

Prime **WORD**

The **CA result** has come; bringing in its wake joy to some and sorrow to others. If you are amongst the winners you should no doubt relish the joy of success. At the same time don't let this get into your head. If you are amongst the losers you should no doubt feel sad. At the same time don't let this get into your heart.

Over time, as you make your career you will learn that success and failure are like the two sides of a coin; they are part of life. The winners are not those who are always successful, the losers are not those who always fail. The winners are those who take both success and failure in their stride. History is replete with examples of outstanding people whose cupboards are full of skeletons but that did not stop them from turning out outstanding performances.

Look around you and you can see winners. Why, in this very issue we capture the remarkable saga of three achievers. A housewife and a stock broker who come back to the examination battle ground after 15 years to finish their CA final and a young lad who conquers 95% visual impairment to qualify as a CA.

The message is loud and clear. What can be imagined is what can be achieved.

If you walk out of your comfort zones and get into the wild world of business believing in your potential and capabilities, leaving behind the baggages of the past, you are bound to be successful. In the career market what marks victory is not just the knowledge that you pick but the people skills that you imbibe.

Welcome to the voyage of discovery.

I N S I D E	
Redefining the Management Accounting Profession-----	2
Auditing Cash and Bank Transactions -----	3
Winner's Talk -----	4
To be or not to be -----	5
Krish -----	5
Gyan on Sensex -----	6
The Greatness Guide -----	6
How to crack CA at first go -----	7
Looking for a job -----	8
Want to read our books? -----	8

AMBITION



Coming Up.. Workshop
■ Capital Market – 24th August

Advantage series...



Getting the Best out of College
By
V Pattabhi Ram & Seetha Srikanth
Rs.110

The **RANK** Holders

Final

Chandrasekhar V 3rd
Archana Devi 4th
Neelima V 20th
Vasanth Shenbhag 37th
Siva Shankari S 38th
Vaniyan Thomas 40th
Aarthi V 44th

PE-II

Priya Darsini S 12th
Yurek Raaj 16th
Ashwini K 17th
Vijayalakshmi V 26th
Sharanya S 45th
Mothi V Hareesh 50th

Global **Qs**

Redefining the Management Accounting Profession

Parvatha Vardhini C

Today's world demands a different kind of management accountant – one who will spend less time in preparing standardised reports and more time in analysing and interpreting information.

The CMA Program

The Institute of Management Accountants (IMA) is the world's largest organization dedicated to advancing management accounting and financial management. The cornerstone of IMA's programs is the Certified Management Accountant (CMA) Program. It certifies your expertise in areas that are critical to the decision-making process in today's economic climate.

21st century Management accounting includes:

- Performance Management
- Asset Management
- Business Control Management
- Environmental Management
- Financial Management
- Intellectual Capital Management
- Information Management
- Quality Management and
- Strategic Management.

Studying CMA

CMA candidates must take up four examination:

- Part -1: Business Analysis
- Part -2: Management Accounting and Reporting
- Part -3: Strategic Management
- Part -4: Business Applications

Syllabus contains

- Corporate Financial Management
- Financial Accounting-Preparation/ Interpretation/Analysis of Financial Statements
- Working Capital Policy and Management
- Risk Management
- Cost Management and Control
- Performance Evaluation
- Micro and Macro Economics
- US and International Business Environments
- Organizational Structures, Management and Communication
- Decision Theory and Operational Decision Analysis
- Management Controls and Information Systems
- Investment Decision Analysis

Eligibility and Exemptions

A Bachelor's Degree in any field or a score of 50% or higher in GMAT, GRE, CPA, CA, ACCA etc.

If you have passed the US CPA or the US CFA exams, you can waive Part 2 of CMA.

Examinations and Fees (www.prometric.com)

Parts 1, 2, and 3 are 100% objective and consist of multiple-choice questions. Part 4 consists of several essay questions and problems. You will have three hours to complete each exam part.

The exams are offered throughout

the year at testing centers located in major cities in India. Part 4 alone is offered in the second month of every quarter.

