The Institute of Chartered Accountants of India

(Set up by an Act of Parliament)

BOARD OF STUDIES (ACADEMIC)

Not Just for Tomorrow, But Years to Come



FOLLOW TRADITION

ADOPT TRANSFORMATION

NO COMPROMISE

Towards a Contemporaneous Global Accountancy Education Regime

Proposed Scheme of Education & Training

(An Invitation to Comment)

The Institute of
Chartered Accountants of India

Motto

Ya esa suptesu jagarti kamam kamam Puruso nirmimanah |
Tadeva sukram tad brahma tadevamrtamucyate |
Tasminlokah sritah sarve tadu natyeti Kascan | etad vai tat ||

य एष सुप्तेषु जागर्ति कामं कामं पुरूषो निर्मिमाण: ।
तदेव शुक्रं तद् ब्रहम तदेवामृतमुच्यते ।
तस्मिंल्लोका: श्रिता: सर्वे तदु नात्येति कश्चन । एतद् वै तत् ॥

That person who is awake in those that sleep, shaping desire after desire, that, indeed, is the pure. That is Brahman, that, indeed, is called the immortal. In it all the world rest and no one ever goes beyond it. This, verily, is that, kamam kamam: desire after desire, really objects of desire. Ever dream objects like objects of working consciousness are due to the Supreme Person. Ever dream consciousness is a proof of the existence of the self.

No one ever goes beyond it : of Echhart: 'On reaching God all progress ends.'



Source : Kathopanishad



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President's Message

I am happy to share with you that we have received in-principle approval of Ministry of Corporate Affairs on the Proposed New Scheme of Education and Training of Chartered Accountancy course, which has been formulated taking into account the **best practices of International Accountancy Bodies**, the requirements under **International Education Standards** (IESs) of International Federation of Accountants (IFAC) and the significant aspects of **National Education Policy, 2020** (NEP, 2020)

The salient features of the proposed scheme are:

- Implementation of **international curriculum**
  - Single Global curriculum (with the exception of tax and law based papers, which would be country specific) for domestic and international students
  - Soft skills and information technology training to be imparted virtually for international students; and
  - Practical training to be undertaken with a member of an IFAC member body for international students.
- Specialisation and industry orientation through **self-paced online modules**
- Mandatory paper on **multi-disciplinary case study** at the Final level
- Impetus on education in **ethics and information technology,** by blending them with core subjects at the Final level
- **Open book/restricted open book** pattern of assessment at the Final level to assess the higher order skills of aspiring chartered accountants.

These special features are proposed to be incorporated in the new scheme to further enhance the professional competence of aspiring Chartered Accountants and make them global ready.

I request you to submit your responses on the Proposed Scheme to enable us to take the scheme forward with the collective wisdom of all.

With Best Wishes

CA. (Dr.) Debashis Mitra
President, ICAI



Vice-President's Message

Technology and Ethics have become ever pervasive and have become *sine qua non* in every field of specialization. It is the need of the hour that the course curriculums are developed in a manner which provides an upper hand to the students in the competitive global scenario. Taking due cognizance of the same, the Institute of Chartered Accountants of India (ICAI) has been dedicatedly upgrading and improvising upon its education pedagogy in tune with the requirements of the present times. The aim is to develop a contemporary curriculum having course structure and duration in line with the global best practices.

The Proposed Scheme of Education and Training aims to lay special impetus on imparting information technology education to the students in an integrated manner with the learning of each core subject at the level of CA Final rather than being a standalone subject. Moreover, the two-year seamless practical training period would also provide a hands-on experience to the students in e-registration and e-filing requirements under various legislations. The same shall enable the students to appreciate the significance and the implications of technology in different subject areas.

We seek the comments and suggestions of stakeholders which shall enable us to add further value to the Proposed Scheme of Education and Training.

I am sure that your valuable inputs shall go a long way in refining the Proposed Scheme.

With Best Wishes

CA. Aniket Sunil Talati
Vice President, ICAI



Message of
Chairman, BOS (Academic)

I am elated to let you know that in the Proposed Scheme of Education and Training, many special features are being incorporated to enhance the professional competence of aspiring Chartered Accountants and make them Global Ready.

ICAI is now introducing its International Curriculum which would be globally relevant. The International Curriculum of ICAI envisages positioning CA qualification of ICAI as a global qualification to meet the demand for accountancy professionals outside India as well.

With the world economies increasingly becoming one consequent to globalisation, a future Chartered Accountant needs to be equipped with globally recognised competencies relevant in any part of the world and enable him to have a panoptic perspective. This necessitates the Chartered Accountancy education to be in sync with the requisites of the Dynamic Global Business Environment.

Further, International Curriculum of ICAI would help achieve the **Government's objective of Internationalisation of Higher Education** as enshrined in the New Education Policy 2020 and to gain a stronghold in the International Professional Accountancy Education Arena. International Curriculum of ICAI would also **promote export of accounting and education services** envisaged in the Government's 'Action Plan for Champion Sectors in Services'.

We at ICAI are keen to take inputs from Members, including international members, Students, Business and Industry and Academicians. Your inputs on the features introduced and International Curriculum will enable us to take the Proposed Scheme forward.

With Best Wishes

CA. Dayaniwas Sharma
Chairman, Board of Studies (Academic)



Message of
Vice-Chairman, BOS (Academic)

It gives me immense happiness to connect with you on the significant aspect relating to the future of chartered accountancy education, namely, the Proposed Scheme of Education and Training. In the Proposed Scheme, special impetus has been laid on use of technology for imparting learning and PARAKH (Performance Assessment, Review, and Analysis of Knowledge for Holistic Development) for assessment of students.

ICAI has launched several digital initiatives in the recent past, in alignment with the Hon'ble Prime Minister's initiative of 'making of Digital India'. These include Virtual Coaching Classes accessible to all students from any part of India and abroad. Also, E-books containing embedded lectures are available on the Digital Learning Hub (DLH) on the website of the Institute.

The scope of such technology enabled learning is being further expanded in the new scheme through introduction of self-paced online modules, wherein the learning and assessment would be through e-modes. These self-paced online modules facilitate specialization and also provide necessary industry orientation. The two-level integrated soft skills and information technology courses are also to be delivered through a combination of virtual and physical modes.

We would be happy to receive your views on the various aspects of the Scheme, so that we are able to consider it while finalizing the Scheme of Education and Training.

With Best Wishes

CA. Vishal Doshi
Vice Chairman, Board of Studies (Academic)



Message of Chairman SSEB, BOS (Operations)

ICAI makes periodic review of its Education and Training wherein robust curriculum and pedagogy benchmarked with best international practices remains the fulcrum of the Review Process. The Committee for Review of Education and Training (CRET) has been formed with this objective to review the existing system of imparting education in the CA course, through industry roundtables and academic board comprising of top academicians and subject experts from across India.

Specific groups dealing with different aspects of education like academics, examination, practical training, Information Technology and Soft Skill Courses have been formed, so that review work in different areas can be carried on simultaneously to expedite the process of finalisation of the new Education and Training scheme.

Apart from other areas of the course the efficacy of Management & Communication Skills and Information Technology Training courses has been reviewed to update the curriculum and devise new ways of imparting such skills, considering the diverse student base spread across as well as outside the country for development of global skills sets alongwith the academic excellence as an integral part of the course curriculum.

A multi-pronged approach has been adopted for appraising the present system of education and training which is documented in this report so that it remains responsive to changing environment both at national and international levels. The comments/ suggestions of various stakeholders are solicited for formulating the new scheme of education and training for the next generation of accountants and benchmarking our CA education with the best in the world.

