

## **PAPER – 1: FINANCIAL REPORTING**

*(One paper – Three hours – 100 Marks)*

### **Objectives:**

- (a) To acquire the ability to integrate and solve problems in practical scenarios on Accounting Standards, Guidance Notes and Indian Accounting Standards for deciding the appropriate accounting treatment and formulating suitable accounting policies.
- (b) To develop an understanding of the various forms of reporting (other than financial statements) and accounting for special transactions, and apply such knowledge in problem solving.

### **Contents:**

1. **Application of Existing Accounting Standards 15, 21, 23, 25, 27 and 28.** (The students will also be required to apply other Accounting Standards if applicable in any of the questions).
2. **Application of Guidance Notes issued by ICAI on specified accounting aspects.**
3. **Framework for Preparation and Presentation of Financial Statements** in accordance with Indian Accounting Standards (Ind AS).
4. **Application of Indian Accounting Standards (Ind AS)** with reference to General Purpose Financial Statements
5. **Consolidated and Separate Financial Statements (as per Ind AS)**
6. **Application of Industry specific and Transaction Specific Indian Accounting Standards** (other than Business Combination, Financial Instruments and Share Based Payment)
7. **Business Combinations and Accounting for Corporate Restructuring (including demerger)**  
(as per Ind AS)
8. **Accounting and Reporting of Financial Instruments (as per Ind AS)**
9. **Accounting for Share Based Payment (as per Ind AS)**
10. **Analysis of Financial Statements**  
Common defects in financial statements of corporate entities

**11. Accounting for Carbon Credits**

**12. Accounting for E-commerce**

**13. Emerging trends in Reporting**

- (i) Integrated Reporting
- (ii) Corporate Social Responsibility Reporting
- (iii) Human Resource Reporting
- (iv) Value Added Statement

**Notes:**

1. If either a new Indian Accounting Standard (Ind AS) or Accounting Standard (AS) or Announcements and Limited Revisions to Ind AS / AS are issued or the earlier one are withdrawn or new Ind AS / AS, Announcements and Limited Revisions to Ind AS / AS are issued in place of existing Ind AS / AS, Announcements and Limited Revisions to Ind AS / AS, the syllabus will accordingly include / exclude such new developments in the place of the existing ones with effect from the date to be notified by the Institute.
2. The specific inclusions/exclusions in any topic covered in the syllabus will be effected every year by way of Study Guidelines. The list of Guidance Notes in Accounting and significant Expert Advisory Opinions, wherever applicable, will also form part of the Study Guidelines.

## **PAPER – 2 : STRATEGIC FINANCIAL MANAGEMENT**

*(One paper – Three hours – 100 marks)*

### **Objective:**

To acquire the ability to apply financial management theories and techniques in strategic decision making.

### **Contents:**

#### **1. Financial Policy and Corporate Strategy**

- (i) Strategic decision making framework
- (ii) Interface of Financial Policy and strategic management
- (iii) Balancing financial goals vis-à-vis sustainable growth.

#### **2. Indian Financial System**

- (i) Introduction to Financial Market
- (ii) Role of Financial Market in Economic Development

#### **3. Risk Management**

- (i) Identification of types of Risk faced by an organisation
- (ii) Evaluation of Financial Risks
- (iii) Value at Risk (VAR)
- (iv) Evaluation of appropriate method for the identification and management of financial risk.

#### **4. Security Analysis**

- (i) Fundamental Analysis
- (ii) Technical Analysis
  - a) Meaning
  - b) Assumptions
  - c) Theories and Principles
  - d) Charting Techniques
  - e) Efficient Market Hypothesis (EMH) Analysis

## **5. Security Valuation**

- (i) Theory of Valuation
- (ii) Return Concepts
- (iii) Equity Risk Premium
- (iv) Required Return on Equity
- (v) Discount Rate Selection in Relation to Cash Flows
- (vi) Approaches to Valuation of Equity Shares
- (vii) Valuation of Preference Shares
- (viii) Valuation of Debentures/ Bonds

## **6. Portfolio Management**

- (i) Portfolio Analysis
- (ii) Portfolio Selection
- (iii) Capital Market Theory
- (iv) Portfolio Revision
- (v) Portfolio Evaluation
- (vi) Asset Allocation
- (vii) Fixed Income Portfolio
- (viii) Risk Analysis of Investment in Distressed Securities
- (ix) Alternative Investment Strategies in context of Portfolio Management

## **7. Securitization**

- (i) Introduction
- (ii) Concept and Definition
- (iii) Benefits of Securitization
- (iv) Participants in Securitization
- (v) Mechanism of Securitization
- (vi) Problems in Securitization
- (vii) Securitization Instruments

