

# ICAI Global Career E-KIT HONG KONG



Moving Towards New Frontiers



**The Institute of Chartered Accountants of India**  
(Set up by an Act of Parliament)



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## Important Notes

- ▶ This welcome pack is prepared with a view to furnish you with important information that a member may need when he/she arrives in Hong Kong to take up an employment or to set up his professional firm. The contents should be construed in conjunction with the regulations or laws that are in force in the country.
- ▶ The socio economic parameters constantly change in this vibrant economy. The information included in this welcome pack is based on factors as on 31st December, 2018. The reader is requested to discuss the facts with the concerned authorities to understand the changes if any, that may have taken place since the date of publishing this booklet.
- ▶ Information contained in this document is purely for internal circulation and meant for ICAI members to give them an overview of the activities of the Chapter and to facilitate and guide the members.
- ▶ Each country has a distinct visa requirements and for all professional and business engagements.
- ▶ This document does not promote Hong Kong either for practice/employment. The users of this information need to update the requirements before taking any decision in this regard. The benchmark of success of individual members may differ between individual members depending upon the skills, aptitude and professional dexterity.



## ICAI Motto

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

(That person who is awake in those that sleep, shaping desire after desire, that, indeed, is the pure.  
That is Brahman, that, indeed, is called the immortal. In it all the  
worlds rest and no one ever goes beyond it.  
This, verily, is that, kamam kamam : desire after desire, really objects of desire.  
Even dream objects like objects of waking consciousness are due to the Supreme Person.  
Even dream consciousness is a proof of the existence of the self.  
No one ever goes beyond it : cf. Eckhart : 'On reaching God all progress ends.')

Source : Kathopanishad

## Vision:

ICAI becomes World's leading accounting body, a regulator and developer of trusted and independent professionals with world class competencies in accounting, assurance, taxation, finance and business advisory services.

## Mission 2030:

ICAI will leverage technology and infrastructure and partner with its stakeholders to:

- Impart world class education, training and professional development opportunities to create global professionals.
- Develop an independent and transparent regulatory mechanism that keeps pace with the changing times
- Ensure Adherence to highest ethical standards
- Conduct cutting edge research and development in the areas of accounting, assurance, taxation, finance and business advisory services
- Establish ICAI members and firms as Indian multi-national service providers



## The ICAI - An Overview

The Institute of Chartered Accountants of India (ICAI) is a statutory body established by the Chartered Accountants Act, 1949 for the regulation of the profession of Chartered Accountants in India. The ICAI has achieved recognition as the premier accounting body in India and today it is the second largest accounting body in the world.



## ICAI Presence

- ▶ Headquarters : New Delhi
- ▶ Regional Offices : 5 (Mumbai, Chennai, Kolkata, Kanpur, New Delhi)
- ▶ Branch Offices : 164 branches spread all over the country
- ▶ Overseas : 34 chapters and an overseas office in Dubai

**Currently around 8 lakh students are pursuing the CA course and the total membership count of the ICAI is over 2.92 lakh. A significant number of members occupy eminent positions in government and various organisations.**

The affairs of the ICAI are managed by a Council in accordance with the provisions of the Chartered Accountants Act, 1949 and the Chartered Accountants Regulations, 1988. The Council is composed of 40 members of whom 32 are elected by the members and remaining 8 are nominated by the Central Government generally representing the Comptroller and Auditor General of India, Ministry of Corporate Affairs, Ministry of Finance, and other stakeholders.

## Activities at a glance:

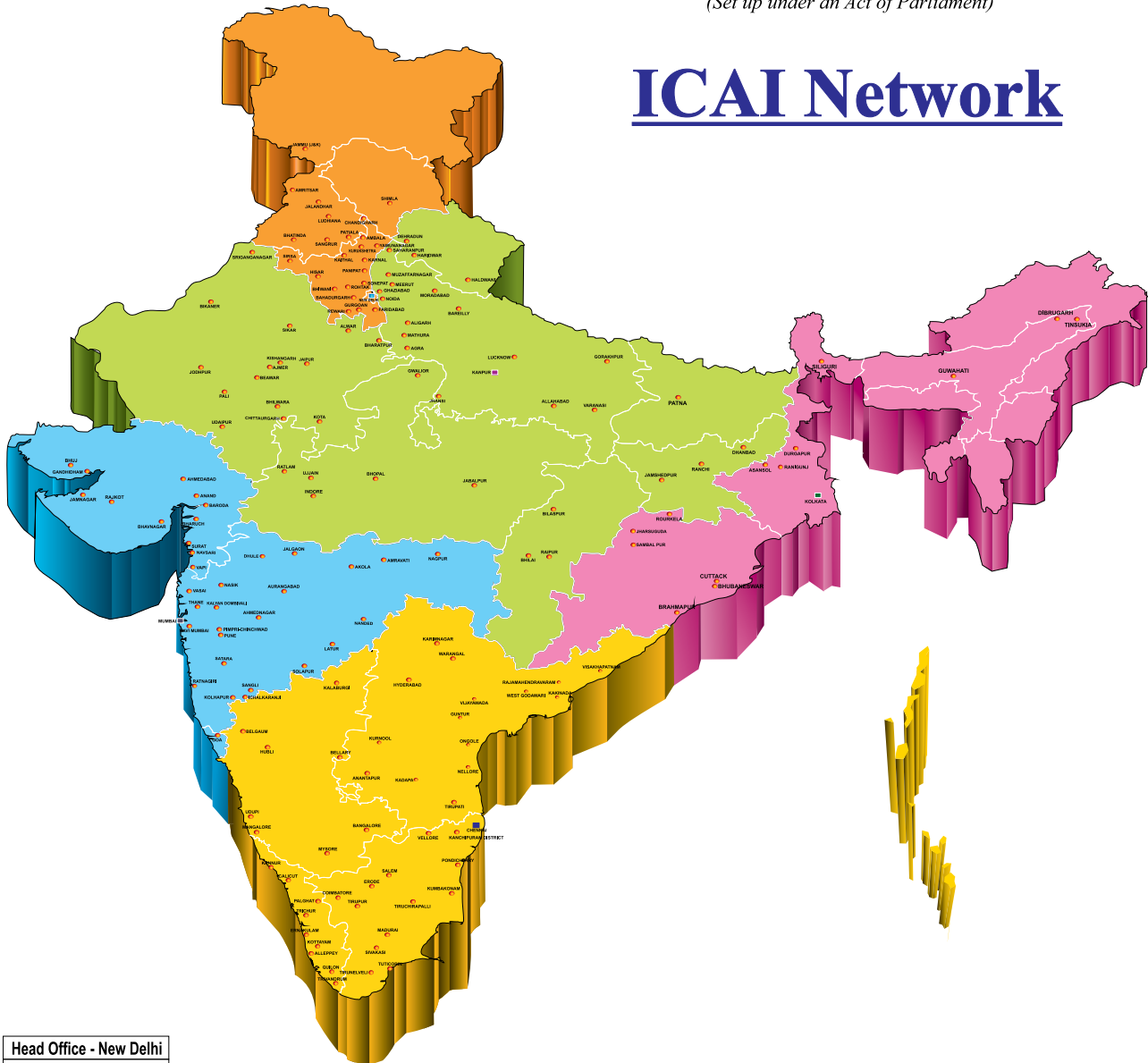
- ▶ Regulator of CA Profession
- ▶ Standards Setter
- ▶ Disciplinary Mechanism
- ▶ Services to Government and stakeholders
- ▶ Education & Research
- ▶ International initiatives
- ▶ Continuing Professional Education
- ▶ Corporate Governance
- ▶ Public Finance

# ICAI National Network



The Institute of Chartered Accountants of India  
(Set up under an Act of Parliament)

## ICAI Network



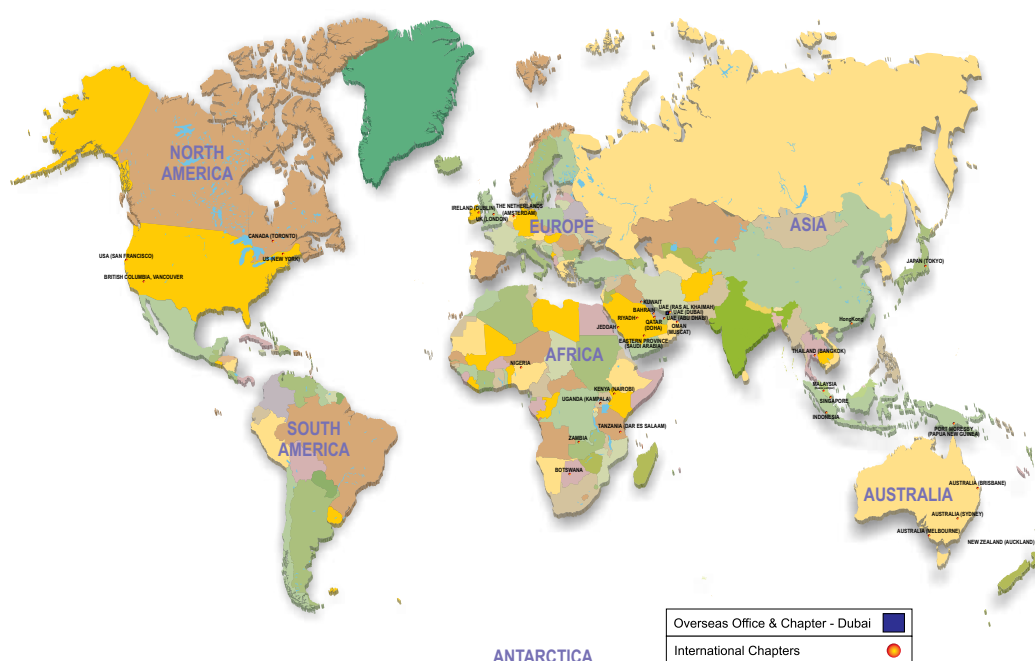
Head Office - New Delhi	
Regional Offices	
Chennai	■
Kanpur	■
Kolkata	■
Mumbai	■
New Delhi	■
Branches	●

■	Central Region
■	Eastern Region
■	Northern Region
■	Southern Region
■	Western Region



- ▶ Promoting Brand Indian CA ahead of similarly placed qualifications
- ▶ Acting as gateway to promote career opportunities.
- ▶ Updation to Global paradigm of Knowledge: Conducts Certification Courses on IFRS, Valuation etc.
- ▶ Helping Indian members professionally under the aegis of Chapter
- ▶ Promoting members to member networking
- ▶ Operationalising MoUs/ MRAs already entered into
- ▶ Gateway for promoting FDI to India

Africa-Middle East	UAE (Abu Dhabi)			Bahrain		Botswana		
	Qatar (Doha)		UAE (Dubai)		Eastern Province (Saudi Arabia)			
	Jeddah		Kenya (Nairobi)			Kuwait		
	Nigeria		Oman (Muscat)		UAE (Ras Al Khaimah)			
	Riyadh		Tanzania (Dar es Salaam)		Uganda (Kampala)		Zambia	
Asia	Indonesia	Singapore	Thailand (Bangkok)		Hongkong	Malaysia (Kuala Lumpur)		Japan (Tokyo)
Australasia-Oceania	Australia (Melbourne)			Australia (Sydney)			Australia (Brisbane)	
	Port Moresby (Papua New Guinea)				New Zealand (Auckland)			
Europe-North America	The Netherlands (Amsterdam)				Canada (British Columbia, Vancouver)			
	USA (New York)		UK (London)	USA (San Francisco)		Canada (Toronto)		Ireland (Dublin)



## CA. Naveen N.D. Gupta

*President, ICAI*



As you are aware, India's economy is passing through a very critical transformational phase. Following the mantra of our Hon'ble Prime Minister to "*Reform, Perform and Transform*", the current Government of India is working at exceptionally fast pace harnessing best of technology, taking out-of-box policy initiatives keeping in mind of all strata of society and It is indeed a matter of satisfaction that our Institute, ICAI, has kept its work programme structured in a manner so as to imbibe the emerging scenarios and responding to the needs of all stakeholders including the Government of India to the best of its expectations.

Further, I am happy to inform you that Government of India has identified Accountancy and Finance as one of the 12 Champion Service Sectors for harnessing expert potential through appropriate skilling and related capacity building. ICAI is fully conscious of the fact that the emerging global scenario will open up greater opportunities for countries with a surplus of well-educated, highly skilled labour that can provide an attractive commercial environment for outsourcing of manufacturing and service businesses from high and even middle income countries.

We feel heartening that the family of the ICAI today has over 292,000 members and over 800,000 students which exemplify the importance of role of a Chartered Accountant in building economic momentum in the country. Internationally with presence of 34 Global Chapters, its strong overseas Membership has been Ambassador of Brand India and earned laurels and respect for the quality of Indian Chartered Accountants globally. The Institute has a large focus on export of Chartered Accountancy services and more than twenty thousand of its members are based overseas.

With the increase in Globalization, ICAI members are looking to explore employment/professional opportunities abroad and in order to provide better opportunities to our members to facilitate an initial interface with the presence of 34 precious ICAI Chapters abroad, the ICAI has prepared ICAI Global Career E-Kits for various jurisdictions. These Global Career E-Kits covers preliminary information of related jurisdiction covering a brief idea about:

- About ICAI
- About the Country of Chapter
- Demographic Details and Economic Environment
- Accountancy profession & Employment opportunities
- Articleship Training, Campus Placement and Secondment Opportunities
- Other useful business information including Information of Indian Embassies and Consulates and Details of Management Committee of the Chapter

I am confident, as envisaged; these E-Kits shall help ICAI members to establish a preliminary interface with the jurisdiction to serve in times to come and also aid their global mobility.



I would also like to express my gratitude to the Managing Committee members of our Chapters abroad for their contribution to compile valuable information for preparation of these Global Career E-Kits. I along with my ICAI team would be happy to have your valuable inputs/suggestions related to these E-Kits.

CA. Naveen N.D. Gupta  
President  
The Institute of Chartered Accountants of India



## CA. Prafulla Chhajer

*Vice-President, ICAI*



Accountancy, as a profession has evolved over time and the Chartered Accountancy profession has emerged stronger with testing times and this has empowered the professionals to face the new world with more confidence, expertise and excellence, so that not only the opportunities are exploited to the fullest, but at the same time withstand the ever dynamic economic scenario.

