



The Institute
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The Chartered Accountant **STUDENT**

Your monthly guide to CA news, information and events



START STRONG STAY STRONG

Building a Disciplined Routine
for Results

PREPARATION

ACADEMIC
EXCELLENCE

GUIDANCE

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ADVANCED FINANCIAL
MANAGEMENT

FINAL

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SWACHH BHARAT - A STEP TOWARDS CLEANLINESS



Dear Students,

"Exams test knowledge, but life tests character—prepare for both."

As we step into the New Year 2026, I extend my warmest wishes to each of you for a prosperous, purposeful, and rewarding year. A new year brings fresh opportunities and renewed hope, and I sincerely wish it unfolds with success in all your academic and professional pursuits as you move closer to becoming Chartered Accountants. This phase is not only about clearing examinations but also about developing discipline, resilience, and professional character.

Let 2026 be a year where focused preparation, ethical conduct, and continuous learning become your strengths. Success in the CA course comes through consistency, conviction, and perseverance. Reaffirm your commitment to the profession's core values—**integrity, ethics, objectivity, and competence**, which form the foundation of public trust and guide you toward personal success while upholding the Institute's dignity and credibility.

Republic Day 2026: Commitment to Nation Building

India will celebrate its 77th Republic Day in January 2026, a moment that reaffirms our collective commitment to the constitutional ideals of justice, liberty, equality, and fraternity.

Dr. B. R. Ambedkar aptly observed, *"The Constitution is not a mere lawyer's document; it is a vehicle of life."*

For aspiring professionals, the contribution to nation building lies in responsible decision-making, transparency, and service to society. Chartered Accountants, in particular, play a vital role in strengthening India's economic architecture, governance frameworks, and financial integrity.

January 2026 Examinations: Stay Calm, Stay Focused

For many of you, **January 2026** marks a crucial phase in your Chartered Accountancy journey. Examinations test not only academic knowledge but also patience, composure, and perseverance. I urge you to remain calm, trust your preparation, and focus on conceptual clarity and structured answer presentation. Effective time management, systematic revision, and a positive mindset will enable you to perform to your true potential. Remember, every sincere effort adds to your learning and strengthens your confidence.

"ज़िन्दगी के हर इम्तिहान में हिम्मत और हौसला रखो;

कामयाबी तुम्हारे कदम चूमेगी, बस खुद पर भरोसा रखो।

*("In every test of life, keep courage and confidence;
Success will be at your feet, just trust in yourself")*

The **Board of Studies (Academic)** has introduced a **Mock Test Registration Portal** to support students during this important examination phase. This platform is instituted for conducting **Mock Test Papers (MTP) Series-I and II** for the Foundation, Intermediate, and Final Courses across all ICAI Branches and Regional Offices (POUs).

Key benefits of the portal include:

- **Uniform, transparent, and structured mock test experience** nationwide, closely simulating actual examination conditions.

- **Streamlined access** to mock test information and improved coordination across POUs through a technology-driven approach.
- **Student-centric Evaluation:** Registered students receive their evaluated answer scripts within seven days of attempting the Mock Test Papers, enabling them to objectively assess their level of preparation, identify conceptual and presentation gaps, improve time management, and align their responses with the model solutions.

I strongly encourage all students to register, participate actively in these Mock Tests, and leverage this feedback to correct mistakes before the final examinations.

AI Hackathon (Aurathon) – CA Students NTS 2025–26

To encourage innovation and application-based learning, ICAI has introduced the **AI Hackathon (Aurathon)** under the **CA Students National Talent Search 2025–26**. Open to students who have completed AI workshops, the competition concludes with the **National Grand Finale at Siliguri on 3rd–4th February 2026**, alongside the National Poetry and Extempore Competitions.

CA Students' Conferences – January 2026

To promote academic enrichment, peer learning, and leadership, ICAI is organising **CA Students' Conferences in January 2026**, including a **Mega Conference at Navi Mumbai**, a **State Level Conference at Kumbakonam**, and a **National Conference at Raipur**. These conferences aim to inspire students, broaden perspectives, encourage knowledge sharing, and strengthen professional camaraderie within the CA student community nationwide.

ICAI Creates History with CAFY 4.0

I am proud to share that achieving a **Guinness World Record** for conducting the **Largest Careers Advice Lesson** at CAFY 4.0 & Super Mega Career Counselling Programme – **भविष्य की राह** held in Mumbai on 27th November 2025 marks a historic milestone for ICAI and the Indian education ecosystem. By guiding **over 6,166 students** through a structured and meaningful session, ICAI reaffirmed its commitment to nation-building through informed and ethical career guidance. This initiative helped young minds distinguish between a short-term job and a long-term career while exploring diverse career opportunities across science, commerce, humanities, sports, and emerging digital domains.

This achievement underscores ICAI's enduring role in shaping youth with clarity, confidence, and purpose, transforming guided students into empowered professionals who contribute to a stronger, self-reliant India.

Looking Ahead with Confidence

These initiatives reaffirm ICAI's dedication to nurturing **academically strong, technologically competent, and ethically grounded** professionals. Students remain at the heart of our progress, and together we must preserve our core values while embracing change.

As we enter 2026, resolve to learn with commitment, act with integrity, and serve society with distinction. With discipline and determination, you will transform challenges into achievements and emerge successful.

Once again wishing you a **Happy, Healthy, and Successful New Year 2026** along with warm greetings on the 77th Republic Day of India.

I would like to conclude by saying,

*"Build your career, strengthen your nation,
transform your destiny."*

With warm regards,

Charanjot Singh Nanda

CA. CHARANJOT SINGH NANDA
PRESIDENT, ICAI



Dear Students,

Greetings for New Year 2026!!

As the New Year 2026 begins, may you gain knowledge, focus, belief to realise your dreams and succeed in your endeavours. New Year brings new opportunities and heightened enthusiasm, so embrace it and make the best of it with discipline and determination. As student, you are not merely preparing for a qualification; you are preparing to become **custodians of financial integrity** and **leaders of economic growth**. So, at the onset of this New Year, let us resolve to profoundly contribute to the economic fabric of our country and be part of our country's significant journey towards developed economy by 2047.

Wishes for January 2026 Examination Aspirants

My sincere advice to all aspirants appearing for January 2026 Examinations is to study with dedication, revise with a clear strategy and walk into the examination hall with confidence that you have given your best in preparation. I wish you all great success in your exams and in your professional journey ahead. At this juncture, I am reminded of what Dr. A. P. J. Abdul Kalam had once said ***"To succeed in your mission, you must have single-minded devotion to your goal!"***

Start Strong, Stay Strong: Building a Disciplined Routine for Results

If we carefully comprehend the theme of this month's journal, ***"Start Strong, Stay Strong: Building a Disciplined Routine for Results"***, we will appreciate that building an effective and disciplined routine for substantial outcomes involves thoughtful planning, consistent follow-through and strong mental resolve. This approach begins with well-defined objectives, a structured timetable, use of reliable methods and coordinated practice to ensure consistency and monitor progress. Remember, when a well-designed plan is paired with sustained discipline, the gap between what you're capable of and what you achieve begins to disappear.

BOS(A): Your Guide and your Mentor

In its commitment to building a strong foundation of professional knowledge and values, the Board of Studies (A) of ICAI offers students, high-quality study materials, Revision Test Papers, Mock Test Papers, and Suggested Answers for each subject of the CA course. It also provides *Saransh* – the Last Mile Referencer, along with Case Scenario Booklets. To further support learning and preparation of the examinations, the BoS(A) has introduced several digital initiatives, including Live Virtual Classes, Live Virtual Revisionary Classes and the MCQ Paper Practice Assessment Dashboard.

With all these comprehensive enlightening resources, Board of Studies (Academic) of ICAI truly stands beside you, not just as

educators but as a mentor steering you towards achievement with conviction.

Charcha Ka Vishay: CA Pariksha- Let's talk: CA January 2026 Exams

Recently, the Board of Studies (Academic) organized "Charcha Ka Vishay: CA Pariksha – Let's Talk: CA January 2026 Exams" on 15th December at ICAI Bhawan, New Delhi, in hybrid mode. It was a Live Interactive and Exam Readiness Session which offered students a direct platform to get Expert Insights and Smart Strategies for Presentation of the answers as well as Guidance on Stress Management, Time Management and Memory Retention Techniques.

Aimed at enhancing confidence and Exam Preparedness, the Programme provided practical guidance, motivational insights and timely support, strengthening BoS (A)'s endeavour to provide continued holistic support to students at all levels of the Chartered Accountancy course and ensuring a seamless journey towards becoming a Chartered Accountant.

Global Education Summit on Commerce & Accountancy (GES-CA) 2026

I am delighted to share that the Board of Studies (Academic) is organizing **Global Education Summit on Commerce & Accountancy (GES-CA) 2026** on 16th & 17th January 2026 at New Delhi on the theme ***"Rising Together - Transforming Commerce Learning into Leadership"***. GES- CA 2026 signifies efforts towards harmonizing undergraduate syllabi nationwide for enhancing the academic standards of commerce and accountancy education in the country.

77th Republic Day Celebrations

26th January 2026 marks the 77th Republic Day of our nation. On this special occasion, let us renew our commitment to the principles and values that are wholly based on a strong ethical foundation. As CA students uphold the highest standards of integrity in all your endeavours and use your knowledge and skills not just for personal accomplishment, but to drive positive change in the environment ensuring fairness and accountability.

Closing Thoughts

As I pen down my thoughts, I am reminded of a quote from Mahatma Gandhi "The future depends on what we do in the present" which emphasizes that our future depends upon our current choices and actions. Every step we take, whether investing in learning, cultivating healthy habits, or addressing challenges with resolve, accumulates over time. It is this consistent commitment in the present that ultimately determines our long-term success, resilience, and overall well-being.

As the new year sets in, may you welcome this year with courage, enthusiasm and a great resolve.

My best wishes for a fruitful, triumphant and gratifying year ahead!

CA. PRASANNA KUMAR D
VICE PRESIDENT, ICAI



**Dear Students,
Best Wishes!**

As we step into the New Year, I extend my warmest greetings to all CA students. A new year brings fresh opportunities, renewed energy and the perfect occasion to strengthen focus and commitment towards your goals. In line with this month's theme, **Start Strong, Stay Strong: Building a Disciplined Routine for Results**, let 2026 be a year marked by disciplined preparation, consistent effort and continuous learning. Embrace challenges as opportunities to grow, remain resilient in the face of obstacles and stay motivated to excel in your Chartered Accountancy journey.

In the words of eminent author and speaker John C. Maxwell, **"Small disciplines repeated with consistency every day lead to great achievements gained slowly over time."**

May the year ahead be defined by disciplined effort, steady progress and meaningful accomplishments that bring you closer to your aspirations as future Chartered Accountants.

**From preparation to performance—make every effort count:
January 2026 examinations**

As the January 2026 examinations are about to commence, the emphasis must now shift from extensive study to focused revision and strategic execution. The final phase of preparation is crucial in transforming hard work into confident performance. With a disciplined approach and smart planning, every effort made during this period can significantly enhance examination outcomes.

Focus on revising high-weightage topics and reinforcing key concepts/provisions. Give special attention to Statutory Update for revising all relevant amendments and notifications and boost your readiness by solving mock test papers under examination conditions to improve accuracy and speed.

**Mock Test Papers for January 2026: A trusted tool for
effective exam preparation**

Continuing with its consistent support for students' to strengthening their examination preparation, the Board of Studies (Academic) conducted Mock Test Paper (MTP) series for the January 2026 examinations which witnessed significant turnout of the students, reflecting their trust in BoS academic support system. At the **Intermediate level**, 27,643 students and 16,749 students appeared in MTP Series I and Series II respectively. Similarly, for the **Final course**, 11,030 students and 7,229 students appeared in MTP Series I and Series II respectively. The strong participation highlights the growing reliance of students on MTPs to evaluate their preparedness, enhance answer-writing and time management skills, identify areas requiring improvement and build confidence ahead of the examinations.

**Charcha Ka Vishay-CA Pariksha: A platform for clarity,
confidence and exam readiness**

In its continued commitment to guide and support students in their preparation for the forthcoming examinations, the Board of Studies (Academic) organized an interactive session titled **Charcha Ka Vishay- CA Pariksha** on 15th December 2025. The interactive session provided students with a platform to discuss their challenges, clarify doubts and strengthen their confidence ahead of the January 2026 examinations. Discussions covered exam preparation strategies, time management, stress management and effective utilisation of ICAI's learning resources.

**Live Virtual Classes: Interactive Learning Anytime,
Anywhere**

It gives us great pleasure to announce that **Live Virtual Classes for the Intermediate** course for the September 2026 examinations will commence from mid-January 2026. Similarly, **Live Virtual Classes for the Foundation** course for the May 2026 examinations will also begin from end of January 2026. These interactive classes are designed to strengthen concepts, clarify doubts in real time and support students in adopting a structured and disciplined approach to their studies.

Statutory Update for May 2026 Examination

The Statutory Update for **Intermediate Paper 3A: Income-tax Law for the May 2026 examination** has also been uploaded on the BoS Knowledge Portal. The update includes significant notifications and circulars issued up to 31st October 2025 that are not covered in the study material.