(viii) Pricing of Securitization Instruments

(ix) Securitization in India

**8. Mutual Fund**

(i) Meaning

(ii) Evolution

(iii) Types

(iv) Advantages and Disadvantages of Mutual Funds

**9. Derivatives Analysis and Valuation**

(i) Forward/ Future Contract

(ii) Options

(iii) Swaps

(iv) Commodity Derivatives

**10. Foreign Exchange Exposure and Risk Management**

(i) Exchange rate determination

(ii) Foreign currency market

(iii) Management of transaction, translation and economic exposures

(iv) Hedging currency risk

(v) Foreign exchange derivatives – Forward, futures, options and swaps

**11. International Financial Management**

(i) International Capital Budgeting

(ii) International Working Capital Management

a) Multinational Cash Management

- Objectives of Effective Cash Management

- Optimization of Cash Flows/ Needs

- Investment of Surplus Cash

b) Multinational Receivable Management

c) Multinational Inventory Management

## **12. Interest Rate Risk Management**

- (i) Interest Rate Risk
- (ii) Hedging Interest Rate Risk
  - a) Traditional Methods
  - b) Modern Methods including Interest Rate Derivatives

## **13. Corporate Valuation**

- (i) Conceptual Framework of Valuation
- (ii) Approaches/ Methods of Valuation
  - a) Assets Based Valuation Model
  - b) Earning Based Models
  - c) Cash Flow Based Models
  - d) Measuring Cost of Equity
    - Capital Asset Pricing Model (CAPM)
    - Arbitrage Pricing Theory
    - Estimating Beta of an unlisted company
  - e) Relative Valuation
    - Steps involved in Relative Valuation
    - Equity Valuation Multiples
    - Enterprise Valuation Multiple
  - f) Other Approaches to Value Measurement
    - Economic Value Added (EVA)
    - Market Value Added (MVA)
    - Shareholder Value Analysis (SVA)
  - g) Arriving at Fair Value

## **14. Mergers, Acquisitions and Corporate Restructuring**

- (i) Conceptual Framework
- (ii) Rationale

- (iii) Forms
- (iv) Mergers and Acquisitions
  - a) Financial Framework
  - b) Takeover Defensive Tactics
  - c) Reverse Merger
- (v) Divestitures
  - a) Partial Sell off
  - b) Demerger
  - c) Equity Carve outs
- (vi) Ownership Restructuring
  - a) Going Private
  - b) Management/ Leveraged Buyouts
- (vii) Cross Border Mergers

**15. International Financial Centre (IFC)**

- (i) Constituents of IFC
- (ii) Islamic Finance
  - a) Major difference between Islamic Finance and other forms of Finance
  - b) Concept of Riba
  - c) Major Islamic Financial Instruments

**16. Startup Finance**

- (i) Introduction including Pitch Presentation
- (ii) Sources of Funding
- (iii) Start up India Initiative

**17. Small & Medium Enterprises**

- (i) Introduction: Market Size, Employment Generation and Contribution to GDP
- (ii) Financing: Expansion of SMEs
- (iii) Listing SMEs

## PAPER – 3 : ADVANCED AUDITING AND PROFESSIONAL ETHICS

*(One paper – Three hours – 100 marks)*

### Objectives:

- (a) To acquire the ability to analyse current auditing practices and procedures and apply them in auditing engagements;
- (b) To acquire the ability to solve cases relating to audit engagements.

### Contents:

1. **Auditing Standards, Statements and Guidance Notes:** Engagement & Quality Control Standards, Statements and Guidance Notes on Auditing issued by the ICAI; Elements of system of quality control, leadership responsibilities for quality within the firm, Acceptance and Continuance of clients relationships and specific engagements, Engagement Performances, etc. (SQC 1 Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information and Other Assurance and Related Services Engagements).
2. **Audit Planning, Strategy and Execution:** Planning the flow of audit work; audit strategy, audit plan, audit programme and importance of supervision; principal's ultimate responsibility; extent of delegation; control over quality of audit work; Analytical Procedures prior to audit as well as towards finalization; Concept of Principal Auditor and Other Auditor, Acceptance as Principal Auditor, Procedures to be performed by Principal Auditor, Co-ordination between the Principal Auditor and Other Auditor (SA 600 Using the Work of Another Auditor); Concept of Internal Audit Functions and its evaluation, Using the work of the internal audit function, Using internal auditors to provide direct assistance (SA 610 Using the Work of Internal Auditors); Auditor's Expert – Meaning, Need for an Auditor's Expert, Understanding the Auditor's Expert, Agreement with the Auditor's Expert, Adequacy of the Auditor's Expert's Work (SA 620 Using the Work of an Auditor's Expert).
3. **Risk Assessment and Internal Control:** Evaluation of internal control procedures; Components of internal controls; Internal control and risk assessment; Risk-based audit-audit risk analysis, general steps; Internal audit; Reporting on internal control weaknesses (SA 265 Communicating Deficiencies in Internal Control to Those Charged With Governance and Management); Framework on Reporting of Internal Controls.
4. **Special aspects of Auditing in an Automated Environment:** Key features of automated environment, related risks and controls, Standards, Guidelines and procedures, using relevant frameworks and best practices, understanding and documenting automated environment, Enterprise Risk management overview, assessing IT-related risks and controls, evaluating risks and controls at entity level and process level, Considerations of automated environment at each phase of audit cycle, using relevant analytical procedures

and tests using data analytics, key concepts of auditing in real-time automated environments such as E-Commerce, ERP, Core Banking, etc..

