The Institute of Chartered Accountants of India

(Set up by an Act of Parliament)

Kumbakonam Branch (SIRC)



NEWSLETTER

APRIL 2026

From The Chairman's Desk

Esteemed Members:

Greetings from Kumbakonam Branch (SIRC)



It is indeed a great honour and privilege for me to serve as the Chairman of the Kumbakonam Branch. I place on record my sincere gratitude to all the members for the trust and confidence reposed in me.

Our felicitation programme was held in a grand manner in the august presence of Central Council Member CA. P. Rajendrakumar and Regional Council Member CA. A.V. Arun. Their presence and guidance made the occasion truly memorable and inspiring for all of us.
On the same day, we had the privilege of hosting an enriching Bank Audit Seminar by the eminent speaker CA. Mohan R. Lavi, which was highly useful and well received by the members.

We also celebrated Women's Day in a meaningful manner with the enthusiastic participation of women members and students, ably supported by male members, making it a truly inclusive and memorable event that recognised and appreciated the strength and contribution of women.

Our Branch also conducted an Online Bank Audit Training Programme, which witnessed participation from nearly 200 students from Kumbakonam, Trichy, Chengalpattu, Madurai, Pondicherry, Salem and Tirunelveli. It was heartening to see such active involvement from students across branches. We also conducted a Quiz Programme for students, and awards were distributed branch-wise through the respective branches. I sincerely thank all the branches that joined hands with us in making the programme a success.

Further, the present Management Committee Members attended the Southern India Management Committee Members Orientation Programme conducted by the RBA Directorate on 23rd and 24th March, which saw participation from around 250 committee members from the Southern Region. The programme offered valuable insights into branch administration and future initiatives.

One of the proudest moments for our Branch was the opportunity to hand over our Branch Newsletter to the Hon'ble President of ICAI, CA. Prasanna Kumar D. In this regard, I wish to place on record our sincere appreciation to Dr. CA. Abhishek Murali, Ex-officio of the Branch, for his valuable support to the Branch and for coordinating with the Hon'ble President for the handing over of our Newsletter. We also had the honour of meeting Past President CA. M. Devaraja Reddy and presenting our Branch Newsletter to him. These are indeed proud and memorable moments for our Branch.

Some of the important takeaways from the orientation programme included the new CPE requirements such as online payment, online attendance through a dedicated app for members, geo-tagging, and CABF contribution along with CPE fee. It was also noted that many branch committee members expressed their desire to bring back the earlier articleship rules.

When this Newsletter reaches you, we would have entered the new financial year 2026–27, marking the commencement of a new professional journey with the implementation of the Income-tax Act, 2025. Our Branch has planned various programmes in the coming months to help members understand and navigate the new law. Let us all make this year a meaningful and enriching learning experience.

Further, the proposed relaxation in statutory audit requirements for small companies may be seen as a welcome move towards rationalisation of compliance. At the same time, our professional responsibility, diligence and commitment to quality remain paramount. We remain confident that ICAI will continue to take progressive steps in the interest of the members and the profession.

As we now step into the busy Bank Audit Season, I extend my best wishes to all members. May this season be professionally rewarding, smooth and successful for each one of you.

Let us continue to work together with unity, enthusiasm and commitment for the growth of our profession and our Branch.

Jai ICAI, Jai Hind.

With Best Regards
CA. H. Vijay Sarathi
Chairman, Kumbakonam Branch (SIRC)

SNIPPETS FROM MARCH 2026 PROGRAMMES

Branch Installation Ceremony for 2026-27

7th March 2026
RAS Residency, Kumbakonam



The Branch Installation function commenced with the auspicious lighting of the ceremonial lamp.



Managing Committee Members with CCM,RCM and Past Chairmen



Welcome Address by **CA G Ganesh**, Immediate Past Chairman, Kumbkonam Branch (SIRC)



Last Year Activity Report Submitted by **CA MSK Prasanna Kumar**, Secretary (2025-26)



Assumption of Office by the Managing Committee Members of Kumbakonam Branch of SIRC of ICAI for the year 2026–27, administered by CA. Rajendra Kumar, CCM, ICAI.



