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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

Final
Corporate and Economic Laws

Intermediate
Indirect Taxes

Foundation
Business Mathematics, Logical Reasoning and Statistics

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Board of Studies (Academic) (2022-23)

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SWACHH BHARAT - A STEP TOWARDS CLEANLINESS

Dear Students,

By the time you read this communication, the November 2022 exams for Final and Intermediate students would have already started, and I extend my best wishes and good luck to all of you appearing in the exams. My only advice, at this crucial time, is to set specific goals with strategic planning for each paper. The more specific the goal and more clear the strategy, the better will be your chances of best performance during exams. I am sure you would have tested your exam preparation by attempting questions from various sources such as the Study Material, Revision Test Papers (RTPs), and Mock Test Papers under exam conditions.

I am confident that the learning and guidance provided by the Board of Studies (BoS) through the Live Coaching Classes, Mobile App, Mock Test Paper Series, and BoS for Your Success sessions will enable you to derive maximum benefit and help fortify your exam preparation further.

Steely Determination & Positive Attitude to Help in Exams

As a student, you always need to keep in mind that there is no substitute to hard work. If you work hard and have the steely determination to achieve your goal, you will surely be successful. A positive attitude keeps your mind open; it keeps your body relaxed, and it makes it easier for you to concentrate and recall what you have learnt.

"To succeed in your mission, you must have single-minded devotion to your goal."
— A. P. J. Abdul Kalam

Expert Group Meetings to Align New CA Syllabus with NEP 2020 & International Accounting Courses

As you are aware, the Council of ICAI has approved the Proposed Scheme of Education and Training, and the same has been sent to the Ministry of Corporate Affairs for its approval. In the meantime, as part of the efforts to provide you with a curriculum that is aligned with the National Education Policy (NEP) 2020 and with the syllabi of other international accounting bodies, the Board of Studies constituted Expert Groups for formulating and finalising the syllabi of different subjects of the Chartered Accountancy Course. Several Expert Group meetings were conducted last month wherein, experts from the chartered accountancy profession and senior academicians from across the country deliberated extensively to formulate the syllabi as per the changing environment and the same has been finalised by the Council.

ICAI Holds Convocation Ceremony across the Country

The Institute organised Convocation Ceremony last month to award certificates of membership to new members and felicitate rank holders of the CA examination. For the first time, the Convocation was organised simultaneously at 14 different locations across the country where around 16,000 newly enrolled Chartered Accountants received their certificates. It was a proud moment for the CA fraternity when CA. Piyush Goyal, Union Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles, who is himself a rank holder while addressing the newly enrolled Chartered Accountants from New Delhi as the Chief Guest, said that Indian Chartered Accountants are among the most competent talents produced by the nation and that they are the ambassadors of this noble profession, holding their heads high as the nation progresses ahead. Here, I must assure you that you are aspiring to join a profession which will help shape the future of the country and you will be the changemakers. The country's future rests on your able shoulders and I am doubly confident that you will live up to the expectations of the countrymen and serve the motherland wholeheartedly by upholding the highest ethical value true to the profession.

First Placement Programme for Women CAs

It gives me immense pleasure to share with you that the Institute is conducting the first placement programme for women chartered accountants in India. All women CAs having obtained membership as on September 30, 2021, or prior and not holding full-time COP are eligible to participate. We have received an enthusiastic response from 81 companies with more than 1,170 vacancies to offer flexitime/part-time/work-from-home job options for our women members. I am pleased to see that more than 1,600 women candidates have already registered for the said placement programme.

Pursue Your Dreams

"All our dreams can come true if we have the courage to pursue them." — Walt Disney

Hard Work, Passion & Sincerity are very much necessary to convert your dreams into reality. I am sure with dedicated efforts your dreams will come true.

Wishing you all the best for your future endeavours.

Yours sincerely,

Debashis Mitra

CA. (Dr.) DEBASHIS MITRA
PRESIDENT, ICAI

"We learn more by looking for the answer to a question and not finding it than we do from learning the answer itself." –Lloyd Alexander

Dear Students,

"Self-belief and hard work will always earn you success."

All things are possible for those who believe. At the outset, I would like to convey my best wishes to all the students appearing for the November 2022 examinations. I am sure that amidst the festival fervour, you all must have planned your time judiciously for the studies and have prepared well for performing at your best in the examinations. Exams are a litmus test of your abilities, strength and perseverance. I advise you to be confident about your abilities and channelise your strength which would help you to overcome all challenges in your journey. Always remember, **the harder you work for something, the greater you'll feel when you achieve it**.

Some Vital Pointers for Students Appearing in Upcoming Exams

- **Work out RTP and MTP to assess preparedness for examination** — You should have made full use of the last two to three weeks to revise the concepts again. Utilise the Revision Test Paper and Mock Test Paper questions in full to gauge your level of exam readiness. Practise the case studies from the Case Study Digest on your own in elective classes and compare your responses to the ones provided.
- **How to revise the day before the examination** — To make revision the day before the exam easier, note important concepts and formulas in each topic. Numerous tables, charts and diagrams are included in the study materials to aid in speedy review the day before the test. The "Let Us Recapitulate" section at the end of each chapter in each paper will help with last-minute revisions.
- **Make effective use of the 15 minutes reading time before the examination** — Utilise the 15 minutes of reading time you have in the exam room to the fullest. Decide how you will respond to the questions during this time. Select the query that you feel most at ease answering and start there. But after deciding on a specific question, try each of the sub-parts one at a time. Make sure to complete all the questions within the allotted three hours (four hours in case of elective paper at the Final level).
- **Manage time effectively** — Do not forget that time management is very crucial for success in CA examinations. Therefore, plan your time for each question such that you can complete the paper within the given time. Ensure that your answers are commensurate with the marks allocated for the question. Following this plan will ensure that you give it your all and succeed in the end.

ICAI: Your Mentor

The ICAI through Board of Studies has launched the 6th & 5th batches of **Free Live Coaching Classes** of Intermediate & Final for the May 2023 examination on 14th October 2022. I advise you all to visit the Institute's website and BoS Knowledge Portal for the details of the announcement and the schedule of the classes. These classes are free of cost and do not need advance registration to attend the classes. Avail maximum benefits and sharpen your knowledge and skills to perform better in examinations.

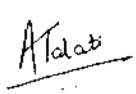
You may attend these classes through the BoS Knowledge Portal https://boslive.icai.org/ or ICAI — BoS Mobile App and can also view it at ICAI CA Tube/YouTube Channel. I am sure you would have made full use of the classes conducted for the November 2022 examination for Final, Intermediate and Foundation levels.

You must also have taken the **Mock Test Papers series I & II** for assessing your preparation. This exercise enables you to get a reality check on your preparation not only in terms of technical concept clarity but also psychological readiness.

Always remember that **battles are first won in the mind and thereafter in the battlefield**. Similarly, if you are confident about your success in your mind, then nobody can stop you.

Go ahead, Study at your Best and Face the Examinations with Confidence.

Yours sincerely,



CA. ANIKET SUNIL TALATI
VICE PRESIDENT, ICAI

"Live as if you were to die tomorrow. Learn as if you were to live forever." -Mahatma Gandhi

Dear Students,

Warm Greetings!!

At the outset, I along with Vice Chairman BoS(A) CA. Vishal Doshi would like to convey our best wishes to all the students who are appearing for examination commencing from 2nd November 2022. We are hopeful that the series of "Webinars of BoS for Your Success" followed by two series of Mock Test Papers for our Intermediate and Final Level students would have made you confident to face the November 2022 examination. We are confident that each student who is appearing in the November examination has put in their hard work with utmost sincerity and full dedication and will surely outshine with grand success.

During the examination, it is important that you maintain your calm and composure to make optimum use of your time prudently. You should carefully read the instructions and use the initial time to read the question paper thoroughly. At the same time, attempt the questions in such a manner that adequate time is reserved for the final revision of your solutions.

Live Coaching Classes (LCC)

The Board of Studies successfully completed its 5th batch of Intermediate and Foundation LCC for the students appearing in November 2022 examinations in the month of September and October 2022, respectively. Lately, the 6th batch of LCC for Intermediate Level and 5th batch of LCC for Final Level students has commenced from 14th October 2022 for the students appearing in May 2023 examinations. Students who are appearing in May 2023 examination at the Intermediate and Final examinations may make use of these classes, which have commenced in the month of October. The morning and evening classes enable the students to undergo their practical training in a seamless manner. You may attend these classes through the ICAI – BoS Mobile App or BoS Knowledge Portal https://boslive.icai.org/ and can also view at ICAI CA Tube/YouTube Channel.

Proposed Scheme of Education and Training under CRET

As you are aware the Proposed Scheme of Education and Training has been sent to the Ministry of Corporate Affairs for final approval and meanwhile, several Expert Groups comprising of Central Council Members, Past Presidents, Past Council Members and subject experts in academia, practice and industry for various subjects were constituted. In these group meetings, the syllabi of various subjects were formulated based on the detailed study of syllabi of subjects in leading international accountancy bodies, the requirements of National Education Policy 2020 and the expectations of the stakeholders and industry from qualifying chartered accountants. The syllabi so formulated in these group meetings were presented and deliberated extensively in the meeting of Board of Studies and thereafter, the same was deliberated and approved by the Council.

The introduction of self-paced modules is a major highlight of the new scheme that will offer our aspirants great flexibility to learn at their own pace and make their learning more experiential and effective. The learning of these modules will be imparted through e-books and virtual recorded lectures on Digital Learning Hub on BoS Knowledge Portal.

Practical Test Assessment

The BoS has been conducting two levels of practical training assessment for students after completion of first and second year of practical training on regular basis. The intent of these tests is intended to help you self-assess your knowledge gained during the training and know your strengths and weaknesses. The last practical training assessment for Levels 1 and 2 was successfully conducted on 15th and 16th October 2022 in which 7,248 students had successfully registered.

World Congress of Accountants 2022 (WCAO)

You will be delighted to know that the ICAI will host the 21st World Congress of Accountants 2022 scheduled to be held from 18th to 21st November 2022, at Jio World Centre, Mumbai, in Hybrid mode. The WCOA 2022 would be an apt platform for delegates from different countries to not only exchange their ideas through interactive discussions for accounting, finance and business professionals and upgrade their skill set but will also provide them an opportunity to explore 'Incredible India'. This time, the theme of the event is "Building Trust Enabling Sustainability" keeping in mind the importance the accountancy profession is playing as protector of public interest and how the profession is playing an instrumental role to enable sustainable economies for the future.

Capsule Insights

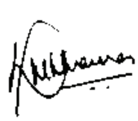
The highlights of this issue are comprehensive Capsules based on Paper 4: Corporate and Economic Laws for CA Final, Paper 4B: Indirect Taxes for CA Intermediate and Paper 3: Business Mathematics, Logical Reasoning and Statistics for CA Foundation. These Capsules comprise major concepts, concisely crafted and presented using illustrations, diagrams and flowcharts thus making it a perfect single reference point for revision.

Before concluding, I would again urge you to stay dedicated with strong mind and determined success so that you deliver the best in your examination.

"You are capable of more than you know."

Exhibit the best of your abilities in terms of perseverance, efforts, and willpower to achieve success.

All the best for your future endeavors!!!



CA. DAYANIWAS SHARMA
CHAIRMAN, BOARD OF STUDIES (ACADEMIC)

"You don't learn to walk by following rules. You learn by doing, and by falling over." – Richard Branson

CHAIRMAN SSEB (BOARD OF STUDIES-OPERATIONS) COMMUNICATION

My Dear Students,

At the outset, I would like to convey my good wishes to all the students appearing for the November 2022 examinations. I am very sure that amidst the festivals, you all must have utilised your time very effectively and prepared well for giving your best in the examinations.

Always remember the oft-repeated words of Swami Vivekananda — Arise! Awake! and stop not until the goal is reached. Since CA examinations aim not only to test theoretical knowledge but also application skills, I am confident that your days of toiling and hard work will bear the desired fruits.

The Institute in all its endeavours works for the overall development of the students. It also expects students to conduct themselves honestly and ethically, not only during your exams but also in life. Make hard work and honesty not only your goal but also your life's motto. I would like to appeal to all my young students to inherit the proud traditions crafted by our predecessors and work selflessly for the betterment of society in general and the nation. I can say it proudly that you have chosen a career path that will bring not only inner fulfilment but also respect in society.

Let me share with you a few initiatives of the Students Skills Enrichment Board (Board of Studies-Operations) taken for the benefit of the students.

Four Weeks Residential Program on Soft Skills Development at Centre of Excellence

I am pleased to inform you that this year SSEB has successfully organised seven batches of the Four Weeks Residential Programme and two more batches of the Residential Programmes will commence from **7^{th} November 2022** each at the Centres of Excellence of Jaipur and Hyderabad. We have received an overwhelming response and positive feedback from the participants who attended the programme.

Dear students, I would like to urge you to get the maximum benefit of this flagship programme, which is being organised at a nominal fee of ₹12,000/- instead of earlier fees of ₹48,000/-. For registration and other details about the course, kindly visit the website of ICAI.