With the role out of Game Changer initiatives like Goods and Services Tax (GST), transition to convergence with IFRS based Ind-AS, Insolvency and Bankruptcy Code 2016, we can expect many more important reforms are going to be implemented in the country. It is a matter of great pleasure that the Union Government of India has identified Accountancy profession as one of the key sector for Export of Services under Champions Sector. With these Reforms, I am quite confident that these initiatives would facilitate a plethora of global opportunities for young Indian Chartered Accountants. In the present scenario, the Indian accountants have become increasingly sought after, especially in the fast-developing nations. In India, the world's developing economic superpower, demand for accountants has increased.

I am glad that ICAI in order to cater to the needs of our members, ICAI came out with a ready reckoner, in terms of ICAI Global Career E-Kits to assist our members in promoting their global mobility. This Career E-Kit will be a starting point for the members to equip them with basic informational resources in respect of select jurisdictions.

I am sure that the information compiled in the Global Career E-Kit would help in strengthening the knowledge base of the members who are looking to pursue their career globally.

CA. Prafulla Chhajer  
Vice President  
The Institute of Chartered Accountants of India



## **CA Anoop Gidwani**

*Chairman – ICAI Hong Kong Chapter*



Dear Professional Colleagues,

Hong Kong is a vibrant and dynamic city, widely known as one of the leading financial centres in the Far East. Accordingly it is an attractive destination for finance professionals (including Chartered Accountants) to exhibit their professional skills whilst being part of the rapidly developing sector within the international framework.

Members of the Institute of Chartered Accountants of India (ICAI) are globally recognised for their work ethic and commitment to good corporate governance. It is no surprise therefore that over a hundred members of ICAI have found employment in the city of Hong Kong.

Unilaterally, the Hong Kong Institute of Certified Public Accountants (HKICPA) offers ICAI members in good standing, International Affiliate membership of HKICPA. This enables our members to keep abreast with local legislative and regulatory changes that affect our profession.

Although living and working away from our motherland, we always remember that we are part of the ICAI family, serving as ambassadors of our country and contributing to setting new benchmarks whilst taking accountancy beyond the traditional footprints. Members of the Hong Kong Chapter pledge to uphold the image of this noble profession, uphold the virtues of excellence and integrity and prepare ourselves to take on the challenges of the future.

Our Chapter was recently formed this year with the main objective being to strengthen the filial bonds with ICAI and amongst its members, particularly those residing in this region. The initiative of ICAI to introduce Global E-kits is praiseworthy to facilitate global exposure and mobility. The Hong Kong Chapter of ICAI will be pleased to be of assistance to any member who wishes to settle or travel to Hong Kong.

**CA Anoop Gidwani**

**CA Amit Kumar Sureka***Vice Chairman – ICAI Hong Kong Chapter*

Dear Professional Colleagues,

Hong Kong is often regarded as a land of opportunities where it is possible to transform imagination to reality. The fast paced city presents innumerable avenues for professional fulfilment. The recent signing of the agreement between the Republic of the India and the Hong Kong Special administrative Region of the People's Republic of China for the avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to taxes on income, will stimulate flow of investment, technology and personnel from India to Hong Kong and vice versa. It also opens a further avenue of opportunity for Chartered Accountants, to advise on the implications and benefits that flow from this agreement, whilst contributing towards transparency in tax matters and helping to curb tax evasion and tax avoidance.

In the current era of globalisation, we are privileged to present this Global Career E Kit with customised information, which hopefully will assist any member who is likely to have professional dealings in Hong Kong.

We are grateful to the Institute of Chartered Accountants of India for empowering us with the skills and professional knowledge to enable us to stand tall and make a mark in foreign lands whilst contributing towards the process of economic and social development. More specifically we are indebted for the unstinted support extended to our Chapter. We were indeed privileged to welcome our President (2017-18) CA Nilesh Vikamsey and current President CA Naveen Gupta to preside at our general meetings and share their thoughts and vision whilst providing guidance and direction for the road ahead. We look forward to professionally fulfilling days in the years ahead.

I would like to extend my sincere thanks to the ICAI leadership, the International Affairs Committee, the Managing Committee members of Hong Kong Chapter of ICAI and my professional colleagues in Hong Kong, for their contribution in development of this E-Kit. I expect that this E-Kit shall be helpful to all our members and shall give them desired information. For any additional information, I shall be waiting for your emails.

CA Amit Kumar Sureka



## About The Country

### General Information – Hong Kong

Hong Kong is a Special Administrative Region (referred as "HKSAR" in this document) of the People's Republic of China (PRC). Following British rule from 1842 to 1997, China assumed sovereignty under the 'one country, two systems' principle.



The HKSAR's constitutional document, the Basic Law, ensures that the current political situation will remain in effect for 50 years. The rights and freedoms of people in Hong Kong are based on the impartial rule of law and an independent judiciary.

### Geographical Position

On the south-eastern coast of China, the HKSAR has an area of about 1,106 square kilometres, covering Hong Kong Island, Kowloon, the New Territories and 262 outlying islands.



The Macao Special Administrative Region is about 60 kilometres west of Hong Kong and is linked by high speed ferries and a helicopter service as well as the

Hong Kong – Zhuhai – Macao Bridge which will be commissioned in later part of 2018. Hong Kong has a 35-kilometre land boundary and a 191-kilometre sea boundary with Mainland China. The HKSAR Government exercises immigration control and there are 12 control points by air, land and sea<sup>1</sup>.

### Population

In end-2017, Hong Kong had a population of almost 7.41 million<sup>2</sup>. In 2016, locally born residents made up about 60.6% of the population, while another 31% were born in Mainland China, Macao or Taiwan, and the remaining 8.4% originated from elsewhere<sup>3</sup>. Among the last group, there were approximately 184,000 Filipinos and 153,000 Indonesians<sup>4</sup>, the majority of both groups being women employed as foreign domestic helpers ("FDHs"). Hong Kong has one of the highest population densities in the world, standing at 6,777 persons per square km in 2016.

### Climate

Belonging to oceanic subtropical monsoon climate, Hong Kong has an average annual temperature of 23 °C (73 °F). From May to November, it may be attacked by tropical cyclones of various strengths and occasional squally thunderstorms. The typhoon season is possible in September.

#### i Spring

Hong Kong weather in spring from March to mid-May tends to be warm and humid, accompanied by fog and drizzle. Occasionally air and ferry services are halted due to reduced visibility. The average temperature is 18 °C (64 °F) to 25 °C (77 °F).

#### ii Summer

The weather of summer from late May to the mid-September is extremely hot and humid, with frequent thunderstorms and occasional typhoons. Average temperature is 28 °C (82 °F). The hottest is in July and August when the mean daytime temperature often exceeds 32 °C (90 °F).

<sup>1</sup> Hong Kong International Airport, Hung Hom, Lo Wu, Lok Ma Chau, Man Kam To, Sha Tau Kok, Lok Ma Chau Spur Line, China Ferry Terminal, Macau Ferry Terminal, Tuen Mun Ferry Terminal, Shenzhen Bay and Kai Tak Cruise Terminal.

<sup>2</sup> Year-end population for 2017, Census and Statistics Department.

<sup>3</sup> 2016 Population By-census, Census and Statistics Department.

<sup>4</sup> 2016 Population By-census, Census and Statistics Department.

### iii Autumn

Autumn in Hong Kong is of a cool and dry climate and with plenty of sunshine, from late September to the end of November. At this time in the city, you may just wear short-sleeved shirts/T-shirts plus a thin overcoat to for wear during the cooler hours of darkness.

### iv. Winter

Dry and cool winter usually comes in December and ends in February, having an average temperature of 17 °C (63 °F). It's an ideal time to do shopping, since most stores, malls and markets will make sales promotions to sell out-of-season clothes. The temperature then is changeable – when a cold front comes, the cold and dry north wind brings a sudden drop in temperature down to less than 10 °C (50 °F) suddenly, and the temperature may fall below zero in the northern New Territory and Tai Mo Shan area; when it clears, the temperature will again rise up to 20 °C (68 °F) or above. Warm clothes are advisable during this period. Hotels in the city are generally booked solid during April and October due to expositions and conventions. Horse races are usually held between September and the next June. Christmas sales attract many visitors; hotel prices skyrocket, especially at weekends.

## Government Structure

The Basic Law is a national law of the PRC and Hong Kong's constitutional document. It provides, inter alia, that the HKSAR is authorised to exercise a high degree of autonomy and enjoys executive, legislative and independent judicial power, including that of final adjudication. Foreign affairs relating to Hong Kong and defence are the responsibility of Central People's Government of the PRC.

The HKSAR has an executive-led political structure headed by the Chief Executive, who is advised on major policy decisions by the Executive Council. The Administration, the executive arm of the Government, is organised into the Government Secretariat and departments. Bureaux in the Government Secretariat formulate policies and initiate legislative proposals. Departments implement laws and policies and provide direct services to the community.

The HKSAR has a two-tier system of representative government. At the central level LegCo legislates,

approves public expenditure and monitors the performance of the Administration. At the district level, 18 District Councils advise on the implementation of policies in their respective districts.

The HKSAR has an independent Judiciary responsible for the administration of justice and the adjudication of cases in accordance with laws.

## Legal System and the Judiciary

The legal system of Hong Kong is based on the rule of law and the independence of the Judiciary. Under the "One Country, Two Systems" policy, Hong Kong has its own legal system based on the common law, and local legislation codified in the Laws of Hong Kong. Laws in force in Hong Kong include: (a) the Basic Law; (b) PRC national laws to the Basic Law as applied to Hong Kong; (c) the laws previously in force in Hong Kong before 1 July 1997, including the common law, rules of equity, ordinances, subordinate legislation and customary law, except for any that contravene the Basic Law, and subject to any amendment by LegCo; and (d) laws enacted by LegCo. Legislation in force in Hong Kong is accessible on the Internet at <https://www.elegislation.gov.hk>.

The Basic Law provides that the Department of Justice ("DoJ") controls criminal prosecutions, free from any interference. The Judiciary, i.e. the courts of Hong Kong, is responsible for the administration of justice in Hong Kong and the adjudication of cases, criminal and civil, in accordance with laws. It exercises judicial power independently, free from any interference. It is fundamental to Hong Kong's legal system that members of the Judiciary are independent of the executive and legislative arms of the HKSAR.

The courts of Hong Kong comprise the Court of Final Appeal, the High Court (which consists of the Court of Appeal and the Court of First Instance), the District Court, the Magistrates' Courts and other specialised Courts and Tribunals<sup>5</sup>.

The Court of Final Appeal is the final appellate court within the court system with the power of final adjudication. It hears appeals involving important

<sup>5</sup> Including the Juvenile Court, the Family Court, the Coroner's Court, the Obscene Articles Tribunal, the Competition Tribunal, the Lands Tribunal, the Labour Tribunal, and the Small Claims Tribunal etc.



questions of law, including in particular points of public and constitutional importance, or where leave to appeal has otherwise been granted as provided in the governing ordinance. There are one Chief Justice, three Permanent Judges, and 15 Non-Permanent Judges. Final appeals are heard by the full court comprising five judges, usually including the Chief Justice, three permanent members, and one non-permanent member. The Court of Final Appeal may as required invite judges from other common law jurisdictions to sit on the court and a number of distinguished judges from the United Kingdom, Australia and New Zealand have sat and continue to sit as members of the court.

The Court of Appeal of the High Court hears appeals on civil and criminal matters from the Court of First Instance and the District Court, as well as appeals from the Lands Tribunal. It also makes rulings on questions of law referred to it by the lower courts. There are 13 Justices of Appeal, including the Chief Judge of the High Court and three Vice-Presidents.

The Court of First Instance of the High Court, comprising 27 Judges, has unlimited jurisdiction in both civil and criminal matters. In its appellate jurisdiction, it hears appeals from the Magistrates' Courts and other tribunals. The most serious indictable offences, such as murder, manslaughter, rape, armed robbery, complex commercial fraud and drug offences involving large quantities, are tried in the Court of First Instance, by a judge sitting with a jury of seven (or nine on the special direction of the judge).

The District Court has limited jurisdiction in both civil and criminal matters. In its criminal jurisdiction, the court may try the more serious offences with the exception of a few very serious offences such as murder, manslaughter and rape. The maximum term of imprisonment it can impose is seven years. There are 43 District Judges, including the Chief District Judge.

The Magistrates' Courts exercise criminal jurisdiction over a wide range of offences. Although there is a general limit of two years' imprisonment or a fine of HK\$100,000 certain statutory provisions give magistrates the power to sentence up to three years' imprisonment and to impose a fine up to HK\$5 million. Prosecution of indictable offences

commences in the Magistrates' Courts. Depending on the seriousness of a case, the DoJ may apply to have a case transferred to the District Court or committed to the Court of First Instance of the High Court. As at 8 February 2018, there were 72 magistrates sitting in seven Magistrates' Courts.

## Law and Order

Hong Kong is one of the safest cities in the world. There were 56,017 reported crimes (excluding corruption) in 2017, a decrease of 7.6% from 2016. The crime rate stood at 758 cases per 100,000 of population, down 8.3% from in 2016.



Established in 1974, the Independent Commission Against Corruption ("ICAC") combats corruption independently from other LEAs, winning wide community support and international recognition. Hong Kong was rated one of the cleanest cities in the world in several international surveys, with marked improvements in both score and ranking in 2016 and 2017<sup>5</sup>.

## Language

Chinese and English are the official languages of Hong Kong. Cantonese, a southern dialect of Chinese from the Guangdong region, is the primary spoken language. With greater economic and business integration with Mainland China, Putonghua (Mandarin Chinese) is also widely spoken. With Hong Kong's status as an international financial centre and its externally oriented economy, English is widely used in the Government and other public institutions as well as by the professional and business sectors.

<sup>5</sup> For example, both the Fraser Institute 2017 Economic Freedom of the World and the Heritage Foundation 2018 Index of Economic Freedom ranked Hong Kong as the freest economy. The World Economic Forum 2017-2018 Global Competitiveness Report ranked Hong Kong the 6th most competitive economy. These surveys include corruption as one of the indicators. Whereas Hong Kong was ranked 15th in the Transparency International Corruption Perceptions Index 2016, the World Bank 2017 Worldwide Governance Indicators ranked Hong Kong 18th out of 209 economies under the dimension of Control of Corruption.



## Religion

Religious freedom is one of the fundamental rights enjoyed by Hong Kong residents. It is protected by the Basic Law and other relevant legislation. There is a large variety of religious groups in the KHSAR including Buddhism, Taoism, Confucianism, Christianity, Islam, Hinduism, Sikhism and Judaism. All of these groups have a considerable number of adherents. Apart from offering religious instructions, many major religious bodies have established schools and provided health and welfare facilities.