With Best Wishes

CA. Sushil Kumar Goyal
Chairman
Students Skills Enrichment Board (Board of Studies-Operations)



Message of
Vice-Chairman
SSEB, BOS (Operations)

ICAI in all its endeavours ensures that the CA curriculum remains effective and relevant in line with the changing landscapes of the global businesses and economies. In this direction, the CRET has been set up to suggest the changes required in Education and Training Scheme that identifies the learning outcomes, standards and core competencies that students must demonstrate before advancing to the next level.

With the advent of technology, increased globalisation and development in the teaching & learning approaches, the changes necessary in the syllabus and overall scheme have been made out as per the demand of the industry and profession.

I must congratulate the President and Vice President of ICAI and entire Council for their untiring efforts to review the existing scheme that captures the expectation of the stakeholders at all levels and provides with a measurable plan & structure for delivering quality education.

In addition to the core subjects an equal emphasis has been made on the development of global skill sets and a more practical oriented and market friendly approach has been adopted while designing the new scheme on IT and Soft Skills keeping in mind the paradigm shift due to disruptive technologies and emerging trends in global business, economy, and finance.

I would like to acknowledge all the groups and subgroups formed for accomplishing this formidable task in time bound manner. We now embark upon the next important step of identifying the modifications required and suggesting a way forward to provide a curriculum which is globally relevant and giving greater practical exposure to students.

With Best Wishes

CA. Sridhar Muppala
Vice-Chairman
Students Skills Enrichment Board (Board of Studies-Operations)

About the Proposed Scheme of Education and Training

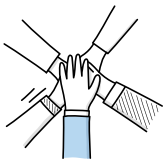


Background

ICAI, being one of the premier professional accountancy bodies in the world, spares no efforts to continuously strengthen the system of education and training to enable aspiring chartered accountants to acquire the competence which the profession requires.

Towards this end, the Council of ICAI sets up "Committee for Review of Education and Training (CRET)" from time to time with the basic objective of review of the existing System of Education and Training.

The **objective** of periodic review is to ensure that the Scheme of Education and Training continues to be contemporarily relevant and provides a professional environment in which aspiring chartered accountants upgrade their skills and values in addition to enhance their professional knowledge.



Constitution of CRET and its Groups

The Committee for Review of Education and Training (CRET) was constituted in May, 2021 to review the existing System of Education and Training of ICAI to determine whether it is adequate in the context of the existing requirement and changing environment. In order to have a focused approach, following four independent groups were formed

01	02	03	04
Group for Academic related matters	Group for Examination related matters	Group for Practical Training related matters	Group for Soft Skills & IT related matters

to work on different aspects of Scheme of Education and Training simultaneously in a concentrated manner to expedite the process of formulation of Scheme.

Based on the reports of the afore-stated groups, the CRET had submitted its recommendations to the Council, which, after consideration of the same were submitted to the Ministry of Corporate Affairs for its in-principle approval.

We have received in principle approval from the Ministry of Corporate Affairs and the Proposed Scheme of Education and Training is available on the Institute's website www.icai.org. The said Scheme is open for public comments from 2nd June 2022 to 1st July 2022. The readers are requested to submit their responses on the Proposed Scheme by filling the specific Form containing Questionnaire. The link for the said form is **https://boscret.icai.org/**





Broad Agenda

Section-I

- Periodical Review of Education and Training
- Focus Areas for way forward in the Proposed Scheme of Education and Training
- Salient Features of the Proposed Scheme of Education and Training
- Papers covered at different levels
  - Foundation Course
  - Intermediate Course
  - Self Paced Modules
  - Final Course
- Flow Chart depicting bird's eye view of the overall Proposed Scheme of Education and Training

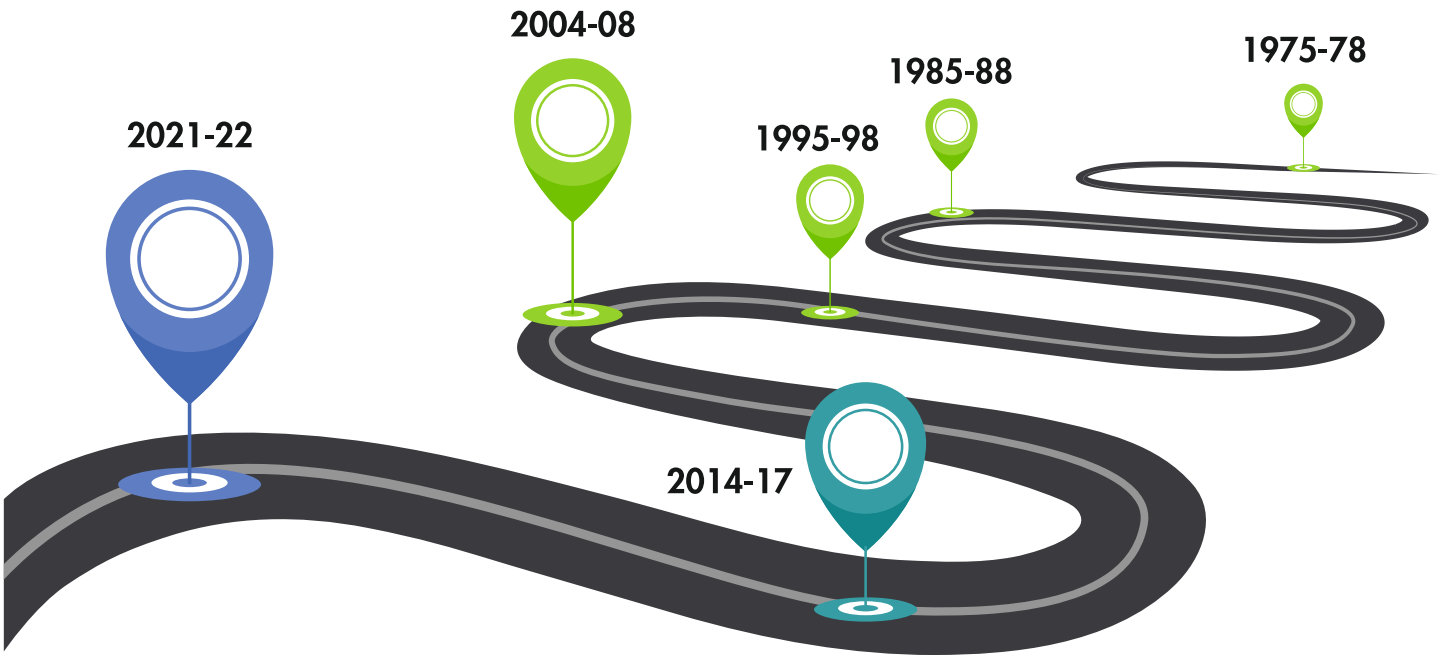
Section-II

- Proposed Overall Scheme of Education and Training
  - Route I - Foundation Course Route
  - Route II - Direct Entry Route
  - International Curriculum: Building global ready CAs
  - Soft Skills and Information Technology Training
  - Practical Training.