International Conference

Every year, ICAI organises the International Conference of CA Students, which provides world-class learning and an international platform for the student community to interact. With great pleasure, I would like to inform you that this year the SSEB (BoS-Operations) will be organising the International Student Conference, 2022, at Shilpakala Vedika, Hyderabad, on **2^{nd} & 3^{rd} December 2022**. This International Conference will give you a lifetime experience and an excellent opportunity to learn about contemporary issues. It is an ideal window for students to recognise the full impact of the developments and innovations across borders, as the students of major International Accounting Bodies, especially SAFA nations, also join the conference. The theme of the Conference is FACING THE FUTURE — INNOVATE, INTEGRATE, MOTIVATE. You are requested to kindly register for the Conference to reap the benefits of such a multidimensional platform and spread word of mouth to propagate the same amongst other fellow CA students.

CA Students' National Talent Quiz and Best Presenter Contest 2022

The Board has successfully conducted the CA Students' National Quiz and Best Presenter Talent Contest 2022, wherein competitions were organised initially at the Branch and Regional Levels. The final winners at the Regional Level participated in the Grand Finale of the CA Students' National Talent Competition conducted by the SSEB (BoS-Operations) on 8^{th} October 2022 at Bhopal. The winners of the National Level Elocution Contest, organised on 8^{th} June 2022 at New Delhi, and the winners of the National Level Quiz Contest conducted on 8^{th} October 2022 at Bhopal will be representing ICAI at the SAFA Elocution and Quiz Contest.

The next CA Students' National Talent Contest on Essay Writing and Nukkad Drama will be conducted at the Branch Level from 18^{th} November to 30^{th} November 2022. You are requested to kindly make the best use of all these opportunities for the enrichment of your skill sets and contact your nearest branch for more information.

Practical Training Modules for Article Students through Live Webinars

The Board, to aid and train the CA students about practical aspects of the key concepts needed during articleship training, has embarked upon an initiative to conduct Practical Training Modules through Live Webinars. These webinars are open to all but mainly conceptualised for developing the necessary skill sets for articleship students. This series of live webinars are being organised every Sunday from 10.30 am to 1.00 pm. Till October 2022, twenty-six such webinars have been organised wherein the subject experts were invited to address the students on various topics of relevance. Though the recording of these sessions is also available on the DLH platform of ICAI and can be accessed at any later point, if one wishes to refer, however, I call upon all students to join these webinars live and participate in the doubt-clearing session, which is organised at the end of the session.

Another, important observation that I would like to share in the interest of all the students is that don't wait till the last moment for the completion of your ICTISS and ACTISS to avoid hardships that may affect your exam eligibility. We at SSEB (BoS-Operations) continually strive to ensure that our student fraternity receives the best of resources and environment, which helps them to groom as complete business solution providers. I urge all of you to provide feedback on our various activities involving student interface to help us serve you better.

Best wishes,

CA. SUSHIL KUMAR GOYAL
CHAIRMAN, STUDENTS SKILLS ENRICHMENT BOARD (BOARD OF STUDIES-OPERATIONS)

CA FINAL - PAPER 4: CORPORATE AND ECONOMIC LAWS

At the Final level, the Company Law portion of the paper "Corporate and Economic Laws" involves conceptual understanding, analysis and application of provisions of the Companies Act, 2013 to solve application-oriented issues. In this capsule for students, an attempt has been made to comprise the significant provisions of the Companies Act, 2013 covered under the Chapter 3, in continuation to earlier published capsule covering Chapter 1 and Chapter 2 of the Company Law part of the study material. Before referring the capsule, you students are advised to read the October 2021 edition of the Study Material with relevant RTP for a thorough understanding of the relevant provisions and the related amendments of Companies Act, 2013. This will supplement your reading and recapitulating the important aspect of the relevant legal provisions. In fact, by giving a quick glance to the significant provisions of the said chapter and illustrative case scenario followed by MCQs will hone your application skills and understanding and revising the same. This capsule is intended to assist you in the process of revision of concepts discussed in the Study Material.

CHAPTER 3: MEETINGS OF BOARD AND ITS POWERS

(1) Board Meeting (BM) [Section173]

(1) Meetings of Board

(i) Holding of BM [Section 173(1)]-

Every company shall hold Board meeting of its Board of Directors in the following manner:

First BM

within 30 days of the date of its Incorporation

+

Subsequent BMs

thereafter hold minimum 4 meetings every year with not a gap of more than 120 days between two consecutive board meetings

(ii) Participation in BM [Section 173 (2)]

Directors may attend board meeting in either of the way

- in person
- through video conferencing
- other audio visual means as prescribed under Rule 3 of the Companies (Meetings of Board and its Powers) Rules, 2014

(iii) Notice of the BM [Section 173(3) & (4) + Rule 3 of the Companies (Meetings of Board and its Powers) Rules, 2014]

A meeting of the Board shall be called by giving
- not less than seven days' notice in writing
- to all the directors at registered address
- sent by hand delivery/ by post/ by electronic means

Shorter notice less than 7 days may be served
- to transact an urgent business
- atleast one independent director, if any, shall be present
- in his absence, decisions taken shall be circulated to all the directors and shall be final only on ratification thereof by at least one independent director, if any

Option to participate through video conferencing mode/ other audio visual means (Rule 3)
- notice of the meeting shall inform the directors regarding the option available to them to participate through video conferencing mode or other audio visual means, and shall provide all the necessary information to enable the directors to participate through video conferencing mode or other audio visual means

On receival of notice
- a director intending to participate through video conferencing or audio visual means shall communicate his intention to the Chairperson or the company secretary of the company

No intimation from director of his participation through the electronic mode
- it shall be assumed that the director shall attend the meeting in person

In case of failure to serve the notice -Every officer of the company whose duty is to give notice, shall be liable to a penalty of ₹25,000.

(iv) Exemption/relaxation from applicability of section 173(1)

Proviso to section 173(1)

Central Government may by notification

- exempt any class, or descriptions of companies

or

- apply provisions subject to exceptions, modifications or conditions

Relaxation to companies from compliance of section 173	
Section 8 companies- Applicable to the extent that the Board of Directors, shall hold at least one meeting within every six calendar months.	OPC, Small Co., Dormant Co. Private start ups- deemed to have been complied with the provisions of section 173, if at least one meeting of the BoDs has been conducted- • in each half of a calendar year, and • the gap between the two meetings is not less than 90 days.

In case of OPC, in which there is only one director on its Board of Directors, it shall not be required to hold even a single Board meeting during the year.

(2) Quorum [Section 174]

(i) Quorum

quorum for a Board Meeting shall be -

- **one-third of its total strength**
- OR
- **two directors**

Whichever is higher

For section 8 Companies, quorum for the BM, either 8 members or 25% of its total strength whichever is less, however, quorum shall not be less than two members.

(ii) Quorum when directors participate through Video Conferencing

In case of participation of director through video conferencing or by other audio visual means

- shall also be counted for the purpose of determining the quorum at the meeting,
- unless he is to be excluded for any items of business under any provisions of the Act or the Rules [Explanation as given in Rule 3 of the Companies (Meetings of Board and its Powers) Rules, 2014]

(iii) Where quorum is less than prescribed under the Act [Section 174 (2) & (3)]

Where the quorum of continuing directors is reduced (as fixed by Act)	Where at any time the number of interested directors exceeds or is equal to 2/3 of the total strength of the BOD
the continuing directors/ director may act for the purpose of- • increasing the number of directors to that fixed for the quorum, or • of summoning a general meeting of the company	the number of directors who are not interested directors and present at the meeting, being not less than two, shall be the quorum during such time

In case of Private Company - Section 174(3), shall apply with the exception that the interested director may also be counted towards quorum in such meeting after disclosure of his interest pursuant to section 184.

(iv) Where a meeting of the Board could not be held for want of quorum [Section 174(4)]

Unless the articles of the company otherwise provide,

the meeting shall automatically stand adjourned
- to the same day
- at the same time and place
- in the next week,

if that day is a national holiday, till the next succeeding day, which is not a national holiday, at the same time and place

(3)Powers of Board [Section 179]

(i) Powers to be exercised by the Board [Section 179(1)]

The BoD of a company shall be entitled to

- exercise all such powers, and to do all such acts and things, as the company is authorised to exercise and do

Exception to Board's Power:

- The Board shall not exercise any power or do any act or thing which is directed or required,
- whether under this Act or by the memorandum or articles of the company or otherwise,
- to be exercised or done by the company in general meeting

(ii) Illustrative Powers of Board [section 179(3)]

Board may exercise its powers by means of the resolution passed at a duly convened Board meeting

(a) make calls on shareholders in respect of money unpaid on shares

(b) authorise buy-back of securities

(c) issue securities

(d) borrow monies

(e) invest the funds of the company

(f) grant loans or give guarantee or provide security in respect of loan

(g) approve financial statement and the Board's report

(h) diversify the business

(i) approve amalgamation, merger or reconstruction

(j) take over a company or acquire a controlling or substantial stake in another company

(k) any other matter which may be prescribed in Rule 8 of the Companies (Meetings of Board and its Powers) Rules, 2014

The Board may, by a resolution passed at a meeting, delegate the powers specified in clauses *(d)* to *(f)* on conditions as it may specify to-
- any committee of directors, the managing director, the manager or any other principal officer of the company, or
- in the case of a branch office of the company, the principal officer of the branch office

Additional powers prescribed under Rule 8 of the Companies (Meetings of Board and its Powers) Rules, 2014

- to make political contributions;
- to appoint or remove KMP;
- to appoint internal auditors and secretarial auditor;

(4) Restrictions on powers of Board [Section 180(1)]

The BoD of a company shall exercise the following powers only with the consent of the company by a special resolution

(a) To sell, lease or dispose of the undertaking(whole/substantially of the whole) of the company, or it owns more than one, of the whole/substantially the whole of any of such undertakings

(b) To invest in trust securities the amount of compensation received as a result of any merger or amalgamation;

(c) borrow money, together with the money already borrowed by the company exceeding aggregate of its paid-up share capital,free reserves and securities premium apart from temporary loans obtained from the company's bankers in the ordinary course of business

(d) To remit, or give time for the repayment of, any debt due from a director

Exemption to Clause (a) and conditions for such transaction [Section 180(3) & (4)]

the title of a buyer / other person who buys /takes on lease any property, investment / undertaking as is referred to in that clause, in good faith;

OR

the sale / lease of any property of the company where the ordinary business of the company consists of / comprises, such selling or leasing

Conditions for transaction referred to in clause (a) of sub-section (1)

Any special resolution passed by the company consenting to the transaction -

may stipulate such conditions as may be specified in such resolution,

including conditions regarding the use, disposal or investment of the sale proceeds which may result from the transactions

provided that this shall not be deemed to authorise the company to effect any reduction in its capital except in accordance with the provisions contained in this Act.

Restriction as to borrowing of money under Clause(c) [Section 180(2) & (5)]

Every special resolution passed by the company in general meeting in relation to the borrowing of money-

- shall specify the total amount up to which monies may be borrowed by the Board of Directors.

No debt incurred by the company in excess of the limit imposed -

- shall be valid or effectual, unless the lender proves that he advanced the loan in good faith and without knowledge that the limit imposed had been exceeded.

Section 180 is not applicable to private company.

(5) Powers of BoD of a Company to make contributions [Section 181, 182, & 183]

To Bona fide charitable and other funds

- any amount the aggregate of which, in any financial year, exceed 5% of its average net profits for the three immediately preceding financial years.
- prior permission of the company in general meeting shall be required

To Political Contributions

- a company
- may contribute any amount to any political party,
- with a resolution authorising the making of such contribution is passed at a meeting of the Board of Directors,
- and such resolution shall, subject to the other provisions of this section, be deemed to be justification in law for the making of the contribution authorised by it.
- Except a Government company, and a company which has been in existence for less than three financial years

To National Defence Fund, etc.

- BoD or any person or authority exercising the powers of the Board of Directors of a company in general meeting, may-
- contribute such amount as it thinks fit to the National Defence Fund or any other Fund approved by the Central Government for the purpose of national defence

(6) Disclosure of interest by director [Section 184]

(i) Applicability:

Section 184 is applicable on

- all directors of the company and
- all types of Companies

(ii) When to disclose & what are the disclosures [Section 184(1) & (2)]

When to disclose

- Every director shall disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals which shall include the shareholding, in manner as prescribed in Rule 9 the Companies (Meetings of Board and its Powers) Rules, 2014:
  - At the First meeting of the Board in which he participates as a director, and
  - Thereafter, at the first meeting of the Board in every financial year, or
  - Whenever there is any change in the disclosures already made, then at the first Board meeting held after such change.

Disclosures

- Every director of a company who is concerned or interested in a contract or arrangement /proposed contract or arrangement entered into /to be entered into:
  - with a body corporate in which such director or such director in association with any other director,holds more than two per cent shareholding of that body corporate, or is a promoter, manager, Chief Executive Officer of that body corporate; or
  - with a firm or other entity in which, such director is a partner, owner or member, as the case may be,
  - the directors shall disclose his concern or interest, by giving a notice in writing at the meeting of the Board in which the contract or arrangement is discussed and shall not participate in such meeting.

