



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 **FINANCIAL REPORTING**



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Revenue growth divisions

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SWACHH BHARAT - A STEP TOWARDS CLEANLINESS

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Dear Students,

Iwould like to convey my heartiest best wishes to all of you appearing in the May 2019 examinations. I sincerely hope that each one of you will perform exceedingly well and bring laurels to your family as well as to the Institute.

I am sure that you must have utilised the learning resources and publications provided by Board of Studies (BOS) of ICAI for preparation and must have taken the mock test papers for self-assessment and attended the counseling sessions to streamline your preparation. This issue includes an E-Capsule on **Financial Reporting**. I urge you to refer to the same for quick revision in the subject.

3 Ps for Exams: Preparation, Priority, Presentation

As you must be already neck deep into studies, busy preparing important concepts, **Revision** is essential for retention. You must therefore allocate some time for revision before you make a fresh start daily. **Pay attention to examples, illustrations and case studies.** Stay positive; meditate daily to improve your concentration and memory. Downsize complex details into sections and parts for quick retention and associate concepts, formulae with visual diagrams for instant and easy retrieval. Planning helps you to better organise and utilise your time to accommodate important tasks, helping you to meet daily targets, and enhancing your productivity.

Preparation for the exam days is equally important. You may also consider to visit the exam centre beforehand to ascertain the transit time. On the day of exam, try to reach the centre at least one hour ahead of the scheduled time of exam. Stay calm and do not over indulge in any last minute study. You must utilise the reading time to set **Priority**, the order in which you would answer questions. Apportion your time prudently according to the weightage and complexity of the question, utilising some time in planning and structuring your answers before you start to pen your answers. **Remember you will be marked on what you write rather than what you know**, which means **Presentation** is most important. You must present your answers articulately to maximise your score. Enumerate the points, incorporating illustrations and examples wherever necessary, to enhance the readability of your answer. After each exam, you must relax for a while to rejuvenate your mind and body to prepare for the subsequent exam.

BOS: For you, with you always...

The Chartered Accountancy course is based on distance education pedagogy. To reach out to the students who are spread in different geographical locations, the BOS has initiated organising periodical webcasts. One of such webcasts was organised on 23rd April wherein large number of students participated. These webcasts also inform you about the various activities of ICAI undertaken for students and enable you to take their benefits, such as conduct of live virtual classes that are being provided by expert faculties at very low fees. Students can attend the classes anywhere, anytime and can even raise queries in live classes. Further details of these classes are available at www.icai.org/boslvc.

Campus Placements

It is a matter of pride for all of us that our esteemed Institute is becoming a popular destination amongst reputed organisations at the national as well as international level who are looking for confident and competent entry-level professionals through campus recruitment in taxation, audit and other financial profiles. You would be pleased to know that in the recently concluded **Campus Placement Programme** organised in **Feb-March** across the country, the highest salary offered for domestic and international postings were ₹ **22.30 Lacs** and ₹ **36 Lacs** per annum respectively. This proves that, there is significant demand for Indian Chartered Accountants in the job market globally and it is constantly growing.

Before I conclude, my advise to you all will be to always stay positive, motivated and focused. Have faith in your capabilities, strengthen your strengths and overcome your shortcomings by consistently working on them. Self-discipline, perseverance and persistence are the master keys to success. Keep treading on the path that you have chosen and never lose sight of your goal. Strive to become a **winner** in life. Remember, Winning is a mindset; a way of life. As the famous motivator, **Shiv Kherra** remarked, "**Winners don't do different things, they do things differently**". **So chart your own success story and unleash the winner within!**

Yours Sincerely,

CA. PRAFULLA P. CHHAJED
PRESIDENT, ICAI

VICE PRESIDENT'S COMMUNICATION ||



My Dear Students,

It is indeed a pleasure for me to address you all once again. The May 2019 examinations are around the corner. Many of you would be gearing up for the examinations at the time when this journal reaches you. At this juncture, I would like to convey my best wishes to those of you who are appearing for the examinations. Nobody knows us better than our own selves. So, no matter what has gone by simply focus on what you are left with right now. Clearly jot down the *done* and yet *to-be-done* list of topics as it's high time to exert firm labour. Just focus on your studies. At the end of the day, it's you who have to appear for the exam and score well as none of your friends will be there to help you out. You can fool others but not yourself so realise your true self and the hidden potential within you, as it's the real key to your success.

With a well-planned strategy, you can easily pass the examinations as they are not as difficult as some students perceive them to be. I am sure that the students who have thoroughly studied all the subjects and have also completed revisions a couple of times will easily pass these examinations. Ideally, by this time, you should have completed the final revision of the syllabus. I would like to advise all of you to follow a systematic and focussed system of study, which can be a last-ditch effort to score good marks. Keep in mind that there is no hard and fast rule for demonstrating good performance in the examinations. There is no replacement for hard work and study.

***"There are no secrets to success. It is the result of preparation, hard work learning from failure."* - Colin Powell**

Try to approach the examination with a positive attitude and this will help you face the examination more confidently. Make sure that you read the instructions

and questions in the question paper thoroughly. You must always attempt the question with which you are most confident, first. Proper presentation of answers in the examination is also very important. Answer all parts of a question at one place one after the other. Make sure your handwriting is neat and legible. Give working notes while working out practical problems. Keep in mind the requirement of the question and the marks it carries while answering a question.

In accounting and auditing papers, quoting the Accounting Standard and Standard on Auditing is desirable. Similarly, in case of law and taxation papers, quoting the section numbers and case laws would add value to your answer. If you are not very sure about the section number or case law, better not to quote. It is prudent not to quote, rather than misquote.

A Mock Test is a practice examination for the students before their actual examination to analyse their potential in the examination hall. These are essential to enable students identify their weak areas, work on their mode of preparation, understand the pattern, and work on their writing speed and the approach towards preparation. They will only prepare one to face the main exam with confidence and enable you to score more. Mock test (Series-I & II) is being conducted twice in a year during March & April for May Examination and during September & October for November Examination. At present, BoS is organising Mock Test Paper (Series-II) for the students of Foundation, Intermediate/IIPC and Final (New & Old) for May 2019 Examination.

If you make a sincere attempt to follow the advice and guidance given above, it will surely lead you to the path of success. Before winding up this jotting, I would once again like to wish you all the best of luck for success in the forthcoming examinations.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Atul K. Gupta'.

CA. ATUL K. GUPTA
VICE PRESIDENT, ICAI, NEW DELHI



Dear Students,

As you read this issue, you will already be in the final stages of your preparation. It is time now to utilise every single moment of your time productively. You must devise a daily **action plan and defined daily target** to conduct an intensive revision exercise to give final shape to your preparation for a successful attempt. Stick to your schedule, try to meet your daily targets and do not let anything deter you from your regimen.

Revise, Revise Again!

Revising and recapitulating the important concepts and topics to register them in your instant memory for quick recall. This is the most critical phase of your preparation as you attempt to recollect points and steps towards solving a particular problem or explaining a procedure, system or analysis. Revision literally means revisiting the subject topic to recollect the important definitions, formulae, vital concepts and links on the macro and micro level to be able to present the same in your answer in a logical progression. It gives you an insight about your ability to retrieve information/data from your latent/instant memory and finally putting it on paper. This exercise reveals whether you are prepared enough to face the examinations. While most of you would require one or two rounds of revision, some of you might require several rounds to be able to perform up to the level expected by the examiner. Therefore, allocating ample time to this exercise is crucial for a positive result. This will gradually strengthen your confidence and inspire you to put in your best efforts. You may refer to the compilation of E-Capsules uploaded as a Flipbook on cloud campus.

Follow a balanced approach

You must have attended the Mock Test paper Series-II and the counseling sessions during the last month. I am sure you must have **fine-tuned** your strategy and accelerated your preparation accordingly. You must have a prudent approach while revising. You might like to devote more time towards revising your strong papers as compared to your weak papers, whereas you must be devoting more time revising your weak papers as they require more effort to yield the same result.

Beat the stress

Since you are only a few weeks away from exams, stress and anxiety are inevitable. Although a little stress is good to keep you disciplined and motivated but undue stress is detrimental

for your performance. It prevents you from focusing your mind and instills fear of failure. Meditate daily to control your mind and thoughts. You will be able to concentrate better for long hours without a break, thus achieving more in less time.

Organise your mind and your workspace

De-clutter your mind and your workspace. Prepare indexes to quickly search and sort important questions and notes; this will prevent unnecessary wastage of time in unproductive activities. Make sure that you have books on your desk only for the subject that you are currently studying to avoid the mess. You can make use of stick-ons, flags to label/jot down important points like formulae, definitions of important terms and enumeration of steps about solving a difficult problem. This would help you to instantly recall the steps, even if you revise it after a few days.

Attract positive energies

Rise early in the morning and spend some time with **Mother Nature**. Be confident and let positive energies from nature and your surrounding environment charge you to channelise your inherent potential towards meeting your target. Take light meals, balanced diet and proper sleep to relax your mind. Remember: *Many small positive factors contribute to bring about a huge positive impact.* Therefore, think positive to stay positive and believe in yourself to attract positive energies.

Time for Reality Check

After you are over with the revision, you should test yourself in real time by attempting a past year question paper in the stipulated time.

You will realise:

1. Whether you are able to recall everything and write coherently.
2. Whether you are able to complete your paper in the stipulated time limit.

You must compare your answers with the suggested answer key, to assess your performance and gain valuable cues about presenting your answers well to secure maximum score.

Swami Vivekananda had said: *"If the mind is intensely eager, everything can be accomplished – mountains can be crumbled into atoms!"*

I am sure with your persistent efforts, strong will and commitment coupled with smart work; you shall certainly come out with flying colours in the upcoming exams.

All the Best!

CA. KEMISHA SONI
CHAIRPERSON, BOARD OF STUDIES, ICAI

FINANCIAL REPORTING

Final new course Paper 1- Financial Reporting: A Capsule for Quick Revision

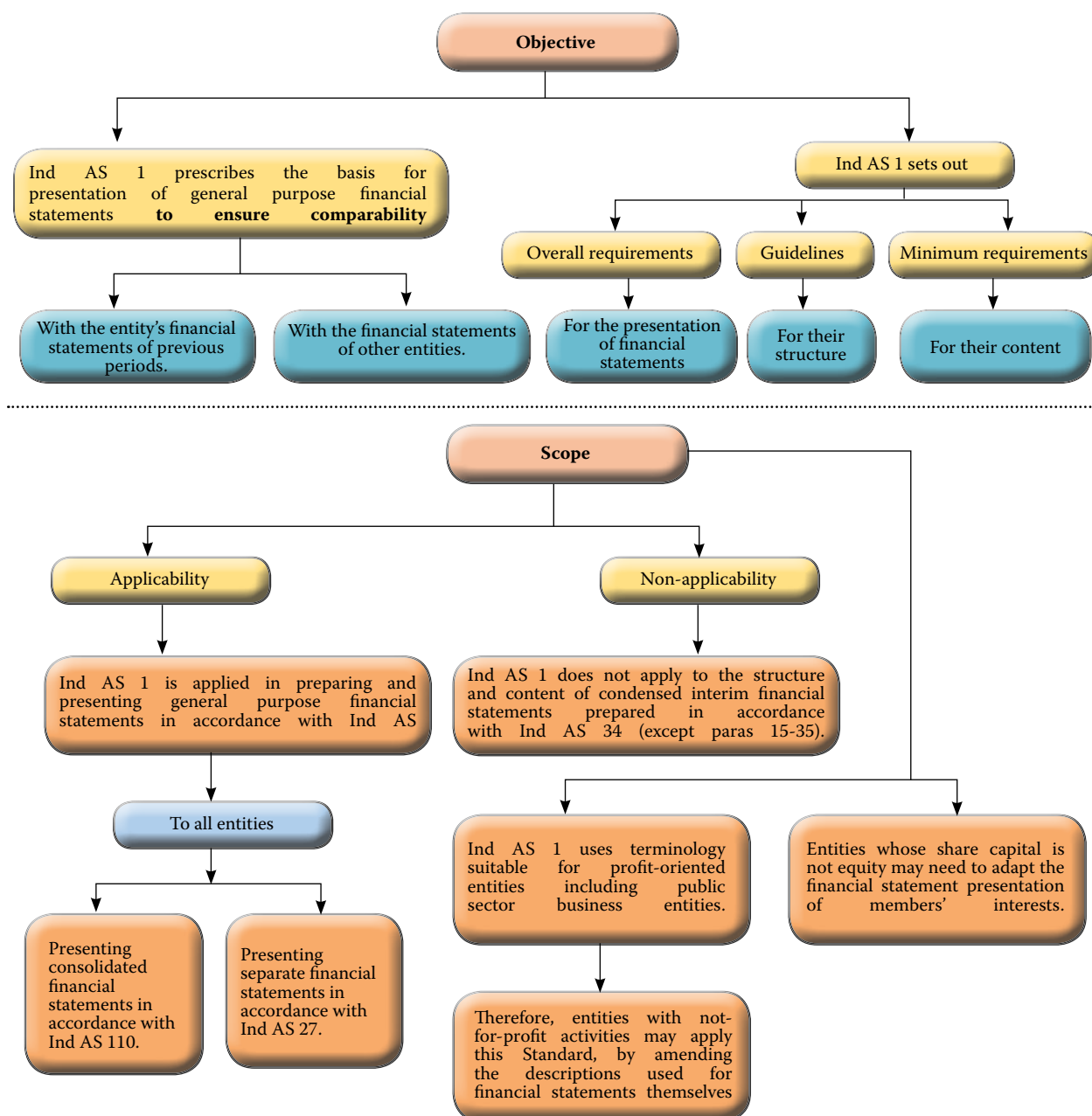
In a pursuit to provide quality academic inputs to the students to help them in grasping the intricate aspects of the subject, the Board of Studies brings forth a crisp and concise capsule on Final new course Paper 1 : Financial Reporting.

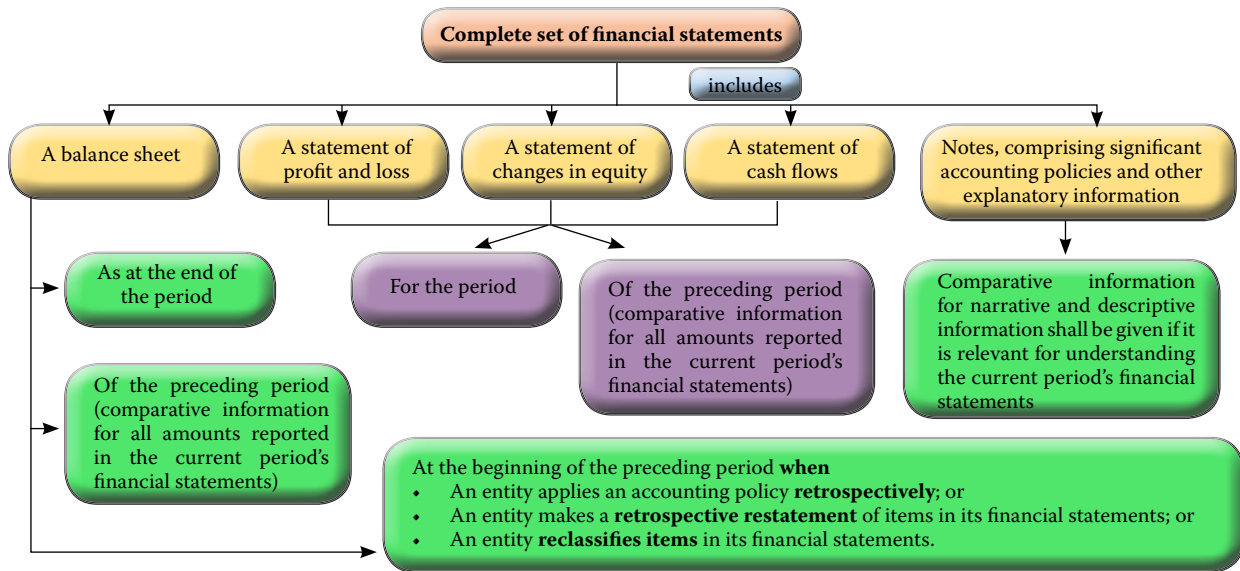
The syllabus of this paper largely covers almost all Indian Accounting Standards. However, in this capsule we have focussed on 'Ind AS covered in Module 2 of November, 2018 edition of the study material except Ind AS 20, Ind AS 113 and Ind AS 101'. Significant provisions of these Ind AS have been presented through pictorial/tabular presentations for better understanding and quick revision.

Many of the standards contain certain exceptions. All the exceptions are not necessarily reflected in the charts/pictorial/table given in the capsule. Hence, students are advised to refer the study material or bare text of these Ind AS for comprehensive study and revision. Under no circumstances, this capsule substitute the detailed study of the material provided by the Board of Studies.

Further, students are advised to enhance their ability to address the issues and solve the problems based on Ind AS by working out the examples, illustrations and questions given in the study material, revision test papers and mock test papers.

Indian Accounting Standard (Ind AS) 1 : Presentation of Financial Statements

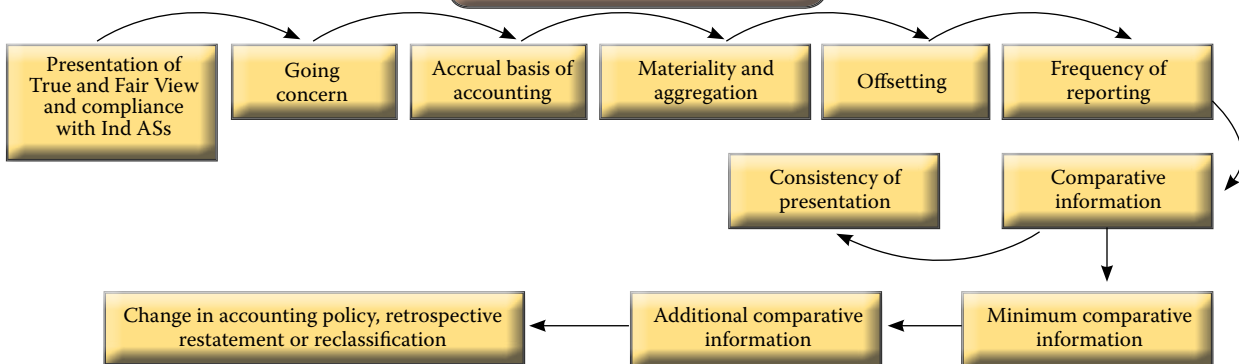




Note:

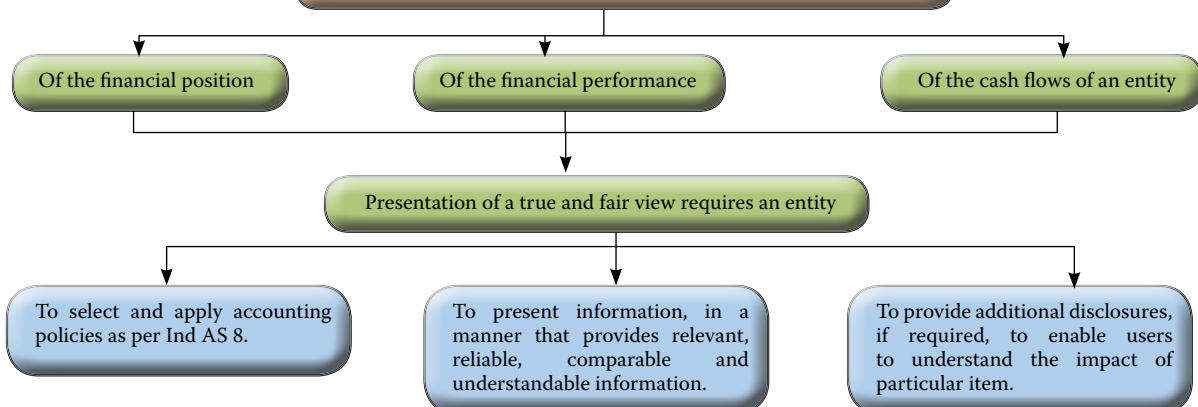
1. An entity shall present a **single** statement of profit and loss, **with profit or loss and other comprehensive income (OCI) presented in two sections**. The sections shall be **presented together**, with the **profit or loss section presented first** followed directly by the other comprehensive income section.
2. Reports and statements presented outside financial statements are outside the scope of Ind AS.
3. An entity is not required to present the related notes to the opening balance sheet as at the beginning of the preceding period.