5. **Audit of Limited Companies:** Application of Relevant Provisions under the Companies Act, 2013 relating to Audit and Auditors and Rules made thereunder; Powers/rights, duties of auditors; Branch Audit; significance of true and fair view; Dividends and divisible profits-financial, legal, and policy considerations; depreciation; Special features of audit of Limited Liability Partnerships (LLPs)- Eligibility for audit, appointment of auditor, remuneration, etc. Audit report under the Companies Act, 2013; Reporting under CARO.
6. **Audit Reports:** Basic elements of auditor's report; Types of opinion; Notes on accounts; Distinction between notes and qualifications; Distinction between audit reports and certificates; Communication to Management and those charged with Governance; Self Review threats; Drafting of different types of Audit Reports.
7. **Audit Reports & Certificates for Special Purpose Engagement: Reporting on Agreed Upon Procedure, Review Reports, Special Purpose Reports (SA 800 Special Considerations-Audits of Financial Statements Prepared in Accordance with Special Purpose Framework; SA 805 Special Considerations-Audits of Single Purpose Financial Statements and Specific Elements, Accounts or Items of a Financial Statement; SA 810 Engagements to Report on Summary Financial Statements);** Guidance Note on Audit Reports and Certificates for Special Purposes including Scope of special purpose reports and certificates; Responsibility for preparation of special purpose statements, Scope of the reporting auditor's functions, Contents of such reports and certificates, Reports and certificates on specific items of financial statements, Communication of report or certificate.
8. **Audit Committee and Corporate Governance:** Audit committee; Role of auditor in Audit Committee and Certification of Compliance of Corporate Governance; Compliances with Laws and Regulations (SA 250 Consideration of Laws and Regulations in an Audit of Financial Statements); Disclosure requirements including those of SEBI; Regulatory requirements of Corporate Governance, Report on Corporate Governance.
9. **Audit of Consolidated Financial Statements:** Provisions under the Companies Act, 2013 in respect of Accounts of Companies and Rules made thereunder; Audit of Consolidated Financial Statements- responsibility of parent company, auditor of the consolidated financial statements; audit considerations- permanent consolidation, current period consolidation; reporting.
10. **Special features of audit of Banks, Insurance & Non Banking Financial Companies,**
11. **Audit under Fiscal Laws:** Audit under Fiscal Laws, viz, Direct and Indirect Tax Laws including documentation for Form 3CD etc.

12. **Special Audit Assignments:** Special audit assignments like audit of members of stock exchange, mutual funds, depositories, bank borrowers; Environmental audit; Energy audit; Audit of Stock and Debtors (Unit Inspections).
13. **Audit of Public Sector Undertakings:** Special features, Directions of Comptroller and Auditor General of India; Concept of propriety audit; Performance audit; Comprehensive audit.
14. **Liabilities of Auditors:** Professional negligence; Civil liabilities; Criminal liabilities; Liabilities under different statutes - for example Income Tax Act, Companies Act.
15. **Internal Audit, Management and Operational Audit:** Provisions of internal audit as per Companies Act, 2013; Scope of internal auditing; Relationship between internal and external auditor; Basics of Internal Audit Standards issued by the ICAI; Drafting of Internal Audit Report; Management audit and Operational audit.
16. **Due Diligence, Investigation and Forensic Audit:** Due Diligence Review; Audit versus Investigation; Steps for investigation; Types of investigation; procedure, powers, etc. of investigator; Types of Fraud, indicators of fraud, follow-up thereof; Forensic audit-meaning, difference between statutory audit and forensic audit, forensic audit techniques, forensic audit report etc.
17. **Peer Review and Quality Review**
18. **Professional Ethics:** Code of Ethics with special reference to the relevant provisions of the Chartered Accountants Act, 1949 and the Regulations thereunder.

**Note:**

- (i) The specific inclusions/exclusions, in any topic covered in the syllabus, will be effected every year by way of Study Guidelines.
- (ii) The provisions of the Companies Act, 1956 which are still in force would form part of the syllabus till the time their corresponding or new provisions of the Companies Act, 2013 are enforced.
- (iii) If new legislations/ Engagement and Quality Control Standards /Guidance Notes/Statements are enacted in place of the existing legislations, the syllabus would include the corresponding provisions of such new legislations with effect from a date notified by the Institute. The changes in this regard would also form part of Study Guidelines.

## **PAPER – 4: CORPORATE AND ECONOMIC LAWS**

*(One paper - Three hours - 100 marks)*

### **PART – I: CORPORATE LAWS (70 Marks)**

#### **SECTION A: COMPANY LAW**

##### **Objective:**

To acquire the ability to analyze, interpret and apply the provisions of the company law in practical situations

##### **Contents:**

1. **The Companies Act, 2013** and Rules framed thereunder in its entirety with specific reference to section 149 onwards:
  - (i) Appointment and Qualifications of Directors
  - (ii) Appointment and remuneration of Managerial Personnel
  - (iii) Meetings of Board and its powers
  - (iv) Inspection, inquiry and Investigation
  - (v) Compromises, Arrangements and Amalgamations
  - (vi) Prevention of Oppression and Mismanagement
  - (vii) Winding Up
  - (viii) Producer Companies
  - (ix) Companies incorporated outside India
  - (x) Miscellaneous Provisions
  - (xi) Compounding of offences, Adjudication, Special Courts
  - (xii) National Company Law Tribunal and Appellate Tribunal
2. **Corporate Secretarial Practice**—Drafting of Notices, Resolutions, Minutes and Reports