Section-III

Significant Changes and Reasons Thereof

Periodical Review of Education and Training Over a Period of Time





Focus Areas for way forward in the Proposed Scheme of Education and Training

Focus Areas for way forward	
• Adopting Newer Ways of Learning • Honing of Interpretation Skills	Open book/restricted book for all papers at the final level Introduction of 30% MCQs in the Intermediate and Final level to hone the analytical skills of candidates.
Duration of the Course	Proposal to increase the number of exams from 2 to 3 in a year Uninterupted 2 years of Practical Training after passing both the groups of Intermediate
Internationalization of the CA Course	Implementation of International Curriculum Proposed Scheme designed after detailed study of scheme including curriculum of International Accounting Bodies
Futuristic outlook in the Scheme of Education and Training	Single International Curriculum, for domestic and international students Introduction of online self-paced modules for ease of learning and assessment thereof using technology
Higher Degree of Industry Orientation	Introduction of self-paced 'C' module with an option to choose one of the subjects as per Industry requirement
Embedding Ethics & Technology	Integration of information technology and ethics with core subjects at the final level
Intermittent Success Route	Introduction of Business Accounting Associate (BAA) certificate for students who are not successful at the final level examination with specified conditions.

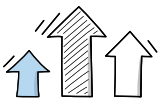
Salient Features of the Proposed Scheme of Education and Training

The salient features of the Proposed Scheme are as follows...



1. Implementation of International Curriculum

- To build global ready chartered accountants by equipping them with the requisite competencies
- Common Curriculum for domestic and international students, with the exception of country specific papers.
- Virtual Soft Skills and Information Technology Training
- Candidate residing outside India may undergo Practical Training under eligible Members of Accounting Bodies outside India recognized by the International Federation of Accountants (IFAC)



2. Number of Levels

There would be three levels as in the present scheme i.e., Foundation, Intermediate and Final levels.



3. Number of Papers

- **Foundation level** - 4 papers
- **Intermediate level** - 6 papers (2 groups of 3 papers each)
- 4 Self-paced Learning Modules
- **Final level** - 6 papers (2 groups of 3 papers each)

Note - Ethics and Information Technology would be integrated with the curriculum of subjects at the Final Level.



4. Introduction of Self-Paced Online Modules

- Four self-paced online learning modules encompassing different fields, are being introduced.
- Student can learn and qualify the modules at their own pace after qualifying the intermediate level examination.



5. Revalidation

Foundation

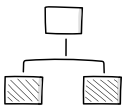
Validity of Registration is for 4 years. No Revalidation.

Intermediate

Validity of Registration is for 5 years. Revalidation allowed, thereafter, once.

Final

Validity of Registration is for 10 years. Revalidation allowed, thereafter.



6. Pattern of Assessment

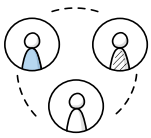
Foundation Level - Partly Subjective and partly Objective.

Intermediate Level

- Closed book examination
- 30% assessment by way of case scenario/study based MCQs and 70% by way of descriptive questions.

Final Level

- Open book/restricted open book pattern for all papers
- 30% assessment by way of case scenario/study based MCQs and 70% by way of descriptive questions.
- Mandatory Multi-disciplinary case study Paper.



7. Eligibility for Appearing at Different Levels of Examination

Foundation

- After completion of Four Months Study Period and
- After appearing in Class XII Examination.

Intermediate

After completion of eight months Study for students registering through Foundation Route as well as Direct Entry Route.

Final

- After passing both the Groups of Intermediate Examination
- Completion of two year of Practical Training,
- Completion and passing of Four Self-Paced learning Modules, and,
- Completion of Management and Communication skills (MCS) and Advanced ITT (second level)
- Six months after the two-year Practical Training is completed and courses completed as mentioned above, appear for Final examination.



8. Passing Criteria

Foundation

50% in each paper (with 25% negative marking for each wrong answer to MCQs in papers 3 and 4).

Intermediate and Final

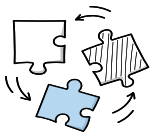
40% marks in each individual paper and 50% marks in aggregate to pass the Group with 25% negative marking (for wrong answers to MCQ based questions).

Exemption: A candidate getting exemption in any paper will need to pass the remaining papers within the next 3 attempts. The exemption can be availed further subject to passing marks of 50% in each paper (Applicable for Intermediate and Final Group wise exams)



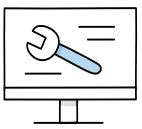
9. Intermittent Exit Route

Students not qualifying Final Level Examination may apply for Business Accounting Associate (BAA) after fulfilling prescribed criteria.



10. Practical Training

- Seamless and focused practical training for 2 years
- Practical Training can be commenced after qualifying both the groups of Intermediate examination (for students through Foundation and Direct Entry Route) and completion of IT Training and Orientation Course.
- Examination-free period, therefore, 12 days Leaves in a year is prescribed.
- Option to undergo Industrial training for 9 months to 1 year (in the last leg of practical training)
- 100 per cent increase in the stipend presently paid to the articled assistants.



11. Soft Skills and Information Technology Training

- Orientation Course and ITT (first level) to be undergone before commencement of practical training.
- Management and Communication skills (MCS) and Advanced ITT (second level) to be undergone during the Practical Training period or thereafter, but to be completed before appearing for Final Examination.
- Training will be mix of virtual and physical mode.

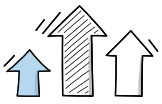


12. Requirement of COP

- One-year post-qualification work experience in a CA firm required by Members applying for Certificate of Practice at any point of time.
- Requirement of one year post qualification work experience not applicable for a member who has worked for a minimum period of one year with a fellow chartered accountant in practice in the immediately preceding five years before the date of making such application.

Papers Covered at Different Levels

Number and Title of Papers | Number of Papers



FOUNDATION COURSE



Paper -1 : Accounting (100 marks)

Paper -2 : Business Laws (100 marks)

Paper-3 : Quantitative Aptitude (100 marks)
- Business Mathematics
- Logical reasoning
- Statistics

Paper-4 : Business Economics (100 marks)



INTERMEDIATE COURSE

Number of Papers



Group I

Paper -1 : Advanced Accounting (100 marks)

Paper -2 : Corporate laws (100 marks)

Paper-3 : Cost and Management Accounting(100 marks)

Group II

Paper-4 : Taxation (100 marks)
- Direct Tax
- Indirect Tax

Paper-5 : Auditing and Code of Ethics (100 marks)

Paper-6A : Financial Management (50 Marks)

Paper-6B: Strategic Management (50 Marks)



Self-Paced Online Modules

SET A
Economic Laws [Compulsory Online Module]

SET B
Strategic Cost Management and Performance Evaluation [Compulsory Online Module]

SET C
[Optional Online Module – Specialisation Elective]
Subjects which are globally relevant for positioning CA qualification as a Global Qualification
(Students have to choose any one module)

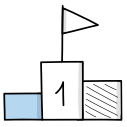
1. Risk management
2. Integrated and Sustainability Reporting
3. Government Accounting and Public finance
4. Introduction to Digital Ecosystem and Transformation
5. International Taxation
6. Arbitration, Mediation and Conciliation
7. Forensic Audit
8. Financial Services and Capital Markets
9. Valuation
10. Forex and Treasury Management

SET D
[Towards developing inherent traits of CA students and incorporating Multi-disciplinary approach envisaged in NEP, 2020]
(Students have to choose anyone module)

1. Constitution of India
2. Psychology (including self-awareness)
3. Entrepreneurship (to include MSMEs & Start ups)
4. Communication (to include Advocacy)
5. Philosophy

A student has to undergo online learning in Economic Laws [SET A] and Strategic Cost Management and Performance Evaluation [SET B] mandatorily. Further, he has to choose one module each from SET C and SET D.