All candidates have four years to complete all four parts of the exam.

The International Exam Fee per part is US \$165.

The ICMA has developed the 'Hints, Tips and Strategies for CMA exam takers', which is a detailed exam preparation manual. In addition, the ICMA publishes 'CMA Q&A books' that includes past questions with solutions and references.

Experience requirements

In order to obtain the CMA Certificate, a candidate must have two continuous years of professional experience in management accounting and/or financial management. This requirement may be completed prior to or within seven years of passing the examination. Experience must be gained in full-time employment.

CMAs are here to stay

Writing in the January 2005 issue of Strategic Finance, an IMA publication, Max Messmer, the Editor, says, "...Business acumen and inter-personal skills have become key hiring criteria. Companies are looking for applicants who have demonstrated commitment to their profession and stay abreast of the latest industry standards. As a result, there's a strong demand for accountants who possess accreditations such as the Certified Management Accountant designation." ■

Auditing Cash and Bank Transactions

When you audit, you need a check list. So that you look professional. So that you do not miss a trick or two. Here is the fourth of our many check lists designed by Shivanand Pandit.

NO.	QUERIES	YES	NO	N.A.	EXPLANATORY NOTE
1.	Is the inward mail date stamped and opened by persons not connected with handling cash or the Accounts Dept?				
2.	Is there a detailed record of receipts prepared?				
3.	Are all cheques specially crosses by employees opening mail?				
4.	Are counterfoils of deposit slips received from the bank?				
5.	Is there any comparison of items listed on the counterfoils of deposit slips with the amounts of cheques recorded in the cash receipts records?				
6.	Are collections of Branch Offices and Sales Offices deposited in special bank accounts subject to withdrawal only by the H.O?				
7.	If collections are made by representatives of the Company in cash, are serially numbered receipts been issued to them?				
8.	Is there a system of issuing permanent receipts in lieu of the Temporary/ Provisional receipts issued by bill collectors, etc.?				
9.	Are such collections promptly received and banked?				
10.	Are the receipt forms: a) Serially numbered? b) Kept in safe custody? c) Controlled by register? d) Unused stocks checked regularly? e) Made out by one employee and despatched by another? f) Accounted for, including those cancelled? g) In respect of partially used receipt books not intended to be used, cancelled?				
11.	If post-dated cheques are received are they held in safe custody until deposited?				
12.	Are such cheques recorded in a separate register?				
13.	Is the opening of bank accounts authorised by the BOD?				
14.	Is the cash balance verified daily?				
15.	Does the Company's policy prohibit disbursements of cash directly from cash receipts?				
16.	Authority level for signing the cheques specified?				
17.	Are cheque protectors used?				
18.	Are unused cheques under proper physical control?				
19.	Are cancelled cheques mutilated?				
20.	Are payments made only against original invoices (or equivalent documents)?				
21.	Are cheques accompanied by vouchers when presented for signature?				
22.	Are all supporting documents properly defaced and identified by cheque number at the time of signature?				
23.	Is there a schedule of dates in each month for the recurring payments such as PF, TDS, Electricity, Telephone bills, etc.?				

A "NO" is unsatisfactory and calls for an explanation.

Lessons from WINNERS

A house wife comes back to the examination battleground after 15 years to finish her CA final. A stock broker does one better. He returns after 18 years to qualify. And a young lad conquers 95% visibility impairment to become a Chartered Accountant. Glorious winners. Prime alumni.

This success is really special to me as it has occurred after fifteen long years. I had cleared my Intermediate (now PE II) examinations in 1991. I could not continue my studies owing to family commitments. Though I wished to pursue my studies, I could not do so.



My husband got transferred and was posted to Orissa. I could not prepare for the exams due to lack of facilities and added to that the syllabus also changed. Recently my husband was transferred to

Chennai. He insisted that I should continue my studies. So I joined Prime Academy in May 2005. I appeared in May 2006 Final exams and cleared both the groups.