**Note: The provisions of the Companies Act, 1956 which are still in force would form part of the syllabus till the time their corresponding or new provisions of the Companies Act, 2013 are enforced.**

## SECTION B: SECURITIES LAWS

### Objective:

To acquire the ability to analyse the significant provisions of select securities laws

1. **The Securities Contract (Regulation) Act, 1956 and the Securities Contract (Regulation) Rules, 1957:** Introduction and important provisions
2. **The Securities Exchange Board of India Act, 1992,** SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015

## PART II: ECONOMIC LAWS (30 MARKS)

### Objective:

To acquire the ability to analyse the significant provisions of select economic laws:

### Contents:

1. **The Foreign Exchange Management Act, 1999:** -Introduction, broad structure of FEMA, Definition, Regulation and Management of Foreign Exchange, Contraventions and Penalties in brief, miscellaneous provisions
2. **The Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002-** Important Definitions, Regulation of Securitisation and Reconstruction of Financial Assets of Banks and Financial Institutions, Enforcement of Security Interest, Offences and Penalties, Miscellaneous Matters
3. **The Prevention of Money Laundering Act, 2002-** Definitions, Punishment for the Offence of Money laundering, Obligation of Banking Companies, Financial Institutions and Intermediaries or a person carrying on a designated business or profession, Appellate Tribunal, Special Court, Procedure for Attachment and Confiscation of Property and Recovery of fines and penalties.
4. **Foreign Contribution Regulation Act, 2010** - Definitions, Regulation of Foreign contribution and miscellaneous provisions
5. **The Arbitration and Conciliation Act, 1996-** General Provisions, Arbitration agreement, Tribunal, Conciliation
6. **The Insolvency and Bankruptcy Code, 2016-** Preliminary, Corporate insolvency resolution process, Liquidation process and other provisions

**Note:** If new legislations are enacted in place of the existing legislations, the syllabus would include the corresponding provisions of such new legislations with effect from a

**date notified by the Institute. Similarly if any existing legislation ceases to have effect, the syllabus will accordingly exclude such legislation with effect from the date to be notified by the Institute.**

**The specific inclusions/exclusions in the various topics covered in the syllabus will be effected every year by way of Study Guidelines, if required.**

**PAPER – 5 : STRATEGIC COST MANAGEMENT AND PERFORMANCE  
EVALUATION**

*(One Paper- Three hours- 100 Marks)*

**Objectives:**

- (a) To apply various cost management techniques for planning and controlling performance in order to set, monitor and control strategic objectives.
- (b) To develop skills of analysis, synthesis and evaluation in cost management to address challenges and issues which might affect or influence the management of performance within organisations.

**PART–A**

**STRATEGIC COST MANAGEMENT AND DECISION MAKING**

**Sub Part–I**

**Strategic Cost Management**

**1. Introduction to Strategic Cost Management**

- (i) Concept of Strategic Cost Management
- (ii) Limitations of Traditional Cost Management
- (iii) Traditional vs. Strategic Cost Management

**2. Modern Business Environment**

- (i) Introduction/ Characteristics of the Modern Business Environment
- (ii) Cost of Quality, Total Quality Management, Business Excellence Model
- (iii) Throughput Accounting and Theory of Constraints
- (iv) Supply Chain Management (SCM)
- (v) Gain Sharing Arrangements
- (vi) Outsourcing

**3. Lean System and Innovation**

- (i) Introduction to Lean System
  - a) Just-in-Time (JIT)
  - b) Kaizen Costing
  - c) 5 Ss

- d) Total Productive Maintenance (TPM)
  - e) Cellular Manufacturing/ One-Piece Flow Production Systems
  - f) Six Sigma (SS)
- (ii) Introduction to Process Innovation and Business Process Re-engineering (BPR)
- 4. Cost Management Techniques**
- (i) Cost Control/ Waste Control, Cost Reduction
  - (ii) Target Costing
  - (iii) Value Analysis/ Value Engineering
  - (iv) Pareto Analysis
  - (v) Life Cycle Costing
  - (vi) Environmental Management Accounting
- 5. Cost Management for Specific Sectors**
- (i) Agricultural Sector
  - (ii) Information Technology Sector
  - (iii) Power Sector

### Sub Part-II

### **Strategic Decision Making**

- 1. Decision Making**
- (i) Decision Making using CVP Analysis
  - (ii) Decision Making using Relevant Cost Concepts
  - (iii) Decision Making using Activity Based Costing
  - (iv) Ethical and Non-Financial Considerations Relevant to Decision Making
- 2. Pricing Strategies/ Decisions**
- (i) Theory & Principles of Product Pricing
  - (ii) Pricing – New Product, Finished Products & Pricing of Services
  - (iii) Sensitivity Analysis in Pricing Decisions
  - (iv) Pricing Decision under Special Circumstances
  - (v) Pricing Strategies

