

**CORRIGENDUM TO SELECT PUBLICATIONS OF INTERMEDIATE (INTEGRATED PROFESSIONAL
COMPETENCE) COURSE**

Paper 4: Taxation

1. **Study Material (Module 2) of Part I: Income-tax of Paper 4: Taxation [October, 2014 Edition relevant for May, 2015 and November 2015 Examinations] – Printed copy**

In Unit 4: Capital Gains of Chapter 4, in illustration 17 in page 4.217, the word “building” in the question should be substituted with “land” at both places where the word appears.

2. **Practice Manual of Part I: Income-tax of Paper 4: Taxation [October, 2014 Edition relevant for May, 2015 and November, 2015 Examinations] – Printed copy**

At page no. 2.16, in the computation of tax payable by Miss Charlie, tax on total income of Rs.2,67,000 would be Rs.1,700 (instead of Rs.6,700), education cess@2% would be Rs.34 (instead of Rs.134) and secondary and higher education cess@3% would be Rs.17 (instead of Rs.67). The total tax payable would be Rs.1,751 (instead of Rs.6,901).

3. **Study Material of Part II: Indirect Taxes of Paper 4: Taxation [October, 2014 Edition relevant for May, 2015 and November, 2015 Examinations] – Printed copy**

(i) In Chapter 1, pg. no. 1.47 under heading 2.13, sub-point (1), the words “**or an importer who issues an invoice on which CENVAT credit can be taken.**” be added at the end of the paragraph after the words “.....or otherwise uses excisable goods”.

(ii) In Chapter 6, pg. no. 24, under sub-heading “**B.In case of insurer carrying on life insurance business [Sub-rule (7A)]**”, the word “on”, wherever it appears in the table, be replaced with ‘at’.

4. **Practice Manual of Part II: Indirect Taxes of Paper 4: Taxation [October, 2014 Edition relevant for May, 2015 and November, 2015 Examinations] – Printed copy**

(i) At page no. 6.10, the table in answer to Q. 17 be substituted with the table given below in point 4(ii).

(ii) At page no. 7.16, in Note no. 2 to Question 25, the words “definition of capital goods excludes office equipment” be substituted with the words “same is not used for providing the construction service.”

5. **Supplementary Study Paper – 2014 of Paper 4: Taxation [October, 2014 Edition relevant for May, 2015 and November, 2015 Examinations] – Printed copy**

(i) In page no.40, the following Note may be added after point (v) of para (c)–

Note - In case of non-corporate non-residents and foreign companies, the benefit of tax@10% (without giving effect to the indexation benefit and conversion of currency) would be available on long-term capital gains arising on transfer of unlisted securities by virtue of the specific provision contained in sub-clause (iii) of section 112(1)(c).

(ii) At page no. 43, in the sentence “Mr. Ram made the following investments out of capital gains arising on sale of residential house”, the words “out of capital gains” be substituted with the words “**out of net consideration**”.

(iii) At page no.48, in the first line of the answer, i.e., “Computation of taxable capital gain of Mr. H for the A.Y.2014-15”, the words “A.Y.2014-15” be substituted with the words “**A.Y.2015-16**”.

(iv) The following be added at page no. 70 after the point relating to e-payment of excise duty:

AMENDMENTS BY NOTIFICATIONS/CIRCULARS ISSUED BETWEEN 01.05.2013 TO 30.04.2014

Importer issuing CENVATable invoices now required to obtain registration

Hitherto, every person, who produces, manufactures, carries on trade, holds private store-room or warehouse or otherwise uses excisable goods, was required to get registration under central excise.

With effect from 01.04.2014, rule 9(1) of the CER has been amended to provide that an importer who issues an invoice on which CENVAT credit can be taken, is also required to obtain such registration. Thus, such importer will have to obtain registration as a 'registered importer' with the central excise authorities to pass on the credit on the imported goods.

[Notification Nos. 8/2014 CE(NT) dated 28.02.2014]

- (v) At page no. 99, the table in answer to the example be substituted with the following table:

Particulars	Rate of interest pa	Interest (₹)
Delay from 07.11.2014 - 06.05.2015	18% for first six months	5,445 [` 60,500 x 18% x 6/12]
Delay from 07.05.2015 - 06.11.2015	24% for next six months	7,260 [` 60,500 x 24% x 6/12]
Delay from 07.11.2015 - 06.01.2016	30% for period beyond one year	3,033 [` 60,500 x 30% x 61/365]
Total Interest		15,738

Intermediate (IPC) Course

Corrigendum to Study Material, Practice Manual (July, 2014 Edition) and Compiler relevant for May, 2015 Examinations] – Printed copy

Group-II: Paper 6-Auditing and Assurance

(A) Study Material – Module I (July, 2014 Edition) :In Chapter 7 on The Company Audit, at Page No. 7.20, Para No. (c) “Right to receive notices and to attend general meeting” should be replaced with-

“Auditor to attend General Meeting: Section 146 of the Companies Act, 2013 discusses right as well as duty of the auditor. According to the section 146:

“all notices of, and other communications relating to, any general meeting shall be forwarded to the auditor of the company, and the auditor shall, unless otherwise exempted by the company, attend either by himself or through his authorised representative, who shall also be qualified to be an auditor, any general meeting and shall have right to be heard at such meeting on any part of the business which concerns him as the auditor.”

Thus, it is right of the auditor to receive notices and other communications relating to any general meeting and to be heard at such meeting, relating to the matter of his concern, however, it is duty of the auditor to attend the same or through his authorised representative unless otherwise exempted.”

(B) Practice Manual (July, 2014 Edition)

1. At Page No. 7.14, Answer to Question No. 12(b), should be read as under:

As per Section 146 of the Companies Act, 2013, it is right of the auditor to receive notices and other communications relating to any general meeting and to be heard at such meeting, relating to the matter of his concern, however, it is duty of the auditor to attend the same or through his authorised representative unless otherwise exempted.

In the instant case, the Board of Directors of a company have filed a complaint with the Institute of Chartered Accountants of India against their statutory auditors for their failing to attend the Annual General Meeting of the Shareholders in which audited accounts were considered. In view of above discussed provisions of section 146, the statutory auditor of the company should attend the general meetings either through himself or through his authorised representative.

2. At Page No. 7.18, in Point No. 1.ofAnswer to Question No. 15(c), section 140(2) of the Companies Act, 2013 should be read as section 140(4) of the Companies Act, 2013.

(C) Compiler :At Page No. 7.28, in Point No. (i) ofAnswer to Question No. 40(c), section 140(2) of the Companies Act, 2013 should be read as section 140(4) of the Companies Act, 2013.