Being a house wife and a mother of a son studying in class IX, it was a little difficult to start off for me. Since I had lost touch with the academic subjects, I found it tough in the beginning. Attending the classes, preparing for the exams, taking care of the house and family was exhausting. But for my husband, I would not have succeeded. He encouraged me a lot.

I got highly motivated by joining classes. The teachers inspired me a lot. Meeting friends from various places discussing all the doubts with the teachers, reposed confidence in me. I could read only for limited hours due to household chores. But my success mantra was "Read and revise whatever is taught in the class." To succeed you must have a goal and to achieve it you should have fire in your belly. I had also good support from my family which boosted me whenever I felt low. I read all the subjects with pleasure and not

under pressure.

My joy knew no bounds when I heard the news of my success in the examinations. It is all by the grace of God. I owe my success to all the teachers and my family. It is a very great experience and I am enjoying every moment of it.

– V Uma Maheshwari

CA stands for Certainly Achievable. This is what I felt when the success bell rang on 13th July after 18 long years.

I joined CA in 1985. By 1988 I had completed Group II of CA final. That year I joined as a stock broker in the Kerala Regional Stock Exchange. That put a stop



to my CA plans! After all, being a stock broker was exciting and it was not possible to balance both a career and CA. I lost interest in my CA. But one day a letter from ICAI changed all that. I got highly motivated to clear my pending (Group- I) when ICAI intimated me that "If I am not able to clear my Group-I by November 2006, my Group -II result would lapse."

Because I found it difficult to study at home I decided to move in to Chennai so that I could follow my time schedule, study constantly and revise regularly. I joined Prime Academy more with the intention of being in touch with studies on a regular basis and for having my doubts cleared.

Believe me; the feeling of being called "Chartered Accountant" is not only good; it is great. Because we can never know what we can do unless we try and there is a huge gap between what we are and what we can be. I say it not

because I did it but because I know you can also do it.

– P S Menon

I wish to share some thoughts, so that you could have an insight into the life of a visually challenged person who lives perennially in the dark. I believe that accepting your handicap is the first step towards progress. Though I am visually challenged, I overcome this by learning to use the other sensory powers that I am blessed with. It is always better to light a candle than curse the darkness.



Early in my school it was my ambition to become a CA. Unless I regroup all available powers in me I will not be able to achieve the goal. I built that passion and drive and focused all my

energies and attention towards this goal. Though I am 95% challenged in sight I did not have any problem in sighting my goal and focusing on it.

I decided to use the blessings of science to my advantage and had the software called "Jaws" and "Open Book" to help me in my preparation. These are software which does the reading through a computer. I also felt that class room study is a must and so joined Prime Academy. Mr. R Sivakumar of Karra & Co where I did my articleship motivated me to the limits possible.

I studied only when I felt good and fresh and usually spent about 4-6 hours a day. My parents also encouraged me and were always there to keep my cheerfulness and mental balance at its peak. To succeed one should have strong passion and a clear vision in the mind. Life without vision is like a journey without destination, just drifting away meaninglessly and aimlessly.

I wish to make a mark for myself as a musician and now I can embark on the journey to become one. Having tasted success in my first priority of becoming a Chartered Accountant, I am sure this wish of mine will also be achieved.

– B Jairam

As told to Sanjaya Kumar Panda

Prime CASELET 5 To Be or Not To Be

C M Devarajan

“Save the drop of oil, it is not going to last for ever”, screamed the hoarding from above. This was the message of a responsible government exhorting the public to use the limited supply of oil, sparingly. Three cheers to the responsible government.

Back home to a well deserved rest, in front of the idiot box which has taken over the job of entertaining the tired soul after a hard days work. Well, well what do we see? Yes, you guessed right. On the telly we see more of ads than



the program itself. These days ads are as good as a regular program and are even more important. Now let us give a rating for the ads and take the program as distraction to the ads.

Now coming to the ads, there was this very popular one. Popular meaning the ad has a famous Indian cricketer who these days is seen more on the small screen than on the cricket field. You can well imagine the performance of the cricketer on the field. Now they are giving the stars of the silver screen a run for their money, and have forgotten to run and perform on the field.

