

# **THE INSTITUTE OF COST ACCOUNTANTS OF INDIA**

## **GUIDELINES FOR MANDATORY TRAINING FOR ALL MEMBERS OF THE INSTITUTE**

### **UNDER CONTINUING EDUCATION PROGRAMME (with effect from 1st April,2013)**

#### **1. INTRODUCTION**

1.1 The Institute of Cost Accountants of India was set up under the Cost and Works Accountants Act, 1959, as amended to educate, impart training and develop the profession of Cost Accountancy. In the current changing dynamic economic scenario it is essential for Cost Accountants in practice and in employment to continuously update and equip themselves with the new skills and concepts to meet the challenges and render efficient service to trade, commerce, industry and the society at large. A profession cannot maintain the cutting edge unless its members regularly update their knowledge.

1.2 With the introduction of the changed framework of Cost Accounting Records and Cost Audit extended to the class of companies engaged in production, processing, manufacturing and mining and with the Companies Bill having proposed inclusion of the Services Sector within its ambit, the members in practice as well as employment are required to keep abreast of the developments not only within the country but also with practices across the globe. The professional scope has extended to many other areas like Direct Taxes, Indirect Taxes, Stock Audits, Audit of Stock Brokers, certification under Import/Export Procedure etc. including services being rendered by the professionals to the Regulatory Bodies.

1.3 In line with the recommendations of the International Federation of Accountants and feeling the need to have compulsory and continued training of the members of the Institute, the Council has made training mandatory for all members to ensure constant updating of knowledge and skills of members. The Council has framed the following guidelines covering the requirement of eligible training, awarding and recording of credit hours as well as features for considering programmes eligible to award credit hours.

1.4 The objective of Continuing Education Programme is to assist the members in widening their knowledge base and in improving their skills to be at the cutting edge of technology by providing training and expertise in critical areas.

#### **2. KEY DEFINITIONS**

2.1 **“Institute”** means the Institute of Cost Accountants of India.

- 2.2 **“Continuing Education Programme (CEP)”**–Programmes of the Institute specifically designed to cater to specific learning activity imposing continuing education requirements on members intended to expand their knowledge base and stay up-to-date on new developments.
- 2.3 **“Approved CEP Programmes”**means programmes organized by the Instituteincluding programmes of the Regional Councils and Chapters, approved Study Circles, or any entity recognized by the Council from time to time for this purpose, National Cost Conventions,Regional Cost Conventions, participative certificate programme of ICAI, Seminars or Conferences organized jointly with other professional bodies and Chambers of Commerce that are approved by the CEP Directorate for granting CEP Credit Hours.
- 2.4 **“Year”** for the purpose of these guidelines shall mean the period commencing from 1st day of April and ending on 31st of March.
- 2.5 **“Continuing Education Programme Directorate (CEP Directorate)”** means the directorate of the Institute set up for overseeing the academic, technical and administrative functions of CEP programmes.
- 2.6 **“Continuing Education Programme Committee (CEP Committee)”** means a committee of the Council of the Institute entrusted with the task of setting strategic directions and overseeing CEP activities.
- 2.7 **“CEP Credit Hours”**means credit hours awarded to the member for participating in any approved CEP Programme.
- 2.8 **“Permanent Disability”** means a person suffering from not less than 40% of any disability as certified by a medical authority.

### **3. AUTHORISATION AND REGULATION**

- 3.1 In terms with the powers vested with the Council of the Institute under the Cost and Works Accountants Act, 1959 and the Regulations framed thereunder, the Council of the Institute is empowered to frame rules and guidelines for the maintenance of the status and standard of professional qualifications of the members of the Institute.
- 3.2 Compliance with these guidelines is mandatory for the members in practice below the age of 65 years and recommendatory for other members.
- 3.3 In case of any queries concerning these guidelines, the clarifications and interpretations of issued by the CEP Directorate shall be final.

### **4. EFFECTIVE DATE**

- 4.1 These guidelines are effective from 1st April, 2013.

## 5. APPLICABILITY OF GUIDELINES

5.1 Effective from April 1, 2013, the requirement of CEP Credit Hours is divided in various categories and need to be met by the members as prescribed in **Annexure A**.