Further, the Statutory Update for **Intermediate Paper 3B: Goods and Services Tax for the May 2026 examination**, containing significant notifications and circulars under the CGST Act, 2017 and the IGST Act, 2017 (which became effective during the period from 1st May 2025 to 31st October 2025) has also been uploaded on the BoS Knowledge Portal.

In addition, the Statutory Update for **Final Paper 5: Indirect Tax Laws for the May 2026 examination**, covering significant notifications and circulars issued in Part I: Goods and Services Tax, under the CGST Act, 2017 and the IGST Act, 2017 and Part II: Customs and Foreign Trade Policy (FTP), under the Customs Act, 1962, the Customs Tariff Act, 1975 and the FTP (which became effective during 1st May 2025 to 31st October 2025) has also been uploaded on the BoS Knowledge Portal.

Insight into Audit – Bridging Theory with Practice

I am pleased to introduce the initiative **"Insight into Audit – Bridging Theory with Practice"**, conceptualised to strengthen the understanding of Auditing and Ethics among CA students by effectively linking theory with practical application. The programme offers structured exposure to real-world audit processes, documentation practices and reporting requirements.

The online sessions, commencing from 21st January 2026, are aligned with the Standards on Auditing and focus on key areas including audit planning, risk assessment, audit evidence, substantive procedures and reporting. I am confident that this initiative will enhance students' analytical thinking, professional judgment and confidence, thereby improving their performance in the CA examinations.

**Global Education Summit on Commerce & Accountancy
(GES-CA) 2026**

As part of our commitment to academic excellence and curriculum advancement, the **Global Education Summit on Commerce & Accountancy (GES-CA) 2026** will be organized on 16th and 17th January 2026 in partnership with the Association of Indian Universities (AIU), the National Council of Educational Research and Training (NCERT), and the Council for the Indian Certificate of Secondary Education (CISCE), on the theme **"Rising Together: Transforming Commerce Learning into Leadership."** The Summit aims to strengthen and standardize commerce education across Secondary, Senior Secondary and undergraduate levels.

In conclusion, I encourage each one of you to remain focused, disciplined and confident in your preparation. Remember, success in the CA examinations is not achieved overnight—it is the outcome of consistent effort, smart revision and unwavering determination. Stay committed to your routine, trust your preparation and believe in your abilities. As you move closer to your examinations, stay calm, stay focused and give your best—because disciplined preparation today leads to confident performance tomorrow and **every hour of focused study is an investment in your future.**

I wish you every success in your forthcoming examinations!

**CA. HANS RAJ CHUGH
CHAIRMAN, BOARD OF STUDIES (ACADEMIC)**



Dear our dedicated CA Aspirants,

First, warm wishes for a joyous Happy New Year 2026. May this year empower you with strength and perseverance, turning your deepest aspirations into shining realities as you boldly step into new horizons of success.

As you approach your CA examinations, we extend our heartfelt best wishes and absolute confidence in your potential. The CA path demands rigour yet commands immense prestige envisioned globally as guardians of financial integrity, architects of growth, and cornerstones of the economy.

Your extraordinary journey thrives on the quiet, enduring support of your parents, whose dreams mould you into not just expert professionals, but compassionate individuals. To every warrior in the exam hall: Let perseverance embrace opportunity, your answer sheets illuminate with preparation's brilliance—you stand closer to victory today than yesterday.

Learning is a continuous process

The RUN@100 initiative embodied this by bringing exemplary speakers. They helped calm your minds, understand the psychology of success, and master the art of scheduling, timing, and resilient hard work—essential tools to thrive in this career. Stay tuned with us on every Tuesday and Friday for Run@100 series whose recorded lectures are visible on ICAI social media.

Infrastructure Upgrades

Smart Classrooms and advanced computer labs now provide hands-on, real-world training aligned with the profession's demands.

Launch of e-Diary: Revolutionizing Training for Article Assistants

For article assistants, a seamless training ecosystem arrives with the e-Diary, launching on the ICAI Self Service Portal from January 1, 2026 your ultimate digital command center. Record and track practical activities in real-time with effortless access, pinpoint accuracy, and complete transparency, banishing paperwork drudgery forever.

Principals gain instant monitoring and validation powers, enabling seamless approvals, effortless compliance, and a secure personal repository that fosters discipline, hones skills, and propels career readiness at lightning speed. Embrace this game-changer to focus purely on growth and excellence.

Enhanced Scholarships

Scholarships for economically needy students, including Foundation course aspirants, go live on ICAI SSP from January 1, 2026, with revised rates from the January cycle. Enjoy raised parental income limits up to ₹5 lakh annually. You can apply now via one simple online form to fuel your studies unhindered. To any student grappling with financial constraints, we urge you to avail

the scholarships designed for your eligibility. Let nothing hamper the singular focus your studies deserve.

Journey of Knowledge: CA Students' Conferences

Learning is a lifelong journey, and the New Year heralds fresh opportunities for personal and professional growth. This month features a dynamic lineup of student conferences nationwide, each crafted to sharpen analytical thinking, elevate professional skills, and expand academic horizons. These events unite CA students with industry leaders, fostering resilience, innovation, and work-life balance through interactive sessions and real-world insights. Embrace them to transform challenges into career milestones.

Aurathon - National Talent Search 2026

It brings thrilling AI Hackathon for CA students alongside Poetry and Extempore competitions, set for 3-4 February 2026 in Siliguri. While nurturing cherished work-life balance, we celebrate AURA workshop completers who've gained a sharp competitive edge. AURA equips you for diligent work, graceful deadlines, and tech mastery with enduring life skills intact gear up, certified stars.

As we move forward, remember that education extends beyond books. Be alert and vigilant, learning constantly from your environment, people, and experiences.

सच्चाई की राह पर चलते रहो,
हर पल सीखते, हर घड़ी जागते रहो,
आस-पास बिखरे ज्ञान के मोती,
उन्हें अपने अनुभव से पिरोते रहो।

This will forge you into better individuals with the attitude to challenge limitations and achieve success with dignity. Let your self-belief and intuitive mind always prove their worth to your self-esteem, helping you deal with life's contingencies and find joy in all you do.

Have a great time. Stay focused, stay blessed, and keep shining. Stay updated by following @bosoicai, and for more personalised insight, connect with me at @ruwatiaofficial.

With warm regards and every best wish for a purposeful and fulfilling journey ahead.

CA. (DR.) ROHIT RUWATIA
CHAIRMAN, BOARD OF STUDIES (OPERATIONS)

START STRONG, STAY STRONG: BUILDING A DISCIPLINED ROUTINE FOR RESULTS

The beginning of a new year brings with it renewed hope, fresh enthusiasm and a powerful opportunity to realign our academic goals. For thousands of CA students across the country preparing for the January 2026 examinations, the final weeks before the attempt hold immense significance. These weeks demand not just hard work, but structured effort, consistent routine and disciplined execution.

While talent and intelligence are valuable, what truly differentiates successful CA students is their ability to follow a balanced and disciplined study routine. The journey to becoming a Chartered Accountant is demanding and rigorous and only consistent and focused efforts lead to success. In this crucial period, *discipline is more important than motivation; consistency is more valuable than intensity and routine is more powerful than last-minute rush.*



WHY DISCIPLINE IS THE KEY TO CA SUCCESS



A DISCIPLINED ROUTINE HELPS YOU:



Motivation may help you begin your studies, but it is discipline that helps you continue when motivation fades. In CA preparation, there will always be challenging days; days when the syllabus feels overwhelming, revisions feel endless and fear of results tries to shake confidence. But discipline ensures you show up every single day, irrespective of mood or circumstances.

It is not the number of hours you merely plan to study, but the number of *quality hours* you consistently commit that makes a difference.

START STRONG: LAYING THE FOUNDATION FOR THE FINAL LAP

With limited days remaining for the January 2026 exams, everyday counts. Starting strong means creating a structured and realistic routine that aligns with exam expectations.



SET CLEAR GOAL TARGETS

Break down your study plan into daily and weekly milestones:

- Complete revisions subject-wise
- Solve at least one full mock paper every alternate day
- Practice writing answers under timed conditions
- Focus on ICAI materials, RTPs, MTPs and past papers

When goals are specific, measurable and time-bound, they become powerful motivators.



CREATE A PRACTICAL TIMETABLE

Ensure your timetable includes:

- Time for revisions and question practice
- Time for mock tests
- Break hours and physical activity
- Proper sleep schedule

A timetable must be realistic and flexible, not over ambitious and stressful. A well-structured plan prevents last-minute pressure and increases confidence.

PRIORITIZE SMART STUDYING

Study high weightage and difficult topics when your concentration is highest, usually in the morning. Use summarised notes, flowcharts and revision capsules for quick retention, especially for theoretical subjects.



BUILD STRONG MORNING HABITS

Starting early gives you psychological advantage. Early morning study hours (6 AM to 10 AM) are productive, distraction-free and ideal for revision and conceptual clarity.

STAY STRONG: CONSISTENCY OVER INTENSITY

The most critical element in this phase is consistency. Do not aim for long hours once in a while. Aim for manageable, focused study blocks every day. Even 6–8 hours of **quality study** are more productive than 12–14 hours of distracted effort.

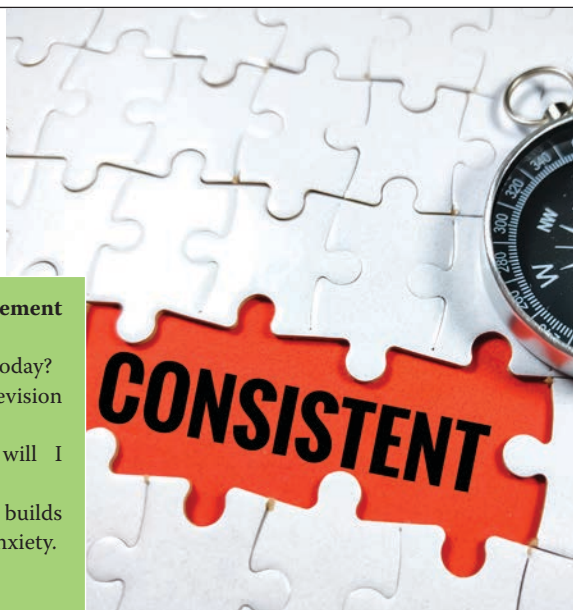
Tips for Maintaining Consistency:

- Use Pomodoro cycles (50 minutes study + 10 minutes break)
- Study in a distraction-free space
- Track your daily progress
- End each day with a 10-minute reflection

Maintain a Daily Achievement Log:

- What was completed today?
- What needs revision tomorrow?
- What improvement will I make?

Tracking progress builds momentum and reduces anxiety.



PREVENTING BURNOUT WITH HEALTHY STUDY-LIFE BALANCE

CA preparation does not mean ignoring health or personal well-being. A burnout driven approach affects focus, energy levels and emotional stability.

HEALTH AND BALANCE TIPS

- Sleep 7–8 hours to improve memory and clarity
- Eat nutritious food; avoid heavy junk and too much caffeine
- Stay physically active at least 20–30 minutes a day
- Take short breaks between sessions to refresh the mind

Short breaks are not a waste; they are fuel for high performance. A rested mind remembers more and performs better in examinations.



OVERCOMING DIGITAL & EMOTIONAL DISTRACTIONS

One of the biggest reasons students lose productive time is digital distraction. Social media, messaging apps, gaming and OTT platforms consume hours without realization.

EFFECTIVE SOLUTIONS

- Keep your phone in another room while studying
- Disable social media notifications
- Avoid unnecessary screen time before sleep

Emotionally, avoid comparing yourself with others. Everyone has their own pace and method of preparation. Focus on progress, not competition.



THE ROLE OF MOCK TESTS AND ICAI MATERIAL

In the final phase, practicing more and reading less is the winning formula.

Mock tests strengthen speed, accuracy and exam temperament.

GOLDEN STRATEGY

- Write at least 6–8 full mock tests per subject
- Review mistakes and improve answer presentation
- Solve all RTPs, MTPs and suggested answers
- Focus on ICAI study material; it is the most authentic source



HANDLING PRESSURE, ANXIETY AND SETBACKS

Pressure is natural, but panic is optional. Many toppers did not succeed because they never failed; they succeeded because they never gave up.

MENTAL STRENGTH TIPS

- Replace negative thoughts with positive affirmations
- Discuss stress with family or mentors
- Practice mindfulness or breathing exercises
- Accept mistakes and restart stronger



Remember:
Progress is progress, no matter how small.

FAILURES ARE TEMPORARY – DISCIPLINE MAKES THEM IRRELEVANT



If you feel you are behind schedule, don't worry. You still have time to rewrite your outcome. Instead of panic:

Analyse the gap

Adjust the plan

Start again with double discipline

The difference between those who qualify and those who give up is only **one more attempt** powered by consistent effort.

FINAL MESSAGE TO JANUARY 2026 ASPIRANTS

As you step into the examination hall, remember:



THE WINNING FORMULA FOR CA STUDENTS:

Discipline + Consistency + Smart Strategy + Emotional Strength = Success
Start strong, stay strong and finish strong.

