

**Applicability of Standards/Guidance Notes/Legislative Amendments etc.
for November, 2016 – Final Examination**

Paper 1: Financial Reporting

I. Framework for the Preparation and Presentation of Financial Statements.

II. Accounting Standards

<i>AS No.</i>	<i>AS Title</i>
1	Disclosure of Accounting Policies
2	Valuation of Inventories
3	Cash Flow Statements
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
6	Depreciation Accounting
7	Construction Contracts (Revised 2002)
9	Revenue Recognition
10	Accounting for Fixed Assets
11	The Effects of Changes in Foreign Exchange Rates (Revised 2003)
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 Investment 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

III. Guidance Notes on Accounting Aspects

1. Guidance Note on Accrual Basis of Accounting.
2. Guidance Note on Accounting Treatment for Excise Duty.
3. Guidance Note on Terms Used in Financial Statements.
4. Guidance Note on Availability of Revaluation Reserve for Issue of Bonus Shares.
5. Guidance Note on Accounting Treatment for MODVAT/CENVAT.
6. Guidance Note on Accounting for Corporate Dividend Tax.
7. Guidance Note on Accounting for Employee Share-based Payments.
8. Guidance Note on Accounting for Credit Available in respect of Minimum Alternate Tax under the Income Tax Act, 1961.
9. Guidance Note on Measurement of Income Tax for Interim Financial Reporting in the context of AS 25.
10. Guidance Note on Applicability of AS 25 to Interim Financial Results.
11. Guidance Note on Turnover in case of Contractors.
12. Guidance Note on the Schedule III to the Companies Act, 2013.
13. Guidance Note on Accounting for Expenditure on Corporate Social Responsibility Activities.
14. Guidance Note on Guidance Note on Accounting for Derivative Contracts.

IV. Applicability of the Companies Act, 2013 and other Legislative Amendments

The relevant notified Sections of the Companies Act, 2013 and legislative amendments including relevant Notifications / Circulars / Rules / Guidelines issued by Regulating Authority up to 30th April, 2016 will be applicable for November, 2016 Examination.

V. Applicability of Indian Accounting Standard (Ind AS)

Topic of "Introduction of Indian Accounting Standards (Ind AS); Comparative study of ASs vis-a-vis Ind ASs; Carve outs/ins in Ind ASs vis-à-vis International Financial Reporting Standards (IFRSs)" has been made applicable in place of "Overview of International Accounting Standards (IAS) / International Financial Reporting Standards (IFRS), Interpretations by International Financial Reporting Interpretation Committee (IFRIC), Significant differences vis-a-vis Indian Accounting Standards; Understanding of US GAAPs, Applications of IFRS and US".

Considering the significance and relevance of the Ind AS, the above topic has been included in the syllabus and the students are expected to have an overall knowledge of the contents covered therein. However, considering the extensive coverage of the contents covered in such topic, from the examination perspective, simple problems involving conceptual or application issues may be asked in the examination.

VI. Non-applicability of AS 30, 31 and 32 on the topic 'Accounting and Reporting of Financial Instruments'

Ind AS 32 "Financial Instruments: Presentation", Ind AS 107 "Financial Instruments: Disclosures" and Ind AS 109 "Financial Instruments" have been made applicable to the topic 'Accounting and Reporting of Financial Instruments' instead of AS 30 "Financial Instruments: Recognition and Measurement", AS 31 "Financial Instruments: Presentation" and AS 32 "Financial Instruments: Disclosures".

In view of the complexities involved, simple practical problems involving conceptual issues or application issues may be asked in the examination.

VII. Non-applicability of Amendments made by MCA in the Companies (Accounting Standards) Rules, 2006 and Companies (Indian Accounting Standards) Rules, 2015

Amendments made by MCA on 30.3.2016 in the Companies (Accounting Standards) Rules, 2006 and Companies (Indian Accounting Standards) Rules, 2015 have not been made applicable for November, 2016 examination.

Paper 3: Advanced Auditing and Professional Ethics

I. Statements and Standards

1. Statement on Reporting under Section 227(1A) of the Companies Act, 1956(Section 143 (1) of the Companies Act, 2013).
2. Framework for Assurance Engagements.