FINAL COURSE

Number of Papers



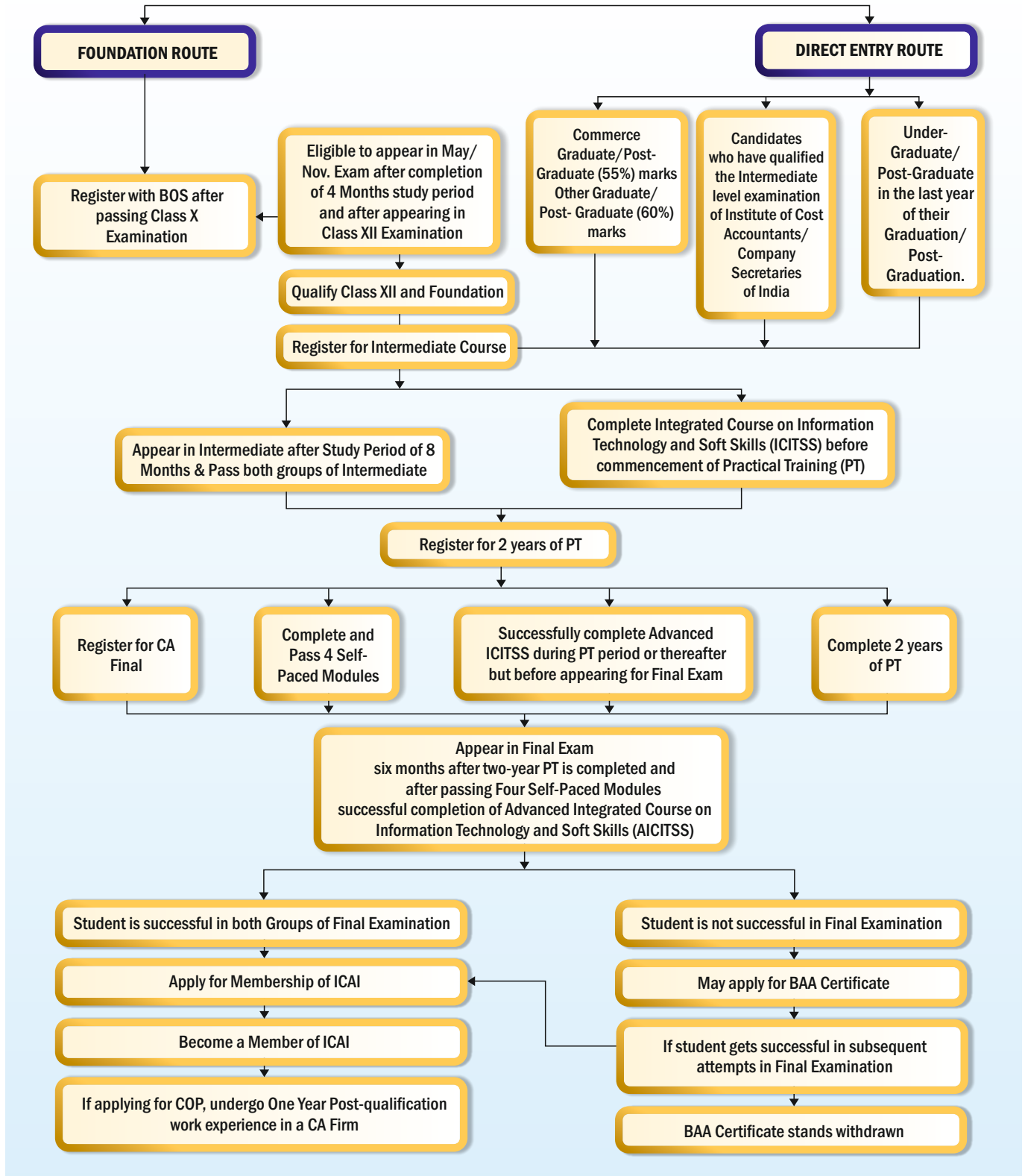
Group I

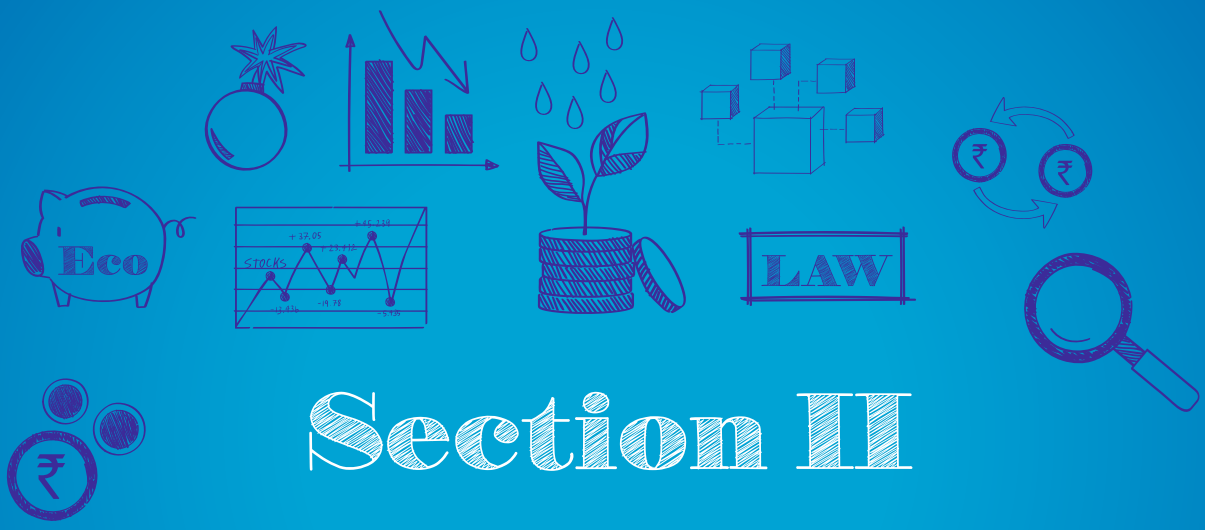
Paper - 1 : Financial Reporting (100 marks)
Paper - 2 : Advanced Financial Management (100 marks)
Paper - 3 : Advanced Auditing & Professional Ethics (100 marks)

Group II

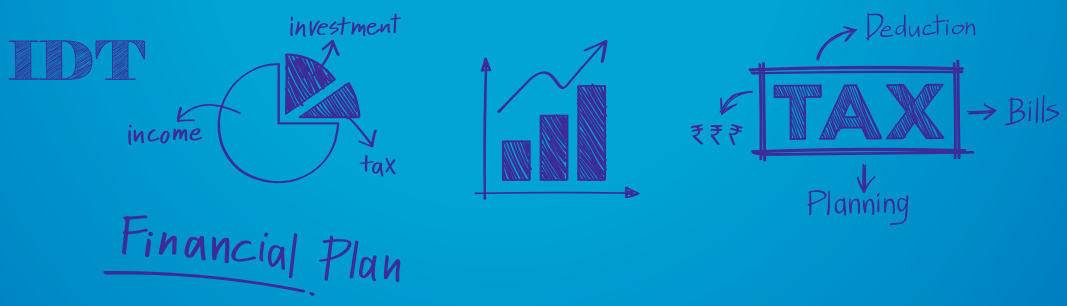
Paper - 4 : Direct Tax Laws and International Taxation (100 marks)
Paper - 5 : Indirect Tax Laws (100 marks)
Paper - 6 : Integrated Business Solutions (Multi-disciplinary case study with Strategic Management) (100 marks)