Exceptions to following companies from application of section 184(2):

- shall apply to private companies with the exception that the interested director may participate in such meeting after disclosure of his interest
- shall apply to Section 8 Companies, only if the transaction with reference to section 188 on the basis of terms and conditions of the contract or arrangement exceeds ₹1 lakh

Provided that where any director who is not so concerned or interested at the time of entering into such contract or arrangement, he shall, if he becomes concerned or interested after the contract or arrangement is entered into, disclose his concern or interest forthwith when he becomes concerned or interested or at the first meeting of the Board held after he becomes so concerned or interested.

(iii) Manner of Disclosure [Rule 9 of the Companies (Meeting of Board and its Powers) Rule, 2014]

Every director shall disclose his concern / interest	• by written notice
in Form	• MBP-1
Such Director shall	• cause it to be disclosed at the meeting held immediately after the date of the notice
All notices shall be kept	• at the registered office of the company
Preserved	• for eight years from the end of the financial year to which they relate
They shall be kept in the custody of the	• Company Secretary or any other person authorised by the Board

(iv) Consequences of non-disclosure [Section 184(3) 184(4)]

Consequences of non-disclosure of concerned or interest in any contract or arrangement:

- It shall be voidable at the option of company
- Penalty levied on a director of the company
- With fine of ₹1 lakh

Exceptions

Section 184 shall not apply to any contract or arrangement entered into or to be entered into between two companies or between one or more companies and one or more bodies corporate where any of the directors of the one company or body corporate or two or more of them together holds or hold not more than two per cent of the paid-up share capital in the other company or the body corporate

(7) Loan to directors, etc. [Section 185]

(i) No providing of loan / guarantee / security-General Law [Section 185(1)]

No company shall, directly or indirectly, advance

any loan, including any loan represented by a book debt to **or** give any guarantee **or** provide any security in connection with any loan

- to **any director** of company/ or of a company which is its holding company, or
- **any partner or relative** of any such director, or
- **any firm** in which any such director or relative is a partner.

(ii) Conditions when company may advance loan/give guarantee/ provide security [Section 185(2)]

A company may advance any loan / give any guarantee / provide any security in connection with any loan taken by **any person in whom any of the director of the company is interested, only when-**

- a Special Resolution is passed by the company in general meeting along with the Explanatory statement
- the loans are utilised by the borrowing company for its principal business activities.

(iii) Who will be "any person in whom any of the director of the company is interested" [Explanation to section 185(2)]

"Any person in whom any of the director of the company is interested" means—

- any private company of which any such director is a director / member;
- any body corporate at a general meeting of which not less than 25% of the total voting power may be exercised / controlled by any such director, / by 2 or more such directors, together; or
- any body corporate, the Board of directors, managing director or manager, whereof is accustomed to act in accordance with the directions / instructions of the Board, or of any director/s, of the lending company.

(iv) Exceptions to section 185 [Section 185(3)]

Exceptions to section 185	giving of any loan to a managing director or whole-time director—	as a part of the conditions of service extended by the company to all its employees; or
		pursuant to any scheme approved by the members by a special resolution; or
	a company which in the ordinary course of its business provides loans/ /gives guarantees /securities for-	the due repayment of any loan and
		in respect of such loans an interest is charged at a rate not less than the rate of prevailing yield of one year, three years, five years or ten years Government security closest to the tenor of the loan; or
	any loan made by a holding company to its wholly owned subsidiary company / any guarantee given/ security provided by a holding company in respect of any loan made to its wholly owned subsidiary company; or	Provided loans made are utilized by the subsidiary company for its principal business activities
	Any guarantee given or security provided by a holding company in respect of any loan made by any bank or financial institution to its subsidiary company:	Provided loans made are utilized by the subsidiary company for its principal business activities

(vi) Exemptions

Exemptions to following companies from application of section 185 –

Nidhis	Private company	Government company
• Provided the loan is given to a director or his relative in their capacity as members and such transaction is disclosed in the annual accounts by a note.	• In whose share capital no other body corporate has invested any money; • If the borrowings of such a company from banks or financial institutions or anybody corporate is less than twice of its paid up share capital or ₹50 crore rupees, whichever is lower, and • Such company has no default in repayment of such borrowings subsisting at the time of making transactions under this section	• Such company obtains approval of the Ministry or Department of the Central Government which is administratively in charge of the company, or, as the case may be, the state Government before making any loan or giving any guarantee or providing any security under the Section.

Above exemption is applicable to a **private and government company** if it has not committed a default in filing its financial statements under Section 137 or Annual Return under Section 92 with the Registrar.

(8) Loan and Investment by Company [Section 186]

(i) Investment by company [Section 186(1)]

Investment by company

- a company shall unless otherwise prescribed, make investment through not more than 2 layers of investment companies

Exemption

However, above provisions shall not affect,—

- a company **from acquiring any other company incorporated in a country outside India** if such other company has investment subsidiaries beyond two layers as per the laws of such country;
- a **subsidiary company from having any investment subsidiary** for the purposes of meeting the requirements under any law / under any rule / regulation framed under any law for the time being in force.

(v) Contravention [Section 185(4)]

In contravention of section 185, penalties levied-

- On Company
  - Minimum- 5 lakhs and maximum- 25 lakhs
- On defaulting officer
  - Imprisonment- Maximum 6 months, or,
  - Fine- Minimum- 5 lakhs and maximum- 25 lakhs,
- On defaulting director / the other person
  - Imprisonment- Maximum 6 months, or,
  - Fine- Minimum- 5 lakhs and maximum- 25 lakhs, or,
  - Both imprisonment and fine.

(ii) Ceiling on the investment [Section 186(2) & (3) Read with Rule 13 of the Companies (Meetings of Board and its Powers) Rules, 2014]

No company shall

- **give any *person /body corporate-** Any loan
- **give any *person /body corporate-** any guarantee / provide security in connection with a loan
- acquire by way of subscription, purchase or otherwise, the securities- of **any other body corporate**

Whichever is more

Exceeding:
- 60% of its paid-up share capital, free reserves and securities premium account or
- 100% of its free reserves and securities premium account,

unless previously authorised by a special resolution passed in a general meeting

Exemption from SR as per section 186(3)

Where a loan or guarantee is given or where a security has been provided by a company to-
- its wholly owned subsidiary company or a joint venture company, or
- acquisition is made by a holding company, by way of subscription, purchase or otherwise of, the securities of its wholly owned subsidiary company,

Previous approval by SR is not required in a general meeting.

*Word **"person"** does not include any individual who is in the employment of the company.

(iii) Disclosure to members [Section 186(4)]

Company shall disclose to the members in the financial statement the full particulars of-

- **loan given,**
- **investment made or guarantee given or security provided,**
- **the purpose for which the loan / guarantee / security is proposed to be utilized by the recipient of the loan / guarantee / security.**

*Provided that prior approval of a PFI shall not be required –

- where the aggregate of the loans and investments **so far made**, the amount for which guarantee or security **so far provided** to or in all other bodies corporate,
- along with the investments, loans, guarantee or security **proposed to be made or given**

does not exceed the limit specified under section 186(2) and there is **no default in repayment of loan instalments or payment of interest** thereon as per the terms and conditions of such loan to the PFI.

(v) Maintenance of register [Section 186(9) &(10)]

Every company giving loan /a guarantee / providing security /making an acquisition shall

- keep a register
- containing such particulars and maintained as per Rule 12 of the Companies (Meetings of Board and its Powers) Rules, 2014
- be kept at the registered office of the company
- be open to inspection at such office and extracts may be taken therefrom by any member

(vi) Non-applicability of section 186 [Section 186(11)]

Except sub-section (1) of section 186

Section 186 shall not apply

to a loan made, guarantee given /security provided or investment made by-
- a banking company or
- an insurance company or
- a housing finance company in the ordinary course of its business or
- or a company established with the object of and engaged in the business of financing industrial enterprises or
- of providing infrastructural facilities.

to any investment-
- made by an investment company;
- of shares allotted in pursuance of section 62(1)(a) or in shares allotted in pursuance of rights issues made by a body corporate;
- made, in respect of investment or lending activities, by a NBFC registered under Chapter III-B of the RBI Act, 1934 and whose principal business is acquisition of securities.

(iv) Requirements for the process of investment/ loan/guarantee/providing of security [Section 186(5)]

No company shall invest, give loan/ guarantee/ provide security → unless → the resolution sanctioning it is passed at a meeting of the Board → with the consent of all the directors present at the meeting → and where any term loan is subsisting,the *prior approval of the PFI concerned is obtained

(vii) Restriction on company registered under SEBI on inter-corporate loans [Section 186(6)]

A company registered under Section 12 of the SEBI and such class/s of companies as notified by the Central Government- → in consultation with the Securities and Exchange Board, → shall not take inter-corporate loan /deposits in excess of the limits specified under the regulations applicable to this kind of company, → pursuant to which it has obtained certificate of registration from the SEBI. → such company shall furnish in its financial statement the details of the loan or deposits.

(viii) Penalty [Section 186(13)]

In contravention to section 186		In contravention to section 186
• company shall be punishable with fine - • Min.- ₹25,000 • Max.- ₹5 lakh	And	• every officer of the company who is in default shall be punishable- • with imprisonment -extending upto 2 years, and • with fine - • Min.- ₹25,000 • Max.- ₹1,00,000

Non-applicability of Section 186 to a Government company

-to a Government company engaged in defence production.

-A Government company, other than a listed company, in case such company obtains approval of the Ministry or Department of the Central Government which is administratively in charge of the company, or, as the case may be, the State Government before making any loan or giving any guarantee or providing any security or making any investment under the section.

Such exception is applicable to a Government company which has not committed a default in filing its financial statements under Section 137 or Annual Return under Section 92 with the Registrar.

(9) Investments of company to be held in its own name [Section 187]

(i) Investment made by company in its own name [Section 187(1)]

All investments

made or held by a company in any

property | security | or other assets

Shall be made and held by it in its own name

However, the company may hold any shares in its subsidiary company in the name of any nominee or nominees of the company, if it is necessary to do so, to ensure that the number of members of the subsidiary company is not reduced below the statutory limit.

(ii) Following investment is allowable to the company [Section 187(2)]

(a) depositing of shares /securities with a bank, for the collection of any dividend / interest payable thereon;

or

(b) depositing /transferring to / holding of shares /securities in the name of, the SBI or a scheduled bank (Banker), in order to facilitate the transfer thereof

or

(c) depositing with /transferring to, any person any shares / securities, by way of security for the repayment of any loan advanced to the company / the performance of any obligation undertaken by it;

(d) holding investments in the form of securities held as a beneficial owner.

"Nothing in the world can take the place of Persistence. Talent will not; nothing is more common than unsuccessful men with talent. Genius will not; unrewarded genius is almost a proverb. Education will not; the world is full of educated derelicts. The slogan 'Press On' has solved and always will solve the problems of the human race."

– Calvin Coolidge

CROSSWORD SOLUTION – OCTOBER 2022

[1]A	[2]L	[3]L	O	W	A	[4]N	[5]C	[6]E	[7]S		[8]O	[9]D
	[10]O	B				[11]A	A	C	P		[12]P	E
[13]A	C	O	[14]O			[15]A	P	B	R		[16]E	B
	K		[17]T	[18]M		[19]C	M		E		[20]C	E
[21]A	I	[22]D		[23]F	D			[24]C	A	[25]D		N
[26]U	N	I	[27]O	N		[28]L	[29]D		[30]D	E	[31]B	T
D		[32]V	C		[33]C	O	U			[34]C	R	U
[35]F	I	I				[36]A	M		[37]G	A	A	R
		D			[38]B	N	P				[39]N	E
	[40]H	E	[41]D	[42]G	E		[43]I	[44]P		[45]C	D	S
[46]L		[47]N	E	E	T		[48]N	E	[49]G	P		
[50]M	O	D	E		[51]A	S	G		[52]C	I	R	P

(10) Related Party Transactions [Section 188 read with Rule 3 of the Companies (Specification of Definitions Details) Rules, 2014]

(i) Meaning of Related Party

Related Party (Section 2 clause 76) with reference to a company, means-

- a director / his relative
- a KMP / his relative;
- a firm, in which a director, manager / his relative is a partner;
- a private company in which a director /manager / his relative is a member or director;
- a public company in which a director /manager is a director and holds along with his relatives, more than 2% of its paid-up share capital;
- any body corporate whose BoD, MD or manager is accustomed to act in accordance with the advice, directions or instructions of a director / manager;
- any person on whose advice, directions or instructions a director or manager is accustomed to act:
- any body corporate which is—
  - a holding, subsidiary or an associate company of such company; or
  - a subsidiary of a holding company to which it is also a subsidiary;
  - an investing company or venturer of the company
- such other person as prescribed in Rule 3 of the *Companies (Specification of Definitions Details) Rules, 2014*;

(ii) Contracts with related parties (RP) which are covered under section 188 [Section 188(1)]

Company shall enter into any contract or arrangement with a RP with respect to the below transactions, with the consent of the Board of Directors given by a resolution at a meeting of the Board and subject to such conditions as prescribed under rule 15(1) of the Companies (Meetings of Board and its Powers) Rules, 2014

Transactions

(a) sale, purchase or supply of any goods or materials;

(b) selling or otherwise disposing of, or buying, property of any kind;

(c) leasing of property of any kind;

(d) availing or rendering of any services;

(e) appointment of any agent for purchase or sale of goods, materials, services or property;

(f) such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company; and

(g) underwriting the subscription of any securities or derivatives thereof, of the company

However, no contract or arrangement, in the case of a company having a paid-up share capital of not less than such amount, or transactions not exceeding such sums, as prescribed under Rule 15(3) of the Companies (Meetings of Board and its Powers) Rules, 2014, shall be entered into except with the prior approval of the company by a resolution. [First proviso to section 188(1)]

(iii) Prescribed limits for the transactions to be entered into as contracts or arrangements with the prior approval of the Company [Rule 15(3) of the Companies (Meetings of Board and its Powers) Rules, 2014]

(A) Where the transaction/s to be entered into as contracts or arrangements with respect to clauses (a) to (e) of section 188(1), with criteria as mentioned below -

Conditions with respect to transactions to be entered into with the prior approval	Prescribed limits for the transactions to be entered into as contracts or arrangements
sale, purchase or supply of any goods or materials, directly or through appointment of agent	Amounting to **10%** or more of the **turnover** of the company, as mentioned in clause (a) and clause (e) respectively of sub-section (1) of section 188
selling or otherwise disposing of or buying property of any kind, directly or through appointment of agent	Amounting to **10%** or more of **net worth** of the company, as mentioned in clause (b) and clause (e) respectively of sub-section (1) of section 188
leasing of property of any kind	Amounting to **10%** or more of the turnover of the company, as mentioned in clause (c) of sub-section (1) of section 188
availing or rendering of any services, directly or through appointment of agent	Amounting to **10%** or more of the **turnover** of the company, as mentioned in clause (d) and clause (e) respectively of sub-section (1) of section 188

It is hereby clarified that the limits specified above, shall apply for transaction/s to be entered into either individually or taken together with the previous transactions during a financial year.