General features

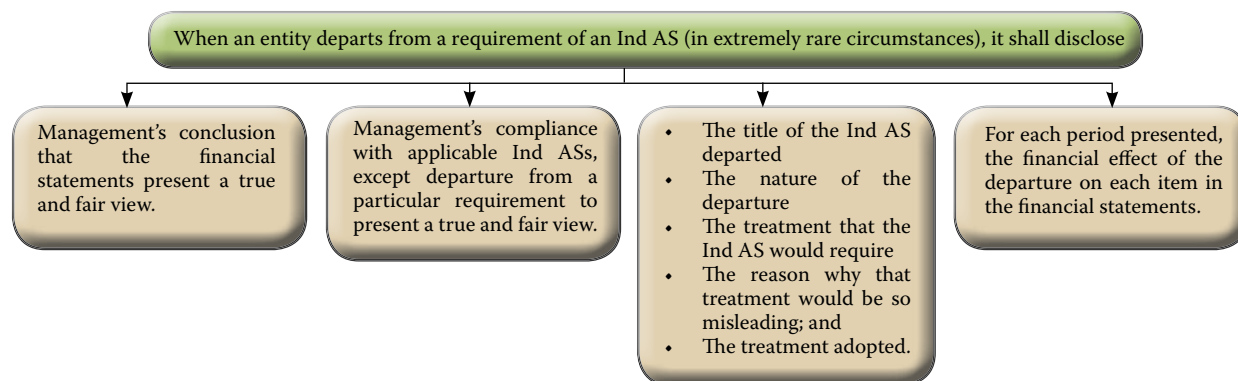


Note: The above general features have been summarised below.

Presentation of True and Fair View and compliance with Ind ASs



FINANCIAL REPORTING



Note:

1. An entity shall make an explicit and unreserved statement of compliance of **ALL** Ind AS in the notes.
2. An entity shall not describe financial statements as complying with Ind ASs unless they comply with **all** the requirements of Ind ASs.
3. An entity cannot rectify inappropriate accounting policies either by disclosure of the accounting policies used or by notes or explanatory material.

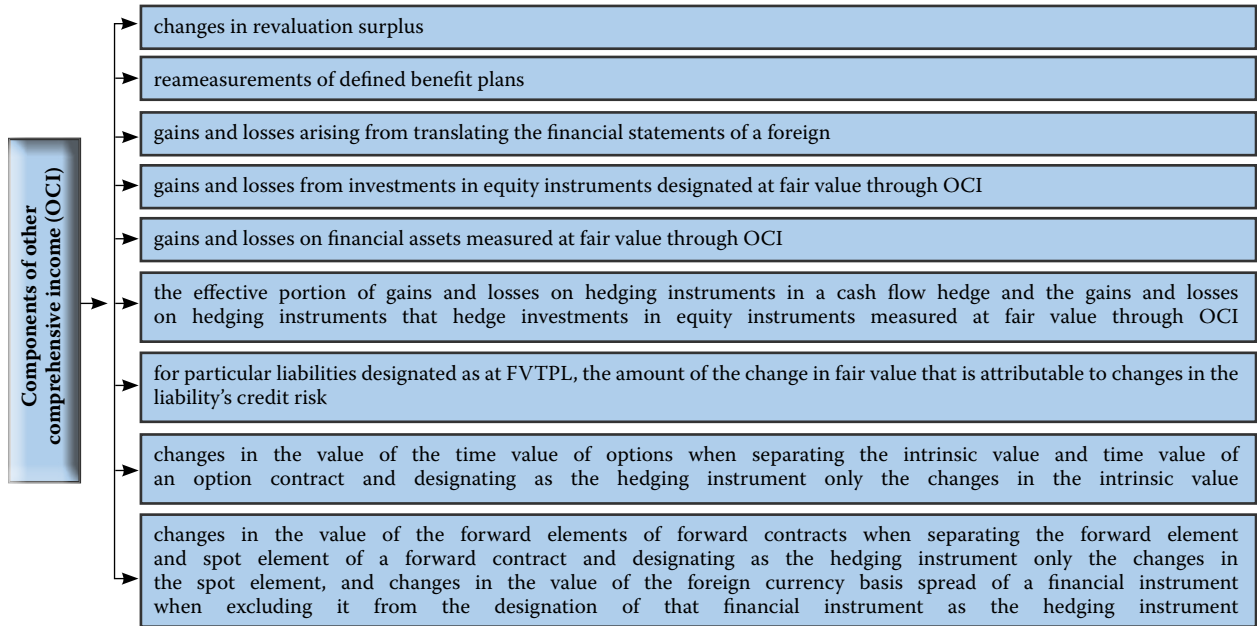
Going concern	▶▶ An entity shall prepare financial statements on a going concern basis unless management ☐ intends to liquidate the entity or ☐ to cease trading, or ☐ has no realistic alternative but to do so. ▶▶ When management has significant doubt upon the entity's ability to continue as a going concern, the entity shall disclose ☐ the basis on which it prepared the financial statements and ☐ the reason why the entity is not regarded as a going concern. To assess going concern basis, management may need to consider a wide range of factors like ▶▶ current and expected profitability, ▶▶ debt repayment schedules and ▶▶ potential sources of replacement financing.	Change in accounting policy, retrospective restatement or reclassification	When an entity reclassifies comparative amounts, it shall disclose (including as at the beginning of the preceding period): (a) the nature of the reclassification; (b) the amount of each item or class of items that is reclassified; and (c) the reason for the reclassification. When it is impracticable to reclassify comparative amounts, an entity shall disclose: (a) the reason for not reclassifying the amounts, and (b) the nature of the adjustments that would have been made if the amounts had been reclassified.
Accrual basis of accounting	▶▶ An entity shall prepare its financial statements, except for cash flow information, using the accrual basis of accounting. ▶▶ When the accrual basis of accounting is used, an entity recognises items as assets, liabilities, equity, income and expenses.	Consistency of presentation	An entity shall retain the presentation and classification of items in the financial statements from one period to the next unless: (a) presentation or classification would be more appropriate having regard to the criteria for the selection and application of accounting policies in Ind AS 8; or (b) an Ind AS requires a change in presentation.
Materiality and aggregation	▶▶ Present separately each material class of similar items. ▶▶ Present separately items of a dissimilar nature or function only if it is material or required by law (even if it is immaterial). ▶▶ If a line item is not individually material, it is aggregated with other items either in those statements or in the notes. ▶▶ Do not reduce the understandability of its financial statements by ☐ obscuring material information with immaterial information; or ☐ aggregating material items that have different natures or functions.	STRUCTURE AND CONTENT	
Offsetting	Offsetting of assets and liabilities or income and expenses is not allowed unless required or permitted by an Ind AS or except when offsetting reflects the substance of the transaction or other event.	Identification of the financial statements	An entity shall clearly identify each financial statement and the notes. It shall display prominently: (a) the name of the reporting entity or other means of identification, and any change in that information from the end of the preceding reporting period; (b) whether the financial statements are of an individual entity or a group of entities; (c) the date of the end of the reporting period or the period covered by the set of financial statements or notes; (d) the presentation currency; and (e) the level of rounding used in presenting amounts in the financial statements. The rounding off is acceptable as long as the entity discloses it and does not omit material information.
Frequency of reporting	An entity shall present a complete set of financial statements (including comparative information) at least annually.		
Comparative information	Refer chart 3 of Ind AS 1 for minimum and additional comparative information.		

Information to be presented in the balance sheet	▶▶ The balance sheet shall present line items and additional line items (including by disaggregating the line items listed in paragraph 54), headings and subtotals. ▶▶ Presents current and non-current assets, and current and non-current liabilities, as separate classifications in its balance sheet. ▶▶ It shall not classify deferred tax assets (liabilities) as current assets (liabilities). Exception An entity may present all assets and liabilities in order of liquidity but shall disclose the amount expected to be recovered or settled (a) no more than twelve months after the reporting period, and (b) more than twelve months after the reporting period. ▶▶ An entity is permitted to present some of its assets and liabilities using a current/non-current classification and others in order of liquidity when this provides information that is reliable and more relevant.
Current assets	▶▶ Classify an asset as current when: (a) it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle; (b) it holds the asset primarily for the purpose of trading; (c) it expects to realise the asset within twelve months after the reporting period; or (d) the asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. ▶▶ Classify all other assets as non-current. <i>Note: The term 'non-current' includes tangible, intangible and financial assets of a long-term nature.</i>
Operating cycle	▶▶ It is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. ▶▶ When the entity's normal operating cycle is not clearly identifiable, it is assumed to be twelve months. ▶▶ The same normal operating cycle applies to the classification of an entity's assets and liabilities.
Current liabilities	▶▶ An entity shall classify a liability as current when: (a) it expects to settle the liability in its normal operating cycle; (b) it holds the liability primarily for the purpose of trading; (c) the liability is due to be settled within twelve months after the reporting period; or (d) it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. ▶▶ An entity shall classify all other liabilities as non-current. ▶▶ An entity classifies some operating items like trade payables and some accruals for employee and other operating costs (part of the working capital) as current liabilities even if they are due to be settled more than twelve months after the reporting period.

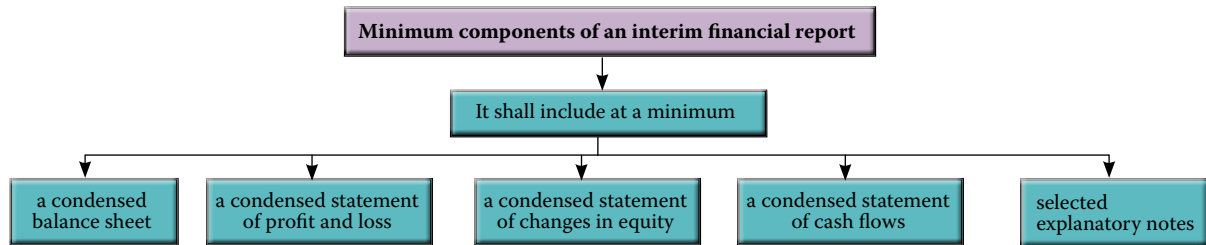
	▶▶ Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.
Information to be presented either in the balance sheet or in the notes	Disclose sub-classifications of the line items presented, classified in a manner appropriate to the entity's operations.
Statement of Profit and Loss	▶▶ The statement of profit and loss shall present, in addition to the profit or loss and other comprehensive income sections: (a) profit or loss; (b) total other comprehensive income; (c) comprehensive income for the period, being the total of profit or loss and other comprehensive income. ▶▶ An entity shall not present any items of income or expense as extraordinary items. ▶▶ An entity shall present an analysis of expenses recognised in profit or loss using a classification based on the nature of expense method. ▶▶ An entity shall present additional line items, headings and subtotals in the statement of profit and loss, when such presentation is relevant to an understanding of the entity's financial performance.
Information to be presented in the other comprehensive income (OCI) section	▶▶ Present line items for the amounts for the period of: (a) items of OCI classified by nature and grouped into those that: (i) will not be reclassified subsequently to profit or loss; and (ii) will be reclassified subsequently to profit or loss when specific conditions are met. (b) the share of OCI of associates and joint ventures accounted for using the equity method, separated into the share of items that: (i) will not be reclassified subsequently to profit or loss; and (ii) will be reclassified subsequently to profit or loss when specific conditions are met. ▶▶ Disclose the amount of income tax relating to each item of OCI, including reclassification adjustments, either in the statement of profit and loss or in the notes. ▶▶ Present items of OCI either (a) net of related tax effects, or (b) before related tax effects with one amount shown for the aggregate amount of income tax relating to those items. ▶▶ If an entity elects alternative (b), it shall allocate the tax between the items that might be reclassified subsequently to the profit or loss section and those that will not be reclassified subsequently to the profit or loss section.

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Reclassification adjustment	▶▶ When amounts previously recognised in other comprehensive income are reclassified to profit or loss they are referred as reclassification adjustments. ▶▶ It is included with the related component of other comprehensive income in the period that the adjustment is reclassified to profit or loss. ▶▶ These amounts may have been recognised in OCI as unrealised gains in the current or previous periods. ▶▶ Those unrealised gains must be deducted from OCI in the period in which the realised gains are reclassified to profit or loss to avoid including them in total comprehensive income twice. ▶▶ An entity may present reclassification adjustments in the statement of profit and loss or in the notes. ▶▶ An entity presenting reclassification adjustments in the notes presents the items of OCI after any related reclassification adjustments. ▶▶ Reclassification adjustments do not arise on changes in revaluation surplus or on reameasurements of defined benefit plans since they are recognised in OCI and are not reclassified to profit or loss in subsequent periods. Changes in revaluation surplus may be transferred to retained earnings in subsequent periods as the asset is used or when it is derecognised. ▶▶ Reclassification adjustments do not arise if a cash flow hedge or the accounting for the time value of an option (or the forward element of a forward contract or the foreign currency basis spread of a financial instrument) result in amounts that are removed from the cash flow hedge reserve or a separate component of equity, respectively, and included directly in the initial cost or other carrying amount of an asset or a liability. These amounts are directly transferred to assets or liabilities.	Information to be presented in the statement of changes in equity (SOCE) or in the notes ▶▶ Present, either in SOCE or in the notes, the amount of dividends recognised as distributions to owners during the period, and the related amount of dividends per share. ▶▶ Changes in an entity's equity between the beginning and the end of the reporting period reflect the increase or decrease in its net assets during the period except for changes resulting from transactions with owners in their capacity as owners (such as equity contributions, reacquisitions of the entity's own equity instruments and dividends) and transaction costs directly related to such transactions. ▶▶ Retrospective adjustments and retrospective restatements are not changes in equity but they are adjustments to the opening balance of retained earnings, except when an Ind AS requires retrospective adjustment of another component of equity. ▶▶ Standard requires disclosure in the statement of changes in equity of the total adjustment to each component of equity resulting from changes in accounting policies and, separately, from corrections of errors. ▶▶ These adjustments are disclosed for each prior period and the beginning of the period.
Information to be presented in the statement of changes in equity (SOCE)	SOCE includes the following information: (a) total comprehensive income for the period, showing separately the total amounts attributable to owners of the parent and to non-controlling interests; (b) for each component of equity, the effects of retrospective application or retrospective restatement; (c) for each component of equity, a reconciliation between the carrying amount at the beginning and the end of the period, separately (as a minimum) disclosing changes resulting from: (i) profit or loss; (ii) other comprehensive income; (iii) transactions with owners in their capacity as owners, showing separately contributions by and distributions to owners and changes in ownership interests in subsidiaries that do not result in a loss of control; and (iv) any item recognised directly in equity such as amount recognised directly in equity as capital reserve.	Notes -Structure ▶▶ The notes shall: (a) present information about the basis of preparation of the financial statements and the specific accounting policies; (b) disclose the information required by Ind ASs that is not presented elsewhere in the financial statements; and (c) provide information that is not presented elsewhere in the financial statements, but is relevant to an understanding of any of them. ▶▶ Present notes in a systematic manner ▶▶ Cross-reference each item in the balance sheet and in the statement of profit and loss, and in the statements of changes in equity and of cash flows to any related information in the notes.
		Notes - Disclosure of accounting policies ▶▶ An entity shall disclose its significant accounting policies comprising: (a) the measurement basis (or bases) used in preparing the financial statements; and (b) the other accounting policies used that are relevant to an understanding of the financial statements. ▶▶ Additionally, it shall disclose, the judgements, apart from those involving estimations, that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements. ▶▶ Disclosure of an accounting policy may be significant because of the nature of the entity's operations even if amounts for current and prior periods are not material.
		Notes -Sources of estimation uncertainty An entity shall disclose information about the assumptions it makes about the future, and other major sources of estimation uncertainty at the end of the reporting period, that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year. In respect of those assets and liabilities, the notes shall include details of: (a) their nature, and (b) their carrying amount as at the end of the reporting period.

