 2011 and important notifications/circulars issued between 1.5.2010 and 30.4.2011.
3. **Revision Test Paper (RTP) for May 2012 examination** - The significant amendments made by circulars/notifications issued between 1.5.2011 and 31.10.2011 would be given in the RTP for May, 2012 examination.

### IPCC Paper 4: Taxation

1. The **Study Material and Practice Manual for IPCC Paper 4: Taxation (based on the law as amended by the Finance Act, 2011)**. The relevant assessment year for Income-tax is **A.Y. 2012-13**. The Study Material (Volume I) and Practice Manual (Volume II) would be

based on the law as amended by the Finance Act, 2011 as well as the significant notifications and circulars issued up to 30.4.2011.

2. **Supplementary Study Paper - 2011 for PCC/IPCC**, which explains the amendments made by the Finance Act, 2011 and important notifications/ circulars issued between 1.5.2010 and 30.4.2011.
3. **Revision Test Paper (RTP) for May 2012 examination** - The significant amendments made by circulars/notifications issued between 1.5.2011 and 31.10.2011 would be given in the RTP for May, 2012 examination.
4. In Part II: Service tax and VAT, students should be examined only in respect of the following taxable services:
  1. Practising Chartered Accountant's services
  2. Mandap keeper's services
  3. Commercial training or coaching services
  4. Information technology software services
  5. Consulting engineer's services
  6. Business exhibition services
  7. Scientific and technical consultancy services
  8. Technical testing and analysis services