

Annexure 1

**CA- CHARTERED
ACCOUNTANCY-**

with PCC AND IPCC courses

**Professional
Competence Course or
PCC**

**Integrated Professional
Competence Course
(IPCC)**

How to become a Chartered Accountant?

Steps to become a Chartered Accountant

1. Clear 10+2
2. CA Foundation course
3. Integrated course on information technology and soft skills
4. Intermediate courses
5. Articleship.
6. Final course .

01^{Step}

Clear 10+2

Most students of class 10th do not know how to become chartered accountant after 10th. A chartered accountant career path just begins after the 10th. Students must be aware of the fact that their 10+2 subjects have a great role to play in their career prospects. In the case of Chartered Accountancy, commerce students are required to complete 10+2 with an aggregate of 50 per cent marks from a recognized board.

Students of commerce without mathematics are required to complete 10+2 with an aggregate of 55 per cent marks. Students of non-commerce streams are required to complete 10+2 with an aggregate of 60 per cent marks.

02^{Step}

CA Foundation Course

How to become a chartered accountant after 10+2? Well, we have the answer to direct you toward a chartered accountant career path. After appearing in class 10+2 examinations, you may get yourself enrolled in ICAI for the foundation course. After registering for the foundation course, you are required to prepare for at least four months before appearing in the foundation examination. The study material is provided by the ICAI (Institute of Chartered Accountants of India).

Students are required to acquire 100 out of 200 marks in foundation examination to register themselves for the intermediate or IPCC programme.

03^{Step}

Intermediate Course

After successfully qualifying foundation examination, CA students are further required to enrol in ICAI for CA intermediate course.

Direct Entry: Students can directly enrol in intermediate courses without qualifying foundation examination. Candidates who have completed graduation or post-graduation in commerce subjects with an aggregate of 55 per cent of marks can directly enrol in the institute for the intermediate course. Candidates who have completed graduation or post-graduation in non-commerce subjects with an aggregate of 60 per cent marks can enroll directly in the institute for the intermediate course.

Students are required to register for an intermediate course or IPC course nine months before the month in which the IPCC exam is conducted. The IPCC programme comprises seven subjects. Each subject carries 100 marks. To successfully complete the course, students are required to acquire an aggregate of 50 per cent or above. To avoid reappearing in a subject, they need to score 60 out of 100 marks.

Students have to ensure that they have studied for eight months after enrolling in an intermediate course in order to be eligible to appear for the intermediate examination.

04^{Step}

Integrated Course on Information Technology and Soft Skills

Chartered accountancy students are required to complete four weeks of special training which is known as the Integrated Course on Information Technology and Soft Skills ICITSS. This is done after the intermediate examination and before the start of the articled training.

05^{Step}

Articleship

Students are required to undergo three years of training or articleship under a certified chartered accountant or CA after clearing the IPCC examination. The certified chartered accountant must have a working experience of 10 to 15 years. He or she should not have more than eight articles working under him or her.

06^{Step}

Final Course

In the final course, students have to train for four weeks in Advanced Integrated Course on Information Technology and Soft Skills (AICITSS).

This takes place during the articulated training period but before the final examination. The student can appear for the final examination after completing the articulated training or in the last six months of the training period. Those who clear the examination are registered with the ICAI and become chartered accountants.

The minimum period for a person entering a Chartered Accountant Course after 10+2 (i.e. via CPT Route) is 4.5 years. The minimum length of the Chartered Accountancy Course (i.e. via Direct Entry Scheme) for an individual entering after graduation is three years.

Syllabus

CA FOUNDATION

PAPER – 1 : PRINCIPLES AND PRACTICE OF ACCOUNTING

(One paper – Three hours – 100 Marks)

Objective:

To develop an understanding of the basic concepts and principles of accounting and acquire the ability to apply the same in preparing financial statements and simple problem solving.

Contents:

1. Theoretical Framework

- (i) Meaning and Scope of accounting**
- (ii) Accounting Concepts, Principles and Conventions**
- (iii) Accounting terminology - Glossary**
- (iv) Capital and revenue expenditure, Capital and revenue receipts, Contingent assets and contingent liabilities**
- (v) Accounting Policies**
- (vi) Accounting as a Measurement Discipline – Valuation Principles, Accounting Estimates.**
- (vii) Accounting Standards – Concepts and Objectives.**
- (viii) Indian Accounting Standards – Concepts and Objectives.**

2. *Accounting Process*

(i) Books of Accounts

(ii) Preparation of Trial Balance

(iii) Rectification of Errors.

3. *Bank Reconciliation Statement*

Introduction, reasons, preparation of bank reconciliation statement.

4. *Inventories*

Cost of inventory, Net realizable value, Basis and technique of inventory valuation and record keeping.

5. *Concept and Accounting of Depreciation*

Concepts, Methods of computation and accounting treatment of depreciation, Change in depreciation methods.

6. *Accounting for Special Transactions*

(i) Bills of exchange and promissory notes

Meaning of Bills of Exchange and Promissory Notes and their Accounting Treatment; Accommodation bills.

(ii) *Sale of goods on approval or return basis*

Meaning of goods sent on approval or return basis and accounting treatment.

(iii) *Consignments*

Meaning and Features of consignment business, Difference between sale and consignment, Accounting treatments for consignment transactions and events in the books of consignor and consignee.

(iv) *Average due Date*

Meaning, Calculation of average due date in various situations.

(v) *Account Current*

Meaning of Account Current, Methods of preparing Account Current.

7. *Final Accounts of Sole Proprietors*

Elements of financial statements, Closing Adjustment Entries, Trading Account, Profit and Loss Account and Balance Sheet of Manufacturing and Non-manufacturing entities.

8. Partnership Accounts

(i) Final Accounts of Partnership Firms

(ii) Admission, Retirement and Death of a Partner including Treatment of Goodwill

(iii) Introduction to LLPs and Distinction of LLPs from Partnership.

9. Financial Statements of Not-for-Profit Organizations

Significance of Receipt and Payment Account, Income and Expenditure Account and Balance Sheet, Difference between Profit and Loss Account and Income and Expenditure Account. Preparation of Receipt and Payment Account, Income and Expenditure Account and Balance Sheet.

10. Introduction to Company Accounts

(i) Definition of shares and debentures

(ii) Issue of shares and debentures, forfeiture of shares, re-issue of forfeited shares

(iii) Statement of Profit and Loss and Balance Sheet as per Schedule III to the Companies Act, 2013.

PAPER -2 : BUSINESS LAWS AND BUSINESS CORRESPONDENCE AND REPORTING

(One paper – Three hours – 100 Marks)

SECTION A: BUSINESS LAWS (60 MARKS)

Objective:

To develop an understanding of significant provisions of select business laws and acquire the ability to address basic application-oriented issues.

Contents

- 1. The Indian Contract Act, 1872: An overview of Sections 1 to 75 covering the general nature of contract, consideration, other essential elements of a valid contract, performance of contract, breach of contract, Contingent and Quasi Contract.**
- 2. The Sale of Goods Act, 1930: Formation of the contract of sale, Conditions and Warranties, Transfer of ownership and delivery of goods, Unpaid seller and his rights.**
- 3. The Indian Partnership Act, 1932: General Nature of Partnership, Rights and duties of partners, Reconstitution of firms, Registration and dissolution of a firm.**

4. **The Limited Liability Partnership Act, 2008: Introduction-covering nature and scope, Essential features, characteristics of LLP, Incorporation and differences with other forms of organizations.**
5. **The Companies Act, 2013: Essential features of company, corporate veil theory, Classes of companies, types of share capital, Incorporation of company, Memorandum of Association, Articles of Association, Doctrine of Indoor Management**

Note: If new legislations are enacted in place of the existing legislations, the syllabus would include the corresponding provisions of such new legislations with effect from dates notified by the Institute.

**SECTION B : BUSINESS CORRESPONDENCE AND REPORTING
(MARKS 40)**

Objective:

To acquire and develop good communication skills requisite for business correspondence and reporting

Part – I: Communication

1. Communication

- (i) Types**
- (ii) Directions**
- (iii) Network**
- (iv) Process**
- (v) Problems**
- (vi) Barriers**
- (vii) Types of Communication**
 - a) Interpersonal Skills**
 - b) Listening Skills**
 - c) Emotional Intelligence**
- (viii) Sample Questions with Answers**
- (ix) Exercises.**

Part – II : Sentence Types and Word Power

2. Sentence Types (Direct-Indirect, Active -Passive Speech)

- (i) Sentence: Definition**
- (ii) Classification of sentence based on connotation**
 - a) Assertive sentences**
 - b) Interrogative sentences**
 - c) Imperative sentences**
 - d) Exclamatory sentences**
 - e) Optative sentences**
- (iii) Sentence Structure**
 - a) Subject and Predicate**
 - b) Verb (Auxiliary, Finite)**
 - c) Object (Direct, Indirect)**

d) Complement

e) Adjunct or Adverbial

f) Clause Structure

g) Types of Clauses

- **Independent clauses**
- **Dependent clauses**
- **Relative or noun clauses**

(iv) Types of sentences

- a) Simple sentence**
- b) Compound sentence**
- c) Complex sentence**
- d) Compound-complex sentence**

(v) Direct-Indirect Speech

- a) Introduction**
- b) Procedure for converting Direct speech into Indirect speech**
 - **Rules for converting Direct speech into Indirect speech**
 - **Change in pronouns**
 - **Change in tenses**
 - **Change in modals**
 - **Changes for Imperative sentences**
 - **Changes for Exclamatory sentences**
 - **Changes for Interrogative sentences**
 - **Punctuation in Direct speech**
- c) Rules for converting Indirect speech into Direct speech**

(vi) Active Passive Voice: Introduction

- a) Usage: Active vs. passive voice**
- b) Reasons for using Passive voice**

- c) **Changing Passive voice to Active voice**
- d) **Changing Active voice to Passive voice**
- e) **Suggestions for using Active and Passive voice**
- (vii) Verbs Voice Active or passive**
- (viii) Exercises**
 - 3. *Vocabulary Root Words, Synonyms, Antonyms, Prefixes, Suffixes), Phrasal verbs, Collocations and Idioms.*
- (i) Introduction**
- (ii) Significance of improving vocabulary**
- (iii) How to improve vocabulary**
- (iv) Root words**
- (v) Synonyms and Antonyms**
- (vi) Words formed by using Prefixes**
- (vii) Words formed by using Suffixes**
- (viii) Phrasal verbs**
- (ix) Collocations**
- (x) Idioms**
- (xi) Exercises**

Part – III: Comprehension Passages and Note Making

- 4. *Comprehension Passages*
 - (i) Introduction to Comprehension Passages**
 - (ii) Points to ponder**
 - (iii) Sample Passages with answers**
 - (iv) Exercises**
- 5. *Note Making*
 - (i) Introduction to Note Making**
 - (ii) Significance of Note Making**
 - (iii) Detailed Format Heading (Title)**

- a) **Sub-heading**
 - b) **Indentation**
 - c) **Points**
 - d) **Use of abbreviations**
 - e) **Summary**
 - f) **Content**
 - g) **Expression**
- (iv) **Steps to Comprehend and summarize text**
 - (v) **Helpful Hints**
 - (vi) **Sample Passages with Notes**
 - (vii) **Exercises**

Part – IV: Developing Writing Skills

6. Introduction to Basic Writing

- (i) **Introduction**
- (ii) **Process of writing**
- (iii) **Styles of Writing**
- (iv) **Significance of writing skills for students**
- (v) **Writing Conventions**
- (vi) **Characteristics of good writing**
- (vii) **Dos and Don'ts of good writing**

7. Précis Writing

- (i) **What is Précis writing?**
- (ii) **Features of good Précis writing**
- (iii) **How to write a Précis**
- (iv) **Do's and Don'ts of Précis writing**
- (v) **Examples (Passages with Précis)**
- (vi) **Exercises**

8. Article Writing

- (i) What is an article?**
- (ii) Essential elements of Article Writing**
- (iii) Detailed Format**
 - a) Title**
 - b) By- Writer's Name**
 - c) Body**
 - **Introduction**
 - **Main Idea-Support**
 - **Conclusion**
 - d) Sample Articles**
 - e) Exercises**