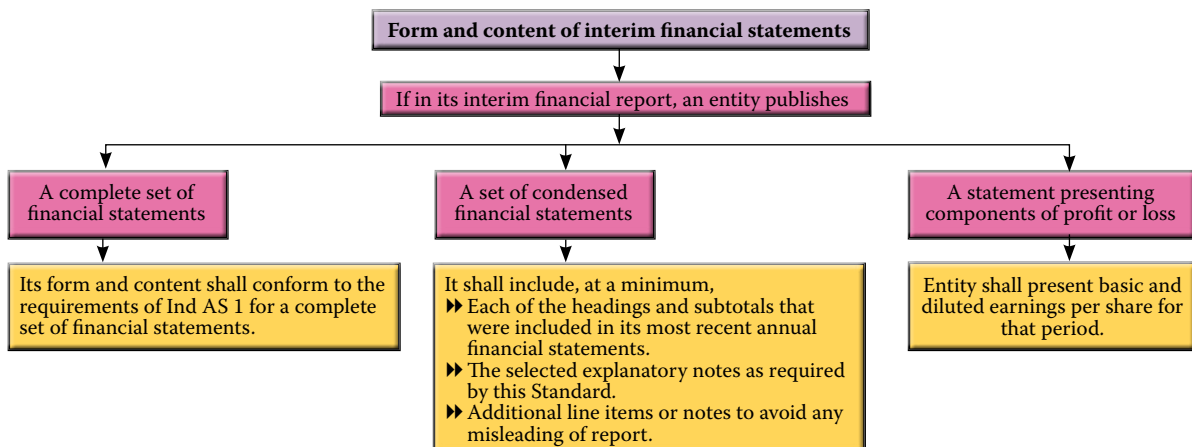


Indian Accounting Standard (Ind AS) : 34



Important points to remember

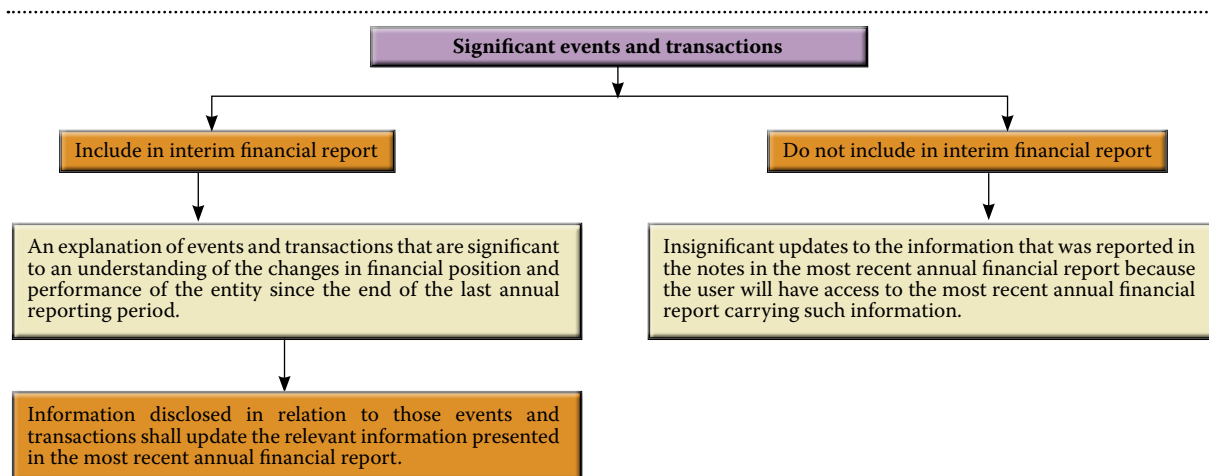
1. The interim financial report is intended to provide an update on the latest complete set of annual financial statements.
2. It focuses on new activities, events, and circumstances and does not duplicate information previously reported.
3. Ind AS 34 does not prohibit or discourage an entity from publishing a complete set of financial statements (as described in Ind AS 1) in its interim financial report.
4. Ind AS 34 does not prohibit or discourage an entity from including in condensed interim financial statements more than the minimum line items or selected explanatory notes.
5. Ind AS 34 requires to include all the disclosures required by this Standard as well as those required by other Ind AS.



FINANCIAL REPORTING

Note:

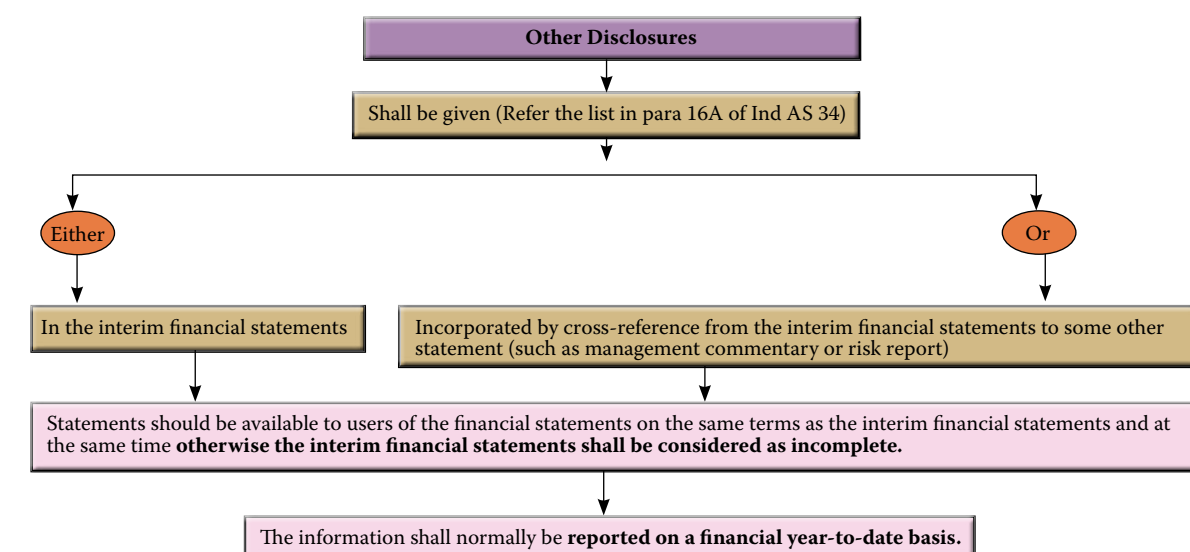
1. An interim financial report is prepared on a consolidated basis if the entity's most recent annual financial statements were consolidated statements.
2. If an entity's annual financial report includes the parent's separate financial statements in addition to consolidated financial statements, then Ind AS 34 does not restrict or mandate to include the parent's separate statements in the entity's interim financial report prepared on a consolidated basis.

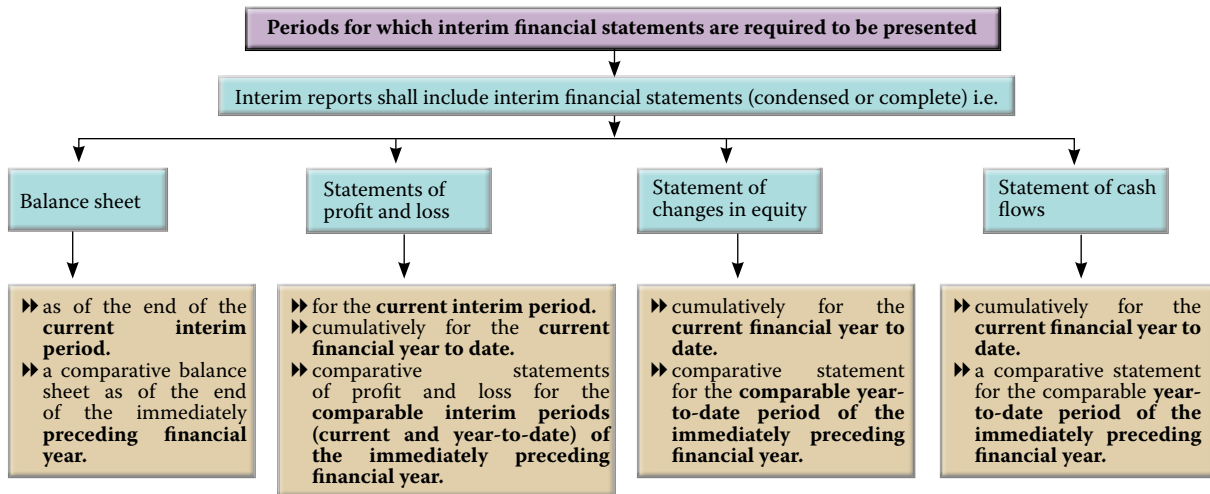


List of events and transactions for which disclosures would be required if they are significant:

- (a) the write-down of inventories to net realisable value and the reversal of such a write-down;
- (b) recognition of a loss from the impairment of financial assets, property, plant and equipment, intangible assets, or other assets, and the reversal of such an impairment loss;
- (c) the reversal of any provisions for the costs of restructuring;
- (d) acquisitions and disposals of items of property, plant and equipment;
- (e) commitments for the purchase of property, plant and equipment;
- (f) litigation settlements;
- (g) corrections of prior period errors;
- (h) changes in the business or economic circumstances that affect the fair value of the entity's financial assets and financial liabilities, whether those assets or liabilities are recognised at fair value or amortised cost;
- (i) any loan default or breach of a loan agreement that has not been remedied on or before the end of the reporting period;
- (j) related party transactions;
- (k) transfers between levels of the fair value hierarchy used in measuring the fair value of financial instruments;
- (l) changes in the classification of financial assets as a result of a change in the purpose or use of those assets; and
- (m) changes in contingent liabilities or contingent assets.

Note: The list is not exhaustive.





Note: For an entity whose business is highly seasonal, financial information for the twelve months up to the end of the interim period and comparative information for the prior twelve-month period may be useful.

Points to remember

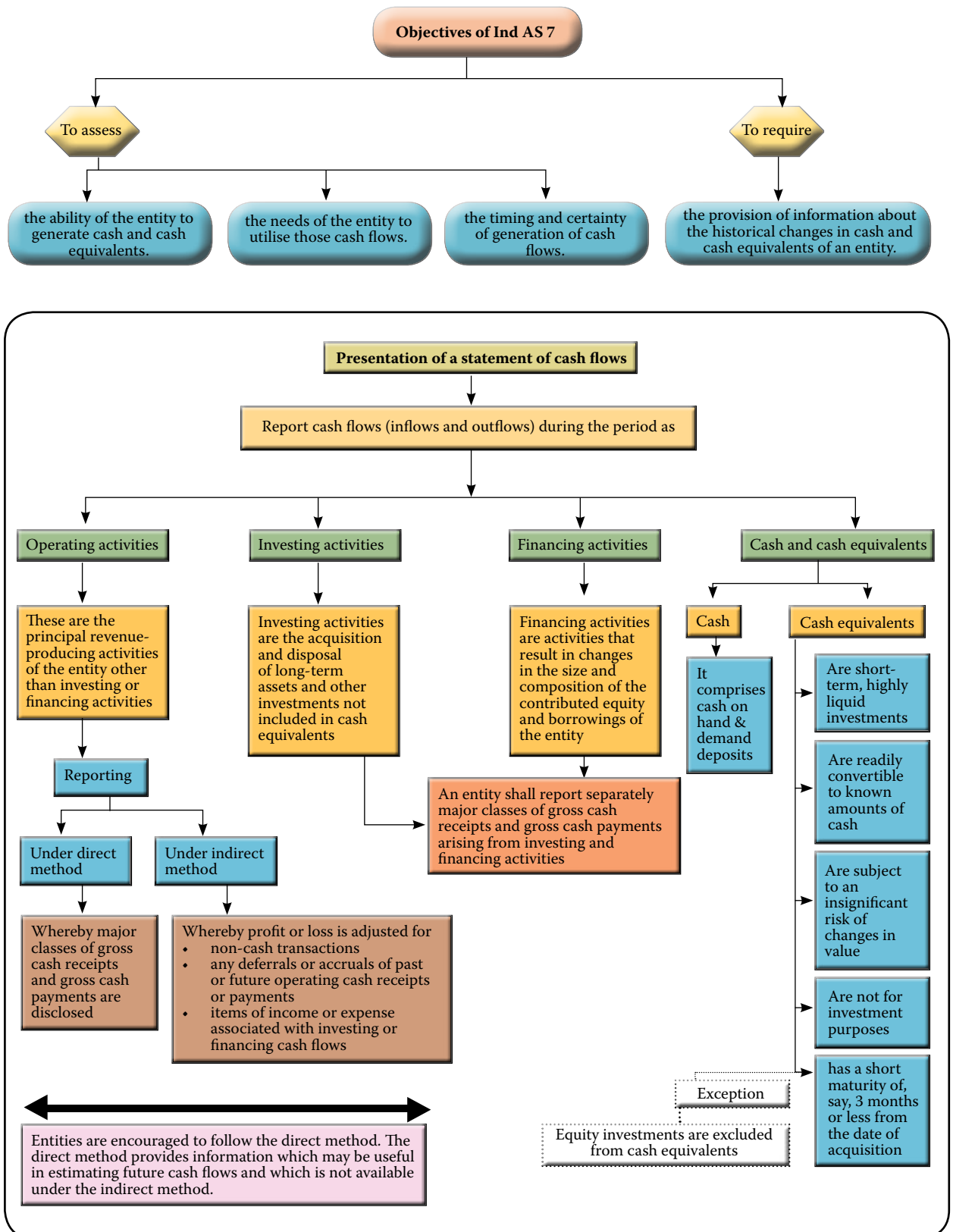
Disclosure of compliance with Ind AS	If an entity's interim financial report is in compliance with this Standard, that fact shall be disclosed.
	An interim financial report shall be described as complying with Ind ASs when it complies with all of the requirements of Ind ASs.
Materiality	In deciding how to recognise, measure, classify, or disclose an item for interim financial reporting purposes, materiality shall be assessed in relation to the interim period financial data.
	It shall be recognised that interim measurements may rely on estimates to a greater extent than measurements of annual financial data.
Disclosure in annual financial statements	If an estimate of an amount reported in an interim period is changed significantly during the final interim period of the financial year but a separate financial report is not published for that final interim period, the nature and amount of that change in estimate shall be disclosed in a note to the annual financial statements for that financial year.
	An entity is not required to include additional interim period financial information in its annual financial statements.

Recognition and Measurement

Same accounting policies as annual	- Apply the same accounting policies in its interim financial statements as are applied in its annual financial statements, except for accounting policy changes made after the date of the most recent annual financial statements that are to be reflected in the next annual financial statements. - Measurements for interim reporting purposes shall be made on a year-to-date basis. - The amounts reported in prior interim periods are not retrospectively adjusted. However, that the nature and amount of any significant changes in estimates be disclosed.
Revenues received seasonally, cyclically, or occasionally	- Such revenues shall not be anticipated or deferred as of an interim date if anticipation or deferral would not be appropriate at the end of the entity's financial year. - Some entities consistently earn more revenues in certain interim periods of a financial year than in other interim periods. Such revenues are recognised when they occur.
Costs incurred unevenly during the financial year	Such costs shall be anticipated or deferred for interim reporting purposes if, and only if, it is also appropriate to anticipate or defer that type of cost at the end of the financial year.
Use of estimates	Preparation of interim financial reports generally will require a greater use of estimation methods than annual financial reports.
Restatement of previously reported interim periods	A change in accounting policy, shall be reflected: - by retrospective application, with restatement of prior period financial data as far back as is practicable; or - if the cumulative amount of the adjustment relating to prior financial years is impracticable to determine, then under Ind AS 8 the new policy is applied prospectively from the earliest date practicable.
Interim Financial Reporting and Impairment	An entity shall not reverse an impairment loss recognised in a previous interim period in respect of goodwill.

FINANCIAL REPORTING ||

Indian Accounting Standard (Ind AS) 7 : Statement of Cash Flows



Cash flows arising from operating activities

Key indicator of the extent to which the operations of the entity have generated sufficient cash flows to

- repay loans
- maintain the operating capability of the entity
- pay dividends
- make new investments without recourse to external sources of financing

Primarily derived from the principal revenue-producing activities of the entity.

Generally, result from the transactions and other events that enter into the determination of profit or loss.

Examples

- Cash receipts from the sale of goods and the rendering of services.
- Cash receipts from royalties, fees, commissions and other revenue.
- Cash payments to suppliers for goods and services.
- Cash payments to and on behalf of employees.
- Cash receipts and cash payments of an insurance entity for premiums and claims, annuities and other policy benefits.
- Cash payments or refunds of income taxes unless they can be specifically identified with financing and investing activities.
- Cash receipts and payments from contracts held for dealing or trading purposes.
- Cash flows arising from the purchase and sale of dealing or trading securities.
- Cash advances and loans made by financial institutions since they relate to their main revenue-producing activity.

Cash flows arising from investing activities

Represent the extent to which expenditures have been made for resources intended to generate future income and cash flows.

Only expenditures that result in a recognised asset in the balance sheet are eligible for classification as investing activities.

Examples

- Cash payments to acquire property, plant and equipment, intangibles and other long-term assets. These payments include those relating to capitalised development costs and self-constructed property, plant and equipment;
- Cash receipts from sales of property, plant and equipment, intangibles and other long-term assets;
- Cash payments to acquire equity or debt instruments of other entities and interests in joint ventures (other than payments for those instruments considered to be cash equivalents or those held for dealing or trading purposes);
- Cash receipts from sales of equity or debt instruments of other entities and interests in joint ventures (other than receipts for those instruments considered to be cash equivalents and those held for dealing or trading purposes);
- Cash advances and loans made to other parties (other than advances and loans made by a financial institution);
- Cash receipts from the repayment of advances and loans made to other parties (other than advances and loans of a financial institution);
- Cash payments for futures contracts, forward contracts, option contracts and swap contracts except when the contracts are held for dealing or trading purposes, or the payments are classified as financing activities; and
- Cash receipts from futures contracts, forward contracts, option contracts and swap contracts except when the contracts are held for dealing or trading purposes, or the receipts are classified as financing activities.

Note: When a contract is accounted for as a hedge of an identifiable position the cash flows of the contract are classified in the same manner as the cash flows of the position being hedged.