Acceptance Address by **CA. Vijay Sarathi,** Chairman, Kumbakonam Branch (SIRC)



Felicitation Address by **CA. Abhishek Murali,** Ex-Offico member, Kumbakonam Branch(SIRC)



Felicitation Address by **CA. A V Arun**



Chief Guest Address by **CA Rejendra Kumar,** CCM, ICAI



Vote of Thanks by **CA Sitharasan,** Secretary, Kumbakonam Branch (SIRC)

CPE Seminar on AI in Bank Audit
7th March 2026
RAS Residency, Kumbakonam



CA G Ganesh, immediate Past Chairman, Kumbakonam Branch(SIRC) Felicitating the Speaker: **CA Mohan R Lavi**



CA Mohan R Lavi Providing the valuable insights on the topic

Women's Day Celebrations- Unleash Your Inner(S) Hero
7th March 2026
RAS Residency, Kumbakonam



CA Vijay Sarathi, Chairman, Kumbakonam Branch(SIRC), Fleicitating the Speaker **CA Sarradha Ravindran**

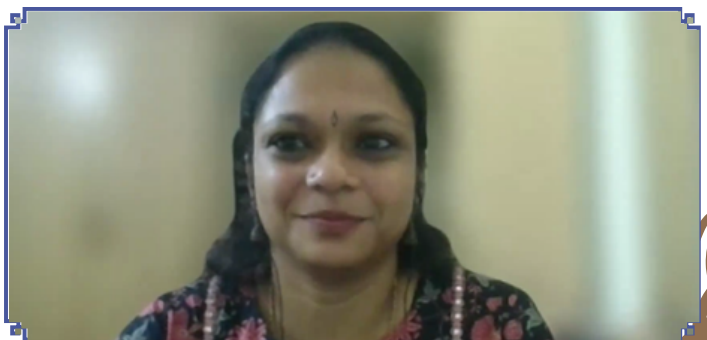


CA Sarradha Ravindran Delivering an Inspiring Session

Online Programmes



Online Training Programme in Bank Audit for Students on 14th March 2026 By **CA Ramesh & CA Padmaja**



Understanding CCFS 2026: Key Changes and Updates in the MCA V3 Portal on 18th March 2026 By **CS Poornima N S**

Releasing of Branch News Letter
23rd March 2026



Releasing the Branch News Letter by **CA Prasanna Kumar D,** President, ICAI.



A Copy of Branch News Letter Issued to **CA Devaraja Reddy**, Past President, ICAI.

Snippets from Branch Managing Committee Meet
23rd & 24th March 2026
COE, Hyderabad



CA Prasanna Kumar D, President, ICAI Felicitating the Chairman, Kumbakonam Branch (SIRC)



Kumakonam Branch Managing Committee Members with the Leadership of ICAI



MC members of Kumbakonam at MC meet Hyderabad

Kumbakonam Branch (SIRC)

FORTH COMING PROGRAMMES, April- 2026

Date	Day	Timing	Place	Mode	Topic	Resource Person	Fee (Inc. GST)	CPE
25 Apr 2026	Sat	10:00 am to 05:15 pm	ICAI Bhawan, Kumbakonam	Phy	One Day Workshop on Drafting of Accounting Policies for Non Corporates with the help of AI	CA K Shanmuganathan & CA. Kumar Sitaraman	₹590	6 Hrs

ARTICLE

RED FLAG INDICATORS IN BANK AUDIT

From Compliance to Foresight: Reimagining the Auditor's Role in a Risk-Intensive Banking Era



Contributed by: CA Sriram Govindrajan, Kumbakonam

Executive Summary

The modern banking landscape is no longer defined merely by balance sheet strength, but by the institution's ability to anticipate, detect, and respond to risk in real time. In this environment, statutory auditors are uniquely positioned—not just as assurance providers, but as critical sentinels of financial integrity.

This article argues for a fundamental shift in audit approach: from retrospective verification to forward-looking risk intelligence. It presents a curated framework of red flag indicators across core banking functions, supplemented with strategic audit responses aligned with RBI expectations, the ICAI Guidance Note on Audit of Banks (2025), and the Standards on Auditing.

1. The Changing Face of Bank Audits

The Indian banking sector is undergoing structural transformation driven by digitisation, complex financial products, interconnected exposures, and heightened regulatory scrutiny. The RBI's emphasis on Early Warning Signals (EWS) and Red Flagged Accounts (RFA) reflects a broader shift—from reactive supervision to proactive risk containment.

