

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

New Delhi, the 20th December, 2016

NOTIFICATION

No.1-CA(7)/178/2016:- The following draft of certain regulations further to amend the Chartered Accountants Regulations, 1988, which the Council of the Institute of Chartered Accountants of India proposes to make, is hereby published, as required by sub-section (3) of section 30 of the Chartered Accountants Act, 1949 (38 of 1949) for the information of all persons likely to be affected thereby; and notice is hereby given that the said draft regulation shall be taken into consideration after the expiry of a period of forty-five days from the date on which the copies of the Gazette of India, in which these draft regulations are published, are made available to the public;

Any person desiring to make any objection or suggestion in respect of the said draft regulations, may forward the same to the Council of the Institute of Chartered Accountants of India within the period so specified, addressed to the Secretary, the Institute of Chartered Accountants of India, ICAI Bhawan, Indraprastha Marg, New Delhi – 110 002;

Any objection or suggestion which may be received from any person with respect to the said draft regulations before the expiry of the period so specified shall be taken into consideration by the Council.

Draft Regulations

1. (1) These regulations may be called the Chartered Accountants (Amendment) Regulations, 2016.
(2) They shall come into force on the date of their final publication in the Official Gazette.
2. In the Chartered Accountants Regulations, 1988 (hereinafter referred to as the said regulations), in regulation 2 of the said regulations, in sub-regulation (1), after clause (xvii), the following clause shall be inserted, namely:-
“(xviii) “specified” means specified by the Council in the official website of the Institute.”
3. In regulation 4 of the said regulations, in clause (b), for the words, “as may be specified”, the word, “approved” shall be substituted.
4. In regulation 22 of the said regulations, after sub-regulation (2), the following proviso shall be inserted, namely:-
“Provided that any change in the schedule of examination due to any reason, duly approved by the Examination Committee shall be announced through the website of the Institute.”.
5. Regulation 25A of the said regulations shall be omitted.
6. Regulation 25B of the said regulations shall be omitted.

7. In regulation 25C of the said regulations, after sub-regulation (2), the following sub-regulation shall be inserted, namely:-
- “(3) Notwithstanding anything contained in these regulations, the Council may, after the commencement of registration for the Foundation Course, discontinue registration for the Common Proficiency Course by notice in the website of the Institute.”.
8. In regulation 25D of the said regulations,-
- (i) in sub-regulation (3), for the words, “as may be specified”, the word, “approved” shall be substituted;
- (ii) after sub-regulation (3), the following sub-regulation shall be inserted, namely:-
- “(4) Notwithstanding anything contained in these regulations, the Council may, after the commencement of the Foundation Examination, discontinue holding the Common Proficiency Test and the candidates shall be required to pass the Foundation Examination as per the syllabus approved by the Council from time to time under regulation 25F.”.
9. After regulation 25D of the said regulations, the following regulations shall be inserted, namely:-
- “25E. Registration for the Foundation Course.- (1) No candidate shall be registered for the Foundation Course unless he has appeared in the senior secondary (10+2) Examination conducted by an examining body constituted by law in India or an examination recognised by the Central Government or the State Government as equivalent thereto for the purpose of admission to graduation course.
- (2) A candidate shall pay such fee, as may be fixed by the Council from time to time, which shall not exceed rupees twenty five thousand, along with an application in the form approved by the Council for registration to the Foundation Course.
- 25F. Admission to the Foundation Examination, Fee and Syllabus. - (1) No candidate shall be admitted to the Foundation Examination unless he -
- (a) is registered with the Board of Studies of the Institute on or before 30th day of June or 31st day of December for the examination to be held in the months of November or May respectively; and
- (b) has passed the Senior Secondary (10+2) examination conducted by an examining body constituted by law in India or an examination recognised by the Central Government or the State Government as equivalent thereto for the purpose of admission to graduation course.
- (2) A candidate for the Foundation examination shall pay such fees, as may be fixed by the Council, which shall in any case not exceed rupees ten thousand.
- (3) A candidate for the Foundation examination shall be examined in the syllabus approved by the Council from time to time.”.
10. Regulation 28A of the said regulations shall be omitted.
11. Regulation 28B of the said regulations shall be omitted.