Anyway back to the ad. This popular cricketer with a sweet looking companion beside him in the latest sports model is in the petrol pump,

and while his automobile is getting the attention, he asks the attendant, the way to a particular spot. The friendly attendant with his sparking smile, says if you use a particular brand of fuel, all you do is go straight for some miles, then turn right again, some more miles, turn right again, some more miles and there you are after swallowing enough miles you are in the spot, the popular cricketer was asking for. The cricketer pops up a valid question. "If I don't use the particular brand of fuel. Then how do I get there?" The attendant with a sheepish grin says it is just on the opposite side of the road.

Now, now this is revealing because we can't just go across the road with a vehicle, because of the lengthy medians which is there on all roads. The medians are a stumbling block to the government's policy of saving oil for the future. We will have to travel extra miles before we reach the spot. The median has become a curse rather than a blessing. It defeats the very purpose of trying to save every drop of oil for the future. The medians on the road ensure that the last drop of oil will be used up now and not in the future. The oil resources will dry up and the nation becomes 'energyless and oil less'. The medians spell disaster to the concept of saving oil.

As usual, on the one hand the government is campaigning for saving oil and on the other hand the same government's ministry is marketing a particular brand of fuel.

We are confused and in the bargain consuming all resources in terms of oil, energy and finance. There cheers to our planners. ▾



Director: Rakesh Roshan

Cast: Rekha, Hrithik Roshan, Priyanka Chopra.

The story starts off with Rekha, Krishna's (Hrithik) grand mother, discovering the fact that her grand son possesses magical powers. Not swayed by this fact she takes her grandson to a distant place where no one would recognize them and issues strict warnings to him not to leave the village. One day he meets Priya (Priyanka Chopra), who has come on a holiday from Singapore and falls in love with her.

The love story does not live for long and she has to go back to Singapore. On reaching there she realizes that she could make Krishna a wonder boy to the world and thus calls him to Singapore. Krishna's grandmother is not very happy about this but she allows her grandson to go to Singapore on condition that he would not reveal his true identity.

In Singapore Krishna reveals his super natural powers only in the name of Krish, but then later comes to know that his lady love used him as a bait so he decides to come back to India, when the sudden twist in the story reveals to Krishna that his father Rohan is still alive and kept as prisoner by an evil scientist Dr. Siddhant Arya (Naseeruddin Shah). The job is clear cut out for our hero Krish i.e. to save the world from the evil plans of the scientist, save his father as well as win his love and most importantly get his father and his love back home safe and sound.

As ever Roshans have come out with a new concept. In this venture both papa Roshan & son Hrithik have successfully struck a deal to create India's super hero Krish!!!.

— Gaver S Lobo

Gyan on Sensex

The Bombay Stock Exchange Ltd has a great history. Launched a good 131 years ago in 1875, the exchange has for many years been synonymous with the Indian bourses. That is, until the National Stock Exchange took over its primordial position. But that has not stopped the Sensex; the BSE's barometer of the stock price movements from being one of the most often quoted indices in the world. The Exchange is now a demutualised and corporatised entity incorporated under the provisions of the Companies Act, 1956, notified by the Securities and Exchange Board of India (SEBI).

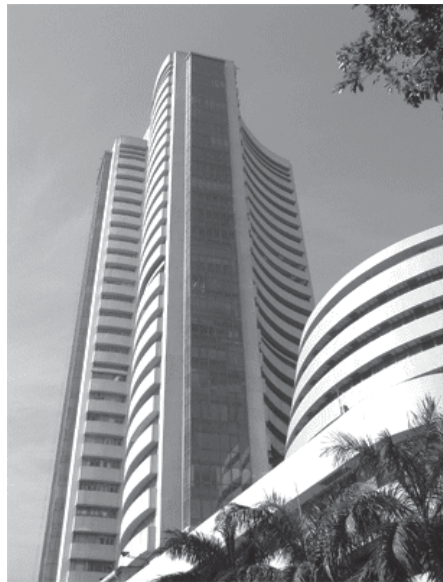
The Sensex itself was launched only in 1986. In 1986 the BSE came out with Stock Index, BSE- SENSEX, which subsequently became the barometer of the Indian Stock Market and measures the movements of Indian Stock market.