In parallel, expectations from statutory auditors have expanded. The profession is being called upon to move beyond procedural compliance and embrace judgement-driven, insight-oriented auditing. The central question is no longer "Are the numbers correct?" but "What risks do these numbers conceal?"

2. Red Flags: Signals, Not Symptoms

Red flags are often misunderstood as evidence of fraud. In reality, they are signals—early indicators of stress, manipulation, or control breakdown.

An effective auditor distinguishes between:

- **Isolated anomalies**, and
- **Patterned irregularities** that point to systemic risk

This distinction is where professional scepticism, as envisaged under SA 240, becomes critical.

Relevant Standards on Auditing

- SA 240 – Fraud Considerations
- SA 315 – Risk Assessment
- SA 330 – Audit Response

The real value of audit lies not in identifying a red flag, but in connecting it to a broader risk narrative.

3. Where Risks Hide: A Strategic View of Red Flags

3.1 Advances: The Epicenter of Vulnerability

The credit portfolio remains the most fertile ground for both innovation and manipulation.

Emerging Risk Patterns:

- Structuring of transactions to delay NPA recognition
- Use of interconnected entities to mask stress
- Superficial restructuring without economic viability

Classic Red Flags:

- Fresh disbursements preceding NPA classification
- Circular fund movements
- Mismatch between stock statements and operational scale

Insight:

Evergreening is rarely a single transaction—it is a strategy. Detecting it requires connecting disbursements, repayments, and related-party flows into a coherent timeline.

3.2 Asset Classification: The Thin Line Between Judgement and Bias

Asset classification is inherently judgemental—and therefore susceptible to bias.

Red Flags:

- Deferred recognition of NPAs
- Continued accrual of interest on stressed assets
- Back-dated adjustments near reporting dates

Insight:

Auditors must challenge not just the classification, but the assumptions underlying management judgement.

3.3 AML and Deposits: When Routine Becomes Risky

Seemingly routine deposit accounts can become conduits for layered transactions.

Red Flags:

- Multiple accounts linked to a single identifier
- High-value activity in low-risk profiles
- Pass-through transactions lacking economic substance

Insight:

In AML, context is everything—the same transaction can be normal or suspicious depending on customer behaviour patterns.

3.4 Digital Banking: Speed as a Risk Multiplier

Digital systems amplify both efficiency and vulnerability.

Red Flags:

- Unreversed failed transactions
- Unauthorised access incidents
- Override of system-based controls

Insight:

In digital environments, control failures propagate faster than in traditional systems—making early detection critical.

3.5 Forex and NRI Transactions: Regulatory Sensitivity

Red Flags:

- FEMA non-compliance
- Misclassification of account types
- Inadequate documentation trails

Insight:

These areas carry not just financial risk, but regulatory and reputational consequences.

3.6 Internal Controls: The Silent Enabler

Weak controls rarely create fraud—but they almost always enable it.

Red Flags:

- Maker-checker overrides
- Persistent suspense balances
- Manual interventions without audit trail

Insight:

Control failures should be evaluated not in isolation, but for their cumulative impact on the control environment.

4. From Detection to Insight: The Auditor's Response

Identifying red flags is only the starting point. The differentiator lies in how auditors respond.

A Thoughtful Response Framework

1. Corroborate, Don't Assume

Validate evidence across systems, documents, and third-party sources.

2. Expand the Lens

Move beyond sample testing—trace end-to-end transaction flows.

3. Reassess Risk Dynamically

Allow new findings to reshape the risk assessment.

4. Communicate with Clarity

Articulate not just findings, but their implications in LFAR and audit reports.

5. Escalate When Necessary

Recognise when red flags cross into reportable fraud territory.

5. The Cost of Missing Signals

Failure to identify or act upon red flags has consequences that extend beyond audit quality:

- RBI divergence observations
- Monetary penalties and supervisory action
- Reputational damage to institutions and auditors
- Increased scrutiny and professional accountability

In an era of heightened oversight, **inaction is itself a risk.**

6. Conclusion: The Auditor as a Risk Sentinel

The future of bank auditing lies in foresight, not hindsight.

Auditors must evolve from checklist-driven reviewers to **interpreters of financial behaviour**. Red flags should not be treated as isolated exceptions, but as pieces of a larger risk mosaic.

A high-impact audit is one that:

- Connects data points into meaningful insights
- Challenges management narratives where necessary
- Anticipates risks before they crystallise into losses

Ultimately, the value of the audit profession will be defined not by what it verifies—but by what it prevents.