12. Regulation 28C of the said regulations shall be omitted.
13. In regulation 28D of the said regulations, -
- (i) in sub-regulation (2) - for the second proviso, the following proviso shall be substituted, namely:-
- “Provided further that a candidate who was already registered for erstwhile Intermediate or Professional Education (Course-II) or Intermediate (Professional Competence) Course under these regulations shall be eligible for enrolment or conversion to Intermediate (Integrated Professional Competence) Course subject to such conditions as may be specified by the Council.”;
- (ii) after sub-regulation (3), the following sub-regulation shall be inserted, namely:-
- “(4) Notwithstanding anything contained in these regulations, the Council may, after the commencement of registration for the Intermediate Course, discontinue registration for the Intermediate (Integrated Professional Competence) Course by notice in the website of the Institute.”.
14. In regulation 28E of the said regulations,-
- (i) in the phrase appearing in brackets under the heading, for the words, “as may be specified”, the word, “approved” shall be substituted;
- (ii) in sub-regulation (3), for the words, “as may be specified”, the word, “approved” shall be substituted;
- (iii) for sub-regulation (4), the following sub-regulation shall be substituted, namely:-
- “(4) Notwithstanding anything contained in these regulations, the Council may after the commencement of registration for Intermediate Course, discontinue holding the Intermediate (Integrated Professional Competence) Examination and require the candidates to pass the Intermediate Examination as per the syllabus approved by the Council from time to time under regulation 28G.”.
15. After regulation 28E of the said regulations, the following regulations shall be inserted, namely:-
- “28F. Registration for Intermediate Course and Fees. - (1) The study course for the chartered accountancy candidates shall be named as Intermediate Course, which shall be composed of three levels viz. Group I, Accounting Technician (optional) and Group II. A candidate may opt for enrolment to (i) Group I or (ii) Group I and Accounting Technician or (iii) Accounting Technician and Group II or (iv) Group I and Group II or (v) for all the levels referred to above in this regulation.
- (2) A candidate for registration for Intermediate Course shall pay such fees as may be fixed by the Council which shall not exceed rupees twenty five thousand along with his application in the form as may be approved by the Council.
- (3) No candidate shall be registered for the Intermediate Course unless he has passed the Foundation Examination.
- (4) Notwithstanding anything contained in sub-regulation (2), a graduate or post graduate within the meaning of clause (ix) of regulation 2 shall be eligible for

registration to Intermediate Course, if such person is a –

- (a) graduate or post graduate in commerce having secured in aggregate a minimum of fifty five per cent. of the total marks or its equivalent grade in the examination conducted by any recognised university (including Open University) by studying any three papers each carrying a minimum of fifty marks in a semester or year and cumulatively hundred or more marks over the entire duration of the concerned course, out of the subjects i.e., Accounting, Auditing, Mercantile laws, Corporate laws, Economics, Management (including Financial Management), Taxation (including Direct Tax Laws and Indirect Tax Laws), Costing, Business Administration or Management Accounting or similar to the title of these papers with different nomenclatures, as approved by the Board of Studies of the Institute; or
- (b) graduate or post graduate other than those referred to in clause (a), having secured in aggregate a minimum of sixty per cent. of the total marks or its equivalent grade in the examination conducted by any recognised university (including Open University).

Explanation—For the purpose of this sub-regulation -

(i) for calculating the percentage of marks, the marks secured in subjects in which a person is required by the University (including Open University) to obtain only pass marks and for which no special credit is given for higher marks, shall be ignored; and

(ii) any fraction of half or more shall be rounded up to the next whole number.

(5) Notwithstanding anything contained in sub-regulation (3), a candidate who is pursuing the final year of graduation course shall be eligible for provisional registration to the Intermediate Course which shall be confirmed only on submission of satisfactory proof of having passed the graduation examination with the minimum marks as provided in sub-regulation (3) of this regulation within such period not exceeding six months as may be decided by the Council, from the date of appearance in the final year graduation examination:

Provided that if such candidate fails to produce the proof within the aforesaid period, his provisional registration shall be cancelled and for the purpose of these regulations –

- (i) no credit shall be given for the theoretical education undergone; and
- (ii) the Council may permit refund of such amount of registration and/or tuition fee, as may be decided by it from time to time.

(6) A candidate who has passed the Intermediate examination conducted by the Institute of Cost Accountants of India set up under the Cost and Works Accountants Act, 1959 (23 of 1959) or by the Institute of Company Secretaries of India set up under the Company Secretaries Act, 1980 (56 of 1980) shall also be eligible for registration to Intermediate Course:

Provided that a candidate who has passed the Entrance or erstwhile Foundation or Professional Education (Examination – I) or Common Proficiency Test under these regulations shall be eligible for registration to Intermediate Course subject to

compliance with other provisions of these regulations and such other conditions as may be specified by the Council:

28G. Admission to the Intermediate Examination, Fees and Syllabus. - (1) No candidate shall be admitted to the Intermediate Examination unless he is registered with the Board of Studies of the Institute and produces a certificate to the effect that he has undergone a study course for such period and in such manner as may be specified by the Council from time to time as on the first day of the month in which the examination is held:

Provided that a candidate who is registered for the Intermediate Course under sub regulation (3) of regulation 28F shall be eligible for admission to the Intermediate examination after completion of nine months of practical training under regulation 50 on the first day of the month in which examination is held:

(2) Notwithstanding anything contained in sub-regulation (1), a candidate who was registered for the erstwhile Intermediate or Professional Education (Course-II) or Intermediate (Professional Competence) Course or the Intermediate (Integrated Professional Competence) Course shall be eligible for admission to the Intermediate Examination on such conditions as may be specified by the Council and subject to compliance with other provisions of these regulations.

(3) A candidate for the Intermediate examination shall pay such fees, as may be fixed by the Council from time to time, which shall not exceed rupees ten thousand.

(4) A candidate for the Intermediate Examination, shall be examined as per the syllabus approved by the Council from time to time.”.

16. For regulation 29 of the said regulations, the following regulation shall be substituted, namely:-

“29. Registration for Final Course and fees. - (1) A candidate who has passed the Intermediate examination under these regulations shall be required to register for the Final course:

Provided that a candidate who has passed the erstwhile Intermediate Examination or Professional Education (Examination-II) or Intermediate (Professional Competence) Examination or the Intermediate (Integrated Professional Competence) Examination held under these regulations but has not registered for Final Course on the date of coming into force of these regulations shall be eligible for registration to the Final Course subject to compliance with other provisions of these regulations:

Provided further that a candidate who is already registered for Final Course under these regulations shall be eligible for registration or conversion to Final Course subject to such conditions as may be specified by the Council.

