

**Applicability of Standards/Guidance Notes/Legislative Amendments etc.
for November, 2017 – Final Examination**

Paper 1: Financial Reporting

- I. Framework for the Preparation and Presentation of Financial Statements.
- II. Accounting Standards

<i>AS No.</i>	<i>AS Title</i>
1	Disclosure of Accounting Policies
2	Valuation of Inventories
3	Cash Flow Statements
4	Contingencies and Events Occurring after the Balance Sheet Date
5	Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies
7	Construction Contracts
9	Revenue Recognition
10	Property, Plant and Equipment
11	The Effects of Changes in Foreign Exchange Rates
12	Accounting for Government Grants
13	Accounting for Investments
14	Accounting for Amalgamations
15	Employee Benefits
16	Borrowing Costs
17	Segment Reporting
18	Related Party Disclosures
19	Leases
20	Earnings Per Share
21	Consolidated Financial Statements
22	Accounting for Taxes on Income
23	Accounting for Investment in Associates in Consolidated Financial Statements
24	Discontinuing Operations
25	Interim Financial Reporting
26	Intangible Assets
27	Financial Reporting of Interests in Joint Ventures
28	Impairment of Assets
29	Provisions, Contingent Liabilities and Contingent Assets

- III. Guidance Notes on Accounting Aspects
 - 1. Guidance Note on Accrual Basis of Accounting.

2. Guidance Note on Accounting Treatment for Excise Duty.
3. Guidance Note on Terms Used in Financial Statements.
4. Guidance Note on Accounting Treatment for MODVAT/CENVAT.
5. Guidance Note on Accounting for Corporate Dividend Tax.
6. Guidance Note on Accounting for Employee Share-based Payments.
7. Guidance Note on Accounting for Credit Available in respect of Minimum Alternate Tax under the Income Tax Act, 1961.
8. Guidance Note on Measurement of Income Tax for Interim Financial Reporting in the context of AS 25.
9. Guidance Note on Applicability of AS 25 to Interim Financial Results.
10. Guidance Note on Turnover in case of Contractors.
11. Guidance Note on the Schedule III to the Companies Act, 2013.
12. Guidance Note on Accounting for Expenditure on Corporate Social Responsibility Activities.
13. Guidance Note on Accounting for Derivative Contracts.
14. Guidance Note on Accounting for Depreciation in Companies in the context of Schedule II to the Companies Act, 2013
15. Guidance Note on Accounting for Real Estate Transactions (Revised 2012)

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

The relevant notified Sections of the Companies Act, 2013 and legislative amendments including relevant Notifications / Circulars / Rules / Guidelines issued by Regulating Authority up to 30th April, 2017 will be applicable for November, 2017 Examination.

V. Applicability of Indian Accounting Standard (Ind AS)

The students are expected to have an overall knowledge of the contents covered in the topic of "Introduction of Indian Accounting Standards (Ind AS); Comparative study of ASs vis-a-vis Ind ASs; Carve outs/ins in Ind ASs vis-à-vis International Financial Reporting Standards (IFRSs)" which is Chapter 2 of the Study Material.

- However, considering the extensive coverage of the contents covered in this topic, *small simple problems involving conceptual or application issues may be asked in the examination.*
- *It may be noted that the existing Accounting Standards will continue to be applicable for November, 2017 examination for all chapters except Chapter 2 as mentioned above and Chapter 6 on 'Accounting and Reporting of Financial Instruments' which would be based on Ind AS 32, 107 and 109.*

VI. Applicability of Amendments made by MCA in the Companies (Accounting Standards) Rules, 2006 and Companies (Indian Accounting Standards) Rules, 2015

Amendments made by MCA on 30.3.2016 in the Companies (Accounting Standards) Rules, 2006 and Companies (Indian Accounting Standards) Rules, 2015 are applicable for November, 2017 examination.