(B) Transaction entered is for appointment to any office or place of profit: Where the transaction/s to be entered into as contracts or arrangements is for appointment to any office or place of profit in the company, its subsidiary company /associate company at a monthly remuneration **exceeding ₹2.5 lakh;** or

(C) Transaction entered is for remuneration for underwriting the subscription of any securities etc.: Where the transaction/s to be entered into as contracts or arrangements is for remuneration for underwriting the subscription of any securities or derivatives thereof, of the company **exceeding 1% of the net worth** as mentioned in section 188(1)(g).

(iv) Concept of "Arm's length transaction"

Meaning			
a transaction	between two related parties	conducted as if they were unrelated,	so that there is no conflict of interest

Applicability of section 188 on transactions on arm's length basis	
Section 188(1) shall not apply to any transactions • entered into by the company in its ordinary course of business & at an arm's length basis with no approval	Except the transactions which are not on an arm's length basis, with the appropriate approval.

(v) Relevant particulars to disclose in the notice of a general meeting and consequences on being a related party/or in relation to a related party, in a transaction. [Proviso & explanation to Section 188]

- The explanatory statement to be annexed to the notice of a general meeting as per section 101, shall contain-
- name of the related party;
- name of the director / KMP who is related, if any;
- nature of relationship;
- nature, material terms, monetary value and particulars of the contract / arrangement;
- any other information relevant / important for the members to take a decision on the proposed resolution.

No voting by member who is related party

- no member of the company shall vote on such resolution, to approve any contract or arrangement which may be entered into by the company, if such member is a related party.
- the above shall not apply to a company in which ninety per cent or more members, in number, are relatives of promoters or are related parties.

Where any director is interested in any contract / arrangement with a related party, such director shall not be present at the meeting during discussions on the subject matter of the resolution relating to such contract or arrangement. [Rule 15(2)]

(vi) Passing of resolution is not necessitated [Proviso to Section 188(1)]

No resolution required to be passed by members under first proviso

- for transactions entered into between a holding company and its wholly owned subsidiary,
- whose accounts are consolidated with such holding company, and
- are placed before the shareholders at the general meeting for approval.

(vii) Consequences of Related party transaction [Section 188(3) & (4)]

A contract or arrangement shall be voidable at the option of the Board/ shareholders

Where any contract /arrangement is entered into without obtaining the consent of the Board or approval by a resolution in the general meeting by-
- a director, or
- any other employee, and

if it is not ratified by
- the Board, or
- the shareholders at a meeting within 3 months from the date on which such contract or arrangement was entered into.

Such act shall be open to the company to proceed against-
- a director or any other employee
- who had entered into such contract or arrangement
- in contravention of the provisions of this section for recovery of any loss sustained by it as a result of such contract or arrangement.

Further, if the contract or arrangement is with a related party to any director, or is authorised by any other director,
- the directors concerned shall indemnify the company against any loss incurred by it.

company may proceed against such a director / any other employee for recovery of any loss who had entered into such contract /arrangement in contravention of the provisions of Section 188

(viii) Penalty for contravention [Section 188 (5)]:

In the case of a-	**Liability**- Any director or any other employee of a company, who had entered into or authorised the contract or arrangement in violation of the provisions of this section shall-
Listed company	liable to be penalty of ₹25 lakh; and
Any other company	liable to a penalty of ₹5 lakh

Exemption from applicability of section 188 for transactions arising out of Compromises, Arrangements and Amalgamations dealt with under specific provisions of the Companies Act, 2013.

Case scenario

Atlantic Garments Ltd., a company engaged in the business of manufacturing of garments for all seasons. The certificate of incorporation of the company bears the date 15th January, 2021. The company have in all 14 directors.

The first meeting of the Board was held on 15th February, 2021. Thereafter, the subsequent meetings of the Board were held on 29th February, 2021, 25th March, 2021, 30th August, 2021 and on 25th December, 2021.

In these meetings of the full strength of the Board was present except in the meeting of 25th March, 2021. In this meeting only 4 persons were present.

One of the director's address, as mentioned in the DIN, is of Mumbai, but he actually resides at Pune with his son. He insisted the Company Secretary to send the physical agenda papers to his Pune address instead of the Mumbai address. He also requested to provide the air traveling expenses to him for attending the Board Meeting from the Pune to Mumbai & back.

Based on the above scenario, answer the following questions:

1. The first meeting of the Board was conducted on 15th February, 2021. Whether this meeting was convened in time, as prescribed under the Companies Act, 2013:

A. Yes, as the first meeting of the Board may be convened at any time.

B. Yes, as the first meeting of the Board shall be convened within 30 days of the date of incorporation. Here the d ate of incorporation is 15th January 2021 and the meeting should have been convened within 30 days, i.e., on or before 14th February, 2021.

C. Yes, as the first meeting of the Board may be convened within a quarter of the date of incorporation.

D. Yes, as the convening of first meeting within 30 days of its incorporation is not mandatory.

Answer: (B)

Reason:

Section 173(1) provides that every company shall hold the first meeting of the Board of Directors within thirty days of the date of its incorporation and thereafter hold a minimum number of four meetings of its Board of Directors every year in such a manner that not more than one hundred and twenty days shall intervene between two consecutive meetings of the Board.

From 15th January, 2021 (leaving this day) to 14th February, 2021 (including this day) 30 days are completed. Hence the first meeting of the Board should be convened between 16th January to 14th February, 2021 (both days inclusive). But in this case the meeting of Board was convened on 15th February, 2021 which is beyond the 30 days as prescribed under the Companies Act, 2013.

2. Whether the meeting of the Board held on 25th March, 2021 was valid:

A. The meeting of the Board held on 25th March, 2021 was valid since it was convened after the last meeting held on 29th February, 2021 i.e. within the period of 120 days as prescribed under the Companies Act, 2013.

B. The meeting of the Board was valid since the required quorum was present in the meeting.

C. The meeting of the Board was not valid since the required quorum was not present in the meeting.

D. There is no need to have quorum in the meetings of the Board.

Answer: (C)

Reason:

Section 174(1) provides that the quorum for a meeting of the Board of Directors of a company shall be **one third of its total strength or two directors, whichever is higher,** and the participation of the directors by video conferencing or by other audio visual means shall also be counted for the purposes of quorum under this sub-section.

Section 174(4) provides that where a meeting of the Board could not be held for want of quorum, then, unless the articles of the company otherwise provide, **the meeting shall automatically stand adjourned to the same day at the same time and place in the next week or if that day is a national holiday, till the next succeeding day, which is not a national holiday, at the same time and place.**

Further explanation to section 174(4) provides that for the purposes of this section, (i) **any fraction of a number shall be rounded off as one;** (ii) "total strength" shall not include directors whose places are vacant.

Total Strength of directors =14

One-third of 14 = 4.67

Rounded off to = 5 (Five)

Where as in the meeting only 4 persons were present, hence due to want of required minimum quorum, the meeting shall have to adjourned to the same day at the same time and place in the next week or if that day is a national holiday, till the next succeeding day, which is not a national holiday, at the same time and place.

In the absence of the any information, it is presumed that adjourned meeting was held on 1st April, 2021.

3. Whether the meeting of the Board held on 30th August, 2021 was valid:

A. If the quorum in this meeting was present, it may be treated as valid.

B. The gap between the previous meeting and the present meeting should not be more than 120 days. Since previous meeting was held on 25th March, 2021 (adjourned meeting held on 1st April 2021) there is a gap of more than 120 days, hence this meeting is not valid.

C. The gap of more than 120 days between the two meetings can be extended by the Registrar.

D. It is valid as it can convened within 180 days, i.e., till 30th September, 2021.

Answer: (B)

Reason:

Section 173(1) provides that every company shall hold the first meeting of the Board of Directors within thirty days of the date of its incorporation and thereafter hold a minimum number of four meetings of its Board of Directors every year in such a manner that not more than one hundred and twenty days shall intervene between two consecutive meetings of the Board.

Since gap exceeded between the two consecutive meetings is more than 180 days, so its not valid.

4. One of the director, who is actually residing at Pune, but his address as recorded with the company and in the DIN is of Mumbai. The director wish to receive the notice / agenda papers at Pune. At which address the notice for Board meeting and agenda papers may be sent?

A. The notice/ agenda papers be sent as per the wish of the concerned director.

B. The notice / agenda papers be sent at Pune address.

C. The notice / agenda papers be sent at Mumbai address.

D. The notice/ agenda papers be sent at both the addresses, i.e., at Pune as well as at Mumbai.

Answer: (C)

Reason:

Section 173(3) provides that a meeting of the Board shall be called by giving not less than seven days' notice in writing to every director at his address registered with the company and such notice shall be sent by hand delivery or by post or by electronic means.

5. Whether such director, whose official address is recorded with the company is of Mumbai, but actually comes from Pune. Whether his air fare from Pune to Mumbai and back can be / provided / reimbursed?

A. The actual air fare from Pune to Mumbai and back may be given.

B. No air fare should be given to him. However, he may be reimbursed the actual taxi fare (if incurred) from Mumbai address to place of meeting in Mumbai (if Board meeting is held in Mumbai.)

C. The air fare from Pune to Mumbai and back can be given, if other directors do no object.

D. The air fare from Pune to Mumbai and back can be given if approved by the shareholders in the general meeting.

Answer: (B)

Reason:

Section 173(3) provides that a meeting of the Board shall be called by giving not less than seven days' notice in writing to every director at his address registered with the company and such notice shall be sent by hand delivery or by post or by electronic means.

Since the address in the company's record is of Mumbai, hence no air fare is permissible, if the board meetings are being held in Mumbai itself.

CA INTERMEDIATE - PAPER 4B - INDIRECT TAXES

Goods and Services Tax: A Capsule for Quick Recap
It has always been the endeavour of Board of Studies to provide quality academic inputs to the students of Chartered Accountancy Course. Keeping with this objective, BoS has come up with a crisp and concise capsule on Section B - Indirect Taxes of Paper 4: Taxation of Intermediate Course, to facilitate students in quick revision before examination. The Capsule makes use of diagrams, tables, flow charts etc. to facilitate recap of select topics of Goods and Services Tax law namely, significant aspects of Time of Supply, Value of Supply and Input Tax Credit. The capsule is based on the GST laws as amended by the Finance Act, 2021, including significant notifications and circulars issued, up to 30th April, 2022 and is thus, very useful for quick recap on day before the examination for the students appearing in November 2022 examination. Students may note that this capsule is a tool for quick revision and thus, should not be taken as a substitute for the detailed study of the subject. Students are advised to refer to the August 2021 Edition of Intermediate Course Study Material along with Statutory Update for November 2022 examination which has been hosted on the ICAI website, for comprehensive study and revision. Students appearing for May 2023 examination may also refer this capsule alongwith the Statutory Update for May 2023 examination which will be hosted on the BoS Knowledge Portal.

CHAPTER 5 - TIME AND VALUE OF SUPPLY

TIME OF SUPPLY OF GOODS UNDER FORWARD CHARGE AS PER SECTION 12

- Date of issue of invoice / Last date of issue of invoice under section 31
- Date on which the payment is recorded in the books of account of the supplier – *presently irrelevant for the purpose of payment of tax*
- Date on which the payment is credited to the supplier's bank account – *presently irrelevant for the purpose of payment of tax*

Whichever is earlier

If it is not possible to determine the time of supply through above parameters, THEN TIME OF SUPPLY WILL BE Date on which goods are recorded in the books of account of the recipient of supply

SPECIAL PROCEDURE UNDER SECTION 148 FOR PAYMENT OF TAX IN CASE OF GOODS

GST to be paid at the time of supply → As specified in section 12(2)(a) → Date of issue of invoice / Last date of issue of invoice under section 31

Effectively, in case of goods, no GST is payable at the time of receipt of advance for supply of goods.