What SENSEX is?

BSE- SENSEX is popularly known as Bombay Stock Exchange Sensitivity Index. Sensex is an index of 30 stocks, out of the stocks registered in BSE, representing a sample of most actively traded, well established and high liquid companies. The index is widely reported in both Indian and international stock markets. Sensex is scientifically designed based on globally accepted construction methodology.

How Sensex gets constructed?

1. Sensex was initially calculated based on the "Full Market Capitalization" methodology but was shifted to the "Free-float Market Capitalisation" methodology with effect from September 1, 2003.
2. Free-float Methodology is an index construction methodology that takes into consideration only the free-float market capitalization of a company.
3. Free Floating shares means total



shares issued minus promoters' holding, government holding and other locked in shares that will not come to the market for normal trading.

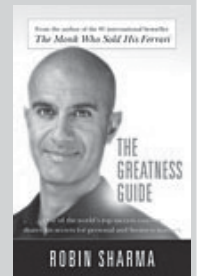
4. The base period of SENSEX is 1978-79 and the base value is 100 index Points
5. The sensex is the weighted average of the free float market capitalization.

– Sanjaya Kumar Panda

The Greatness GUIDE

By Robin Sharma
(Available @ Fountain Head)

Yet another most practical handbook, **The Greatness Guide**, from the leadership Guru, Robin Sharma, who made his literary debut with the best seller "The Monk who sold his Ferrari". The energy-explosive book will reveal the extraordinary potential within you to live an extra-ordinary, yet humble life. The reader will definitely feel at least ten times more great than he ever felt and will vouch for "SKY IS THE LIMIT". Hats off to the author for excellently penning great ideas through powerful words. A must read for an individual who has the drive to reach the heights but feels hesitant about thinking big. The sooner you read the book, the sooner you get out of the pessimist in you and hence forth there should be no reason as to why you cannot be an aspirant.



– V Vijayalakshmi

Are you calling me coloured?

When I was born I black
When I grow up I black
When I go in sun I black
When I scared I black
When I Sick I black
And When I die I still black
And you white fella
When you born you pink
When you grew up you white
When you go in Sun you red
When you cold you blue
When you scared you yellow
When you sick you green
And when you die you grey
And you calling me coloured???



This poem is nominated for the best poem of 2005 written by an African kid.

"Impressions Expressions."

Readers of Graffiti are requested to express their reactions, views, suggestions, criticisms, opinions, etc of any column to the editor. The best letters will be published in a new column to be introduced from the next issue titled "Impressions and Expressions."

Mail to graffiti@primeacademy.com

How to crack CA at first go

Passing the CA exam is not as difficult as it is made out to be. Several students clear it in the first attempt and even bagged ranks. Why then, are others unable to crack it? The reasons are several.

General study

Start preparing for the examination immediately on joining the course. Study regularly and conscientiously. It does not matter how many hours you study, but how much you understand. Qualitative study is important.

In addition to the student journal, subscribe to the journal of the Institute. It helps to keep you updated. Keep track of the latest in all the subjects: Accounting Standards, Auditing and Assurance Standards, amendments to Company Law and other laws, Finance Act and Income-Tax law.

Contribute and subscribe to a good business newspaper. Essays on capital markets, tax matters and other subjects will be helpful.

Study material

Your study material is the most important. Supplement it with a good standard textbook. For a professional, self-study and getting to the root of the subject is essential.

Attitude

Subjects such as Law require repeated reading. Candidates often complain of not being able to remember the provisions/sections. Now, this is a matter of attitude. When one can remember film songs, sequences, dialogues, phone numbers, why not the section numbers?