9. Report Writing

- (i) What is a Report?**
- (ii) Essential elements of Report Writing**
- (iii) Kinds of Reports**
 - a) Reporting for a Meeting/Assembly**
 - b) Reporting for a Newspaper**
 - c) Reporting for a Magazine**
- (iv) Detailed Format for (iii) above**
 - a) Title**
 - b) By- Writer's Name**
 - c) Place, Date**
 - d) Body**
 - **What**
 - **When**
 - **Where**
 - **Who**
 - **How**
 - e) Tips and Conventions of Report Writing**
 - f) Sample Reports**
 - g) Exercises**

10. Writing Formal Letters

- (i) Types of Letters**
 - a) Circulars**
 - b) Complaints**
 - c) Memos**
 - d) Promotional Content**
 - e) Sales**
 - f) Recovery/Remittances**
- (ii) Detailed format for (i) above**
 - a) Date**
 - b) Salutation**
 - c) Subject**
 - d) Body of the letter**
 - First paragraph**
 - Second paragraph**
 - e) Complimentary Closure**
- (iii) Points to Remember**
- (iv) Sample Letters**
- (v) Exercises**

11. Writing Formal Mails

- (i) How to Write a Formal Mail?**
- (ii) Writing Effective Mails**
- (iii) Essential elements of Mails**
 - a) Subject line**
 - b) Formal Greetings**
 - c) Target Audience (Reader)**
 - d) Clarity and Conciseness**
 - e) Formal Closing**
 - f) Proof read**
 - g) Feedback**

(iv) Tips and Conventions of Mails

(v) Sample Mails

(vi) Exercises

12. Resume Writing

(i) Essential Elements of Resume

- a) Name and contact details**
- b) Objective Summary**
- c) Academic Qualifications and Achievements**
- d) Co-curricular Achievements**
- e) Training Programs attended/completed**
- f) Strengths**
- g) Interests/Hobbies**
- h) Declaration**
- i) Signature**

(ii) Resume Writing Tips and Conventions

(iii) Sample Resumes

(iv) Exercises

13. Meetings

(i) Notice

(ii) Agenda

(iii) Drafting minutes

(iv) Action Taken Report

PAPER –3: BUSINESS MATHEMATICS, LOGICAL REASONING AND STATISTICS

(One paper – Two hours – 100 Marks)

Objective:

- (a) To develop an understanding of the basic mathematical and statistical tools and their application in Business, Finance and Economics.**
- (b) To develop logical reasoning skills and apply the same in simple problem solving.**

Contents:

Part – A. Business Mathematics (40 Marks)

1. Ratio and Proportion, Indices and Logarithms

Ratio and Proportion (Business Applications related to Ration and Proportion) Laws of Indices, Exponents and Logarithms and Anti Logarithms.

2. Equations

Simultaneous linear equations up to three variables, Quadratic and Cubic equations in one variable.

3. Linear Inequalities with Objective Functions and Optimization w.r.t. objective function.

4. Time value of Money

- (i) Simple Interest**
- (ii) Compound interest**
- (iii) Depreciation**
- (iv) Effective Rate of Interest**
- (v) Present Value**
- (vi) Net Present Value**
- (vii) Future Value**
- (viii) Perpetuity**
- (ix) Annuities**
- (x) Sinking Funds**
- (xi) Valuation of Bonds**

(xii) Calculating of EMI

(xiii) Calculations of Returns:

- a) Nominal Rate of Return**
- b) Effective Rate of Return**
- c) Compound Annual growth rate (CAGR)**

5. Permutations and Combinations

Basic concepts of Permutations and Combinations: Introduction, the Factorial, Permutations, results, Circular Permutations, Permutations with restrictions, Combinations with standard results.

6. Sequence and Series

Introduction Sequences, Series, Arithmetic and Geometric progression, Relationship between AM and GM and Sum of n terms of special series

7. Sets, Relations and Functions

- 8. Basic applications of Differential and Integral calculus (Excluding the trigonometric applications), Applications of Marginal Cost and Marginal Revenue etc.,**

Part – B: Logical Reasoning (20 Marks)

- 1. Number series, Coding and Decoding and odd man out.**
- 2. Direction Tests**
- 3. Seating Arrangements**
- 4. Blood Relations**

Part – C: Statistics (40 Marks)

1. *Statistical description of Data*

Statistical Representation of Data, Diagrammatic representation of data, Frequency distribution, Graphical representation of Frequency Distribution – Histogram, Frequency Polygon, Ogive, Pie-chart.

2. *Measures of Central tendency and Dispersion*

Measures of Central Tendency and Dispersion: Mean Median, Mode, Mean Deviation, Quartiles and Quartile Deviation, Standard Deviation, Co-efficient of Variation, Coefficient of Quartile Deviation.

3. *Probability*

Probability: Independent and dependent events; mutually exclusive events. Total and Compound Probability and Mathematical Expectation.

4. *Theoretical Distributions*

Theoretical Distributions: Binomial Distribution, Poisson distribution – Basic application and Normal Distribution – Basic applications.

5. *Correlation and Regression*

Correlation and Regression: Scatter diagram, Karl Pearson's Coefficient of Correlation Rank Correlation, Probable Error and Probable limits. Regression lines, Regression equations, Regression coefficients.

6. *Index Numbers*

Uses of Index Numbers, Problems involved in construction of Index Numbers, Methods of construction of Index Numbers.

PAPER – 4: BUSINESS ECONOMICS AND BUSINESS AND COMMERCIAL KNOWLEDGE

(One paper – Two hours – 100 Marks)

PART I: BUSINESS ECONOMICS (60 Marks)

Objective:

To develop an understanding of the concepts and theories in Business Economics and apply such concepts and theories in simple problem solving.

1. *Introduction to Business Economics*
 - (i) **Meaning and scope of Business Economics**
 - (ii) **Basic Problems of an Economy and Role of Price Mechanism.**
2. *Theory of Demand and Supply*
 - (i) **Meaning and determinants of demand, Law of demand and Elasticity of demand –
Price, income and cross elasticity**
 - (ii) **Theory of consumer's behaviour – Marshallian approach and Indifference curve approach**
 - (iii) **Meaning and determinants of supply, Law of supply and Elasticity of supply.**
 - (iv) **Demand Forecasting**
3. *Theory of Production and Cost*
 - (i) **Meaning and Factors of production**
 - (ii) **Laws of Production – The Law of Variable proportions and Laws of Returns to Scale,
Producer's equilibrium**
 - (iii) **Concepts of Costs – Short-run and long-run costs, Average and marginal costs, Total, fixed and variable costs.**
4. *Price Determination in Different Markets*
 - (i) **Various forms of markets – Perfect Competition, Monopoly, Monopolistic Competition and Oligopoly**
 - (ii) **Price determination in these markets.**
5. *Business Cycles*
 - (i) **Meaning**
 - (ii) **Phases**
 - (iii) **Features.**
 - (iv) **Causes behind these Cycles**

PART – II : BUSINESS AND COMMERCIAL KNOWLEDGE (40 MARKS)

Objective:

To develop an understanding of common business and commercial concepts and to keep abreast with developments in the business and commercial world.

Contents:

1. Business and Commercial Knowledge – An Introduction

Nature of Business, Profession and Employment. Objectives of Business. Economic and Non-Economic Activities, Forms of Business Organizations.

2. Business Environment

Micro and Macro Environment, Elements of Micro Environment – Consumers/Customers, Competitors, Organization, Market, suppliers, Intermediaries, Elements of Macro Environment – Demographic, Economic, Political-legal, Socio-cultural, Technological, Global Environment.

3. Business Organizations

Overview of selected Indian and Global Companies.

4. Government Policies for Business Growth

Policies creating conducive business environment such as Liberalization, Privatization, Foreign Direct Investment.

5. Organizations Facilitating Business

(i) Indian Regulatory Bodies – RBI, SEBI, CCI, IRDAI

(ii) Indian Development Banks – NABARD

6. Common Business Terminologies

(i) Finance and Stock & Commodity Markets Terminology.

(ii) Marketing Terminology.

(iii) Banking Terminology.

(iv) Other Business Terminology.

Note: Students are expected to read at least one financial newspaper and one business magazine on a regular basis. They may also watch a business channel to remain updated about the developments related to commercial world.

The following applicants are eligible to apply via the CA Direct Entry Scheme Route:

1. The minimum grade for commerce graduates/postgraduates was 55%, whereas the minimal mark for other graduates/postgraduates was 60 %.

2. Candidates have passed the Institute of Companies Secretaries of India (ICSI) or the Indian Institute of Cost Accountants (IIC) Intermediate level examinations

To pass the CA Foundation Exam, candidates must secure a minimum of 40% marks in each subject and an overall score of 50%.

CA INTERMEDIATE

PAPER 1 – ACCOUNTING

(One paper – Three hours – 100 Marks)

To acquire the ability to apply specific accounting standards and legislations to different transactions and events and in preparation and presentation of financial statements of various business entities.

Contents:

1. **Process of formulation of Accounting Standards including Ind AS (IFRS converged standards) and IFRSs; convergence vs adoption; objective and concepts of carve outs.**
2. *Framework for Preparation and Presentation of Financial Statements (as per Accounting Standards).*
3. Applications of Accounting Standards:
 - AS 1: Disclosure of Accounting Policies
 - AS 2: Valuation of Inventories
 - AS 3: Cash Flow Statements
 - AS 10: Property, Plant and Equipment
 - AS 11: The Effects of Changes in Foreign Exchange Rates
 - AS 12: Accounting for Government Grants
 - AS 13: Accounting for Investments
 - AS 16: Borrowing Costs
4. *Company Accounts*
 - (i) **Preparation of financial statements – Statement of Profit and Loss, Balance Sheet and Cash Flow Statement;**
 - (ii) **Managerial Remuneration;**
 - (iii) **Profit (Loss) prior to incorporation;**
 - (iv) **Accounting for bonus issue and right issue;**

 - (v) **Redemption of preference shares;**
 - (vi) **Redemption of debentures.**
5. *Accounting for Special Transactions:*
 - (i) **Investment;**

- (ii) Insurance claims for loss of stock and loss of profit;
 - (iii) Hire- purchase and Instalment sale transactions.
6. *Special Type of Accounting*
- (i) Departmental Accounting;
 - (ii) Accounting for Branches including foreign branches;
 - (iii) Accounts from Incomplete Records.
7. **Note :** If either new Accounting Standards (AS), Announcements and Limited Revisions to AS are issued or the earlier ones are withdrawn or new AS, Announcements and Limited Revisions to AS are issued in place of existing AS, Announcements and Limited Revisions to AS, the syllabus will accordingly include / exclude such new developments in the place of the existing ones with effect from the date to be notified by The institute.

PAPER – 2: CORPORATE AND OTHER LAWS

(One paper – Three hours - 100 Marks)

PART I – COMPANY LAW (60 MARKS)

Objective:

To develop an understanding of the provisions of company law and acquire the ability to address application-oriented issues.

Contents:

The Companies Act, 2013 – Sections 1 to 148

1. Preliminary
2. Incorporation of Company and Matters Incidental thereto
3. Prospectus and Allotment of Securities
4. Share Capital and Debentures
5. Acceptance of Deposits by companies
6. Registration of Charges
7. Management and Administration
8. Declaration and payment of Dividend
9. Accounts of Companies
10. Audit and Auditors

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

PART II- OTHER LAWS (40 MARKS)

Objectives:

- (a) To develop an understanding of the provisions of select legislations and acquire the ability to address application-oriented issues.**
- (b) To develop an understanding of the rules for interpretation of statutes**

- 1. The Indian Contract Act, 1872 (Specific contracts covered from section 123 onwards): Contract of Indemnity and Guarantee, Bailment, Pledge, Agency**

2. **The Negotiable Instruments Act, 1881***: Meaning of Negotiable Instruments, Characteristics, Classification of Instruments, Different provisions relating to Negotiation, Negotiability, Assignability, Right and Obligation of parties, presentment of Instruments, Rules of Compensation
3. **The General Clauses Act, 1897**: Important Definitions, Extent and Applicability, General Rules of Construction, Powers and Functionaries, Provisions as to Orders, Rules, etc. made under Enactments, Miscellaneous
4. **Interpretation of statutes**: Rules of Interpretation of statutes, Aids to interpretation, Rules of Interpretation/construction of Deeds and Documents

* Certain topics have been excluded by way of Study Guidelines

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

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

PAPER – 3: COST AND MANAGEMENT ACCOUNTING

(One Paper- Three hours- 100 Marks)

Objectives:

- (a) To develop an understanding of the basic concepts and applications to establish the cost associated with the production of products and provision of services and apply the same to determine prices.
- (b) To develop an understanding of cost accounting statements.
- (c) To acquire the ability to apply information for cost ascertainment, planning, control and decision making.