II. Engagements and Quality Control Standards on Auditing

S.No	SA	<i>Title of Standard on Auditing</i>
1	SQC 1	Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements
2	SA 200	Overall Objectives of the Independent Auditor and the Conduct of an Audit in Accordance with Standards on Auditing
3	SA 210	Agreeing the Terms of Audit Engagements
4	SA 220	Quality Control for Audit of Financial Statements
5	SA 230	Audit Documentation
6	SA 240	The Auditor's responsibilities Relating to Fraud in an Audit of Financial Statements
7	SA 250	Consideration of Laws and Regulations in An Audit of Financial Statements
8	SA 260	Communication with Those Charged with Governance
9	SA 265	Communicating Deficiencies in Internal Control to Those Charged with Governance and Management
10	SA 299	Responsibility of Joint Auditors
11	SA 300	Planning an Audit of Financial Statements
12	SA 315	Identifying and Assessing the Risks of Material Misstatement through Understanding the Entity and its Environment
13	SA 320	Materiality in Planning and Performing an Audit
14	SA 330	The Auditor's Responses to Assessed Risks
15	SA 402	Audit Considerations Relating to an Entity Using a Service Organization
16	SA 450	Evaluation of Misstatements Identified during the Audits
17	SA 500	Audit Evidence

18	SA 501	Audit Evidence - Specific Considerations for Selected Items
19	SA 505	External Confirmations
20	SA 510	Initial Audit Engagements-Opening Balances
21	SA 520	Analytical Procedures
22	SA 530	Audit Sampling
23	SA 540	Auditing Accounting Estimates, Including Fair Value Accounting Estimates, and Related Disclosures
24	SA 550	Related Parties
25	SA 560	Subsequent Events
26	SA 570	Going Concern
27	SA 580	Written Representations
28	SA 600	Using the Work of Another Auditor
29	SA 610	Using the Work of Internal Auditors
30	SA 620	Using the Work of an Auditor's Expert
31	SA 700	Forming an Opinion and Reporting on Financial Statements
32	SA 705	Modifications to the Opinion in the Independent Auditor's Report
33	SA 706	Emphasis of Matter Paragraphs and Other Matter Paragraphs in the Independent Auditor's Report
34	SA 710	Comparative Information – Corresponding Figures and Comparative Financial Statements
35	SA 720	The Auditor's Responsibility in Relation to Other Information in Documents Containing Audited Financial Statements
36	SA 800	Special Considerations-Audits of Financial Statements Prepared in Accordance with Special Purpose Framework
37	SA 805	Special Considerations-Audits of Single Purpose Financial Statements and Specific Elements, Accounts or Items of a Financial Statement
38	SA 810	Engagements to Report on Summary Financial Statements
39	SRE 2400	Engagements to Review Financial Statements
40	SRE 2410	Review of Interim Financial Information Performed by the Independent Auditor of the Entity
41	SAE 3400	The Examination of Prospective Financial Information
42	SAE 3402	Assurance Reports on Controls At a Service Organisation
43	SRS 4400	Engagements to Perform Agreed Upon Procedures Regarding Financial Information
44	SRS 4410	Engagements to Compile Financial Information

III. Guidance Notes and other publications

1. Code of Ethics
2. Guidance Note on Independence of Auditors.

3. Guidance Note on Audit Reports and Certificates for Special Purposes.
4. Guidance Note on Audit under Section 44AB of the Income-tax Act.
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 Cash and Bank Balances.
9. Guidance Note on Audit of Liabilities.
10. Guidance Note on Audit of Revenue.
11. Guidance Note on Audit of Expenses.
12. Guidance Note on Reporting under section 143 (3) (f) and (h) of the Companies Act, 2013.
13. Guidance Note on Computer Assisted Audit Techniques (CAATs).
14. Guidance Note on Audit of Payment of Dividend.
15. Guidance Note on Audit of Capital and Reserves.

IV Applicability of the Companies Act, 2013:

(i) The relevant notified Sections of the Companies Act, 2013 and other legislative amendments including relevant Notifications / Circulars / Rules / Guidelines issued by Regulating Authorities, cut-off date will be 30th April, 2016.

(ii) Companies (Auditor's Report) Order, 2016 issued by Ministry of Corporate Affairs on 29th March, 2016 is applicable for November, 2016 Examination.

Paper 4 : Corporate and Allied Laws

Applicability of the following Amendments/Circulars/Notifications:

(I) **The Companies Act, 2013:** The relevant sections of the Companies Act, 2013, along with significant Rules/ Notifications/ Circulars/ Clarification/ Orders issued by the Ministry of Corporate Affairs upto 30th April 2016. For updates, see <http://www.mca.gov.in/>

(II) **SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2009**

SNo.	Amendments	Date of Notification	Reference of Link
1	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fifth Amendment) Regulations, 2015 issued by SEBI vide Notification No. SEBI/LAD-NRO/GN/2015-16/012 w.e.f 1 January, 2016	14 th August, 2015	http://www.sebi.gov.in/cms/sebi_data/attachdocs/1439551701999.pdf
2.	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements)(Seventh Amendment) Regulations, 2015 issued by SEBI vide	27 th of October, 2015	http://www.sebi.gov.in/cms/sebi_data/attachdocs/1446100080710.pdf

