

Benchmarking the Intermediate and Final Course of the Institute of Chartered Accountants of India

Executive Summary

Submitted to the Institute of Chartered Accountants of India (ICAI) by UK NARIC

The National Recognition Information Centre for the United Kingdom

The national agency responsible for providing information and expert opinion on
qualifications and skills worldwide

September 2019

Commercial in confidence

Executive Summary

UK NARIC's independent, objective evaluation and benchmarking of selected Institute of Chartered Accountants of India (ICAI) courses and the ICAI Chartered Accountant designation in the UK education system finds:

- **ICAI Intermediate Course comparable to RQF Level 6, Bachelor degree standard.**
 - **ICAI Final Course comparable to RQF Level 7, Master's degree standard.**
 - **ICAI Chartered Accountant (CA) designation comparable to RQF Level 7, Master's degree standard.**
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Context and scope

UK NARIC has completed an independent, objective evaluation and benchmarking study of selected courses and professional designation in accountancy awarded by the ICAI (a statutory body in India for regulating the profession of Chartered Accountants¹) as part of their Chartered Accountancy (CA) programme. The study aims to further national and international understanding of the ICAI Chartered Accountancy designation, specifically in the context of the UK education system and with reference to the qualifications framework of the United Arab Emirates (UAE), the *QF Emirates*². The study reviews two levels of ICAI qualification (the ICAI Intermediate Course and ICAI Final Course), based on a new syllabus introduced in 2017, and the ICAI Chartered Accountant designation.

Methodology

Evaluating ICAI qualifications has involved tailoring UK NARIC's well-established methodology for benchmarking qualifications to examine each qualification's entry requirements, duration, structure, content, learning outcomes, modes of learning, assessment, and associated outcomes. The approach has used desk-based research of both internal and external ICAI reference materials, including the 2017 ICAI prospectus and past three years' ICAI Intermediate and Final Course examinations. The study places particular emphasis on evaluating the breadth and depth of knowledge and skills the qualifications develop and assess in the context of the UK education system, using the Regulated Qualifications Framework (RQF) as the primary reference point.

Overview of the qualifications

The ICAI Intermediate Course and ICAI Final Course are self-study courses which are compulsory for individuals wishing to become ICAI designated Chartered Accountants and hold ICAI membership.

¹ ICAI functions under the Government of India's Ministry of Corporate Affairs. It was established 70 years ago by the Chartered Accountants Act, 1949.

² In 2015 UK NARIC conducted a referencing exercise of the Qualifications and Credit Framework (QCF) (the qualification framework preceding the RQF) to the UAE *QF Emirates* qualification framework.

Entry onto the ICAI Intermediate Course can be either through ICAI's Foundation Course or by Direct Entry. Direct entry is for degree graduates³ or holders of the Executive programme of the Institute of Company Secretaries of India (ICSI), or Intermediate Course of the Institute of Cost Accountants of India. Candidates are eligible for the ICAI Final Course upon successful completion of the ICAI Intermediate Course which includes compulsory training in information technology (IT)⁴. The ICAI Chartered Accountant designation is awarded upon successful completion of ICAI Final Course examinations, three years' practical training and further skills training⁵. The ICAI Intermediate Course and ICAI Final Course both consist of eight topics of study (Papers), split into two groups (Group I and Group II).

ICAI Intermediate Course and ICAI Final Course content

ICAI Intermediate Course content	ICAI Final Course content
<p><u>Group I:</u> Paper 1: Accounting Paper 2: Corporate and Other Laws Paper 3: Cost and Management Accounting Paper 4: Taxation</p> <p><u>Group II:</u> Paper 5: Advanced Accounting Paper 6: Auditing and Assurance Paper 7: Enterprise Information Systems and Strategic Management Paper 8: Financial Management and Economics for Finance</p>	<p><u>Group I</u> Paper 1: Financial Reporting Paper 2: Strategic Financial Management Paper 3: Advanced Auditing and Professional Ethics Paper 4: Corporate & Economic Laws</p> <p><u>Group II</u> Paper 5: Strategic Cost Management and Performance Evaluation Paper 6A-6F (choice of one):</p> <ul style="list-style-type: none"> • Paper 6A: Risk Management • Paper 6B: Financial Services and Capital Markets • Paper 6C: International Taxation • Paper 6D: Economic Laws • Paper 6E: Global Financial Reporting Standards • Paper 6F: Multi-disciplinary Case Study Paper 7: Direct Tax Laws & International Taxation Paper 8: Indirect Tax Laws