Paper 3: Advanced Auditing and Professional Ethics

I. Statements and Standards

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

II. Engagements and Quality Control Standards on Auditing

S.No	SA	<i>Title of Standard on Auditing</i>
1	SQC 1	Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements
2	SA 200	Overall Objectives of the Independent Auditor and the Conduct of an Audit in Accordance with Standards on Auditing
3	SA 210	Agreeing the Terms of Audit Engagements
4	SA 220	Quality Control for Audit of Financial Statements
5	SA 230	Audit Documentation
6	SA 240	The Auditor's responsibilities Relating to Fraud in an Audit of Financial Statements
7	SA 250	Consideration of Laws and Regulations in An Audit of Financial Statements
8	SA 260 (Revised)	Communication with Those Charged with Governance
9	SA 265	Communicating Deficiencies in Internal Control to Those Charged with Governance and Management
10	SA 299	Responsibility of Joint Auditors
11	SA 300	Planning an Audit of Financial Statements
12	SA 315	Identifying and Assessing the Risks of Material Misstatement through Understanding the Entity and its Environment
13	SA 320	Materiality in Planning and Performing an Audit
14	SA 330	The Auditor's Responses to Assessed Risks
15	SA 402	Audit Considerations Relating to an Entity Using a Service Organization
16	SA 450	Evaluation of Misstatements Identified during the Audits
17	SA 500	Audit Evidence
18	SA 501	Audit Evidence - Specific Considerations for Selected Items
19	SA 505	External Confirmations
20	SA 510	Initial Audit Engagements-Opening Balances
21	SA 520	Analytical Procedures
22	SA 530	Audit Sampling

23	SA 540	Auditing Accounting Estimates, Including Fair Value Accounting Estimates, and Related Disclosures
24	SA 550	Related Parties
25	SA 560	Subsequent Events
26	SA 570 (Revised)	Going Concern
27	SA 580	Written Representations
28	SA 600	Using the Work of Another Auditor
29	SA 610 (Revised)	Using the Work of Internal Auditors
30	SA 620	Using the Work of an Auditor's Expert
31	SA 700	Forming an Opinion and Reporting on Financial Statements
32	SA 705	Modifications to the Opinion in the Independent Auditor's Report
33	SA 706	Emphasis of Matter Paragraphs and Other Matter Paragraphs in the Independent Auditor's Report
34	SA 710	Comparative Information – Corresponding Figures and Comparative Financial Statements
35	SA 720	The Auditor's Responsibility in Relation to Other Information in Documents Containing Audited Financial Statements
36	SA 800	Special Considerations-Audits of Financial Statements Prepared in Accordance with Special Purpose Framework
37	SA 805	Special Considerations-Audits of Single Purpose Financial Statements and Specific Elements, Accounts or Items of a Financial Statement
38	SA 810	Engagements to Report on Summary Financial Statements
39	SRE 2400 (Revised)	Engagements to Review Historical Financial Statements
40	SRE 2410	Review of Interim Financial Information Performed by the Independent Auditor of the Entity
41	SAE 3400	The Examination of Prospective Financial Information
42	SAE 3402	Assurance Reports on Controls At a Service Organisation
43	SAE 3420 (New)	Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus
44	SRS 4400	Engagements to Perform Agreed Upon Procedures Regarding Financial Information
45	SRS 4410 (Revised)	Compilations Engagements

III. Guidance Notes and other publications

1. Code of Ethics

2. Guidance Note on Independence of Auditors.
3. Guidance Note on Audit under Section 44AB of the Income-tax Act.
4. Guidance Note on Audit of Inventories.
5. Guidance Note on Audit of Debtors, Loans and Advances.
6. Guidance Note on Audit of Investments.
7. Guidance Note on Audit of Cash and Bank Balances.
8. Guidance Note on Audit of Liabilities.
9. Guidance Note on Audit of Revenue.
10. Guidance Note on Audit of Expenses.
11. Guidance Note on Computer Assisted Audit Techniques (CAATs).
12. Guidance Note on Audit of Payment of Dividend.
13. Guidance Note on Audit of Capital and Reserves.
14. Guidance Note on Audit of Banks.
15. Guidance Note on Audit of Internal Financial Controls over Financial Reporting.
16. Guidance Note on Reporting under section 143(3)(f) and (h) of the Companies Act, 2013.
17. Guidance Note on Reporting on Fraud under section 143(12) of the Companies Act, 2013.
18. Guidance Note on the Companies (Auditor's Report) Order, 2016.

IV Applicability of the Companies Act, 2013:

(i) The relevant notified Sections of the Companies Act, 2013 and other legislative amendments including relevant Notifications / Circulars / Rules / Guidelines issued by Regulating Authorities, cut-off date will be 30th April, 2017.

(ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Companies (Auditor's Report) Order, 2016 are applicable for November, 2017 Examination.

(iii) Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016 issued by RBI are applicable for November 2017 Examination.

Paper 4 : Corporate and Allied Laws

Applicability of the following Amendments/Circulars/Notifications:

The provisions of Companies Act, 2013 along with significant Rules/ Notifications/ Circulars/ Clarification/ Orders issued by the Ministry of Corporate Affairs and the laws covered under the Allied laws, as amended by concerned authority, including significant notifications and circulars issued up to 30th April, 2017, are applicable for November, 2017 examination.