Let January 2026 be the milestone that transforms your dreams into reality.

Believe in yourself — You are closer than you think.

CA FINAL - PAPER 2: ADVANCED FINANCIAL MANAGEMENT

The subject “Advanced Financial Management” primarily involves the application of financial management theories and techniques in strategic decision-making. In this regard, an attempt has been made to convey the concepts of Advanced Financial Management to students in a clear and straightforward manner through capsules. While every effort has been made to simplify the concepts presented in capsule form, it should not be considered a replacement for the Study Material provided by ICAI. Therefore, students are advised to refer to the ICAI Study Material and other publications such as Revisionary Test Papers, Mock Test Papers, etc. This month Journal covers capsule on the chapter of Derivatives Analysis and Valuation which deals with basics, uses and valuation of various types of Derivative instruments.

CHAPTER 9 - DERIVATIVES ANALYSIS AND VALUATION

What is a Derivative?

It is a product whose value is to be derived from the value of one or more basic variables called bases (underlying assets, index or reference). The underlying assets can be equity, forex and commodity.

Main users of Derivatives

Users	Purpose
Corporation	To hedge currency risk and inventory risk.
Individual Investors	For speculation, hedging and yield enhancement.
Institutional Investor	For hedging asset allocation, yield enhancement and to avail arbitrage opportunities.
Dealers	For hedging position taking, exploiting inefficiencies and earning dealer spreads.

Forward Contract

- A forward contract is an agreement between a buyer and a seller obligating the seller to deliver a specified asset of specified quality and quantity to the buyer on a specified date at a specified place and the buyer, in turn, is obligated to pay to the seller a prenegotiated price in exchange of the delivery.
- The contracting parties negotiate on, not only the price at which the commodity is to be delivered on a future date but also on what quality and quantity to be delivered and at what place.
- No part of the contract is standardized and the two parties sit across and work out each and every detail of the contract before signing it.

Future Contract

Future contract is like forward contract with following different features

Features	Forward	Futures
Trading	Traded on personal basis or on telephone or otherwise.	Traded in a competitive arena.
Size of Contract	Individually tailored and have no standardized size.	Standardized in terms of quantity or amount as the case may be.

Features	Forward	Futures
Organized exchanges	Traded in an over-the-counter market.	Traded on organized exchanges with a designated physical location.
Settlement	Settlement takes place on the date agreed upon between the parties.	Settlements are made daily via. Exchange's clearing house.
Delivery date	May be delivered on the dates agreed upon and in terms of actual delivery.	Delivery dates are fixed on cyclical basis and hardly takes place. However, it does not mean that there is no actual delivery.
Transaction costs	Based on bid – ask spread.	Entail brokerage fees for buy and sell order.
Marking to market	Not subject to marking to market.	Subject to marking to market in which the loss or profit is debited or credited in the margin account on daily basis due to change in price.
Margins	Not required.	Every participant is subject to maintain margin as decided by the exchange authorities.
Credit risk	Credit risk is born by each party.	The parties need not be bothered about the credit risk.

Pricing/Valuation of Forward/Future Contracts

The difference between the prevailing spot price of an asset and the futures price is known as the basis, i.e.

$$\text{Basis} = \text{Spot price} - \text{Futures price}$$

Basis can become positive, i.e., the spot price can exceed the futures price only if there are factors other than the cost-of-carry to influence the futures price. In case this happens, then basis becomes positive and the market under such circumstances is termed as a Backwardation Market or Inverted Market.

Basis will approach zero towards the expiry of the contract, i.e., the spot and futures prices converge as the date of expiry of the contract approaches. The process of the basis approaching zero is called Convergence.

$$\text{Future price} = \text{Spot price} + \text{Carrying cost} - \text{Returns (dividends, etc).}$$

Types of Futures Contracts

Single Stock Futures

A single stock futures contract is an agreement to buy or sell shares or stock such as Microsoft, Intel, ITC, or Tata Steel at a point in the future. Thus, a stock futures contract is a standardized contract to buy or sell a specific stock at a future date at an agreed price.

Index Futures

A contract for stock index futures is based on the level of a particular stock index such as the S&P 500 or the Dow Jones Industrial Average or NIFTY or BSE Sensex. The agreement calls for the contract to be bought or sold at a designated time in the future based on the level of stock indexes.

Options Contract

An Option may be understood as a privilege, sold by one party to another, that gives the buyer the right, but not the obligation, to buy (call) or sell (put) any underlying say stock, foreign exchange, commodity, index, interest rate etc. at an agreed-upon price within a certain period or on a specific date regardless of changes in underlying's market price during that period.

The various kinds of stock options include Put and Call options, which may be purchased in anticipation of changes in stock prices, as a means of speculation or hedging.

A put gives its holder an option to sell, shares to another party at a fixed price even if the market price declines. A call gives the holder an option to buy, or call for, shares at a fixed price even if the market price rises.

Stock Options

Stock options involve no commitments on the part of the buyers of the option contracts to purchase or sell the stock. The option is usually exercised only if the price of the stock has risen above (in case of call option) or fallen below (in case of put option) the price specified at the time the option was given.

Stock Index Option

It is a call or put option on a financial index. Investors trading index options are essentially betting on the overall movement of the stock market as represented by a basket of stocks.

Parties to the Options

There are always two types of entities for an option transaction viz buyer and a seller (also known as writer of the option). So, for every call or put option purchased, there is always someone else selling/ buying it.

Premium for Options

In return for the premium received from the buyer, the seller of an option assumes the risk of having to deliver (if a call option) or taking delivery (if a put option) of the shares of the stock. Unless that option is covered by another option or a position in the underlying stock (opposite to the position taken via selling the option contracts), the seller's loss can be unlimited, meaning the seller can lose much more than the original premium received.

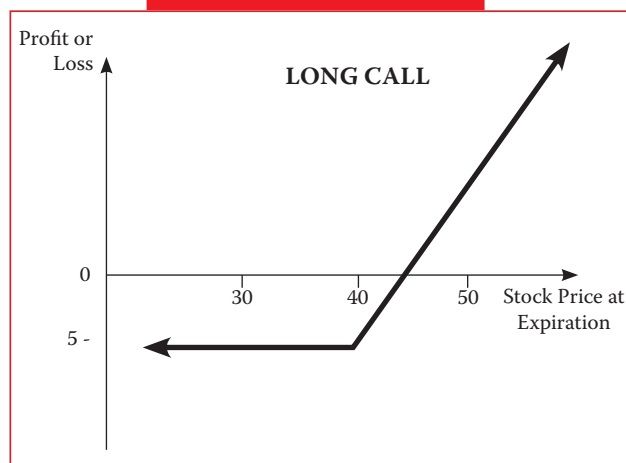
Types of Options

An American, or American-style, option can be exercised at any time between the date of purchase and the expiration date.

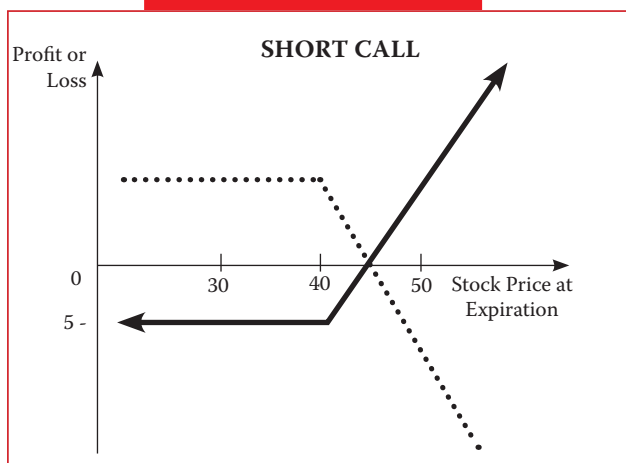
A European, or European-style, option can only be exercised on the expiration date. In Indian Market most of the options are European style options.

Pay-off scenarios

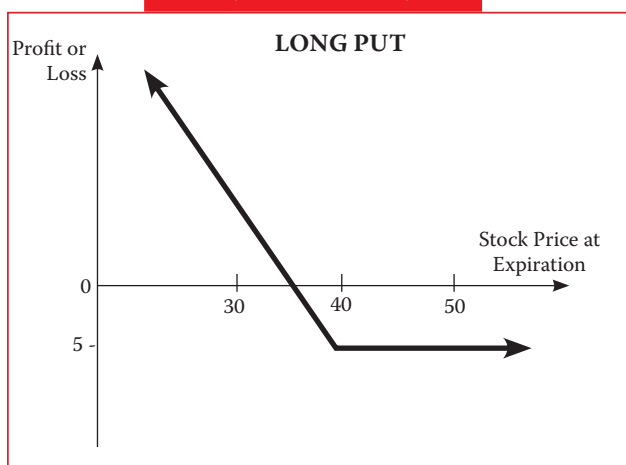
A. Pay-off for a Call Buyer



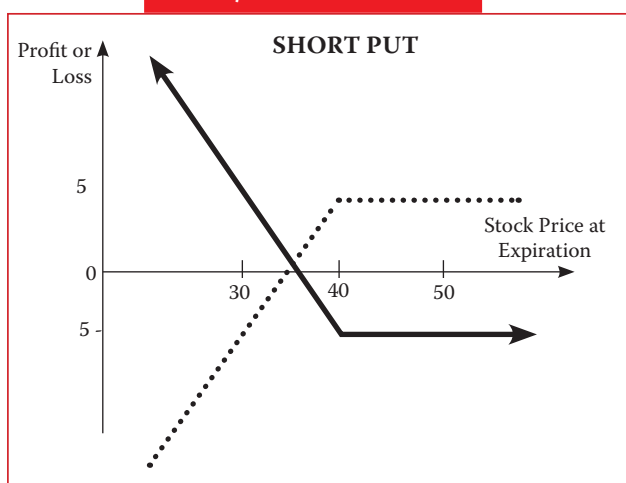
B. Pay-off for a Call Seller



C. Pay-off for a Put Buyer



D. Pay-off for a Put Seller



Option Valuation Techniques

Binomial Model

Risk Neutral Method

Black Scholes Model

BINOMIAL MODEL

The Binomial Model breaks down the time to expiration into potentially a very large number of time intervals, or steps. This requires the use of probability and future discrete projections through which a tree of stock prices is initially produced working forward from the present to expiration.

RISK NEUTRAL METHOD

The basic argument in the risk neutral approach is that since the valuation of options is based on arbitrage and is therefore independent of risk preferences; one should be able to value options assuming any set of risk preferences and get the same answer as by using Binomial Model.

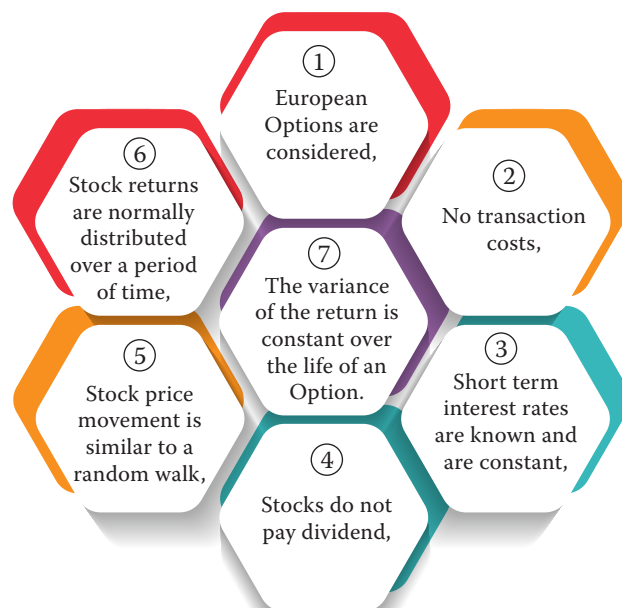
Using this model, we can derive the risk neutral probabilities and apply the same probabilities in the binomial model.

BLACK-SCHOLES MODEL

The Black-Scholes model is used to calculate a theoretical price of an Option. The Black-Scholes price is nothing more than the amount an option writer would require as compensation for writing a call and completely hedging the risk of buying stock.

The model is based on a normal distribution of underlying asset returns.

This model is based on following assumptions:



The formula for calculating the theoretical Option Price (OP) as per BS model is as follows:

$$OP = SN(d_1) - Xe^{-rt} N(d_2)$$

Where
$$d_1 = \frac{\ln\left(\frac{S}{X}\right) + \left(r + \frac{v^2}{2}\right)t}{v\sqrt{t}} \text{ and } d_2 = d_1 - v\sqrt{t}$$

The variables are:

- S = current stock price
- X = strike price of the option
- t = time remaining until expiration, expressed as a percent of a year
- r = current continuously compounded risk-free interest rate
- v = annual volatility of stock price (the standard deviation of the short-term returns over one year).
- ln = natural logarithm
- N(x) = standard normal cumulative distribution function (Area under Normal Curve)
- e = the exponential function

Greeks



The Greeks are a collection of statistical values (expressed as percentages) that give the investor a better overall view of how a stock has been performing. These statistical values can be helpful in deciding what options strategies are best to use.