	Notification No. SEBI/ LAD-NRO/GN/2015-16/025w.e.f 1 December, 2015		
3.	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Second Amendment) Regulations, 2016 issued by SEBI vide Notification No. SEBI/LAD-NRO/GN/2015-16/036 are effective from date of their publication in the Official Gazette.	17th February, 2016	http://www.sebi.gov.in/cms/sebi_data/attachdocs/1455800031396.pdf

(III) Foreign Exchange Management Act, 1999

SNo	Amendment	Notification No. with date	Link
1.	Vide Notification no. RBI/FED/2015-16/3, Reserve Bank of India issues directions to Authorized Persons under Section 11 of the Foreign Exchange Management Act (FEMA), 1999 to lay down the modalities as to how the foreign exchange business has to be conducted by the Authorized Persons with their customers/constituents with a view to implementing the Liberalized Remittance Scheme.	1st January 2016	https://rbi.org.in/Scripts/NotificationUser.aspx?Id=10192&Mode=0
2.	Vide Notification No. FEMA 23(R)/2015-RB, in exercise of the powers conferred by clause (a) of sub-section (1), sub-section (3) of Section 7 and sub-section (2) of Section 47 of the Foreign Exchange Management Act, 1999 (42 of 1999) and in supersession of its Notification No. FEMA.23/2000-RB dated May 3, 2000 as amended from time to time, Reserve Bank of India makes Foreign Exchange Management (Export of Goods & Services) Regulations, 2015 in respect of Export of Goods and Services from India.	12 th January, 2016	https://rbi.org.in/Scripts/NotificationUser.aspx?Id=10256&Mode=0
3.	Vide Notification No. FEMA. 345/2015-RB in exercise of the powers conferred by sub-section (2) of Section 6, sub-section (2) of Section 47 of the Foreign Exchange Management Act, 1999 (42 of 1999), the Reserve Bank of India makes amendments in the Foreign Exchange Management (Permissible Capital Account Transactions) Regulations, 2000 by the issue of the Foreign Exchange	16th November, 2015	https://rbi.org.in/Scripts/NotificationUser.aspx?Id=10129&Mode=0

	Management (Permissible Capital Account Transactions) (Fourth Amendment) Regulations, 2015.		
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(IV) The Competition Act, 2002

S No.	Amendments	Date of Notification	Reference of Link
1	Vide Notification no. S.O. 673(E), in exercise of the powers conferred by clause (a) of section 54 of the Competition Act, 2002 (12 of 2003), the Central Government, in public interest, hereby exempts the 'Group' exercising less than fifty per cent. of voting rights in other enterprise from the provisions of section 5 of the said Act for a period of five years with effect from the date of publication of this notification in the official gazette.	4th March, 2016	http://www.cci.gov.in/sites/default/files/notification/SO%20673%28E%29-674%28E%29-675%28E%29.pdf
2.	Vide Notification no S.O. 674(E), in exercise of the powers conferred by clause (a) of section 54 of the Competition Act, 2002 (12 of 2003), the Central Government, in public interest, hereby exempts an enterprise , whose control, shares, voting rights or assets are being acquired has either assets of the value of not more than rupees three hundred and fifty crores in India or turnover of not more than rupees one thousand crores in India from the provisions of section 5 of the said Act for a period of five years from the date of publication of the notification in the official gazette.	4th March, 2016	http://www.cci.gov.in/sites/default/files/notification/SO%20673%28E%29-674%28E%29-675%28E%29.pdf
3.	Vide Notification no S.O. 675(E), in exercise of the powers conferred by sub-section (3) of Section 20 of the Competition Act, 2002 (12 of 2003), the Central Government in consultation with the Competition Commission of India, hereby enhances, on the basis of the wholesale price index, the value of assets and the value of turnover, by hundred per cent for the purposes of section 5 of the said Act, from the date of publication of this notification in the Official Gazette.	4th March, 2016	http://www.cci.gov.in/sites/default/files/notification/SO%20673%28E%29-674%28E%29-675%28E%29.pdf

Non-Applicability of the following Amendments/Circulars/Notifications / chapters of the Study material

S.No.	Subject Matter
1.	Chapter 9 of the study material (January 2016 edition) covering provisions relating to Revival and Rehabilitation of Sick-Industrial Companies.
2.	Chapter 15 of the study material (January, 2016 edition) covering provisions relating to the National Company Law Tribunal and Appellate Tribunal.

Paper 7 : Direct Tax Laws & Paper 8 : Indirect Tax Laws

Applicability of Finance Act, Assessment Year etc. for November, 2016 Examination

The provisions of direct tax laws (income-tax) and indirect tax laws, as amended by the Finance Act, 2015, including notifications and circulars issued up to 30th April, 2016, are applicable for November, 2016 examination. The relevant assessment year for Paper 7: Direct Tax Laws is A.Y.2016-17.