Candidates are assessed on each paper through written examinations lasting three hours. Examinations include multiple-choice questions and scenario-based questions requiring written free-text responses. The ICAI Final Course Paper 6 is an open-book assessment. Examinations can be taken twice a year (May and November) at examination centres in India and internationally. To pass each qualification candidates must pass every paper in each group, which can be done for both groups in one examination sitting or through different examination sittings.

Fully qualified ICAI Chartered Accountants (i.e. candidates who have passed all the ICAI Final course examinations and training requirements) can be awarded credit exemption for entry onto related Master's degree programmes in the UK, at institutional discretion.

³ For Direct Entry, Commerce degree graduates / postgraduates require a minimum mark of 55% and other graduates / postgraduates require a minimum mark of 60%.

⁴ The IT training taken as part of the ICAI Intermediate Course is through an 'Integrated Course on Information Technology and Soft Skills' (ICITSS).

⁵ The ICAI Final Course includes an 'Advanced Integrated Course on Information Technology and Soft Skills' (AICITSS).

Key findings

A detailed analysis of the ICAI Intermediate Course and ICAI Final Course in the context of the UK education system finds the ICAI Intermediate Course overall comparable to RQF Level 6 (Bachelor degree standard) and the ICAI Final Course and ICAI Chartered Accountancy designation overall comparable to RQF Level 7 (Master degree standard).

The ICAI Intermediate Course contains comparable content areas and assessed knowledge and skills expected at RQF Level 6 standard, including those found in similarly-focussed UK Bachelor degrees in Accounting. For example, the ICAI Intermediate Course assesses candidates' ability to prepare and present financial statements in contexts involving many interacting factors. Additionally, assessment questions have been observed to test candidates' ability to interpret complex information (e.g. profit and loss accounts), understand different perspectives (e.g. from the perspective of a financial expert, IT developer or Management Consultant); use skills of critical analysis; and evaluate the implications of actions, methods and results, that would be expected at RQF Level 6 standard.

The ICAI Final Course develops and assesses candidates' ability to use specialised skills and decision-making (including undertaking strategic financial management) to address problematic situations and create ways forward involving many interacting factors. This reflects a level of knowledge and skill associated with RQF Level 7 and FHEQ Level 7, supported by a review of selected similarly-focussed Master's degree qualification content. Furthermore, ICAI Final Course assessment tasks require candidates' advice on correct accounting treatments and recommending alternative performance mechanisms that consider all stakeholders and customers. Candidates are also expected to be able to evaluate short- and long-term implications of actions (e.g. current income and balance sheet on a company's intended sales strategy) and advise a Company's Board of Directors, corresponding to skills indicative of RQF Level 7.

A review of ICAI documented quality assurance processes, including measures in place for assessment development and marking, supports the overall comparability of the ICAI Intermediate Course and ICAI Final Course in the context of the UK education system. The following comparability advice in the UAE education system is based on UK NARIC's 2015 comparison of the QCF to QF*Emirates*. It is not intended to imply recognition of the ICAI qualifications on the QF*Emirates*, or comment on the status of the QF*Emirates*.

ICAI award	Comparable RQF level and UK qualification	RQF-QF <i>Emirates</i> level comparability
ICAI Intermediate Course	RQF Level 6 (Bachelor degree standard)	QF <i>Emirates</i> Level 7
ICAI Final Course	RQF Level 7 (Master's degree standard)	QF <i>Emirates</i> Level 9
ICAI Chartered Accountant	RQF Level 7 (Master's degree standard)	QF <i>Emirates</i> Level 9