TIME OF SUPPLY OF GOODS UNDER REVERSE CHARGE

- **Date on which goods are received**
- **Date on which the payment is recorded in the books of account of the recipient of goods**
- **Date on which the payment is debited from the bank account of the recipient of goods**
- **31st day from the issue of invoice by the supplier**

Whichever is earlier

TIME OF SUPPLY OF VOUCHERS EXCHANGEABLE FOR GOODS

Supply is not identifiable at the time of issue of the voucher	• DATE OF REDEMPTION OF VOUCHER
Supply is identifiable at the time of issue of the voucher	• DATE OF ISSUE OF VOUCHER

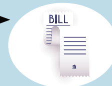
TIME OF SUPPLY OF GOODS IN RESIDUAL CASES

Where a periodical return is to be filed	• DATE ON WHICH RETURN IS REQUIRED TO BE FILED
Other Cases	• DATE ON WHICH GST IS PAID

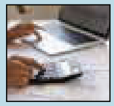
TIME OF SUPPLY OF SERVICES UNDER FORWARD CHARGE

Is invoice issued within the time specified u/s 31?

YES → Time of Supply →



→ Date of issue of invoice



→ Date on which the payment is recorded in the books of account of the supplier

→ Date on which the payment is credited to the supplier's bank account

Whichever is earlier

NO → Time of Supply →

Provision of Service → Date of provision of service

→ Date on which the payment is recorded in the books of account of the supplier

→ Date on which the payment is credited to the supplier's bank account

Whichever is earlier

If time of supply cannot be determined by both the above methods, then →

→ Date of receipt of services in the books of account of the recipient

TIME OF SUPPLY OF SERVICES UNDER REVERSE CHARGE

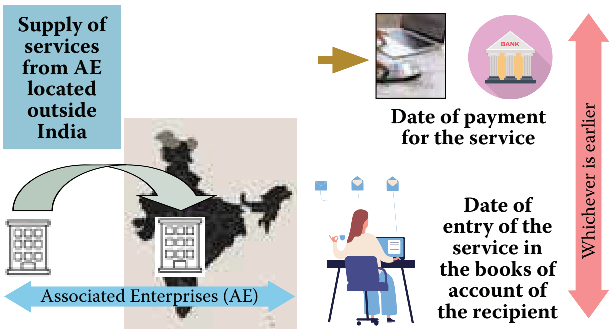
- Date on which the payment is recorded in the books of account of the recipient of services
- Date on which the payment is debited from the bank account of the recipient of services
- 61st day from issue of invoice by the supplier

Whichever is earlier

If it is not possible to determine the time of supply under reverse charge through above parameters, THEN → TIME OF SUPPLY WILL BE

→ Date of entry of service in the books of account of the recipient of supply

TIME OF SUPPLY IN CASE OF IMPORT OF SERVICES FROM ASSOCIATED ENTERPRISES



TIME OF SUPPLY OF SERVICES IN RESIDUAL CASES

If all the above do not work for a situation

- Where a periodical return is to be filed → Due date of such return
- In any other case → Date on which tax is paid

TIME OF SUPPLY FOR ADDITION IN VALUE BY WAY OF INTEREST/ LATE FEE/PENALTY FOR DELAYED PAYMENT OF CONSIDERATION FOR GOODS AND SERVICES

Addition in value by way of interest, late fee/penalty for delayed payment of consideration for goods and services →

- Date on which the supplier receives such addition in value

VALUE OF SUPPLY

VALUE OF SUPPLY

- Supply made to unrelated person where price is the sole consideration → Value of supply = Transaction value under section 15(1)
- Supply made to related person
- Supply where price is not the sole consideration
- Supply is a notified supply under section 15(5) of CGST Act, 2017

→ Value to be determined under Chapter IV: Determination of Value of Supply of CGST Rules, 2017

Inclusions in value under section 15(2) of CGST Act, 2017

⇒ Taxes other than GST

⇒ Third party payments made by recipient in relation to supply, which supplier was liable to pay and were not included in the price

⇒ Incidental expenses including anything done by the supplier in respect of the supply till delivery of goods/ supply of services, if charged to recipient

⇒ Subsidies directly linked to price of supply other than the ones given by Central/State Governments

⇒ Interest/late fee/penalty for delay in payment of consideration

Exclusions from value under section 15(2) of CGST Act, 2017

- Discounts given before or at the time of supply and recorded in the invoice
- Post supply discount/ incentive, if known in advance & linked with invoices & proportionate input tax credit reversed by the recipient

ALLOWABILITY OF DISCOUNT AS A DEDUCTION FROM THE VALUE

Discounts given →

- At the time of supply + Shown in the invoice → Yes → Discounts deducted from the value of supply
- Before the supply + Shown in the invoice → Yes → Discounts deducted from the value of supply
- Shown in the invoice → No → Discounts not deducted from the value of supply
- After the supply + In terms of an agreement that existed at the time of supply + Can be linked to invoices + Proportionate ITC reversed by recipient → Yes → Discounts deducted from the value of supply
- Proportionate ITC reversed by recipient → No → Discounts not deducted from the value of supply

CHAPTER 6 – INPUT TAX CREDIT

ELIGIBILITY AND CONDITIONS FOR TAKING ITC

INPUT TAX

Means
- Tax payable under forward charge in respect of supplies made to recipient

Includes
- Tax payable under reverse charge
- IGST leviable on import of goods

Excludes
- Composition tax

CGST | SGST | UTGST | IGST

Registered person to take credit of tax paid on inward supplies of goods and/or services

used/ intended to be used in the course or furtherance of business

if the following four conditions are fulfilled

CONDITIONS

- He has furnished return u/s 39
- +
- Tax on such supply has been paid either in/by **cash** or **utilisation of ITC**
- +
- He has received goods and/or services
- +
- He has valid tax invoice/debit note/ prescribed tax paying document
- +
- Invoices details have been furnished by the supplier in GSTR-1 and such details have been communicated to the recipient

Bill to Ship to Model

Goods delivered / services provided to third person on the direction of the registered person deemed to be received by the registered person

ITC available to registered person

Goods received in lots
- ITC allowed upon receipt of last lot

If depreciation claimed on tax component
- ITC not allowed

Time limit for availing ITC
- ITC pertaining to a particular FY can be availed by 20th October of next FY or filing of annual return, whichever is earlier.

Exception
Re-availment of ITC reversed earlier.

Payment for the invoice to be made within 180 days

- ITC to be added to the output tax liability with interest @ 18% if value + tax of goods and /or services is not paid within 180 days of the issuance of invoice.
- On payment, the ITC could be re-availed without any time limit

Exceptions

- Reverse charge supplies
- Deemed supplies without consideration
- Additions made to value of supplies on account of supplier's liability being incurred by the recipient of the supply

APPORTIONMENT OF CREDIT

Goods and/or services

- Used partly for business and partly for non-business purposes
- Used partly for making taxable (including zero rated supplies) supplies & partly for exempt supplies

ITC available only as

- Attributable to business purposes
- Attributable to taxable supplies including zero rated supplies

BLOCKED CREDIT

(i) Motor vehicles and other conveyances and related services (insurance, servicing and repair and maintenance)

S. No.	Goods and/ or services on which credit is blocked	Exceptions to goods and/ or services mentioned in column (2) on which credit is allowed	Remarks
(1)	(2)	(3)	(4)
(i)	Motor vehicles for transportation of persons with seating capacity ≤ 13 persons (including the driver) – Referred to as ineligible motor vehicle in this table	Ineligible motor vehicles when used for any of the following eligible purposes - ➢ making further taxable supply of such motor vehicles; ➢ making taxable supply of transportation of passengers; ➢ making taxable supply of imparting training on driving such motor vehicles.	❑ ITC on ineligible motor vehicles used for any purpose other than the eligible purposes is not allowed. ❑ ITC on motor vehicles for transportation of persons with seating capacity > 13 persons (including the driver) used for any purpose is allowed. ❑ ITC on motor vehicles other than ineligible motor vehicles (e.g. motor vehicle used for transportation of goods, dumpers, tippers, etc.) used for any purpose is allowed.
(ii)	Vessels and aircrafts	Vessels and aircraft when used for any of the following eligible purposes- ➢ making further taxable supply of such vessels or aircraft; ➢ making taxable supply of transportation of passengers; ➢ making taxable supply of imparting training on navigating such vessels; ➢ making taxable supply of imparting training on flying such aircrafts; ➢ transportation of goods.	ITC on vessels and aircrafts used for any purpose other than the eligible purposes
(iii)	General insurance, servicing, repair and maintenance relating to: ➢ Ineligible motor vehicles ➢ Vessels ➢ Aircraft	❑ Such services relating to ineligible motor vehicles, vessels or aircraft when used for eligible purposes ❑ Such services when received by- ● Manufacturer of ineligible motor vehicles, vessels or aircraft; or ● Supplier of general insurance services in respect of ineligible motor vehicles, vessels or aircraft insured by him	❑ ITC is not allowed on services of general insurance, servicing, repair and maintenance relating to motor vehicles, vessels or aircraft, ITC on which is not allowed. ❑ ITC is allowed on services of general insurance, servicing, repair and maintenance relating to motor vehicles, vessels or aircraft, ITC on which is allowed.
(iv)	Leasing, renting or hiring of motor vehicles, vessels or aircraft on which ITC is not allowed	❑ Such services when used for making an outward taxable supply of the same category of services or as an element of a taxable composite or mixed supply ❑ Such services when provided by an employer to its employees under a statutory obligation	❑ ITC on leasing, renting or hiring of motor vehicles, vessels or aircraft on which ITC is allowed, is also allowed. ❑ ITC on such services is allowed in the case of sub-contracting, i.e. when such services are used by the taxpayer who is in the same line of business.

(ii) Food & beverages, outdoor catering, health services and other services

S. No.	Goods and/ or services on which credit is blocked	Exceptions to goods and/or services mentioned in column (2) on which credit is allowed	Remarks
(1)	(2)	(3)	(4)
(i)	◆ Food and beverages ◆ Outdoor catering ◆ Beauty treatment ◆ Health services ◆ Cosmetic and plastic surgery ◆ Life insurance and health insurance	◆ Such goods and/or services when used by a registered person for making an outward taxable supply of the same category of goods and/ or services or as an element of a taxable composite or mixed supply ◆ Such goods and/ or services when provided by an employer to its employees under a statutory obligation	◆ ITC on such goods and/ or services is allowed in the case of sub-contracting, i.e. when such goods and/ or services are used by the taxpayer who is in the same line of business, e.g., outdoor catering service availed by another outdoor caterer.

S. No.	Goods and/ or services on which credit is blocked	Exceptions to goods and/or services mentioned in column (2) on which credit is allowed	Remarks
(i)			◆ When such goods and/ or services are provided by the employer to its employees without any statutory obligation, ITC thereon is blocked.
(ii)	Membership of a club, health and fitness centre	Such services when provided by an employer to its employees under a statutory obligation	When such goods and/or services are provided by the employer to its employees without any statutory obligation, ITC thereon is blocked.
(iii)	Travel benefits extended to employees on vacation such as leave or home travel concession	Such services when provided by an employer to its employees under a statutory obligation	When such goods and/ or services are provided by the employer to its employees without any statutory obligation, ITC thereon is blocked.

(iii) Works contract services for construction of immovable property and self-construction of immovable property

Credit is blocked on
- **Works Contract Service for construction of immovable property**
- **Inward supplies received by taxable person for construction of immovable property on his own account including when such supplies are used in the course or furtherance of business**

Works Contract Service (WCS) for construction of immovable property → **Exceptions (i.e., credit is availbale on)**
- **WCS for Plant & Machinery (P & M)**
- **WCS availed by a works contractor for further supply of WCS [Sub-contracting]**
- **Where value of WCS is not capitalized**

Works contract services for self-construction of immovable property → **Exceptions (i.e., credit is availbale on)**
- **Construction of P & M**
- **Construction of immovable property for others**
- **Value of construction is not capitalised**

(iv) Other blocked credits

- Inward supplies charged to composition levy
- Inward supplies used for personal consumption

Credit is blocked on
- Goods that are disposed of by way of gift
- Goods that are disposed of by way of free samples
- Lost goods
- Stolen goods
- Destroyed goods
- Goods that are written off

SPECIAL PROVISIONS FOR BANKING COMPANIES AND NBFCS

Option 1 → •Avail proportionate ITC

Option 2 → •Avail 50% of eligible ITC

- Remaining 50% ITC will lapse.
- Restriction of 50% shall not apply to the tax paid on supplies received from another registration within the same entity.
- Option once exercised cannot be withdrawn during remaining part of the year.