Students tend to read out of compulsion. Examinations are imposed on them. Apply the attitude you have towards play to studies. The world will look different. Students can overcome the fear of the examination by following a regular and systematic study routine.

Strategies

Follow a strategy of study. Remember, you cannot study accounts independent of company law. Income-tax cannot be studied independent of accounting. Thus, these subjects are inter-related.

You have to study all the subjects for the examination. For example, the issue of shares by a company. Read



provisions of company law – from Sec. 55 onwards – prospectus, contents, liabilities for misstatements, and so on – till Sec.108. You would have grasped the legal requirements. Then work out problems in accounting on issue of shares – at par, premium, discount, for consideration in other than cash, etc. Follow it up with audit of issue of share capital, resolutions to be passed, documents to verify, and so on. Study the tax provisions for allowability of share issue expenses, etc. Thus, you would have covered the issue from all points of view. This may look cumbersome in the beginning, but once you get used to it, things become interesting. This way you will have covered a part of company law, a part of income-tax, part of auditing, as well as a part of accounting.

All subjects are important

One should realise that the candidate should pass in all subjects and secure

50 per cent in the aggregate to clear the examination. Scoring 90 per cent in one and 10 per cent in another, will lead you nowhere. Distribute time judiciously for all subjects.

Other activities

Each of us has hobbies. Spare some time for that. This will help you unwind. It increases productivity. A light game, for instance, or a crossword puzzle. At the same time, know when to stop. Get your priorities right. A student should be physically fit, spiritually sound and mentally alert. Also, spare some time for fitness. You should be strong enough to withstand the stress and strain of hard work. Endurance is important.

Writing

Practise writing. What you read will prove futile if you cannot reproduce it on the D-day.

Eligibility tests

Eligibility tests are conducted by the ICAI to orient students for the exam. To secure the eligibility the students have to clear the papers. But that does not restrict them from writing more. A student can write as many papers as he wishes. This will add to his or her confidence. The student should take the eligibility tests seriously. This will help you know your pitfalls.

The final charge

There is a lot anxiety, nervousness, and tension. If a candidate is well prepared, last minute blues can be avoided. The candidates should learn how to tackle each subject and perform accordingly. Passing the CA examination should become a routine, much like other examinations. Passing in the first attempt should be the rule and not an exception.

Dr N.K. Agrawal

Ex-Jt. Director Studies, Board of Studies, ICAI

EXCELLENT CAREER OPPORTUNITY !!!!!!!!!!!

ARE YOU A CA FRESHER???????

**WANT A CHALLENGING CAREER?????????
YOUR AWAITED BREAK THROUGH HAS JUST ARRIVED**

We are a premier talent acquisition firm offering excellent opportunity with leading financial institutions, MNC banks, BIG 4 audit firms across India.

We cater to the manpower needs of close to 50 of the FORTUNE 500 companies.

SO WHAT ARE YOU WAITING FOR ????????

BE THE FIRST ONE TO REACH OUT TO YOUR DREAMS.....

CONTACT DETAILS :

COVENANT CONSULTANTS

**New # 61, Old # 52/3, Pulla Avenue, Shenoy Nagar,
Chennai - 600 030. Contact No : 4261 1515 / 4203 6070**

**Email Id : rubina@covenantindia.net
sapna@covenantindia.net**



Want to read our books?

- Advantage CA** – V Pattabhi Ram & Seetha Srikanth
- Accounting Standards (PE-II)** – M P Vijay Kumar
- Business & Corporate Laws** – M P Vijay Kumar
- A Study on Income Tax and CST** – R Bupathy
- Information Technology** – G K Raju
- Advanced Accounting** – M P Vijay Kumar
- Accounting Standards (Final)** – M P Vijay Kumar
- MAFA** – V Pattabhi Ram & S D Bala
- Auditing and Assurance Standards (PE-II & Final)** – R G Rajan
- Corporate Laws and Secretarial Practice** – S Srikanth
- MICS** – R Chandrasekhar

**PRIME Snow white[®]
KNOWLEDGE
SERIES**