Factors Affecting Value of an Option

Before we discuss these statistical measure let us discuss the factors that affect the value of an option.

(a) Price Movement of the Underlying:

The value of calls and puts are affected by changes in the underlying stock price in a relatively straightforward manner.

(b) Time till expiry:

The option's future expiry, at which time it may become worthless, is an important and key factor of every option strategy.

(c) Volatility in Stock Prices:

Volatility can be understood via a measure called Statistical (sometimes called historical) Volatility, or SV for short. SV tells you how volatile the stock has actually been over a given period of time.

(d) Interest Rate:

Another feature which affects the value of an Option is the time value of money. The greater the interest rates, the present value of the future exercise price are less.

Now let us discuss the statistical measure

Delta

It is the degree to which an option price will move given a small change in the underlying stock price.

Gamma

It measures how fast the delta changes for small changes in the underlying stock price. It is the delta of the delta.

Theta

The change in option price given a one day decrease in time to expiration. It is a measure of time decay.

Rho

The change in option price given a one percentage point change in the risk-free interest rate.

Vega

Sensitivity of option value to change in volatility.

Exotic Options

Exotic options are the classes of option contracts with structure and features different from plain vanilla options i.e. American and European style options. Not only that Exotic options are different from these vanilla options in their expiration dates also.

Exotic Vs. Traditional Option

An exotic option can vary in terms of pay off and time of exercise.

These options are more complex than vanilla options.

Mostly Exotic options are traded in OTC market.

Types of Exotic Options

Chooser Options:

This option provides a right to the buyer of option after a specified period of time to decide whether purchased option is a call option or put option.

Compound Options:

Also called split fee option or 'option on option'. Thus, it can be said in this option the underlying is an option.

Barrier Options:

Though it is similar to plain vanilla call and put options, but unique feature of this option is that contract will become activated only if the price of the underlying reaches a certain price during a predetermined period.

Binary Options:

Also known as 'Digital Option', this option contract guarantees the pay-off based on the happening of a specific event.

Asian Options:

These are the option contracts whose pay off are determined by the average of the prices of the underlying over a predetermined period during the lifetime of the option.

Bermuda Option:

It is somewhat a compromise between a European and American options.

Basket Options:

In this type of contracts the value of option instead of one underlying depends on the value of a portfolio i.e., a basket.

Spread Options:

As the name suggests the payoff of these type of options depend on difference between prices of two underlying.

Look back options:

Unlike other type of options whose exercise prices are pre-decided, in this option on maturity date the holder of the option is given a choice to choose a most favourable strike price depending on the minimum and maximum price of an underlying achieved during the life time of option.

Credit Derivatives

Credit Derivatives is summation of two terms, Credit + Derivatives. As we know that derivative implies value deriving from an underlying, and this underlying can be anything we discussed earlier i.e. stock, share, currency, interest etc.

Types of credit Derivatives

A. Collateralized Debt Obligations (CDOs)

While in securitization the securities issued by SPV are backed by the loans and receivables the CDOs are backed by pool of bonds, asset backed securities, REITs, and other CDOs.

Types of CDOs

Cash Flow Collateralized Debt Obligations (Cash CDOs):

Cash CDO is CDO which is backed by cash market debt or securities which normally have low risk weight. This structure mainly relies on the collateral's risk weight and collateral's ability to generate sufficient cash to pay off the securities issued by SPV.

Synthetic Collateralized Debt Obligations:

It is similar to Cash Flow CDOs but with the difference that instead of transferring ownerships of collateral to SPV (a separate legal entity), synthetic CDOs are structured in such a manner that credit risk is transferred by the originator without actual transfer of assets.

Arbitrage CDOs:

In Arbitrage CDOs, the issuer captures the spread between the return realized collateral underlying the CDO and cost of borrowing to purchase these collaterals.

Risks involved in CDOs

Default Risk:

Also called 'credit risk', it emanates from the default of underlying party to the instruments.

Interest Rate Risk:

Also called Basis risk and mainly arises due to different basis of interest rates.

Liquidity Risk:

Another major type of risk by which CDOs are affected is liquidity risks as there may be mismatch in coupon receipts and payments.

Prepayment Risk:

This risk results from unscheduled or unexpected repayment of principal amount underlying the security.

Reinvestment Risk:

This risk is generic in nature as the CDO manager may not find adequate opportunity to reinvest the proceeds when allowed for substitutions.

Foreign Exchange Risk:

Sometimes CDOs are comprised of debts and loans from countries other than the country of issue.

B. Credit Default Swaps (CDSs)

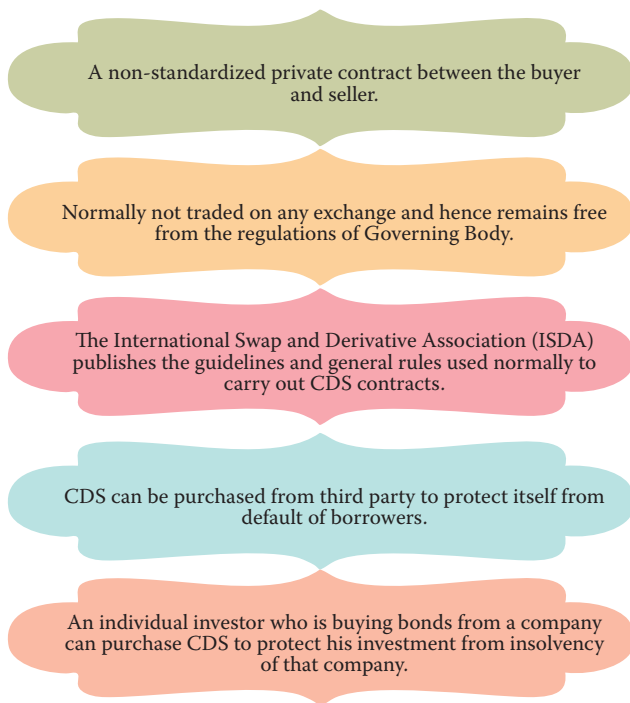
It is a combination of following 3 words:



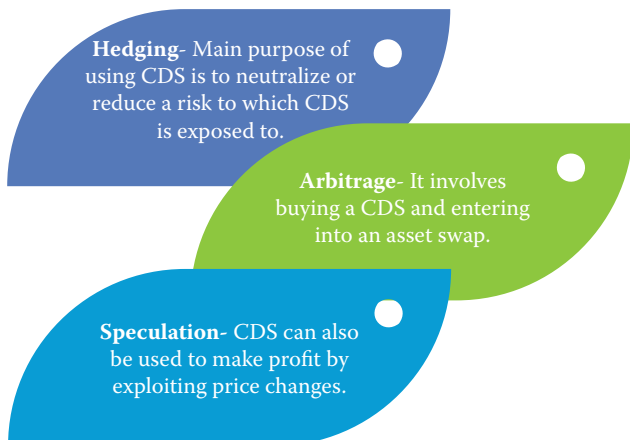
Under this arrangement, one party (called buyer) needing protection against the default pays a periodic premium to another party (called seller), who in turn assumes the default risk.

Hence, in case default takes place then there will be settlement and in case no default takes place no cash flow will accrue to the buyer alike option contract and agreement is terminated.

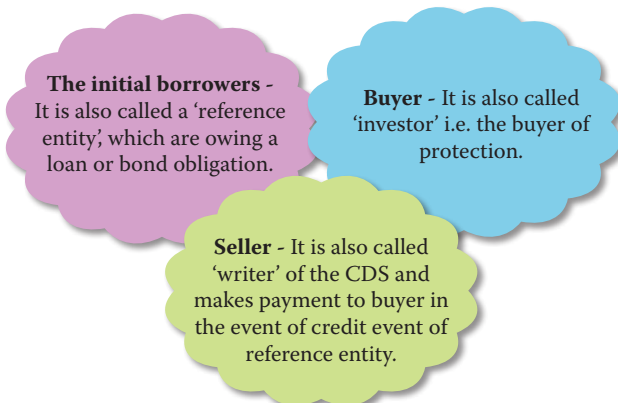
Main Features of CDS



Uses of Credit Default Swap

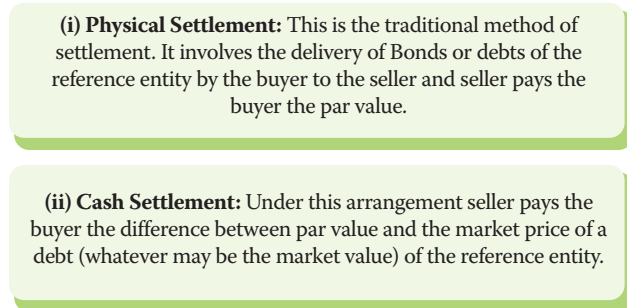


Parties to CDS



Settlement of CDS

The main ways of settlement of CDS are:

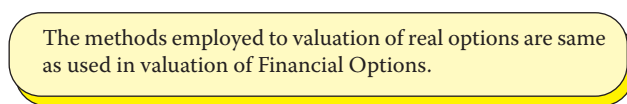


Real Options

How Real Option is different from Financial Option

Basis	Financial Options	Real Options
Underlying	Have underlying assets that are normally traded in the market i.e. shares, stocks, bonds, commodity etc.	Have underlying the projects that are not traded in the market.
Pay-off	In most of the cases it is specified in the contracts and hence is fixed.	It is estimated from the project cash flows and hence can be varied.
Exercise Period	Mostly the period of these options is short and can go maximum upto 1 year.	The period of these options mostly starts from the end of 1st year and higher than the Financial Options.
Approach	Since these options are normally traded in the market they are "Priced".	Since these options are used to make decisions, they are "Valued".

Valuation of Real Options



Type of Real Options

A. Growth Options

The purposes of making such investments are as follows:

- Defining the competitive position of firm hence it is called strategic investments.
- Gaining knowledge about project's from profitability.
- Providing the manufacturing and making flexibility to the firm.

This case of real option is like *European Call Option*.

B. Abandonment Option

The option to abandon the project is similar to an *American Put Option* where option to abandon the project shall be exercised if value derived from project's assets is more than PV of continuing the project for one or more period.

C. Timing Option

In traditional capital budgeting the project can either be accepted or rejected, implying that this will be undertaken or forever not. However, in real life situation sometimes a third choice also arises i.e., delay the decision until later, i.e., option when to invest. This case of real option is like *American Call Option*.

Commodity Derivatives

Trading in commodity derivatives first started to protect farmers from the risk of the value of their crop going below the cost price of their produce. Derivative contracts were offered on various agricultural products like cotton, rice, coffee, wheat, pepper etc.

The first organized exchange, the Chicago Board of Trade (CBOT) -- with standardized contracts on various commodities -- was established in 1848. In 1874, the Chicago Produce Exchange - which is now known as Chicago Mercantile Exchange (CME) was formed.

CBOT and CME are two of the largest commodity derivatives exchanges in the world.

Necessary Conditions (Attributes) to Introduce Commodity Derivatives

The following attributes are considered crucial for qualifying for the derivatives trade.

- a commodity should be durable and it should be possible to store it;
- units must be homogeneous;
- the commodity must be subject to frequent price fluctuations with wide amplitude; supply and demand must be large;
- supply must flow naturally to market and there must be breakdowns in an existing pattern of forward contracting.

Investing in Commodity Derivatives

Commodity derivatives, which were traditionally developed for risk management purposes, are now growing in popularity as an investment tool. Most of the trading in the commodity derivatives market is being done by people who have no need for the commodity itself.

Certain special characteristics/benefits of Commodity derivatives trading are:

To complement investment in companies that use commodities;

To invest in a country's consumption and production;

No dividends, only returns from price increases.

Commodity Futures

The process of trading commodities is also known as Futures Trading. Unlike other kinds of investments, such as stocks and bonds, when you trade futures, you do not actually buy anything or own anything. You are speculating on the future direction of the price in the commodity you are trading. This is like a bet on future price direction. The terms "buy" and "sell" merely indicate the direction you expect future prices will take.

Some of the advantages of commodity futures are:

- Easiest and cheapest way to invest in commodities
- 3 Major Categories like Agricultural products (soft commodities) –fibers, grains, food, livestock; Energy – crude oil, heating oil, natural gas; and Metals – copper, aluminium, gold, silver, platinum

Commodity Swaps

There are two types of commodity swaps:

A. Fixed-Floating Swaps: They are just like the fixed-floating swaps in the interest rate swap market with the exception that both indices are commodity based indices.

B. Commodity-for-Interest Swaps: They are similar to the equity swap in which a total return on the commodity in question is exchanged for some money market rate (plus or minus a spread).

Valuing Commodity Swaps

Commodity swaps are characterized by some peculiarities. These include the following factors for which we must account:

- The cost of hedging;
- The institutional structure of the particular commodity market in question;
- The liquidity of the underlying commodity market;

- iv Seasonality and its effects on the underlying commodity market;
- v The variability of the futures bid/offer spread;
- vi Brokerage fees; and
- vii Credit risk, capital costs and administrative costs.

Hedging with Commodity Derivatives

Commodity swaps and commodity derivatives are a useful and important tool employed by most leading energy, chemical and agricultural corporations in today's world.