SPECIAL CIRCUMSTANCES ENABLING AVAILING OF CREDIT

S. No.	Persons eligible to take credit	Goods entitled to ITC		Restriction/ conditions
		Inputs held in stock/capital goods	As on	
(1)	(2)	(3)	(4)	(5)
1	Person who has applied for **registration within 30 days from the date on which he becomes liable to registration** and has been granted such registration	**Inputs** held in stock and inputs contained in semi-finished or finished goods held in stock	The day immediately preceding the date from which he becomes liable to pay tax	➢ ITC to be availed within 1 year from the date of the issue of the tax invoice by the supplier.
2	Person who is not required to register, but obtains **voluntary registration**	**Inputs** held in stock and inputs contained in semi-finished or finished goods held in stock	The day immediately preceding the date of registration	
3	Registered person **who ceases to pay composition tax and switches to regular scheme**	**Inputs** held in stock and inputs contained in semi-finished or finished goods held in stock **and capital goods**	The day immediately preceding the date from which he becomes liable to pay tax under regular scheme	➢ ITC on capital goods will be reduced by 5% per quarter of a year or part of the year from the date of invoice. ➢ ITC claimed shall be verified with the corresponding details furnished by the corresponding supplier. ➢ ITC to be availed within 1 year from the date of the tax issue of the tax invoice by the supplier.
4	Registered person whose exempt supplies become taxable supplies	**Inputs** held in stock and inputs contained in semi-finished or finished goods held in stock relatable to such exempt supply **and capital goods exclusively used for such exempt supply**	The day immediately preceding the date from which such supply becomes taxable	

Conditions for availing above credit

(i) Filing of electronic declaration giving details of inputs held in stock/contained in semi-finished goods and finished goods held in stock and capital goods on the days immediately preceding the day on which credit becomes eligible.

(ii) Declaration has to be filed within 30 days from becoming eligible to avail credit.

(iii) Details in (i) to be certified by a CA/ Cost Accountant if aggregate claim of CGST, SGST/ IGST credit is more than ₹2,00,000.

SPECIAL CIRCUMSTANCES LEADING TO REVERSAL OF CREDIT/PAYMENT OF AMOUNT

Special circumstances leading to reversal of credit /payment of amount

- Registered person (who has availed ITC) switching from regular scheme of payment of tax to composition levy
- Supplies of registered person getting wholly exempted from tax
- Cancellation of registration
- Supply of capital goods (CG)/ plant and machinery (P&M) on which ITC has been taken

Amount to be reversed is equivalent to ITC on:

- Inputs held in stock/ inputs contained in semi-finished or finished goods held in stock
- Capital goods

on the day immediately preceding the date of switch over/ date of exemption/date of cancellation of registration

Manner of reversal of credit on inputs and capital goods & other conditions

(i) **Inputs** ⇛ Proportionate reversal based on corresponding invoices. If such invoices not available, prevailing market price on the effective date of switch over/ exemption/ cancellation of registration should be used with due certification by a practicing CA/ Cost Accountant

(ii) **Capital goods** ⇛ Reversal on *pro rata* basis pertaining to remaining useful life (in months), taking useful life as 5 years.

(iii) ITC to be reversed will be calculated separately for ITC of CGST, SGST/UTGST and IGST.

(iv) Reversal amount will be added to output tax liability of the registered person.

(v) Electronic credit/cash ledger will be debited with such amount. Balance ITC, if any, will lapse.

Amount to be paid is equivalent to higher of the following:

(i) ITC on CG or P&M less 5% per quarter or part thereof from the date of invoice

(ii) Tax on transaction value of such CG or P & M

- If amount at (i) exceeds (ii), then reversal amount will be added to output tax liability.
- Separate ITC reversal is to be done for CGST, SGST/UTGST and IGST
- Tax to be paid on transaction value when refractory bricks, moulds, dies, jigs & fixtures are supplied as scrap.

Transfer of unutilised ITC on account of change in constitution of registered person

In case of sale, merger, amalgamation, lease or transfer of business, unutilised ITC can be transferred to the new entity if there is a specific provision for transfer of liabilities to the new entity. The inputs and capital goods so transferred should be duly accounted for by the transferee in his books of accounts.	In case of demerger, ITC is apportioned in the ratio of value of entire assets (including assets on which ITC has not been taken) of the new units as per the demerger scheme.	Details of change in constitution are to be furnished on common portal along with request to transfer unutilised ITC. CA/Cost Accountant certificate is to be submitted certifying that change in constitution has been done with specific provision for transfer of liabilities.	Upon acceptance of such details by the transferee on the common portal, the unutilized ITC is credited to his Electronic Credit Ledger.

Transfer of unutilised ITC on obtaining separate registrations for multiple places of business within a State/UT

- Registered person having separate registrations for multiple places of business can transfer the unutilised ITC to any or all of the newly registered place(s) of business in the ratio of the value of assets held by them at the time of registration.
- Value of assets means the value of the entire assets of the business irrespective of whether ITC has been availed thereon or not.
- The resgistered person should furnish the prescribed details on the common portal within a period of 30 days from obtaining such separate registrations.
- Upon acceptance of such details by the newly registered person (transferee) on the common portal, the unutilised ITC is credited to his electronic credit ledger.

PROVISIONS RELATING TO UTILIZATION OF ITC

A supplier making intra-State, inter-State and imported purchases (of goods) is eligible for ITC as under:

Intra-State purchases	Inter-State purchases	Import of goods
CGST SGST	IGST	BCD IGST
CGST SGST	IGST	IGST

ORDER OF UTILIZATION OF ITC

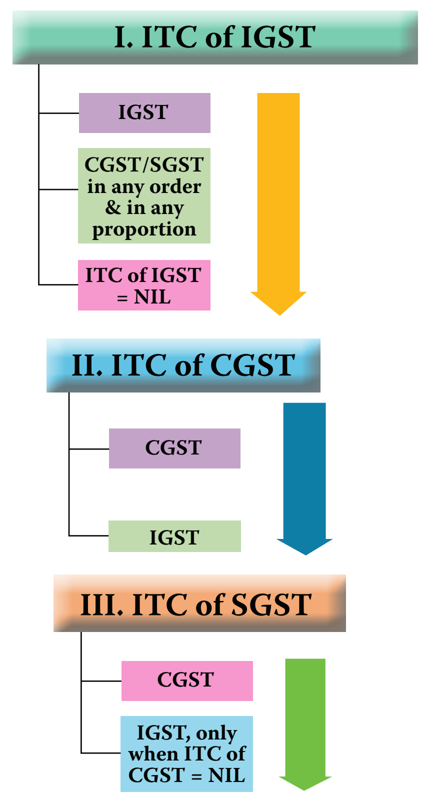
ITC of	Output IGST liability	Output CGST liability	Output SGST/ UTGST liability
IGST	(I)	(II) – In any order and in any proportion	
(III) ITC of IGST to be completely exhausted mandatorily			
CGST	(V)	(IV)	Not permitted
SGST/ UTGST	(VII) Only after ITC of CGST has been utilized fully	Not permitted	(VI)

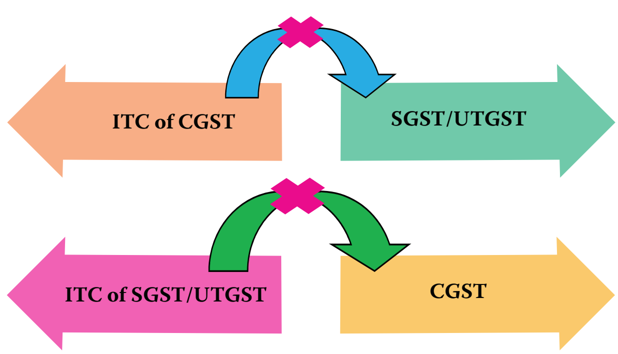
The numerals given above can be further explained in the following manner:

(I)	IGST credit should first be utilized towards payment of IGST.
(II)	Remaining IGST credit, if any, can be utilized towards payment of CGST and SGST/UTGST in any order and in any proportion, i.e., remaining ITC of IGST can be utilized – • first towards payment of CGST and then towards payment of SGST; or • first towards payment of SGST and then towards payment of CGST; or • towards payment of CGST and SGST simultaneously in any proportion, e.g., 50: 50, 30: 70, 40: 60 and so on.
(III)	Entire ITC of IGST should be fully utilized before utilizing the ITC of CGST or SGST/UTGST.
(IV) & (V)	ITC of CGST should be utilized for payment of CGST and IGST in that order. ITC of CGST cannot be utilized for payment of SGST/UTGST
(VI) & (VII)	ITC of SGST /UTGST should be utilized for payment of SGST/UTGST and IGST in that order. However, ITC of SGST/UTGST should be utilized for payment of IGST, only after ITC of CGST has been utilized fully. ITC of SGST/UTGST cannot be utilized for payment of CGST.

- **Cross-utilization of credit is available only between CGST - IGST and SGST/UTGST - IGST.**
- **CGST credit cannot be utilized for payment of SGST/UTGST and SGST/UTGST credit cannot be utilized for payment of CGST.**
- **ITC of IGST need to be exhausted fully before proceeding to utilize the ITC of CGST and SGST in that order.**

Order of utilization of ITC has been can alternatively be represented as follows:





CA FOUNDATION - PAPER 3 - BUSINESS MATHEMATICS, LOGICAL REASONING AND STATISTICS

This capsule is in continuation to the previous edition featured in June 2022. Further here presented properties of Regression and their applications. Here an attempt is made to the enable the students to understand the Correlation and Regression with the help of examples.

CHAPTER 17: CORRELATION AND REGRESSION - PART 2

Regression Lines: (i) The two lines of regression coincide i.e. become identical when $r = -1$ or 1 or in other words, there is a perfect negative or positive correlation between the two variables. (ii) If $r = 0$, Regression lines are perpendicular to each other.

Regression Analysis: In regression analysis, we are concerned with the estimation of one variable for a given value of another variable (or for a given set of values of a number of variables) on the basis of an average mathematical relationship between the two variables (or a number of variables). Regression analysis plays a very important role in the field of every human activity. A businessman may be keen to know what would be his estimated profit for a given level of investment on the basis of the past records. Similarly, an outgoing student may like to know her chance of getting a first class in the final University Examination on the basis of her performance in the college selection test.

When there are two variables x and y and if y is influenced by x i.e., if y depends on x, then we get a simple linear regression or simple regression. y is known as dependent variable or regression or explained variable and x is known as independent variable or predictor or explanator. In the previous examples since profit depends on investment or performance in the University Examination is dependent on the performance in the college selection test, profit or performance in the University Examination is the dependent variable and investment or performance in the selection test is the independent variable.

In case of a simple regression model if y depends on x, then the regression line of y on x in given by

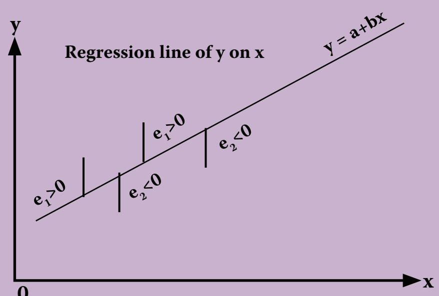
$$y = a + bx$$

Here, a and b are two constants and they are also known as regression parameters. Furthermore, b is also known as the regression coefficient of y on x and is also denoted by b_{yx}. We may define the regression line of y on x as the line of best fit obtained by the method of least squares and used for estimating the value of the dependent variable y for a known value of the independent variable x.

The method of least squares involves in minimising

$$\Sigma e_i^2 = \Sigma (y_i^2 - y^{\wedge}_i)^2 = \Sigma(y_i - a - bx_i)^2$$

where y_i denotes the actual or observed value and $y^{\wedge}_i = a + b_{xi}$, the estimated value of y_i for a given value of x_i, e_i is the difference between the observed value and the estimated value and ei is technically known as error or residue. This summation intends over n pairs of observations of (x_i, y_i). The line of regression of y or x and the errors of estimation are shown in the following figure.



SHOWING REGRESSION LINE OF y on x AND ERRORS OF ESTIMATION

Minimisation of the equation yields the following equations known as 'Normal Equations'

$$\Sigma y_i = na + b\Sigma x_i$$

$$\Sigma x_i y_i = a\Sigma x_i + b\Sigma x_i^2$$

Solving there, two equations for b and a, we have the "least squares" estimates of b and a as

$$b = \frac{cov(x_i y_i)}{S_x^2} = \frac{r.S_x.S_y}{S_x^2}$$

$$= r.\frac{S_y}{S_x}$$

After estimating b, estimate of a is given by

$$a = \bar{y} - b\bar{x}$$

Substituting the estimates of b and a in equation, we get

$$\frac{(y-\bar{y})}{S_y} = \frac{r(x-\bar{x})}{S_x}$$

There may be cases when the variable x depends on y and we may take the regression line of x on y as

$$x = a^{\wedge} + b^{\wedge}y$$

Unlike the minimisation of vertical distances in the scatter diagram as shown in figure for obtaining the estimates of a and b, in this case we minimise the horizontal distances and get the following normal equation in a^ and b^, the two regression parameters:

$$\Sigma x_i = na^{\wedge} + b^{\wedge}\Sigma y_i$$

$$\Sigma x_i y_i = a^{\wedge}\Sigma y_i + b^{\wedge}\Sigma y_i^2$$

or solving these equations, we get

$$b^{\wedge} = b_{xy} = \frac{cov(x,y)}{S_y^2} = \frac{r.S_x}{S_y}$$

$$a^{\wedge} = \bar{x} - b^{\wedge}\bar{y}$$

A single formula for estimating b is given by

$$b^{\wedge} = b_{yx} = \frac{n\sum x_i y_i - \sum x_i.\sum y_i}{n\sum x^2 - \left(\sum x\right)^2}.$$

$$\text{Similarly, } b^{\wedge} = b_{xy} = \frac{n\sum x_i y_i - \sum x_i.\sum y_i}{n\sum y_i^2 - \left(\sum y_i\right)^2}$$

The standardised form of the regression equation of x on y is given by

$$\frac{x-\bar{x}}{S_x} = r\frac{\left(y-\bar{y}\right)}{S_y}$$

PROPERTIES of Regression lines: We consider the following important properties of regression lines:

(i) **The regression coefficients remain unchanged due to a shift of origin but change due to a shift of scale.**

This property states that if the original pair of variables is (x, y) and if they are changed to the pair (u, v) where

$$u = \frac{x-a}{p} \text{ and } v = \frac{y-c}{q}$$

$$b_{xy} = \frac{p}{q} \times b_{vu} \text{ and } b_{yx} = \frac{q}{p} \times b_{uv}$$

(ii) **The two lines of regression intersect at the point, where x and y are the variables under consideration.**

According to this property, the point of intersection of the regression line of y on x and the regression line of x on y is the solution of the simultaneous equations in x and y.