(2) A candidate for registration to the Final Course shall pay such fee as may be fixed by the Council from time to time which shall not exceed rupees forty thousand along with an application in the Form approved by the Council.”.

17. Regulation 29A of the said regulations shall be omitted.

18. In regulation 29B of the said regulations,-

(i) in the phrase appearing in brackets under the heading, for the words, “as may

be specified”, the word, “approved” shall be substituted.

(ii) for sub-regulation (2), the following sub-regulation shall be substituted, namely:-

(2) Notwithstanding anything contained in sub-regulation (1), a candidate who has passed the Professional Education (Examination-II) or the Professional Competence Examination or the Intermediate (Professional Competence) Examination or the erstwhile Intermediate Examination under these regulations or the Intermediate Examination under the Chartered Accountants Regulations, 1964 or the Intermediate or the First Examination under the Chartered Accountants Regulations, 1949 (enforced at the relevant time) or was exempted from passing the First Examination under those regulations shall be admitted to the Final examination provided he has completed the practical training as required for admission as a member on or before the last day of the month preceding the month in which the examination is held or has been serving the last six months of practical training.”.

19. In regulation 29C of the said regulations,-

(i) in the phrase appearing in brackets under the heading, for the words, “as may be specified”, the word, “approved” shall be substituted;

(ii) in sub-regulation (1), for the proviso, the following proviso shall be substituted, namely:-

“Provided that a candidate who has passed Professional Education (Examination-II) and has completed the practical training as required for admission as a member on or before the last day of the month preceding the month in which the examination is held or has been serving the last twelve months of practical training including excess leave, if any, on the first day of the month in which the examination is held and has completed the study course and Advanced Course on Information Technology Training referred to in clause (iii) and (iv) or such other Course by whatever name called, shall be admitted to the Final Examination.”;

(iii) for sub-regulation (2), the following sub-regulation shall be substituted, namely:-

“(2) Notwithstanding anything contained in sub-regulation (1), a candidate who has passed the Professional Competence Examination or Integrated Professional Competence Examination or Intermediate (Integrated Professional Competence) Examination under the syllabus approved by the Council under sub-regulation (3) of regulation 28E or the erstwhile Intermediate Examination or Intermediate Examination under the Chartered Accountants Regulations, 1964 or the Intermediate or the first examination under the Chartered Accountants Regulations, 1949, or was exempted from passing the first examination under those regulations shall be admitted to the Final examination provided that he has completed the practical training required for admission as a member on or before the last day of the month preceding the month in which the examination is held or has been serving the last six months of practical training including excess leave, if any on the first day of the month in which the examination is held and has completed the aforesaid study course and Advanced Course on Information Technology Training or such other Course by whatever name called.”;

(iv) in Explanation to sub-regulation (2),-

(a) for the words “one-sixth”, the words “one-seventh” shall be substituted;

(b) for the words and figures, “maximum of 180 days”, the words and figures

“maximum of 156 days” shall be substituted.

20. After regulation 29C of the said regulations, the following regulation shall be inserted, namely:-

“29D. Admission to Final Examination. - [Applicable to candidates appearing in Final Examination under the syllabus approved by the Council under clauses (ii), (iii) and (iv) of regulation 31]

- (1) No candidate shall be admitted to the Final Examination unless he -
- (i) is registered for the Final Course and has passed the Intermediate Examination held under these regulations; and
 - (ii) has completed the practical training as required for admission as a member on or before the last day of the month preceding the month in which the examination is held or has been serving the last six months of practical training, including excess leave, if any, under regulation 50 on the first day of the month in which the examination is held; and
 - (iii) has successfully completed advanced Integrated Course on Information Technology and Soft Skills; and
 - (iv) has complied with such other requirements in such manner as may be specified by the Council from time to time.
- (2) Notwithstanding anything contained in sub-regulation (1), a candidate who has passed the Professional Education (Examination –II) or the Professional Competence Examination or the Integrated Professional Competence Examination or the Intermediate (Professional Competence) Examination or Intermediate (Integrated Professional Competence) Examination or the erstwhile Intermediate Examination held under these Regulations or Intermediate Examination under the Chartered Accountants Regulations, 1964 or the Intermediate or the first examination under the Chartered Accountants Regulations, 1949, or was exempted from passing the first examination under those regulations shall be admitted to the Final examination provided that he has completed the practical training as required for admission as a member or has been serving the last six months of practical training, including excess leave, if any, under regulation 50 on the first day of the month in which the examination is held and has complied with other provisions of these regulations.

Explanation. - A candidate who has been admitted to the Final Examination before coming into force of these regulations shall be required to complete the Advanced Integrated Course on Information Technology and Soft Skills under regulation 51E, for becoming eligible for admission to Final Examination.”.