Weather Derivatives

Weather derivatives represent an alternative tool to the usual insurance contract by which firms and individuals can protect themselves against losing out because of unforeseen weather events. Many factors differentiate weather derivatives from insurance contracts. The main difference is due to the type of coverage provided by the two instruments.

Electricity Derivatives

Electricity Forwards

Electricity Forward contracts represent the obligation to buy or sell a fixed amount of electricity at a pre-specified contract price, known as the forward price, at a certain time in the future (called maturity or expiration time).

Electricity Futures

Like other financial futures contracts, Electricity futures contracts are standardized contracts in terms of trading locations, transaction requirements and settlement procedures.

Electricity Swap

Electricity Swaps are financial contracts that enable their holders to pay a fixed price for underlying electricity, regardless of the floating electricity price, or vice versa, over the contracted time. They are typically established for a fixed quantity of power referenced to a variable spot price at either a generator's or a consumer's location.

Derivative Mishaps and Lessons

While Derivatives can be used for hedging purpose, simultaneously they can also be used for speculation purpose also. Due to this attribute of Financial Derivatives, legendary investor Warren Buffet believes that the derivatives are financial weapons of mass destruction. Some of infamous cases where derivatives have proven very fatal for various organizations are as follows:

ORANGE COUNTY'S CASE

In this case, the treasurer of Orange County, a California municipality, despite having no background in trading financial instruments, used derivatives to speculate on interest rates through a yield curve strategy. As a result, the County incurred losses of approximately \$1.5 billion and ultimately declared bankrupt.

BARINGS BANK'S CASE

Nick Leeson, a star trader at Barings Bank, took large speculative positions in futures contracts in an attempt to cover up substantial losses he had already incurred. This ultimately resulted in losses of \$827 million (approximately \$1.4 billion in today's value), leading to the collapse of the 233-year-old bank in March 1995.

PROTECTOR & GAMBLE (P&G) AND GIBSON GREETINGS' CASE

This is a dramatic example of activities of Banker Trust (BT) a banking organization who in 1994 intentionally developed complex derivative structures product and sold them to various clients including P&G and Gibson Greetings leading to huge losses for these two companies. Further it also misled both companies into thinking that the products have been structured to meet their individual needs. The products sold to these two companies were inappropriate because BT was aware of the risk appetite of these companies and other clients. As a result, both the companies sued BT and it was forced to pay a huge amount to them for settlement made out of court.

Following are some of the important lessons can be learnt from the above-mentioned case studies of Derivative Mishaps.



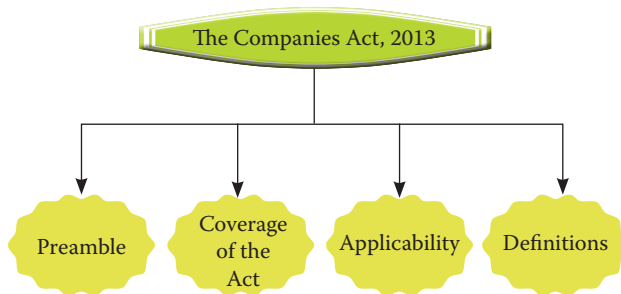
CA INTERMEDIATE - PAPER 2: CORPORATE AND OTHER LAWS

In this capsule on Paper 2: Corporate and Other Laws (Intermediate), it is intended to capture the significant provisions of the Companies Act, 2013 related to Preliminary chapter. For comprehensive understanding of this topic, please refer the Study Material also. This capsule is designed to enhance your grasp of the concepts, aid in retention and support your revision of the material covered in the Study Material.

CHAPTER 1- PRELIMINARY



Overview of the Chapter



Introduction of the Companies Act, 2013

Preamble:

Act to consolidate and amend the law relating to companies

Enforcement:

- Assent of the Hon'ble President on 29th August 2013
- Notified in the Official Gazette on 30th August 2013
- Different dates may be appointed for enforcement of different provisions, through notifications

Coverage of the Act

- 470 sections, divided into 29 chapters and seven schedules.
- Each chapter has at least one set of Rules.

Short Title, Extent & Commencement

Title- The Companies Act, 2013

Extent- Whole of India

Commencement

Section 1 came into force at once on date of Gazette of Notification (30th August 2013)

Whereas the remaining provisions of this Act came into force on different dates through Notifications.

Applicability of the Act

Companies incorporated under this Act / in any previous company law

insurance companies

banking companies

companies engaged in the generation or supply of electricity

any other company governed by any special Act

such body corporate, incorporated by any Act for the time being in force, as the Central Government may, specify

Major Definitions

Abridged Prospectus [Section 2(1)]



Memorandum



SEBI

- containing such salient features of a prospectus
- as may be specified by the Securities and Exchange Board



Companies Act, 2013

The requirements of a prospectus are set out in SEBI(ICDR)Regulations 2009. It shall contain disclosures of the memorandum as prescribed under section 26(3) of the Companies Act, 2013.

Accounting Standards [Section 2(2)]



What do accounting standards mean?

They are the standards of accounting and any addendum thereto for companies/ class of companies referred to in section 133.

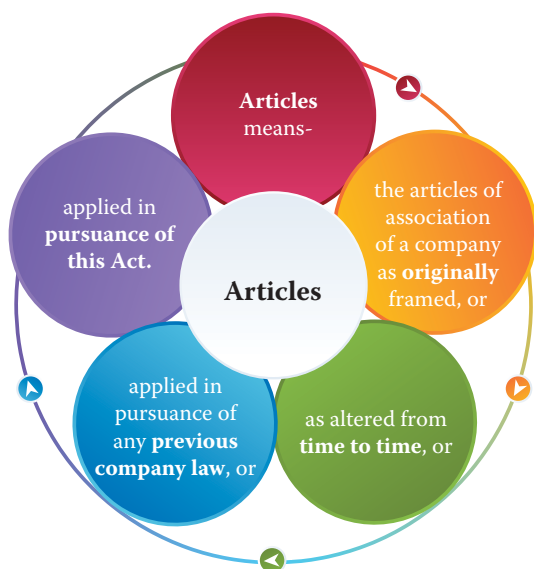


What does section 133 deal with?

It deals with the Central Government to prescribe accounting standards.



Articles [Section 2(5)]



Associate Company [Section 2(6)]

Is considered in relation to another company

in which that other company has a **significant influence**,

which is **not** a subsidiary company of the company having such influence, and

includes a **joint venture** company

Here,

- "**Significant influence**" means control of **at least 20%** of total voting power, or control of or participation in business decisions under an agreement.
- "**Joint venture**" means a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

Auditing Standard [Section 2(7)]



Auditing Standards

Means



The Standards of Auditing or any addendum thereto for Companies or class of Companies referred to in subsection (10) of section 143



Board of Directors or Board [Section 2(10)]

Board of Directors or Board

in relation to a company

the collective body of the directors of the company

Director [Section 2(34)]

a director appointed to the Board of a company

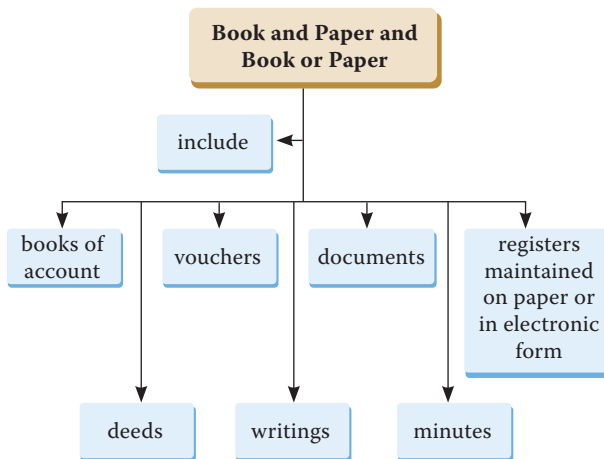
Body corporate or Corporation [Section 2(11)]

INCLUDES A COMPANY INCORPORATED
OUTSIDE INDIA,

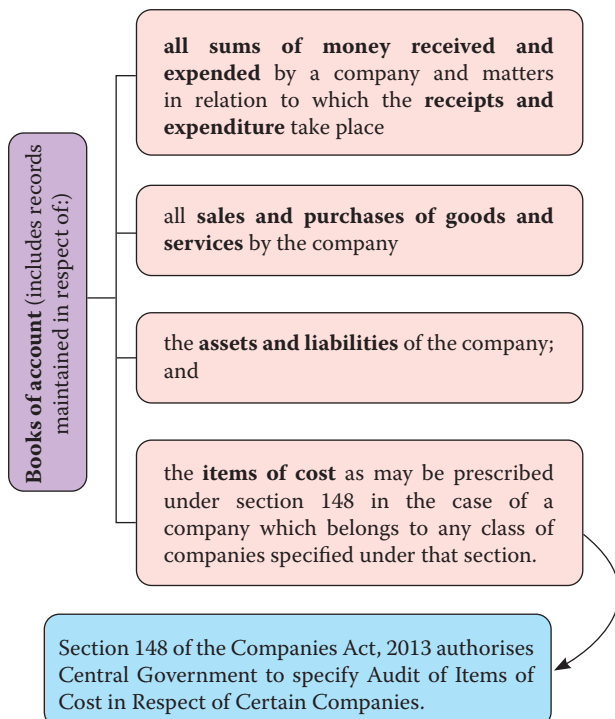
but does not include

- (i) a co-operative society registered under any law relating to co-operative societies; and
- (ii) any other body corporate (not being a company as defined in this Act), which the Central Government may, by notification, specify in this behalf.

Book and Paper and Book or Paper [Section 2(12)]



Books of account [Section 2(13)]



Company [Section 2(20)]

WHAT IS A COMPANY?

Company means a company incorporated under this Act or under any previous company law.

A company is an incorporated association, which is an artificial person created by law, having a separate entity, with a perpetual succession and a common seal.



Company Limited by Guarantee [Section 2(21)]

LIABILITY OF MEMBERS



Liability of its Members limited by the memorandum to such amount as the members may respectively undertake to contribute to the assets of the company in the event of its being wound up

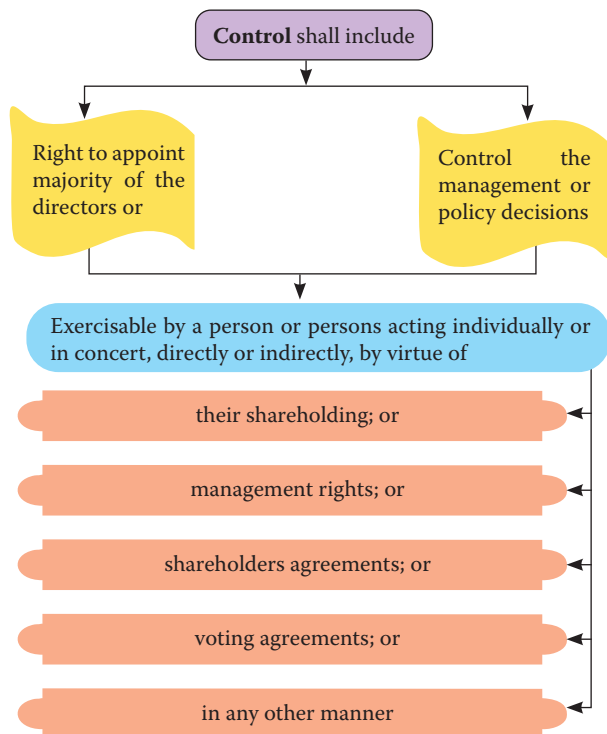
Company Limited by shares [Section 2(22)]

COMPANY LIMITED BY SHARES



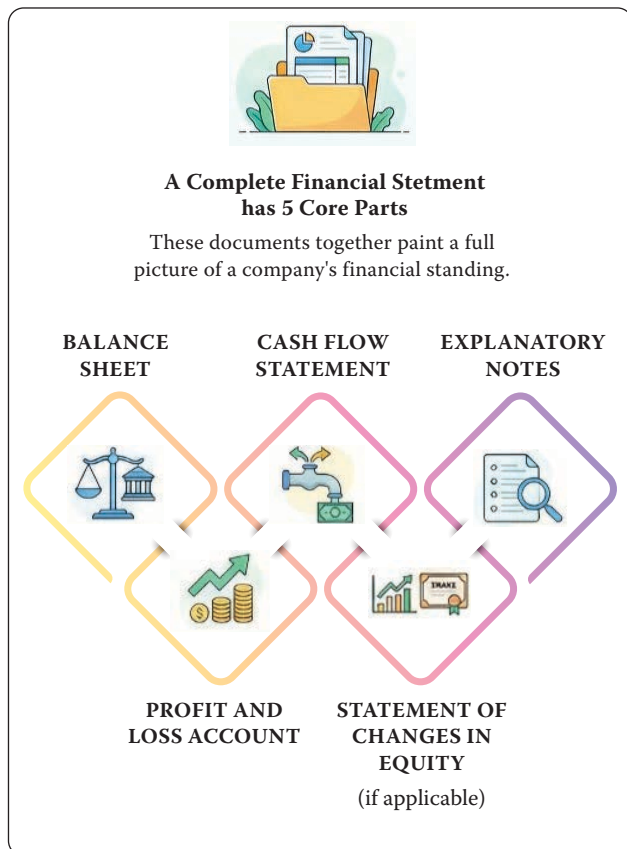
Liability of the members of a company is limited by its Memorandum of Association (MOA) to the amount (if any) unpaid on the shares held by them