Proposed Scheme of Education and Training at a Glance




Eco
STOCKS
LAW

Section II


IDT
investment
income
tax
Financial Plan
Deduction
TAX
Bills
Planning

Proposed Overall Scheme of Education and Training

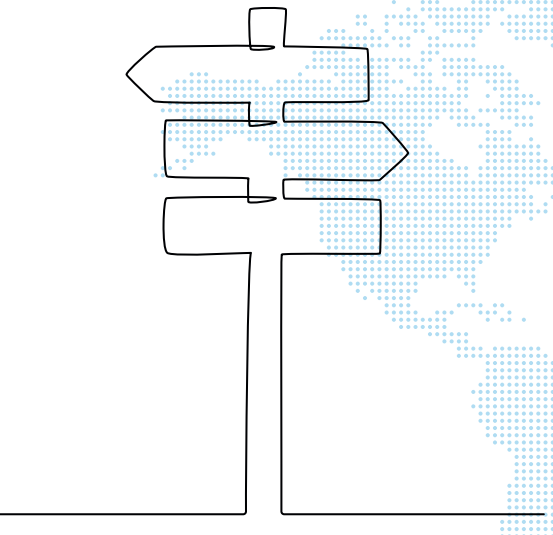
Route 1 **Foundation**

Route 2 **Direct Entry**

Route 1 Foundation Course Route

Under the Foundation Course Route, a Class X passed student may register himself with the Board of Studies (BOS) of the Institute for the Foundation Course. The steps are as follows:

- Register and complete 4 months of theoretical education for the Foundation Course.
- Appear for Foundation examination after appearing in Class XII examination.
- Qualify Foundation Examination.
- Register for Intermediate course after qualifying Class XII examination and Foundation examination
- Complete 8 months of theoretical education of the Intermediate course.
- Appear and Pass both the Groups of Intermediate Examination.
- Complete Integrated Course on Information Technology and Soft Skills (ICITSS) before commencement of the practical training.



- Register for Two years Practical Training after passing both the Groups of Intermediate Examination and completing Integrated Course on Information Technology and Soft Skills (ICITSS).
- Register for the Final Course after qualifying both Groups of Intermediate Course.
- Complete the four Self-Paced Online Modules and qualify the online assessment (marks will, however, not be considered for aggregation).
- Complete Advanced ICITSS during the Practical Training period or thereafter, but before appearing in the final examination.
- Complete Practical Training.
- Appear in Final examination after completing six months from the end of the two years practical training period.
- Qualify both groups of Final examination
- Apply for Membership.
- Become a Member.
- Certificate of Practice can be obtained at any point of time after completion of one year of post-qualification experience in a CA firm.

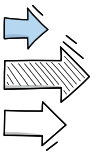


Note
Students may opt BAA Certificate after passing both groups of Intermediate examination, completion of 2 years of Practical Training and MCS and Advanced IT Training and qualifying self paced online modules by paying the prescribed fee. The certificate would automatically stand withdrawn / cancelled after passing the Final Examination.



Route 2

Direct Entry Route



As in the existing scheme, it is proposed to allow Commerce Graduates/Post-Graduates (with minimum 55% marks) or Other Graduates/Post-Graduates (with minimum 60% marks) to register directly for Intermediate Course without writing the foundation examination. The following steps are required for the eligible Graduates and Post Graduates under this route:

- Register with the BOS for the Intermediate course (provisional registration allowed to the Final year graduates/post graduates).
- Complete 8 months of theoretical education of the Intermediate course (provisionally registered students can complete the 8 months study period during last year of graduation/post graduation).
- Appear and Pass both the Groups of Intermediate Examination.
- Complete Integrated Course on Information Technology and Soft Skills (ICITSS) before commencement of the practical training.
- Register for Two years Practical Training after passing both the Groups of Intermediate Examination and completing ICITSS.
- Register for the Final Course after qualifying both Groups of Intermediate Course.
- Complete the four Self-Paced Online Modules and qualify the online assessment (marks will, however, not be considered for aggregation).
- Complete Advanced ICITSS during the Practical Training period or thereafter, but before appearing in the final examination.
- Complete Practical Training.
- Appear in Final examination after completing six months from the end of the two years practical training period.

- Qualify both groups of Final examination .
- Apply for Membership.
- Become a Member.
- Certificate of Practice can be obtained at any point of time after completion of one year of post-qualification experience in a CA firm.

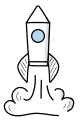


Note 1
Candidates who have passed Intermediate level examination of Institute of Company Secretaries of India or Institute of Cost Accountants of India can also directly register for intermediate course. The above steps (with the exception of provisional registration) would also apply for them.



Note 2
Students may opt BAA Certificate after passing both groups of Intermediate examination, completing 2 years of Practical Training and MCS and Advanced IT Training and qualifying self paced online modules by paying the prescribed fee. The certificate would automatically stand withdrawn / cancelled after passing the Final Examination.

International Curriculum: Building Global Ready CAs



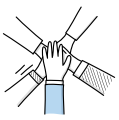
- International curriculum of ICAI will help to achieve the Government's objective of internationalisation of higher education as enshrined in the New Education Policy 2020 and to gain a stronghold in the international professional accountancy education arena.



- Taking brand India and ICAI across the globe by launching the International Curriculum, especially where no professional accounting body exists or where accountancy profession is in the nascent stages of development.



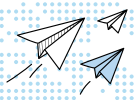
- International Curriculum of ICAI, with its distinguished features, envisages positioning CA qualification of ICAI as a global qualification to meet the demand for accountancy professionals outside India.



- Curriculum to be common for domestic and international students, with the exception of country specific papers.



- Candidate residing outside India may undergo Practical Training under eligible Members of Accounting Bodies outside India recognized by the International Federation of Accountants (IFAC)



- International curriculum of ICAI to also promote export of accounting and education services envisaged in the Government of India's 'Action Plan for Champion Sectors in Services'.



- Virtual Soft Skills and Information Technology Training.

With all these new features incorporating the global best practices, ICAI will endeavour to ensure that the resultant structure is dynamic, contemporary and commensurate with the requirements of the economy, both domestic and global.

Soft Skills and Information Technology Training

The objective of Soft Skills and IT courses is to familiarize the students with diversified field of accountancy profession by making them tech savvy and to develop their communication and presentation skills which would foster values such as integrity and transparency to groom them as true professionals in future.