Contents:

1. Overview of Cost and Management Accounting

(i) Introduction to Cost and Management Accounting

- a) Objectives and Scope of Cost and Management Accounting,
- b) The users of Cost and Management accounting information, Functions of management accounting.
- c) Role of cost accounting department in an organisation and its relation with other departments.
- d) Installation of Costing System
- e) Relationship of Cost Accounting, Financial Accounting, Management Accounting and Financial Management.
- f) Cost terms and Concepts
- g) Cost Reduction and Cost Control
- h) Elements of Costs
- i) Cost behavior pattern, Separating the components of fixed, variable, semi-variable and step costs.
- j) Methods of Costing, Techniques of Costing.
- k) Cost Accounting with use of Information Technology.

(ii) Elements of Cost and preparation of Cost Sheets

- a) Functional classification and ascertainment of cost
 - b) Preparation of Cost Sheets for Manufacturing sector and for Service sector
- #### 2. Ascertainment of Cost and Cost Accounting System

(i) Material Cost

- a) Procurement procedures- Store procedures and documentation in respect of receipts and issue of stock, Stock verification,
- b) Valuation of material receipts,
- c) Inventory control-
 - Techniques of fixing level of stocks- minimum, maximum, re-order

- point, safety stock, determination of optimum stock level,
 - Determination of Optimum Order quantity- Economic Order Quantity (EOQ),
 - Techniques of Inventory control- ABC Analysis, Fast, Slow moving and Non-moving (FSN), High, Medium, Low (HML), Vital, Essential, Desirable (VED), Just-in-Time (JIT)- Stock taking and perpetual inventory system, use of control ratios,
- d) Inventory Accounting
- (ii) Employee Cost*
- a) Attendance and Payroll procedures-
- Elements of wages- Basic pay, Dearness Allowance, Overtime, Bonus, Holiday and leave wages, Allowances and perquisites.
- b) Employee Cost Control
- c) Employee Turnover- Methods of calculating employee turnover, causes of employee turnover, effects of employee turnover.
- d) Utilisation of Human Resource, Direct and indirect employee Cost, charging of employee cost, Identifying employee hours with work orders or batches or capital jobs.
- e) Remuneration systems and incentive schemes- Premium Bonus Method (Halsey Plan and Rowan Plan)
- (iii) Overheads*
- a) Functional analysis- Factory, Administration, Selling, Distribution, Research and Development.
- b) Behavioural analysis- Fixed, Variable and Semi- Variable.
- c) Allocation and Apportionment of overheads using Absorption Costing Method.

- d) **Factory Overheads-** Primary and secondary distribution,
- e) **Administration Overheads-** Method of allocation to cost centres or products,
- f) **Selling & Distribution Overheads-** Analysis and absorption of the expenses in products/ customers, impact of marketing strategies, cost effectiveness of various methods of sales promotion.
- g) **Treatment of Research and development cost in cost accounting.**
(iv) Concepts of Activity Based Costing (ABC)

(v) Recording and Accounting of Costs

- a) **Non-integrated Cost Accounting system-** Ledger under non-integral system
- b) **Integrated (Cost and Financial) Accounting system-** Ledgers under integral system.
- c) **Difference between the Non- integrated and Integrated Accounting system.**
- d) **Reconciliation of profit as per Cost and Financial Accounts (under Non-Integrated Accounting System).**

3. Methods of Costing

(i) Single Output/ Unit Costing

(ii) Job Costing: Job cost cards and databases, collecting direct costs of each job, attributing overheads to jobs, Application of job costing.

(iii) Batch Costing: Determination of optimum batch quantity, Ascertainment of cost for a batch, Preparation of batch cost sheet, Treatment of spoiled and defective work.

(iv) Contract Costing

- a) **Ascertainment of cost of a contract, Progress payment, Retention money, Escalation clause, Cost plus contract, Value of work certified, Cost of Work not certified.**
- b) **Determination Value of work certified, Cost of work not certified, Notional or Estimated profit from a contract.**

(v) Process/ Operation Costing

- a) **Process cost recording, Process loss, Abnormal gains and losses, Equivalent units of production, Inter-process profit, Valuation of work in process.**
- b) **Joint Products-** Apportionment of joint costs, Methods of apportioning joint cost over joint products,

- c) **By-Products-** Methods of apportioning joint costs over by-products, treatment of By-product cost.

(vi) Costing of Service Sectors

- a) **Determination of Costs and Prices of services.**

4. Cost Control and Analysis

(i) Standard Costing

- a) **Setting up of Standards, Types of Standards, Standard Costing as method of performance measurement.**

- b) **Calculation and Reconciliation of Cost Variances-**

- **Material Cost Variance, employee Cost Variance, Variable Overheads Variance and Fixed Overhead Variance.**

(ii) Marginal Costing

- a) **Basic concepts of marginal costing, Contribution margin, Break-even analysis, Break –even and profit volume charts, Contribution to sales ratio, Margin of Safety, Angle of Incidence, Cost-Volume-Profit Analysis (CVP), Multi- product break- even analysis, Consideration of Limiting factor (key factor),**

- b) **Determination of Cost of a product/ service under marginal costing method, determination of cost of finished goods, work-in-progress,**

- c) **Comparison of Marginal costing with absorption costing method- Reconciliation of profit under the both methods,**

- d) **Short term decision making using the above concepts (basic / fundamental level).**

(iii) Budget and Budgetary Control

- a) **Meaning of Budget, Essentials of Budget, Budget Manual, Budget setting process, Preparation of Budget and monitoring procedures.**

- b) **The use of budget in planning and control**

- c) **Flexible budget, Preparation of Functional budget for operating and non-operating functions, Cash budget, Master budget,**

- d) **Introduction to Principal/ Key budget factor, Zero Based Budgeting (ZBB), Performance budget, Control ratios and Budget variances.**

**PAPER – 4 :
TAXATION**

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

To develop an understanding of the provisions of income-tax law and goods and services tax law and to acquire the ability to apply such knowledge to make computations and address application oriented issues.

SECTION A: INCOME TAX LAW (60 MARKS)

Contents:

1. *Basic Concepts*
 - (i) Income-tax law: An introduction
 - (ii) Important definitions in the Income-tax Act, 1961
 - (iii) Concept of previous year and assessment year
 - (iv) Basis of Charge and Rates of Tax
2. *Residential status and scope of total income*
 - (i) Residential status
 - (ii) Scope of total income
3. *Incomes which do not form part of total income (other than charitable trusts and institutions, political parties and electoral trusts)*
 - (i) Incomes not included in total income
 - (ii) Tax holiday for newly established units in Special Economic Zones
4. *Heads of income and the provisions governing computation of income under different heads*
 - (i) Salaries
 - (ii) Income from house property
 - (iii) Profits and gains of business or profession
 - (iv) Capital gains
 - (v) Income from other sources

5. *Income of other persons included in assessee's total income*
 - (i) **Clubbing of income: An introduction**
 - (ii) **Transfer of income without transfer of assets**
 - (iii) **Income arising from revocable transfer of assets**
 - (iv) **Clubbing of income of income arising to spouse, minor child and son's wife in certain cases**
 - (v) **Conversion of self-acquired property into property of HUF**
6. *Aggregation of income; Set-off, or carry forward and set-off of losses*
 - (i) **Aggregation of income**
 - (ii) **Concept of set-off and carry forward and set-off of losses**
 - (iii) **Provisions governing set-off and carry forward and set-off of losses under different heads of income**
 - (iv) **Order of set-off of losses**
7. *Deductions from gross total income*
 - (i) **General provisions**
 - (ii) **Deductions in respect of certain payments**
 - (iii) **Specific deductions in respect of certain income**
 - (iv) **Deductions in respect of other income**
 - (v) **Other deductions**
8. *Computation of total income and tax liability of individuals*
 - (i) **Income to be considered while computing total income of individuals**
 - (ii) **Procedure for computation of total income and tax liability of individuals**
9. *Advance tax, tax deduction at source and introduction to tax collection at source*
 - (i) **Introduction**
 - (ii) **Direct Payment**
 - (iii) **Provisions concerning deduction of tax at source**
 - (iv) **Advance payment of tax**
 - (v) **Interest for defaults in payment of advance tax and deferment of advance tax**

- (vi) Tax collection at source – Basic concept
- (vii) Tax deduction and collection account number
- 10. *Provisions for filing return of income and self-assessment*
 - (i) Return of Income
 - (ii) Compulsory filing of return of income
 - (iii) Fee and Interest for default in furnishing return of income
 - (iv) Return of loss
 - (v) Provisions relating to belated return, revised return etc.
 - (vi) Permanent account number
 - (vii) Persons authorized to verify return of income
 - (viii) Self-assessment

SECTION B – INDIRECT TAXES (40 MARKS)

Contents:

- 1. *Concept of indirect taxes*
 - (i) Concept and features of indirect taxes
 - (ii) Principal indirect taxes
- 2. *Goods and Services Tax (GST) Laws*
 - (i) GST Laws: An introduction including Constitutional aspects
 - (ii) Levy and collection of CGST and IGST
 - a) Application of CGST/IGST law
 - b) Concept of supply including composite and mixed supplies
 - c) Charge of tax including reverse charge
 - d) Exemption from tax
 - e) Composition levy
 - (iii) Basic concepts of time and value of supply
 - (iv) Input tax credit
 - (v) Computation of GST liability
 - (vi) Registration

- (vii) Tax invoice; Credit and Debit Notes; Electronic way bill
- (viii) Returns
- (ix) Payment of tax

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

Consequential/corresponding amendments made in the provisions of the Income-tax law and Goods and Services Tax laws covered in the syllabus of this paper which arise out of the amendments made in the provisions not covered in the syllabus will not form part of the syllabus. Further, the specific inclusions/exclusions in the various topics covered in the syllabus will be effected every year by way of Study Guidelines. The specific

The above syllabus does not specify the exclusions from the syllabus

inclusions/exclusions may also arise due to additions/deletions every year by the annual Finance Act.

way of Study Guidelines. Therefore, Study Guidelines need to be referred to exclusions from the syllabus.

**GROUP II- PAPER 5: ADVANCED
ACCOUNTING**

**Objective
s:** (One paper – Three hours – 100 Marks)

1. To acquire the ability to apply specific Accounting Standards and legislations to different transactions and events and in preparation and presentation of financial statements of business entities;
2. To understand and apply financial reporting and regulatory requirements of Banking Companies and NBFCs.

Contents:

1. **Application of Accounting Standards:**

- | | | |
|-----------|-------------|---|
| AS | 4 : | Contingencies and Events Occurring After the Balance Sheet Date |
| AS | 5 : | Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies |
| AS | 7 : | Construction Contracts |
| AS | 9 : | Revenue Recognition |
| AS | 14 : | Accounting for Amalgamations |
| AS | 17 : | Segment Reporting |
| AS | 18 : | Related Party Disclosures |
| AS | 19 : | Leases |
| AS | 20 : | Earnings Per Share |
| AS | 22: | Accounting for Taxes on Income |
| AS | 24 : | Discontinuing Operations |
| AS | 26 : | Intangible Assets |
| AS | 29 : | Provisions, Contingent Liabilities and Contingent Assets. |

2. *Special Aspects of Company Accounts*

- (i) Accounting for employee stock option plan;
- (ii) Buy back of securities;

- (iii) Equity shares with differential rights.
- 3. *Reorganization and liquidation of Companies*
 - (i) Accounting for amalgamation (excluding inter-company holding) and reconstruction;
 - (ii) Accounting involved in liquidation of companies.
- 4. *Banking Companies and Non-Banking Financial Companies and regulatory requirements thereof.*
- 5. **Consolidated Financial Statements**

Concept of consolidation and simple problems on Consolidated Financial Statements with single subsidiary (excluding problems involving acquisition of Interest in Subsidiary at Different Dates; Different Reporting Dates of Holding and Subsidiary; Disposal of a Subsidiary and Foreign Subsidiaries).
- 6. *Dissolution of partnership firms including piecemeal distribution of assets; Amalgamation of partnership firms; Conversion of partnership firm into a company and Sale to a company; Issues related to accounting in Limited Liability Partnership.*

Notes :

- 1. If either new Accounting Standards (ASs), Announcements and Limited Revisions to ASs are issued or the earlier ones are withdrawn or new ASs, Announcements and Limited Revisions to AS are issued in place of existing ASs, Announcements and Limited Revisions to AS, the syllabus will accordingly include / exclude such new developments in the place of the existing ones with effect from the date to be notified.
- 2. The specific exclusions, in any topic covered in the syllabus, will be effected, if any, by way of Study Guidelines.