Key Red Flags at a Glance

1. Fresh disbursement prior to NPA classification
2. Recognition of interest income on NPAs
3. Inconsistent stock statements affecting drawing power
4. Back-dated entries near reporting periods
5. Repeated restructuring without demonstrated viability
6. Multiple accounts linked to a single PAN
7. High-value transactions in low-risk accounts
8. Override of maker-checker controls
9. Persistent suspense account balances
10. Delayed reporting of frauds

References

- **RBI Fraud Risk Management Framework (EWS/RFA)**
- **RBI Master Directions (KYC, IRAC, FEMA)**
- **ICAI Guidance Note on Audit of Banks (2025 Edition)**
- **Standards on Auditing (SA 240, SA 315, SA 330)**

ARTICLE

GST MISCLASSIFICATION: THE SILENT PROFIT-KILLER IN MSME LOGISTICS

Contributed by: CA DEEPA D,Tiruchirapalli



Executive Summary

GST misclassification in logistics can significantly impact MSME profitability through incorrect tax rates, denial of input tax credit (ITC), and compliance risks. With multiple taxation options for Goods Transport Agencies (GTA) and evolving provisions, businesses must focus on correct classification and net tax impact rather than headline rates. This article highlights key risks, recent updates, and practical safeguards.

Why This Matters for MSMEs

Logistics is a major cost component for MSMEs. Under GST, how a service is classified—GTA, courier, or composite supply—directly affects tax liability, ITC availability, and compliance exposure. Misclassification often goes unnoticed but gradually erodes margins and increases audit risk.

GTA vs Courier: A Critical Distinction

GTA (Goods Transport Agency):

- Requires issuance of a consignment note
- Transport of goods by road
- Taxable under RCM or forward charge

Courier Services:

- Door-to-door, time-bound delivery
- Tracking-enabled services
- Taxed at 18% with full ITC

A common mistake is treating all transport services as GTA without verifying the consignment note requirement.

Latest GTA Tax Options (2025–2026)

GTA now has multiple taxation choices:

- 5% under RCM (no ITC)
- 5% under forward charge (no ITC)
- 12% under forward charge (with ITC)

Importantly, GTA must **exercise the option annually**, and failure to do so can lead to incorrect tax treatment.

The Real Cost: ITC Matters More Than Rate

A lower GST rate does not always mean lower cost:

- 5% GTA → No ITC (higher effective cost)
- 12% GTA → ITC available
- Courier (18%) → Full ITC available

MSMEs should evaluate the net tax impact after ITC, not just the nominal rate.

Composite Supply Risks

Logistics services often include warehousing, packing, and insurance. If bundled naturally, they qualify as composite supply and are taxed based on the principal supply. Misidentification can lead to incorrect tax rates and disputes.

Compliance & Litigation Risks

Misclassification may result in:

- Detention and penalties (Section 129)
- Confiscation in serious cases (Section 130)
- Interest and ITC reversals

These risks are increasingly scrutinized during GST audits.

Red Flags to Watch

- No consignment note in GTA transactions
- Wrong application of RCM vs forward charge
- No annual GTA option declaration
- Blanket classification of logistics services
- Invoice mismatch with actual service nature

Practical Takeaways

- Verify classification based on actual service and documentation
- Evaluate ITC impact before choosing GTA option
- Ensure annual declaration for GTA taxation
- Align contracts with service structure
- Regularly review logistics transactions

Conclusion

GST misclassification in logistics is a silent but significant threat to MSME profitability. With evolving provisions and multiple taxation options, businesses must adopt a more informed and proactive approach. Accurate classification and proper planning are essential to avoid financial leakage and ensure compliance.

ARTICLE

TDS TRANSITION 2026: TOP PRACTICAL ISSUES FOR MEMBERS



Contributed by: CA Sitharasan V A, Nagapattinam

1. Governing Law for TDS During Transition

Q. What determines whether TDS is governed by the old Act or the new Act?

Ans. The applicable law depends on the **earlier of credit or payment.** If this occurs on or before 31 March 2026, the Income-tax Act, 1961 applies; if on or after 1 April 2026, the Income-tax Act, 2025 applies.

2. No Change in TDS Rates

Q. Has the Income-tax Act, 2025 changed TDS rates or thresholds?

Ans. No. TDS rates and thresholds remain unchanged; provisions are only reorganised and simplified under the new Act.