(iii) **The coefficient of correlation between two variables x and y in the simple geometric mean of the two regression coefficients. The sign of the correlation coefficient would be the common sign of the two regression coefficients.**

This property says that if the two regression coefficients are denoted by b_{yx} (=b) and b_{xy} (=b') then the coefficient of correlation is given by

$$r = \pm\sqrt{b_{yx} \times b_{xy}}$$

If both the regression coefficients are negative, r would be negative and if both are positive, r would assume a positive value.

1. If for two variables x and y, the covariance, variance of x and variance of y are 40, 16 and 256 respectively, what is the value of the correlation coefficient?

Solution:

Cov(x,y)=30, V(x)=25, V(y)=144

As we know formula of Corelation coefficient is:

Let r be Corelation coefficient of x,y

$$r = \frac{\text{Cov (x,y)}}{\sqrt{\text{V (x) x V(y)}}} = \frac{30}{\sqrt{25 \text{ x } 144}} = \frac{30}{5 \text{ x } 12} = 0.5$$

$\Rightarrow$r=0.5

2. If the covariance between two variables is 20 and the variance of one of the variables is 16, what would be the variance of the other variable?

Solution: Given, Cov (x, y) =20 and variance of one of the variables is 16.

so the standard deviation SD is 4.

we know the formula,

r= cov (x, y) /(SD of x * SD of Y)

r= 20 /4 * SD of the other variable

r= 5/ SD of the other variable

we also know that coefficient of correlation, r, lies between –1 and +1 including them.

so, SD of the other variable has to be atleast 5 or more.

so the variance will be 5^2 = 25 atleast or more. $S^2 \geq 25$

3. If r = 0.6, then the coefficient of non-determination is

Solution: Given r = 0.6

The coefficient of non-determination = 1 – r^2= 1 – 0.36 = 0.64

4. If u+5x=6 and 3y+7v=20 and correlation coefficient between x and y is 0.58, then what is correlation coefficient between u and v ?

Solution: Correlation coefficient between x and y is 0.58

u + 5x = 6

=> u = 6 – 5x

–5 is the factor (constant does not have any impact)

3y + 7v = 20

=> 7v = –3y + 20

=> v = (–3/7) y + 20/7

(–3/7) is the factor (constant does not have any impact)

correlation coefficient between u and v = 0.58 x (–5)(–3/7) / $\sqrt{(-5)^2}\sqrt{(-3/7)^2}$

= 0.58

correlation coefficient between u and v = 0.58

5. If the relation between x and u is 3x + 4u + 7 = 0 and the correlation coefficient between x and y is –0.6, then what is the correlation coefficient between u and y?

Solution: Given x and u is 3x + 4u + 7 = 0

$$\therefore\ u = \frac{-3x-7}{4}$$

We can write this as

$$u = \left(-\frac{3}{4}\right)x - \left(\frac{7}{4}\right)$$

Therefore, perfect negative correlation between x and y and that is –0.6

$$= \frac{-(0.6)\times\left(-\frac{3}{4}\right)}{\left(\frac{3}{4}\right)} = 0.6$$

So, the correlation between u and y is 0.6

6. If the sum of squares of difference of ranks, given by two judges A and B of 8 students is 21, what is the value of rank correlation coefficient?

Solution: Here, n = 8.

and 'Σ (d^2)' = 21.

Now, n x {(n^2) – 1} = 8 x 63 = 504. So, rank correlation coefficient

= 1 – (6 x 21 / 504)

= 1 – 0.25 = 0.75

7. If the rank correlation coefficient between marks in management and mathematics for a group of student is 0.6 and the sum of squares of the differences in ranks is 66, what is the number of students in the group?

Solution: Rank correlation coefficient = 1 – 6 Σ $(di)^2$ / (n(n^2 – 1))

n = number of students of group

Σ $(di)^2$ = sum of squares of the differences in ranks = 66

rank correlation coefficient = 0.6

=> 0.6 = 1 – 6 Σ $(di)^2$ / (n(n^2 – 1))

=> –0.4 = –6 x 66 / (n(n^2 – 1))

=> (n(n^2 – 1)) = 990

=> (n(n^2 – 1)) = 10 x 99

=> (n(n^2 – 1)) = 10 x (100 – 1)

=> (n(n^2 – 1)) = 10 x (10^2 – 1)

=> n = 10

Therefore, the number of students of group = 10.

8. While computing rank correlation coefficient between profit and investment for the last 6 years of a company the difference in rank for a year was taken 3 instead of 4. What is the rectified rank correlation coefficient if it is known that the original value of rank correlation coefficient was 0.4?

Solution: rank correlation coefficient $= 1 - 6\ \Sigma\ (di)^2 / (n(n^2 - 1))$

n = number of years = 6

$0.4 = 1 - 6\ \Sigma\ (di)^2 / (6(6^2 - 1)$

$\Rightarrow 0.6 = \Sigma\ (di)^2/35$

$\Rightarrow \Sigma\ (di)^2 = 21$

rank for a year was taken 3 instead of 4.

$\Rightarrow$ Actual $\Sigma\ (di)^2 = 21 - (3)^2 + 4^2 = 28$

Actual rank correlation coefficient $= 1 - 6 \times 28 / (n(n^2 - 1))$

$= 1 - 28/35 = 7/35 = 1/5 = 0.2$

9. For 10 pairs of observations, No. of concurrent deviations was found to be 4. What is the value of the coefficient of concurrent deviation?

Solution: Step-by-step explanation:

The Formula for Coefficient of Concurrent deviation is:

$$R = \pm\sqrt{\left|\frac{2c-m}{m}\right|}$$

here, m = n – 1 (and n is the total number of observation) = 10 – 1 = 9

c = Number of pair of concurrent deviation = 4

Substituting all values in formula,

$$R = \pm\sqrt{\left|\frac{2\times4-9}{9}\right|}$$

Also, $2\times4-9 < 0$ so take negative value

$\Rightarrow R = \frac{-1}{3}$

10. For 10 pairs of observations, No. of concurrent deviations was found to be 4. What is the value of the coefficient of concurrent deviation?

Solution: Given coefficient of concurrent deviation is given by $R = \pm\sqrt{2\ c - m\ /\ m}$

Now $m = p - 1$ and $c = 6$ and $R = 1/\sqrt{3}$

So $1/\sqrt{3} = \sqrt{2 \times 6 - (p - 1) / p - 1}$

$1/\sqrt{3} = \sqrt{12 - p + 1 / p - 1}$

Squaring both sides, we get

$1/3 = 13 - p / p - 1$

Or $p - 1 = 39 - 3p$

$4p = 40$ Or $p = 40 / 4$ Or $p = 10$ pairs

11. Following are the two normal equations obtained for deriving the regression line of y and x:

5a + 10b = 40, 10a + 25b = 95. The regression line of y on x is given by

Solution:

The normal equations obtained for deriving the regression line of y and x: 5a + 10b = 40 and 10a + 25b = 95.

In order to find the regression line of y on x, we need to solve the 5a + 10b = 40 and 10a + 25b = 95 to find out the values of a and b. So, we have,

Given,

5a + 10b = 40 ....(1)

10a + 25b = 95 ....(2)

2 × (1) gives,

10a + 20b = 80 ....(3)

(2) – (3) gives,

10a + 25b = 95

10a + 20b = 80

5b = 15, **b = 3** from (1)

5a + 10b = 40

5a + 10 (3) = 40

5a + 30 = 40

5a = 40 – 30

5a = 10

a = 2

As, "a" represents the y-intercept and "b" represents the slope, so we have,

The regression line of y on x is given by **y = 2x + 3**

12. Given the regression equations as 2x+3y = 6 and 5x+7y =12, then which one is regression equation x on y?

Solution: For regression equations, both coefficients both b_{xy} and b_{yx} need to be of the same sign.

If 2x+3y = 6 is y on x and 5x+7y−12 = 0 is x on y

then y=6/3−2/3x then x= $\frac{12-7y}{5}$

$b_{yx}1 = -2/3$ and $b_{xy}1 = -7/5$

If 2x+3y = 6 is x on y and 5x+7y = 12 is y on x

Then x=$\frac{6-3y}{2}$ and y= $\frac{12-5x}{7}$

$b_{xy}2 = -3/2$ and $b_{yx}2 = -5/7$

$b_{xy}1 \times b_{yx}1 = 14/15 < 1$

$b_{yx}2 \times b_{xy}2 = 15/14 > 1$

We know $b_{xy} \times b_{yx} = r^2$ which is always <1

So first assumption is correct.

Regression equation of y on x is 2x+3y = 6

Regression equation of x on y is 5x+7y−12 = 0

13. If y = 3x + 4 is the regression line of y on x and the arithmetic mean of x is −1, what is the arithmetic mean of y?

Solution: Given regression line y on x is y = 3x + 4

Given $\bar{y} = 3\bar{x} + 4 = 3(-1) + 4 = 1$

Therefore, arithmetic mean of y =1

14. Compute the correlation coefficient between x and y from the following data n = 10, $\Sigma xy = 220$, $\Sigma x^2 = 200$, $\Sigma y^2 = 262$ $\Sigma x = 40$ and $\Sigma y = 50$

Solution: From the given data, we have by applying

$$r = \frac{n\sum xy - \sum x \times \sum y}{\sqrt{n\sum x^2 - \left(\sum x\right)^2}\sqrt{n\sum y^2 - \left(\sum y\right)^2}}$$

$$= \frac{10\times 220 - 40\times 50}{\sqrt{10\times 200 - (40)^2}\times\sqrt{10\times 262 - (50)^2}}$$

$$= \frac{2200-2000}{\sqrt{2000-1600}\times\sqrt{2620-2500}}$$

$$= \frac{200}{20\times 10.9545} = 0.91$$

Thus, there is a good amount of positive correlation between the two variables x and y.

Alternately

As given, $\bar{x} = \frac{\sum x}{n} = \frac{40}{10} = 4$, $\bar{y} = \frac{\sum y}{n} = \frac{50}{10} = 5$

Cov (x, y) $= \frac{\sum xy}{n} - \bar{x}.\bar{y} = \frac{220}{10} - 4\times 5 = 22 - 20 = 2$

$S_x = \sqrt{\frac{\sum x^2}{n} - (\bar{x})^2} = \sqrt{\frac{200}{10} - 4^2} = 2$

$S_y = \sqrt{\frac{\sum y_i^2}{n} - \bar{y}^2} = \sqrt{\frac{262}{10} - 5^2} = \sqrt{26.20 - 25} = 1.0954$

Thus, applying formula, we get

$$r = \frac{cov(x,y)}{S_x.S_y} = \frac{2}{2\times 1.0954} = 0.91$$

As before, we draw the same conclusion.

15. For a group of 10 students, the sum of squares of differences in ranks for Mathematics and Statistics marks was found to be 50. What is the value of rank correlation coefficient?

Solution: As given n = 10 and $\sum d_i^2 = 50$. Hence the rank correlation coefficient between marks in Mathematics and Statistics is given by

$$r_R = 1 - \frac{6\sum d_i^2}{n(n^2-1)} = 1 - \frac{6\times 50}{10(10^2-1)} = 1 - 0.30 = 0.70$$

16. For a number of towns, the coefficient of rank correlation between the people living below the poverty line and increase of population is 0.50. If the sum of squares of the differences in ranks awarded to these factors is 82.50, find the number of towns.

Solution: As given $r_R = 0.50$, $\sum d_i^2 = 82.50$.

Thus $r_R = 1 - \frac{6\sum d_i^2}{n(n^2-1)}$

$0.50 = 1 - \frac{6\times 82.50}{n(n^2-1)}$

$= n(n^2 - 1) = 990$

$= n(n^2 - 1) = 10(10^2 - 1)$

Therefore n = 10 as n must be a positive integer.