## **PART–B**

### **PERFORMANCE EVALUATION AND CONTROL**

#### **Sub Part–I**

##### **Performance Evaluation and Reporting**

#### **1. Performance Measurement and Evaluation**

- (i) Responsibility Accounting
- (ii) Linking Critical Success Factors (CSFs) to Key Performance Indicators (KPIs) and Corporate Strategy; Performance Measurement Models—The Balanced Scorecard, The Performance Pyramid, The Performance Prism and The Building Block Model; Divisional Performance Measures; Benchmarking Schemes
- (iii) Performance Measurement in the Not-for-Profit Sector
- (iv) Preparation of Performance Reports

#### **2. Divisional Transfer Pricing**

- (i) Meaning, Purpose and Principles of Transfer Pricing
- (ii) Methods of Transfer Pricing
- (iii) The Behavioural Consequences arising from Divisional Structures
- (iv) International Transfer Pricing

#### **3. Strategic Analysis of Operating Income**

- (i) Operating Profit Analysis
- (ii) Advanced Activity Based Costing, Activity Based Management (ABM), Activity Based Budgeting (ABB)

#### **Sub Part–II**

##### **Managerial Control**

#### **1. Budgetary Control**

- (i) The Concept of Feedback and Feed Forward Control
- (ii) Behavioural Aspects of Budgeting – Imposed Style, Participative Budget
- (iii) Behavioural Aspects of Budgetary Control
- (iv) Beyond Budgeting

## 2. Standard Costing

- (i) Analysis of Advanced Variances
- (ii) Integration of Standard Costing with Marginal Cost Accounting
- (iii) Reconciliation of Profit
- (iv) Variance Investigation Techniques, Interpretation of Variances, Possible Interdependence Between Variances and Reporting
- (v) Behavioural Aspects of Standard Costing, Limitation of Standard Costing (including its use in the contemporary business environment)

### PART – C CASE STUDY

#### 1. Case Study (covering Course Concepts)

##### **General Note:**

Applications of the following **Quantitative Techniques** are required to be studied for linkage to the course concept:

- (a) Linear Programming
- (b) Learning Curve/Experience Curve

## PAPER – 6A : RISK MANAGEMENT

*(One paper – Three hours – 100 Marks)*

### **Objectives:**

- (a) To gain knowledge and an insight into the spectrum of risks faced by businesses and to learn techniques of managing risks.
- (b) To build capability for applying such learning to address risk related issues in real-business scenarios.

#### 1. Introduction to risk

- (i) The Concept of Risk
- (ii) Risk and Uncertainty: Distinction

- (iii) Classification of Risks
- (iv) Dynamic Nature of Risks
- (v) Types of Risk, including
  - a) Strategic and Operational Risks
  - b) Business Risk
  - c) Financial Risk
  - d) Information Risk
  - e) Liquidity Risk

## **2. Source and evaluation of risks**

- (i) Identification and Sources of Risk
- (ii) Quantification of Risk and various methodologies
- (iii) Impact of Business Risk
- (iv) Identify and assess the impact upon the stakeholder involved in Business Risk
- (v) Role of Risk Manager and Risk Committee in identifying Risk

## **3. Risk management**

- (i) Concept of Risk Management
- (ii) Objective and Process of Risk Management
- (iii) Importance of Risk Management
- (iv) Risk Management techniques

## **4. Quantitative analysis**

- (i) Population and Sample Analysis
- (ii) Bayesian analysis
- (iii) Statistical inference and hypothesis testing
- (iv) EWMA and GARCH Model
- (v) Volatility
- (vi) Artificial Intelligence and Business Analytics

**5. Risk model**

- (i) VAR
- (ii) Stress Testing
- (iii) Scenario Analysis
- (iv) Country and Sovereign Risk Models and Management

**6. Credit risk measurement and management**

- (i) Understanding the component of credit risk
- (ii) Evaluating credit risk
- (iii) Mitigating Credit risk
- (iv) Qualitative and Quantitative techniques to manage risk
- (v) Credit scoring models

**7. Risk associated with corporate governance**

- (i) Evaluation of Risk Associated with Governance
- (ii) Description and evaluation of framework for Board level consideration of risk
- (iii) OECD Guidelines for Corporate Governance

**8. Enterprise Risk Management**

Definition, Scope and Techniques

**9. Operational Risk Management**

Definition, Scope and Techniques

**PAPER – 6 B: FINANCIAL SERVICES AND CAPITAL MARKETS**

*(One paper – Three hours – 100 Marks)*

**Objectives:**

- (a) To gain knowledge of financial services rendered by intermediaries and banks and their role and activities in the financial market in general and capital markets in particular;
- (b) To acquire the ability to apply such knowledge to address issues in practical scenarios.

**Contents:**

**1. Global Financial Markets**

- (i) Introduction to Global Financial Market
- (ii) Role of Financial Market in Economic Development of a country
- (iii) Stakeholders in Financial Market (Domestic and Global)
- (iv) Indian Financial Market scenario

**2. Impact of various Policies of Financial Markets**

- (i) Credit Policy of RBI
- (ii) Fed Policy
- (iii) Inflation Index, CPI, WPI, etc.