21. In regulation 30 of the said regulations, for the words, “from time to time”, the words, “from time to time which shall not exceed rupees ten thousand” shall be substituted.
22. In regulation 31 of the said regulations,-
- (i) clause (i) shall be omitted;
 - (ii) in clause (ii) and (iii), for the word, “specified”, the word, “approved” shall be substituted;

- (iii) after clause (iii), the following clause shall be inserted, namely:-
- “(iv) as per the syllabus approved by the Council from time to time after commencement of enrolment to Intermediate Course under regulation 28F.”.
23. In regulation 32 of the said regulations, for the words, “an examination shall be made in the form approved by the Council”, the words, “an examination shall be made online electronically or in the form approved by the Council” shall be substituted.
24. For regulation 35 of the said regulations, the following regulation shall be substituted, namely:-
- “35. Candidates to be provided with Admit Card. - An admit card stating the place, dates and time at which the candidate may present himself for an examination shall be made available online electronically to each candidate not less than fourteen days before the commencement of the examination.”.
25. Regulation 36 of the said regulations shall be omitted.
26. After regulation 36A of the said regulations, the following regulation shall be inserted, namely:-
- “36B. Requirement for passing the Foundation Examination.- (1) A candidate for the Foundation Examination shall ordinarily be declared to have passed the examination if he obtains at one sitting a minimum of forty per cent. marks in each paper and a minimum of fifty per cent. marks in the aggregate of all the papers.
- (2) The Council may adopt the criteria of negative marking in a paper or papers having objective type questions in such manner as may be specified by it from time to time.”.
27. Regulation 37A of the said regulations shall be omitted.
28. Regulation 37B of the said regulations shall be omitted.
29. In regulation 37C of the said regulations,-
- (i) in the phrase appearing in brackets under the heading, for the words, “as may be specified”, the word, “approved” shall be substituted;
- (ii) in sub-regulation (3), for the proviso, the following proviso shall be substituted, namely:-
- “Provided that a candidate, who has passed either the Intermediate (Professional Competence) Examination or Professional (Education-II) or erstwhile Intermediate Examination under these regulations or the Chartered Accountants Regulations, 1964 or Intermediate or the first examination under the Chartered Accountants Regulations, 1949 or was exempted from passing the first examination under that regulation and has completed the prescribed period of practical training required for admission as a member, shall be eligible for grant of Accounting Technician Certificate on making an application to this effect and on compliance with such other conditions as may be specified by the Council from time to time.”;
- (iii) for sub-regulation (6), the following sub-regulation shall be substituted, namely:-

“(6) A candidate, who has passed in any one but not in both the groups either of the Intermediate (Professional Competence) Examination or Professional Education (Examination-II) effective from October, 2001, the examination for which commenced from November, 2002 or of the erstwhile Intermediate Examination shall be eligible for exemption in the corresponding paper or papers for the unexpired chance or chances, if the corresponding paper or papers exists in the new syllabus approved by the Council.”;

(iv) for sub-regulation (7), the following sub-regulation shall be substituted, namely:-

“(7) The Council may frame guidelines to continue to award exemption in a paper or papers to a candidate, granted earlier in the Professional Education (Examination-II) or in the Intermediate (Professional Competence) Examination for the unexpired chance or chances of the exemption in the corresponding paper or papers, as may be specified by the Council, in which he has secured exemption if the corresponding paper or papers exists in the new syllabus approved by the Council. On appearing in the examination of the corresponding paper or papers in which he had failed, he shall be declared to have passed the examination if he secures at one sitting a minimum of forty per cent. marks in the corresponding paper or papers in which he had failed earlier and a minimum of fifty per cent. marks in the aggregate of all the papers of the group including the marks of the paper or papers in which he had earlier been granted exemption by the Council.”.

30. After regulation 37C of the said regulations, the following regulation shall be inserted, namely:-

“37D. Requirements for passing the Intermediate Examination. - (1) A candidate may appear in Group I or Group II level, separately or simultaneously or in a Unit comprising of a set of papers of Group-I or Group-II.

(2) A candidate, other than a candidate who has opted for Accounting Technician level, shall ordinarily be declared to have passed the Intermediate Examination, if he passes in both Group I and Group II levels.

(3) A candidate, who has opted for the Accounting Technician level, shall be declared to have passed in that level, if he -

- (a) passes in Group I; and
- (b) successfully completes Integrated Course on Information Technology and Soft Skills under regulation 51D; and
- (c) completes the practical work experience in accounting and related fields for a period not less than twelve months in such manner as may be specified by the Council from time to time:

Provided that a candidate, who has passed either the Intermediate (Integrated Professional Competence) Examination or Integrated Professional Competence Examination or Intermediate (Professional Competence) Examination or Professional Competence Examination or Professional Education-II Examination or erstwhile Intermediate Examination under these regulations or the Chartered Accountants Regulations, 1964 or Intermediate or the first examination under the Chartered Accountants Regulations, 1949 or was exempted from passing the first examination under that regulation and has completed the prescribed period of practical training as required for admission as a member, shall be eligible for grant of Accounting Technician Certificate on making an application to this effect and on compliance with such other conditions as may be specified by the Council from time to time.