## Major Customs and Practices

There are five major festivals in the Chinese calendar, with the Lunar New Year being the most important. Gifts and visits are exchanged among friends and relatives and children receive lai see, or 'lucky money'. During the Ching Ming Festival in spring, ancestral graves are visited. In early summer (fifth day of the fifth lunar month), the Dragon Boat Festival is celebrated with dragon boat races and by eating cooked glutinous rice wrapped in bamboo leaves. The Mid-Autumn Festival falls on the 15th day of the eighth lunar month. Gifts of mooncakes, wine and fruit are exchanged and adults and children gather under the full moon with colourful lanterns. Chung Yeung is on the ninth day of the ninth lunar month, when many visit their ancestors' graves or hike up mountains in remembrance of an ancient Chinese family's escape from plague and death by fleeing to a mountain-top.

Apart from the above traditional festivals, quite a number of important religious festivals, including Good Friday, Easter, Buddha's Birthday and Christmas, have been listed as public holidays. Adherents hold special celebration or memorial ceremonies on these occasions.

## Other Useful Information

### Currency

- ▶ The Hong Kong dollar (code: HKD) is the official currency of Hong Kong. It is subdivided into 100 cents. The Hong Kong Monetary Authority (HKMA) is the governmental currency board and also the de facto central bank for Hong Kong and HKD.

- ▶ Under the licence from the HKMA, three commercial banks are licensed to issue their own banknotes for general circulation in Hong Kong. The three commercial banks, HSBC, Bank of China and Standard Chartered issue their own designs of banknotes in denominations of HK\$20, HK\$50, HK\$100, HK\$500 and HK\$1000, with all designs being similar to the other in the same denomination of banknote. However, the HK\$10 banknote and all coins are issued by the Government of Hong Kong.



### Driving

- ▶ Driving licences in Hong Kong are issued by the Transport Department in Hong Kong. A full driving licence is valid for 10 years (unless the driver is approaching 70 years old in age) and is compulsory in order to drive a motor vehicle. Most driving licences are issued after the applicant passed a driving test for the respective type of vehicles. They may be issued without a test if the applicant is a holder of an overseas driving licence issued on passing a driving test by one of the approved countries.
- ▶ Indian driving license holders need to produce documentary evidence to the Commissioner's satisfaction that all of the following apply, he or she is eligible to direct issue of a Hong Kong licence:
  - i. The driving entitlement(s) for which one is applying must be equivalent to the class(es) which are authorized to drive by the issuing country or place; and
  - ii. The driving licence was obtained by passing the relevant driving test(s) in the issuing country or place; and
  - iii. Satisfies one of the three requirements below:



1. The licence was originally issued on any date during a period of residence of not less than 6 months in the country or place of issue (entry and departure stamps on a passport, school transcript or employer's testimonial with employment period specified are accepted as proof); or
2. The licence has been issued for not less than 5 years immediately before the application; or
3. Hold a passport or an equivalent travel document of the country or place in which the licence was issued.

## Economic Environment

Hong Kong is one of the world's most open economies with a business-friendly environment characterised by free trade, a mature financial regulatory regime and legal system, simple taxation and low tax rates, and advanced transport and telecommunications infrastructures.

Over the past two decades, the Gross Domestic Product ("GDP") has doubled, growing at an average annual rate of 3.4% in real terms. In 2016, GDP at current market prices reached HK\$2,489.1 billion, and per capita GDP of US\$43,700 was among the highest in Asia.



Hong Kong's financial markets offer high levels of liquidity and are governed by effective and transparent regulations that are in line with international standards. Together with other important financial centres, such as London and New York, Hong Kong's markets play a vital role in the global financial system which operates round the clock. Hong Kong also provides an important gateway to the Mainland China economy and financial system. The financial sector employs 246,000 people, accounting for 6.5% of the city's total workforce, and 16.6% of

its GDP. Hong Kong was the world's seventh- and Asia's second-largest banking centre, with assets of HK\$22.7 trillion at the end of 2017. The city's stock market capitalisation, at about HK\$31.9 trillion<sup>15</sup> in October 2017, ranked eighth in the world and fourth in Asia. The asset management business is highly international, with about 71% of assets under management coming from investors outside Hong Kong.

The overriding objective of Hong Kong's monetary policy is currency stability defined as a stable external exchange value of Hong Kong's currency against the US dollar, at around HK\$7.8 to US\$1. The interbank money market is also well established, supported by a robust real-time gross settlement interbank payment system enabling transactions in US\$, HK\$, Euro and Renminbi ("RMB") to be settled in real time.



Amid continuing internationalisation of the RMB, Hong Kong is the world's largest offshore RMB business hub supporting cross-border trade transactions, investment, financing and asset management through the development of RMB bonds, loans and equity products. In 2016, RMB trade settlement handled by banks in Hong Kong amounted to RMB4,542 billion and RMB deposits amounted to RMB625 billion. Active international engagement and cooperation with global partners, such as membership of the Asia-Pacific Economic Cooperation forum, World Trade Organisation, World Customs Organisation, etc., participation in the Trade in Service Agreements of the World Trade Organization, and the automatic exchange of financial account information in tax matters ("AEOI") coordinated by the Organisation for Economic Co-operation and Development ("OECD"), enable Hong Kong to maintain its status as an international financial and trading centre. In 2016, the city accounted for 3.3% of world merchandise trade amounting to US\$1,064 billion<sup>17</sup>, its principal trading partners being Mainland China, the US and Taiwan<sup>18</sup>.



Hong Kong is an active participant in global standard-setting bodies such as the International Monetary Fund, the World Bank, the Basel Committee on Banking Supervision, the International Organization of Securities Commissions, the International Association of Insurance Supervisors, the FATF and the APG.

## Useful Business Information

### Stock Exchanges

The Stock Exchange of Hong Kong Limited, abbrev. SEHK, is Asia's third-largest stock exchange in terms of market capitalization behind the Tokyo Stock Exchange and Shanghai Stock Exchange, and the sixth largest in the world before Euronext. As of 31 October 2016, SEHK had 1,955 listed companies, 989 of which are from mainland China (Red chip, H share and P chip), 856 from Hong Kong and 110 from other countries and region (e.g. Macau, Taiwan, Malaysia, United States, Singapore, etc.) Hong Kong Exchanges and Clearing owns SEHK and is itself listed on SEHK. It is the fastest growing stock exchange in Asia.



The trading day consists of:

- ▶ A pre-opening auction session from 9:00 am to 9:30 am. The opening price of a security is reported shortly after 9:20 am.
- ▶ A morning continuous trading session from 09:30 am to 12:00 pm.
- ▶ An extended morning session from 12:00 noon to 1:00 pm, also referred to as the lunch break. Continuous trading proceeds in specifically-designated securities (currently two ETFs, 4362 and 4363). Trading in other securities is not possible. However, previously-placed orders in any securities can be cancelled from 1:00 pm onwards.
- ▶ An afternoon continuous trading session from 1:00 pm to 4:00 pm.

## Financial Regulatory System

### i. Hong Kong Monetary Authority

- ▶ The HKMA was established on 1 April 1993 by merging the Office of the Exchange Fund with the Office of the Commissioner of Banking. Its main functions and responsibilities are governed by the Exchange Fund Ordinance and the Banking Ordinance. The HKMA reports to the Financial Secretary and is the government authority responsible for maintaining monetary and banking stability.

### ii. Securities and Futures Commission

- ▶ Established in 1989, the SFC is an independent statutory body set up to regulate the securities and futures markets. With its powers derived from the Securities and Futures Ordinance and a subsidiary legislation, it maintains and promotes the fairness, efficiency, competitiveness, transparency and orderliness of the securities and futures industry, and offers protection and education to the public investing in financial products. Its investor education mandate has been transferred to the Investor Education Centre.

### iii. Insurance Authority

- ▶ On 7 December 2015, the independent IA was established under the Insurance Companies (Amendment) Ordinance 2015. The IA is a new insurance regulator independent of the Government. The IA took over the regulatory functions of the then Office of the Commissioner of Insurance, which was a Government department, on 26 June 2017. Empowered by the Insurance Ordinance, the IA protects the interests of policyholders and promotes the general stability of the insurance industry. Its work is to authorise and supervise insurers. It is expected that the IA will take over the regulation of insurance intermediaries from the three Self-Regulatory Organizations, and implement a new statutory regulatory and licensing regime within two years thereafter.

### iv. Mandatory Provident Fund Schemes Authority

- ▶ The MPFA is a statutory body set up in 1998

<sup>7</sup> Source: HKMA Annual Report 2016.



under the Mandatory Provident Fund Schemes Ordinance to assist Hong Kong's workforce to accumulate savings for their retirement, through regulating and supervising privately managed MPF schemes and overseeing the operation of occupational retirement (ORSO) schemes.

## CA Profession in Country

The Hong Kong Institute of Certified Public Accountants is the only body authorized by law to register and grant practising certificates to certified public accountants in Hong Kong. The Institute has more than 42,000 members and more than 18,000 registered students. Members of the Institute are entitled to the description "certified public accountant" and to the designation CPA. The Hong Kong Institute of CPAs evolved from the Hong Kong Society of Accountants, which was established on 1 January 1973. Its website <http://www.hkicpa.org.hk/en/> can be visited for more details.

## Employment Opportunities/ Regulations in the Country

There are certain industries where some skill sets are in short supply – and while many expats still work in the financial sector, others are increasingly being employed in rapidly developing areas of business. With one of the largest concentrations of corporate headquarters in the Asia Pacific region, there are numerous opportunities for expats in niches like IT, digital advertising, HR and the legal sphere.

Investment banks, in particular, continue to entice many to work in Hong Kong – although lucrative expat packages are becoming increasingly rare, aside from those employed to senior positions.

To be competitive in the job market, expats looking to work in Hong Kong should be able to demonstrate a high degree of professionalism, experience and specialist knowledge. If not, it may be hard to find a position that cannot be filled by a Chinese employee. Language is another important requirement: most jobs require either Cantonese or Mandarin, or both, as well as English. It is an advantage to have a degree from a well-ranked university, as this is highly regarded in Hong Kong

## Education system

### i. Primary and secondary school in Hong Kong

The structure of the the education system in Hong Kong is based off of the United Kingdom's system. Students may attend up to three years of kindergarten, starting at the age of three. After kindergarten, students enter six years of primary school. Each of the final three years of primary school concludes with intense examinations, which determine the secondary school that each student may be eligible to attend.

Secondary school is divided into two levels: Junior and Senior. The secondary schools themselves are divided into three Bands. The Bands are ranked in order of academic prestige, with Band 1 being the most prestigious. Naturally, the better ranked "Band" of school a student attends, the better chance he has of getting into university.

Only the Junior years (or Forms) of secondary school in Hong Kong are compulsory. These are Forms 1, 2, and 3. When this period ends, the students who are planning on attending university enter Forms 4 and 5, a period also called Matriculation.

The end of the secondary school period is marked by two exams, the Hong Kong Certificate of Education Exam (HKCEE) and the Hong Kong Advanced Level Examination (HKALE). The HKALE is similar to the British A-Level Exam, and the student's score becomes an important factor in the university admissions process.

### ii. Private and international Schools

As Hong Kong's public school curriculum is taught in Cantonese, most international and expat students in Hong Kong attend private and international schools based on the curricula of their home countries. These schools are well-funded through tuition and debenture systems, and while they can be somewhat expensive, they are staffed by highly qualified faculty from the Hong Kong area and abroad. Many of these schools follow the International Baccalaureate (IB) Curriculum.

### iii. College and university

Hong Kong features eight highly competitive universities, all of which have space for international as well as local students. They also offer various study-abroad and language exchange opportunities.

Hong Kong university tuition is not cheap, running roughly US \$10,000 per year. Thanks to generous support from the government and corporations, however, the universities offer a variety of scholarship and financial aid packages. This government and corporate funding also ensures that there is money available for academic development and research grants.

Hong Kong universities demand a high degree of English proficiency, and students who are non-native speakers must take a Test of English as a Foreign Language (TOEFL) before admission. Around 66% of Hong Kong students go on to pursue further studies following secondary school.

## Taxation

Hong Kong taxes are among the lowest in the world, and the tax regime is simple and predictable. The profits tax rate is the same for foreign and local companies – a low 16.5%. The actual tax bill is often even less after various deductions and depreciation allowances. There is no capital gains tax, withholding tax on dividends and interest or collection of social security benefits in Hong Kong.

The salaries tax is charged at either progressive rates of 2% to 17% or a standard rate of 15%, and is imposed only on income from employment, office or pension of individuals arising in or derived from Hong Kong. The salaries tax is assessed on a yearly basis and can be paid in two instalments, usually between January and April of the following year.



The property tax applies to owners of land or buildings situated in Hong Kong. It is low by international standards: 15% (from 2008/09 onwards) of the rental income from the land or buildings with an allowance of 20% permitted for the cost of repairs and maintenance.

There is no sales tax or VAT in Hong Kong. The limited tax base, combined with exceptionally low tax rates,

makes Hong Kong's tax incidence much lower than in virtually all other developed economies.

## Visa Requirements

As a general rule, any person other than those who have the right of abode or right to land in Hong Kong, must obtain a visa before coming to Hong Kong for the purpose of study, taking up employment, training, investment or residence. Please visit <https://www.immd.gov.hk/> for details.



## Indian Embassy Information

The Consulate General of India was previously known as the Commission for India in Hong Kong. It was set up in 1951 and was re-designated as Consulate General of India on October 15, 1996, in advance of China's assumption of sovereignty over Hong Kong from the British on July 01, 1997. The Consulate General also performs consular functions in respect of Macau, which too reverted from Portuguese to Chinese administration on December 20, 1999.

### a. Address:

Chancery: Unit A, 16th Floor, United Centre, 95 Queensway, Admiralty

### b. Passport, Consular and Commerce Wings:

With effect from June 15th 2015, Consulate General of India, Hong Kong has outsourced passport and visa services to M/s BLS International Services Limited :-

10/F, Caltex House, 258 Hennessy Road, Wan Chai, Hong Kong

(Wan Chai MTR Exit A4 & Near Caltex Gas Station)  
Submission of Application: 9:00AM - 1:00PM (Monday - Friday except designated holidays).  
Passport delivery: 9:00 AM - 5:30 PM (Monday - Friday except designated holidays).