**3. Capital Market - Primary**

- (i) New Issue Market – Domestic and Global
- (ii) Private Placement , QIP, Disinvestment
- (iii) Right Issue

**4. Capital Market - Secondary**

- (i) Secondary Market
- (ii) Stock Market Operations
- (iii) Indian Debt Market

**5. Money Market**

- (i) Basics of Money Market
- (ii) Money Market Participants
- (iii) Money Market Instruments
- (iv) Repo and Reverse Repo
- (v) CRR, SLR
- (vi) MIBOR, LIBOR
- (vii) Government Securities Market

## **6. Institutions and Intermediaries**

- (i) Depository
- (ii) Stock and Commodity Exchanges – Indian and Global
- (iii) Intermediaries
- (iv) Institutional Investors
- (v) FPIs
- (vi) Custodians
- (vii) Clearing Houses

## **7. Commodity Market**

- (i) What are Commodity Markets
- (ii) Role of Commodity Markets
- (iii) Commodity Market in India
- (iv) Application of Derivative in Commodities
- (v) Global Commodities Exchanges

## **8A. Banking – Management**

- (i) Capital Adequacy including RBI & Basel Norms
- (ii) Asset Reconstruction
- (iii) Asset –Liability Management (ALM)

## **8B. Banking as source of Capital including NBFCs**

- (i) Concept of Project Financing
- (ii) Working Capital Management
- (iii) Reverse Mortgage

## **9. Mutual Funds**

- (i) Meaning
- (ii) Evolution
- (iii) Types
- (iv) Performance Measures, NAV

- (v) Mutual Fund Organisation
- (vi) Advantages and Disadvantages of Mutual Fund
- (vii) Exchange Traded Funds (ETFs)
- (viii) Real Estate Investment Trusts (REITs)
- (ix) Infrastructure Investment Trusts (Invits)

## **10. Private Equity**

- (i) Meaning and Classification
  - a) Venture Capital
  - b) Buyouts
  - c) Special Cases
  - d) Hurdle rate
  - e) Paid in Capital
  - f) Term Sheet
    - Cost of Investing in Private Equity
    - Exit Routes
    - Valuation of Private Equity Transactions
    - Private Equity Funds (Distribution of returns in General Partner and Limited Partners)

## **11. Investment Banking**

- (i) Concept
- (ii) Functions
- (iii) Challenges
- (iv) Developments in Investment Banking
- (v) Merchant Banking and issue management

## **12. Credit Rating**

- (i) Introduction
- (ii) Rating Services
- (iii) Objectives and types

- (iv) Uses
- (v) Credit Rating Process
- (vi) Credit Rating Methodology
- (vii) Rating Revisions
- (viii) Credit Rating Agencies in India and abroad
- (ix) Limitations with case studies

**13. Treasury Operations**

- (i) Raising and Deployment of Funds
- (ii) Risk Management

**14. Risk Management**

- (i) Preventive Controls
- (ii) Early Signals
- (iii) Credit Risk

**15. Credit Derivatives**

- (i) Credit Default Swaps
- (ii) Collateralized Debt Obligations (CDO)
- (iii) Pricing of Credit Derivative Instruments

**16. SEBI Guidelines**

## **PAPER – 6 C: INTERNATIONAL TAXATION**

*(One paper – Three hours – 100 Marks)*

### **Objective:**

To develop an understanding of the concepts, principles and provisions relevant to international taxation and acquire the ability to apply such knowledge to make computations and address issues in practical case scenarios.

### **Content:**

#### **Part I - Taxation of International Transactions and Non-resident Taxation in India (50 Marks)**

##### **1. Transfer Pricing provisions under the Income-tax Act, 1961**

- (i) Arm's Length Price
- (ii) International Transactions
- (iii) Most Appropriate Method
- (iv) Functions, Assets and Risk Analysis
- (v) Documentation & Compliances
- (vi) Specific Reporting Regime in respect of Country by Country reporting and master file
- (vii) Advance Pricing Agreements

##### **2 Other Provisions relating to taxation of international transactions and non-resident taxation under the Income-tax Act, 1961**

- (i) Non-resident Taxation (including Source Rule of Taxation)
- (ii) Double Taxation Relief
- (iii) Advance Rulings

##### **3. Law and Procedures under the Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015 – An Overview.**

#### **Part II - Other aspects of International Taxation (50 Marks)**

##### **1. Overview of Model Tax Conventions**

- (i) OECD Model Tax Convention
- (ii) UN Model Tax Convention

(iii) US Model Tax Convention

**2. Tax treaties, Application and Interpretation**

(i) Features of Tax treaties

(ii) Overview of Tax Information Exchange Agreements

(iii) Commentaries and their importance

(iv) Role of Vienna Convention in application and interpretation of tax treaties

**3. Anti Avoidance Measures**

(i) Controlled Foreign Corporations

(ii) Base Erosion and Profit Shifting

(iii) Other Anti Avoidance Measures

**4. Taxation of E-Commerce Transactions**

(i) Introduction

(ii) Emerging issues

(iii) Equalisation levy

**Note –**

- (1) Transfer Pricing in Part I to carry weightage of 30 marks.
- (2) If any new legislation(s) are enacted in place of an existing legislation(s), the syllabus will accordingly include the corresponding provisions of such new legislation(s) in the place of the existing legislation(s) with effect from the date to be notified by the Institute. Similarly, if any existing legislation(s) on direct tax laws ceases to be in force, the syllabus will accordingly exclude such legislation(s) with effect from the date to be notified by the Institute.
- (3) The specific inclusions/exclusions in any topic covered in the syllabus will be effected by way of Study Guideline every year, if required. Specific inclusions/exclusions in a topic may also arise due to additions/deletions made every year by the Annual Finance Act.