5.2 All members of the Institute are required to meet the CEP requirement(s) as specified by the Council from time to time subject to the category **exempted** as below:

- (i) A member who has attained the age of 65 years.
- (ii) For the first year for a member who is admitted to the membership of the Institute. A year in this context is to be considered as the period from April 1 to March 31.
- (iii) A member who is having permanent disability and members who have been handicapped due to an accident for a prolonged period may be exempted from fulfilling the requirement of CEP Hours on submission of valid documents in support of the same.
- (iv) A member who is resident outside India.
- (v) In case of members residing outside India for a period of not less than 6 months may be exempted from the requirement for the particular year on submission of valid documents in support of the same. However, no such exemption/relaxation is available to a member who has obtained membership of the Institute in accordance with the MOU entered into between the Institute and any other foreign Institute and such member would be considered to have earned Credit Hours if the member has fulfilled the Credit Hour requirement of that foreign Institute.
- (vi) The CEP Committee may in their absolute discretion grant full / partial exemption specifically or generally to a member or a class of members based on facts and circumstances on a case to case basis.

## 6. BASIS OF AWARDING CEP CREDIT HOURS

6.1 A member is awarded the credit of CEP Hours by the CEP Committee on the basis of the learning activities undertaken during the year. To undergo the mandatory training, the CEP Committee has specified various learning activity options for a member which may be attended by the members. These are:

- i. Attending an approved CEP Programme.
- ii. Members attending Webinars conducted by the Institute for members. Mere registration for Webinar will not be sufficient to earn the credit hours and the members must attend the full programme.
- iii. Attending meetings/Seminars/workshops by SAFA/CAPA/IFAC or any other International bodies where the Institute is a member.

- iv. The in-house trainings imparted by an organization, having a turnover of Rs.100 Crores or above per annum, to their employees subject to the condition that the training programme should be on a subject of professional relevance and provided the organization seek prior approval by the CEP Directorate. The organization would be required to submit the attendance records of the members attending the programme to the CEP Directorate.
- v. Members attending outside training programme from reputed Institutions on being nominated by their organizations on subjects of professional relevance and importance shall also be considered, provided the certificate of participation in such programme is produced by the member to the CEP Directorate. The reputed Institutes include IIM, IIT, National Productivity Council/State Productivity Councils and others as may be approved by the Council.
- vi. Members attending CEP programmes of the Institute of Company Secretaries of India under the reciprocal arrangement between the Institute and ICSI.
- vii. Any other activity as specified in Annexure B.

The basis of awarding CEP Credit Hours for attending the aforesaid programmes in para 6.1 would be guided by the conditions prescribed in **Annexure B**.

## **7. Monitoring and Review of CEP activities**

The CEP Directorate under the supervision and guidance of the CEP Committee will monitor and review the programmes conducted by the various regions, chapters, and study circles from time to time.

Mechanism to be followed by the organizer of the CEP Programme:

- i. Seek prior approval from CEP Directorate for holding the programme on topics of professional relevance and importance.
- ii. Submit online details of the programme to the CEP Directorate at least 5 days prior to the scheduled date of the programme. Detail of online submission mechanism is available with the CEP Directorate.
- iii. Maintain attendance records of the programme in the manner as stipulated by the CEP Directorate from time to time.
- iv. Submit the attendance records to the CEP Directorate within 3 working days of the programme to upload the CEP Credit Hours in the portal.

## **8. POWER TO MODIFY GUIDELINES**

The Council of the Institute on the basis of recommendation of the CEP Committee can modify these guidelines at any time to meet the requirements of CEP.

## **9. OBLIGATIONS OF THE MEMBERS**

9.1 Compliance with the said guidelines is mandatory for the Members of the Institute of Cost Accountants of India read with Clause 5. Members can view the status of CEP Credit Hours awarded during the year on the Institute's website in Members' Section.

9.2 The Institute shall maintain the record of attendance of members at approved CEP Programmes. However, members should also maintain a personal record of compliance with the requirements of Credit Hours as also for undertaking other CEP Learning activities for which CEP Hours are granted and produce the same for verification.