Call centre: +85258080024

Fax: +852-2620 0341

Email Id: [info.hk@blsinternational.net](mailto:info.hk@blsinternational.net)

Website: [www.blsindia-hongkong.com](http://www.blsindia-hongkong.com)



However, for Emergency Certificates to stranded Indians and Tatkal Passport - short validity hand written applicants may approach the Consulate General of India, Hong Kong located at Unit D, 16th Floor, United Centre, 95 Queensway, Admiralty  
Telephone: (852) 3970 9900, Fax No: 852-28664124  
Nearest MTR Station: Admiralty – Exit D

(United Centre is situated opposite Exit D of Admiralty Station. Use the escalators to reach the lift lobby on the 2nd floor of the United Centre and then take the designated elevators to reach the Consulate)

c. **Public Service Timings (Monday to Friday):**

Submission of Documents: 0930 hours to 1200 hours

Collection of Documents: 1700 hours to 1730 hours at Unit D, 16th Floor

Website: <http://www.cgihk.gov.in>





## About Hong Kong Chapter of ICAI

At the 368th meeting of the Council of the Institute of Chartered Accountants of India (ICAI) held on 10th and 11th August 2017, approval was given for the formation of the Institute's Chapter in Hong Kong. Consequently, on 31st January 2018 the then President CA Nilesh S Vikamsey inaugurated the Chapter, in the presence of Consul General Puneet Agrawal, wherein members present pledged to uphold the pride of the profession and its virtues of excellence and integrity, whilst preparing to take on future challenges.

On 12th April 2018, the ICAI – Hong Kong Chapter was registered under section 5A(1) of the Societies Ordinance, Cap 151. The Chapter serves members in the People's Republic of China, including the Special Administrative Regions of Hong Kong and Macau and is mandated to promote fellowship amongst members, contribute towards their professional development and serve as a bridge to other professional accountancy related bodies in Hong Kong.

The Hong Kong Chapter being a recent addition to the global network of ICAI's Chapters, already has attracted nearly a hundred members, who are either employed in Commerce and Industry or providing

professional services, or otherwise engaged in business. Whilst appreciating our role as ambassadors of our country and ICAI, members are contributing to setting new benchmarks and taking accountancy beyond professional footprints.



The Chapter held its first General Meeting on 10th June 2018. ICAI President CA Naveen ND Gupta graced the occasion and addressed members. A professional development seminar and knowledge sharing session on the main features and implications of the Double Taxation Agreement recently signed between India and Hong Kong was also held on the same day.

With a committed and enthusiastic membership, the vibrancy and dynamism of the city of Hong Kong and its people will reflect in the image and work of the Chapter in the days ahead.

## Chapter Contact Details

### Executive Committee Contact:\*

#### Managing Committee - Hong Kong Chapter of ICAI

##### Chairman

**CA Anoop G. Gidwani**

Mob : +852-60816797

Email : gidwani@hotmail.com  
chairman.hk@icai.in

##### Vice-Chairman

**CA Amit K. Sureka**

Mob : +852-96841225

Email : sureka123@yahoo.com  
vice-chairman.hk@icai.in

##### Secretary

**CA Vinod Menon**

Mob : +852-63884519

Email : vinpriani@gmail.com  
secretary.hk@icai.in

##### Treasurer

**CA Jatin J. Mehtaji**

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Email : mehtaji@netvigator.com  
treasurer.hk@icai.in

##### Member

**CA Shilpa Bohra**

Mob : +852-60323079

Email : icaihk@icai.in

##### Member

**CA Dinesh Agrawal**

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Email : dinesh.agrawal@icai.org

\* The contact details are subject to change. Users are requested to reconfirm from the ICAI website and other publicly available sources.



## Information Resource

### Details about MoU/MRA

#### Moving Towards Qualification Reciprocity to promote Global mobility

Recent years have seen remarkable growth in trade and business globally and there is need to develop the accountancy profession across the Globe and reduce the barrier of exchange of professional services across the countries in order to promote the profession.

Further, ICAI has the substantial technical competence and there is a need to provide technical support and competence to countries which lack the basic accounting infrastructure. In order to achieve this objective, ICAI has been identified countries of prominence to enter into MoUs/MRAs for qualification reciprocity. Further in order to build the image of ICAI globally, it has been entering into Technical Cooperation with developing and under-developed countries to develop/support the Accountancy Infrastructure in the respective country.

The ICAI's current endeavor to provide mobility to its accountants by having the ICAI qualification recognized in different parts of the World. Taking globally the mission of Indian Chartered Accountancy profession in this era of globalisation, the Institute

of Chartered Accountants in India (ICAI) has signed MoUs, MRAs and Technical Cooperation Agreements with various accounting bodies of the world.

#### Intent of MoUs/ MRAs

- ▶ These agreements are a step forward in increased mobility to professionals at either end and would herald a new dimension for business globally.
- ▶ It also puts the accountancy institutes on global radar to play the leadership role in addressing new challenges before profession.
- ▶ The aim is to work together to develop a mutually beneficial relationship in the best interest of members, students and their organizations.
- ▶ The trends in the accountancy market are changing in India, we find that more and more of our new members take up the employment in foreign market, again the focus is more on for professional accountants in business as a different interface for assurance services is required.
- ▶ The MoUs provide an opportunity to the ICAI members to expand their profession horizon.
- ▶ These agreements foster working relations between the two accounting institutes.

Placed below are various Mutual Qualification Reciprocity arrangements (MoUs/MRAs) signed by ICAI with various Accountancy bodies of the World:

S. No	Accountancy Body	Status
1.	CPA Australia	Active
2.	South African Institute of Chartered Accountants (SAICA)	Active
3.	CPA Canada	Active
4.	Institute of Certified Public Accountants in Ireland (CPA Ireland)	Active
5.	The Institute of Chartered Accountants in England & Wales (ICAEW)	Pending with MCA for Approval
6.	Chartered Accountants - Australia & New Zealand (CA ANZ)	Pending with MCA for Approval

\*MCA – Ministry of Corporate Affairs

Placed below are various Technical arrangements (MoUs/MRAs) signed by ICAI with various Accountancy bodies of the World:

S. No	Accountancy Body	Status
1.	College of Banking and Financial Studies, Oman	Active
2.	The Institute of Chartered Accountants of Nepal (ICAN)	Active
3.	Memorandum of Understanding (MoU) with The Accounting and Auditing Standards Board of Bhutan	Active
4.	License Agreement with ISACA	Active
5.	National Board of Accountants and Auditors (NBAA), Tanzania	Active
6.	Institute of Certified Public Accountants of Kenya (ICPAK)	Active
7.	Bahrain Institute of Banking and Finance (BIBF), Bahrain	Active
8.	Higher Colleges of Technology, UAE	Proposed to be signed in 2019
9.	Certified Professional Accountants Afghanistan (CPA Afghanistan)	Proposed to be signed in 2019
10.	Saudi Organisation for Certified Public Accountants (SOCPA)	Proposed to be signed in 2019

Details about Mutual Qualification Reciprocity arrangements (MoUs/MRAs) signed by ICAI with various Accountancy bodies:

S. No	Accountancy Body	Subjects to be cleared by	Subjects to be cleared by members of Foreign Accounting body
1	CPA Australia (Active)	CPA Australia will admit ICAI Members as its member will undertake and pass: <ul style="list-style-type: none"> <li>CPA Program professional level segment</li> <li>Global Strategy and Leadership and Better Practice in Governance and Accountability (a CPD Course assignment)</li> </ul>	CPA Australia members would be required to Successfully complete: <ul style="list-style-type: none"> <li>Corporate and Allied Laws;</li> <li>Taxation;</li> <li>Either Advanced Audit and Assurance or Assurance Services &amp; Auditing (pre 2010) as an elective in the CPA Program or Advanced Auditing and Professional Ethics in the ICAI Examinations; and either Financial Reporting as a compulsory segment in the CPA Program (post 2010) or Financial Reporting &amp; Disclosure as an elective in the CPA Program (prior to 2010) or Financial Reporting in the ICAI Examinations.</li> </ul>
2	CPA Canada (Active)	The Institute of Chartered Accountants of India members meeting the general membership criteria will be eligible for membership in a Canadian Provincial CPA Body subject to: <ul style="list-style-type: none"> <li>Passing the final examination (the CPA Profession's Common Final Examination (CFE)); and</li> <li>Meeting the practical experience requirements (term, depth, breadth and progression) of the Canadian CPA profession. Applicants with a recognized university degree and 2 years post-designation experience and applicants without a recognized university degree and 5 years post-designation experience will be admitted without a review of their practical experience. Applicants with less than the specified post-designation experience will be subject to a review of their practical experience obtained pre- and post-designation. All experience must have been gained as a member or student of the Institute of Chartered Accountants of India</li> </ul> <p>ICAI members preparing to sit in the CFE are highly encouraged to attend Capstone 1 and Capstone 2 of the CPA Professional Education Program as both of these modules are used to prepare candidates for writing the CFE. The CFE also assumes a core level of knowledge of Canadian tax, Canadian law and Canadian Accounting Standards for Private Entities.</p>	Members of a Canadian Provincial CPA Body with 2 years post designation experience, meeting the general membership criteria will be eligible for non-voting membership in ICAI with no additional review of their experience. <p>Members of a Canadian Provincial CPA Body who fulfill the above conditions will also be required to complete the following requirement to be eligible for ICAI membership under MoU route:</p> <ul style="list-style-type: none"> <li>Be required to pass the papers of "Corporate and Allied Laws" and</li> <li>Taxation</li> </ul>



3	The Institute of Chartered Accountants in England & Wales (ICAEW)  (Pending for Approval with MCA)	ICAI members will be eligible to apply for ICAEW membership subject to passing the ICAEW's <ul style="list-style-type: none"> <li>Advanced Level examinations (Corporate Reporting, Strategic Business Management and Case Study) and</li> <li>By completing the ICAEW's Ethics Learning Programme, or an alternative ethics programme agreed by ICAEW to be equivalent.</li> </ul>	ICAI membership will be open to all appropriately qualified ICAEW members subject to passing the ICAI examinations for the modules: <ul style="list-style-type: none"> <li>Auditing and Assurance; Law;</li> <li>Ethics &amp; Communication;</li> <li>Information Technology &amp; Strategic Management;</li> <li>Direct Tax Laws and Indirect Tax Laws</li> </ul>
4	Chartered Accountants - Australia & New Zealand (CA ANZ)  (Pending for Approval with MCA)	ICAI CAs who have successfully completed the ICAI Chartered Accountancy Course must complete and pass the final Capstone Module of the CA ANZ CA Program or agreed alternative for eligibility of membership of CA ANZ  ICAI members who have successfully completed the ICAI's three years of practical experience required for membership are not required to complete any further practical experience to achieve the CA designation in Australia and New Zealand with CA ANZ.	CA ANZ CAs who have qualified through the CA ANZ Chartered Accountants Program (hereinafter referred to as CA Program) will be required to complete the relevant Indian Law, Taxation and Ethics modules of the ICAI Chartered Accountancy Course in order to be eligible for recognition as a CA by ICAI. CA ANZ CAs who have successfully completed CA ANZ's three years of practical experience requirements are not required to complete any further practical experience in India to achieve recognition as a CA by ICAI.
5	South African Institute of Chartered Accountants (SAICA)  (Active)	ICAI Members having at least 2 (two) years' appropriate post-qualification experience and having successfully completed the SAICA APC examination will be eligible for SAICA membership	SAICA Members who are in good standing with SAICA and having at least 2 (two) years' post qualification experience will become eligible for ICAI membership subject to passing ICAI examinations in: <ul style="list-style-type: none"> <li>Taxation;</li> <li>Company Law; and</li> <li>Information Systems Control and Audit</li> </ul>
6	Institute of Certified Public Accountants in Ireland (CPA Ireland)  (Active)	ICAI member seeking admission to CPA Ireland that he should Complete and pass the on – line tests in <ul style="list-style-type: none"> <li>Irish Taxation</li> <li>Irish Law and Strategy</li> </ul>	CPA Ireland member seeking admission to ICA India that he should successfully completed: ICAI's examination specialized module <ul style="list-style-type: none"> <li>Corporate and Allied Laws,</li> <li>Direct and Indirect Taxes, and</li> </ul> <p>(a) either Strategic Corporate Finance as an elective in the CPA examinations or specialised module of Strategic Financial Management in the ICAI examinations,</p> <p>(b) either Audit Practice &amp; Assurance Services as an elective in the CPA examinations or specialised module of Advanced Auditing &amp; Professional Ethics in the ICAI examinations.</p>

The complete details of MoU and MRAs are available on ICAI website [https://www.icai.org/new\\_post.html?post\\_id=5617](https://www.icai.org/new_post.html?post_id=5617)

ICAI Members needs to have following criteria to gain Membership of other Institute:

- Goodstanding Certificate of ICAI
  - E Mail: [goodstanding@icai.in](mailto:goodstanding@icai.in)
  - Phone: 0120-3045997
- Transcripts
  - E Mail: [rpjuyal@icai.in](mailto:rpjuyal@icai.in)
  - Phone: 0120-3054836

For any queries related to MoU/MRA you can kindly contact:

- Email: [ia@icai.in](mailto:ia@icai.in)
- Phone: +91 11 3011 0448



## FAQs for Members Located Outside India

Many of our members have made the Institute proud by excelling themselves professionally at foreign lands. The Institute has all along been for espousing the cause of members and all the members including the members based overseas have a special place for the Institute. Being a part of a profession, which is regulated under the Indian enactment, a member is required to follow certain set guidelines and procedures. For the sake of brevity and ease in accessibility of information, an effort has been made to compile the usual queries of a Indian Member based overseas so that he has readymade information/ clarification on doubts on procedural issues pertaining to the regulatory requirement at a glance.

While the illustrative queries and their clarification have been listed herein under; members may like to send us more areas of the queries which would be included in the section for wider benefit. This being a continuous updating process, efforts would be made to consolidate and update this portion on a continuous basis. Newer queries and your feedback on extent and range of queries would be welcome.

### Frequently Asked Questions:

- ▶ What is the procedure to be followed by a member of the Institute residing abroad to keep his membership active?
  - A member of the Institute is currently required to pay a sum of Rs. 1770/- if he is an Associate member and Rs. 3540/- if he is a Fellow member inclusive of 18% GST as the renewal fees for the membership every year. However for a members who is senior citizen having attained the age of 60 year and not holding COP, the fee shall be Rs. 1298/- if is an Associate member and Rs. 2714/- if he is a Fellow members. The payment of membership fee becomes due on 1<sup>st</sup> of April, every year and is payable by 30th of September of that year. A member residing abroad can keep his membership active by remitting the annual membership fee through Payment Gateway. Membership fee alongwith GST @ 18% can be paid in advance for a period of three years.