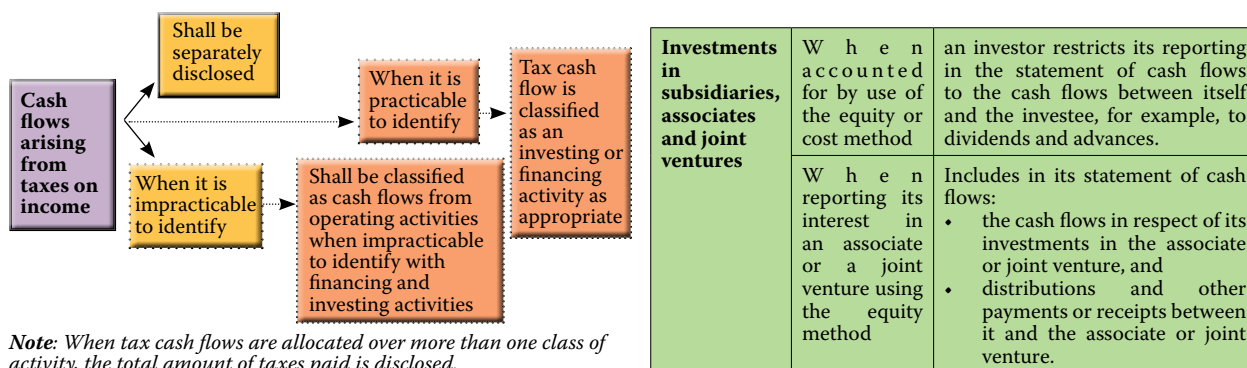
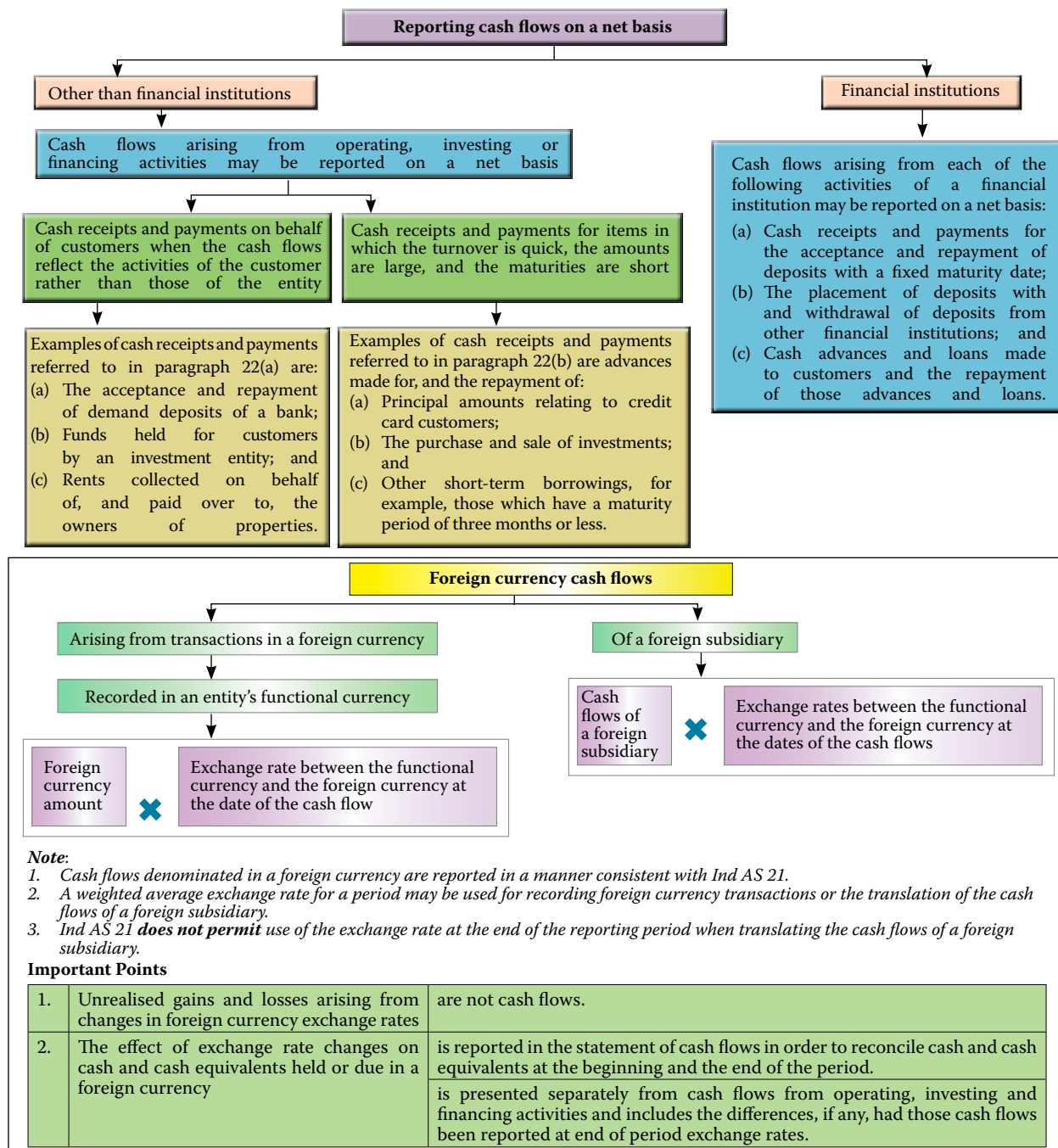
Cash flows arising from financing activities

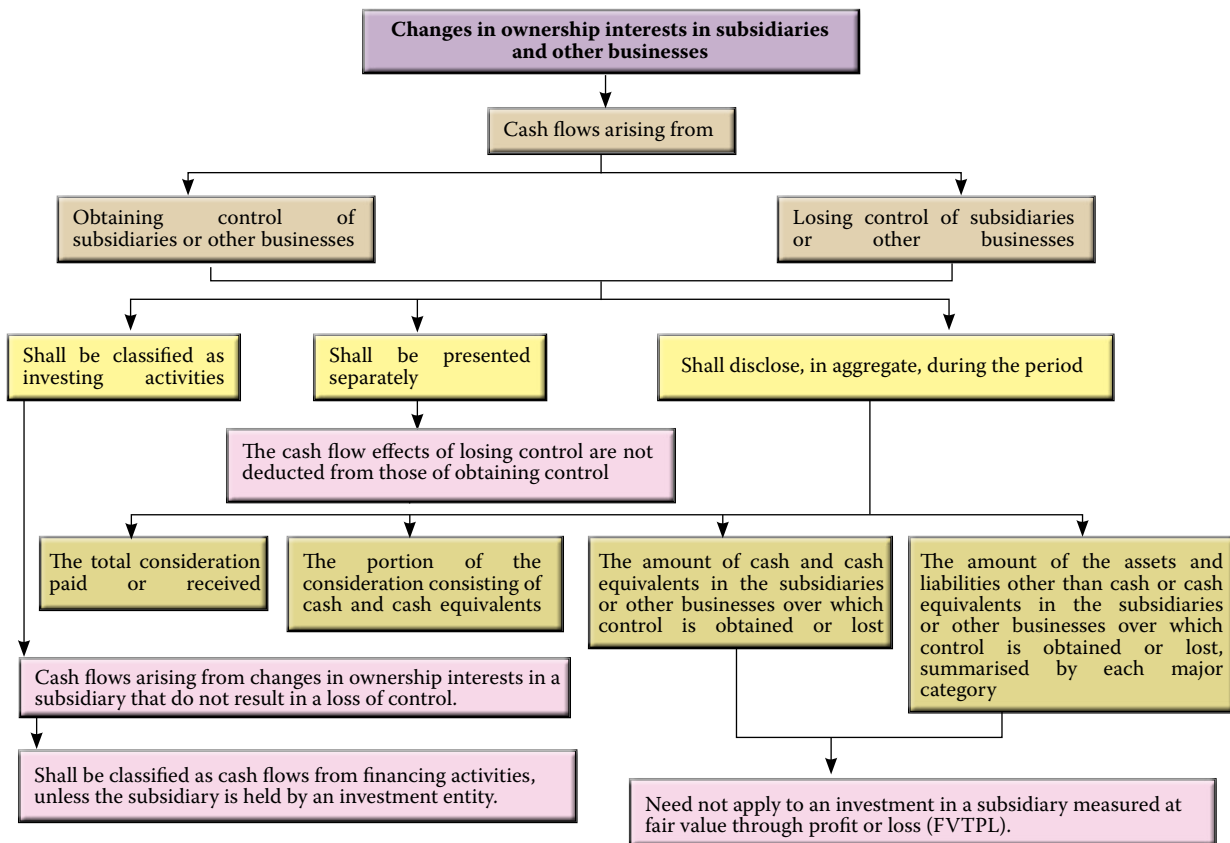
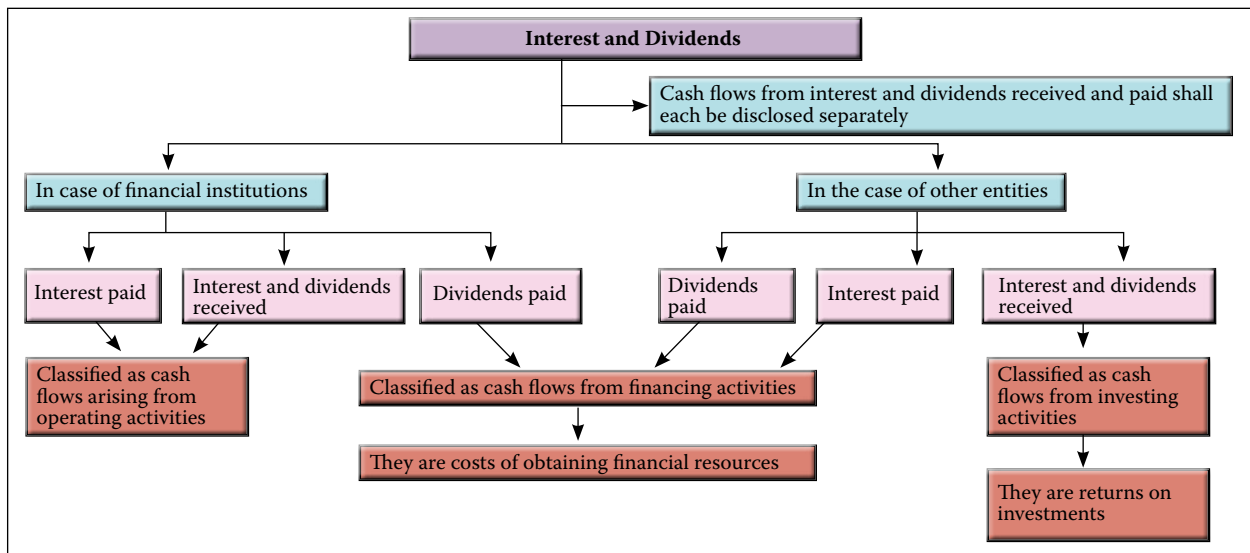
Useful in predicting claims on future cash flows by providers of capital to the entity

Examples

- Cash proceeds from issuing shares or other equity instruments;
- Cash payments to owners to acquire or redeem the entity's shares;
- Cash proceeds from issuing debentures, loans, notes, bonds, mortgages and other short-term or long-term borrowings;
- Cash repayments of amounts borrowed; and
- Cash payments by a lessee for the reduction of the outstanding liability relating to a finance lease.

FINANCIAL REPORTING



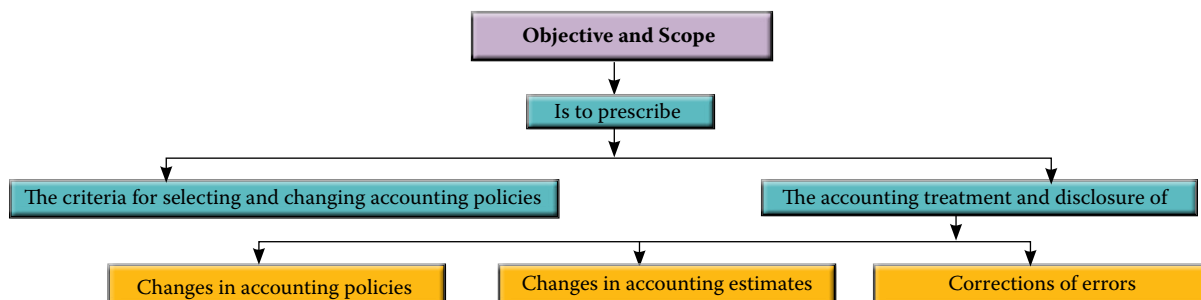


Important points/disclosures

Investing and financing transactions that do not require the use of cash or cash equivalents	▶▶ Shall be excluded from a statement of cash flows. ▶▶ Disclosed elsewhere in the financial statements.
Components of cash and cash equivalents	▶▶ Disclose the components of cash and cash equivalents. ▶▶ Shall present a reconciliation of the amounts in its statement of cash flows with the equivalent items reported in the balance sheet. ▶▶ Disclose the policy which entity adopts in determining the composition of cash and cash equivalents.
Other Disclosures	Disclose, together with a commentary by management, the amount of significant cash and cash equivalent balances held and are not available for use by the group. Note: The requirements shall be equally applicable to the entities in case of separate financial statements also.

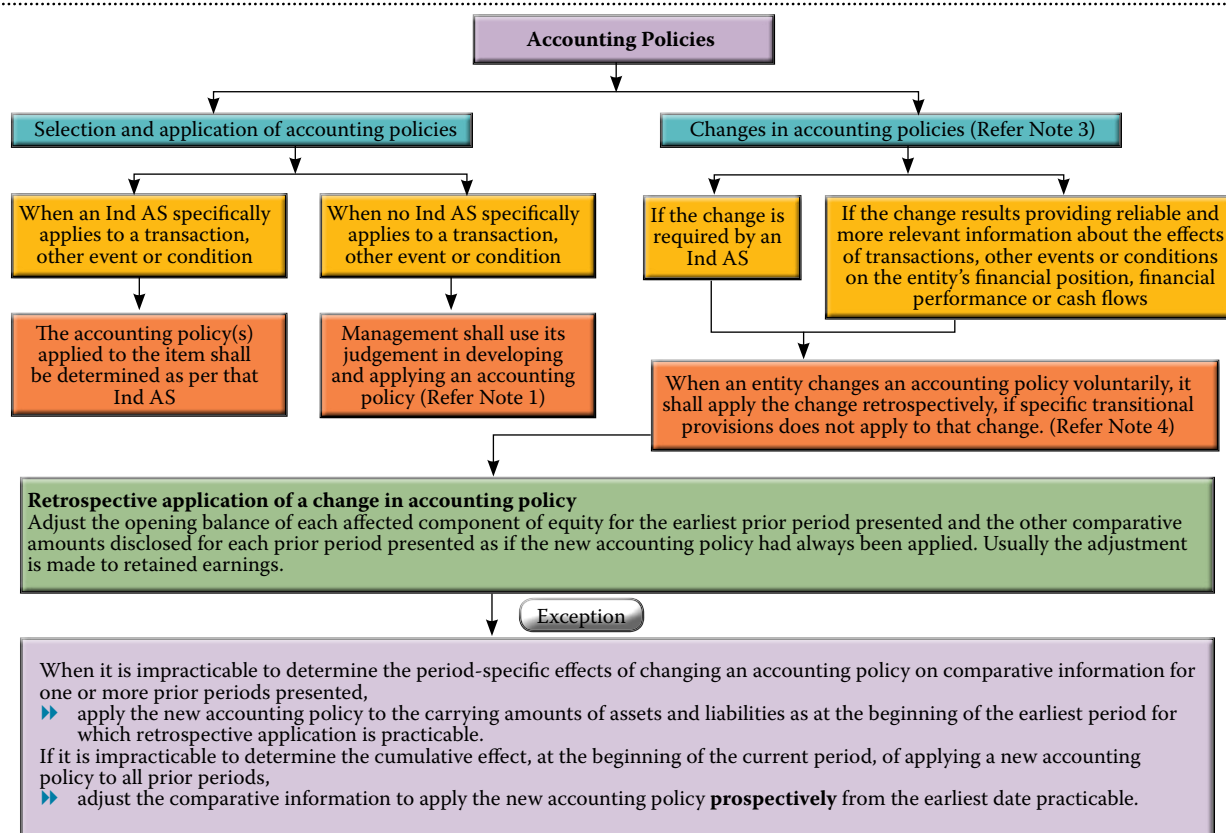
FINANCIAL REPORTING ||

Indian Accounting Standard (Ind AS) 8 : Accounting Policies, Changes in Accounting Estimates and Errors



Important Definitions

1.	Accounting policies	Specific principles, bases, conventions, rules and practices applied by an entity in preparing and presenting financial statements.
2.	A change in accounting estimate	- It is an adjustment of the carrying amount of an asset or a liability, or the amount of the periodic consumption of an asset. - Change in accounting estimates result from new information or new developments. - It is not corrections of errors. - Effect of such a change is given prospectively.
3.	Prior period errors	- They are omissions from, and misstatements in, the entity's financial statements for one or more prior periods arising from a failure to use, or misuse of, reliable information - Such errors include the effects of - mathematical mistakes, - mistakes in applying accounting policies, - oversights or misinterpretations of facts, and - fraud.
4.	Retrospective application	It is applying a new accounting policy to transactions, other events and conditions as if that policy had always been applied unless it is impracticable to do so.
5.	Retrospective restatement	It is correcting the recognition, measurement and disclosure of amounts of elements of financial statements as if a prior period error had never occurred.



Notes:

1. For judgement, management may also first consider the most recent pronouncements of International Accounting Standards Board and in absence thereof those of the other standard-setting bodies that use a similar conceptual framework to develop accounting standards, other accounting literature and accepted industry practices.
2. An entity shall select and apply its accounting policies consistently for similar transactions, other events and conditions.
3. The following are **not changes in accounting policies**:
 - (a) the application of an accounting policy for transactions, other events or conditions that differ in substance from those previously occurring; and
 - (b) the application of a new accounting policy for transactions, other events or conditions that did not occur previously or were immaterial.
4. Early application of an Ind AS is not a voluntary change in accounting policy.

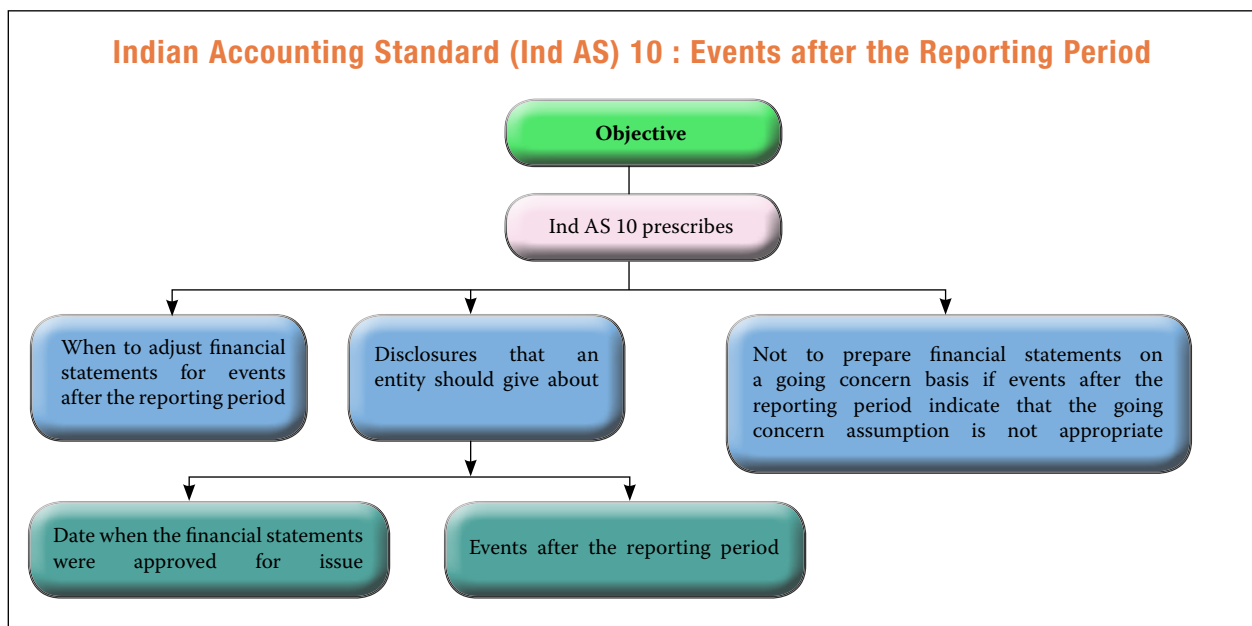
Changes in Accounting Estimates

Reasons for revision in accounting estimates	1. When a change occur in the circumstances on which the estimate was based. 2. When a change is as a result of new information or more experience.
Nature of change in accounting estimates	▶▶ A change in accounting estimates neither relates to prior periods nor is a correction of an error. ▶▶ When it is difficult to distinguish a change in an accounting policy from a change in an accounting estimate, the change is treated as a change in an accounting estimate.
Treatment of a change in accounting estimates	▶▶ The effect of change in an accounting estimate, shall be recognised prospectively by including it in profit or loss in: ☐ the period of the change, if the change affects that period only; or ☐ the period of the change and future periods, if the change affects both. ▶▶ To the extent that a change in an accounting estimate gives rise to changes in assets and liabilities, or relates to an item of equity, it shall be recognised by adjusting the carrying amount of the related asset, liability or equity item in the period of the change.