9.3 Members holding Certificate of Practice are required to confirm that they have secured the minimum annual CEP Credit Hours at the time of renewal of membership and certificate of practice.

## **10. ACTION AGAINST NON-COMPLYING MEMBERS**

The Certificate of Practice of members who fail to comply with the requirements of these guidelines shall not be renewed as provided in Regulation 10(1) of the Cost and Works Accountants Regulations, 1959 (as amended).

**Applicability and CEP Credit Hours requirement**

**Para 5 of the Guidelines**

Effective April 1, 2013, the requirement of CEP Credit Hours are as below subject to exemptions under para 5 of the guidelines.

**CEP Credit Hours requirements for the block of three (3) years starting effective April 1, 2013 to March 31, 2016, to be complied with by different categories of members.**

**Members holding Certificate of Practice**

**Below the age of 65 years:** The member should undergo minimum mandatory training of 10 hours per year or 35 hours in a block of 3 years.

**Holding Certificate of Practice for part of the year:**

A member holding Certificate of Practice is exempt from the CEP requirement for the first year or part of the year.

**Members not holding Certificate of Practice**

It is recommended that a member should undergo minimum training of 6 hours per year or 20 hours in a block of 3 years.

**Note:**

- No carry forward is allowed for excess Credit Hours from block of three years to the next block of three years.

## Annexure B

### The Basis of awarding CEP Credit Hours

#### Approved CEP Programmes:

Duration of the approved CEP Programme	Credit Hours
Less than 1 hour	Nil
1 hour and more and upto 2 hours	1
More than 2 hours and upto 4 hours in a single day	2
Beyond 4 hours in a single day	4
Programmes for more than 1 day and upto 2 days (minimum 6 hours per day)	6
Programme spanning beyond 2 days (minimum 6 hours per day)	10

#### **Note:**

- No credit hours will be given to a participant who attends a programme partially.

#### Other Learning Activities:

	Particulars	Eligibility Criteria	CEP Credit Hours
1.	Courses of Universities recognized by the UGC/ AICTE approved Institutions	A member who has successfully completed any post graduate course related to commerce, economics and taxation of any UGC recognized University/ AICTE approved Institution will be awarded CEP Credit Hours for each semester based on submission of the pass certificate, provided the course is being undertaken during the year.	5 hours
2.	Service as a Speaker or Discussion Leader	A member who is in Service as a lecturer or teacher in a program or seminar offered by the Institute, business/ professional associations and college or university, professional education centres  <b><i>Members are not eligible for CEP Credit Hours for acting as a faculty in Oral Tuition Classes for students.</i></b>	Equivalent to the basis of the CEP Credit hours for the approved CEP Programme.

	Particulars	Eligibility Criteria	CEP Credit Hours
3.	Technical Materials Submitted for Publication	<p>A member whose Technical articles, monographs, or books are published is eligible for CEP credit hours subject to the condition that the publication is accorded International Standard Serial Number (ISSN)/ International Standard Book Number (ISBN).</p> <p>Books and monographs for the first time of publication. <i>(Note: The Institute will assign specific CEP hours on receipt of a copy of the publication.)</i></p> <p>For joint authorship, the hours will be equally divided.</p>	<p>6 hours each</p> <p>10 hours for each publication</p>
4.	Articles Published in Management Accountant	<p>A member whose article is published in 'Management Accountant'.</p> <ul style="list-style-type: none"> <li>- Upto 1500 words</li> <li>- 1500 words to 3000 words</li> <li>- Above 3000 words</li> </ul> <p>For joint authorship, the hours will be equally divided.</p>	<p>1 hour</p> <p>3 hours</p> <p>4 hours</p>

**Note: The CEP Credit will be given to the member only after submission of authenticated proof in this regard to the CEP Directorate.**

**CEP Credit Hours in accordance with the MOU signed by the Institute**

A member who has obtained membership of the Institute in accordance with the MOU entered into between the Institute and any other foreign Institute, such member would be considered to have earned Credit Hours if the member has fulfilled the Credit Hour requirement of that foreign Institute.