An announcement regarding the payment of fee is hosted on the Web-site.

- ▶ What is the currency and the manner in which membership fees can be paid by members residing abroad ?

- The amount of membership fee has been fixed in Indian rupees. Information on the fee structure and method of payment is available on the Institute's website at the [www.icai.org](http://www.icai.org). This link also provides information on advance payment of fee. However the fee can also be paid in US \$ at the prevailing exchange rate. Payment of above fee can be made through online only and to pay the same, please visit our e-services section available on the home page of [www.icai.org](http://www.icai.org). The direct link to access the same is as follows: [http://www.icai.org/new\\_post.html?post\\_id=5509](http://www.icai.org/new_post.html?post_id=5509)

The applicable amount of Membership Fee / Certificate of Practice Fee along with applicable GST i.e.18% is given below;

### For all Members holding Certificate of Practice

Associate Membership Fee 1500/- GST@18%	270/-	Rs. 1770/-
Fellow Membership Fee 3000/- GST@18%	540/-	Rs. 3540/-
Certificate of Practice Fee		Rs. 2000/-

### Certificate of Practice Fee:

Associate Membership Fee 3000/- GST@ 18%	540/-	Rs. 3540/-
Fellow Member 4000/- GST@ 18%	720/-	Rs. 4720/-

### For Members age of 60 years and above but not holding Certificate of Practice

Associate Membership Fee 1100/- GST@ 18%	198/-	Rs. 1,298/-
Fellow Member Fee 2300/- GST@ 18%	414/-	Rs. 2714/-

- ▶ Can the members pay their fees Online?
    - The Institute has provided this facility to all members and a link of 'Online Payment of Fee' is available on the Home Page of the website.
- Members may follow the instructions there at and make the payment of fees. The payment through this mode can be made not only for



annual membership fees but also for cases like restoration fee, fellow admission fee, COP fees and condonation fee whenever applicable

- Can the members submit the relevant forms by email?
  - Yes. Members can apply online all forms viz. form 6 - for grant of COP, form 9 - for restoration of membership, form 117- for firm name approval and form 18- for registration of firm (to be digitally signed by all authorized partners) through email authenticated by digital signatures alongwith requisite fees wherever applicable using payment gateway
- What are the consequences if the annual membership fee is not paid within the stipulated time
  - If the membership fee is not remitted before 30th September the name of the member would be removed/certificate of practice cancelled with effect from 1st October of the year concerned. The member cannot use the designation Chartered Accountant or the qualification ACA or FCA as the case may be. In the case of members holding certificate of Practice his right of practice will cease and his association, if any, with firm of Chartered Accountants in India as a partner etc will also come to end.
- In the event of removal of membership, what is the procedure for restoration of membership?
  - A member, whose name has been removed from the Register of Members, and desirous of Restoration of name in Register of Members -is required to apply online in Form No.9 along with :
    - o Membership fee for the year during which his name was removed from Register of Members.
    - o Membership fee for the year in which restoration is sought and restoration fee as given below:

Fee for restoration of name in the Register of Members payable under sub-regulation (3) of regulation 6 -	
(i) within 3 years of removal	Rs. 1200/-
(ii) after 3 years of removal but before 5 years	Rs. 3000/-
(iii) after 5 years of removal	Rs. 4000/-

o C.O.P. fee, if intends to hold C.O.P.

On compliance of above requirements, the name will be restored w.e.f. the date of receipt of Form 9 with prescribed Restoration fee which can be paid online. On compliance of the above requirements the name will be restored w.e.f. the date of receipt of payment alongwith Form '9'.

Restoration of name with retrospective effect will be made provided application for restoration in Form 9 along with membership fee and C.O.P. fee (if you intend to hold C.O.P.) and restoration fee is received within the same financial year.

- Whether an Associate Member of the Institute practicing abroad is eligible to become Fellow Member ? Whether a member's service as a paid assistant outside India with a firm of chartered accountants can be recognized for the purpose of fellowship ?
  - No. Only members who being associates and who have been in continuous practice in India for atleast five years are eligible to apply for admission to fellowship on payment of prescribed fee and submission of Form '3' [Section 5(3) of the Chartered Accountant Act, 1949].
  - If an associate member applies for fellow membership, requires to pay additionally Rs. 2500/- as fellow conversion fee along with fellow membership fee or balance fee if associate membership fee for the year is already paid.
  - The member working as a paid assistant with a foreign firm of accountants outside India is eligible for admission as a fellow member provided the firm is having atleast one partner who is/was either the member of the ICAI or who is/was eligible to become its member under Section 4(1)(v) of the Chartered accountants Act.
- Whether an Associate Member employed in Industry abroad is eligible to become fellow member ?
  - An associate member serving in an industry abroad for a continuous period of not less than 5 years in one or more posts carrying duties relating to accounts, cost accounts,

audit, finance, taxation, company law and/or secretarial work, is eligible to become a fellow member.

If there is a break in the continuity of service, the same can be condoned for a period not exceeding one year so however that the actual period of service shall not be less than 5 years [Regulation 5(3)]

► What is the procedure to be followed to become a fellow member ?

- An Associate Member who is eligible to become Fellow as pointed out in question no.(7) & (8) above, is required to submit (i) Form no. 3 duly filled in and signed (ii) admission fee of Rs. 2500/- plus the fellowship fee of Rs. 3000/- ( Rs. 2300/- in case of a senior citizen member and not holding certificate of practice), if fee for Associates Member Rs.1500/- ( Rs. 1100/- in case of a senior citizen member and not holding COP) as Associate Member is already paid then the differential fee of Rs. 1,500/- ( Rs. 1200/- in case he is a senior citizen member not holding COP) (iii) a certificate of employment for a period of 5 years or more showing the nature of duties performed were of supervisory in nature, issued by the competent authority. If he intends to obtain Certificate of Practice, he is additionally required to submit Form '6' along with Fee of Rs. 4,000/- . (iv) GST @ 18% will also be applicable on the above mentioned fees.

He can apply online and submit relevant form and remit a prescribed fee through payment gateway.

► If a member holding Certificate of Practice wants to surrender the Certificate of Practice. How can he do that?

- The member desirous of surrendering his certificate of practice should make a request in writing indicating the date from which he wishes to surrender COP. The original script for certificate of practice should be surrendered for cancellation The COP fee however will have to be paid for the relevant financial year before it is cancelled at his request. However no fee would be required to be paid if he wishes to surrender his COP w.e.f. 1<sup>st</sup> April provided he makes the request with the original COP by 30<sup>th</sup> April of that year.

► What is the procedure for restoration of Certificate of Practice?

- Members can renew Certificate of Practice by paying the prescribed fees by 30<sup>th</sup> of September every year. Those members who have not remitted COP fee by 30<sup>th</sup> of September, Certificate of Practice would be cancelled w.e.f. 1<sup>st</sup> October of the relevant year.

Members whose Certificate of Practice has been cancelled on account of non-payment of Certificate of Practice fee for the relevant year are required to comply with the following –

- An application in Form 101 duly filled in and signed along with Certificate of Practice fee for the relevant year. (Form 101 can be downloaded from website)
- Annual Membership fee has been paid on or before 30<sup>th</sup> September of the relevant year.
- A letter restoring Certificate of Practice with retrospective effect will be issued on receipt of above by 31<sup>st</sup> March of the relevant financial year.

► Can a member in Salaried employment abroad hold C.O.P.?

- Yes, he can hold C.O.P but his status would be treated as a member in part-time practice.

► Can a member of the Institute holding Certificate of Practice residing outside India, do any attest functions?

- Yes. He can do attest functions outside India, subject to the local laws permitting him to do so.

Members holding Certificate of Practice and employed outside India are also permitted to undertake attest functions outside India so long as they reside outside India and during such stay period their status also continue to be '2' (part time COP) in the Institute's record.

► Can a Member working abroad have a Proprietary Firm in India?

- A member working abroad can have a proprietary firm in India provided the firm in India is under the charge of a member of the Institute who should be a full time paid



assistant. This is a mandatory requirement under Section 27 of the Chartered Accountants Act, 1949.

- ▶ Can a member having a proprietary firm in India and recently shifted from India, continue to be a proprietor of a firm in India?
  - The member can continue to be a proprietor of the firm in India if the member himself is actively associated with the firm by residing in India for a period of not less than 182 days as provided in Appendix 10 of the Chartered Accountants Act 1949 [page 51].
- ▶ Whether a member residing abroad can be a partner of a firm of chartered accountants in India?
  - Yes, a member can be a partner in a firm of Chartered Accountants in India provided he holds C.O.
- ▶ Can a member holding Certificate of Practice and residing abroad be in charge of the branch office of the firm outside India ?
  - Yes, a member can be in charge of the branch office of the firm outside India provided the Head Office of the firm is registered in India. He can be in charge of the branch office in his capacity either as a paid assistant or partner of the firm.
- ▶ Can a member practicing outside India impart articles training under the Chartered Accountants Act and Regulations?
  - As per the proviso to Regulation 43(i) of the Chartered Accountants Regulations 1988 as amended by the Chartered Accountants (Amendments) Regulations 2007, a member practicing outside India is also eligible to engage an articled assistant subject to such additional terms and conditions as the Council may impose.

Moreover, if a firm of chartered accountants has an office in India and also an office abroad (not being a separate partnership) a partner or the proprietor thereof would be permitted to train articled assistant in India or outside the country, provided that the member concerned could ensure that proper training, in accordance with the requirements of the Regulations, is imparted to the articled assistants

- ▶ What is meant by Certificate of Good Standing and how it can be obtained ?

- A certificate of good standing means a certificate issued to a member of the Institute at his request for specific purpose stating the details of his articled-ship exam passed, membership etc and indicating that nothing adverse about him has come to the notice of the Institute . A good standing certificate is required to the purpose of joining employment, immigration and also for visa purpose. In order to obtain Certificate of Good Standing the member concerned :-may submit a request for issue of certificate of good standing, stating the purpose for which certificate of good standing is required and submit the communication of the concerned body/ institution requiring the same. However, request of members for issue of certificate of good standing will also be considered if the requirement of body/ institution specified on the website, in application form or prospectus is produced. The request could be either a signed written request in prescribed application form available at Institute's site (Form No. 27 and 28), can be apply online.
- The certificate of good standing will be issued to concerned body/ institution in respect of any member if the request is directly received by the institute from the concerned body/ institution.

The name of the member should be active (not removed) in Register of Members of the Institute. The concerned member has paid annual membership/ certificate of practice fees (if holds certificate of practice) for the current year within the specified time.

Request is to be sent to: [goodstanding@icai.in](mailto:goodstanding@icai.in) under your signature or Scanned copy of request may accompany the other documentation.

The name of the member should be active (not removed) in Register of Members of the Institute. The concerned member has paid annual membership/ certificate of practice fees (if holds certificate of practice) for the current year within the specified time.

Request is to be sent to: [goodstanding@icai.in](mailto:goodstanding@icai.in) under your signature or Scanned copy of request may accompany the other documentation.

► What is the procedure for obtaining duplicate certificate of Membership/Certificate of Practice

- A member who has lost/misplaced his original certificates of Membership/Certificate of Practice, is required to apply and submit a written request to the concerned Decentralised Office for obtaining duplicate membership 34 certificate/certificate of practice as an Associate or a Fellow member as the case may be. He is required to pay charges for duplicate certificate @ Rs.500/- alongwith applicable GST @18% equivalent amount in US Dollar per certificate. He is also required to submit an affidavit in the prescribed format duly sworn-in before a Notary/First Class Magistrate or an affidavit on a plain paper and get the same attested from the authorized office of Indian Embassy/ Consular General's Office. In case the member submits original certificate he is not required to execute the affidavit in the prescribed format.

► What is the procedure for obtaining duplicate Marks Statements/Passing Certificates?

- The member who has lost his Marks Statement/ Passing Certificate may apply for duplicate marksheet/pass certificate by sending a request under his signature mentioning his roll number, month and year of passing. The fee for issue of duplicate marksheet is Rs. 10/- and the fee for issue of duplicate pass/rank certificate is Rs. 25/-. The fee should be remitted through Demand Draft in favour of the Secretary, The Institute of Chartered Accountants of India, payable at New Delhi.

The member is required to send an affidavit on a plain paper and get the same attested from the authorized office of Indian Embassy/Consular General's Office to the effect that he was in possession of Pass Certificate or Rank Certificate and he had lost it and undertake to return the duplicate Pass Certificate or Rank Certificate if the original Pass Certificate or Rank Certificate is traced/received by him in future and indemnify the ICAI for any loss etc. that ICAI may suffer if the duplicate certificate is issued by ICAI.

The request may please be sent to:

**Jt. Secretary (Exams)**

The Institute of Chartered Accountants of India

C-1, Sector 1, Noida - 201301

Mail : - exam@icai.org,.

Phone No. +91-120-2535437; 2535305;2552643

► How a member can get his certificates attested in partial fulfillment of requirements of foreign Universities in pursuit of higher studies ?

- The members intending to pursue higher studies in foreign Universities can get the copies of their certificates of membership, Certificate of Practice, Pass Certificate and Marks sheet attested by sending the originals thereof alongwith the copies together with a requisition letter to the concerned Decentralised Offices requesting for attestation.

► What is Transcripts and how a member can obtain Transcripts?

- A Transcript is a Certificate describing the appearances and passing details with subjects and statement of marks of the exams of Chartered Accountancy in respect of the student concerned including his membership details if he has become a member of the Institute. For obtaining transcript the member concerned is required to provide a request duly signed by him for issue of Transcripts accompanied by following:

A fee of Rs. 500/- (Rupees five hundred only or equivalent in US Dollars) for one set of transcript/s (for any one or all examinations viz. Foundation/PE-I, Inter/PE-II and Final) remitted through Demand Draft or Pay Order in favour of The Secretary, The Institute of Chartered Accountants of India, Payable at New Delhi - 110002

Attested copies of Entrance / Foundation / PE I / PE II/ Intermediate / Final examination mark sheet/s (both front and reverse side) as applicable Attested copies of Rank Certificate issued by ICAI, if any.

Attested copy of Membership Certificate along with the proof for having paid the current year



Membership fee or COP fee, as applicable Prescribed Form for admission duly filled in by him, along with the envelope/s received from Foreign University/ies / Management Institution/s as applicable and

Copy of the Appointment Letter issued by the Foreign Body as applicable

The transcripts are issued normally within ten days from the date of receipt of request, complete in all respects.