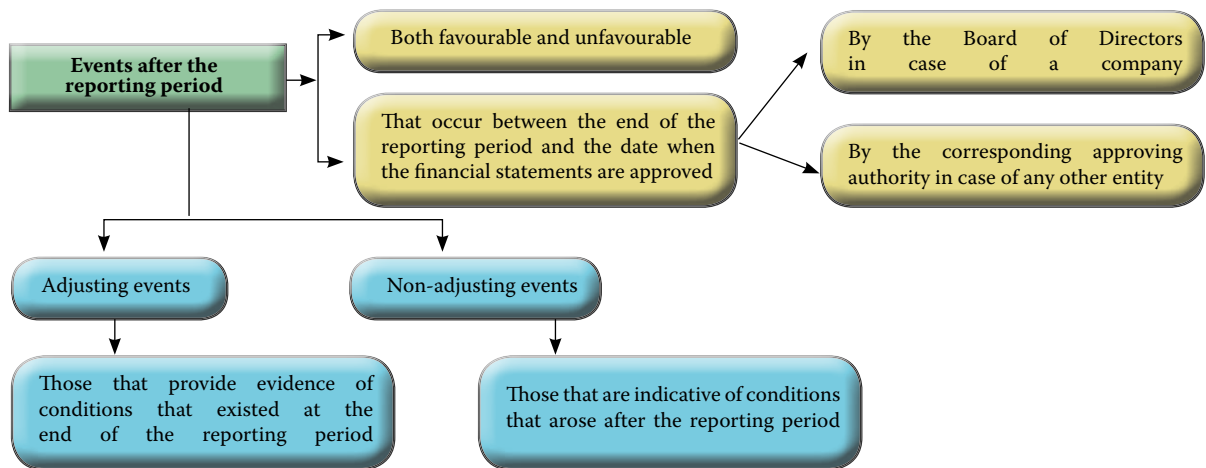
Errors

Stage of occurrence of errors	Errors can arise in respect of the recognition, measurement, presentation or disclosure of elements of financial statements.
Effects of errors	Financial statements will not be considered as complied with Ind ASs if they contain either material errors or immaterial errors made intentionally to achieve a particular presentation of an entity's financial position, financial performance or cash flows.
Nature of correction of errors	Corrections of errors are distinguished from changes in accounting estimates.
Accounting treatment for correction of such errors	▶▶ Prior period errors are corrected in the comparative information presented in the financial statements for that subsequent period. ▶▶ An entity shall correct material prior period errors retrospectively in the first set of financial statements approved for issue after their discovery by: ☐ restating the comparative amounts for the prior period(s) presented in which the error occurred; or ☐ if the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and equity for the earliest prior period presented. The correction of a prior period error is excluded from profit or loss for the period in which the error is discovered. Exception When it is impracticable to determine the amount of an error (eg a mistake in applying an accounting policy) for all prior periods, the entity restates the comparative information prospectively from the earliest date practicable.

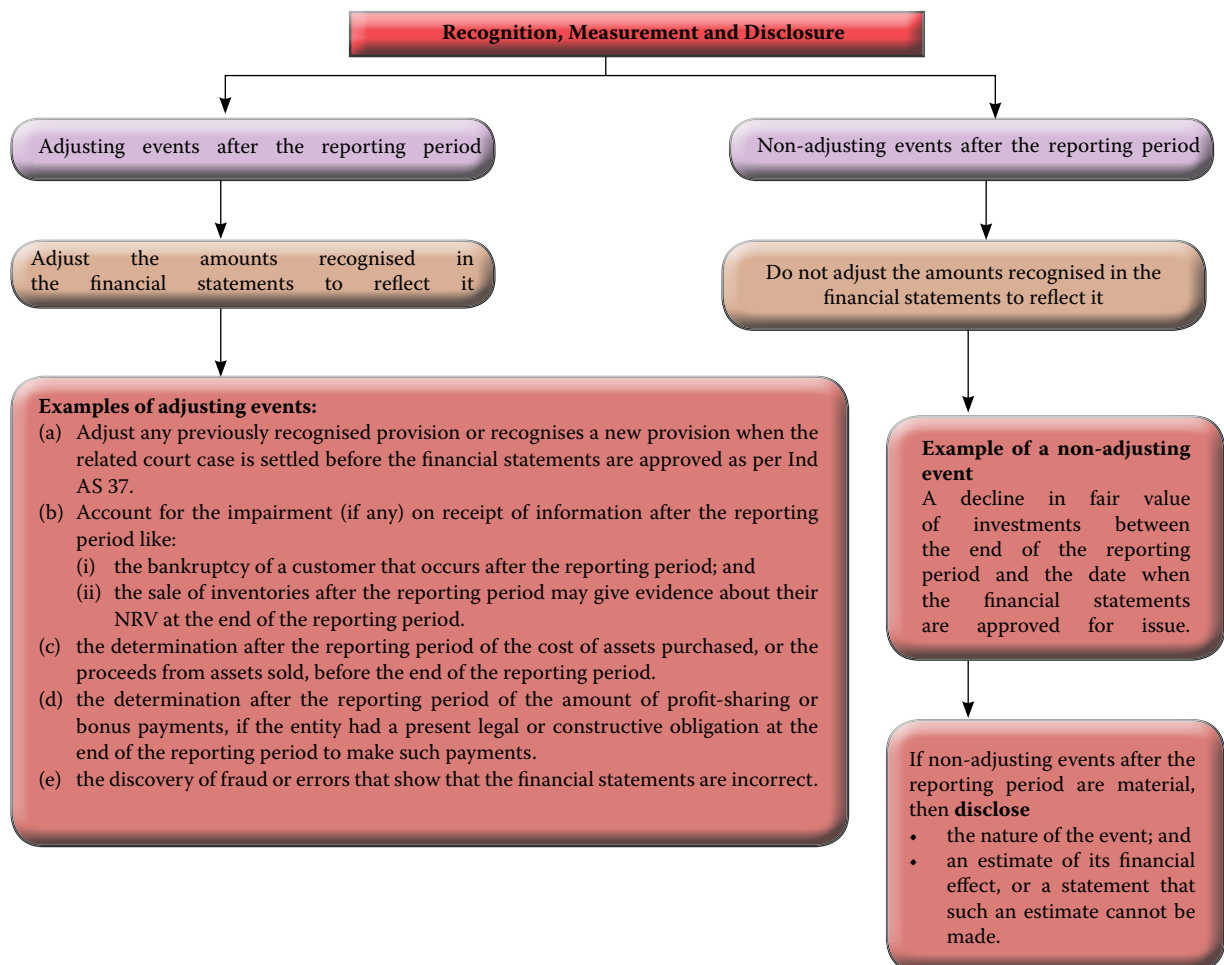
Indian Accounting Standard (Ind AS) 10 : Events after the Reporting Period



FINANCIAL REPORTING



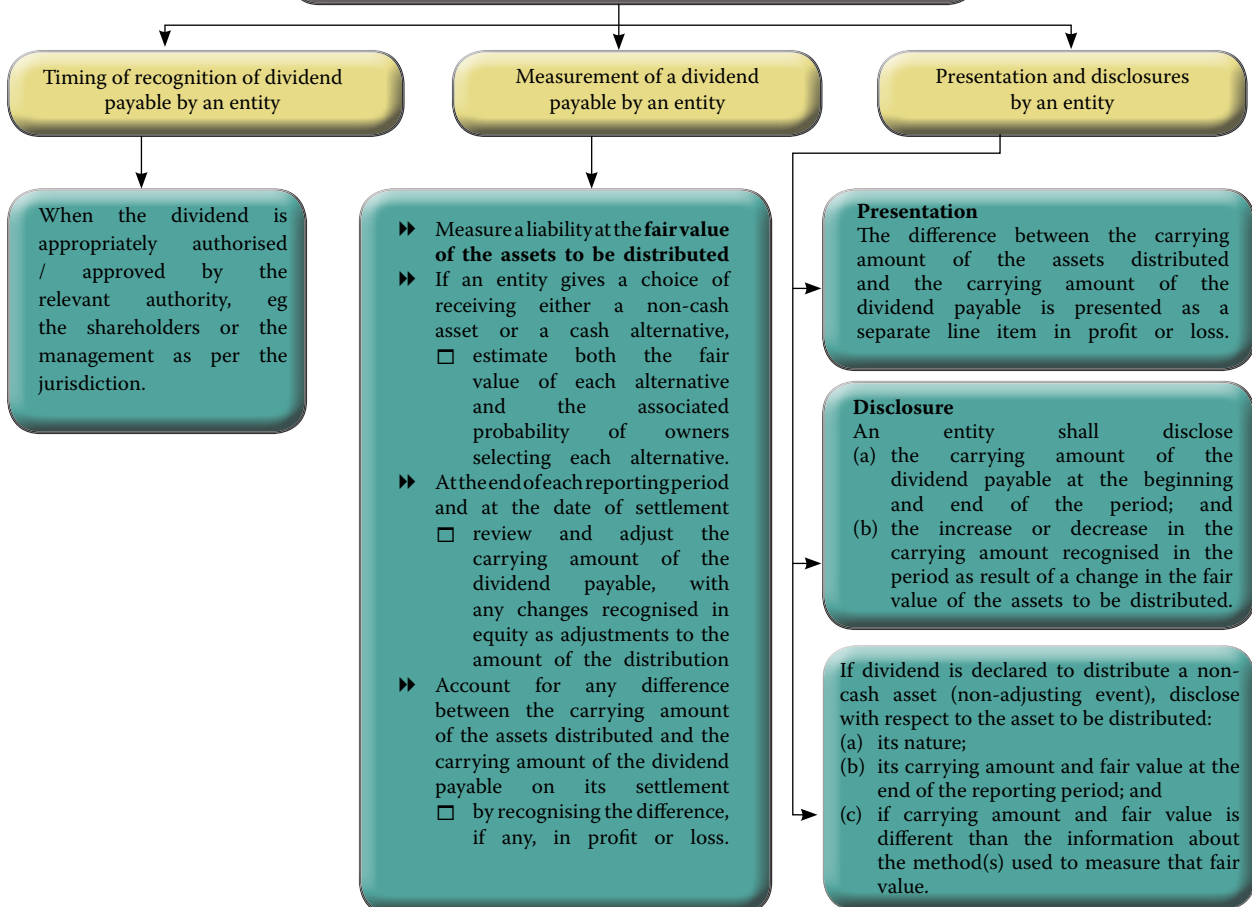
Carve Out: Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the agreement by lender before the approval of the financial statements for issue, to not demand payment as a consequence of the breach, shall be considered as an **adjusting event**.



Important points to remember

S. No.	Item	Timing	Treatment	Reason
1	Dividends	Declared after the reporting period but before approval of financial statements	- Do not recognise it as a liability at the end of the reporting period. - Disclosed in the notes.	No obligation exists at that time.
2.	Going concern	If management determines after the reporting period either that it intends to liquidate the entity or to cease trading	- Do not prepare the financial statements on a going concern basis; or - Make necessary disclosure of not following going concern basis or events or conditions that may cast significant doubt upon the entity's ability to continue as a going concern.	The deterioration in operating results and financial position after the reporting period may be so pervasive that it may require a fundamental change in the basis of accounting.
3.	Date of approval of financial statements for issue	Approved after the reporting period	Disclose the date when the financial statements were approved for issue and who gave that approval.	Important for users to know when the financial statements were approved for issue because the financial statements do not reflect events after this date.
4.	Updating disclosure about conditions at the end of the reporting period	Received information after the reporting period	Update disclosures that relate to new information / conditions.	When the information does not affect the amounts that it recognises in its financial statements, disclosures are required.

Distribution of Non-cash Assets to Owners as dividend by an entity



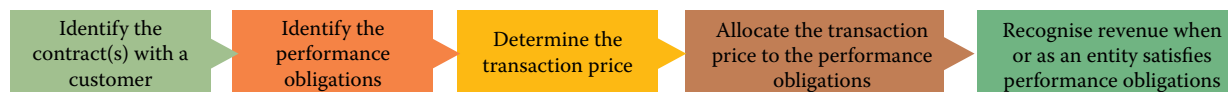
FINANCIAL REPORTING

Indian Accounting Standard (Ind AS) 115 : Revenue from Contracts with Customers

Ind AS 115 is based on a core principle that requires an entity to recognise revenue:

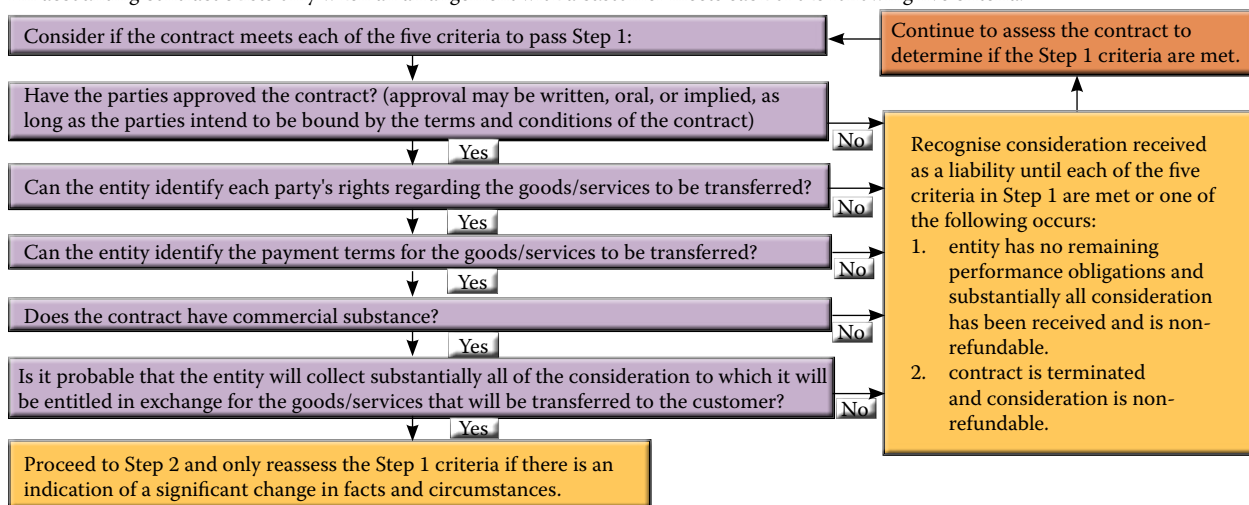
- In a manner that depicts the transfer of goods or services to customers.
- At an amount that reflects the consideration the entity expects to be entitled to in exchange for those goods or services.

To achieve the core principle, an entity should apply the following five-step model:



Step 1 : Identify the contract(s) with a customer

An accounting contract exists only when an arrangement with a customer meets each of the following five criteria:

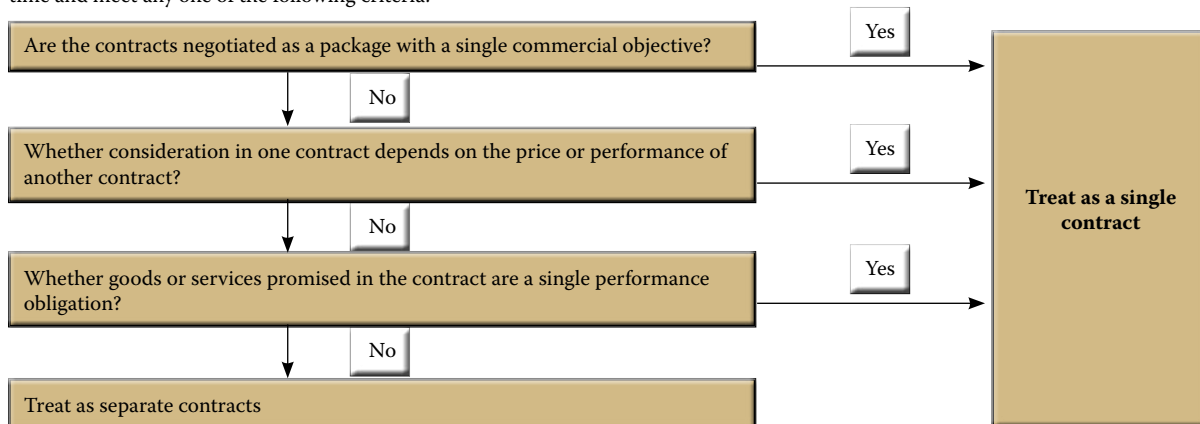


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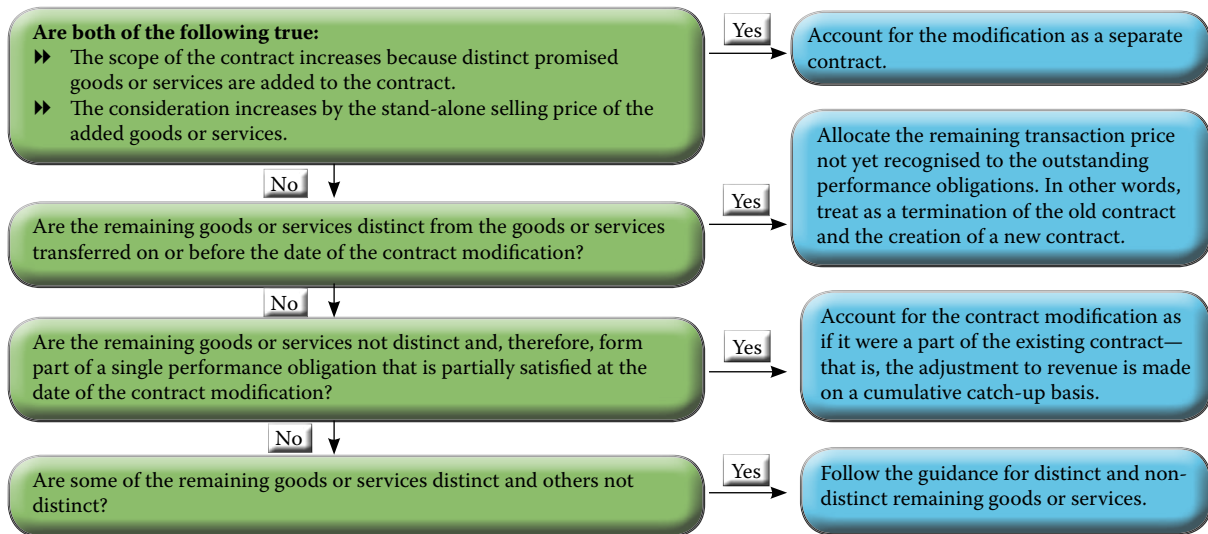
- If at the inception of an arrangement, an entity concludes that the criteria below are not met, it should not apply Steps 2 through 5 of the model until it determines that the Step 1 criteria are subsequently met.
- When a contract meets the five criteria and 'passes' Step 1, the entity will not reassess the Step 1 criteria unless there is an indication of a significant change in facts and circumstances.
- Two or more contracts may need to be accounted for as a single contract if they are entered into at or near the same time with the same customer (or with related parties), and if one of the following conditions exists:
 - The contracts are negotiated as a package with a single commercial objective;
 - The amount of consideration paid in one contract depends on the price or performance in the other contract; or
 - The goods or services promised in the contract are a single performance obligation.