PAPER 6: AUDITING AND ASSURANCE (100 MARKS)

Objective (One paper – Three hours – 100 Marks)
:

To develop an understanding of the concepts in auditing and of the generally accepted auditing procedures, techniques and skills and acquire the ability to apply the same in audit and attestation engagements.

1. Nature, Objective and Scope of Audit

Auditing Concepts: Nature, objective and scope of Audit; Relationship of auditing with other disciplines;

Standard Setting Process: Overview, Standard-setting process, Role of International Auditing and Assurance Standards Board (IAASB) & Auditing and Assurance Standards Board (AASB); Standards on Auditing, Guidance Note(s) issued by the ICAI;

Engagement Standards: Qualities of Auditor, Elements of System of Quality Control (SQC 1 Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements); Ethical requirements relating to an audit of financial statements; Inherent Limitations of an audit (SA 200 Overall Objectives of the Independent Auditor and the Conduct of an Audit in Accordance with Standards on Auditing); Preconditions for an audit; Audit Engagement; Agreement on Audit Engagement Terms; Terms of Engagement in Recurring Audits (SA 210 Agreeing the Terms of Audit Engagements); Leadership Responsibilities for Quality on Audits; Concept of Auditor's Independence; Threats to Independence; Acceptance and Continuance of Client Relationships and Audit Engagements (SA 220 Quality Control for an Audit of Financial Statements).

2. Audit Strategy, Audit Planning and Audit Programme: Audit Strategy; Audit planning (SA 300 Planning an Audit of Financial statements); Audit programme; Development of Audit Plan and Programme, Control of quality of audit work - Delegation and supervision of audit work; Materiality and Audit Plan; Revision of Materiality; Documenting the Materiality; Performance Materiality (SA 320 Materiality in Planning and Performing an Audit).

3. Audit Documentation and Audit Evidence: Concept of Audit Documentation; Nature & Purpose of Audit Documentation; Form, Content & Extent of Audit Documentation; Completion Memorandum; Ownership and custody of Audit Documentation (SA 230 Audit Documentation); Audit procedures for obtaining audit evidence; Sources of evidence; Relevance and Reliability of audit evidence; Sufficient appropriate audit evidence, Evaluation of Audit Evidence (SA 500 Audit Evidence); Written

Representations as Audit Evidence; Objective of Auditor regarding Written Representation; Management from whom Written Representations may be requested; Written Representations about Management's Responsibilities (SA 580 Written Representations); Obtaining evidence of existence of inventory; Audit procedure to identify litigation & claims (SA 501 Audit Evidence - Specific Considerations for Selected Items); External confirmation procedures; Management's refusal to allow the auditor to send a confirmation request; Negative Confirmations (SA 505 External Confirmations); Audit evidence about opening balances; Accounting policies relating to opening balances; Reporting with regard to opening balances (SA 510 Initial Audit Engagements-Opening Balances); Meaning of Related Party; Nature of Related Party Relationships & Transactions; Understanding the Entity's Related Party Relationships & Transactions (SA 550 Related Parties); Meaning of Subsequent Events; Auditor's obligations in different situations of subsequent events (SA 560 Subsequent Events); Responsibilities of the Auditor with regard to Going Concern Assumption; Objectives of the Auditor regarding Going Concern; Events or Conditions that may cast doubt about Going Concern Assumption; Audit Procedures when events or conditions are identified (SA 570 Going Concern).

- 4. Risk Assessment and Internal Control: Audit Risk, Identifying and Assessing the Risk of Material Misstatement, Risk Assessment procedures; Understanding the entity and its environment; Internal control, Documenting the Risks; Evaluation of internal control system; Testing of Internal control; Internal Control and IT Environment (SA 315 Identifying and Assessing the Risks of Material Misstatement Through Understanding the Entity and Its Environment); Materiality and audit risk (SA 320 Materiality in Planning and Performing an Audit); Internal audit, Basics of Standards on Internal Audit (SIAs) issued by the ICAI; Basics of Internal Financial Control and reporting requirements; Distinction between Internal Financial Control and Internal Control over Financial Reporting.**
- 5. Fraud and Responsibilities of the Auditor in this Regard: Responsibility for the Prevention and Detection of Fraud; Fraud Risk Factors; Risks of Material Misstatement Due to Fraud; Communication of Fraud (SA 240 The Auditor's responsibilities Relating to Fraud in an Audit of Financial Statements); Provisions of the Companies Act 2013 relating to fraud and rules thereunder including reporting requirements under CARO.**
- 6. Audit in an Automated Environment: Key features, Impact of IT related Risks, Impact on Controls, Internal Financial Controls as per Regulatory requirements, Types of Controls, Audit approach, Understanding and documenting Automated environment, Testing methods, data analytics for audit, assessing and reporting audit findings.**
- 7. Audit Sampling: Meaning of Audit Sampling; Designing an audit sample; Types of sampling; Sample Size and selection of items for testing; Sample selection method (SA**

530 Audit Sampling).

- 8. Analytical Procedures:** Meaning, nature, purpose and timing of analytical procedures; Substantive analytical procedures, Designing and performing analytical procedures prior to Audit; investigating the results of analytical procedures (SA 520 Analytical Procedures).
- 9. Audit of Items of Financial Statements:** Audit of sale of Products and Services; Audit of Interest Income, Rental Income, Dividend Income, Net gain/loss on sale of Investments etc.

Audit of Purchases, Employee benefits expenses, Depreciation, Interest expense, Expenditure on Power & Fuel, Rent, Repair to building, Repair to Machinery, Insurance, Taxes, Travelling Expenses, Miscellaneous Expenses etc.

Audit of Share Capital, Reserve & Surplus, Long Term Borrowings, Trade Payables, Provisions, Short Term Borrowings & Other Current Liabilities. Audit of Land, Buildings, Plant & Equipment, Furniture & Fixtures, Vehicles, Office Equipments, Goodwill, Brand/Trademarks, Computer Software etc. Audit of Loan & Advances, Trade Receivable, Inventories, Cash & Cash Equivalent, Other Current Assets. Audit of Contingent Liabilities.

(The list of items is illustrative only)

- 10. The Company Audit:** Eligibility, Qualifications and Disqualifications of Auditors; Appointment of auditors; Removal of auditors; Remuneration of Auditors; Powers and duties of auditors; Branch audit; Joint audit; Reporting requirements under the Companies Act, 2013 including CARO; Other Important Provisions under the Companies Act, 2013 relating to Audit and Auditors and Rules made thereunder.
- 11. Audit Report:** Forming an opinion on the Financial Statements; Auditor's Report- basic elements (SA 700 Forming an Opinion and Reporting on Financial Statements); Types of Modified Opinion; Circumstances When a Modification to the Auditor's Opinion is Required, Qualified, Adverse, Disclaimer of Opinion (SA 705 Modification to the Opinion in the Independent Auditor's Report); Qualification, Disclaimer, Adverse opinion, SA 706 Emphasis of Matter Paragraphs and Other Matter Paragraphs in the Independent Auditor's Report; Nature of Comparative Information; Corresponding Figure; Comparative Financial Statements (SA 710 Comparative Information – Corresponding Figures and Comparative Financial Statements).
- 12. Audit of Banks:** Understanding of accounting system in Banks, Audit Approach, Audit of Revenue items, Special Consideration in Bank Audit with emphasis on Advances and NPAs.

- 13. Audit of Different Types of Entities: Appointment of Auditor, Audit Procedure and Audit Report in respect of different Category of Entities: Government; Local bodies and Not-for-profit organizations; Partnership Firms, Audit of different type of undertakings, i.e., Educational institutions, Hotels, Clubs, Hospitals Basics of Limited Liability Partnerships (LLPs) audit and Co-operative Societies Audit.**

Note:

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

PAPER – 7: ENTERPRISE INFORMATION SYSTEMS AND STRATEGIC MANAGEMENT.

(One paper – Three hours – 100 Marks)

SECTION A: ENTERPRISE INFORMATION SYSTEMS (50 MARKS)

Objective: To develop an understanding of technology enabled Information Systems and their impact on enterprise-wide processes, risks and controls.

Contents:

1. AUTOMATED BUSINESS PROCESSES

- (i) Introduction to Enterprise Business Processes, Benefits, Risks and Controls;**
- (ii) Diagrammatic representation of business processes using Flowcharts;**
- (iii) Risks and controls for specific business processes: Procure to pay (P2P), Order to cash, Inventory Cycle, Hire to Retire, Supply Chain Management, Fixed Assets etc.**
- (iv) Applicable regulatory and compliance requirements including computer related offences, privacy, cyber-crime, Sensitive Personal Data Information of Information Technology Act, 2000**

2. FINANCIAL AND ACCOUNTING SYSTEMS

- (i) Integrated (ERP) and non-integrated systems with related risks and controls;**
- (ii) Business process modules and their integration with Financial and Accounting systems.**
- (iii) Reporting Systems and MIS, Data Analytics and Business Intelligence**
- (iv) Business Reporting and fundamentals of XBRL (eXtensible Business Reporting Language).**
- (v) Applicable regulatory and compliance requirements**

3. INFORMATION SYSTEMS AND ITS COMPONENTS

- (i) Components of Automated Information Systems: Application Systems, Database, Network and Operating System with related risks and controls.**
- (ii) Mapping of Organization structure with segregation of duties in Information Systems.**

4. E-COMMERCE, M-COMMERCE AND EMERGING TECHNOLOGIES

- (i) Components and Architecture of E-Commerce and M-Commerce with related risks and controls**
- (ii) Business process flow with its related risks and controls**
- (iii) Applicable regulatory and compliance requirements**
- (iv) Emerging technologies with its related risks and controls**

5. CORE BANKING SYSTEMS

- (i) Components and Architecture of CBS and related risks and controls**
- (ii) Core modules of banking and Business process flow and its related risks and controls**
- (iii) Reporting Systems and MIS, Data Analytics and Business Intelligence**
- (iv) Applicable regulatory and compliance requirements**

SECTION B : STRATEGIC MANAGEMENT (50 MARKS)

Objectives

To develop an understanding of strategic management concepts and techniques and acquire the ability to apply the same in business situations.

Contents

- 1. Introduction to Strategic Management**
 - Business Policy
 - Meaning and Nature of Strategic management
 - Business Strategy
 - Strategic Levels in Organizations
 - Strategic Management in Government and Not-for-profit organization
- 2. Dynamics of Competitive Strategy**
 - Competitive Landscape
 - Strategic Analysis
 - Industry and Competitive Analysis

- **Core Competence**
- **Competitive Advantage**
- **Internal and External Analysis**
- **SWOT Analysis**
- **Globalization**
- 3. *Strategic Management Process*
 - **Strategic Planning**
 - **Strategic Intent - Vision, Mission and Objectives**
 - **Strategy Formulation**
- 4. *Corporate Level Strategies*
 - **Concepts and Nature of Corporate Strategy**
 - **Strategic Alternatives at Corporate Level**
 - **Stability**
 - **Growth/Expansion**
 - **Business Combinations – Merger and Acquisition**
 - **Strategic Alliances**
 - **Retrenchment/Turnaround**
 - **Combination**
- 5. *Business Level Strategies*
 - **Competitive Strategies at Business Level**
 - **Michael Porter's Generic Strategies**
 - **Best-Cost Provider Strategy**
- 6. *Functional Level Strategies*
 - **Marketing Strategy**
 - **Financial Strategy**
 - **Operations Strategy**
 - **Human Resource Strategy**

- **Research and Development**
- 7. *Organisation and Strategic Leadership*
- **Organisation Structure**
- **Strategic Business Unit**
- **Strategic Leadership**
- **Strategy Supportive Culture**
- **Entrepreneurship and Intrapreneurship**
- 8. *Strategy Implementation and Control*
- **Strategy Implementation**
- **Strategic Change**
- **Strategic Control**
- **Strategy Audit**
- **Business Process Reengineering**
- **Benchmarking**

PAPER – 8: FINANCIAL MANAGEMENT AND ECONOMICS FOR FINANCE
(One paper – Three hours – 100 Marks)

SECTION A: FINANCIAL MANAGEMENT (60 MARKS)

Objective: To develop an understanding of various aspects of Financial Management and acquire the ability to apply such knowledge in decision-making.