The request along with the requisite fees / documents may please be sent to:

### **Jt. Secretary (Exams)**

The Institute of Chartered Accountants of India

C-1, Sector 1, Noida - 201 301

Mail : - exam@icai.org,

- Whether the Institute is conducting Post Qualification Courses for the members of the Institute? Which are those courses and what are the requirements for appearing in the examinations ?
  - The Institute is conducting Post Qualification Courses for the members of the Institute. The courses currently conducted are as under :-
- Post Qualification course in Management Accountancy
- Post Qualification course in Corporate Management
- Post Qualification course in Tax Management
- Post Qualification course in Information System audit
- Post Qualification course in Insurance & Risk Management.
- Post Qualification course in International Trade Laws and WTO

The members of the Institute are eligible to register for the above courses and appear in the examination conducted by the Institute. The members can straightway appear for examination for the courses at Sl. no. 1, 2 and 3 above and no formal registration would be necessary. Exam for Management Accountancy Course are held twice a year in the months of May and November. Exam for Corporate Management and Tax Management Courses are held

in the month of May every year. For more details e mail [pqc@icai.org](mailto:pqc@icai.org).

The Exams for Information System Audit course are held in the months of March, June, September and December. The members who have registered and obtained eligibility certificate from IT Directorate can take up this exam. The eligibility certificates issued are valid for four exams in a span of two years. Details about this course are available at the official Web-site of the Institute at [www.icai.org](http://www.icai.org) under courses I S A.

The Exam for Insurance and WTO Courses are held twice a year in the months of May and November. Members who have registered for Insurance course and obtain eligibility certificate can take up this exam. For more information about this course please mail to Secretary, Committee on Insurance at [insurance@icai.org](mailto:insurance@icai.org). As regards the exam for WTO and Trade Laws members are eligible to appear for Part 1 Exam to the course only after 6 months of registration and would be required to produce a minimum attendance record of 80% in the personal contract programmes failing which they would not be entitled to appear for the examination. Further information about this course can be had from the Secretary, Committee on Trade laws and WTO by sending e-mail to : [ditl@icai.org](mailto:ditl@icai.org).

Registration for Post Qualification courses in ISA, Insurance and WTO is open through out the year. (Please click here for details)

- Want to have a Chapter of Institute. How that can be established?
  - The Institute encourages its members overseas to consolidate their synergies by creating a formal Chapter. In the Institute's parlance this formal network is a 'Chapter' of the Institute. Any place which has more than 20 Indian members; they can all join together to form a chapter of the Institute. This chapter can be used by them acting as a programme organizing unit for the various CPE programmes. The chapter would be a unique forum for promoting.
  - bonhomie far away from your motherland and would enable your families and accomplices as well to come closer and foster goodwill.

Guidelines for setting up of Overseas chapters are available at

Link [https://icai.org/post.html?post\\_id=2100](https://icai.org/post.html?post_id=2100).



► What is the importance of Chartered Accountant Journal ?

- The Chartered Accountant Journal is an important communication for the Institute and keeps the members updated on the professional front. It is expected that each member should be going through every issue of the Journal. The Chartered Accountant is a monthly publication from Institute and after publication is immediately put on the website of the Institute. It is also sent physically every month and each dispatch is through a recorded delivery to all active members.

► Can a member residing abroad get Journal by Air Mail?

- Normally Journals to the members abroad are being sent by Air Mail. However a member can opt for getting journals by Airmail in which case he is required to pay the air mail charges for receiving the Journal by airmail at his foreign address. Currently the charges for sending Journal by airmail is Rs. 21/- Annually.

► Can a member residing abroad get the Journal at his Indian address?

- As per regulation 187 of CA Regulations every member in practice shall have a professional address in India in his own charge or in charge of another member. A member not in practice may specify a place which shall be deemed to be his professional address for the purpose of Section 21 and also CA Regulations. In view of the above, every member has to specify one address which will be taken in the Institute's record as professional address for all purposes and also for correspondence. Accordingly Journal's, Regional News letters etc. can be sent to the professional address in India if so indicated by the member.

In the event of delayed/ non-receipt, please correspond at [journal@icai.org](mailto:journal@icai.org) or [ebsecretariat@icai.org](mailto:ebsecretariat@icai.org) giving exact details of your full mailing address with Pin/ Zip code, if possible also specifying a landmark as part of address. It would speed up chances of early reach of journal and communication to you.

► How a member residing abroad can buy a publication from the Institute?

- The publications of the Institute available for

sale are indicated in the updated list hoisted on the Website. The rates and postal charges payable thereto are also stated therein. For details visit :<http://www.icai.org/publications/Ins-pub.html>.

A member interested in buying any publication(s) as indicated in the list can either send his remittance in advance for such publications including the postal charges or make payment on line to purchase a publication concerned. Alternatively, an imprest amount (USD 300) could be deposited with the Institute and under such a scheme, a member shall have an access to the recent publications which could be continued to send by the Institute till the time the imprest amount is exhausted.

For faster communication a member can always reach the Institute at e-mail [castoresnoida@rediffmail.com](mailto:castoresnoida@rediffmail.com) or Fax No. +91-120-2518539,

Tel. No. +91-120-2552142, 2551279.

► What is the importance of Updating e-mail Id with the Institute ?

- The Institute very shortly would be moving to a Virtual stage whereby large number of transactions/ communications would be done electronically. This would warrant availability of correct e-mail id so that one gets communication from the Institute with regard to CPE programmes/ other events of interest in time

While e-mail particulars could be updated by sending a simple mail, any communication having regulatory angle would require signed communication from his end for which fax / scanned copy will have to be sent.

The Institute would be regularly coming out with E Newsletter, which has been targeted as a tool for disseminating information to Indian Members abroad and to come closer to them and address their requirements speedily, on quarterly basis which would be a two way communication channel between the Institute and the foreign members. This again necessitates the need to have the e-mail particulars in the records of the Institute for ensuring receipt of e mails. Please update your e-mails id with Institute's record.

► Why a member should Update his address and other particulars?



- By being a member of the Institute he has a continuity and access to developments of Indian profession and it needs no exaggeration that updating his correct particulars would do a lot good in his being professionally updated. The Institute every year while sending the circulars for fee reminders also attach an Entry on Record containing his particulars. It would be the earnest request of the Institute to the members to give utmost priority in updating of information containing in the entry on record wherever necessary. This is also necessary as a part of regulatory requirements

As the professional and other particulars have a bearing for future and there are certain areas wherein due caution needs to be observed; certain request like change in address needs to be accompanied under your signatures so as to ensure authenticity of such a request.

- What are the areas where a member can Contribute to the profession ?
  - There are many areas in which esteemed members can contribute to the professional activities of the Institute. The range is varied and the list indicated herein under in just illustrative and he could think of more such avenues for joining in the work being done by the Institute.

#### **Some of such areas are -**

Associating as a constituent of brand promotion. The Institute is in the process of consolidating its brand image not only in India but in other countries also where a sizeable Indian population/sufficient number of Indian members are there. Promoting Indian Chartered Accountant as a brand would provide fillip to boosting his professional avenues. He need to share with us ways and means in which this needs to be accomplished. He can send his valuable suggestions on the basis of country specific issues so that while formulating its approach, the Institute could suitably include them in its pursuits.

Help take up issues of concern with the respective authorities in those countries /promoting the Indian qualification in terms of services which can be provided by a member of ICAI.

Associating in providing synergies by creating a formal network - The Institute feels that the consolidation of efforts would be a welcome step and the Institute

would request the members to form chapter of ICAI wherever more than 20 members are there. (For further details please click here)

Information about the need of Chartered Accountants in your country - This would enable the members intending to take opportunity abroad. Such information can be mailed at [foreigndesk@icai.org](mailto:foreigndesk@icai.org) to be placed suitably on the web page of the Institute. This way the member would be doing a yeoman service for Indian members to such global market and globalisation of Indian Chartered Accountant. The member abroad can also pass on the addresses of major placement consultants/ organizations which need professional chartered accountant so that Institute could approach them for benefit of everybody.

Contributing to the Exposure drafts, Research projects and in journal of the Institute - The Institute needs perspective and contribution from the member abroad on technical issues. They are welcome to contribute articles / their view point for inclusion in the journal so that there is a wide sharing of information and their views are put to synthesis and analysis by a cross section of members thus, adding to their utility in an over all context.

Help dependents of your fellow professionals by being part of CA Benevolent Fund - Uncertainty knows no bounds and it is for uncertain times that the Institute have decided to create a corpus of funds by way of voluntary contribution from members to help the families of bereaved chartered accountants who are in distress and need a helping hand. The details on the objectives of the CA Benevolent Fund, procedure for becoming member, extent of assistance available and the procedure for availing assistance are available on the Institute's website at the following link: [http://www.icai.org/members/ca\\_benevolentfund.html](http://www.icai.org/members/ca_benevolentfund.html)

- What is the importance of Updating the particulars of members residing abroad in the Entry on Record?
  - The Institute would soon be coming with a Member Directory separately for foreign members. Given the fact, that developments internationally make the Institute need to have an immediate reaction/ update on certain country specific / sector specific issues; knowing the members who are to be addressed by the Institute for eliciting response



on such information would come in handy. Members contribution would be something which will add value to the professional stance being taken by the Institute at different levels. We would request a member to update their following particulars with the decentralized office wherein their correspondence address falls and the Foreign Desk at head office with the following details on regular intervals so as to update the records, as and when there is such change so that Institute could approach them wherever there is such need. The information would also come in handy when the Institute's delegations visit their country and a need for interaction is felt with them.

1. Name and membership No.
2. Current employment
3. Current charge/ designation
4. Type of industry
5. Correct postal address
6. Contact address in India
7. Phone numbers - office and residential
8. Fax Nos.
9. E-mail id

The above information would also facilitate in coming out with the Directory of Foreign members.

- ▶ Do the members abroad want to know about more professional avenues in India ?
  - While the members have moved to foreign destinations, there would be many a occasion when they would have felt the need of an information contact in India, in such situations, please feel free to write to [foreigndesk@icai.org](mailto:foreigndesk@icai.org) and the Institute would be glad to provide them the weblink of information which they may be wanting to have from India.
- ▶ If any member has any suggestion on different issues how can he send that?
  - Members may feel that they have different ways of looking at the activities of the Institute. As an enabling outfit, the Institute would like to have suggestions from them on the way they feel certain things need to be carried out. They are invited to share their views at [foreigndesk@icai.org](mailto:foreigndesk@icai.org)

They can directly get in touch with the following Officers of the Institute whose area of work and contact details are given below:

#### **Area of Work Official :**

##### **▶ CA course and Education related matters**

Director Board of Studies

Phone : from Delhi: +91-120-3989398, 3054808

From out side Delhi: +91-120-3989398

E-mail:- [bosnoida@icai.org](mailto:bosnoida@icai.org)

##### **▶ Technical Questions, issues on Accounting Standards and Expert Opinion**

Technical Director

Phone: +91-11-39893989 (D), 30110582

E-mail:- [tdte@icai.org](mailto:tdte@icai.org)

Secretary EAC

Phone: +91-11-39893989 (D), 30110467

E-mail: [eac@icai.org](mailto:eac@icai.org)

##### **▶ Technical Questions and issues in Auditing**

Secretary

Auditing and Assurance Standards Board and Assurance Standards

Phone: +91-120-3054815 (D), (011) 30110468

E-mail:- [aasb@icai.org](mailto:aasb@icai.org)

##### **▶ For Continuing Professional Education and Professional Development**

Director CPE

Phone : +91-120-3045957

E-mail:- [cpe@icai.org](mailto:cpe@icai.org) ; [cpeadmin@icai.org](mailto:cpeadmin@icai.org)

##### **▶ For In-Company Programmes**

Secretary CPEC

Phone: +91-11-39893989 (D), 30110438

Email:- [cpe@icai.org](mailto:cpe@icai.org)

##### **▶ Examination related queries**

Joint Secretary (Exams)

Phone : +91-120-3989398 (D), 3054822

##### **▶ Peer Review Process**

Secretary, Peer Review Board

Phone: +91-120-3054815 (D), (011) 30110469

E-mail:- [peerreviewboard@icai.org](mailto:peerreviewboard@icai.org)



► **Members & Students Services and payment of fee and other regulatory measures**

Joint Secretary, M&SS

Phone : +91-11-39893989

(D), +91-11-30110425, 30110426

E- mail :- mss@icai.org

► **General queries relating to publications**

Joint Secretary - NOIDA Stores

Phone : +91-11-3054802, 3054828

E-mail :- noidastores@icai.org

Any other matter; please write to [foreigndesk@icai.org](mailto:foreigndesk@icai.org)

► Is there a placement portal to provide employment assistance to the members? If so may we know more about that?

- The Committee for Members in Industry of the Institute has hosted an on-line Placement Portal with domain name [www.placement\\_icai.org](http://www.placement_icai.org). The placement portal caters to the employment needs of the following categories of the Members/ students:

Campus Interviews Programme for Newly qualified Chartered Accountants.

All members and Semi-qualified accounting professionals(those who have completed only the Articleship component of the CA Course).

Both the candidates and the recruiting entities can register themselves on-line. This new technology based opportunity is a unique endeavor of the Institute and is the first such placement portal launched by any professional body in India

**Benefits:**

The <http://www.placements-icai.org> is a single window recruitment system for organisations interested in recruiting Chartered Accountants from the Institute's vast talent pool of members and Semi-qualified accounting professionals.

Organisations registered in the portal can view the bio-data of the registered members / semi-qualified accounting professionals and approach the short listed candidates for various openings (in those organisations)

There is no need for applying for individual jobs repeatedly through the portal. Organisations who are interested the candidature of the members / semi-qualified accounting professionals would approach them directly.

The Placement Portal provides the facility to the members and semi-qualified accounting professionals to see various Job openings that have appeared in various leading newspapers and web sites of recruiting entities that are being posted - regularly

- in the portal under the head "Notice Board: Job openings.

► How to Register on the Placement Portal?

- The Members/Semi-qualified Professionals intends to utilize the placement portal for registrations may undergo the following procedure:

Log on URL <http://www.placements-icai.org>

In the home page click on Qualified Chartered Accountants / Semi-qualified accounting professionals under the option New User

Once again go to the home page and choose Qualified Chartered Accountant or Semi-qualified accounting professionals under the 'Registered Users' option and log in using your six digits [prefix appropriate number of '0' (zeros) if you don't have six digits ICAI membership number / Article registration number and password (already chosen by you while registering).