## **PAPER – 6 D: ECONOMIC LAWS**

*(One paper – Three hours – 100 Marks)*

### **Objective:**

To develop an understanding of the provisions of different economic laws and acquire the ability to apply such knowledge to address issues in practical case scenarios.

### **Contents:**

1. World Trade Organization (WTO) covering its Role, Principles, Functions and Dispute Settlement Mechanism
2. Competition Act, 2002 and Rules/ Regulations
3. Real Estate (Regulation and Development) Act, 2016 [Central Act and Rules/ Regulations]
4. Insolvency and Bankruptcy Code, 2016 and Rules/ Regulations
5. Prevention of Money Laundering Act, 2002 and Rules/ Regulations
6. Foreign Exchange Management Act, 1999 and Rules/ Regulations
7. Prohibition of Benami Property Transactions Act, 1988 and Rules/ Regulations

**Note:** *If new legislations are enacted in place of the existing legislations, the syllabus would include the corresponding provisions of such new legislations with effect from a date notified by the Institute. Similarly, if any existing legislation ceases to have effect, the syllabus will accordingly exclude such legislation with effect from the date to be notified by the Institute.*

*The specific inclusions/exclusions in the various topics covered in the syllabus will be effected every year by way of Study Guidelines, if required.*

## **PAPER – 6 E: GLOBAL FINANCIAL REPORTING STANDARDS**

*(One paper – Three hours – 100 Marks)*

### **Objective:**

- (a) To develop an understanding of the key concepts and principles of International Financial Reporting Standards and to acquire the ability to apply such knowledge to make computations and address issues in practical case scenarios.
- (b) To develop an understanding of the significant differences between IFRS and US GAAPs and apply the same in practical case scenarios.

### **Content:**

- 1. Conceptual Framework for Financial Reporting as per IFRS - 10 Marks
- 2. Application of International Financial Reporting Standards - 70 Marks
- 3. Significant differences between IFRS and US GAAPs - 20 Marks

## **PAPER – 6 F: MULTIDISCIPLINARY CASE STUDY**

*(One paper – Three hours – 100 Marks)*

### **Objective:**

To analyse and integrate the concepts, principles and provisions of accounting, auditing, taxation, corporate laws, finance and business strategy and management to address issues in practical case scenarios

### **Coverage:**

This paper will include Case Studies covering the following areas:

- 1. Financial Accounting and Reporting**
- 2. Audit and Assurance**
- 3. Taxation**
- 4. Finance and Financial Management**
- 5. Management Accounting**
- 6. Corporate Laws**
- 7. Business Strategy and Management**

## **PAPER – 7 : DIRECT TAX LAWS AND INTERNATIONAL TAXATION**

*(One paper — Three hours –100 Marks)*

### **Part I : Direct Tax Laws (70 Marks)**

#### **Objective:**

To acquire the ability to analyze and interpret the provisions of direct tax laws and recommend solutions to practical problems.

#### **Contents:**

##### **Law and Procedures under the Income-tax Act, 1961,**

1. Basis of charge, residential status, income which do not form part of total income, heads of income, income of other persons included in assessee's total income, aggregation of income, set-off and carry forward of losses, deductions from gross total income, rebates and reliefs
2. Special provisions relating to companies and certain persons other than a company<sup>1</sup>
3. Provisions relating to charitable and religious trust and institutions, political parties and electoral trusts
4. Tax Planning, Tax Avoidance & Tax Evasion
5. Collection & Recovery of Tax, Refunds
6. Income-tax Authorities, Procedure for assessment, Appeals and Revision
7. Settlement of Tax Cases, Penalties, Offences & Prosecution
8. Liability in Special Cases<sup>2</sup>
9. Miscellaneous Provisions and Other Provisions<sup>3</sup>

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<sup>1</sup> Including firms, LLPs, Trusts, AOPs, BOIs, Securitisation Trusts, Business Trusts, Investment Fund etc.

<sup>2</sup> Representative assesseees, Executors etc.

<sup>3</sup> The entire income-tax law is included at the Final level. Any residuary provision under the Income-tax Act, 1961, not covered under any of the above specific provisions or under Part II: International Taxation would be covered under "Other Provisions". Further, if any new Chapter is included in the Income-tax Act, 1961, the syllabus will accordingly include the provisions relating thereto.

## **Part II: International Taxation (30 Marks)**

### **Objective:**

To develop an understanding of the concepts, principles and provisions of International Taxation and acquire the ability to apply such knowledge to make computations and to address application-oriented issues.

### **Contents:**

1. Taxation of international transactions and Non-resident taxation
  - (i) The provisions under the Income-tax Act, 1961, including
    - a) Specific provisions relating to Non-residents
    - b) Double Taxation Relief
    - c) Transfer Pricing & Other Anti-Avoidance Measures
    - d) Advance Rulings
  - (ii) Equalisation levy
2. Overview of Model Tax Conventions – OECD & UN
3. Application and interpretation of Tax Treaties
4. Fundamentals of Base Erosion and Profit Shifting

**Note:** If any new legislation(s) are enacted in place of an existing legislation(s), the syllabus will accordingly include the corresponding provisions of such new legislation(s) in the place of the existing legislation(s) with effect from the date to be notified by the Institute. Similarly, if any existing legislation(s) on direct tax laws ceases to be in force, the syllabus will accordingly exclude such legislation(s) with effect from the date to be notified by the Institute.