Eligibility Criteria

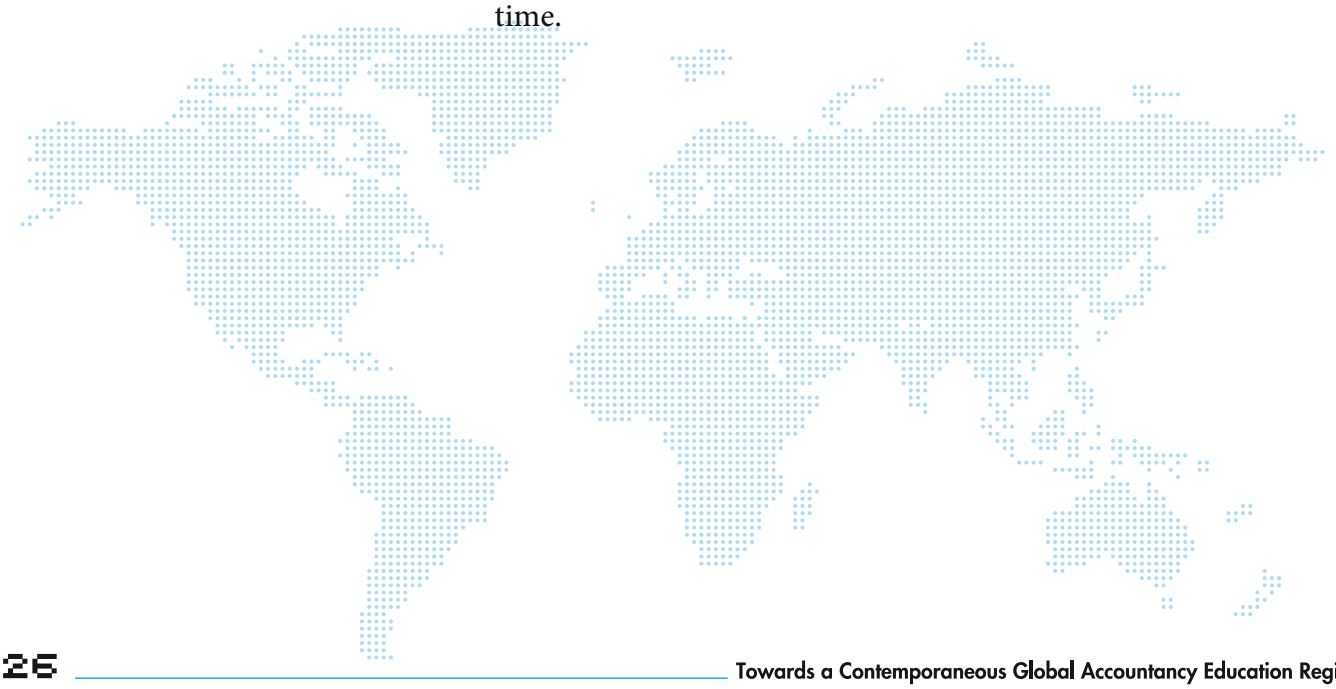
Orientation Course and ITT (first level) is to be undergone before commencement of practical training. Management and Communication skills (MCS) / Advanced ITT (2nd level) is to be undergone during the practical training period or thereafter, but to be completed before appearing for Final Examination.

Duration of the Course

The duration of the integrated course (Orientation Course & ITT / MCS and Advanced ITT, respectively) will be for 180 - 240 hours (at each level).

Modalities

Manner of conducting (virtual / physical / combination of both) and other modalities to be decided by the Council from time to time.



Practical Training

(i) The duration of practical training would be for 2 years. Only students who have passed both groups of intermediate examination would be eligible to commence practical training after completion of ICITSS.

(ii) It would be an examination free period, since students would be eligible to appear in Final examination only after completing six months from the end of the two years practical training period before the 1st day of the month in which the examination is held.

(iii) A student may opt to undergo industrial training for a period of 9 months to 12 months in the last leg of practical training.

(iv) The eligibility for leave during the practical training period would be 12 days for each year. Total days of leave would be 24 days during the two year period.

(v) There would be only one level practical training assessment to be completed after one year of practical training. It would be optional and a candidate can appear thrice and the best score will be considered.

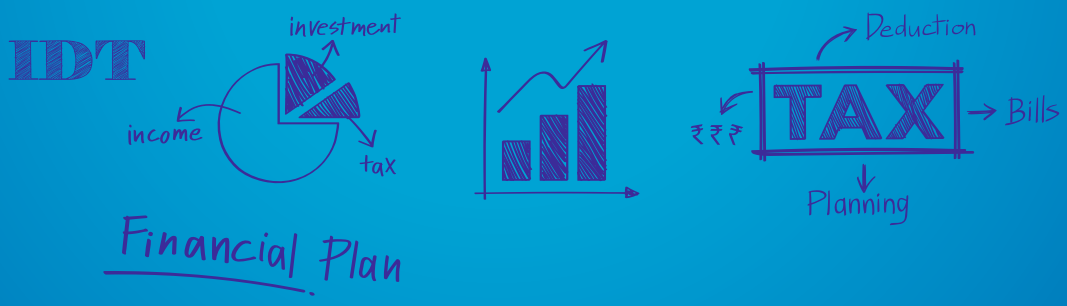
(vi) Transfer to be permitted in the first year. In the second year, no transfer/termination of articleship be allowed except in few approved reasons/circumstances, including industrial training.

(vii) Existing requirements relating to working hours and other aspects relating to practical training to continue.

(viii) In case of members desiring to obtain certificate of practice at any point of time, one year of post-qualification experience in a CA firm would be mandatory.


Eco
STOCKS
LAW

Section III


IDT
investment
income
tax
Financial Plan
Deduction
TAX
Bills
Planning



Significant Changes in the Proposed Scheme of Education and Training

FOUNDATION

CURRENT	PROPOSED
FOUNDATION COURSE: NUMBER OF PAPERS– 4	FOUNDATION COURSE: NUMBER OF PAPERS – 4
Paper -1: Principles and Practice of Accounting (100 marks)	Paper -1: Accounting (100 marks)
Paper -2: Business Laws (60 Marks) & Business Correspondence and Reporting (40 marks)	Paper -2: Business Laws (100 marks)
Paper-3: Business Mathematics and Logical Reasoning and Statistics (100 marks)	Paper-3: Quantitative Aptitude (100 marks) Business Mathematics Logical reasoning Statistics
Paper-4 : Business Economics (60 Marks) & Business & Commercial Knowledge (40 marks)	Paper-4: Business Economics (100 marks)

REASON

- *Business Correspondence and Reporting is not being separately included in the new course. Instead, to facilitate and equip students in rural areas and other students who have undergone school education in a medium other than English, with the requisite communication skills, an online course to be launched on English/Business communication, which would be recommendatory.*
- *A dedicated 100 marks descriptive paper in lieu of 60 marks paper (as in the current scheme) is proposed for "Business Laws", which would also help assess communication skills of students in addition to helping them read and understand laws.*
- *A dedicated 100 marks paper in lieu of 60 marks paper (as in the current scheme) on "Business Economics" will include topics from the subject "Economics from Finance" at the intermediate level in the current CA course.*
- *As far as Business and Commercial Knowledge is concerned, students would get exposure as part of their practical training, through which they would learn the aspects practically in a more integrated manner.*



ELIGIBILITY FOR ADMISSION AND APPEARANCE IN FOUNDATION EXAMINATION

CURRENT	PROPOSED
Register with BoS after passing class 10 examinations. Appear in Foundation examination (i) After appearing in class 12 examination and (ii) Register with BOS on a particular date for a particular exam.	No Change Appear in Foundation examination after appearing in class 12 examination and completing minimum study period of 4 months before the 1st day of the month in which examination is held.

REASON

Four Months Study Period has been specified and cut-off dates i.e. 1st January and 1st July have been removed. This will enable holding of Foundation Exams more than two times in a year.

VALIDITY OF REGISTRATION

CURRENT	PROPOSED
3 years from the date of registration. Revalidation permitted without restriction.	4 years from the date of registration. No Revalidation permitted.

REASON

If a candidate is not able to clear Foundation Exam within 4 years of registration, he can opt for alternative route of direct entry to Intermediate Course subject to fulfilling stipulated conditions.

PASSING CRITERIA

CURRENT	PROPOSED
40% in each paper and 50% in aggregate (with negative marking – 25% for each wrong answer to MCQs in papers 3 and 4)	50% in each paper (with negative marking – 25% for each wrong answer to MCQs in papers 3 and 4)

REASON

The stipulation of minimum 50% in each paper is to ensure that candidates have the requisite aptitude in each paper at the Foundation level.