3. Treatment of Ongoing Contracts

Q. How should TDS be handled for ongoing contracts spanning the transition date?

Ans. Payments/credits up to 31 March 2026 follow the old Act, while those on or after 1 April 2026 follow the new Act. No contract modification is required.

4. Errors in Section Reference

Q. What if TDS is deducted using old section numbers after 1 April 2026?

Ans. Though rates remain correct, quoting old sections may lead to processing issues and require filing of correction statements.

5. Due Dates for TDS Deposit

Q. Are there any changes in TDS deposit timelines during transition?

Ans. No major change.

Up to March 2026 → governed by old Act timelines

From April 2026 → governed by new Act (generally 7th of next month)

6. Consequences of Delay in Deposit

Q. What happens if TDS deducted in March 2026 is deposited late?

Ans. Interest @ 1.5% per month applies from date of deduction till payment if deposited after due date (30 April 2026).

7. Filing of TDS Returns in Transition Year

Q. Which TDS returns are to be filed during FY 2026–27?

Ans. Both Acts apply:

- Q4 FY 2025–26 → old forms (24Q/26Q etc.)
- Q1 onwards (FY 2026–27) → new forms (e.g., Form 138, 140)

8. Correction of TDS Returns

Q. Can TDS returns for earlier periods be revised after 1 April 2026?

Ans. Yes. Corrections can be filed within 2 years, but must be under the **old Act format.**

9. Challan-cum-TDS Statements

Q. How are forms like 26QB/26QC handled during transition?

Ans.

- Transactions up to 31 March 2026 → old forms apply
- From 1 April 2026 → new unified Form 141 applies

10. TDS Certificates During Transition

Q. What are the obligations for issuing TDS certificates?

Ans.

- FY 2025–26 → Form 16 / 16A (old Act)
- FY 2026–27 → New forms (e.g., Form 130, 131) with revised timelines

11. Assessee-in-Default Implications

Q. What are consequences of non-deduction or non-deposit of TDS?

Ans. Deductor may be treated as assessee-in-default, liable for interest, penalty, prosecution, and **30% disallowance of expenditure.**

12. Relief Where Deductee Pays Tax

Q. Is deductor still liable if deductee has already paid tax?

Ans. Deductor is not treated as assessee-in-default if conditions are satisfied, but **interest liability still applies.**

13. TDS on Salary During Transition

Q. How is TDS on salary handled around April 2026?

Ans. Based on date of payment:

- **Salary paid up to 31 March 2026 → old Act**
- **Salary paid after 1 April 2026 → new Act**

14. System & Compliance Changes

Q. Are system changes required for TDS compliance?

Ans. Yes. ERP/payroll systems must be updated for **new section numbers, forms, and reporting formats.**

Editorial Note (for Journal Use)

These FAQs highlight that while **procedural changes (forms, sections, reporting)** are significant in 2026 transition, **substantive TDS principles (rates, thresholds, timing)** largely remain unchanged—ensuring continuity with simplification.

ARTICLE

ARE WE SOLVING PROBLEMS — OR JUST SHARING THEM?



Contributed by: CA Rajkumar, Thanjavur

A quiet question from a senior colleague that every CA in the room could not quite shake off.

It happens every month, almost without variation. At branch meetings, over tea

after CPE sessions, in casual conversations between colleagues — the same subjects

surface, the same frustrations are voiced, the same heads nod in agreement. Clients who delay records. Fees that don't reflect effort. A compliance calendar that never seems to shrink. A personal life that keeps getting pushed to next quarter.

Everyone agrees. Everyone empathises. And then everyone goes home — until next month, when the conversation begins again.

For how many years have we been saying the same things?

If everything is so wrong. . . why is nothing changing?

Those words, spoken quietly by a senior member at one such gathering, landed differently. Not as a rebuke — but as a mirror. Because somewhere in the silence that followed, every professional in that room recognised something uncomfortable: **the problems are real, but so is the pattern.**

A Different Lens

Before we diagnose the profession, it is worth turning the question inward. Consider the four complaints most commonly heard — and the honest follow-up each one deserves:

The Complaint — And The Question Behind It

Clients never send records on time	Have we ever formally trained them on what we need, and when?
Our fees are simply not adequate	Have we articulated and demonstrated the value that justifies a higher fee
Compliance burden keeps growing.	Have we invested in systems and workflows that absorb this burden?
There is no work-life balance left	Have we set — and held — professional boundaries with clients?