1. *Financial Management and Financial Analysis*

(i) **Introduction to Financial Management Function**

- a) Objective and scope of financial management
- b) Role and purpose
- c) Financial management environment
- d) Functions of finance executives in an organization
- e) Financial distress and insolvency.

(ii) *Financial Analysis through Ratios*

- a) Users of the financial analysis
- b) Sources of financial data for analysis
- c) Calculation and Interpretation of ratios:
 - Analyzing liquidity
 - Analyzing leverage
 - Analyzing solvency
 - Analyzing efficiency/ activity
 - Analyzing profitability
- d) Limitations of ratio analysis

2. *Financing Decisions*

(i) **Sources of Finance**

- a) Different Sources of Finance, Characteristics of different types of long term debt and equity finance, Method of raising long term finance

- b) Different Sources of short term Finance
- c) Internal fund as a source of finance
- d) International sources of finance
- e) Other sources of finance- Lease Financing, Sale and lease back, Convertible debt, Venture capital, Grants etc.

(ii) Cost of Capital

- a) Significance of cost of capital
- b) Factors of cost of capital
- c) Measurement of costs of individual components of capital
- d) Weighted average cost of capital (WACC)
- e) Marginal cost of capital
- f) Effective Interest rate

(iii) Capital Structure Decisions

- a) Significance of capital structure
- b) Determinants of capital structure
- c) Capital structure planning and designing
- d) Designing of optimum capital structure
- e) Theories of Capital Structure and value of the firm- relevancy and Irrelevancy of capital structure.
- f) EBIT- EPS Analysis, Breakeven- EBIT Analysis.
- g) Under/ Over Capitalisation.

(iv) Leverages

- a) Types of Leverages- Operating, Financial and Combined
- b) Analysis of leverages

3. Capital Investment and Dividend Decisions

(i) Capital Investment Decisions

- a) Objective of capital investment decisions
- b) Methods of Investment appraisal:

- Payback period, Discounted payback period
- Accounting Rate of Return (ARR),
- Net Present Value (NPV) - The meaning of NPV, Strengths and limitations of NPV method, The working capital adjustment in an NPV analysis, Capital rationing, Equivalent Annual Costs,
- Internal Rate of return (IRR)- Limitations of the IRR method, Multiple IRRs,
- Modified internal Rate of Return (MIRR)- Definition and explanation of MIRR, The process for calculating MIRR, Strengths of the MIRR approach.
- Profitability Index

(ii) Adjustment of Risk and Uncertainty in Capital Budgeting Decision

- a) Probability Analysis
- b) Certainty Equivalent Method
- c) Risk Adjusted Discount Rate
- d) Scenario Analysis
- e) Sensitivity Analysis

(iii) Dividend Decisions

- a) Basics of Dividends
- b) Forms of dividend
- c) Determinants of dividend
- d) Relevancy and Irrelevancy of Dividend Policies- Traditional Approach, Walter's model, Gordon's model, Modigliani and Miller (MM) Hypothesis.

4. Management of Working Capital

(i) Management of Working Capital

- a) The management of working capital- Liquidity and Profitability
- b) The Working capital financing decisions- Primary and Secondary Sources of Liquidity
- c) The working Capital Cycle (operating Cycle), Effectiveness of Working Capital based on its operating and cash conversion cycles
- d) Assessment of working capital requirement
- e) Management of Accounts Receivables (Debtors)
- f) Factoring and Forfeiting

- g) Management of Accounts Payables (Creditors)
- h) Management of Inventory
- i) Management of Cash, Treasury management
- j) Banking norms of working capital finance

SECTION B : ECONOMICS FOR FINANCE (MARKS: 40)

Objective:

To develop an understanding of the concepts and theories of Economics in the context of Finance and acquire the ability to address application-oriented issues.

1. Determination of National Income

- (i) Macro-Economic Aggregates and Measurement of National Income
- (ii) The Keynesian Theory of Determination of National Income

2. The Money Market

- (i) The Concept of Money Demand: Important Theories of Demand for Money
- (ii) The Concept of Money Supply
- (iii) Monetary Policy

3. Public Finance

- (i) Fiscal functions: An Overview.
- (ii) Market Failure
- (iii) Government Interventions to Correct Market Failure
- (iv) Fiscal Policy

4. International Trade

- (i) Theories of International Trade
- (ii) Trade Policy – The Instruments of Trade Policy
- (iii) Trade Negotiations
- (iv) Exchange Rates and its economic effects
- (v) International Capital Movements: Foreign Direct Investment

What is CA Articleship Training?

CA Articleship Training is practical training in which students will perform the normal day-to-day tasks of Chartered Accountants. It is the third stage of the CA Course which starts after clearing one or both CA Intermediate Groups.

The CA Articleship The CA The titleship duration is of 3 years. In these 3 years The ca articleship is for 3 years. of practical training, students get the chance to practically apply their theoretical Knowledge and real world world experience.

knowledge and get real-world experience. Students must complete the training to sit in the CA Final Exam. Check all the details for the CA Final registration on our detailed blog. The ICAI CA Articleship is a compulsory practical training of 3 years that every student must do in a CA firm. To register for Articleship, students must complete any one group of CA Intermediate. Students pursuing the practical training are called articles, and the CA under whom they work is called the Principal.

the CA articleship training is paid, and you'll get a stipend of 2000, 2500, and 3000 in the 1st, 2nd, and 3rd years. In this CA articleship Training Guide, we will dive into the details of what is CA Articleship training, what happens in the training, its importance, eligibility, and how to register for the practical training.

Further, we will mention the top firms for ICAI articleship training and how to apply to them. You will also get detailed information on CA articleship salary or stipend, duration, working hours, leaves, and the proposed reduction of the articleship period to 2 years.

- **Complete ICITSS [Integrated Course on Information Technology and Soft Skills] for four weeks during the final two years of practical training before participating in the Final Examination.**

CA Intermediate Minimum Qualifying Marks

ICAI has prescribed the passing marks for CA intermediate examination. Candidates must secure at least 40% marks in each paper and 50% overall in each group (minimum 200 marks in each group) to clear the CA inter exam.

CA FINAL

PAPER – 1: FINANCIAL REPORTING

(One paper – Three hours – 100 Marks)

- (a) To acquire the ability to integrate and solve problems in practical scenarios on Indian Accounting Standards for deciding the appropriate accounting treatment and formulating suitable accounting policies.
- (b) To gain the prowess to recognize and apply disclosure requirements specified in Indian Accounting Standards while preparing and presenting the financial statements.
- (c) To develop the skill to prepare financial statements of group entities which includes subsidiaries, associates and joint arrangements based on Indian Accounting Standards.
- (d) To develop an understanding of the various forms of reporting (other than financial statements) and accounting for special transactions, and apply such knowledge in problem solving.

Contents:

1. Framework for Preparation and Presentation of Financial Statements in accordance with Indian Accounting Standards (Ind AS).
2. Application of Indian Accounting Standards (Ind AS) with reference to General Purpose Financial Statements
 - (i) Ind AS on First time adoption of Indian Accounting Standards
 - (ii) Ind AS on Presentation of Items in the Financial Statements
 - (iii) Ind AS on Measurement based on Accounting Policies

- (iv) **Ind AS on Income Statement**
- (v) **Ind AS on Assets and Liabilities of the Financial Statements including Industry specific Ind AS**
- (vi) **Ind AS on Items impacting the Financial Statements**
- (vii) **Ind AS on Disclosures in the Financial Statements**
- (viii) **Other Ind AS**

3. *Indian Accounting Standards on Group Accounting*

- (i) **Business Combinations and Accounting for Corporate Restructuring (including demerger) (as per Ind AS)**

- (ii) **Consolidated and Separate Financial Statements (as per Ind AS)**

4. *Accounting and Reporting of Financial Instruments (as per Ind AS)*

5. **Analysis of Financial Statements**

6. *Integrated Reporting*

7. **Corporate Social Responsibility**

Reporting Notes:

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

PAPER – 2: STRATEGIC FINANCIAL MANAGEMENT

(One paper – Three hours – 100 marks)

Objective

:

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

Contents:

1. Financial Policy and Corporate Strategy

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

2. Risk Management

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

3. Security Analysis

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

4. Security Valuation

- (i) Theory of Valuation
- (ii) Return Concepts
- (iii) Equity Risk Premium

- (iv) **Required Return on Equity**
- (v) **Discount Rate Selection in Relation to Cash Flows**
- (vi) **Approaches to Valuation of Equity Shares**
- (vii) **Valuation of Preference Shares**
- (viii) **Valuation of Debentures/ Bonds**

5. *Portfolio Management*

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

6. *Securitization*

- (i) **Introduction**
- (ii) **Concept and Definition**
- (iii) **Benefits of Securitization**
- (iv) **Participants in Securitization**
- (v) **Mechanism of Securitization**
- (vi) **Problems in Securitization**
- (vii) **Securitization I n s t r u m e n t s**
- (viii) **Pricing of Securitization Instruments**
- (ix) **Securitization in India**

7. *Mutual Fund*
 - (i) **Meaning**
 - (ii) **Evolution**
 - (iii) **Types**
 - (iv) **Advantages and Disadvantages of Mutual Funds**
8. *Derivatives Analysis and Valuation*
 - (i) **Forward/ Future Contract**
 - (ii) **Options**
 - (iii) **Swaps**
 - (iv) **Commodity Derivatives**
9. *Foreign Exchange Exposure and Risk Management*
 - (i) **Exchange rate determination**
 - (ii) **Foreign currency market**
 - (iii) **Management of transaction, translation and economic exposures**
 - (iv) **Hedging currency risk**
 - (v) **Foreign exchange derivatives – Forward, futures, options and swaps**
10. *International Financial Management*
 - (i) **International Capital Budgeting**
 - (ii) **International Working Capital Management**
 - a) **Multinational Cash Management**
 - **Objectives of Effective Cash Management**
 - **Optimization of Cash Flows/ Needs**
 - **Investment of Surplus Cash**
 - b) **Multinational Receivable Management**
 - c) **Multinational Inventory Management**

11. Interest Rate Risk Management

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

12. Corporate Valuation

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

13. Mergers, Acquisitions and Corporate Restructuring

- (i) Conceptual Framework**
- (ii) Rationale**

- (iii) Forms**
- (iv) Mergers and Acquisitions**
 - a) Financial Framework**

b) Takeover Defensive Tactics

c) Reverse Merger

(v) Divestitures

a) Partial Sell off

b) Demerger

c) Equity Carve outs

(vi) Ownership Restructuring

a) Going Private

b) Management/ Leveraged Buyouts

(vii) Cross Border Mergers

14. Startup Finance

(i) Introduction including Pitch Presentation

(ii) Sources of Funding

(iii) Start up India Initiative

PAPER – 3 : ADVANCED AUDITING AND PROFESSIONAL ETHICS

(One paper – Three hours – 100 marks)

Objective:

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

Contents:

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

IT-related risks and controls, evaluating risks and controls at entity level and process level, Considerations of automated environment at each phase of audit cycle, using relevant analytical procedures and tests using data analytics, key concepts of auditing in real-time automated environments such as E-Commerce, ERP, Core Banking, etc..