Further, the specific inclusions/exclusions in any topic covered in the syllabus will be effected by way of Study Guidelines every year, if required. Specific inclusions/exclusions in a topic may also arise due to additions/deletions made every year by the Annual Finance Act.

## **PAPER 8 : INDIRECT TAX LAWS**

*(One paper – Three hours – 100 Marks)*

### **Part-I: Goods and Services Tax (75 Marks)**

#### **Objective:**

To acquire the ability to analyze and interpret the provisions of the goods and services tax law and recommend solutions to practical problems.

#### **Contents:**

#### **1. Goods and Services Tax (GST) Law as contained in the Central Goods and Services Tax (CGST) Act, 2017 and Integrated Goods and Services Tax (IGST) Act, 2017**

- (i) Constitutional aspects
- (ii) Levy and collection of CGST and IGST – Application of CGST/IGST law; Concept of supply including composite and mixed supplies, inter-State supply, intra-State supply, supplies in territorial waters; Charge of tax; Exemption from tax; Composition levy
- (iii) Place of supply
- (iv) Time and Value of supply
- (v) Input tax credit
- (vi) Computation of GST liability
- (vii) Procedures under GST – **All procedures** including registration, tax invoice, credit and debit notes, electronic way bill, accounts and records, returns, payment of tax including reverse charge, refund, job work
- (viii) Provisions relating to electronic commerce
- (ix) Liability to pay in certain cases
- (x) Administration of GST; Assessment and Audit
- (xi) Inspection, Search, Seizure and Arrest
- (xii) Demand and Recovery
- (xiii) Offences and Penalties
- (xiv) Advance Ruling

- (xv) Appeals and Revision
- (xvi) Other provisions<sup>1</sup>

## **Part-II: Customs & FTP (25 Marks)**

### **Objectives:**

- (a) To develop an understanding of the customs laws and acquire the ability to analyze and interpret the provisions of such laws.
- (b) To develop an understanding of the basic concepts of foreign trade policy to the extent relevant to indirect tax laws, and acquire the ability to analyse such concepts.

### **Contents:**

#### **1. Customs Law as contained in the Customs Act, 1962 and the Customs Tariff Act, 1975**

- (i) Introduction to customs law including Constitutional aspects
- (ii) Levy of and exemptions from customs duties – **All provisions** including application of customs law, taxable event, charge of customs duty, exceptions to levy of customs duty, exemption from custom duty
- (iii) Types of customs duties
- (iv) Classification and valuation of imported and export goods
- (v) Officers of Customs; Appointment of customs ports, airports etc.
- (vi) Import and Export Procedures – **All import and export procedures** including special procedures relating to baggage, goods imported or exported by post, stores
- (vii) Provisions relating to coastal goods and vessels carrying coastal goods
- (viii) Warehousing
- (ix) Drawback
- (x) Demand and Recovery; Refund

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<sup>1</sup> The entire CGST and IGST laws are included in the syllabus at the Final level. Any residuary provision under the CGST Act, 2017 and IGST Act, 2017, not covered under any of the above specific provisions, would be covered under “Other provisions”. Further, if any new Chapter is included in the CGST Act, 2017 and IGST Act, 2017, the syllabus will accordingly include the provisions relating thereto.

- (xi) Provisions relating to prohibited goods, notified goods, specified goods, illegal importation/exportation of goods
- (xii) Searches, seizure and arrest; Offences; Penalties; Confiscation and Prosecution
- (xiii) Appeals and Revision; Advance Rulings; Settlement Commission
- (xiv) Other provisions<sup>2</sup>

## **2. Foreign Trade Policy to the extent relevant to the indirect tax laws**

- (i) Introduction to FTP – legislation governing FTP, salient features of an FTP, administration of FTP, contents of FTP and other related provisions
- (ii) Basic concepts relating to import and export of goods
- (iii) Basic concepts relating to export promotion schemes provided under FTP

**Note** – If any new legislation(s) is enacted in place of an existing legislation(s), the syllabus will accordingly include the corresponding provisions of such new legislation(s) in place of the existing legislation(s) with effect from the date to be notified by the Institute. Similarly, if any existing legislation ceases to have effect, the syllabus will accordingly exclude such legislation with effect from the date to be notified by the Institute. Students shall not be examined with reference to any particular State GST Law.

Further, the specific inclusions/exclusions in any topic covered in the syllabus will be effected every year by way of Study Guidelines, if required.

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<sup>2</sup> The entire customs law is included in the syllabus at the Final level. Any residuary provision under the Customs Act, 1962 or Customs Tariff Act, 1975, not covered under any of the above specific provisions, would be covered under “Other Provisions”. Further, if any new Chapter is included in the Customs Act, 1962 or Customs Tariff Act, 1975, the syllabus will accordingly include the provisions relating thereto.