17. While computing rank correlation coefficient between profits and investment for 10 years of a firm, the difference in rank for a year was taken as 7 instead of 5 by mistake and the value of rank correlation coefficient was computed as 0.80. What would be the correct value of rank correlation coefficient after rectifying the mistake?

Solution: We are given that n = 10,

r_R = 0.80 and the wrong $d_i = 7$ should be replaced by 5.

$$r_R = 1 - \frac{6\sum d_i^2}{n(n^2-1)}$$

$$0.80 = 1 - \frac{6\sum d_i^2}{10(10^2-1)}$$

$$\sum d_i^2 = 33$$

Corrected $\sum d_i^2 = 33 - 7^2 + 5^2 = 9$

Hence rectified value of rank correlation coefficient $= 1 - \frac{6\times 9}{10(10^2-1)}$ = 0.95

18. Find product moment correlation coefficient from the following information:

x	:	2	3	5	5	6	8
y	:	9	8	8	6	5	3

Solution: In order to find the covariance and the two-standard deviation, we prepare the following table:

Table: Computation of Correlation Coefficient

x_i	y_i	x_iy_i	x_i^2	y_i^2
(1)	(2)	(3)= (1) x (2)	(4)= $(1)^2$	(5)= $(2)^2$
2	9	18	4	81
3	8	24	9	64
5	8	40	25	64
5	6	30	25	36
6	5	30	36	25
8	3	24	64	9
29	39	166	163	279

We have

$\bar{x} = \frac{29}{6} = 4.8333$ $\bar{y} = \frac{39}{6} = 6.50$

cov (x, y) $= \frac{\sum x_iy_i}{n} - \bar{x}\,\bar{y}$

$= 166/6 - 4.8333 \times 6.50 = -3.7498$

$= \sqrt{\frac{\sum x_i^2}{n} - (\bar{x})^2}$

$= \sqrt{\frac{163}{6}\;(4.8333)^2}$

$= \sqrt{27.1667 - 23.3608} = 1.95$

$S_y = \sqrt{\frac{\sum y_i^2}{n} - (\bar{y})^2}$

$= \sqrt{\frac{279}{6} - (6.50)^2}$

$= \sqrt{46.50 - 42.25} = 2.0616$

Thus the correlation coefficient between x and y is given by

$$r = \frac{cov(x,y)}{S_x.S_y} = \frac{-3.7498}{1.9509\times 2.0616} = -0.93$$

We find a high degree of negative correlation between x and y.

19. If y is independent variable and x is independent variable and SD of x and y are 5 and 8 respectively and coefficient of correlation between x and y is 0.8. Find the regression coefficient y on x

Solution: SD of x $(\sigma_x) = 5$, SD of y $(\sigma_y) = 8$,

Coefficient of correlation (r) = 0.8

Regression coefficient y on x = $b_{yx} = r \times \frac{\sigma_y}{\sigma_x} = \frac{0.8\times 8}{5} = \frac{6.4}{5} = 1.28$

National Conference - Ahmedabad
Venue: Gujarat University Convention Hall, Nr. Helmet Circle, Memnagar Ahmedabad
Organised by: SSEB, Board of Studies-(Operations), ICAI
Hosted by: Ahmedabad Branch of WIRC of ICAI & Ahmedabad Branch of WICASA of ICAI
Theme: Acquiring - Acute Acumen & Attitude | **23rd & 24th December 2022**

Time	Particulars
Day – 1	
10:30 am to 12:15 pm	**Technical Session: I: Topic : Startup Ecosystem**- Startup Regulative & Benefits; Startup – India Maker vis a vis Global Scenario; Average of Funding in Startup; Startup – Exit Strategy
12:15 pm to 01:15 pm	**Special Session: I :Interaction with SSEB, Board of Studies-(Operations), ICAI**
01:15 pm to 02:15 pm	**Special Session: II: Topic:** AZADI KA AMRUT MAHOTSAV, Ideas @75
03:00 pm to 04:15 pm	**Technical Session: II: Topics: Evolutionary Technology**- Use of Blockchain Technology; Future of NFT – its relevance in CA Profession; AI & Robotics Process Automation in Audit & Finance; Data Analytics & Audit
04:15 pm to 05:30 pm	**Motivational Session: I**
Day – 2	
10:00 am to 11:30 am	**Technical Session: III: Topic: Offshore Onshore Accounting & Management Consultancy**- Global Financial Reporting Practices (UAE / USA / UK / Australia / Singapore); CA's Global Accounting Professionals; Accounting in Procedure to Payable Record to Report; Opportunities in Management Consultancy – Quote to Cash
11:30 am to 12:30 pm	**Motivational Session: II**
12:30 pm to 01:45 pm	**Technical Session: IV: Topic: Capital Market Opportunities**- Vision India 2030 – India Going Global; Fundamentals of Technical Analysis of Shares; Value Investing and Wealth Creation; Career in Stock Market
03:00 pm to 04:30 pm	**Technical Session: V: Topics Taxation, Corporate & Allied Laws**- Section 194R Provisions of Income Tax Act, 1961; Input Tax Credit in GST; RERA – Blessing to Home Buyers or Builders; CARO 2020 & Schedule III

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Registration Fees	Physical Participation: ₹600 per student till 15.11.2022; ₹800 per student from 16.11.2022 (Restricted to 2,000 participants on First-cum-First basis)
Accommodation Charges	Charges will be ₹1,200 to ₹1,500 per day per person on triple sharing basis.
Payment Mode	Registration link- **http://bosactivities.icai.org/**

CA. Sushil Kumar Goyal, Conference Chairman & Chairman, SSEB, BoS-O; **CA. Sridhar Muppala,** Conference Co-Chairman & Vice-Chairman, SSEB, BoS-O; **CA. Purushottamlal Hukamichand Khandelwal,** Conference Director, Central Council Member, ICAI; **CA. Bishan Shah,** Chairman, Ahmedabad Branch of WIRC of ICAI & **CA. Chetan Jagetiya,** Chairman, Ahmedabad Branch of WICASA of ICAI, Conference Coordinators.

Mega CA Students Conference - Coimbatore | Venue: GRD Auditorium, PSG College of Arts & Science.
Organized by: SSEB, Board of Studies-(Operations), ICAI | **Hosted by:** Coimbatore Branch of SIRC of ICAI & Coimbatore Branch of SICASA of ICAI
Theme: "Vithakam – Karka Kasadara " | **23rd & 24th December 2022**

Time	Particulars
Day – 1	
10.30 am to 12.15 pm	**Technical Session: I: Topic: Company Law**- Non-Financial Elements of Companies Annual Report and their Importance; Importance of Judicial Interpretations in Company Law; Corporate Social Responsibility.
12.15 pm to 1.15 pm	**Special Session: I:** Interaction with SSEB, Board of Studies-Operations
01.15 pm to 02.00 pm	**Special Session: II: Topic:** Role of ICAI across the Globe.
03.00 pm to 04.15 pm	**Technical Session: II: Topic: Auditing**- Small Company and Auditors; Auditing Standards for SME Practitioners; Key Audit Matter & Emphasis of Matter
04.15 pm to 05.30 pm	**Motivational Session: I:** Importance of Ethics ethical values in the Profession etc.
Day 2	
09.00 am to 10.00 am	**Yoga** – Essential for Daily Life
10.00 am to 11.30 am	**Technical Session: III: Topic: Direct Tax**- Crypto Tax Filing in India; Non-Resident Taxation; Recent and important judgements in Direct Taxes
11.30 am to 12.30 pm	**Motivational Session: II:** Special Address
12.30 pm to 1.45 pm	**Technical Session: IV: Topic: Information Technology**- Audit in times of Artificial Intelligence and Machine Learning- Boon or bane? ABCD (Artificial Intelligence, Blockchain, Cyber Security, Data Analytics) in the world of Digital Accounting & Auditing; Transactional Audit & Technology.
02.30 PM to 04.00 PM	**Technical Session: V: Topic: Indirect Tax**- Reverse Charge Mechanism under GST; ITC Eligibility and Ineligibility; E Invoicing – Practical Issues & Challenges.

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Registration Fees	₹500 per student	Accommodation (if required) @ ₹1,500 per student per day.
Payment Mode	Link on the Students Activity Portal for Online Registration https://bosactivities.icai.org/	

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VENUE	:	Centre of Excellence (CoE), Hyderabad
PARTICIPANTS	:	Girls (CA Students)
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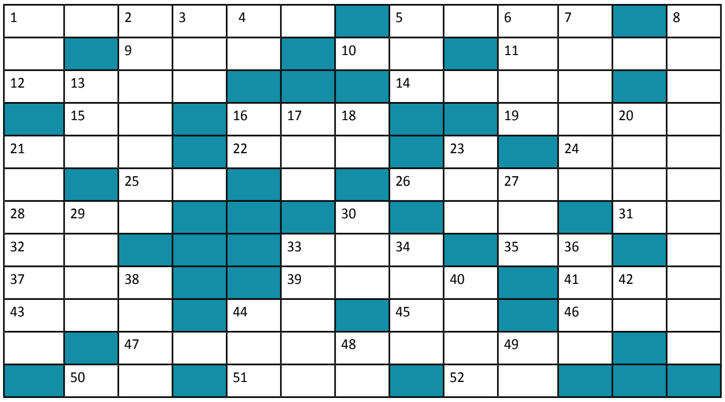

ACROSS

1. The first search engine in Internet.
5. Make a replica or imitation of something.
9. A computer's short-term memory, where the data that the processor is currently using is stored.
10. _____ accounting permits companies to capitalize all operating expenses related to locating new oil and gas reserves, regardless of the outcome.
11. A method used to account for inventory that records the most recently produced items as sold first.
12. A proposed agreement between the member states of the Association of Southeast Asian Nations (Asean) and its free trade agreement (FTA) partners.
14. A computer-adaptive test that assesses the candidates' analytical writing, quantitative, verbal, and reading skills in standard written English.
15. Abbre: Internet Explorer.
16. A standardized test that is an admissions requirement for many graduate schools in the United States and Canada and a few other countries.
19. A traditional dish from Senegal.
21. Refers to a company's partially finished goods waiting for completion and eventual sale, or the value of these items.
22. A condition in a computer operating system where no more data can be read from a data source.
24. A conglomeration of networks working on the Right to Education comprising of Parliamentary Forum for Ensuring Right to Education.
25. A law enforcement agency and economic intelligence agency responsible for enforcing economic laws and fighting economic crime in India.
26. A ___ expresses intended expenditures along with proposals for how to meet them with resources.
28. The net gain or loss of an investment over a specified time period.
31. A company engaged in the business of dealing with financial and monetary transactions.
32. The critical facilitator for transition from 'debtor in possession to creditor in control.'
33. _____ provides a summary of the most important results that a department expects to achieve during a financial year.
35. Abbreviation for weight.
37. Starts braking automatically if a collision is imminent and the driver is not taking any action.
39. _______ is any of a class of asteroids having orbits that are mainly within the Earth's orbit but that may extend beyond it at their outermost.
41. An investment in the form of a controlling ownership in a business in one country by an entity based in another country.
43. _____ Corporation is an international marketer of maintenance products.
44. Symbol for Chlorine.
45. A combining form used like a prefix, and it means "two" or "twice."
46. _______ is one company's acquisition of another company using a significant amount of borrowed money to meet the cost of acquisition.
47. A general increase in the prices of goods and services in an economy.
50. The __ curve depicts the set of all levels of income and interest rates at which money supply equals money demand.
51. The most common definition for CYM on Snapchat.
52. The Internet country code top-level domain for Turks and Caicos Islands.

DOWNWARD

1. Refers to any means of settling disputes outside of the courtroom.
2. The first computer virus was ____.
3. Come about by chance.
4. Deals with the level and control of an organization's governance over its information assets.
5. An Australian sports stadium located in Yarra Park, Melbourne, Victoria.
6. A centralized national level entrance test for admissions to twenty-two National Law Universities in India.
7. A fraudulent scheme that uses checks to embezzle money from a business.
8. ___ is a rivalry where two or more parties strive for a common goal which cannot be shared.
13. A non-governmental trade association and advocacy group headquartered in New Delhi.
16. An American multinational conglomerate founded in 1892.
17. An office under the Indian Ministry of Corporate Affairs that deals with administration of the Companies Act, 2013.
18. An international education company that specializes in language training, educational travel, academic degree.
20. Cartesian spatial reference system that represents locations in the vicinity of the Earth.
21. A document issued by a Court to a person or an entity involved in a legal proceeding.
23. A clothing store that was established in 1968.
27. ______ is water in the form of droplets that appears on thin, exposed objects in the morning or evening due to condensation.
29. A cartel consisting of 13 of the world's major oil-exporting nations.
30. Used to enhance the operation and usefulness of LCD displays.
33. A period of sustained increases in the prices of stocks, bonds, or related indexes.
34. A sum of money that is owed or due.
36. A regularly updated blog that re-posts short text messages submitted by its users.
38. An Indian mobile payment app developed by the National Payments Corporation of India, based on the Unified Payments Interface.
40. A skills and talent development company offering online & offline training courses.
42. The national railway company of Germany.
44. Gases used for various purposes including solvents, refrigerants and aerosol sprays.
48. Stands for the Latin ante meridiem, translating to "before midday".
49. The provision of collateral that is worth more than enough to cover potential losses in cases of default.

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