Combining contracts

An entity is required to combine two or more contracts and account for them as a single contract if they are entered into at or near the same time and meet any one of the following criteria:



Accounting for the modification

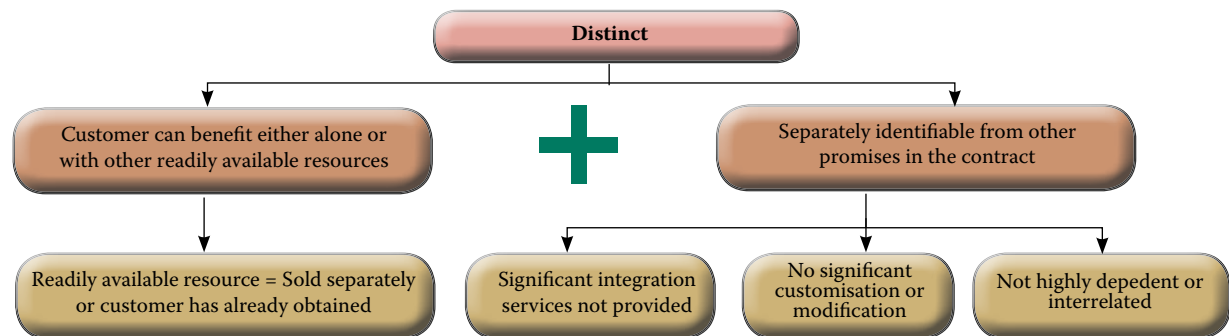


Step 2: Identifying performance obligations

A contract with a customer may also include promises that are implied by an entity's customary business practices, published policies or specific statements if, at the time of entering into the contract, those promises create a valid expectation of the customer that the entity will transfer a good or service to the customer. Therefore, performance obligations under a contract with the customer are not always explicit or clearly mentioned in the contract, but there can be implied promises or performance obligation under the contract as well.

Performance obligations has been defined as a promise in a contract with a customer to transfer to the customer either:

- good or service (or a bundle of goods or services) that is distinct; or
- a series of distinct goods or services that are substantially the same and that have the same pattern of transfer to the customer.



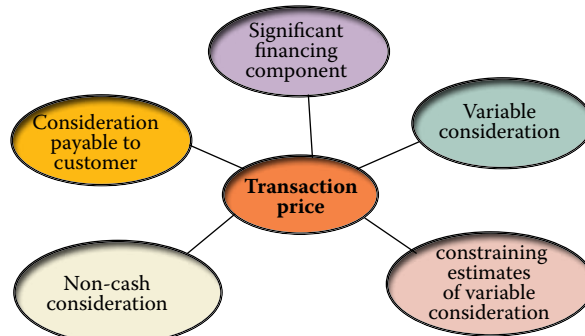
Promise to transfer a series of distinct goods or services	This will be considered as single performance obligation, if the consumption of those services by the customers is symmetrical i.e. they meet both of the following criteria: - each distinct good or service would meet the criteria to be a performance obligation satisfied over time; and - In each transfer, same method is used to measure the entity's progress towards complete satisfaction of the performance obligation.	Multiple Element Arrangements/ Goods and services that are not distinct ▶▶ If the goods or services are not considered as distinct, those goods or services are combined with other goods or services under the contract till the time the entity identifies a bundle of distinct goods or services. ▶▶ The combination would result in accounting of multiple goods or services in the contract as a single performance obligation. ▶▶ An entity may end up accounting for all the goods or services promised in a contract as a single performance obligation if the entire bundle of promised goods and services is the only distinct performance obligation identified.
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Customer options for additional goods or services	▶▶ When an entity grants a customer the option to acquire additional goods or services, that option is only a separate performance obligation if it provides a material right to the customer. The right is material if it results in a discount that the customer would not receive without entering into the contract. □ If the option provides a material right to the customer, the customer in effect pays the entity in advance for future goods or services and the entity recognises revenue when those future goods or services are transferred or when the option expires. ▶▶ If the discounted price in the option reflects the stand-alone selling price (separate from any existing relationship or contract), the entity is deemed to have made a marketing offer rather than having granted a material right. □ Account for only when the customer exercises the option to purchase the additional goods or services. □ Allocate the transaction price to performance obligations on a relative stand-alone selling price basis. □ If the stand-alone selling price for a customer's option to acquire additional goods or services is not directly observable, an entity shall estimate it. That estimate shall reflect the discount that the customer would obtain when exercising the option, adjusted for both of the following: (a) any discount that the customer could receive without exercising the option; and (b) the likelihood that the option will be exercised.	Consignment Arrangements	▶▶ Revenue generally would not be recognised for consignment arrangements when the goods are delivered to the consignee because control has not yet transferred. ▶▶ Revenue is recognised when the entity has transferred control of the goods to the consignor or the end consumer.
Long term arrangements	▶▶ It may be appropriate to treat long term arrangements as separate one-year performance obligations, if the contract can be renewed or cancelled by either party at discrete points in time (that is, at the end of each service year). ▶▶ Separately account for its rights and obligations for each period in which the contract cannot be cancelled by either party. ▶▶ When the consideration is fixed, the accounting generally will not change regardless of whether a single performance obligation or multiple performance obligations are identified.	Principal vs agent consideration	▶▶ When the entity is the principal in the arrangement, the revenue recognised is the gross amount to which the entity expects to be entitled. ▶▶ When the entity is acting as an agent, the revenue recognised is the net amount i.e. the amount, entity is entitled to retain in return for its services under the contract. The entity's fee or commission may be the net amount of consideration that the entity retains after paying the other party the consideration received in exchange for the goods or services to be provided by that party. Since the identification of the principal in a contract is not always clear, Ind AS 115 provides following indicators that a performance obligation involves an agency relationship: (a) the entity is primarily responsible for fulfilling the contract. This typically includes responsibility for the acceptability of the specified good or service; (b) the entity has inventory risk before the specified good or service has been transferred to a customer or after transfer of control to the customer (for example, if the customer has a right of return). (c) the entity has discretion in establishing prices for the goods or services.
		Non-refundable upfront fees	It is an advance payment for future goods and services and, therefore, would be recognised as revenue when those future goods and services are provided, even though it relates to an activity undertaken at or near contract inception to fulfil the contract and the activity does not result in the transfer of a promised good or service to the customer.

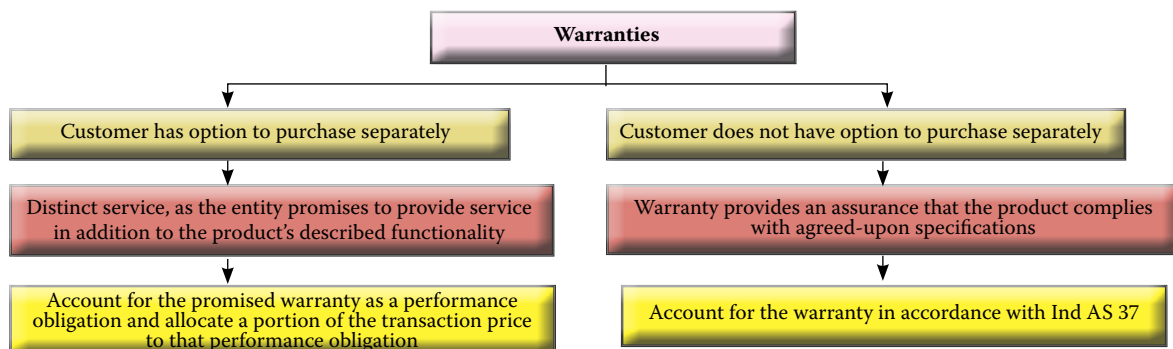
Step 3: Determining the transaction price

- The consideration promised in a contract with a customer may include fixed amounts, variable amounts, or both.
- For the purpose of determining the transaction price, an entity shall assume that the goods or services will be transferred to the customer as promised in accordance with the existing contract and that the contract will not be cancelled, renewed or modified.
- The nature, timing and amount of consideration promised by a customer affect the estimate of the transaction price.
- When determining the transaction price, an entity shall consider the effects of all of the following:



Variable consideration		
1	Penalties	- Accounted for as per the substance of the contract. - Where the penalty is inherent in determination of transaction price, it shall form part of variable consideration.
2	Estimating the amount of variable consideration	Estimate an amount of variable consideration by using either of the following methods: (a) Expected value - It is the sum of probability-weighted amounts in a range of possible consideration amounts. It will be appropriate if an entity has a large number of contracts with similar characteristics. (b) Most likely amount - It is the single most likely amount in a range of possible consideration amounts (i.e. the single most likely outcome of the contract). It will be appropriate, if the contract has only two possible outcomes. An entity shall apply one method consistently throughout the contract.
3	Refund liabilities	- Recognise a refund liability if the entity receives consideration from a customer and expects to refund some or all of that consideration to the customer. - A refund liability is measured at the amount of consideration received / receivable for which the entity does not expect to be entitled (i.e. amounts not included in the transaction price). - The refund liability shall be updated at the end of each reporting period for changes in circumstances.
4	Constraining estimates of variable consideration	Include in the transaction price some or all of an amount of variable consideration estimated only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.
5	Reassessment of variable consideration	At the end of each reporting period, account for changes in the transaction price, if any.

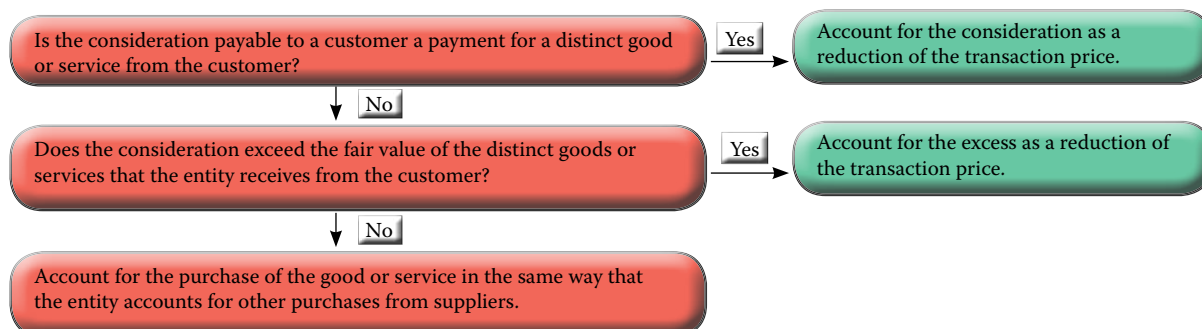
6	Sale with a right of return	- To account for the transfer of products with a right of return (and for some services that are provided subject to a refund), an entity shall recognise all of the following: (a) revenue for the transferred products in the amount of consideration to which the entity expects to be entitled (therefore, revenue would not be recognised for the products expected to be returned); (b) a refund liability; and (c) an asset (and corresponding adjustment to cost of sales) for its right to recover products from customers on settling the refund liability. - Promise to stand ready to accept a returned product during the return period shall not be accounted for as a performance obligation in addition to the obligation to provide a refund. - For any amounts received (or receivable) for which an entity does not expect to be entitled, the entity shall not recognise revenue when it transfers products to customers but shall recognise those amounts received (or receivable) as a refund liability. - Subsequently, at the end of each reporting period, the entity shall update its assessment of amounts for which it expects to be entitled in exchange for the transferred products and make a corresponding change to the transaction price and, therefore, in the amount of revenue recognised. - An entity shall update the measurement of the refund liability at the end of each reporting period for changes in expectations about the amount of refunds. An entity shall recognise corresponding adjustments as revenue (or reductions of revenue). - An asset recognised for an entity's right to recover products from a customer on settling a refund liability shall initially be measured by reference to the former carrying amount of the product less any expected costs to recover those products. - An entity shall present the asset separately from the refund liability. - Exchanges by customers of one product for another of the same type, quality, condition and price are not considered returns. - Return of a defective product in exchange for a functioning product shall be evaluated as warranties.
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FINANCIAL REPORTING

Significant financing component	Adjust the promised amount of consideration for the effects of the time value of money. In assessing whether a contract contains a financing component and whether that financing component is significant to the contract, consider both - the difference, if any, between the amount of promised consideration and the cash selling price of the promised goods or services; and - the combined effect of both of the following: - the expected length of time between when the entity transfers the promised goods or services to the customer and when the customer pays for those goods or services; and - the prevailing interest rates in the relevant market. Use the discount rate that would be reflected in a separate financing transaction between the entity and its customer at contract inception. After contract inception, an entity shall not update the discount rate for changes in interest rates or other circumstances. If the combined effects for a portfolio of similar contracts were material to the entity as a whole, but if the effects of the financing component were not material to the individual contract, such financing component shall not be considered significant and shall not be separately accounted for. Exception A contract with a customer would not have a significant financing component if any of the following factors exist: - the customer paid for the goods or services in advance and the timing of the transfer of those goods or services is at the discretion of the customer.
	- a substantial amount of the consideration promised by the customer is variable and the amount or timing of that consideration varies on the basis of the occurrence or non-occurrence of a future event that is not substantially within the control of the customer or the entity. - the difference between the promised consideration and the cash selling price of the good or service arises for reasons other than the provision of finance to either the customer or the entity, and the difference between those amounts is proportional to the reason for the difference.
Non-cash consideration	- measure the non-cash consideration (or promise of non-cash consideration) at fair value. - And, if it cannot reasonably estimate the fair value of the non-cash consideration, it shall measure the consideration indirectly by reference to the stand-alone selling price of the goods or services promised to the customer (or class of customer) in exchange for the consideration.
Subsequent measurement of non-cash consideration	- If the fair value of the non-cash consideration varies after contract inception because of its form, the entity does not adjust the transaction price for any changes in the fair value of the consideration. - If the fair value of the non-cash consideration promised by a customer varies for reasons other than only the form of the consideration, apply the guidance on variable consideration and the constraint when determining the transaction price.

Consideration payable to a customer



Step 4: Allocating the transaction price to performance obligations

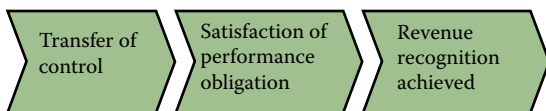
Allocate the transaction price to each performance obligation identified in the contract on a relative stand-alone selling price basis **except** for

- allocating discounts, and
- allocating variable consideration

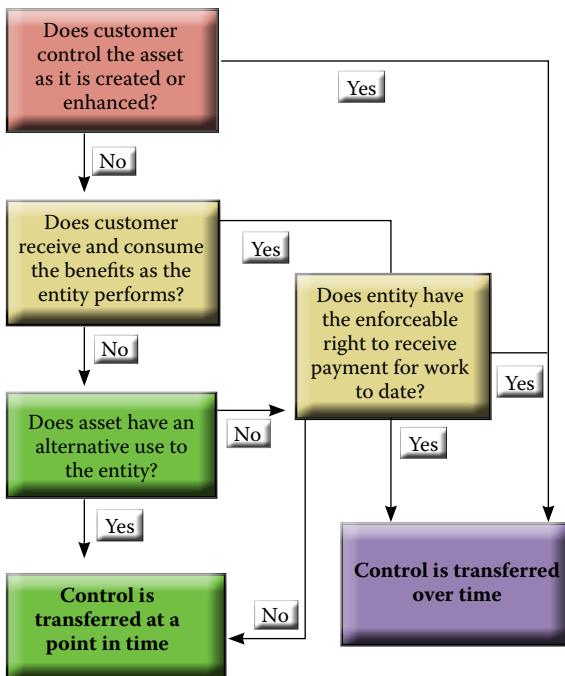
Determining stand-alone selling price	The stand-alone selling price is the price at which an entity would sell a promised good or service separately to a customer. The best evidence of a stand-alone selling price is - the observable price of a good or service when the entity sells that good or service separately in similar circumstances and to similar customers. Suitable methods for estimating the stand-alone selling price of a good or service include, but are not limited to, the following: - Adjusted market assessment approach - Expected cost plus a margin approach - Residual approach A combination of methods may need to be used to estimate the stand-alone selling prices of the goods or services promised in the contract if two or more of those goods or services have highly variable or uncertain stand-alone selling prices.
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Allocation of a discount	Allocate a discount proportionately to all performance obligations in the contract on the basis of the relative stand-alone selling prices of the underlying distinct goods or services.
When to allocate discount to 'less than all' performance obligations?	Allocate a discount entirely to one or more, but not all, performance obligations in the contract if all of the following criteria are met: (a) the entity <u>regularly sells each distinct good or service</u> (or each bundle of distinct goods or services) in the contract on a stand-alone basis; (b) the entity also <u>regularly sells on a stand-alone basis a bundle</u> (or bundles) of some of those distinct goods or services at a discount to the stand-alone selling prices of the goods or services in each bundle; and (c) the <u>discount attributable to each bundle</u> of goods or services described in (b) above <u>is substantially the same as the discount in the contract</u> and an analysis of the goods or services in each bundle provides observable evidence of the performance obligation (or performance obligations) to which the entire discount in the contract belongs. Note: – As a first step, always allocate the discount entirely to one or more performance obligations in the contract (if applicable), and then as a second step, use the residual approach to estimate the stand-alone selling price of a good or service.
Allocation of variable consideration	Variable consideration may be attributable to (1) the entire contract or (2) a specific part of the contract, such as either of the following: (a) one or more, but not all, performance obligations in the contract. (b) one or more, but not all, distinct goods or services promised in a series of distinct goods or services that forms part of a single performance obligation.
How to allocate variable consideration?	Allocate a variable amount (and subsequent changes to that amount) entirely to a performance obligation or to a distinct good or service that forms part of a single performance obligation if both of the following criteria are met: ▶▶ the terms of a variable payment <u>relate specifically to the entity's efforts to satisfy the performance obligation or transfer the distinct good or service</u> (or to a specific outcome from satisfying the performance obligation or transferring the distinct good or service); and ▶▶ allocating the variable amount of consideration entirely to the performance obligation or the distinct good or service when considering all of the performance obligations and payment terms in the contract.