- (4) A candidate shall ordinarily be declared to have passed in both the groups simultaneously, if he –
- (a) secures at one sitting a minimum of forty per cent. marks in each paper of each of the groups, viz., Group I and Group II levels, and minimum of fifty per cent. marks in the aggregate of all the papers of each of the groups; or
- (b) secures at one sitting a minimum of forty per cent. marks in each paper of both the groups, viz., Group I and Group II levels, and a minimum of fifty per cent. marks in the aggregate of all the papers of both the groups taken together.
- (5) A candidate shall be declared to have passed in Group-I level or Group II level or Unit, as the case may be, if he secures at one sitting a minimum of forty per cent. marks in each paper of the group or unit and a minimum of fifty per cent. marks in the aggregate of all the papers of that Group or Unit.
- (6) A candidate, who has passed in any one but not in both the groups either of the Intermediate (Integrated Professional Competence) Examination or Integrated Professional Competence Examination under the syllabus approved by the Council under sub-regulation (3) of regulation 28E or Intermediate (Professional Competence) Examination or Professional Education (Examination-II) effective from October, 2001, the examination for which commenced from November, 2002 or of the erstwhile Intermediate Examination, shall be eligible for exemption in the corresponding paper or papers for the unexpired chance or chances, if the corresponding paper or papers exists in the new syllabus approved by the Council.
- (7) The Council may frame guidelines to continue to award exemption in a paper or papers to a candidate, granted earlier in the Intermediate (Integrated Professional Competence) Examination under the syllabus approved by the Council under sub-regulation (3) of regulation 28E for the unexpired chance or chances of the exemption in the corresponding paper or papers, as may be specified by the Council, in which he has secured exemption if the corresponding paper or papers exists in the new syllabus approved by the Council under sub-regulation (4) of regulation 28G. On appearing in the examination of the corresponding paper or papers in which he had failed, he shall be declared to have passed the examination if he secures at one sitting a minimum of forty per cent. marks in the corresponding paper or papers in which he had failed earlier and a minimum of fifty per cent. marks in the aggregate of all the papers of the group including the marks of the paper or papers in which he had earlier been granted exemption by the Council.
- (8) Notwithstanding anything contained in sub-regulations (1) to (5), a candidate who has appeared in all the papers comprised in a Group or Unit and fails in one or more papers comprised in a Group but secures a minimum of sixty per cent. marks in any paper or papers of that Group shall be eligible to appear at any one or more of the next three following examinations in the paper or papers in which he secured less than sixty per cent. marks. He shall be declared to have passed in that Group or Unit if he secures at one sitting a minimum of forty per cent. marks in each of such papers and a minimum of fifty per cent. of the total marks of all papers of that Group or Unit including the paper or papers in which he had secured a minimum of sixty per cent. marks in the earlier examination referred to above. He shall not be eligible for any further exemption in the remaining paper or papers of that Group or Unit until he has exhausted the exemption already granted to him in that Group or Unit.”.

31. Regulation 38A of the said regulations shall be omitted.

32. In regulation 38B of the said regulations,-
- (i) in the phrase appearing in brackets under the heading, for the words, "as may be specified", the word, "approved" shall be substituted;
 - (ii) in sub-regulation (4), for the words, "as specified", the word, "approved" shall be substituted;
 - (iii) in sub-regulation (5), for the words, "as specified" and the words, "as may be specified", the word, "approved" shall be substituted.

33. In regulation 38C of the said regulations,-
- (i) in the phrase appearing in brackets under the heading, for the words, "as may be specified", the word, "approved" shall be substituted;
 - (ii) in sub-regulation (4) for the words, "as specified", the word, "approved" shall be substituted';
 - (iii) in sub-regulation (5), for the words, "as specified" and the words, "as may be specified", the word, "approved" shall be substituted.

34. After regulation 38C of the said regulations, following regulation shall be inserted, namely:-

"38D. Requirements for passing the Final Examination. - [Applicable to candidates appearing in Final Examination under the syllabus approved by the Council under clauses (ii), (iii) and (iv) of regulation 31]

(1) A candidate may appear in both the groups simultaneously or in one group in one examination and the remaining group at any subsequent examination and shall ordinarily be declared to have passed the Final Examination if he passes in both the groups.

(2) A candidate shall ordinarily be declared to have passed in both the groups simultaneously, if he –

- (a) secures at one sitting a minimum of forty per cent. marks in each paper of each of the groups and minimum of fifty per cent. marks in the aggregate of all the papers of each of the groups; or
- (b) secures at one sitting a minimum of forty per cent. marks in each paper of both the groups and a minimum of fifty per cent. marks in the aggregate of all the papers of both the groups taken together.

(3) A candidate shall be declared to have passed in a group if he secures at one sitting a minimum of forty per cent. marks in each paper of the group and a minimum of fifty per cent. marks in the aggregate of all the papers of that group.

(4) A candidate who has passed in any one but not in both the groups of the Final Examination under the syllabus approved by the Council under clauses (i), (ii) and (iii) of regulation 31 or of the Final Examination as per the syllabus under paragraph 3 or 3A of Schedule 'B' to the Chartered Accountants Regulations, 1988 or paragraph 3 of Schedule 'BB' to the Chartered Accountants Regulations, 1964 (two groups scheme after January 1, 1985) enforced at the relevant time shall be eligible for exemption in that

particular group and shall be required to appear and pass in the remaining group in order to pass the Final Examination.

(5) The Council may frame guidelines to continue to award exemption in a paper or papers to a candidate, granted earlier under the syllabus approved under clauses (i), (ii) and (iii) of regulation 31 for the unexpired chance or chances of the exemption in the corresponding paper or papers for the paper or papers in which he had secured exemption, if the corresponding paper or papers exist in the new syllabus of the Final Examination approved by the Council under clause (iv) of regulation 31. On appearing in the examination of the corresponding paper or papers for the paper or papers in which he had failed, he shall be declared to have passed the examination, if he secures at one sitting a minimum of forty per cent. in the corresponding paper or papers for the paper or papers in which he had failed earlier and a minimum of fifty per cent. marks in the aggregate of all the papers of the group including the marks of the paper or papers in which he had earlier been granted exemption by the Council.

