

INTRODUCTION TO CHARTERED ACCOUNTANCY

A banner in front of the Institute of Chartered Accountants of India reads -

"Drive slowly, don't kill our students..... Leave them to us....."

If this joke could make you smile, then you are ready to take a plunge in Chartered Accountancy. The hard work and the dedication needed to clear these exams make chartered accountancy such a dynamic profession and often, a dreaded one too.

MIND offers detailed information on Chartered Accountancy as a [career option](#).

Chartered Accountants are professional people who work in the field of business and finance and their job encompasses areas like audits, taxation, company law, financial accounting and general management of companies. They can either work as self-employed professionals, or work as employees in public or private sector. As an employee, a C.A.'s basic job is to maintain accounts, complying the regulatory requirements and provide inputs on financial managements.

As a professional, they do financial audits; give financial advice to the company or individual, advice the clients on tax planning, mergers and acquisitions and male management reports giving recommendations after mandatory audits.

Step-by-Step

The qualifications for becoming a CA have changed over the years. Initially — and that was decades ago — one could think of becoming a CA only after finishing graduation and a candidate had to undergo five years of articleship training. In 1991-92, ICAI allowed candidates who had cleared their Plus Two examinations to appear for the Foundation Course of the CA programme. In October 2001, ICAI introduced PE-1 and PE-2 system of examinations in place of the Foundation and the Intermediate examinations. However, in 2006, ICAI revamped the system and launched CPT, IPCC and FC.

The unique feature of the chartered accountancy is its curriculum, which is theoretical education with complementary practical training. A student would undergo theoretical education and practical training concurrently from the very beginning. This balanced approach helps the students to appreciate the underlying practical applications of the theoretical education scheme.

- ***Common Proficiency Test (CPT)***

CPT is an entry level test of four subjects i.e. Accounting, Mercantile Laws, General Economics and Quantitative Aptitude.

- ***Integrated Professional Competence Course (IPCC)***

This is first stage of CA curriculum wherein only working knowledge of core and allied subjects to accountancy profession is covered. The subjects of IPCC are classified into two groups which a student can study and appear in the examination group-wise or both the groups together. IPCC is designed to improve knowledge of accountancy linked to accounting standards to build strong foundation for developing knowledge of financial reporting at the final stage. The students update their knowledge of business communication, business strategies, taxes, information technology and audit.

- ***CA Final***

CA Final covers advanced application knowledge of core subjects like financial reporting, strategic financial management, advanced management accounting, advanced auditing and professional ethics and information systems control and audit. In addition, principles of e-governance, corporate and allied laws, international taxation and VAT are important features of the updated subject contents.

- ***Articleship***

The students after passing Group I of IPCC will register for Articleship for a period of three years with experienced CAs. Certain rules do apply - CAs with 16 years of experience and above can take on about 8 articles, those with less experience can train fewer articles and these teachers or 'Principals' as they are called, can be changed during the course of training. An agreement of training needs to be executed before it begins. During the training time, articles learn the technical details of the work and as time passes, they are given larger assignments with less supervision. All articulated clerks are paid a stipend depending on their city's population.