Control [Section 2(27)]



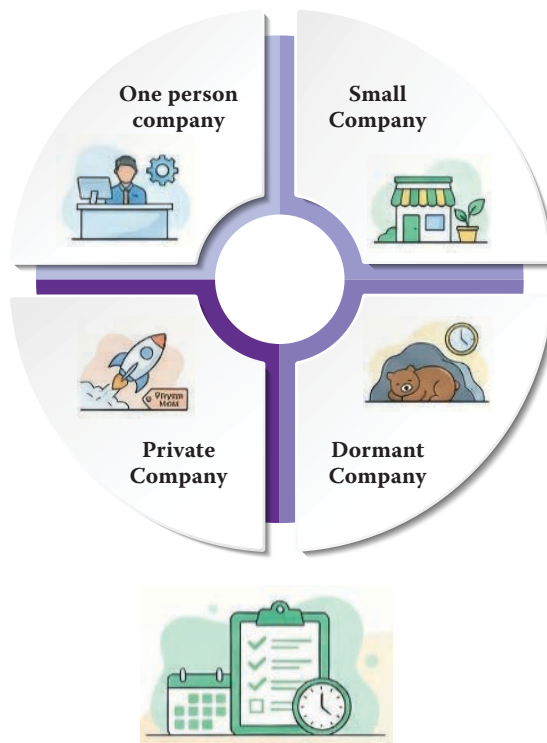
Financial Statements [Section 2(40)]

Financial Statements: Required Components & Exemptions



The cash flow statement exemption

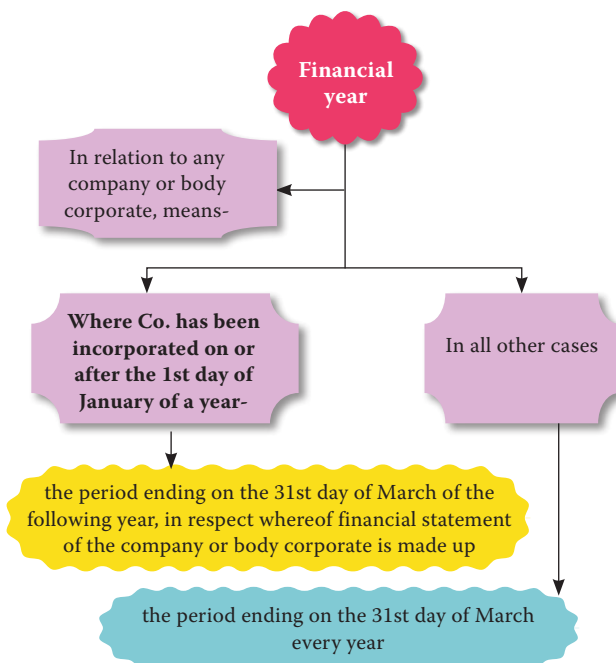
4 Types of Companies May Be Exempt



Condition for Exemption: Stay Compliant

This exemption only applies if the company has filed all its required financial statements and annual returns on time.

Financial year [Section 2(41)]



Provided that where a company or body corporate which is a-

holding company or a subsidiary or associate company-

of a company incorporated outside India and

is required to follow a different financial year for consolidation of its accounts outside India,

the Central Government may, on an application made by that company or body corporate in such form and manner as may be prescribed, allow any period as its financial year, whether or not that period is a year.

Free Reserves [Section 2(43)]

Free reserves means-

such **reserves** which, as per the latest audited balance sheet of a company, are **available for distribution as dividend**.

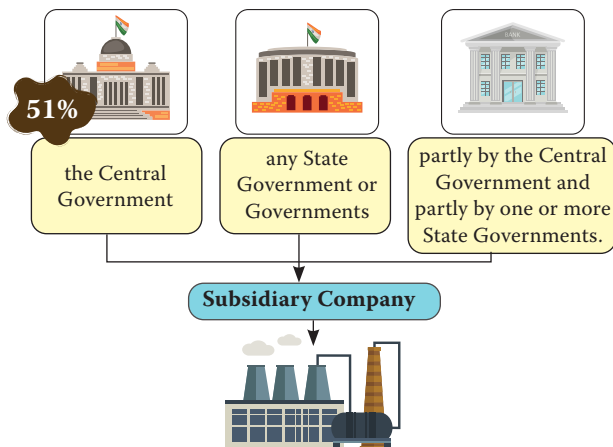
- any amount** representing unrealised gains, notional gains or revaluation of assets, whether shown as a reserve or otherwise, or
- any change in carrying amount of an asset or of a liability** recognized in equity, including surplus in profit and loss account on measurement of the asset or the liability at fair value.

Following shall not be treated as free reserves

Government company [Section 2(45)]

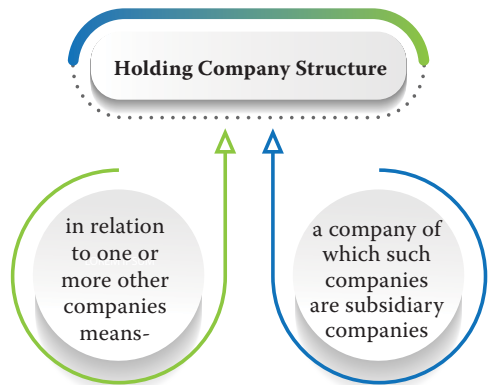
Government Company

a company in which not less than 51% of the paid-up share capital is held by:



Explanation. - For the purposes of this clause, the "paid-up share capital" shall be construed as "total voting power", where shares with differential voting rights have been issued.

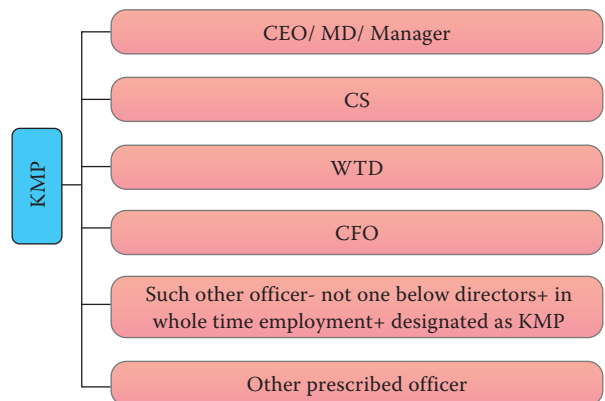
Holding company [Section 2(46)]



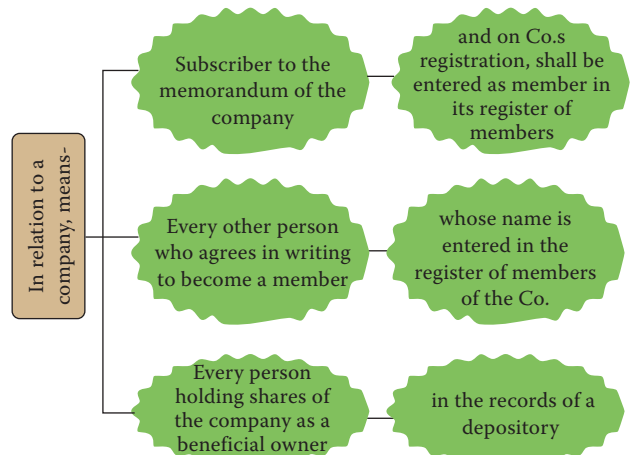
Explanation. — Here, the expression "company" includes anybody corporate.

If a company has one or more subsidiary companies it will be considered as a holding company in relation to the subsidiaries.

Key Managerial Personnel [Section 2(51)]



Member [Section 2(55)]



Note: The remaining definitions will be covered in the coming issue.

CA FOUNDATION - PAPER 3: QUANTITATIVE APTITUDE

At the CA Foundation level, Probability (Chapter 15) and Probability Distributions (Chapter 16) form a crucial part of the Statistics syllabus. These chapters introduce fundamental concepts that are essential for understanding statistical reasoning and problem-solving. This capsule aims to develop a clear understanding of probability events and their real-life applications, with a strong focus on the accurate and efficient application of formulas to solve examination-oriented problems. This capsule also covers Probability Distributions, which are broadly classified into Discrete and Continuous distributions. Under Discrete Probability Distributions, the important concepts, characteristics, and applications of the Binomial Distribution and Poisson Distribution are discussed in detail. Under Continuous Probability Distributions, the Normal Distribution is explained with emphasis on its properties and practical use in problem-solving.

CHAPTER 15- PROBABILITY

1. Range of probability of an event	0 to 1
2. Probability of an event which cannot take place	0
3. Probability of an event which is certain i.e., bound to occur	1
4. Probability of the entire sample space	$P(S) = 1$
5. Addition Rule of Probability (a) When events are Mutually Exclusive (b) When events are Not Mutually Exclusive	Probability of occurrence of either A or B $P(A \cup B) = P(A) + P(B)$ Probability of occurrence of atleast A or B $P(A \cup B) = P(A) + P(B) - P(A \cap B)$
6. Multiplication Rule of Probability When events are Independent	(i) Probability of occurrence of both A & B $P(A \cap B) = P(A) \times P(B)$
	(ii) Probability of non-occurrence of both A & B $P(\bar{A} \cap \bar{B}) = P(\bar{A}) \times P(\bar{B})$
	(iii) Probability of occurrence of A and not B $P(A \cap \bar{B}) = P(A) \times P(\bar{B})$
	(iv) Probability of occurrence of B and not A $P(\bar{A} \cap B) = P(\bar{A}) \times P(B)$
	(v) Probability of occurrence of B and not A one event $P(A \cap \bar{B}) + P(\bar{A} \cap B)$
	(vi) Probability of occurrence of atleast one event $= 1 - P(\bar{A} \cap \bar{B})$
	(vii) Probability of occurrence of an event $= P(A \cap B) + P(A \cap \bar{B}) + P(\bar{A} \cap B)$
7. Conditional Probability	$P(A \cap B) = P(A) \times P(B/A)$
8. Posterior Probability	$\frac{\text{Joint Probability}}{\text{Sum of Joint Probabilities}}$ here, Joint Probability = Prior Probability $\times$ Conditional Probability
9. Expected Value (X)	$E(X) = P_1X_1 + P_2X_2 + \dots + P_kX_k$
10. Variance $V(X) = E x^2 - (E(x))^2$	Where, $E(X^2) = \sum x^2 p$ $E(X) = E(X) \cdot P$

$$P(B/A) = \frac{P(B \cap A)}{P(A)} = \frac{P(A \cap B)}{P(A)}$$

Provided $P(A) > 0$ i.e. A is not an impossible event.

$$\text{Similarly, } P(A/B) = \frac{P(A \cap B)}{P(B)}$$

- If A & B are independent events then
 $P(A \cup B) = 1 - P(A') P(B')$
 $P(A \cap B) = P(A) \cdot P(B)$
- If A, B & C are independent events then
 $P(A \cup B \cup C) = 1 - P(A') P(B') P(C')$
 $P(A \cap B \cap C) = P(A) \cdot P(B) \cdot P(C)$

$$\bullet \quad E(x) = \text{Mean} = E(x) = \sum x_i p_i; \quad E(x^2) = \sum x_i^2 p_i$$

$$E(K) = K, K \text{ is constant}$$

$$E(ax + b) = aEx + b, \quad a \text{ \& b constant}$$

$$V(x) = E(x - Ex)^2$$

$$= E(x^2) - (Ex)^2$$

$$SD(x) = \sqrt{V(x)}$$

$$V(ax + b) = a^2 V(x)$$

$$SD(ax + b) = |a| SD(X)$$

CHAPTER 16- THEORETICAL (PROBABILITY) DISTRIBUTIONS

Discrete Distributions

(a) Binomial Distribution

1. Probability Function	$P(x = r) = {}^n C_r P^r q^{n-r}$, where $r = 0, 1, 2, \dots, n$ P = Probability of success in a single trial $q = 1 - p$ n = Number of trials r = Number of successes in n trials
Probability of 0 event	$P(r = 0) = {}^n C_0 P^0 q^{n-0} = q^n$
Probability of 1 event	$P(r = 1) = {}^n C_1 P^1 q^{n-1}$
Probability of 2 event	$P(r = 2) = {}^n C_2 P^2 q^{n-2}$
Probability of 3 event	$P(r = 3) = {}^n C_3 P^3 q^{n-3}$
Probability of at least 1 event	$P(r = 1 \text{ or more}) = 1 - P(r = 0)$
Probability of at least 2 events	$P(r = 2 \text{ or more}) = P(r = 0) + P(r = 1) + P(r = 2)$
Probability of less than 2 events	$P(r = 0 \text{ or } 1) = P(r = 0) + P(r = 1)$
Probability of more than 2 event	$P(r = 3 \text{ or more}) = 1 - [P(r = 0) + P(r = 1) + P(r = 2)]$
2. Expected Frequency Function	$N.P(r) = N \cdot {}^n C_r P^r q^{n-r}$ Thus, expected frequency = Probability of an event $\times$ Total no. of observations (N) Note : Fitting a binomial distribution means finding out the theoretical expected frequencies.
3. Mean	$= np$
4. Variance	$= npq$

Here mean > variance

Max. variance = $n/4$

• If $P = 0.5$ then It is symmetric. • If $X \sim \beta(n_1, p)$, $Y \sim \beta(n_2, P)$ then $X + Y \sim \beta(n_1 + n_2, p)$

If $K = (n+1)p$ is integer then Mode = k & $k - 1$ & if not integer then Mode = $\text{Int}[K]$

(b) Poisson distribution

1. Probability Function	$P(r) = \frac{e^{-m} m^r}{r!}$ Where, $r = 0, 1, 2, \dots, \infty$ $m = \text{mean i.e. } np \text{ or the average number of occurrences of an event.}$
2. Expected Frequency Function	$N.P(r) = N \cdot \frac{e^{-m} m^r}{r!}$ Thus expected frequency = Probability of an event $\times$ Total No. of Observations (N). Note : Fitting a Poisson distribution means finding out the theoretical expected frequencies.
3. Mean	$= m = np$
4. Variance	$= m$

If is a distribution of rare events distribution tends to Poisson distribution.