(6) Notwithstanding anything contained in sub-regulations (1) to (5), a candidate who has appeared in all the papers comprised in a group and fails in one or more papers comprised in a group but secures a minimum of sixty per cent. of the marks in any paper or papers of that group shall be eligible to appear at any one or more of the immediately next three following examinations in the paper or papers in which he secured less than sixty per cent. marks. He shall be declared to have passed in that group, if he secures at one sitting a minimum of forty per cent. marks in each of such papers and a minimum of fifty per cent. of the total marks of all papers of that group including the paper or papers in which he had secured a minimum of sixty per cent. marks in the earlier examination referred to above. He shall not be eligible for any further exemption in the remaining paper or papers of that group until he has exhausted the exemption already granted to him in that group.”.

35. In regulation 39 of the said regulations,-

I. in sub-regulation (1), -

(i) for clause (a), following clause shall be substituted namely:-

“(a) The result of each examination along with the names of the candidates shall be made available on the website of the Institute.”.

(ii) in clause (b), for the word, “list”, the word, “result” shall be substituted.

II. in sub-regulation (4), after clause (iv), the following Explanation shall be inserted, namely:-

“Explanation. – For the removal of doubt, it is clarified that re-examination of answers shall not be permitted under any circumstances.”.

36. In regulation 40 of the said regulations,-

(i) the existing provision shall be numbered as sub-regulation (1);

(ii) in sub-regulation (1) as so re-numbered, for the words, “Professional Education (Examination-II), Intermediate (Professional Competence) Examination, Intermediate (Integrated Professional Competence) Examination, Accounting Technician level, or Final Examination” the words “Intermediate (Integrated Professional Competence) Examination, Accounting Technician level,

Intermediate Examination or Final Examination” shall be substituted;

- (iii) after sub- regulation (1) as so re-numbered, the following proviso and sub-regulation shall be inserted, namely:-

Provided that the Council may refuse to grant such certificate to a candidate who has passed the final examination but has not complied with other provisions of these regulations which are required to be complied with for becoming a member of the Institute.

“(2) A candidate passing the Special Examinations held under the Scheme as envisaged in the relevant Mutual Recognition Agreement or Memorandum of Understanding entered into with overseas accounting bodies, shall be granted, a certificate to that effect in the Form approved by the Council.”.

37. In regulation 41 of the said regulations,-

- (i) for the words “for the purpose of passing an examination, the Examination Committee”, the words, “for the purpose of passing an examination, or supplies false information, the Examination Committee” shall be substituted;
- (ii) for the Explanation, the following Explanation shall be substituted, namely:-

“Explanation – Disciplinary action may include the cancellation of any examination result, or the cancellation of articles or debarring from appearance in one or more following examinations or all the above in relation to the candidate.”.

38. For regulation 42 of the said regulations, the following regulation shall be substituted, namely:-

“42. Examiners.- The Examination Committee shall maintain a list of examiners for the purpose of the examinations under these regulations as approved by it.”.

39. For regulation 45 of the said regulations, the following regulation shall be substituted, namely:-

“45. Admission to Articleship.-

(1) A member engaging articled assistants shall before accepting a person as an articled assistant satisfy himself that –

- (a) he is entitled to train articled assistants under regulation 43, his professional practice or that of his employer, if he is an employee of chartered accountant in practice or a firm of such chartered accountants, is suitable for the purpose of training articled assistants; and
- (b) such a person –
- (i) has passed either or both the groups of Intermediate Examination held under regulation 28G; and
- (ii) has completed Integrated Course on Information Technology and Soft Skills under regulation 51D of these regulations.

(2) Notwithstanding anything contained in sub-regulation (1), a candidate who has passed Professional Education (Examination-II) or either or both the Groups of Intermediate (Integrated Professional Competence) Examination held under these regulations or has been exempted from passing Common Proficiency Test under sub-regulation (1A) of regulation 25D or is eligible for registration to Intermediate Course under sub-regulation (3) of regulation 28F shall be eligible for admission to articleship provided that he has -

- (i) successfully completed computer training programme or Information Technology Training as may be specified from time to time by the Council and in the manner so decided and completed the Orientation Course for such period and in such manner and within such time as may be specified by the Council from time to time; or
- (ii) successfully completed Integrated Course on Information Technology and Soft Skills under regulation 51D.”.

40. In regulation 50 of the said regulations,-

- (i) in clause (i), for the words,“ three and half years”, the words, “ three years” shall be substituted;
- (ii) in the first proviso, for the words, “Common Proficiency Test”, the words, “enrolment to Intermediate Course” shall be substituted;
- (iii) second, third, fourth and fifth provisos shall be omitted.