- 5. Audit of Limited Companies: Application of Relevant Provisions under the Companies Act, 2013 relating to Audit and Auditors and Rules made thereunder; Powers/rights, duties of auditors; Branch Audit; significance of true and fair view; Dividends and divisible profits- financial, legal, and policy considerations; depreciation; Special features of audit of Limited Liability Partnerships (LLPs)- Eligibility for audit, appointment of auditor, remuneration, etc. Audit report under the Companies Act, 2013; Reporting under CARO.**
- 6. Audit Reports: Basic elements of auditor's report; Types of opinion; Notes on accounts; Distinction between notes and qualifications; Distinction between audit reports and certificates; Communication to Management and those charged with Governance; Self Review threats; Drafting of different types of Audit Reports.**
- 7. Audit Committee and Corporate Governance: Audit committee; Role of auditor in Audit Committee and Certification of Compliance of Corporate Governance; Compliances with Laws and Regulations (SA 250 Consideration of Laws and Regulations in an Audit of Financial Statements); Disclosure requirements including those of SEBI; Regulatory requirements of Corporate Governance, Report on Corporate Governance.**
- 8. Audit of Consolidated Financial Statements: Provisions under the Companies Act, 2013 in respect of Accounts of Companies and Rules made thereunder; Audit of Consolidated Financial Statements- responsibility of parent company, auditor of the consolidated financial statements; audit considerations- permanent consolidation, current period consolidation; reporting.**
- 9. *Special features of audit of Banks, Insurance & Non Banking Financial Companies,***
- 10. Audit under Fiscal Laws: Audit under Fiscal Laws, viz, Direct and Indirect Tax Laws including documentation for Form 3CD etc.**
- 11. Audit of Public Sector Undertakings: Special features, Directions of Comptroller and Auditor General of India; Concept of propriety audit; Performance audit; Comprehensive audit.**
- 12. Liabilities of Auditors: Professional negligence; Civil liabilities; Criminal liabilities; Liabilities under different statutes - for example Income Tax Act, Companies Act.**

13. **Internal Audit, Management and Operational Audit:** Provisions of internal audit as per Companies Act, 2013; Scope of internal auditing; Relationship between internal and external auditor; Basics of Internal Audit Standards issued by the ICAI; Drafting of Internal Audit Report; Management audit and Operational audit.
14. **Due Diligence, Investigation and Forensic Audit:** Due Diligence Review; Audit versus Investigation; Steps for investigation; Types of investigation; procedure, powers, etc. of investigator; Types of Fraud, indicators of fraud, follow-up thereof; Forensic audit- meaning, difference between statutory audit and forensic audit, forensic audit techniques, forensic audit report etc.
15. *Peer Review and Quality Review*
16. **Professional Ethics:** Code of Ethics with special reference to the relevant provisions of the Chartered Accountants Act, 1949 and the Regulations thereunder.

Note:

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

PAPER – 4: CORPORATE AND ECONOMIC LAWS

(One paper - Three hours - 100 marks)

PART – I: CORPORATE LAWS (70 Marks)

SECTION A: COMPANY LAW

Objective:

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

Contents:

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

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

SECTION B: SECURITIES LAWS

Objective:

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

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

PART II: ECONOMIC LAWS (30 MARKS)

Objective:

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

Contents:

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

*Excluded from syllabus by way of study guidelines

**Deleted from syllabus from November 2021 examination and onwards

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

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

PAPER – 5 : STRATEGIC COST MANAGEMENT AND PERFORMANCE EVALUATION

(One Paper- Three hours- 100 Marks)

Objective:

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

PART–A

STRATEGIC COST MANAGEMENT AND DECISION

Sub Part–I Strategic

Cost Management

1. Introduction to Strategic Cost Management
 - (i) Concept of Strategic Cost Management
 - (ii) Limitations of Traditional Cost Management
 - (iii) Traditional vs. Strategic Cost Management
2. *Modern Business Environment*
 - (i) Introduction/ Characteristics of the Modern Business Environment
 - (ii) Cost of Quality, Total Quality Management, Business Excellence Model
 - (iii) Throughput Accounting and Theory of Constraints
 - (iv) Supply Chain Management (SCM)
 - (v) Gain Sharing Arrangements
 - (vi) Outsourcing
3. *Lean System and Innovation*
 - (i) Introduction to Lean System
 - a) Just-in-Time (JIT)
 - b) Kaizen Costing
 - c) 5 Ss

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

Sub Part-II Strategic Decision

Making

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

PART–B
PERFORMANCE EVALUATION AND CONTROL

Sub Part–I

Performance Evaluation and Reporting

1. *Performance Measurement and Evaluation*
 - (i) Responsibility Accounting
 - (ii) Linking Critical Success Factors (CSFs) to Key Performance Indicators (KPIs) and Corporate Strategy; Performance Measurement Models-The Balanced Scorecard, The Performance Pyramid, The Performance Prism and The Building Block Model; Divisional Performance Measures; Benchmarking Schemes
 - (iii) Performance Measurement in the Not-for-Profit Sector
 - (iv) Preparation of Performance Reports
2. *Divisional Transfer Pricing*
 - (i) Meaning, Purpose and Principles of Transfer Pricing
 - (ii) Methods of Transfer Pricing
 - (iii) The Behavioural Consequences arising from Divisional Structures
 - (iv) International Transfer Pricing
3. *Strategic Analysis of Operating Income*
 - (i) Operating Profit Analysis
 - (ii) Advanced Activity Based Costing, Activity Based Management (ABM), Activity Based Budgeting (ABB)

Sub Part–II Managerial Control

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

2. Standard Costing

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

**PART – C
CASE STUDY**

1. Case Study (covering Course Concepts)

General Note:

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

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

PAPER – 6A : RISK MANAGEMENT

(One paper – Four hours – 100 Marks)

Objective:

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

1. Introduction to risk

- (i) The Concept of Risk**
- (ii) Risk and Uncertainty: Distinction**
- (iii) Classification of Risks**
- (iv) Dynamic Nature of Risks**
- (v) Types of Risk, including**
 - a) Strategic and Operational Risks**
 - b) Business Risk**
 - c) Financial Risk**
 - d) Information Risk**
 - e) Liquidity Risk**

2. Source and evaluation of risks

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

3. Risk management

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

4. *Evaluation of Risk Management Strategies*
 - (i) Risk Management Strategy alignment with Business Strategy
 - (ii) Internal Control environment and linkages with Risk Management
 - (iii) Risk Culture and attitudes to risk management
 - (iv) Integrated Risk Reporting and Stakeholder responsibilities
 - (v) IT Risk Management – Disaster Recovery
5. *Risk model*
 - (i) VAR
 - (ii) Stress Testing
 - (iii) Scenario Analysis
 - (iv) Country and Sovereign Risk Models and Management
6. *Credit risk measurement and management*
 - (i) Understanding the component of credit risk
 - (ii) Evaluating credit risk
 - (iii) Mitigating Credit risk
 - (iv) Qualitative and Quantitative techniques to manage risk
 - (v) Credit scoring models
7. *Risk associated with corporate governance*
 - (i) Evaluation of Risk Associated with Governance
 - (ii) Description and evaluation of framework for Board level consideration of risk
 - (iii) OECD Guidelines for Corporate Governance
8. *Enterprise Risk Management*

Definition, Scope and Techniques
9. *Operational Risk Management*

Definition, Scope and Techniques

Following topic are covered in the paper of Financial Management (Paper-8A, Intermediate Level) and Strategic Financial Management (Paper – 2, Final Level) also forms the part of the syllabus

- Risk Analysis in Capital Budgeting Decisions
- Foreign Exchange Risk
- Interest Rate Risk

PAPER – 6 B: FINANCIAL SERVICES AND CAPITAL MARKETS

(One paper – Four hours – 100 Marks)

Objective:

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

Contents:

1. **Global Financial Markets**
 - (i) Introduction to Global Financial Market
 - (ii) Role of Financial Market in Economic Development of a country
 - (iii) Stakeholders in Financial Market (Domestic and Global)
 - (iv) Indian Financial Market scenario
2. *Impact of various Policies of Financial Markets*
 - (i) Credit Policy of RBI
 - (ii) Fed Policy
 - (iii) Inflation Index, CPI, WPI, etc.
3. *Capital Market - Primary*
 - (i) New Issue Market – Domestic and Global
 - (ii) Private Placement , QIP, Disinvestment
 - (iii) Right Issue
4. *Capital Market - Secondary*
 - (i) Secondary Market
 - (ii) Stock Market Operations
 - (iii) Indian Debt Market
5. *Money Market*
 - (i) Basics of Money Market
 - (ii) Money Market Participants
 - (iii) Money Market Instruments
 - (iv) Repo and Reverse Repo
 - (v) CRR, SLR

- (vi) MIBOR, LIBOR
- (vii) Government Securities Market
- 6. *Institutions and Intermediaries*
 - (i) Depository
 - (ii) Stock and Commodity Exchanges – Indian and Global
 - (iii) Intermediaries
 - (iv) Institutional Investors
 - (v) FPIs
 - (vi) Custodians
 - (vii) Clearing Houses
- 7. *Commodity Market*
 - (i) What are Commodity Markets
 - (ii) Role of Commodity Markets
 - (iii) Commodity Market in India
 - (iv) Application of Derivative in Commodities
 - (v) Global Commodities Exchanges
- 8. *Banking as source of Capital including NBFCs*
 - (i) Concept of Project Financing
 - (ii) Working Capital Management
 - (iii) Reverse Mortgage
- 9. *Mutual Funds*
 - (i) Meaning
 - (ii) Evolution
 - (iii) Types
 - (iv) Performance Measures, NAV
 - (v) Mutual Fund Organisation
 - (vi) Advantages and Disadvantages of Mutual Fund
 - (vii) Exchange Traded Funds (ETFs)
 - (viii) Real Estate Investment Trusts (REITs)
 - (ix) Infrastructure Investment Trusts (Invits)

10. Private Equity

(i) Meaning and Classification

a) Venture Capital

b) Buyouts

c) Special Cases

d) Hurdle rate

e) Paid in Capital

f) Term Sheet

- **Cost of Investing in Private Equity**

- **Exit Routes**

- **Valuation of Private Equity Transactions**

- **Private Equity Funds (Distribution of returns in General Partner and Limited Partners)**

11. Investment Banking

(i) Concept

(ii) Functions

(iii) Challenges

(iv) Developments in Investment Banking

(v) Merchant Banking and issue management

12. Credit Rating

(i) Introduction

(ii) Rating Services

(iii) Objectives and types

(iv) Uses

(v) Credit Rating Process

(vi) Credit Rating Methodology

(vii) Rating Revisions

(viii) Credit Rating Agencies in India and abroad

(ix) Limitations with case studies

13. Treasury Operations

(i) Raising and Deployment of Funds

(ii) Risk Management

14. Risk Management

(i) Preventive Controls

(ii) Early Signals

(iii) Credit Risk

15. Credit Derivatives

(i) Credit Default Swaps

(ii) Collateralized Debt Obligations (CDO)

(iii) Pricing of Credit Derivative Instruments

16. Leasing Decisions

17. Factoring

18. SEBI Guidelines

Following topics are covered in the paper of Strategic Financial Management (Paper – 2) and Corporate and Economic Laws (Paper – 4) also forms the part of the syllabus

- Securitization
- Fixed Income Securities (Valuation of Bonds/ Debentures)
- Derivatives
- Interest Rate Risk
- The Securities and Exchange Board of India Act, 1992
- Legislative framework on listing agreements
- The Securities Contract (Regulation) Act, 1956
- Chapter III-D of the RBI Act, 1934

PAPER – 6 C: INTERNATIONAL TAXATION

(One paper – Four hours – 100 Marks)

Objective:

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

Content

:

Part I - Taxation of International Transactions and Non-resident Taxation in India

1. *Transfer Pricing provisions under the Income-tax Act, 1961*
 - (i) **Arm's Length Price**
 - (ii) **International Transactions**
 - (iii) **Most Appropriate Method**
 - (iv) **Functions, Assets and Risk Analysis**
 - (v) **Documentation & Compliances**
 - (vi) **Specific Reporting Regime in respect of Country by Country reporting and master file**
 - (vii) **Advance Pricing Agreements**
2. *Other Provisions relating to taxation of international transactions and non-resident taxation under the Income-tax Act, 1961*
 - (i) **Non-resident Taxation (including Source Rule of Taxation)**
 - (ii) **Double Taxation Relief**
 - (iii) **Advance Rulings**
3. *Law and Procedures under the Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015 – An Overview.*

Part II - Other aspects of International Taxation

1. *Overview of Model Tax Conventions*
 - (i) **OECD Model Tax Convention**
 - (ii) **UN Model Tax Convention**

- (iii) **US Model Tax Convention***
- 2. Tax treaties, Application and Interpretation**
 - (i) **Features of Tax treaties**
 - (ii) **Overview of Tax Information Exchange Agreements**
 - (iii) **Commentaries and their importance**
 - (iv) **Role of Vienna Convention in application and interpretation of tax treaties**
- 3. Anti Avoidance Measures**
 - (i) **Controlled Foreign Corporations**
 - (ii) **Base Erosion and Profit Shifting**
 - (iii) **Other Anti Avoidance Measures**
- 4. Taxation of E-Commerce Transactions**
 - (i) **Introduction**
 - (ii) **Emerging issues**
 - (iii) **Equalization levy**

Note –

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

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

* *Excluded from Syllabus by way of Study Guidelines.