If m integer then mode = m & $m - 1$ if not integer then mode = $\text{Int}(m)$

Theoretical Distributions - Continuous Distribution

- Normal Distribution (t-distribution, χ^2 - distribution, F-distribution) is continuous distribution.
- Normal Distribution is bell shaped and unimodal.
- In case of Normal Distribution Mean = Median = Mode.
- In case of Normal Distribution Skewness = 0
- In case of Normal Distribution Mean Deviation = $4/5$ s.d. and Quartile Deviation = $2/3$ s.d.
- In case of Normal Distribution Med. – $Q_1 = Q_3 - \text{Med.}$
- In case of Normal Distribution
 Highest Value = Mean + Half of Range &
 Lowest Value = Mean – Half of Range
- In case of Normal Distribution Mean ± 3 s.d. covers 99.73% of items
- Normal Distribution with $X = 0$ and s.d. = 1 is known as Standard Normal Distribution.
- The height of normal curve is maximum at the Mean value.

If $X \sim N(\mu_1, \sigma^2)$ & $Y \sim N(\mu_2, \sigma^2)$ then $X + Y \sim N(\mu_1 + \mu_2, \sigma^2)$

List of Formula

1. Mean	Mean = μ
2. Variance	Variance = $\text{s.d.}^2 = \sigma^2$
3. Probability Function (or Density Function)	$P(x) = \frac{1}{\sigma\sqrt{2\pi}} e^{-\frac{1}{2}\left(\frac{x-\mu}{\sigma}\right)^2} \quad (-\infty < x < \infty)$
	where, μ = Mean of the normal random variable X. s.d. = Standard deviation of the given normal distribution [Two parameters] $\sqrt{2\pi} = 2.5066$ $e = 2.7183$ [Two constants]
4. Density Function in Terms of	$F(z) = \frac{1}{\sigma\sqrt{2\pi}} e^{-\frac{1}{2}z^2} \quad \text{Where, } z = \frac{X-\mu}{\sigma}$
Standard Normal Variable	Mean = 0 Standard deviation = 1



NEHA KHANWANI

ALL INDIA RANK 1 – CA INTERMEDIATE, SEPTEMBER 2025 EXAMINATION

Congratulations on securing AIR 1! What inspired you to choose Chartered Accountancy and how did your family support you throughout your journey?

Thank you so much. I chose Chartered Accountancy because I have always been fascinated by finance and taxation. The respect this profession commands, and the meaningful impact a Chartered Accountant can create in organisations and society, genuinely motivated me to choose this path.

My family has been my strongest pillar throughout this journey. They supported me in every possible way — emotionally, financially and mentally. They ensured I had a calm and focused environment to study and always trusted my discipline. Even during the difficult phases when I doubted myself, they encouraged me to stay consistent and believed in me completely. Their belief gave me the confidence to aim high and achieve an All India Rank 1.

When did you start your preparation for the CA Intermediate examination and how did you plan your overall study duration from the beginning phase until the final exam?

I started my preparation for the CA Intermediate examination within ten days of completing my CA Foundation exams, so that I would have sufficient time to complete the syllabus and go through multiple revisions. From October to March, I attended around nine hours of classes daily, along with four to five hours of self-study, which helped me complete the syllabus by March.

After that, I dedicated the next five months entirely to revision. I structured this period in a way that allowed me to complete four full revisions of each subject. During the revision phase, I studied for about 12 to 13 hours a day, focusing on one subject per day, which helped me strengthen my concepts and improve retention.

How effectively did you use ICAI's Study Material, LVC classes, RTPs and MTPs? Which of these BoS resources played the most crucial role in your success?

I relied mainly on BoS resources for my CA Intermediate preparation. The Study Material gave me strong conceptual clarity because it covers every topic in depth with examples, illustrations, MCQs and case scenarios. After that, I practiced extensively with MTPs, RTPs and nearly 10 attempts of PYQs, which helped me understand the exam pattern, the type of questions asked and the correct way to present answers. Although all resources were very important, I personally feel that MTPs were the most impactful because they provide a full-length question paper covering the entire syllabus and attempting them like a real mock test is one of the best practices any aspirant can follow to ensure a strong result.

Can you share your structured daily routine during the last two months before the examination - study hours, revision cycles, mock tests, sleep pattern and break management?

I used to plan my daily targets based on the topics I wanted to complete by the end of the day and I generally studied 12–14 hours. I divided my day into 4–5 focused study sessions and took short breaks whenever needed. During these breaks, I completed all my routine tasks—like shower, breakfast, lunch and freshening up - so I didn't have to take separate time for them. During the last two months I completed my 3rd and 4th revision and after each revision I attempted a mock test to evaluate my preparation. I maintained 6 hours of sleep daily to stay fresh and focused. My revision pattern was simple: revisit concepts first, then solve Study Material questions, followed by

MTPs, PYQs and the important marked questions from earlier revisions.

How many revisions did you complete before the examination and what was your revision strategy for theory-based and practical subjects?

I completed four revisions before the exam—one in 12 days, one in 6 days and the last two in 3 days per subject. For theory subjects, I first read the Study Material to strengthen concepts and retention, then solve MTPs and RTPs and my mock tests helped me with writing practice and speed. For practical subjects, I refreshed concepts and formulas from my notes, solved almost all available questions in the first two revisions, and in the last two revisions I focused mainly on the important and tricky questions I had marked while reviewing the rest. This approach kept my revisions focused and very effective.

How many Mock Test Papers did you attempt for each subject and how did analysing these papers help improve performance?

I attempted three mock tests for each subject and carefully analysed the answers after each test. This practice helped me improve time management, as I learned how much time to allocate to each question and increased my speed. It also strengthened my answer presentation, teaching me how to structure answers, make proper notes and present them clearly within the time limit. Additionally, analysing mocks helped me identify my weak topics and focus on areas where I was making mistakes. It also gave me a clear exam strategy, such as the order in which to attempt questions, how to manage MCQs and descriptive sections and how to use time efficiently. Overall, this approach boosted both my confidence and performance for the actual exam.

Was this your first attempt? If not, what changes did you incorporate in this attempt—especially with respect to the guidance and support available from the Board of Studies?

Yes, this was my first attempt.

Did you attempt the full paper in each subject? What time-management and answer-presentation strategies did you adopt in the exam hall?

Yes, I attempted the full paper in every subject. In the 15-minute reading time, I read all the questions and fixed a clear sequence for attempting them. I started with the 3 descriptive questions to secure my passing marks, then moved to the MCQs and completed the remaining descriptive parts at the end. For theory case questions, I used the provision–facts–conclusion format to ensure clarity. In practical papers, I prepared proper working notes for every calculation and highlighted the final answers. I also began each answer on a new page to maintain clean and examiner-friendly presentation.

What message would you like to convey to students appearing for the January 2026 CA Intermediate examination, especially regarding the effective use of BoS resources and maintaining consistency?

The last month of preparation is extremely crucial. Make sure you study daily and stay consistent. Plan the remaining days properly and allocate time to each subject so that you can complete the syllabus and revise it well. Set daily targets and ensure you finish them. Solve as many MTPs and RTPs as possible, revise them and revise the study material thoroughly. Attempt mock tests seriously and analyse your mistakes—this really helps in improving both time management and answer presentation. Along with studies, take proper sleep and care of your health because long study hours require a healthy routine.

ANNOUNCEMENT



THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

5th December 2025

APPLICABILITY OF THE INCOME TAX ACT, 2025 FROM MAY 2027 CA EXAMS ONWARDS

The Income-tax Act, 2025 has received the assent of the Hon'ble President of India on 21st August 2025. The Income-tax Act, 2025 will be effective from 1st April 2026.

Accordingly, the same will be applicable for the tax year 2026-27. Since the tax year will end on 31st March 2027, the provisions of the Income-tax Act, 2025 will be examined for CA Examinations thereafter.

In view of the above, it has been decided that the provisions of the Income-tax Act, 2025 shall be applicable:

**From May 2027
CA Examination Onwards for**

Intermediate Paper 3A:
Income-tax Law

Final Paper 4:
Direct Tax Laws & International
Taxation

**For CA Exams Conducted from
1st May 2027 Onwards for**

**Self-Paced Online Module
Set C – Paper 5:**
International Taxation



Secretary, BOS(A)

Students are advised to take note of the above for their academic planning and preparation.

CROSSWORD SOLUTION – DECEMBER 2025

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



The Institute of Chartered Accountants of India

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Reskill-Upskill-New Skill

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Board of Studies - Operations

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JANUARY 2026

Every **TUE & FRI** - 4 PM - 5 PM

2-01-2026 | Fri

**From Surviving Exams to Thriving in Career:
Building Your Unique CA Identity**

6-01-2026 | Tue

**Unyielding Resolve:
Transforming CA Trials into Triumphs**

9-01-2026 | Fri

**Beyond the Numbers:
Discovering Your 'Why' in the CA Profession**

13-01-2026 | Tue

**Your 24-Hour Asset:
Mastering Time, Energy, and Focus for the CA Marathon**

16-01-2026 | Fri

**From Articleship to Leadership:
Cultivating the Mindset of a Future Partner**

20-01-2026 | Tue

Integrity as Your Greatest Competitive Advantage

23-01-2026 | Fri

**Navigating Grey Areas:
A Practical Guide to Ethical Decision-Making**

27-01-2026 | Tue

**Beyond Compliance:
Your Conduct as the Foundation of Public Trust**

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Vice Chairman, BOS-O

BOARD OF STUDIES - OPERATIONS

MERIT AWARD & STUDENTS SCHOLARSHIP SCHEME

MERIT AWARD

For Final Course Students

Award Amount	Rs. 5000 per month
Eligibility	a. Rank holders of Intermediate Examinations upto 10th Rank b. Student must register for Final Course c. Student must commence his Articleship
Period of Scholarship	24 Months or remaining period of Articleship, whichever is less

TYPES OF SCHOLARSHIPS

1) Economically Needy Students Scholarship for Final Course Students - Merit based

Amount	Rs. 4000 per month
Eligibility	a. Rank holders of Intermediate Examinations from 11th to 50th Rank b. Student must register for Final Course c. Student must commence his Articleship d. Income of Parents should not exceed Rs. 5,00,000 per annum
Period of Scholarship	24 Months or remaining period of Articleship, whichever is less

2) (i) Economically Needy Students Scholarship for Final Course Students

Amount	Rs. 2500 per month
Eligibility	a. Students who are registered for Final Course b. Student must commence his Articleship c. Income of Parents should not exceed Rs. 5,00,000 per annum
Period of Scholarship	24 Months or remaining period of Articleship, whichever is less

2) (ii) Economically Needy Students Scholarship for Intermediate Students

Amount	Rs. 2500 per month
Eligibility	a. Students who are registered for Intermediate Course either through Foundation Route or through Direct Entry Route. b. Income of Parents should not exceed Rs. 5,00,000 per annum.
Period of Scholarship	a. 8 months commencing from the following month of registration for Intermediate Course b. Additional 3 months if the Student has completed ICITSS within first 8 months of registration for Intermediate Course. c. Additional 3 months if the Student has passed any one Group in Intermediate Examination within 12 months of registration for Intermediate Course.

3) Economically Needy Students Scholarship for Foundation Course Students

Amount	Rs. 1500 per month
Eligibility	a. Students who are registered for Foundation Course b. Income of Parents should not exceed Rs. 5,00,000 per annum
Period of Scholarship	4 months commencing from the following month of registration for Foundation Course

Apply from Jan 2026 Onwards

Students enrolled in the Foundation, Intermediate, and Final Courses are notified that the revised scholarship scheme amounts will take effect with the January 2026 quarter selection and shall be applied accordingly.