41. In regulation 51 of the said regulations, for sub-regulation (1), the following sub-regulation shall be substituted, namely:-

“(1) An articled assistant who has passed the Intermediate Examination held under regulation 28G or Intermediate (Professional Competence) Examination or Professional Education (Examination-II) or erstwhile Intermediate examination under these regulations may, at his discretion, serve as an industrial trainee for the period prescribed in sub-regulation (2) in any of the financial, commercial, industrial undertakings with minimum fixed assets or minimum total turnover or minimum paid-up share capital as may be specified by the Council or such other institution or organization as may be approved by the Council from time to time:”.

42. In regulation 51A of the said regulations,-

- (i) the existing provision shall be numbered as sub-regulation (1);
- (ii) after sub-regulation (1) as so re-numbered, the following sub-regulation shall be inserted, namely:-

“(2) Notwithstanding anything contained in sub-regulation (1), the Council may discontinue this course and require a candidate to complete the course or courses under regulation 51D or 51E or both, as the case may be.”.

43. In regulation 51B of the said regulations,-

- (i) the existing provision shall be numbered as sub-regulation (1);
- (ii) after sub-regulation (1) as so re-numbered, the following sub-regulation shall be

inserted, namely:-

“(2) Notwithstanding anything contained in sub-regulation (1), the Council may discontinue this course and require a candidate to complete the course or courses under regulation 51D or 51E or both, as the case may be.”.

44. In regulation 51C of the said regulations,-

- (i) the existing provision shall be numbered as sub-regulation (1);
- (ii) after sub-regulation (1) as so re-numbered, the following sub-regulation shall be inserted, namely:-

“(2) Notwithstanding anything contained in sub-regulation (1), the Council may discontinue this course and require a candidate to complete the course or courses under regulation 51D or 51E or both, as the case may be.”.

45. After regulation 51C of the said regulations, the following regulations shall be inserted, namely:-

“51D. Integrated Course on Information Technology and Soft Skills. - A candidate who has been registered for the Intermediate Course under regulation 28F shall before admission to the articles, undergo Integrated Course on Information Technology and Soft Skills for such duration and in such manner as may be specified by the Council from time to time.

51E. Advanced Integrated Course on Information Technology and Soft Skills. - An articulated assistant during the last two years of his practical training without any break in continuity shall undergo an Advanced Integrated Course on Information Technology and Soft Skills for such duration and in such manner as may be specified by the Council from time to time.

Explanation. - A candidate who has passed the Final examination but not completed the Course on General Management and Communication Skills conducted under these regulations, shall be required to complete the Advance Integrated Course on Information Technology and Soft Skills before applying for membership of the Institute.”.

46. In regulation 57 of the said regulations, in sub-regulation (4), after the second proviso, the following proviso shall be inserted, namely:-

“Provided also that any break between termination and re-registration of articles arising out of Saturday, Sunday or any Gazetted holidays, shall be deemed as period actually served as an articulated assistant and shall be reckoned for the purpose of eligibility to appear in the examination of the Institute.”.

47. In regulation 59 of the said regulations, in sub-regulation (1), -

- (i) for the words, “one-sixth”, the words, “one-seventh” shall be substituted;
- (ii) for the words and figures, “maximum of 180 days”, the words and figures “maximum of 156 days” shall be substituted.

48. In regulation 61 of the said regulations, in sub-regulation (2), the words, “A printed copy of such form shall be obtained on request from the Secretary and shall bear the

stamp of the Institute and date of its issue and shall be valid only for sixty days thereafter.”, shall be omitted.

49. In regulation 69 of the said regulations, for sub-regulation (1), the following sub-regulations shall be substituted, namely:-

“(1) A member in practice before applying for registration of the service of an audit assistant shall satisfy himself that:-

- (a) his professional practice (either in his individual name or in a trade name or as a partner of the firm) is suitable for the purpose of engaging audit assistants; and
- (b) such a person -
 - (i) is not less than 18 years of age on the date of commencement of audit service; and
 - (ii) has passed either or both the groups of Intermediate Examination held under regulation 28G; and
 - (iii) has successfully completed Integrated Course on Information Technology and Soft Skills under regulation 51D.

(1A) Notwithstanding anything contained in sub-regulation (1), a candidate who has passed Professional Education (Examination–II) or Group I or Accounting Technician level of Intermediate (Integrated Professional Competence) Examination held under these regulations or has been exempted from passing Common Proficiency Test under sub-regulation (1A) of regulation 25D or is eligible for registration to Intermediate Course under sub-regulation (3) of regulation 28F shall be eligible for registration as an audit assistant provided that he has -

- (i) successfully completed computer training programme or Information Technology Training as may be specified from time to time by the Council and in the manner so decided; completed the Orientation Course for such period and in such manner and within such time as may be specified by the Council from time to time; or
- (ii) has successfully completed Integrated Course on Information Technology and Soft Skills under regulation 51D.”.

50. In regulation 71 of the said regulations,-

- (i) in clause (i), for the words, “fifty-six”, the words, “forty-eight” shall be substituted;
- (ii) in clause (ii), for the words, “service as an assistant”, the words, “service as an audit assistant” shall be substituted.

51. In regulation 72 of the said regulations, in sub-regulation (1), for the words, “An audit assistant who has passed the”, the words, “An audit assistant who has passed the Intermediate Examination held under regulation 28G or” shall be substituted.

52. In regulation 72A of the said regulations,-

- (i) the existing provision shall be numbered as sub-regulation (1);
- (ii) after sub-regulation (1) as so re-numbered, the following sub-regulation shall be inserted, namely:-

“(2) Notwithstanding anything contained in sub-regulation (1), the Council may discontinue this course and require a candidate to complete the course or courses under regulation 72D or 72E or both, as the case may be.”.