**Revised Guidelines for Training of Articled Assistants Outside India**

- A Chartered Accountant is eligible to train an articled assistant provided his main occupation is the practice of the profession of Accountancy at the time of engaging articled assistants as well as in each of the qualifying years on the basis of which he claims eligibility to train articled assistants.
- Any member engaged in any other business, occupation or holding part time certificate of practice is not entitled to train articled assistant.
- Any member employed as a Paid Assistant or engaged as a partner in a foreign firm of Chartered Accountants will also be eligible to train articled assistants at par with the paid assistants with a firm of Chartered Accountants

in India. All conditions applicable to the Paid Assistants in India would be applicable to them as well. However, in case of a foreign firm, such a foreign firm shall have at least one partner who is either a member of the Institute or who is eligible to become a member of the Institute, in terms of MRA.

Provided that every Chartered Accountant from ICAI who is registered as an auditor and obtained a license and registration number from the appropriate competent authority abroad to establish a professional firm and carry out the attest function and who meets the international/local experience and expertise criteria laid down by the law shall be eligible to train articled assistants as under:

Cate- gory	Period of continuous practice	Entitlement of articled assistant or assistants
(i)	An associate or fellow in continuous practice for a period up to 3 years	1
(ii)	An associate or fellow in continuous practice for any period from 3 years to 5 years	2
(iii)	An associate or fellow in 4 continuous practice for any period from 5 years to 10 years	
(iv)	An associate or fellow in 5 continuous practice for any period from 10 years	

It would also be essential for such member abroad to produce the copy of License and certificate of registration issued by the competent authority abroad to him as individual member and to the professional firm with whom he is affiliated to the Institute with current validity at the time of registration of articlehip.

Further where an Indian Chartered Accountant is working as paid assistant in a firm where there is no Indian CA as a partner such paid assistant shall not be entitled to train any articled assistant

- The members shall provide a professional address as envisaged in Regulation 2(1)(xiii) as

well as an address in India.

(As per the said Regulation, professional address means: -

- an address of the place where the member is carrying on his profession ( or where he is carrying on his profession at more than one place, the principal place), or
- if a member is employed, the place of employment or at his option the place of his residence
- the place of residence, if the member neither carried on the profession nor is employed.

It may please be noted that an address in India is essential in any of the situation)

- Since there is full time employment visa instead of Trainee Visa for students who wish to register their articleship with chartered accountants abroad according to the immigration laws of Gulf Cooperation Council (GCC) Countries, so such employees shall be treated at par with the articled assistants registered in India.

It would be essential for such articled assistants abroad to produce the copy of such visa and immigration details along with a copy of passport at the time of registration of articleship. The terms and conditions that may be made applicable for training articled assistant in India from time to time shall mutates mutandis apply for training of articled assistant abroad.

- The period of practical training shall be 3 years or 3½ years, as applicable, under a practising chartered accountant abroad. However, the articled / audit assistants should have an option to undergo industrial training in accordance with the Regulations 51 & 72 of the Chartered Accountants Regulations, 1988 during the last one year of training.
- The Industrial Training may be imparted by the Chartered Accountants working abroad in a financial, commercial or industrial undertaking with minimum fixed assets & minimum total turnover or minimum paid up capital as may be specified by the Council (whatever the value specified in terms of Indian currency may be



deemed as applicable in foreign countries in their respective currencies) or such other organization or institution approved by the Council. In case of a member employed outside India, and eligible to impart Industrial training outside India, is unable to submit Annual Report/Balance sheet of the corporate/undertaking the member is working with, the member may submit a self declaration about the particulars of the undertaking alongwith the application.

- ▶ The terms & conditions contained in Regulation 54 and Regulation 54A dealing with secondment shall be applicable to the articled assistants receiving training abroad.
- ▶ The Principal shall send training reports as prescribed alongwith the service certificate to be issued in Form 109 & 108 as the case may be.
- ▶ The principal shall impart training in accordance with the guidelines contained in Training Guide. He shall maintain a record of practical training imparted by him to the articled assistant and report to the Council in the form prescribed in the training guide.
- ▶ The rates, terms and conditions of stipend prescribed as payable to the articled assistants receiving training in India shall be applicable to the articled assistants receiving training abroad except that the same rate of stipend in equivalent terms specified in respective national currencies of the countries concerned instead of Indian rupees.
- ▶ Regulation of training in terms of office hours and working days holidays will be applicable as per local office timings and laws. However, requirements of total training hours will be the same as applicable in India, the terms of which are given hereunder: -
  - ▶ The working hours for the articled assistants shall be 35 hours in a week excluding the lunch break.
  - ▶ The office hours of the Principal for providing article training to the articled assistant shall not be generally before 9.00 a.m. or after 7.00 p.m.

- ▶ The normal working hours for the articled assistant shall not start after 11.00 a.m. or end before 5.00 p.m.
- ▶ The working hours for the articled assistants should not exceed 35 hours in a week excluding the lunch break and normally an articled assistant be required to work during the normal working hours fixed for articled assistants.
- ▶ In case of exigencies of work with Principal, an article assistant may be required to work beyond his / her normal working hours. However, under such circumstances, the aggregate number of working hours shall not exceed 45 hours per week. The requirement to work beyond 35 hours in a week should not be a practice but only in exceptional circumstances.

Further, where the articled assistant is required to work beyond normal working hours, and aggregate of such hours exceed 35 hours per week, he / she shall be entitled to compensatory leave calculated with reference to number of completed working hours, over and above, 35 hours per week.

**Further conduct of training will be regulated as per provisions of the relevant Regulations as follows: -**

**Regulation 60: Working hours of an Articled Assistant**

"Subject to such directions as may be issued by the Council, the working hours of an articled assistant (3) shall be 35 hours per week to be regulated by the Principal from time to time".

**Regulation 65: Articled assistant not to engage in any other occupation**

"Without the previous permission of the Council, obtained on application made in the

\*approved form, no articled assistant shall, during the period of his service as an articled assistant, take any other course of study or training, whether academic or professional, or engage in any business or occupation."

**Regulation 66: Enquiries against articled assistant**

"(1) Where a complaint or information of any misconduct or breach of Regulation 65 or breach of any of the covenants contained in the articles

is received against an articled assistant from his principal or any other person, the President or the Vice-President as the Executive Committee may decide from time to time, may cause an investigation to be made

- (2) The Executive Committee may, on a consideration of the report of the investigation and after giving the articled assistant an opportunity of being heard, make any of the following orders, namely;-
  - i. direct that the papers be filed and the complaint be dismissed, if the Executive Committee finds that the articled assistant is not guilty of any misconduct or breach of Regulation 65 or breach of any of the covenants contained in the articles; or
  - ii. if the articled assistant is found guilty, reprimand the articled assistant or cancel the registration of articles or direct that any period already served under such articles shall not be reckoned as service for the purpose of the period of practical training specified in Regulation 50.
- (3) The articled assistant, the registration of whose articles has been cancelled under his regulation, shall not, except with the permission of the Executive Committee be retained or taken as an articled assistant or audit assistant by any member”.

#### **Regulation 67: Complaint against the Principal**

- 1) Where an articled assistant makes a complaint against his principal on a matter concerning his training as an articled assistant, the President or the Vice- President as the Executive Committee may decide from time to time, may cause an investigation to be made and submit a report to the Executive Committee.
- 2) The Executive Committee shall submit the report of the investigation to the Council with its recommendations.
- 3) The Council may, on a consideration of the report of the Executive Committee, pass such order as it may consider expedient, including an order withdrawing the entitlement of the principal to train one or more articled assistants

either permanently or for a specified period:

- 4) The President or the Vice-President as the Executive Committee may decide from time to time, may, pending an investigation of the complaint, either terminate or suspend the articles and allow the articled assistant to be accepted as additional articled assistant by a member, notwithstanding anything contained in Regulation 43.

### **FAQs for Articleship abroad**

#### **Training of Articled Assistant outside India**

A student staying abroad may seek admission in CA Course through qualifying CPT Examination or under Direct Entry Scheme in which a graduate/Post graduate student securing prescribed percentage of marks in respective examination may start articled training after passing one group of Intermediated Integrated Professional Course having completed orientation Programme & ITT. The details of CPT Course and Direct Entry Scheme of CA Course are available on the Institutes’s website.- [www.icai.org](http://www.icai.org) it is to note that CA Course examination, practical training and allied Course Curriculum for Indian students or students from abroad are the same.

Often students getting registration in CA Course in India or Abroad have such queries related to articled training which are of following nature. Hence an FAQs on training abroad are given below for information ;

- Can a student registered with the Institute get training outside India?

Ans.: Yes, a student registered with the Institute may enroll for training outside India under an eligible member of ICAI.

- Can a Chartered Accountant practicing abroad, train an articled assistant outside India?

Yes, a Chartered Accountant is eligible to train an articled assistant provided his/her main occupation is the practice of the profession of accountancy at the time of engaging articled assistants as well as in each of the qualifying years on the basis of which he claims eligibility to train articled assistants. Moreover, the members would be eligible to train articled assistant in accordance with Regulation 43. However, a member associated



with foreign CA Firm in the capacity of partner or paid assistant may also train articled assistant under certain conditions.

- Is it necessary for a Chartered Accountant training articled assistants outside India to have a professional address in India?

Ans.: Till recently, it was mandatory for a member in practice to have a professional address in India in his own charge or in charge of another member. However in terms of the Council decision taken at its 291st meeting held in December 2009, a member shall provide a professional address as envisaged in Regulation 2(1)(xiii) as well as an address in India. As per the said Regulation, professional address means:

- an address of the place where the member is carrying on his profession ( or where he is carrying on his profession at more than one place, the principal place), or
- if a member is employed, the place of employment or at his option the place of his residence
- the place of residence, if the member neither carried on the profession nor is employed.

(It may please be noted that an address in India is essential in any of the situation)

- Can a Chartered Accountant working abroad impart Industrial Training to an articled assistant abroad?

Ans.: The Industrial Training may be imparted by the Chartered Accountants working abroad in a financial commercial or industrial undertaking with minimum fixed assets & minimum total turnover or minimum paid up capital as specified by the Council (whatever the value specified in terms of Indian currency may be deemed as applicable in foreign countries in their respective currencies) or such other organization or institution approved by the Council. Moreover, the members would be eligible to impart Industrial training in accordance with Regulation 51 and 72.

In addition to above, an organization eligible to impart training outside India which is not yet registered with the Institute may submit an application (format of application is available on our website [www.icai.org](http://www.icai.org)) alongwith a self declaration (in absence of Annual report) regarding minimum fixed assets & minimum total turnover or minimum paid up capital of the

organization about the particulars of the undertaking.

- Can a Chartered Accountant employed as a Paid Assistant or engaged as a partner in a foreign firm of Chartered Accountants eligible to train articled assistant outside India?

Ans.: A member employed as a Paid Assistant or engaged as a partner in a foreign firm of Chartered Accountants will also be eligible to train articled assistants at par with the paid assistants with a firm of Chartered Accountants in India. All conditions applicable to the Paid Assistants in India would be applicable to them as well. However, in case of a foreign firm, such a foreign firm shall have at least one partner who is either a member of the Institute or who is eligible to become a member of the Institute, in terms of MRA.

- What shall be the period of practical training?

Ans.: The period of practical training shall be 3 years, under a practising chartered accountant abroad. However, the articled / audit assistant have an option to undergo Industrial training in accordance with the Regulations 51 & 72 of the Chartered Accountants Regulations, 1988 during the last one year of training.

- What will be the stipend in respect of articled assistant receiving training abroad?

Ans.: The rates, terms and conditions of stipend prescribed as payable to the articled assistants receiving training in India shall be applicable to the articled assistant receiving training abroad except that the same rate of stipend in equivalent terms specified in respective national currencies of the countries concerned instead of Indian rupees.

- What will be the terms of office hours and working days holidays applicable to articled assistant working abroad?

Ans.: Regulation of training in terms of office hours and working days holidays will be applicable as per local office timings and laws. However, requirements of total training hours will be the same as applicable in India which are given hereunder:-

- The working hours for the articled assistants shall be 35 hours in a week excluding the lunch break.



- b) The office hours of the Principal for providing article training to the articled assistant shall not be generally before 9.00 a.m. or after 7.00 p.m.
- c) The normal working hours for the articled assistant shall not start after 11.00 a.m. or end before 5.00 p.m.
- d) The working hours for the articled assistants should not exceed 35 hours in a week excluding the lunch break and normally the articled assistant be required to work during the normal working hours fixed for articled assistants.
- e) In case of exigencies of work with Principal, an article assistant may be required to work beyond his/ her normal working hours. However, under such circumstances, the aggregate number of working hours shall not exceed 45 hours per week. The requirement of work beyond 35 hours in a week should not be a practice but only in exceptional circumstances.

Further, where the articled assistant is required to work beyond normal working hours, and aggregate of such hours exceed 35 hours per week, he / she shall be entitled to compensatory leave calculated with reference to number of completed working hours, over and above 35 hours per week.

- ▶ What are the formalities to be complied by the articled assistant getting training abroad?

Ans.: Form 103 for registration of articles should be duly filled and submitted along with such documents as mentioned in the Instruction sheet of Form 103 along with registration fee should reach the respective Institute's office to which the member is attached within 30 days of commencement of training.

- ▶ What is the registration fee applicable to such articled assistant?

Ans.: The details of registration fees as applicable for articled assistant is given on link [http://www.icai.org/resource\\_file/14707ipcc\\_enrolment\\_feestructure.pdf](http://www.icai.org/resource_file/14707ipcc_enrolment_feestructure.pdf) can be referred. The fee as applicable can be paid by way of Demand Draft drawn in favor of "The Secretary, The Institute of Chartered Accountants of India" payable at the

concerned Decentralized office of the Institute.

- ▶ Where are the Forms required to be submitted?

Ans.: Form 103 is required to be submitted at the respective Decentralized office of the Institute (i.e. the decentralized office in whose jurisdiction the Indian address of the member falls).

- ▶ Will an articled assistant receiving training abroad be eligible for secondment?

Ans.: Yes. The terms and conditions contained in Regulation 54 and Regulation 54A dealing with secondment shall be applicable to the articled assistants receiving training abroad.

- ▶ Can a Principal depute an articled assistant for training under eligible members of accountancy institutions or bodies outside India (in accordance with Regulation 54A)

Ans.: Yes. A principal, with the consent of the articled assistant may depute the latter for training for a period not exceeding 6 months, under a member eligible to engage and train an articled assistant under the bye laws of an institution or body set up in the respective countries.

- ▶ Will such service be considered as part of practical training? (in accordance with Regulation 54A)

Ans.: Such training under members of accountancy institutions or bodies outside India, will be considered as part of practical training.