This is not to minimise the genuine pressures on the profession. They are real, they are structural, and they deserve serious attention. But complaints, however valid, are not solutions. **Experience without change is not growth — it is simply repetition at a higher age.**

The Language We Choose

One of the most powerful shifts available to any professional costs nothing and requires no external change at all: it is a shift in the language we use — first with ourselves, and then with our clients.

The Old Statement	The New Orientation
Clients don't give data on time	Let us build a client on boarding system where timelines are agreed upfront
Our fees are too low	Let us develop a specialisation where the value — and the fee — speaks for itself.
There is too much compliance work	Let us convert compliance into an advisory opportunity through automation and systems

The difference is not optimism versus realism. It is agency. One position keeps us waiting for the world to change. The other puts the next step in our own hands.

The Profession Has Already Moved

It is worth reminding ourselves how far the practice of a CA has already evolved and what that trajectory implies about where we must go next.

The Evolution of Practice

Book-keeping & record-keeping	Business advisory & financial counsel
Compliance as the end goal	Compliance as the foundation for strategy
Reactive – responding to client needs	Proactive — anticipating and shaping them

The profession did not stay the same — even when it was difficult to change. That capacity for adaptation is not gone. It simply needs to be directed consciously, rather than left to happen by default.

"If every CA has the same problem — perhaps the problem is not the client, the law, or the system. Perhaps it is the way we are choosing to respond to it."

A THOUGHT TO CARRY INTO THIS MONTH

Pick one complaint you have repeated for the past few years. Now write down **one concrete system change** that could make it irrelevant. That single act of turning complaint into design is where professional growth actually begins.

ARTICLE

AI IN THE CA OFFICE – A "DO IT YOURSELF" APPROACH WITH A STRATEGIC LENS

Contributed by: CA Akila Ramakrishnan, Tiruchirapalli



The Chartered Accountant's office is at a subtle yet significant turning point. The shift is no longer about adopting new tools, but about rethinking how work is executed. Artificial Intelligence (AI) is increasingly becoming part of everyday practice—not as a disruption, but as an enabler. At the same time, it is no longer a concept to be explored; it is a reality already shaping the way CA offices function. From handling dataintensive tasks to supporting analytical processes, its presence is becoming increasingly evident.

The real challenge, therefore, lies in moving beyond adoption to meaningful application—where AI tools are used in a manner that learns and improves through continuous feedback, much like the principle of reinforcement learning, while ensuring that efficiency gains do not compromise the integrity or the professional judgment that defines the profession.

For a profession built on audit, assurance, compliance and delivery of quality service, technology supports the standards that is expected. Artificial Intelligence (AI) should therefore be viewed not as a substitute for professional expertise, but as a tool that strengthens the way work is executed.

When approached with a "Do It Yourself" (DIY) mindset, AI enables practitioners to design their own workflows, automate routine processes, and streamline repetitive tasks. This allows greater focus on analysis, interpretation, and decision-making—areas where professional judgment continues to play a central role.

From Physical Files to Intelligent Workflows

Every CA office, at some stage, confronts the same operational reality—volumes of data, repetitive reconciliations, and time-bound deliverables. The transition from a physical environment to a digital workspace is not merely about scanning documents; it is about structuring data in a way that enables intelligent processing.

AI becomes effective only when:

- Data is consistently captured
- Workflows are clearly defined
- Outputs are systematically reviewed
-

This transition demands disciplined effort at the field level. Engagement teams must adapt to standardized formats, structured documentation, and a mindset where tasks are designed before they are executed.

Where AI Fits in Daily Practice

AI is most powerful when applied to routine, rule-based layers of work-areas that demand time but not continuous professional judgment.

- During an audit, entire datasets can be scanned to flag unusual transactions.
- In reconciliation assignments, mismatches are automatically identified.
- PPE registers can be recalculated instantly with deviations highlighted.
- Internal reviews can detect unusual patterns to identify material misstatements.

A Reality Check – The Four Forces Shaping AI Adoption

Strength – Efficiency without fatigue: AI processes entire datasets consistently.

Limitation – Absence of judgment: AI cannot interpret intent or apply skepticism.

Opportunity – Redefining professional time: More time for advisory and analysis.

