

STUDENTS CORNER

Highlights of Proposed Chartered Accountancy Course*

The Institute of Chartered Accountants of India (ICAI) has been making continuous efforts to strengthen Education and Training of the students as it considers them the backbone of the profession. The present scheme of Education and Training in force from October 2001 is based largely on the recommendations of the Review Committee (1998). With a view to meeting challenges posed by information revolution, economic reforms and globalization combined with international developments, the Council of the Institute constituted the High Powered Committee on Review of Education and Training (CRET) in May 2003 to ensure that individuals who become professional accountants achieve an agreed level of competence, which is then maintained.

The Council accepted the recommendations made by CRET in respect of new scheme of education and training for the chartered accountancy course and consequently proposed amendments in the Chartered Accountants Regulations, 1988. We give below the highlights of the proposed scheme of Chartered Accountancy Course in terms of the Draft Chartered Accountants Regulations, 2006 amending the Chartered Accountants Regulations, 1988.

I Introduction of Common Proficiency Test (CPT) in lieu of Professional Examination I (PE-I)

- Register for Common Proficiency Test at any time after passing 10th Standard.
- CPT Examination can be taken after appearing for Senior Secondary (12th) Standard Examination.
- Syllabus for CPT will comprise of 4 subjects, viz., Accountancy, Mercantile Law, General Economics, and Quantitative Aptitude.
- CPT will be purely of objective type, in multiple – choice format of 200 marks.
- Minimum pass percentage for the CPT would be 50 per cent marks, subject to the principle of negative marking.
- CPT will be held every three months, throughout the country.

* Readers may note that the Draft Chartered Accountants Regulations 2006 have been notified by the Central Government for public comments. The comments can be sent to the Secretary, The Institute of Chartered Accountants of India, ICAI Bhawan, Indraprastha Marg, New Delhi-110002. Complete details have been hosted on the ICAI website www.icai.org.

- Examination will be held on single day, preferably on Sunday, and result will be declared within 20-25 days.

II Practical Training of 3½ years duration concurrent with Professional Competence Examination (PCE) and Final Examination

- Students who have passed Senior Secondary (12th) examination and CPT are eligible to register for Practical training of 3½ years duration.
- Students who have passed either erstwhile Foundation Examination/PE-I Examination are also eligible to register for practical training of 3½ years duration.
- Eligible to appear for PCE on completion of 18 months of Practical training.
- Complete Information Technology Training before appearing for PCE.
- Undergo General Management & Communication Skills (GMCS) Course after 18 months of practical training and completion of PCE.
- Eligible to appear for Final Examination on completion of 3½ years of practical training and passing of PCE.

The following table shows comparative position of existing and proposed scheme of education and training for chartered accountancy course:

Existing scheme of education and training – 5 year + 3 months duration	Proposed scheme of education and training – 4 year duration
Professional Education-I (PE-I) – 10 months of theoretical education after plus 2 pass.	<ul style="list-style-type: none"> ◆ Common Proficiency Test (CPT)– Registration on passing 10th standard. Appearance in CPT after appearing in plus 2 examination. ◆ Conduct of CPT – every three months.
Professional Education-II (PE-II) – 10 months of theoretical education (on passing of PE-I / After passing Graduation)	Professional Competence Examination (PCE)– <ul style="list-style-type: none"> ◆ CPT and plus 2 pass. ◆ Commencement of articles for 3½ years duration. ◆ Can appear for PCE, on completion of 18 months of practical training. ◆ Concurrent theoretical education
Compulsory Computer Training. During PE-I or PE-II but before registration as articles.	Completion of requisite duration of IT Training before being eligible to appear in PCE.

Article training-cum-Final Course – 3 years (Articles joining only after passing PE-II)	Final course registration only after passing PCE.
First appearance in Final examination – During last six months of training only**.	First appearance in Final examination, only on completion of 3½ years articleship.
Course on General Management and Communication Skills – On completion of 2 years of articles but before becoming a member.	Commencement of General Management and Communication Skills (GMCS) Course after 18 months of practical training, and completion before seeking membership.

*** The Draft Regulations provide that candidates who register for articleship under the existing scheme of 3 years duration of articles and appear as per existing syllabus for Final Course will be eligible to appear in the Final examination during last one year of practical training (instead of last six months of training) so long as Final Examination held under the existing syllabus only. In other words, if such a candidate does not pass the Final Examination under the existing syllabus and consequently appear in the Final Examination under new syllabus he is eligible to appear during the last 6 months of practical training only.*

Transition Arrangements

The transition scheme for the existing PE I and PE II students will be published in the next issue of the Journal.

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As Students are aware, under the existing provisions of Regulation 29A of the Chartered Accountants Regulations, 1988, a candidate is eligible to appear in the Final examination, for the first time, only during the last six months of his practical training. With a view to enable such students to appear in the Final examination, for the first time, during the last 12 months of practical training itself, a suitable amendment was proposed by the Institute, and the Central Government has in-principle approved the same. The relevant details of the draft amendments so approved by the Central Government appears at Regulation 29A [Serial No. (xi)] of the Chartered Accountants (Amendment) Regulations, 2006, which have been hosted in the Institute's website <http://www.icai.org/icairoot/announcements/announ607.pdf> for the purpose of inviting objection/comments from students/members and others.

After the exposure period is over, based on the objection/comments received, the said draft Regulation, along with other draft Regulations notified, will be submitted to the Central Government for its final approval. In the event of approval of the Central Government coming through in advance, i.e., before commencement of the November, 2006 examination, a student who will be otherwise eligible to appear in May, 2007 Final examination (in terms of the existing Regulation 29A) will become eligible to appear in the November, 2006 Final examination itself, subject to his fulfilling other relevant eligibility requirement(s). For further details/relevant status of matter, the examination form for the Final examination to be held in November, 2006 need to be referred to.

It may please be noted that in terms of the proposed Regulations, the said special concession will be available only till such time the Final examination is held under the existing syllabus.