- ▶ Is the articled assistant eligible for stipend during such period of training? (in accordance with Regulation 54A)

Ans.: No. The provisions of stipend do not apply during such period of training.

- ▶ Should the articled assistant enter into a Deed of articles for this purpose? (in accordance with Regulation 54A)

Ans.: No. There is no need either for execution of deed of articles for such training or for any intimation to the Institute in this regard. However the Principal is required to include the particulars of such training in the report to the Council under Regulation 64.

- ▶ Can a member of the Institute engage and articled assistant under the bye laws of the accountancy institutions or bodies outside India?



Ans.: Members entitled to train articled assistants shall not engage any articled assistant or articled assistant or apprentice under the bye laws of any other institutions or society or body unless the person concerned has been registered student with any of the accounting institutions or bodies whose training is recognized by the Council as equivalent to the training prescribed for the members of the Institute.

- What are the terms and conditions applicable for training articled assistant abroad?

Ans.: The principal shall impart training in accordance with the guidelines contained in Training Guide. He shall maintain a record of practical training imparted by him to the articled assistant and report to the Council in the form prescribed in the training guide.

Further, the terms and conditions that may be made applicable for training articled assistant in India from time to time shall mutates mutandis apply for training of articled assistant abroad.

In addition to above, the Principal and the articled assistant shall be bound by the provision of Chartered Accountants Act 1949 and Regulations framed thereunder and such other rules and guidelines and directions issued by the Council from time to time.

- Is it possible to take transfer after completion of 1 year of Practical Training? Do we need to give any proper reason to the Institute?

Ans.: Yes, In partial modification of the announcement dated 30<sup>th</sup> June 2009 regarding transfer/termination of articles the Council in its recent meeting has decided that the transfer/termination of articleship in terms of Regulation 56(1) of the Chartered Accountants Regulations, 1988 shall be permissible on the grounds as stated below:-

- I. Transfer /termination of articles is permitted without any restriction during the first year of articles.
- II. During rest of the articleship period on satisfying any one or more of the conditions as stated below: -
  1. Medical grounds requiring discontinuance of articles for a minimum period of three months (on production of a Medical Certificate issued by a Government Hospital).

2. Transfer of parent(s) to another city.
3. Misconduct involving moral turpitude.
4. Other justifiable circumstances / reasons: -

(ii) Grounds already permissible in the Chartered Accountants Regulations, 1988 (on submission of requisite proof of the act warranting transfer/termination of articleship): -

- a. Industrial Training (Regulation 51)
- b. Secondment of articles (Regulation 54)
- c. Conversion from PCC to IPCC (for termination of articles only. Re-registration of articles to be allowed only after passing Group-I of IPCC)
- d. Death of Principal [Regulation 57(1)(c)]
- e. Ceasing of practice by the Principal [Regulation 57(1)(a)]
- f. Removal of name of the Principal from the Register of Member due to any reason [Regulation 57(1)(b)]
- (iii) Marriage basis (only if there is relocation to another city involving distance of 50 kms).
- (iv) Irregular payment or non payment of stipend with reference to Regulation 67.
- (v) Articled assistant desires to serve balance period of training outside India.
- (vi) Shifting by the Principal to another city involving distance more than 50 kms.

The articled assistants are required to get the consent of the Institute before getting Form 109 signed by the Principal in their own interest.

The request, on any one or more of the aforesaid grounds, of an articled assistant on a plain paper alongwith the recommendation/ consent of the Principal for transfer / termination of articleship accompanied by evidence/proof (self-attested by the articled assistant) to the satisfaction of the Institute be made. Request for transfer not accompanied by consent of Principal shall not be accepted. In case of dispute between principal and articled assistant, the matter be settled amicably among the articled assistant and the principal concerned and the Institute shall not interfere in such cases.

- If principal does not sign completion of articleship certificate in Form 108, what we do?



Ans.: Please refer to Regulation 56 of the Chartered Accountants Regulations, 1988 and Prospectus of CA Course.

- ▶ Please guide us on articleship? What kind of firm should we join?

Ans.: A CA student is compulsorily required to undergo practical training i.e. articleship of 3 years. The students coming through CPT can join articleship only when they register for IPCC and clear its Group-I/Both Group and completing the Information Technology Training (ITT) and Orientation Course (OP). The students coming through direct entry route i.e. graduates and post-graduates with prescribed marks can commence their articleship after registering for Intermediate (IPC) and completing the Information Technology Training (ITT) and Orientation Course (OP). This training has to be done under a practicing Chartered Accountant. This training is very useful as it gives the trainee hands on experience on various aspects of chartered accountancy course i.e. Audit, Taxation, Accounts, Law etc. The selection of firm depends upon your choice of field in which you want to practice in future.

- ▶ Please provide, the basis for calculating leave during articleship.

Example;

Ans.: Case 1: An article completed 3 years of articleship till now. So,

Total working days:  $365 \times 3 = 1,095$  days  
Leaves Taken so far = 100 days  
Actual period Served = 995 days  
Leaves Earned =  $\frac{1}{6}$ th on 995 = 165 days

Leave entitled (subject to sanction of leave by your Principal) = 65 days (165-100 days)

Case 2: An article having a total articleship period of 3.5 years. So, Total working days:  $365 \times 3.5 = 1277$  days

Leaves Taken till now = 100 days  
Actual Period Served = 1177 days  
Leaves Earned =  $\frac{1}{6}$ th on 1177 = 180 days (maximum)

Leaves entitled (subject to sanction of leave by your Principal) = 80 days (180-100)

- ▶ Those students who have registered IPCC with ATC, do they need to do articleship for an additional year?

Ans.: students who have registered for IPCC alongwith ATC shall be required to complete

either 12 months work experience or prescribed period of articulated training before applying for 'Accounting Technician Certificate'.

Further, it is clarified that partial completion of articulated training period cannot be treated as completion of 12 months work experience nor based on that 'Accounting Technician Certificate' shall be issued.

- ▶ Do we need to do articleship only under a CA who is practicing or can we do industrial training?

Ans.: As per Regulation 43 of the Chartered Accountants Regulations, 1988, practical training is imparted only by a member who is practicing the profession of chartered accountants in his individual name or as proprietor or as partner or member who is in full time salaried employee under a chartered accountant in practice or a firm of such chartered accountants.

Further, as per Regulation 51 of the Chartered Accountants Regulations, 1988, industrial training shall be received under a member of the Institute 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 for the period between nine months and twelve months during the last year of the prescribed period of practical training and after passing Intermediate examination/PE-II examination/PCE/IPCE by the articulated assistants.

- ▶ Is it compulsory to join articleship immediately after passing IPCC?

Ans.: Yes, it is compulsory because there is a condition of completion of minimum 2½ years of articleship before appearing in Final examination.

- ▶ Is deputation of articulated assistants at branches of the same firm allowed during articleship even after 1 year from starting it?

Ans.: Deputation of articulated assistants at branches of the same firm is allowed during articleship if the principal remains the same. If there is change in the principal, then the articulated assistant has to apply for termination as per the announcement dated 2nd July 2010 regarding transfer/termination of articleship.



- I have temporarily discontinued my articleship, I am in first year, can I start my articleship again with another Principal abroad?

Ans.: Yes. If a student has taken a termination in the first year, he can commence articulated training later on with the member entitled to engage and train one or more articulated assistants notwithstanding anything contained in Regulation 43.

- Three years of articleship-Isn't this too long a tenure?

Ans.: No, three years of articleship is not too long tenure considering the fact that it grooms the CA student in all aspects of CA course. The period of articulated training is already reduced from 3.5 years to 3 years.

- How many total leaves are available during articleship?

Ans.: As per Regulation 59 of the Chartered Accountants Regulations, 1988, an articulated assistant shall earn leave at the rate of one sixth of the period for which he has actually served excluding from such period, the period for which he has been on leave subject to maximum of 180 days.

- Can we do articleship & Industrial training from abroad?

Ans.: i) Yes, A Chartered Accountant is eligible to train an articulated assistant provided his main occupation is the practice of the profession of Accountancy at the time of engaging articulated assistants as well as in each of the qualifying years on the basis of which he claims eligibility to train articulated assistants.

ii) Any member engaged in any other business, occupation or holding part time certificate of practice is not entitled to train articulated assistant.

iii) Any member employed as a Paid Assistant or engaged as a partner in a foreign firm of Chartered Accountants will also be eligible to train articulated assistants at par with the paid assistants with a firm of Chartered Accountants in India. All conditions applicable to the Paid Assistants in India would be applicable to them as well. However, in case of a foreign firm, such a foreign firm shall have at least one partner who is either a member of the Institute or who is eligible

to become a member of the Institute, in terms of MRA.

- iv) The members shall provide a professional address as envisaged in Regulation 2(1)(xiii) as well as an address in India.

(As per the said Regulation, professional address means: -

- a. an address of the place where the member is carrying on his profession (or where he is carrying on his profession at more than one place, the principal place), or b. if a member is employed, the place of employment or at his option the place of his residence c. the place of residence, if the member neither carried on the profession nor is employed. It may please be noted that an address in India is essential in any of the situation)

- v) The terms and conditions that may be made applicable for training articulated assistant in India from time to time shall mutates mutandis apply for training of articulated assistant abroad.

- vi) The period of practical training shall be 3 years, as applicable, under a practicing chartered accountant abroad. However, the articulated / audit assistants should have an option to undergo industrial training in accordance with the Regulations 51 & 72 of the Chartered Accountants Regulations, 1988 during the last one year of training.

- vii) The Industrial Training may be imparted by the Chartered Accountants working abroad in a financial, commercial or industrial undertaking with minimum fixed assets & minimum total turnover or minimum paid up capital as may be specified by the Council (whatever the value specified in terms of Indian currency may be deemed as applicable in foreign countries in their respective currencies) or such other organization or institution approved by the Council. In case of a member employed outside India, and eligible to impart Industrial training outside India, is unable to submit Annual Report/Balance sheet of the corporate/undertaking the member is working with, the member may submit a self declaration about the particulars of the undertaking along with the application.

- viii) The terms & conditions contained in Regulation 54 and Regulation 54A dealing with secondment

shall be applicable to the articled assistants receiving training abroad.

- ix) The Principal shall send training reports as prescribed along with the service certificate to be issued in Form 109 & 108 as the case may be.
- x) The principal shall impart training in accordance with the guidelines contained in Training Guide. He shall maintain a record of practical training imparted by him to the articled assistant and report to the Council in the form prescribed in the training guide.
- xi) The rates, terms and conditions of stipend prescribed as payable to the articled assistants receiving training in India shall be applicable to the articled assistants receiving training abroad except that the same rate of stipend in equivalent terms specified in respective national currencies of the countries concerned instead of Indian rupees.
- xii) Regulation of training in terms of office hours and working days holidays will be applicable as per local office timings and laws. However, requirements of total training hours will be the same as applicable in India, the terms of which are given hereunder: -
  - a. The working hours for the articled assistants shall be 35 hours in a week excluding the lunch break.
  - b. The office hours of the Principal for providing article training to the articled assistant shall not be generally before 9.00 a.m. or after 7.00 p.m.
  - c. The normal working hours for the articled assistant shall not start after 11.00 a.m. or end before 5.00 p.m.
  - d. The working hours for the articled assistants should not exceed 35 hours in a week excluding the lunch break and normally an articled assistant be required to work during the normal working hours fixed for articled assistants.
  - e. In case of exigencies of work with Principal, an article assistant may be required to work beyond his / her normal working hours. However, under such circumstances, the aggregate number of working hours shall not exceed 45 hours per week. The requirement to work beyond 35 hours in a week should not be a practice but only in exceptional circumstances.

Further, where the articled assistant is required to work beyond normal working hours, and aggregate of such hours exceed 35 hours per week, he / she shall be entitled to compensatory leave calculated with reference to number of completed working hours, over and above, 35 hours per week.

Further conduct of training will be regulated as per provisions of the relevant Regulations 60, 65, 66, 67 of the Chartered Accountants Regulations, 1988.

► What should be done if our CA is not giving stipend?

Ans.: It should be brought to the notice of the Institute and appropriate action will be taken in the matter under Regulation 67 of the Chartered Accountants Regulations, 1988.

► What are the requirements of getting articleship in big "articleship firms".

Ans.: Different firms have different criterion for selecting articles. There is no set criterion from Institute's side.

► Industrial training should be made compulsory and every corporate must keep a CA Final student as a trainee. Is it possible?

Ans.: We cannot impose any condition on any corporate to keep industrial trainees

► I want to go to industrial training before completing my articleship. Sir, what can one do for it?

Ans.: An industrial training can be done only after passing Intermediate examination/PE-II examination/PCE/IPCE and for the period between nine months and twelve months during the last year of the prescribed period of practical training. For this you have to approach companies which have been approved by the Council and already registered with ICAI for imparting industrial training.

► Why is there no transparency in the recruitment of articles. Despite the fact that why one has scored well in the exams still the reference is to be applied for training?

Ans.: The Institute does not have any role in placement of articles. However, for the convenience of students and firms the Institute has started On-line Article Placement Portal where firms desiring to keep articles and students



desiring for doing articleship register themselves for placement. The selection procedure is entirely the domain of the registering firm in which the Institute does not have any role to play.

- I am unhappy with my training due to non availability of work in the office. Most of the time, we sit idle in the office. There is no work of any company Bank VAT & ST. We are busy only in few months when filing the ITR. We want to give more hour to training but want to learn company Audit, bank audit etc. What should we do?

Ans.: A student may opt for secondment, termination of articleship, Industrial training for gaining practical experience in different areas as per Regulation 54, 56 and 51 of the Chartered Accountants Regulations, 1988.

- What would be your advice to article assistants? How do we manage both studies and articleship?

Ans.: You have to plan out in a way that you are able to do justice to both articleship and studies. Chalk out a proper time table depending upon availability of time and your capabilities. Once properly framed, just adhere to it. For detailed guidance in this regard, please refer to the Institute's publication How to face CA examination.

- The Institute announced that articled students can find their firm through on-line Article Placement Portal.

Ans.: The Institute provides the facility of On Line Articles Placement Portal. This portal provides a platform to the firms of Chartered Accountants having vacancies for Articled Assistants to select eligible students and the candidates who are eligible for undergoing articled training. Both eligible firms and candidates have to register themselves online through the articles placement portal. Please visit <http://bosapp.icai.org> for details regarding this facility.

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## The Institute of Chartered Accountants of India

(Set up by an Act of Parliament)

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