Students can apply online anytime for the Scholarship by login at Self Service Portal (SSP) at <https://eservices.icai.org>
In case of any clarification, please contact at Ph: 0120-3045914; Email : bosscholarship@icai.in; Website: www.icai.org



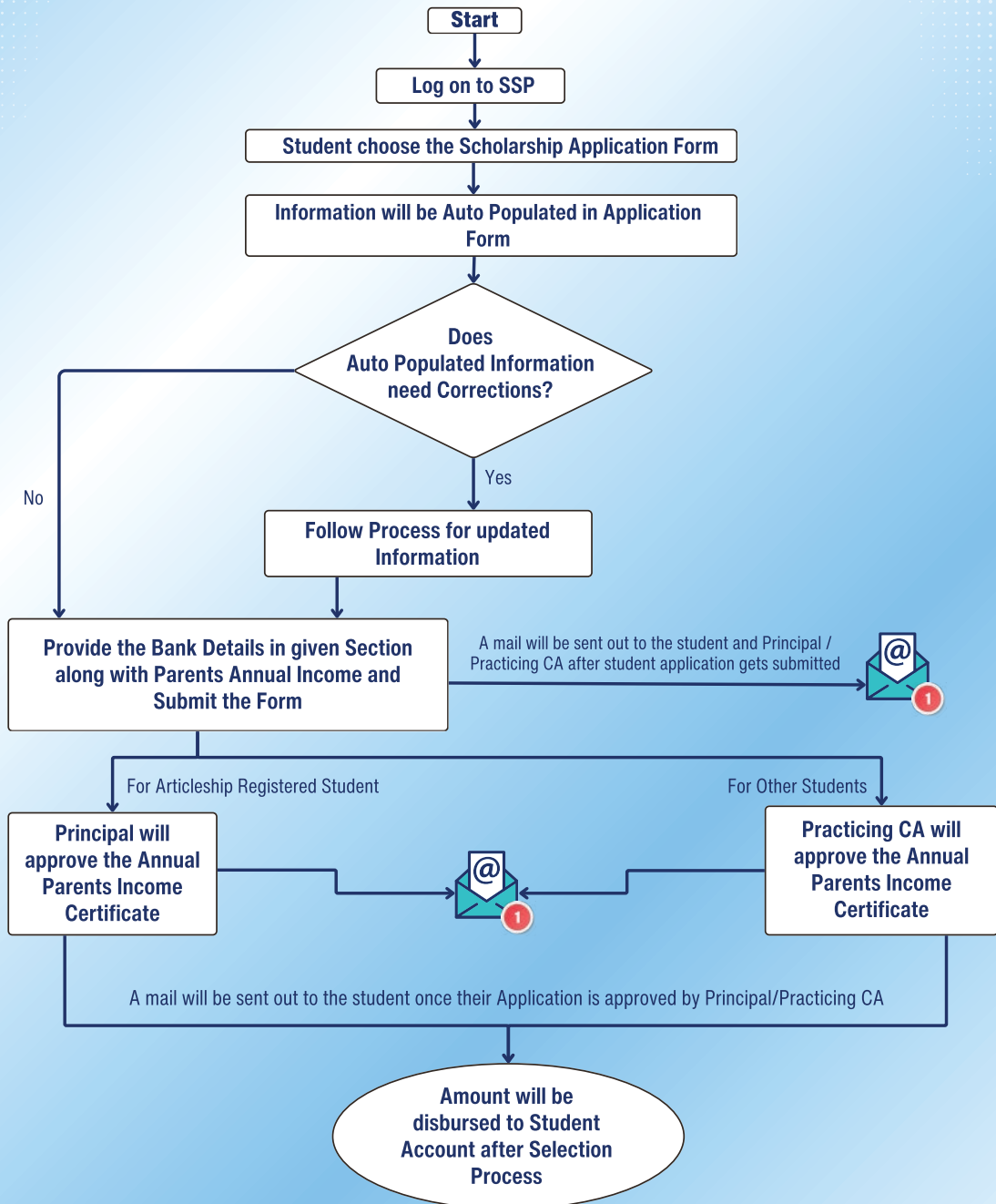
The Institute of Chartered Accountants of India

(Set up by an Act of Parliament)



BOARD OF STUDIES - OPERATIONS

MERIT AWARD & STUDENTS SCHOLARSHIP SCHEME PROCESS



Note:

1. Final Students undergoing Articleship shall obtain Income Certificate and recommendation from the Principal under whom he/she is undergoing Articleship.
2. Intermediate / Foundation students shall obtain Income Certificate and recommendation from Practicing Chartered Accountant.



The Institute of Chartered Accountants of India (Set up by an Act of Parliament)

An Initiative of the Board of Studies-Operations



व्यावहारिक प्रशिक्षण में पारदर्शिता और ईमानदारी का नया अध्याय

A New Chapter of Transparency and Integrity in Practical Training

**ARTICLE TRAINEE/
INDUSTRIAL TRAINEE**



E-DIARY



PRINCIPAL



E-Diary: Bridging the Gap, Empowering Training, Ensuring Accountability

E-DIARY: ADVANTAGES & UTILITIES

(छात्र और प्रिंसिपल के लिए लाभ और उपयोगिता)

FOR STUDENTS



Transparency & Tracking (पारदर्शिता और ट्रैकिंग)
Real-time record of daily work, leave, and progress.
(दैनिक कार्य, छुट्टी और प्रगति का वास्तविक समय रिकॉर्ड।)



Skill Development (कौशल विकास)
Structured recording of diverse assignments and learning.
(विविध कार्यों और सीखने का व्यवस्थित रिकॉर्ड।)



Reduced Disputes (विवादों में कमी)
Clear evidence of work done, minimizing misunderstandings.
(किए गए कार्य का स्पष्ट प्रमाण, गलतफहमी को कम करना।)



Stipend Management (स्टाइपेंड प्रबंधन)
Timely and accurate stipend payment records.
(समय पर और सटीक स्टाइपेंड भुगतान रिकॉर्ड।)

FOR PRINCIPALS



Efficient Monitoring (कुशल निगरानी) Easy oversight of trainee performance and workload.
(प्रशिक्षु के प्रदर्शन और कार्यभार की आसान निगरानी।)



Structured Training (व्यवस्थित प्रशिक्षण)
Align training with ICAI guidelines and monitor areas covered. (ICAI दिशानिर्देशों के साथ प्रशिक्षण को संरेखित करें और कवर किए गए क्षेत्रों की निगरानी करें।)



Simplified Reporting (सरलीकृत रिपोर्टिंग)
Streamlined process for periodic review and feedback. (आवधिक समीक्षा और प्रतिक्रिया के लिए सुव्यवस्थित प्रक्रिया।)



Improved Compliance (बेहतर अनुपालन) Ensures adherence to mandatory training regulations.
(अनिवार्य प्रशिक्षण नियमों का पालन सुनिश्चित करता है।)



Mandatory E-diary filing starts for students joining Practical Training on & after 01st Jan-2026.



E-Diary will be available in the Student Self Service Portal dashboard for daily recording & stipend tracking.

For any clarifications details and guidance mail to sroart@icai.in or bosonth@icai.in

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W3FA
WORLD FORUM OF ACCOUNTANTS
2026



GRAND FINALE

CA STUDENTS' NATIONAL TALENT SEARCH 2025-26

Organised by:

Board of Studies - Operations

on 3rd - 4th February 2026 at Siliguri

Hosted by:- Siliguri Branch of EIRC



POETRY



AURATHON



EXTEMPORE



CA. Charanjot Singh Nanda
President, ICAI



CA. Prasanna Kumar D
Vice President, ICAI



CA. (Dr.) Rohit Ruwatia
Chairman, BOS-Operations



CA. Sanjib Sanghi
Vice Chairman, BOS-Operations

For any queries you may email to bosonth@icai.in and for Aurathon query email to bosoai@icai.in

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Upcoming Conferences

For CA Students 2025-26

ORGANIZED BY

Board of Studies- Operations, ICAI

**UPCOMING
STATE
CONFERENCE**

24-25 JANUARY, 2026

Kumbakonam | Southern Region

**UPCOMING
MEGA
CONFERENCES**

24-25 JANUARY, 2026

Navi Mumbai | Western Region

7-8 FEBRUARY 2026

Kolhapur | Western Region

**UPCOMING
NATIONAL
CONFERENCES**

27-28 JANUARY, 2026

Nashik | Western Region

7-8 FEBRUARY 2026

Bilaspur | Central Region



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THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

(Set up by an Act of Parliament)



Board of Studies [Academic]
is organising

Insight into Audit-Bridging Theory with Practice

21st
January 2026
onwards

Structure of
series of online
sessions – 'Insight
into Audit-Bridging
Theory with Practice'



Features

1. Importance of practical exposure alongside theoretical learning
2. Role of auditing in ensuring reliability of financial information
3. Linkage between Standards on Auditing (SAs) and Practical Exposure



Time 4.00 pm to 6 pm

**Every
Wednesday
& Saturday**

Audit Process – Step by Step		Date	Time Duration
A	Preliminary Engagement Activities	21 st Jan, 2026	2 Hours
B	Audit Strategy, Audit Planning and Audit Program	24 th & 28 th Jan, 2026	4 Hours
C	Risk Assessment and Internal Control Evaluation	04 th & 07 th Feb, 2026	4 Hours
D	Audit Evidence	11 th & 14 th Feb, 2026	4 Hours
E	Substantive Testing	18 th , 21 st & 25 th Feb, 2026	6 Hours
F	Completion & Review	28 th Feb, & 07 th Mar, 2026	4 Hours
G	Audit Report	11 th & 14 th Mar, 2026	4 Hours
H	Audit Documentation	18 th Mar, 2026	2 Hours
Total Hours			30 Hours



THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

(Set up by an Act of Parliament)

Board of Studies (Academic)

UPCOMING Activities



Live Virtual Classes (LVC) for



May 2026 Examinations

LVC Foundation

28th January to
11th April 2026

**September 2026 to May
2027 Examinations**

LVC Intermediate

19th January to
16th July 2026

CROSSWORD - JANUARY 2026

1		2		3		4	5		6	7	8
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	31			32	33						
34					35			36		37	
38				39			40		41		
42			43								

ACROSS

- 1 Any resource owned or controlled by a business or an economic entity.
4. To pay back an amount of money to someone after they have paid too much.
9. Represents imports of goods and services from overseas.
10. _____ was passed by the Parliament of India on 11 December 2019.
11. A combination of three vaccines in one shot.
12. Abbre : Material Receiving Inspection Report.
13. _____ is how companies track, analyze and improve how customers interact with their products and services.
14. A historic American conglomerate now split into three independent, publicly traded companies.
15. A water purification process.
16. An Indian public sector bank headquartered in Vadodara.
18. A unit of length in the metric system.
19. The possibility of a negative event or loss, involving uncertainty about the outcome of an action.
21. When something is withdrawn in excess of what is in a current account.
25. The average value of a currency compared to other major currencies in an index.
26. The official export –certification body of India which ensures quality and safety of products exported from India.
28. The central bank for Europe's single currency, the euro.
29. A method of radio broadcasting that transmits high-fidelity sound by altering the frequency of a carrier wave.
30. Software for tracking sales and inventory.
31. An American rapper, singer, and songwriter.
32. A type of savings account where interest, dividends, and capital gains are not taxed, allowing investments to grow faster.

34. _____ is responsible for creating, upgrading, maintaining, and managing civil aviation infrastructure in India.
35. Abbre: Underground Feeder.
38. A gentle friendly touch with a flat hand.
39. A central nervous system autoimmune condition.
40. To regulate the acceptance and utilisation of foreign contribution.
42. Registration Certificate for Vehicles.
43. A contractual agreement between an individual and an insurance company.

DOWN

- 1 A self-service banking terminal that enables cash withdrawals and other transactions.
2. An exercise undertaken by the Election Commission of India to ensure that all eligible Indian citizens are included.
3. The continuous progression of existence.
5. The monetary unit and currency of the European Union.
6. The sport governing body of cricket in most countries and territories in Asia.
7. A mandatory contribution levied on corporations or individuals to finance government activities and public services.
8. A strategy for managing a company's physical assets.
16. An obligation to pay a specified amount of money.
17. To receive an advantage from something.
18. The share of a bank's total deposit to be maintained with the latter in the form liquid cash.
19. An act of the Parliament of India which sets out the rules and procedures regarding citizens right to information.
20. A small, standalone structure, often in a public area.
22. An Indian public sector company that finances power projects.

23. The state of owing money.
24. To facilitate external trade and payments and for promoting the orderly development and maintenance of foreign exchange market in India.
27. A type of savings account with a fixed interest rate for a set term.
29. A mutual fund focused on investing in foreign securities.
31. A public autonomous body of the government of India that assesses and accredits higher education.
33. Worried or excited about small things.
34. _____ measures the yearly cost of borrowing or income from investing.
36. A financial regulatory body in the United Kingdom.
37. A brand of personal computers designed and marketed by Apple.
39. The symbol for Manganese, a transition metal.
40. The process of documenting and presenting a company's financial activities.
41. A licensed medical professional who provides hands-on care in different medical and community settings.

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Institute of Chartered Accountants of India,
ICAI Bhawan, Indraprastha Marg,
New Delhi-110002