PAPER – 6 D: ECONOMIC LAWS

(One paper – Four hours – 100 Marks)

Objective:

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

Contents:

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

**Excluded from syllabus by the way of study guidelines.*

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

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

PAPER – 6 E: GLOBAL FINANCIAL REPORTING STANDARDS

(One paper – Four hours – 100 Marks)

Objective:

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

Content:

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

PAPER – 6 F: MULTIDISCIPLINARY CASE STUDY

(One paper – Four hours – 100 Marks)

Objective:

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

Coverage:

This paper will include Case Studies covering the following areas:

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

PAPER – 7: DIRECT TAX LAWS AND INTERNATIONAL TAXATION

(One paper – Three hours –100 Marks)

Part I: Direct Tax Laws (70 Marks)

Objective:

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

Contents:

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

1. Basis of charge, residential status, income which do not form part of total income, heads of income, income of other persons included in assessee's total income, aggregation of income, set-off and carry forward of losses, deductions from gross total income, rebates and reliefs
2. Special provisions relating to companies and certain persons other than a company¹
3. Provisions relating to charitable and religious trust and institutions, political parties and electoral trusts
4. Tax Planning, Tax Avoidance & Tax Evasion
5. Collection & Recovery of Tax, Refunds
6. Income-tax Authorities, Procedure for assessment, Appeals and Revision
7. Settlement of Tax Cases, Penalties, Offences & Prosecution
8. Liability in Special Cases²
9. Miscellaneous Provisions and Other Provisions³

¹Including firms, LLPs, Trusts, AOPs, BOIs, Securitisation Trusts, Business Trusts, Investment Fund etc.

² Representative assesses, Executors etc.

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

Part II: International Taxation (30 Marks)

Objective:

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

Contents:

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

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

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

PAPER 8 : INDIRECT TAX LAWS

(One paper – Three hours – 100 Marks)

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

Objective:

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

Contents:

Goods and Services Tax (GST) Law as contained in the Central Goods and Services Tax (CGST) Act, 2017 and Integrated Goods and Services Tax (IGST) Act, 2017 including:

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

- (xv) Other provisions¹**

Part-II: Customs & FTP (25 Marks)

Objectives:

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

Contents:

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

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

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

(xiii) Appeals and Revision; Advance Rulings; Settlement Commission*

(xiv) Other provisions^{2*}

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

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

- (iii) Basic concepts relating to export promotion schemes provided under FTP

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

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

**** The main topics marked with asterisk have been excluded from the syllabus by way of Study Guidelines.***

In addition to the main topics, various sub-topics within the scope of the main topics given above also have been excluded from the syllabus by way of Study Guidelines. Therefore, Study Guidelines need to be referred to for the complete list of exclusions from the syllabus.

Notes

- **Complete ICITSS [Integrated Course on Information Technology and Soft Skills] for four weeks during the final two years of practical training before participating in the Final Examination.**

The CA PCC and IPCC are the two forms of the CA intermediate-level examination. The IPCC is the improvisation over the CA PCC examination with effect from the year 2018.

To become a Chartered Accountant (CA), the students have to undergo three stages of examinations. The CA intermediate course is the second stage of the chartered accountancy curriculum next to the Foundation course. For those aspirants who register for the CA course after completing their Class XII, it is mandatory to complete the CA CPT Foundation exam. But graduates in commerce can directly apply for the CA intermediate course and enjoy exemption from the foundation course. Candidates can apply directly for the intermediate course if they have cleared their intermediate-level examination.

This intermediate course helps the aspirants with the working knowledge of all the core and allied subjects in the CA curriculum and allows the candidate with nine months of preparation before taking up the exam. The IPC examination has been replaced by the CA intermediate exams with effect from July 2017. Significant

changes have been made in the syllabus by the ICAI Exam and it has altered the subject structure as well. The subjects that are included in the CA intermediate new pattern examination are:

- Corporate Laws
- Taxation
- Auditing and assurance
- Strategic management and enterprise information systems.

Also, the question paper will have two parts, Part-I comprising of objective questions of 30 marks and Part-II comprising of descriptive questions for seventy marks in each of the respective papers. The students appearing for the CA intermediate examination should allow themselves at least eight months of study period after registration. The exams are conducted in May and November. The final year UG commerce graduates can register for the CA intermediate course on the provisional basis.

It is also important to start practical training in Information Technology and Orientation Programme after registering for the examination. This is mandatory for UG and PG students who are taking entry into the Chartered Accountancy course directly. It is mandatory to have 9 months of practical training before appearing for the CA intermediate exam.

The registration fee for the CA intermediate exam is Rs 18,000 (One-time registration fee is Rs 15,000, student activity fee is Rs 2,000 and the registration fee as article assistant are Rs 1,000. Additional Rs 6,500 is charged towards the IT training programme, and the fees for the orientation programme is Rs 7,000, which includes the study material and the refreshment offered by the ICAI.)

Professional Competence Course or PCC

The objective of the PCC course is to lay a strong theoretical foundation for Chartered Accountants in their presentation and preparation of financial statements. The course also aims to familiarize the students with the fundamentals of the computerized accounting system. The contents of the course are,

- Advanced Accounting (100 Marks)
- Auditing and Assurance (100 Marks)
- Law, Ethics, and Communication (100 Marks)
- Cost Accounting and Financial Management (100 Marks)
- Taxation (100 Marks)
- Information Technology and Strategic Management (100 Marks)

Integrated Professional Competence Course

The subjects that are included in the Syllabus of the IPCC course are,

Group-I

- Accounting
- Business Law, Ethics and Communication
- Cost accounting and financial management
- Taxation

Group-II

- Advanced Accounting
- Auditing and Assurance
- Information technology and strategic management

The IPCC examination is an improvised version of the PCC examination for Chartered Accountants in India according to the new scheme instituted by the ICAI. According to the new scheme, a student who has cleared the CPT exam can register for the Integrated Professional Competence Course, without article registration. The name of the PCC examination under the new scheme has been altered as the IPCC course. After clearing the Group-I papers of the IPCC, the aspirant can register for the articles. The period of the article was for three years while the previous requirement with PCC was three years. Under the new scheme of IPCC, the student is eligible to appear for the final year examination during their last six months of their article ship. With the PCC examination, the student will be able to sit for the final examination only after completion of the article period of three years.

All the candidates who have registered for the PCC examination on or before January 2009 are eligible to appear in the new version of the IPCC examination. The candidates must complete nine months of the study

course and a hundred hours of orientation course and Information Technology Training before taking up the final Group-II examination of CA intermediate course. The registration for the intermediate course is valid for only four years and can be revalidated to any number of times, for the next four years by paying a revalidation fee of Rs 400 as stated by the council.

Procedure of PCC and IPCC Examinations

- The candidate has to pass the CPT examination
- The candidate has to enrol and register for the IPCC course
- The candidate has to complete nine months of study course
- Complete 100 hours of IT training
- The next step is to complete the orientation course and pass either Group-I or both the groups of the competence examination
- Register and work as an articled assistant for three years.
- Clear Group-II of the IPCC if not cleared before
- Appear for CA final examination during the last six months of the training period
- Clear two groups of the final examination
- Get CA certification
- Register with ICAI as Chartered Accountant.

Career Opportunities for Chartered Accountants

The career option for a chartered accountant (CA) is expansive, specifically in India. It is filled with high-paying jobs having huge growth potential and promising a comfortable future. They earn a good salary and reach high figures with increased experience.

Chartered accountants are certified accounting professionals commonly referred to as CA. The Institute of Chartered Accountants of India (ICAI) licenses and regulates chartered accountants in India. In the United States, the designation equivalent to CA is [Certified Public Accountant](#) (CPA), awarded by the American Institute of Certified Public Accountants (AICPA).

Top 7 Career Options for CA

Chartered accountants can work in different industries or fields. Before completing the CA course, they can search for career options for semi-qualified CA, career options for CA failed students, or career options for CA dropouts. Let's look into the top 7 career opportunities for chartered accountants:

– **Internal Audit**

Internal audit primarily involves the examination of the effectiveness of internal control mechanisms implemented by the organization. The auditor examines the key processes and operations compliance with rules and regulations, **financial statements**, etc., and reports to the board of directors or the audit committee. This process will help the organization in risk management processes and enhance **corporate governance**. It is a periodic event conducted, usually monthly, quarterly or yearly, by the internal auditor appointed by the entity. In India, according to the Companies Act, 2013 person appointed as Internal Auditor shall either be a chartered accountant or a cost accountant.

#2 – Tax Audit

A tax audit is a detailed review of a firm's books of accounts. It is significant during the income tax filing of a financial year since it assures the process of correctly submitting the income tax return. It validates the **income tax accounting** accuracy and compliance with tax laws. Under the income tax act in India, If a business's gross receipts in a financial year surpass Rs 1 crore (50 lakhs in case of profession), they must have a tax audit performed, and a chartered accountant should do it. Furthermore, a CA can sign only a definite number of tax **audit reports** specified by the law. Hence the demand for chartered accountants in the field increases.

#3 – Statutory Audit

Regulatory authorities mandate the **statutory audit**, and it is to be conducted by a practicing licensed chartered accountant. Accordingly, a CA is an external auditor conducting audits backed by different statute requirements and is generally called a statutory auditor. The auditor is appointed by the Comptroller and Auditor General (C&AG) for government companies.

#4 – Finance Controller

One of the good career options for CA is the post of finance controller. A chartered accountant can take up the career of a controller responsible for all accounting-related activities within a business. It includes **corporate finance**, managerial and accounting activities, etc. To become a controller, chartered accountants must have a firm knowledge of analyzing patterns, tracking variances, budgeting, licensing, tax laws, and risk management. In addition, a chartered accountant may also engage in the recruitment process and serves as a supervisor of the organization's financial health. A chartered accountant as the **financial controller** reports to the Chief Financial Officer (CFO), and sometimes, a controller and a CFO are the same for smaller firms.

#5 – Forensic Auditing

Career Options for CA also include Forensic auditing. A **forensic audit** is a process of examining the financial records of an entity. It is aimed to identify unlawful activities like financial manipulations and gather supporting evidence that may become helpful in the lawsuit process. In addition, the auditor in a forensic audit serves as an expert witness during lawsuit proceedings. Forensic audits demand accountants to have experience in accounting and auditing practices, exhibit professional skepticism and expertise in forensic audit's legal framework. The Institute of Chartered Accountants of India (ICAI) offers Certificate Course in Forensic Accounting and Fraud Detection to CA students. When it comes to large advances and account restructuring, the Reserve Bank of India has made forensic audits an integral element.

#6 – Management Consulting

A chartered accountant with good analytical, problem-solving, and communication skills can build a career in management consulting. Though big management consulting firms prefer MBAs, they also hire chartered accountants, even in foreign countries, pointing to the career options abroad after CA. Based on the 26 March 2022 report by **Glassdoor**, the national average salary for a management consultant is ₹21,27,582 (\$27 889.73) per year in India; at the same time, it is US\$1,03,853 per year in the USA.

#7 – Treasury

Treasury is one of the government jobs available for chartered accountants in India. Having CA certifications enhance the resume sent for treasury positions. Their primary responsibility is cash management or treasury management. It helps maintain appropriate **liquidity** levels optimum for the well-functioning of an entity. The required skill set of a prospect looking for a **career in treasury** is not confined to interest in numbers but also technical capability, problem-solving skills, and strategic thinking.

There are endless opportunities after completing CA final exam. Most industries or companies require the professional service of chartered accountants. The CA can join another CA firm or a company recruiting chartered accountants, can practice CA, or can start their firm following the path of entrepreneurship.

Government Jobs After CA - Chartered Accountancy programme by Institute of Chartered Accountants of India (ICAI) is one of the most lucrative careers which provides career opportunities in public and

private sector, both. Though the private sector is emerging as a leading job provider to CAs, public sector jobs for CA are also high in demand. Qualified [Chartered accountants](#) have tons of government jobs options. The roles in government jobs after CA are as treasury manager, accountant, manager, auditor, etc. Many public sector organisations such as rural regional banks, life insurance corporations of India, public sector banks, etc. open such roles for CAs. In this article, we have listed a few CA government jobs, vacancies for CAs in the government sector, details about CA salaries in India and more.