53. In regulation 72B of the said regulations,-

- (i) the existing provision shall be numbered as sub-regulation (1);
- (ii) after sub-regulation (1) as so re-numbered, the following sub-regulation shall be inserted, namely:-

“(2) Notwithstanding anything contained in sub-regulation (1), the Council may discontinue this course and require a candidate to complete the course or courses under regulation 72D or 72E or both, as the case may be.”.

54. In regulation 72C of the said regulations,-

- (i) the existing provision shall be numbered as sub-regulation (1);
- (ii) after sub-regulation (1) as so re-numbered, the following sub-regulation shall be inserted, namely:-

“(2) Notwithstanding anything contained in sub-regulation (1), the Council may discontinue this course and require a candidate to complete the course or courses under regulation 72D or 72E or both, as the case may be.”.

55. After regulation 72C of the said regulations, the following regulations shall be inserted, namely:-

“72D. Integrated Course on Information Technology and Soft Skills.- A candidate who has been registered for the Intermediate Course under regulation 28F shall before admission to audit service, undergo Integrated Course on Information Technology and Soft Skills for such duration and in such manner as may be specified by the Council from time to time.

72E. Advanced Integrated Course on Information Technology and Soft Skills.- An audit assistant during the last two years of his audit service without any break in continuity shall undergo an Advanced Integrated Course on Information Technology and Soft Skills for such duration and in such manner as may be specified by the Council from time to time.

Explanation.- A candidate who has passed the Final examination but not completed the Course on General Management and Communication Skills conducted under these regulations, shall be required to complete the Advanced Integrated Course on Information Technology and Soft Skills before applying for the membership of the Institute.”.

56. In regulation 74 of the said regulations, in sub-regulation (1) -

- (i) for the words, “one-sixth”, the words, “one-seventh” shall be substituted;

- (ii) for the words and figures, "maximum of 240 days ", the words and figures "maximum of 208 days" shall be substituted.

57. In regulation 204 of the said regulations, for the words, "and International Taxation", the words, "International Taxation and Management and Business Finance" shall be substituted.

File No. 1-CA(7)/178/2016

(V. Sagar)
Secretary

Note: The principal regulations were published in the Gazette of India, Extraordinary, dated the 1st June, 1988 vide number 1-CA(7)/134/88 dated 1st June, 1988 and subsequently amended by the following numbers:-

- (i) Notification No.1-CA(7)/1/89 published in the Gazette of India, dated 7th October, 1989
- (ii) Notification No.1-CA(7)/10/90 published in the Gazette of India, dated 19th January, 1991
- (iii) Notification No.1-CA(7)/11/90 published in the Gazette of India, dated 19th January, 1991
- (iv) Notification No.1-CA(7)/12/91 published in the Gazette of India, dated 23rd February, 1991
- (v) Notification No.1-CA(7)/13/90 published in the Gazette of India, dated 2nd February, 1991
- (vi) Notification No.1-CA(7)/19/92 published in the Gazette of India, dated 7th March, 1992.
- (vii) Notification No.1-CA(7)/28/95 published in the Gazette of India dated 1st September, 1995
- (viii) Notification No.1-CA(7)/30/95 published in the Gazette of India, Extraordinary dated 13th March, 1996
- (ix) Notification No. 1-CA(7)/31/97 published in the Gazette of India, dated 16th August, 1997
- (x) Notification No. 1-CA(7)/44/99 published in the Gazette of India dated 26th February, 2000
- (xi) Notification No.1-CA(7)/45/99 published in the Gazette of India, dated 26th February, 2000
- (xii) Notification No.1-CA(7)/51/2000 published in the Gazette of India, Extraordinary, dated 17th August, 2001
- (xiii) Notification No.1-CA(7)/59/2001 published in the Gazette of India, Extraordinary dated 28th September, 2001
- (xiv) Notification No.1-CA(7)/64/2002 published in the Gazette of India, Extraordinary dated 31st March, 2003
- (xv) Notification No.1-CA(7)/64A/2003 published in the Gazette of India, Extraordinary dated 4th December, 2003
- (xvi) Notification No.1-CA(7)/83/2005 published in the Gazette of India, Extraordinary dated 28th July, 2005
- (xvii) Notification No.1-CA(7)/84/2005 published in the Gazette of India, dated 17th June, 2006
- (xviii) Notification No. 1-CA(7)/92/2006 published in the Gazette of India, dated 13th September, 2006
- (xix) Notification No. 1-CA(7)/102/2007(E) published in the Gazette of India, dated 17th August, 2007

- (xx) Notification No.1-CA(7)/116/2008 published in the Gazette of India, dated 25th September, 2008
- (xxi) Notification No.1-CA(7)/123/2008 published in the Gazette of India, dated 3rd December, 2008
- (xxii) Notification No. 1-CA(7)/145/2012 published in the Gazette of India, Extraordinary dated 1st August, 2012
- (xxiii) Notification No. 1-CA(7)/154/2014 published in the Gazette of India, Extraordinary dated 22nd July, 2014
- (xxiv) Notification No. 1-CA(7)/167/2014 published in the Gazette of India, Extraordinary dated 23rd January, 2015.

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