Risk – Over-reliance: Professional review remains indispensable.

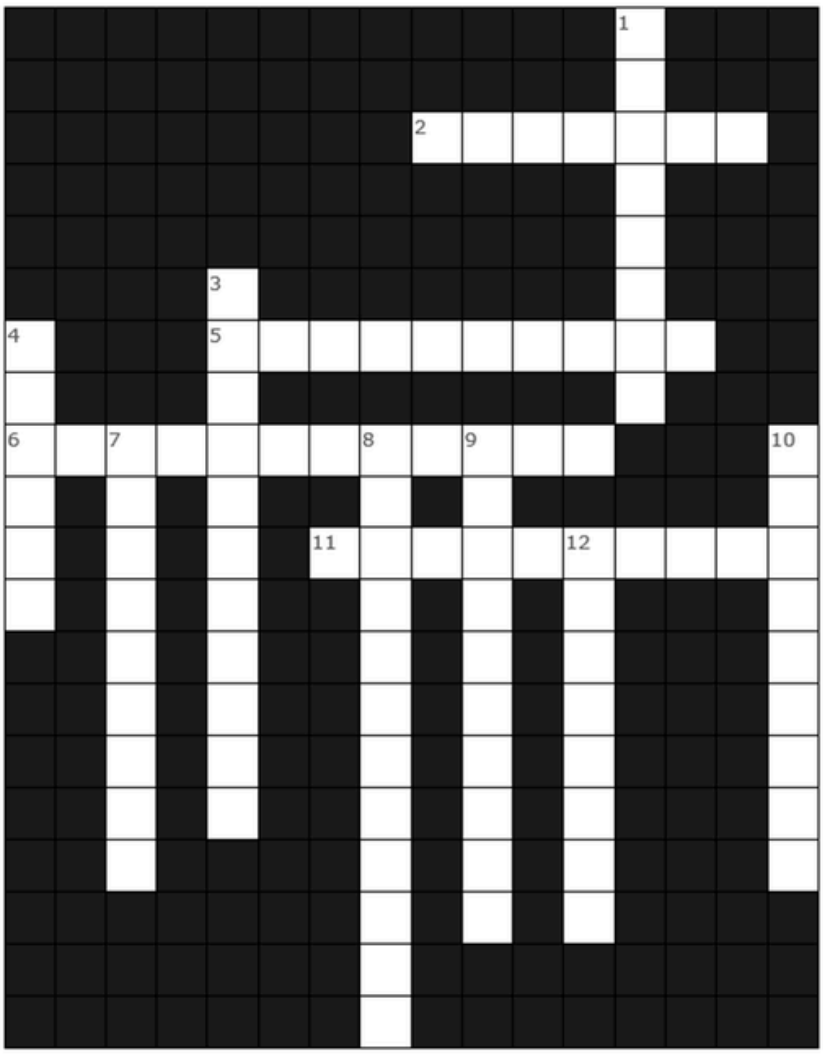
The Way Forward: A Change in Perspective

AI is steadily becoming an integral part of the CA office. Its significance, however, lies beyond efficiency—in enabling professionals to engage more deeply with analysis, interpretation, and decision-making.

As practice evolves, the real differentiator will be the ability to apply judgment with clarity and consistency, with technology serving as an enabler. Ultimately, the quality of outcomes will depend on how effectively these tools are applied in practice.

CA BRAIN GRID

CROSSWORD CHALLENGE



Tip: Solve the shorter entries first and use the crossings to unlock the longer terms.

Clues

Across

2. Recognition basis where income or expense is recorded when earned or incurred. (7)
5. Process of determining tax liability under the law. (10)
6. Systematic allocation of the cost of a tangible asset over its useful life. (12)
11. Adherence to laws, standards and regulations. (10)

Down

1. Audit checking of documentary evidence behind entries. (8)
3. Threshold beyond which a misstatement can influence users' decisions. (11)
4. Principal book containing classified accounts. (6)
7. Liability of uncertain timing or amount recognised prudently. (9)
8. Gradual write-off of an intangible asset over time. (12)
9. Reduction in carrying amount when recoverable value falls. (10)
10. Specified relief from tax. (9)
12. GST credit available on eligible inward supplies. (8)

The Institute of Chartered Accountants of India

(Set up by an Act of Parliament)

Kumbakonam Branch (SIRC)