Top Government jobs for CAs

Every government organisation from small to big undertakings require chartered accountants to manage their finances, conduct audits or check corporate insolvency. Below listed are a few government undertakings that conduct direct recruitments of CAs (CA inter qualified professionals):

- 1. Life insurance corporation of India (LIC) - LIC of India opens multiple positions every year for qualified and semi qualified CAs in India. Interested candidates can check the official website of LIC to know the job openings and process of recruitment.**
- 2. Gas authority of India limited (GAIL) - GAIL is a central public sector undertaking under the Ministry of petroleum and gas. It opens the positions for CAs at frequent intervals to apply and participate in its recruitment process.**
- 3. National Rural Health Mission (NRHM)- NRHM is a scheme which was started by the Hon'ble Prime Minister on April 12, 2005. It is dedicated to provide quality healthcare facilities to rural people. CAs can apply for various positions in NRHM. The selection process at NRHM includes an examination and/or interview.**
- 4. Public sector banks - Many public sector banks (government and semi-government) need qualified and experienced CAs to do daily work requirements. Banks such as state bank of India, central bank of India, punjab national bank, and even RBI require expertise of Chartered Accountants for smooth running of the organisations. Candidates will have to give IBPS or SBI exams for various roles at Public sector banks.**

- 5. Union Public Service Commission (UPSC) - Union Public Service Commission (UPSC) is a government organisation that conducts various civil services exams. CAs have the option to apply for several ministerial posts in UPSC. The selection process of UPSC is to clear the examinations and an interview.**
- 6. Rural Regional Bank (RRBs) - Rural regional banks are government owned commercial banks that operate at regional level at various parts of the country. CAs can join the RRBs by going through the recruitment process conducted at frequent periods.**
- 7. Metro Rail Corporation Limited (MRCL) - CAs can apply for various positions at the Metro Rail Corporation Ltd. It is one of the biggest organisations for metros and is owned and managed by the government. It opens vacancies for both state and the centre.**

Role of CAs in Government Sector

Chartered accountants have multiple roles to play in the government organisations. From taking care of finances, regular audits, to conducting various financial corporate checks, CAs play a major role in smooth functioning of industries. Depending on the area of expertise, CAs get a variety of responsibilities. Following are a few roles played by CAs in government organisations:

- **Financial Analysts**
- **Branch Manager**
- **Tax Accountants**
- **Financial reporting managers**
- **Loans and Advances Head**
- **Credit Management department**
- **AGM, Zonal Head**
- **Auditors**
- **Treasury Manager**
- **Chief Manager (Accounts and Finance Departments)**
- **Assistant Administrative Officer (CA)**
- **Adjunct Administrative Officer (CA)**

CA Government Job Selection Process

For securing a position in the government sector, CAs will have to pass through the selection process of the organisation applying for. Following is the most common selection process for CA in government sector:

- **The common round of selection in any organisation is the written exam**
- **The written exam is followed by a personal interview.**
- **Depending on the role and the company, the selection procedure might be somewhat different in every organisation.**

To land a government job after CA, professionals will have to sit in various rounds of scrutiny conducted by each organisation depending upon their requirements. An interview and a written exam are often part of the selection process. At many organisations, selection of CAs is done just by a personal interview.

CA Salary Details

Chartered accountancy programme offers the highest-paid salary package to the skillful professionals. CAs with good articleship experience and knowledge can earn high perks. Salaries of chartered accountants vary in every public sector. The reason for the standardised chartered accountant salary is the major growth in the financial sector. Eventually, it has led to the increase in the demand and jobs for CAs.

The salary of CA varies based on the position or role in the company and the sector of industry applied in. Banking sector offers jobs to CAs as scale II and scale III officers.

The average salary of a CAs in India is between Rs 8 to 9 lakhs per annum. However, the highest packages of a chartered accountant can be up to Rs. 50 to Rs. 60 lakhs per annum. For example, the salary range for the manager (accounts) at any well-established company is around Rs.1,25,000 to Rs. 2,15,000 per month. Moreover, CAs can get handsome annual packages while working abroad which can range from

Rs. 70 to Rs. 80 lakhs. Chartered accountant's salary depends on many factors such as experience, skills, job profile and location.

Additional Degrees with CA

CA certificate itself offers many opportunities to skilled professionals. However, adding another specialisation (along with CA certificate) in the curriculum vitae can be a benefit for getting high-salaried jobs. Following are certain options pursued by CAs:

- **Chartered Financial Analyst (CFA)**
- **Tax Management Course**
- **Diploma in Insurance and Risk Management**
- **Corporate Management Course**
- **International Trade Laws and World Trade Organization**
- **Company Secretary (CS)**
- **Certified Management Accountant (CMA)**
- **MBA in Finance**

Scope of Indian Chartered Accountants Abroad

. Introduction

It is a known fact that one must analyse the scope and future prospects before pursuing any career. Chartered Accountancy being one of the most elite professions, not only in India but abroad as well, makes it a favourable career choice for students.

In order to provide an extensive platform to its members, the *Institute of Chartered Accountants of India* (hereinafter called ICAI) being the governing body of the said profession, has entered into Memorandum of Understanding (MoU) and Mutual Recognition Agreement (MRA) with various International Accounting Bodies which has helped its members to tap the growing opportunities beyond the national boundaries. To exploit such growth opportunities, one needs to understand the various prospects related to the same.

. Professional Opportunities

The MRA or MOU entered by the ICAI with various countries paves the way for the members of ICAI to connect with the

respective countries in accordance with the prescribed terms and conditions. However, this does not conclude that an Indian Chartered Accountant can only associate or work with such recognised countries. It is just that the countries which have not entered into any agreement with ICAI open opportunities for the members of ICAI only after clearing their notified examinations or fulfilling certain prerequisites for the same in their home countries.

As a matter of fact, any country has its own set of laws and regulations which need to be studied beforehand to work in the said country whether or not there exists any agreement. As far as the professional calibre and knowledge of an Indian Chartered Accountant is concerned, it is undoubtedly much wider and multifaceted when compared to other countries. The foreign bodies with which the ICAI has signed MoU/MRA/Joint Declarations are listed below-

-
- **MoU with Chartered Accountants – Australia and New Zealand (CAANZ)**
- **MRA with the Institute of Chartered Accountants of Nepal (ICAN)**
- **MRA with the Malaysian Institute of Certified Public Accountants (MICPA)**
- **MoU with the Institute of Chartered Accountants in England and Wales**
- **MoU with Chartered Professional Accountants of Canada (CPA Canada)**
- **MRA with the Institute of Certified Public Accountants in Ireland (CPA Ireland)**
- **MRA with the South African Institute of Chartered Accountants (SAICA)**
- **MRA with CPA Australia**
- **MoU with the Institute of Professional Accountants of Russia (IPAR)**
- **MoU with the Qatar Financial Centre**

- **MoU with the Institute of Certified Public Accountants of Kenya (ICPAK)**
- **MoU with Bahrain Institute of Banking and Finance (BIBF)**
- **MoU with the National Board of Accountants and Auditors (NBAA), Tanzania**
- **MoU with the Institute of Chartered Accountants of Nepal (ICAN)**
- **MoU with College of Banking and Financial Studies (CBFS), Oman**
- **International Pathway Programme of Chartered Accountants Australia and New Zealand**
- **International Pathway Programme of the Institute of Chartered Accountants of England and Wales (ICAEW)**
- **License Agreement with ISACA**

So, one can very well grab the professional opportunities in the aforesaid countries as the ICAI has entered into mutual agreements with the same. Other pathways to explore global dimensions include the following-

-
- **ICAI Placements**
- **Post-qualification job experience in any of the 'Big Four' firms provide added advantage in moving outside India.**

3. Biggest Market for Indian Chartered Accountants

Middle Eastern Countries viz-

- **Dubai**
- **Qatar**
- **Kuwait**
- **Bahrain**
- **Saudi Arabia**
- **Abu Dhabi**

are the places where Indian Chartered Accountants are valued the most and also as a fresher one gets a handsome salary package ranging from 1.8 Lakhs to 2.25 Lakhs per month approximately. With recent developments in the oil sector particularly, these countries have established a growing demand for Chartered Accountants. Further, there being no personal Income Tax, the amount of savings in these countries also tends to be high.

4. Criteria to Get Jobs Abroad

The most important criteria mentioned in the job description of Middle Eastern Countries is job experience of at least 3-4 years in a Big Four. While working in a Big Four firm, getting into another Big Four in the Middle Eastern Countries becomes very easy if one proves that his/her records in the existing company over a period of time are stress-tested and up to the industry standards.

Also, one can apply in any of the government companies or any of the local companies of the said countries via references of friends, relatives, etc. residing there.

5. Identical Qualification

To get jobs directly in countries like Europe, UK, Australia, USA one needs to crack the prominent accountancy course in the said countries after having certain years of work experience in India. For instance, an Indian CA can complete CPA/CFA in USA, ACCA in UK, Chartered Accountancy in Australia in order to work outside the country.

Also, one may join any MNC in India which has its operations spread across multiple countries; then after gaining work experience for a considerable period of time, one may apply to its management for exposure to any of such countries for a fixed period of time and thereafter move in to that country for further opportunities.

6. Salary Expectations

Indian Chartered Accountants are paid pretty well abroad, especially if one has initiated his/ her career in a Big 4 Firm and has gained an experience of 3-4 years in India. Middle East being the highest payer, even other countries pay a decent salary package. He/she can consider a salary of Rs. 1.5 Lakhs to 3

Lakhs per month in the initial phase of career while working abroad.

7. Cost of Living

Housing expenses in Australia are quite high due to its housing taxes as compared to housing in Canada which is far more affordable. Living expenses are also higher in Australia than in other countries. In terms of Income Tax, Middle East is the most preferred against other countries, as there are no taxes for any amount of income earned.

Although, cost of living in countries other than India is quite high but the quantum of money that one earns and saves is undoubtedly more than that in India.

8. Job Profile

Job profile is generally similar for a CA fresher which includes accounting, financial planning and analysis. Further, niche job profiles like investment analysis, wealth management and transaction advisory may also be offered.

9. CA Practice Restrictions

Not all countries allow Indian CAs to practice in their countries without any additional qualification to be obtained in that country. The countries with which the ICAI has agreements signed are generally liberal in allowing Indian CAs to practice in foreign land. Like for example, the Institute of Chartered Accountants of India and the Institute of Chartered Accountants of England and Wales (ICAEW) have signed an agreement that allows both countries to recognize the qualifications of CAs from other countries. CAs from India will be able to practice in the UK, and British CAs will be able to set up office in India.

10. Culture, Lifestyle and Safety

Middle East is one of the most preferred locations for working as a CA, proximity to India being one of the major reasons. Also, the existence of a huge Indian population in the said countries makes it convenient for one to work in the Middle East.

Middle Eastern Countries are globally known for their free trade ideologies, thus, attracting numerous immigrants and also known to be people friendly in terms of its culture.

On the Global Peace Index, Canada ranks the 7th safest country in the world, Australia being 9th, UK being 39th and UAE being 49th on the said Index.

Further, usually the work-life balance principles are followed in many foreign countries as compared to that in India, especially in Big 4 firms.

11. Global Opportunities for an Indian CA

After having qualified as a CA, one must decide what could give him/her a springboard that would enable one to go abroad.

For instance, after the introduction of GST in India, Indian CAs are looked upon as tax experts to tackle the businesses in the Gulf countries. Indian GST being a very complex indirect tax regime, Indian CAs are being regarded as more reliable in the Gulf countries to handle Value Added Tax (VAT) introduced there.

So, one way is that having done Chartered Accountancy course, one must keep looking around for international job opportunities, apply for the same and get the same. Second option is that if one wants to upskill his/her self, one will have to pursue an international course viz. CPA in American context, international tax laws, etc. So, to bridge the gap between where one is and where one wants to reach, one needs to upgrade his/her skills.

Also, there is always an option of a startup, age being no barrier for the same. The most crucial thing for such a path being a clear plan and vision for what and how one wants to proceed. So, a CA's scope is no longer restricted to jobs and practice, as there are many other examples of CAs choosing versatile careers, one amongst them being the famous Indian filmmaker and actor Shekhar Kapur who has achieved international prominence. Many Chartered Accountants are successful businessmen. So, one must treat the Chartered Accountancy course as a means to his/her passion and not an end to it and must keep learning throughout the journey.

12. Conclusion

The first 3-4 years post qualification as a Chartered Accountant are the base during which one needs to ensure getting a fair experience in any of the renowned firms, getting to work in various industries and then accordingly, one can target a company in any of the foreign countries. Communication skills and technical knowledge are of utmost importance to grab an opportunity in such foreign countries; besides networking can also help gain such opportunities. Indian CAs are highly valued across the globe for their in-depth knowledge and clarity of concepts, reason being the rigorous preparation undergone during the course.

**Build your
career**

Be wise

Be rich

Thank you

IICF