STEP 5: Satisfying performance obligation

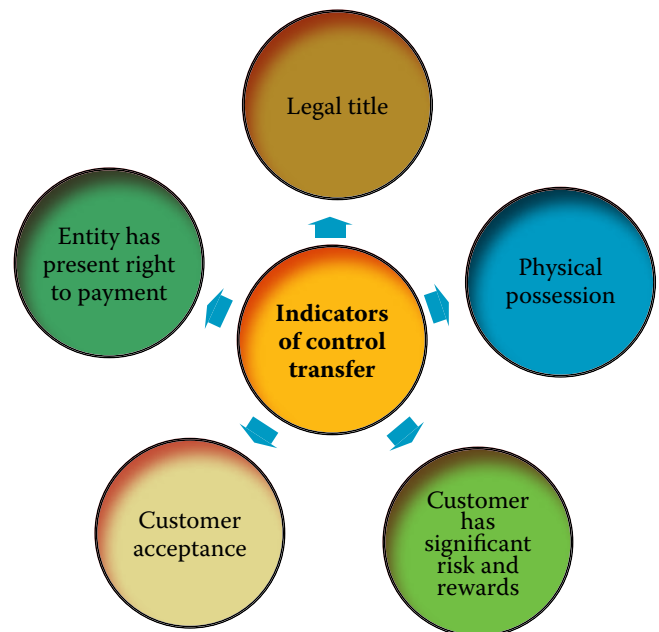


Transfer of control over a period of time

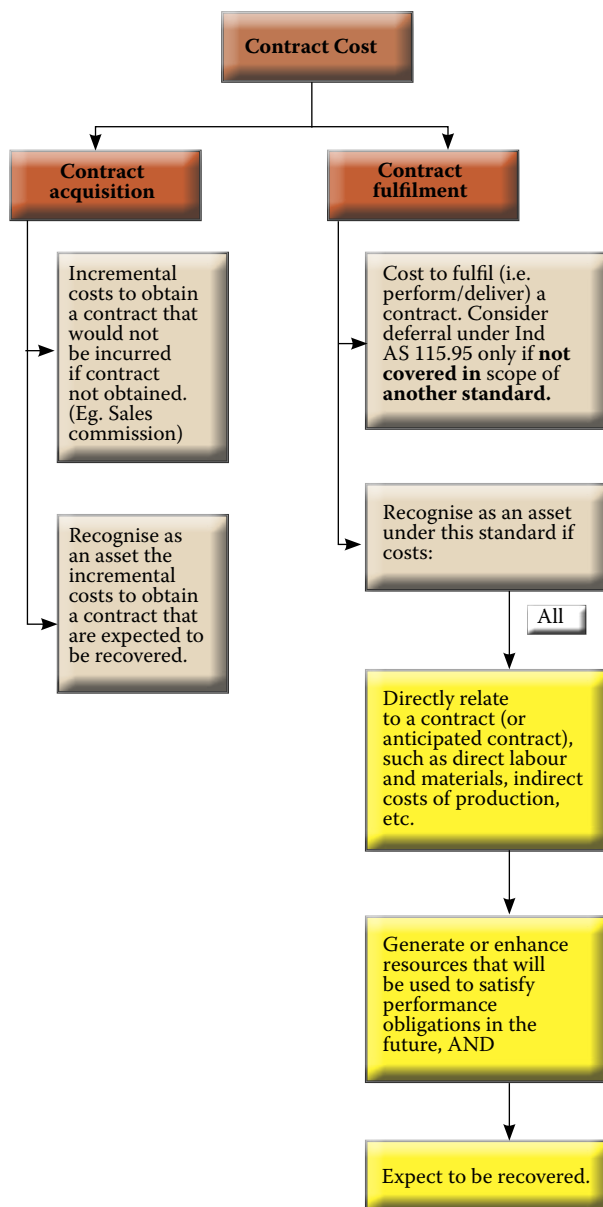
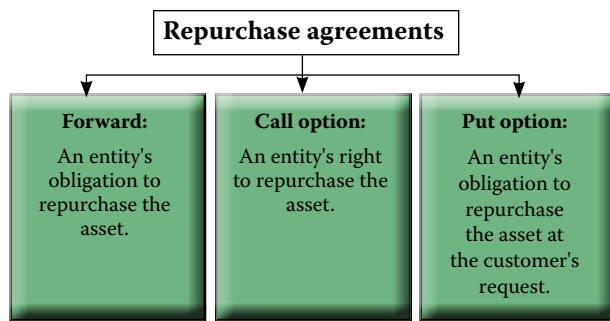


Transfer of control at a point in time

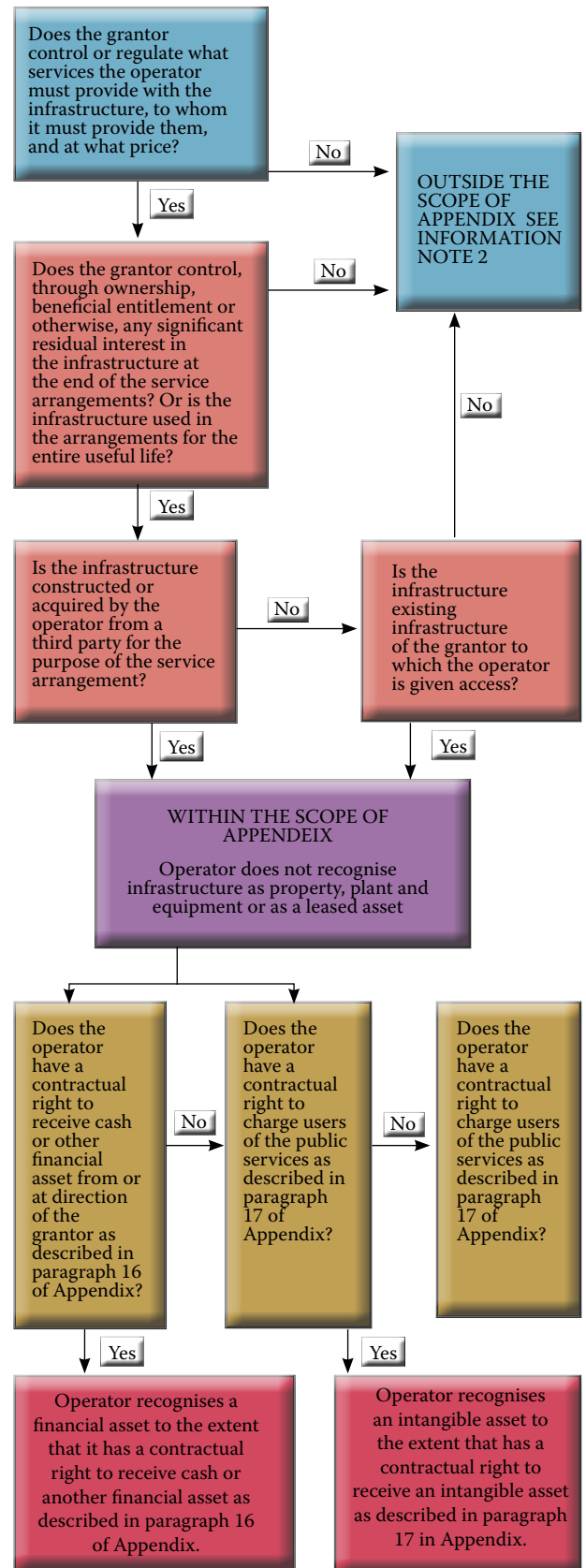
Where a company does not meet any of the criteria for recognising revenue over a period of time, then revenue shall be recognised at a point in time.



FINANCIAL REPORTING



Service Concession Arrangements



FINANCE UPDATES

RBI's rupee-dollar swap auction to ease liquidity gets a big thumbs up

The Reserve Bank of India (RBI) received an overwhelming response to its dollar swap window, establishing the instrument as a credible liquidity tool and paving the way for more such auctions in the coming months.

Banks offered \$16.31 billion for the proposed swaps of up to \$5 billion. The RBI accepted \$5.02 billion at a cut-off premium of ₹ 7.76 for three-year dollars — close to the rate at which the market was trading at.

In this swap, the RBI received dollars from banks and promised to return the greenbacks at 76.62 a dollar three years down the line, irrespective of the exchange rate prevailing at that time.

The idea behind the swaps is to infuse rupee liquidity by buying dollars. So far, the central bank has been buying bonds from the secondary market to infuse liquidity. But this exhausted banks' bond holdings to pledge against future liquidity borrowing.

The swaps were also successful because of heavy dollar inflows in the market. When dollar flows are good, the swaps are likely to be successful. But the level of the rupee-dollar exchange rates also matters.

According to experts swap facility was ideal when the rupee is weak against the dollar as it strengthens the rupee in the interim term. But when the rupee is strong already, the RBI may want to avoid this route.

https://www.business-standard.com/article/finance/rbi-s-forex-swap-auction-gets-big-thumbs-up-as-a-credible-liquidity-tool-119032601260_1.html

Faster transmission soon as SBI adopts repo-linked rates

Starting 1 May, 2019, SBI will link savings bank deposits above ₹ 1 lakh and short-term loans like overdraft with RBI's repo rate. This is the rate at which the central bank lends money to banks, when the latter face shortage of funds.

With SBI linking rates for such deposits and loans to the repo rate, the change will be automatically transmitted. For instance, if the RBI cuts its repo rate by 25 basis points or bps, the interest rate for your savings bank account having over ₹ 1 lakh will come down by 25 bps. One bps is a hundredth of a percentage point. At the same time, the interest rate you were paying on a short-term loan like overdraft or cash credit will also come down by 25 bps.

Experts are calling it a smart move by RBI. The reason is that deposits have not been growing at an adequate pace for banks. So, one issue was how do you get more deposits converted from savings bank deposits to fixed deposits. The latest move by SBI is in a way telling customers to convert their savings account deposits into term (fixed) deposits to get a fixed rate if they have over ₹ 1 lakh in their accounts. It will improve their asset-liability management because some short-term deposits will get converted into medium term deposits.

<https://www.livemint.com/money/personal-finance/faster-transmission-soon-as-sbi-adopts-repo-linked-rates-1552325225918.html>

REIT makes India debut

India's first Real Estate Investment Trust (REIT), Embassy Office Parks REIT, opened its initial public offering (IPO) on 18 March, 2019 and closed on 20 March, 2019. At a price band of ₹ 299 to ₹ 300, Embassy REIT issued units aggregating up to ₹ 4,750 crore.

The units of the Embassy REIT were listed on the National Stock Exchange of India Ltd. and BSE Ltd. Of the total units, 25% of the issue were available for non-institutional investors.

REITs allow you to invest in real estate in small amounts through paper format or in the form of securities. REITs usually invest in commercial properties that would otherwise require a large amount for investment. It uses rental income to pay dividends to investors.

From a taxation point of view, if you hold on to the units for more than three years, long-term capital gains will be applicable. If you sell it before three years, then short-term capital gains will be applicable on appreciation.

<https://www.livemint.com/money/personal-finance/reit-makes-india-debut-1552907323371.html>

Warehousing watchdog halts physical receipts by regulated players from June, 2019

Warehousing sector regulator, the Warehousing Development and Regulatory Authority (WDRA), has decided to suspend issuance of physical negotiable warehouse receipts (NWRs) from June 1, 2019, by all regulated warehouse.

On derivatives exchanges like NCDEX and MCX among others, only regulated warehouses are empaneled and hence from June onwards in agri commodities, only negotiable warehouse receipts in electronic forms will be accepted.

https://www.business-standard.com/article/economy-policy/warehousing-watchdog-halts-physical-receipts-by-regulated-players-from-june-119032300177_1.html

RBI proposes new rules for mortgage securitisation

The central bank is proposing new rules to securitise mortgages and enhance their marketability, making it easier for home financiers and para banks to access cash and adding momentum to India's corporate loans market.

The Reserve Bank of India's (RBI) move would make additional liquidity available to non-banking finance companies (NBFC), which have a significant share in overall credit disbursement but are struggling to raise funds cheaply after the IL&FS defaults.

To enable better management of credit and liquidity risks on the balance sheets of banks and HFCs and help lower the costs of mortgage finance in the economy, the RBI would constitute a committee that will assess the state of India's housing finance securitisation market.

The committee would study international best practices and lessons from the global financial crisis to propose measures that would help develop these markets locally.

<https://economictimes.indiatimes.com/markets/stocks/news/rbi-proposes-new-rules-for-mortgage-securitisation/articleshow/68732390.cms?from=mdr>

NEWS UPDATES

BSE gets nod to launch interest rates futures on overnight MIBOR

Leading stock exchange BSE has received approval to launch interest rates futures on overnight MIBOR (Mumbai Inter-Bank Offer Rate). In this regard, the bourse has got clearance from the Securities and Exchange Board of India (SEBI) and the RBI, according to a release.

MIBOR is the interest rate at which banks borrow from one another for short term purposes. Financial Benchmarks India Pvt. Ltd., announces the overnight MIBOR on a daily basis and it is computed by the Clearing Corporation of India (CCIL).

With the opportunity to introduce interest rates futures on overnight MIBOR, market participants will be able to forecast and manage interest rate risk on the BSE.

<https://economictimes.indiatimes.com/markets/stocks/news/bse-gets-nod-to-launch-interest-rates-futures-on-overnight-mibor/articleshow/68603456.cms>

EFIs can trade in commodity derivatives on IFSC exchanges

Eligible Foreign Investors (EFIs) can participate in commodity derivatives trading on stock exchanges located at the International Financial Services Centre (IFSC), said SEBI.

However, the participation is subject to certain conditions laid down by the regulator, like it would be limited to the derivatives contracts in non-agricultural commodities only, SEBI said in a circular.

The SEBI said the contracts would be cash-settled on the settlement price determined on overseas exchanges. Besides, the transactions shall be denominated in foreign currency only.

https://www.business-standard.com/article/pti-stories/efis-can-trade-in-commodity-derivatives-on-ifsc-exchanges-119031800852_1.html

ECONOMIC UPDATES

World Happiness Report 2019

The World Happiness Report is a landmark survey of the state of global happiness that ranks 156 countries by how happy their citizens perceive themselves to be. This year's World Happiness Report focuses on happiness and the community: how happiness has evolved over the past dozen years, with a focus on the technologies, social norms, conflicts and government policies that have driven those changes.

The first 10 rank holders are:

Rank	Country
I	Finland
II	Norway
III	Denmark
IV	Iceland
V	Switzerland
VI	Netherlands
VII	Canada
VIII	New Zealand
IX	Sweden
X	Australia

United States was ranked 18th down from 14th place last year.

India's ranking: India's rank fell to 133rd position from 122nd last year.

<http://worldhappiness.report/ed/2019/>

Rate of global trade growth

As per World Trade Organization, due to rising trade tensions and increased economic uncertainty, world trade will continue to face strong headwinds in 2019 and 2020 after growing more slowly than expected in 2018. WTO economists expect merchandise trade volume growth to fall to 2.6% in 2019 — down from 3.0% in 2018. Trade growth could then rebound to 3.0% in 2020; however, this is dependent on an easing of trade tensions.

https://www.wto.org/english/news_e/pres19_e/pr837_e.htm

First Bi-monthly Monetary Policy, 2019-20—RBI cuts Repo Rate

In the First Bi-monthly Monetary Policy, 2019-20, the RBI has cut the repo rate, rate at which the RBI lends to banks, to 6% from 6.25 %. The cash reserve ratio, the proportion of deposits to be kept with RBI, and the neutral monetary policy stance, were unchanged.

Policy Rate	Rate
Policy Repo Rate	6.00%
Reverse Repo Rate	5.75%
Marginal Standing Facility Rate	6.25%
Bank Rate	6.25%
CRR	4%
SLR	19.25%

https://rbi.org.in/scripts/bs_viewcontent.aspx?ld=3660

LAW UPDATES

Banning of Unregulated Deposit Schemes Ordinance, 2019

The Hon'ble President of India, on 21 February, 2019 has promulgated 'The Banning of Unregulated Deposit Schemes Ordinance, 2019' (hereinafter referred to as 'Ordinance'). It is a landmark law that will help in fighting the menace of illicit deposits and Ponzi schemes which is loot hard earned money of public.

The Ordinance provides for a mechanism to ban unregulated deposit schemes and protect the interests of

depositors. It also seeks to amend three laws, including the Reserve Bank of India Act, 1934 and the Securities and Exchange Board of India Act, 1992 and the Multi-State Co-operative Societies Act, 2002.

This ordinance, ensuring stringent consequences in cases of contravention and will help in safeguarding the interest of general public who are fooled by illicit deposit schemes run by unscrupulous elements of the society.

https://www.prsindia.org/sites/default/files/bill_files/Banning%20of%20Unregulated%20Deposit%20Schemes%20Ordinance%2C%202019.pdf

SEBI (Prohibition of Insider Trading) Amendment Regulations, 2018

The strong and decisive steps taken by the Securities and Exchange Board of India with respect to the Prohibition of Insider Trading Regulations have been quite a matter of concern since last couple of months. The modifications in the existing SEBI (Prohibition of Insider Trading) Regulations, 2015 ('PIT Regulations') were majorly brought in vide SEBI

(Prohibition of Insider Trading) Amendment Regulations, 2018, which became effective from 1 April, 2019.

For amended regulation visit the following link:
https://www.sebi.gov.in/legal/regulations/jan-2019/securities-and-exchange-board-of-india-prohibition-of-insider-trading-regulations-2015-last-amended-on-january-21-2019-_41717.html

INDIRECT TAX UPDATES

Interest-free security deposit for lease will not attract GST

Interest-free security deposit, given for leasing a commercial property, will not attract Goods & Services Tax (GST), according to a ruling by the Maharashtra Authority for Advance Ruling (AAR). However, if at the time of completion of lease tenure, the entire deposit or a part of it is withheld and not paid, as a charge against damages etc., then such amount withheld will be liable to GST as per the present GST laws, it said.

AAR helps the taxpayer by giving an advance decision in relation to the supply of goods and/or services proposed to be undertaken or being undertaken by the assessee. The decision is binding on the applicant and the jurisdictional tax authority. Though such a decision does not have precedent value like that of a High Court or Supreme Court judgment, it can be used as persuasive tool in future cases.

Recently, the applicant, E-Square Leisure Private Ltd, had approached the AAR seeking clarifications on whether GST will be applicable on interest-free security deposit and notional interest if any, and in case GST is applicable, what will be the value of notional interest for the levy.

The company is engaged in providing various services, including renting of immovable property for commercial purposes. The applicant is discharging GST on the rent received in relation to such commercial properties.

The applicant contended that the amount collected as interest-free security deposit is not liable to GST. It argued

that the definition of consideration given under the CGST Act specifically excludes any deposits, unless the same is applied as consideration for the supply. The security deposits taken from the occupant does not influence the rent payable for the commercial properties. The security deposits are only taken to safeguard the interests of the lessor.

It also said that taking deposits is a common practice across the country. Also, notional interest cannot be added in the consideration since there is no such provision under the GST law for its inclusion.

The authority observed that the definition of supply requires presence of consideration as an element for any of the defined transactions to be exigible to tax. Further, the definition of consideration given under the CGST Act, 2017 requires a direct link between the payment and supply. Deposits will only classify as consideration where the supplier appropriates such deposit as consideration for the said supply.

It also laid four parameters for a payment to qualify as 'security deposit'—for performance of an obligation, security against return of hired goods, security against damage to properties rented and it should be reasonable. The Authority concluded that these parameters apply in the present case, so it ruled that security deposit taken by the applicant cannot be treated as consideration for supply and they are not liable to pay any GST on the same.

www.thehindubusinessline.com

CROSSWORD SOLUTION – APRIL 2019

¹ O	² D	³ D		⁴ P	⁵ O	⁶ N	⁷ J	I		⁸ G	I	N	⁹ I
¹⁰ S	E	I	¹¹ S		¹² R	B	I		¹³ N	A	C	I	N
¹⁴ M	C	V	I			¹⁵ O	N	S	E	T			T
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²⁶ O	N	E		²⁷ I	R	E		²⁸ L	E	D	G	E	R
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⁶⁰ R	T	I					⁶¹ D	E	N	A		⁶² P	M



4th April, 2019

IMPORTANT ANNOUNCEMENT

No. 13-CA (EXAM)/Advanced ICITSS/2019

Advanced Integrated Course on Information Technology and Soft Skills (Advanced ICITSS) - Adv. Information Technology Test – Computer Based Mode

It has been decided to conduct Advanced ICITSS - Adv. IT Test – in **Computer Based Mode** on the following date:

► 28th July, 2019 (Sunday)

Timings: 10.30 AM to 12.30 PM (IST)

The computer based test will be held at the following cities provided sufficient number of candidates offer themselves to appear in the test, from the said cities. ICAI reserves the right to cancel the centre and allot the candidates to any centre / city other than the one he / she has opted for, in case the number of candidates who opt for appearing in that particular city / centre is not adequate.