INTERMEDIATE

CURRENT	PROPOSED
INTERMEDIATE COURSE: NUMBER OF PAPERS: 8 Paper -1 : Accounting Paper - 5 : Advanced Accounting Paper -2 : Corporate and Other Laws Paper-3 : Cost and Management Accounting Paper-4 : Taxation Paper-6 : Auditing and Assurance Paper-7: Enterprise Information Systems & Strategic Management Paper-8 : Financial Management & Economics for Finance	INTERMEDIATE COURSE: NUMBER OF PAPERS: 6 Paper -1 : Advanced Accounting Paper -2 : Corporate Laws Paper-3 : Cost and Management Accounting Paper-4 : Taxation Paper-5 : Auditing and Code of Ethics Paper-6A: Financial Management (50 Marks) Paper-6B: Strategic Management (50 Marks)

REASON

- *At this level, the number of papers would be 6 instead of 8 in the current scheme.*
- *Instead of two papers on accounting in the current scheme at this level, there would be a single paper titled Advanced Accounting. However, there will be no reduction in the content which is covered in two papers in the present scheme vis-à-vis one paper in the proposed scheme. A portion of the syllabus of Paper 1 Accounting of the current course would be included in the syllabus of Foundation paper on Accounting in the proposed scheme so as to increase the standard of the foundation course. The balance contents will be included in the single paper on Advanced Accounting at the intermediate level in the new course.*
- *Instead of a paper on Enterprise Information Systems at this level, information technology education is being integrated with subjects at the Final level.*
- *The paper on Corporate Laws would cover Companies Act in its entirety, since Business Laws is already covered at Foundation level through a 100 mark paper.*

MANNER OF ASSESSMENT

CURRENT	PROPOSED
Partially objective and partially subjective in SELECT PAPERS [30% MCQs / Case Scenario based and 70% descriptive questions]. Closed book in all papers.	Partially objective and partially subjective [30% case scenario/study based MCQs and 70% descriptive questions] in all papers. Closed book in all papers



MANNER OF ASSESSMENT

CURRENT	PROPOSED
No negative marking in objective type questions.	25% negative marking for each wrong answer to MCQs.

REASON

- *At present, select theoretical papers at intermediate level have 30% objective type questions in the form of scenario based MCQs and independent MCQs.*
- *30% objective type would be by way of case scenario/study based MCQs and this is being extended to all papers at the intermediate level to hone the analytical skills of candidates.*
- *Case scenarios/studies and objective type questions are an effective and efficient way to assess students' learning. They are consistent and reliable methods of assessment of professional competence, and facilitate effective evaluation.*

Negative marking would prevent students from resorting to guess work while answering questions. They would strive to improve their preparation and hone their application skills in order to answer correctly in the MCQ based papers.

MINIMUM STUDY PERIOD

CURRENT	PROPOSED
FOUNDATION ROUTE: Study Period as may be decided by the Council from time to time, (8 months).	FOUNDATION ROUTE: No Change
DIRECT ENTRY ROUTE: After completion of 9 months of Practical Training.	DIRECT ENTRY ROUTE: 8 months study period.

REASON

- *Earlier, for direct entry route, the students were eligible to appear in the intermediate examination*



after completion of 9 months of practical training. In the proposed scheme, since a student can commence practical training only after qualifying both groups of intermediate, a common study period of 8 months is proposed for students entering through the Foundation route and direct entry route as well.

- *For direct entry through graduation and post graduation, students can provisionally register themselves in the last year of graduation/post graduation and the 8 month study period would be considered from the date of provisional registration. In this way, they can attempt their intermediate examination at any time after graduation / post graduation, provided they qualify graduation/post graduation with prescribed minimum marks at the time of making the application for examination.*

VALIDITY OF REGISTRATION

CURRENT	PROPOSED
4 years. Revalidation permitted without restriction.	5 years. Re-validation with prescribed fee permitted once.

REASON

In order to ensure that only such students who possess the desired level of professional knowledge and skills are allowed to progress further, this restriction is stipulated.

PASS PERCENTAGE

CURRENT	PROPOSED
• 40% marks in individual paper and 50% marks in aggregate to pass the Group. • If student secures 60% or more, in paper/s in one attempt, exemption of such paper(s) for immediate 3 attempts is allowed and thereafter exemption will lapse.	• No Change • If student secures 60% or more in paper/s in one attempt, exemption of paper(s) for immediate 3 attempts is allowed. Thereafter, exempted paper/s will be treated as permanently passed and student has to score 50% to pass in the remaining paper/s individually. The student may, however, opt to surrender the exemption after three attempts.



REASON

Exemption obtained in any paper would not lapse even after three attempts. However, the candidate would be required to score 50% each in the remaining paper(s) (instead of 40% marks in individual paper and 50% marks in aggregate, as at present). He may, however, opt to surrender the exemption after three attempts.

FINAL

CURRENT	PROPOSED
FINAL COURSE: NUMBER OF PAPERS: 8 Paper -1 : Financial Reporting Paper -2 : Strategic Financial Management Paper-3 : Advanced Auditing and Professional Ethics Paper-4: Corporate and Economic Laws Paper 5 – Strategic Cost Management and Performance Evaluation Paper-7 : Direct Tax Laws and International Taxation Paper-8 : Indirect Tax Laws PAPER-6 : ELECTIVES (1 OUT OF 6) Paper-6A : Risk Management Paper-6B: Financial Services and Capital Markets Paper-6C : International Taxation Paper-6D : Economic Laws Paper-6E : Global Financial Reporting Standards Paper-6F : Multidisciplinary Case Study	FINAL COURSE: NUMBER OF PAPERS: 6 Paper -1 : Financial Reporting Paper -2 : Advanced Financial Management Paper-3 : Advanced Auditing & Professional Ethics Paper-4 : Direct Tax Laws and International Taxation Paper-5 : Indirect Tax Laws PAPER-6 : INTEGRATED BUSINESS SOLUTIONS (MULTI-DISCIPLINARY CASE STUDY WITH STRATEGIC MANAGEMENT)

REASON

- *The number of papers at this level would be 6. The remaining two papers in the existing course, namely, Economic Laws and Strategic Cost Management and Performance Evaluation, are being included in the new scheme as self-paced online modules.*

- *Multi-disciplinary case study is being made compulsory, and the same would be integrated with strategic management. This paper is necessary to assess the student's ability to integrate the concepts and provisions across different subject areas, analyze them and apply them in addressing issues and solving problems in a multi-disciplinary case study involving strategic decision making.*



- *The current elective papers like risk management and financial services and capital markets would be included in self-paced online module [SET C], out of which students can opt one based on their desired area of specialisation.*

MANNER OF ASSESSMENT

CURRENT	PROPOSED
Partially objective and partially subjective IN SELECT PAPERS [30% MCQs / Case Scenario based and 70% descriptive questions].	• Partially objective and partially subjective [30% case scenario/study based MCQs and 70% descriptive questions] IN ALL PAPERS.
Closed book in all core papers and open book in elective papers.	• Open book/Restricted open book pattern of assessment
	• Computer-based/physical examination, as decided by the Council from time to time.
No negative marking in objective type questions.	25% negative marking for each wrong answer to MCQs.