Applicability of Insolvency and Bankruptcy Code, 2016

"Overview of the Insolvency and Bankruptcy Code, 2016" for 10 Marks have been made applicable covering Knowledge and application of the following -

- (1) Important Definitions
- (2) Corporate Insolvency Resolution Process, and

(3) Liquidation Process

With the inclusion of the Insolvency and Bankruptcy Code, 2016, marks allocation will be as under:

Company Law- 60 Marks

Insolvency and Bankruptcy Code, 2016-10 Marks

Allied Laws- 30 Marks

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

Chapter 9 of the study material (January 2016 edition) covering provisions relating to Revival and Rehabilitation of Sick-Industrial Companies.

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

Applicability of Finance Act, Assessment Year etc. for November, 2017 Examination

The provisions of direct tax laws and indirect tax laws, as amended by the Finance Act, 2016, including notifications and circulars issued and other legislative amendments made up to 30th April, 2017 are applicable for November, 2017 examination. The relevant assessment year for Paper 7: Direct Tax Laws is A.Y.2017-18.

Applicability of GST in Paper 8: Indirect Tax Laws

“Overview of GST” will be examined for 10 marks in Paper 8: Indirect Tax Laws with simultaneous exclusion of certain topics from central excise and service tax (given below). 10 marks on Overview of GST have been accommodated in Section B: Service Tax (which presently carries 50 marks). The revised syllabus incorporating Overview of GST and exclusions from central excise and service tax are given as Annexures A and B respectively.

Overview of GST will be tested in the examination in first compulsory question carrying 20 marks and only knowledge and comprehension based question will be asked from this topic. Thus, out of 20 marks allotted to the compulsory question, 10 marks will be allocated to Overview of GST and remaining 10 will be allocated to central excise (5 marks) and customs (5 marks).

Overview of GST will cover an introduction to GST laws in India and basic concepts relating to supply, composite and mixed supplies and charge of tax.

The Supplementary Study Paper on Overview of GST covering the content to be examined in November, 2017 final examination for 10 marks has been hosted on the ICAI website

SYLLABUS

PAPER 8 : INDIRECT TAX LAWS

(One paper – Three hours – 100 marks)

Level of Knowledge: Advanced knowledge

Objectives:

- (a) To gain advanced knowledge of the principles of the laws relating to central excise, service tax and customs
- (b) To acquire the ability to apply the knowledge of the provisions of the above-mentioned laws to various situations in actual practice

Contents:

Section A: Central Excise (25 marks)*

Central Excise Act, 1944 and the Central Excise Tariff Act, 1985

Section B: Service Tax & Goods and Services Tax (50 marks)

I. Service Tax (40 marks)*

Law relating to service tax as contained in the Finance Act, 1994 as amended from time to time

II. Overview of GST (10 marks)

- GST in India: An Introduction
- Basic Concepts – Supply, Composite and Mixed supplies, Charge of tax

Section C: Customs (25 marks)

Customs Act, 1962 and Customs Tariff Act, 1975 and Foreign Trade Policy to the extent relevant to indirect tax laws

Notes

- (1) With respect to Overview of GST as covered in Section B: Service Tax and Goods and Services Tax, only a working level of knowledge is expected from students. If any new legislation(s) is enacted in place of existing legislations relating to central excise, customs and service tax, the syllabus will accordingly include such new legislation(s) in place of the existing legislations with effect from the date to be notified by the Institute. Similarly, if any existing legislation ceases to have effect, the syllabus will accordingly exclude such legislation with effect from the date to be notified by the Institute.

- * (2) On account of inclusion of Overview of GST in the syllabus, certain topics will be excluded from central excise and service tax, which have been notified separately. Students will not be examined with reference to the provisions relating to any of those excluded topics.

ANNEXURE B

EXCLUSIONS FROM CENTRAL EXCISE AND SERVICE TAX

Section A: Central Excise (25 Marks)		
S. No.	Chapter No. of Study Material ¹ [Module 1]	Chapter name
(i)	Chapter 12	Warehousing provisions under central excise
(ii)	Chapter 14	Notifications, Departmental Clarifications and Trade Notices
(iii)	Chapter 16	Organisation structure of the Excise Department
(iv)	Chapter 18	Settlement Commission
Section B: Service Tax (40 Marks)		
S. No.	Chapter of Study Material ¹ [Module 2]	Topics
(i)	Chapter 6: Service Tax Procedures	Point 6.6 - Filing of Returns
		Point 6.7 - Large Tax Payer

Note: Chapters of the following publications corresponding to the Chapters of the Study Material (given above), if any, will also be consequently excluded for November, 2017 examination:

- (i) Practice Manual [December, 2016 Edition]
- (ii) Select Cases in Direct and Indirect Tax Laws – 2016
- (iii) Supplementary Study Paper-2016

¹ Study Material [Reprint Edition : November, 2016]