EXAMINATION CENTRES (IN INDIA):

1	Agra	2	Ahmedabad	3	Ahmednagar
4	Ajmer	5	Akola	6	Alwar
7	Ambala	8	Amritsar	9	Aurangabad
10	Bengaluru	11	Bhopal	12	Bhubaneswar
13	Bikaner	14	Chandigarh	15	Chennai
16	Coimbatore	21	Dehradun	18	Delhi / New Delhi
19	Ernakulam	20	Faridabad	21	Gandhidham
22	Ghaziabad	23	Gorakhpur	24	Guntur
25	Gurgaon	26	Guwahati	27	Hisar
28	Hyderabad	29	Indore	30	Jabalpur
31	Jaipur	32	Jalandhar	33	Jammu
34	Jamnagar	35	Jamshedpur	36	Jodhpur
37	Kanpur	38	Kolkata	39	Kota
40	Kozhikode	41	Lucknow	42	Ludhiana
43	Mangalore	44	Margao (Goa)	45	Meerut
46	Mumbai	47	Nagpur	48	Nashik
49	Navi Mumbai	50	Noida	51	Patna
52	Pimpri Chinchwad	53	Pune	54	Raipur
55	Rajamahendravaram	56	Rajkot	57	Ranchi
58	Sikar	59	Siliguri	60	Surat
61	Thane	62	Thiruvananthapuram	63	Thrissur
64	Tinsukia	65	Tirupati	66	Udaipur
67	Vadodara	68	Varanasi	69	Vasai
70	Vijayawada	71	Visakhapatnam		

EXAMINATION CENTRES (ABROAD):

1. DUBAI

On-line filling up of examination forms:

Candidates who have undergone the Advanced ICITSS-Advanced Information Technology course and desirous of appearing in the test, will be required to apply online at <http://advit.icaiaexam.icaai.org> and also pay the applicable test fee online. No physical applications will be entertained. There is no concept of submission of applications with late fee. No change of centre will be permitted once opted.

TEST FEE

The examination fee will be as follows:

A candidate who is applying for the test for the first time will not be required to pay the test fee. However, those who are applying for the test thereafter, i.e. from second time onwards will be required to pay a test fee of ₹ 500/- online through the payment gateway. For Dubai Centre, the test fee will be USD \$ 150.

DATES FOR SUBMISSION OF APPLICATION FORMS FOR THE TEST:

Test Dates	For 28 th July 2019 (Sunday)
Commencement of submission of examination application forms	25 th June, 2019 (Tuesday)
Last date for submission of online examination application forms	2 nd July, 2019 (Tuesday)

All other details and guidance notes will be hosted on <http://advit.icaiaexam.icaai.org>

(B Muralidharan)
 Joint Secretary (Examinations)

IMPORTANT ANNOUNCEMENT

Students are hereby informed of the following changes that are being introduced with effect from the CA examinations to be held in May 2019 and onwards.

- Following papers of both Intermediate and Final level exams (both under the Old and New syllabus) shall have Multiple Choice Questions (MCQs) to the tune of 30 per cent marks.

Intermediate New		Intermediate (IPC)	
Paper	Subject	Paper	Subject
2	Corporate and Other laws	2	Business Laws, Ethics and communication
4	Taxation	4	Taxation
6	Auditing and Assurance	6	Auditing and Assurance
7	Enterprise Information systems and strategic management	7	Information Technology and Strategic Management
Final (New)		Final (Old)	
Paper	Subject	Paper	Subject
3	Advanced Auditing and Professional Ethics	3	Advanced Auditing and Professional Ethics
4	Corporate and Economic Laws	4	Corporate and Allied Laws
7	Direct Tax laws and International Taxation	6	Information Systems Control and Audit.
8	Indirect Tax Laws	7	Direct Tax Laws
		8	Indirect Tax Laws

- The question papers in respect of the above mentioned papers will have two parts, Part I comprising MCQs to the tune of 30 marks (each carrying 1 to 2 marks) and Part II comprising descriptive type questions to the tune of 70 marks.
 - Candidates will be required to write their answers in respect of Part I of the paper (i.e. MCQs) in OMR answer sheet by darkening the appropriate circles with HB pencil and Part II of the paper (i.e. the descriptive type questions) in the descriptive type answer book in the normal course.
 - Late entry in the exam hall will be permitted upto 2.15 PM (IST), i.e. upto half an hour from the time question papers are distributed. This will be applicable to all the papers including the composite papers mentioned above. Candidates are advised to plan their travel time carefully and reach the exam centre well in time.**
 - Exam will conclude at 5.00 PM (IST). No student will be allowed to leave the exam hall before 5.00 PM (IST) even if he has completed the paper. Candidates are required to remain in their seat even if they had completed the paper. This will be applicable to all the papers including the composite papers mentioned above.**
 - A candidate will be required to submit a) OMR answer sheet b) Answer book used for answering the descriptive answers (relating to Part II) and c) MCQ booklet to the invigilator before leaving the exam hall, after the conclusion of the exam. Non submission of the MCQ booklet to the invigilator after the conclusion of the exam, will be deemed to be an act of unfair means and will be dealt with accordingly.**
- Other details in respect of the composite papers are as follows:**
- Each of the above-mentioned papers is a single paper for all purposes and intent- i.e. for passing requirements, exemptions, statement of marks, verification under Regulation 39(4) of the CA Regulations 1988, inspection/ providing certified copies of answer books, etc.
 - Candidates are to ensure that they have received both parts of the question paper. In case, they do not receive both the parts of the composite paper, they should bring it to the notice of the invigilator concerned at the exam centre who will provide them both.
 - Candidates will be required to answer all the MCQs. There would be no internal or external choice in them. The MCQs may be either knowledge-based or application-based. The skill level would be either "knowledge and comprehension" or "application and analysis". There will be no negative marking for wrong answers. No reasoning is required for answers to MCQs.
 - MCQ booklet will have multiple sets, i.e. A, B, C and D.
 - Candidates who wish to change their answer, can correct the answers on the OMR answer sheet, by erasing the earlier answer completely and choosing a new answer. Candidates are advised to carry HB pencils and erasers to the exam hall. No exchange of pencils or erasers will be permitted in the exam hall. Any attempt to exchange pencils or erasers in the exam hall during the exam will be deemed to be an act of "Unfair Means" and will be dealt with accordingly.
 - Candidates should write the details sought on the OMR answer sheet, in the boxes provided thereon, in black ink pen and darken the circles thereunder in HB pencils, carefully. In case of any error in writing the details, the OMR answer sheet will not be replaced. They should bring it to the notice of the invigilator who will do the needful.
 - Candidates are advised not to mark answers in respect of the MCQs in the answer book meant for descriptive type answer book or in the MCQ booklet. Such answers written in the descriptive answer book or in the MCQ booklets will not be evaluated.
 - No mark will be awarded, in case no circle is darkened or more than one circle is darkened in respect of a particular question in the OMR answer sheet.
 - In Paper 4 and Paper 7 of Intermediate Level exam, the practice of Sections A and B will continue. However, in the composite paper, OMR answer sheet will be only one for both the Sections. Candidates will be required to answer the MCQs of Section A and Section B in the same OMR answer sheet. However, the descriptive component of the question

EXAMINATION ||

- papers will have to be answered in their respective designated answer books marked A and B.
16. There is no segregation of timing within the 3 hours duration, separately for answering descriptive type questions and objective type questions. Candidates will be free to use the time as per their convenience.
 17. Reading time of 15 minutes will continue to be allowed in the composite papers, as in other papers.
 18. Both the question papers will be provided to the candidates at 1.45 PM(IST), i.e. 15 minutes before the commencement of the exam.
 19. Both the answer books will be provided to the candidates at 2.00 PM.(IST) in the normal course.
 20. Candidates will be required to remove the roll number sticker (containing the roll number in bar coded format) available on the attendance register against his/her name and affix the same at the designated place on the cover page of the descriptive type answer book.
 21. There is no requirement for affixing the roll number bar code sticker on the OMR answer sheet.
 22. Candidates are advised not to staple or tag the OMR answer sheet with the descriptive type answer book. Further, they are advised not to keep the OMR answer sheet inside the MCQ booklet while submitting the same. MCQ booklet, OMR answer sheet and the descriptive type answer book are to be submitted to the invigilator separately.
 23. The Invigilator will sign and hand over the acknowledgement on Page 2 of the admit card to the candidate, for having received each of the answer books, in separate columns on the reverse of the admit card, upon receipt of the OMR answer sheet and the descriptive answer book after the conclusion of the exam.
 24. Physically handicapped candidates will be given extra time as per the existing arrangements, in the normal course, as per the guidelines in place.
 25. In the case of Hindi medium candidates, Papers 2, 3, 6, 7 and 8 of Intermediate Level (Both Old and New Syllabus), including the MCQ component will be bilingual. In other papers of the Intermediate level exam, question papers will be in English only for all candidates including Hindi medium candidates.
 26. OMR answer sheets will be in English only for all candidates including Hindi medium candidates.
- Candidates are advised to take note of the above-mentioned changes and act accordingly.

ICAI Examinations

ANNOUNCEMENT ||

Virtual Management and Communication Skills Course (Virtual MCS Course) for those candidates who have qualified CA final exam (November 2002 onwards till 2018) but have not applied for Membership of the Institute.

The candidates who have qualified CA Final exam w.e.f. November 2002 onwards till 2018 but had not applied for Membership of the Institute due to non-completion of GMCS (Course)/Management and Communication Skills Course (MCS Course) can undergo Management and Communication Skills (MCS Course) through Virtual mode.

The aforestated candidates can undergo the course anytime anywhere. After completion of the Virtual MCS course of 90 hours they can apply for membership of the Institute. **The window for registration in the virtual MCS course is open till 31st December, 2019.**

Thereafter any aforestated candidate who is unable to complete MCS course through virtual mode shall be undergoing the regular MCS course. **No further extension shall be given for registering in the course through virtual mode.**

Features of Virtual Management and Communication Skills Course

- ▶▶ No class room teaching. The student will be undergoing the course through online mode. The duration of Virtual MCS course shall be 90 hours. The video lectures shall be for 1 hour each and the student can view the video lecture anytime and from anywhere. Total recorded video lectures will be for 90 hours.
- ▶▶ Per student fee (non-refundable) shall be ₹ 12,000/-.
- ▶▶ Maximum time allowed to the student for completing the course is 180 days. Incase the student is not able to complete the course during the aforestated period; extension of 90 days shall be given to the student. The student has to pay 50% of the course fee for revalidation of the registration in the aforestated course.
- ▶▶ Separate portal/Learning Management system (LMS) is there where the student can register and undergo the course.
- ▶▶ The student will be able to view day wise session in seriatim.
- ▶▶ At the end of the each session, there will be an objective type online test. The certificate will be issued after student clears all the test. 50% marks are mandatory for clearing the test. In case, student is not able to clear the online test, the student will appear in test again.

The link for the registering in Virtual MCS course is <https://virtualmcs.icai.org>. For any queries/clarification kindly contact at +91-638 163 3524/0120-3045915 or mail at virtual.mcs@icai.in.

Director, Board of Studies

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

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

Venue	Participant	Fees	Date	Online Registration
Centre of Excellence (CoE), Jaipur	Men	₹ 48,000/-	12 th July, 2019 to 7 th August, 2019	https://resource.cdn.icai.org/54840fwrpjprj-a19main.pdf
Centre of Excellence (CoE), Hyderabad	Women	₹ 48,000/-	29 th July, 2019 to 25 th August, 2019	https://resource.cdn.icai.org/54842fwrphydj-a19main.pdf

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 Intermediate/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

What is learning without fun? Well in our CA course the word "fun" becomes a myth. But, there is one thing that every CA student must experience the four weeks residential programme at CoE, Hyderabad/Jaipur. Having experienced it myself, I can guarantee that you will come out as a changed person (for the better).

Ms. Priyamvada Tapadia,
Indore, Central Region
(Participant of 59th Batch)

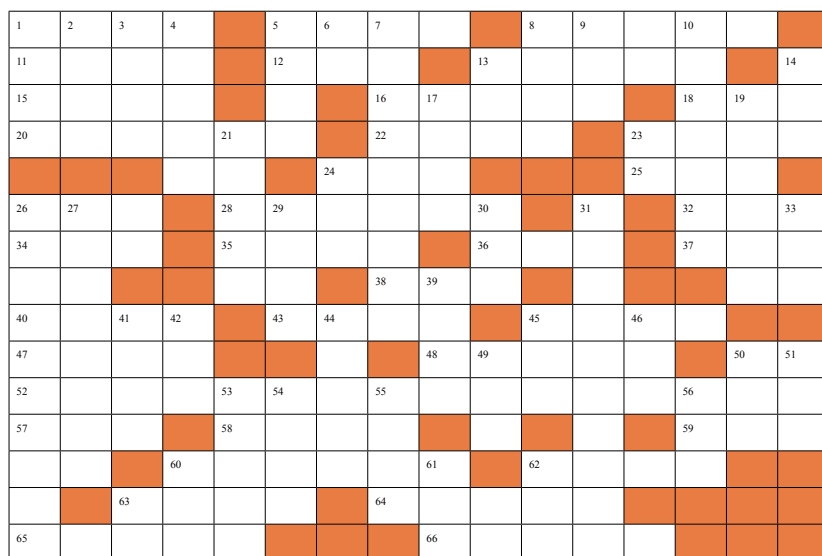
Best environment, far away from city traffic and hustle bustle of the city. Faculty was very good, came from various part of India and shared their knowledge which didn't only covered the provided topic, but also from their life experience.

CA. Rajat Bansal,
Hoshiarpur Northern Region
(Participant of 60th batch)

For online registration, you can proceed with 'Board of Studies Announcements' 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. For any query, you can write us at ashokdua@icai.in or may also contact us on 0120-3045935 and Mobile No. 9868879548.

Director, Board of Studies

CROSSWORD - MAY 2019



ACROSS

1. _____ money is a currency without intrinsic value that has been established as money, often by government regulation
5. Value for paying tax on supply made to related person is _____ market value.
8. Appointment of internal auditor can be done in _____ meeting.
11. An S-shaped line or moulding _____
12. Suppliers paying tax under Notification No. 2/2019 CT (R) dated 07.03.2019 pay tax @ _____ percent on supply of goods and services.
13. _____ fund : An investment fund that pools capital from accredited investors and invest in a variety of funds.
15. A plan under which a company's capital stock is acquired by its employees or workers.
16. A relative whose relation is traced only through female members of the family
18. Evaluate _____
20. _____ of Myra, was an early Christian bishop of the ancient Greek maritime city of Myra in Asia Minor during the time of the Roman Empire
22. Quote. _____
23. Dispatch _____
24. _____ is a fee that one telecom company pays to another when a call from the former's network lands on the latter's.
25. _____ is the interest rate at which the net present value of all the cash flows (both positive and negative) from a project or investment equal zero
26. Back to square _____.
28. Made ecstatically happy _____
32. An Indian state owned oil and gas company with registered office at Mumbai and primarily headquartered in New Delhi.
34. Wager _____
35. A facility allowing computers, smartphones, or other devices to connect to the Internet or communicate with one another wirelessly within a particular area
36. _____ is a team of skilled knowledge workers whose mission is to provide the organization they work for with best practices around a particular area of interest
37. Pixie. _____
38. _____ is an implementation of Microsoft's event-driven programming language, which was discontinued in 2008, and its associated integrated development environment.
40. Under GST, transporters should carry an _____ bill when moving goods from one place to another when certain conditions are satisfied.
43. It is clear to me ! _____
45. A debt instrument created for the purpose of raising capital. _____

47. Cabbage _____
48. _____, awake and stop not till the goal is achieved. _____
50. _____ Land. (Same word repeated)
52. _____ leadership style may be appropriate in turbulent environment.
57. An Indian Company having diversified presence in FMCG.
58. Male Asian elephant without tusks.
59. Snake like fish _____
60. Secret _____
62. _____ your nose.
63. The amount of declared dividend shall be deposited in a separate bank account within _____ days from date of declaration of dividend.
64. Performer _____
65. Grin _____
66. Impudent _____

DOWNWARD

1. Enemies _____
2. Tax payable on inter-State supplies.
3. Very long period of time _____
4. Lukewarm _____
5. _____ is a standards body that has produced specifications for an embedded operating system, a communications stack, and a network management protocol for automotive embedded systems
6. Sleuth _____
7. _____ Directors are entrusted with day to day operations of company.
8. _____ Noire
9. A Poem in Praise _____
10. Daydream _____
13. The cat in the _____
14. _____ used in the names of a company whose owners have restricted responsibility for the money that is owes.
17. Pleasant or Attractive _____
19. Officially register as a member of an institution or a student on a course _____
21. Groups of people who work closely together _____
24. _____ is the air arm of the Indian Armed Forces
26. Specific results an organization seeks to achieve in pursuing its basic mission.
27. Evaluating the worth of a business is determining its _____
29. Roman numeral of 53 _____
30. Selling agent engaged by a principal to assist in supply of goods or services by contacting potential buyers on behalf of the principal (acronym).
31. The Banning of Unregulated Deposit Schemes Ordinance, 2019' has been enacted to protect the interests of _____.

33. _____ a senior executive with responsibility for the financial affairs of a company or other institution.
39. A ray of light _____
41. _____ format option in iTunes that stores your music without losing any detail.
42. _____ is the official currency of Japan
44. Illuminated _____
45. _____ is the smallest unit of data in a computer
46. New _____
49. _____ is the memory or information storage in a computer.
50. _____ is the capital of Morobe Province and is the second-largest city in Papua New Guinea
51. Entire, Complete _____
53. Push someone roughly _____
54. KMP cannot be appointed for a period exceeding _____ years at a time.
55. _____ is an Act of the Parliament of India which seeks to protect home-buyers as well as help boost investments in the real estate industry.
56. _____ is used when giving the maiden name of a women.
60. An Indian State-controlled coal mining company.
61. _____ is an Indian multinational information technology service, consulting and business solutions
62. _____ transaction is what takes place between a merchant and a customer when a product or service is purchased, commonly using a point of sale system to complete the transaction.

If undelivered, please return to: The
Institute of Chartered Accountants of
India, ICAI Bhawan, Indraprastha Marg,
New Delhi-110104