REASON

- *At present, select theoretical papers at Final level have 30% objective type questions in the form of scenario based MCQs and independent MCQs.*
- *30% objective type by way of case study/scenario based MCQs is being extended to all papers at the Final level.*
- *MCQ based case studies/case scenarios are an effective and efficient way to assess students' learning also at higher levels of application, analysis, evaluation and synthesis.*
- *Open book/Restricted open book is being introduced to reduce the requirement of rote learning voluminous provisions of laws and standards. The focus would be more on assessment of higher level skills of analysis, interpretation, evaluation and synthesis.*
- *Negative marking would prevent students from resorting to guess work while answering questions. They would strive to improve their preparation and hone their application skills in order to answer correctly in the MCQ based papers.*



ELIGIBILITY TO APPEAR IN FINAL EXAMINATION

CURRENT	PROPOSED
1. A candidate who has qualified CA Intermediate examination 2. Completed Advanced ICITISS Course (Advanced IT and MCS) 3. Completed 2.5 years of Practical Training	1. A candidate who has passed both groups of the intermediate level examination, 2. Completed the prescribed second level soft skills and information technology courses, 3. Qualified the four self-paced modules [four SETS] 4. After completion of six months from the end of the two years practical training period, before the 1st day of month in which examination is held.

REASON

- *The requirements in 1 and 2 are the same as in the existing scheme.*
- *Four Self-paced online modules are being introduced, which the students can qualify at their own pace Students have to, however, qualify these modules for appearing in Final examination.*
- *Also, since the practical training period would be an examination free period commencing after students qualify both groups of intermediate examination, students will be eligible to appear in the Final examination after and completion of 6 months from the end of two years of Practical Training.*

PASS PERCENTAGE

CURRENT	PROPOSED
• 40% marks in individual paper and 50% marks in aggregate to pass the Group. • If student secures 60% or more, in paper/s in one attempt, exemption of such paper(s) for immediate 3 attempts is allowed and thereafter exemption will lapse.	No Change • If student secures more than 60% marks in paper/s, exemption of paper for immediate 3 attempts is allowed. • Thereafter, treat the exempted paper/s as permanently passed and student has to, however, score 50% to pass in the remaining paper/s. However, student may have the option to surrender the exemption after three attempts.



REASON

Exemption obtained in any paper would not lapse even after three attempts. The candidate would be required to score 50% each in the remaining paper(s) (instead of 40% marks in individual paper and 50% marks in aggregate, as at present). He may, however, opt to surrender the exemption after three attempts.



PRACTICAL TRAINING	
CURRENT DURATION	**PROPOSED DURATION**
Three years	Two years

REASON

In order to ensure seamless and focussed practical training, the period of training would be an examination free period of two years.

Consequently, there would be reduction in entitlement of leaves from 1/7th of the practical training period to 12 days in a year.

Moreover, the student can appear in Final examination after and completion of 6 months from the end of two years practical training period.

It would ensure that students undergo effective practical training during the two year period when he can concentrate solely on his training.

COMMENCEMENT OF PRACTICAL TRAINING	
CURRENT	**PROPOSED**
FOUNDATION ROUTE After passing either or both the Groups of Intermediate and completion of ICITSS Direct Entry Route After registration in Intermediate course completion of ICITSS Course	FOUNDATION ROUTE AND DIRECT ENTRY ROUTE After passing both the Groups of Intermediate and completion of ICITSS

REASON

Practical Training to commence only after passing both the groups of Intermediate in order to have exam free and seamless effective training, where a student can focus completely on his practical training rather than appearing in the remaining group of the Intermediate examination, as at present.



LEAVES	
CURRENT DURATION	**PROPOSED DURATION**
1/7th of the period of Practical Training	12 leaves in a year

REASON

Since there will be no exams during the two years of practical training, therefore, number of leaves have been restricted to 12 days in a year.

INDUSTRIAL TRAINING	
CURRENT DURATION	**PROPOSED DURATION**
Last 9 to 18 months of the Practical Training	Last 9 to 12 months of the Practical Training in a year

REASON

Consequent to the changes in duration of the practical training, industrial training would be permitted in the last leg of practical training for a period of 9 months to 12 months.

TRANSFER	
CURRENT DURATION	**PROPOSED DURATION**
Articles so engaged may, by agreement between the articled assistant and his principal, be terminated under such exceptional circumstances or conditions, as may be decided by the Council	During the second year of training, the termination of articles shall be permitted if the articled assistant OPTS FOR INDUSTRIAL TRAINING or under such exceptional circumstances or conditions, as may be decided by the Council.

REASON

Since 9 months to 12 months industrial training is permitted in the last leg of practical training period of two years, this requirement has been accordingly modified.



STIPEND	
CURRENT	**PROPOSED**
Existing slab has been indicated in the table beneath Regulation 48(1)	There has been 100 per cent increase in the stipend presently paid to the articled assistants.

REASON

The Stipend has been increased keeping in mind the current scenario.

CERTIFICATE OF PRACTICE	
CURRENT DURATION	**PROPOSED DURATION**
No specific requirement	In case of members desiring to obtain Certificate of Practice at any point of time, one year of post-qualification experience in a CA firm will be required. In case of existing members, if they have one year of post-qualification experience in a CA firm at any point of time in the last 5 years, one year of post-qualification in a CA firm will not be required.

REASON

A one year post qualification experience is mandated for those applying for COP. Also, members who are in industry and desire to shift to practice would also be required to have a one year experience in a CA firm before they apply for COP. This is to ensure that they acquire the requisite professional skills required to undertake practice, especially in relation to provisions of law and standards, when they desire to opt for practice.



Soft Skills And Information Technology Training

ELIGIBILITY CRITERIA	
CURRENT DURATION	**PROPOSED DURATION**
ICITSS: Before Commencement of Practical Training AICITSS: During the last two years of Practical Training and before appearing in Final Examination.	No Change During the two years of Practical Training and before appearing in Final Examination.

REASON

This change is consequent to change in the duration of practical training.

EXIT ROUTE	
CURRENT DURATION	**PROPOSED DURATION**
A candidate, who has opted for the Accounting Technician level, shall be declared to have passed in that level, if he - (a) passes either of Groups; (b) completes the Orientation Course for such period and in such manner and within such time as may be specified by the Council from time to time; and (c) completes the practical work experience in accounting and related fields for a period not less than twelve months in such manner as may be specified by the Council from time to time.	A candidate would be awarded the certificate of Business Accounting Associate (BAA) on fulfilment of following criteria - 1. If he has passed both groups of intermediate level examination. 2. Completed his practical training, 3. Completed the soft-skills and information technology courses and 4. Qualified the four self-paced online modules [four SETS].

REASON

This change is consequent to the requirement under the new scheme to have qualified both groups of intermediate for commencement of practical training and to have qualified self-paced online modules for being eligible for Final examination.

A BAA certificate holder would possess the requisite accounting and technology skills since he would have



qualified ***both groups*** *of the intermediate examination, undergone the stipulated* ***two year articleship training*** *and completed the soft-skills and information technology courses* ***and qualified the four self-paced online modules.*** *This would cater to the needs of the industry by providing quality accounting and financial support staff.*

NOTES

NOTES

The Institute of Chartered Accountants of India

Members of the 25th Council of ICAI



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President



CA. Aniket Sunil Talati
Vice-President



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CA. Sanjay Kumar Agarwal



CA. Raj Chawla



CA. Hans Raj Chugh



CA. Pramod Jain



CA. Charanjot Singh Nanda



CA. (Dr.) Sanjeev Kumar Singhal

Government Nominees



Shri Sanjay Kumar



Shri Ritvit Ranjanam Pandey



Shri Manoj Pandey



Ms. Ritika Bhatia



Shri Rakesh Jain



Dr. P.C. Jain



Adv. Vijay Kumar Jhalani



Shri Chandra Wadhwa

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Board of Studies (Academic)

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