

No. 12/27/2008-PI
GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS

The Ministry of Overseas Indian Affairs vide notification dated 6th January, 2009 announced certain benefits for registered Overseas Citizens of India (OCIs), including in the profession of Chartered Accountants. Subsequently, the Institute of Chartered Accountants of India (ICAI) has proposed a Qualification Bridging Mechanism for licensing OCI Chartered Accountants to practice in India.

2. The Ministry of Corporate Affairs invites the suggestions of all the stakeholders on the enclosed proposed Mechanism by 10th August, 2012 through email on the following e-mail addresses:-

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Proposed Qualification Bridging Mechanism for Licensing Overseas Citizens of India holding Certificate of Practice as Chartered Accountants (henceforth OCI Scheme):

1) OCI CHARTERED ACCOUNTANTS

Subject to Central Government approval for making necessary provisions, ICAI proposes to open up practice rights to OCIs Chartered Accountants applicants as per the announcement made by Hon'ble Prime Minister at the Pravasi Bharthiya Divas in January 2008 subject to the specialized devised following mechanism:-

I. Scheme of Education and Training		
(I) 1st level test	(i) Applicable to those OCI who has qualified respective Chartered Accountancy examination in a language other than English	(ii) Applicable to those OCI who has qualified respective Chartered Accountancy examination in English language :
1) Duration of test	The 1 st level test is of 5 hours duration comprising of two sessions of 3 hours and 2 hours respectively with a break between two sessions.	The 1st level test is of 4 hours duration comprising of two sessions of 2 hours respectively with a break between two sessions.
2) Papers	<p>Session – 1 (3 Sections – 3 Hours - 150 Marks)</p> <ul style="list-style-type: none"> <input type="checkbox"/> Section A: Fundamentals of Income Tax (50 marks)[Syllabus drawn from IPCC Paper 4 i.e. Taxation] <input type="checkbox"/> Section B: Mercantile Laws (50 marks) <input type="checkbox"/> Section C: English (50 marks) <p>Session – II – (Two Sections – Two hours – 100 marks)</p> <ul style="list-style-type: none"> <input type="checkbox"/> Section D: General Economics (50 marks) <input type="checkbox"/> Section E: Quantitative Aptitude (50 marks) 	<p>Session – 1 (2 Sections – 2 Hours - 100 Marks)</p> <ul style="list-style-type: none"> <input type="checkbox"/> Section A: Fundamentals of Income Tax (50 marks) [Syllabus drawn from IPCC Paper 4 i.e. Taxation] <input type="checkbox"/> Section B: Mercantile Laws (50 marks) <p>Session – II – (Two Sections – Two hours – 100 marks)</p> <ul style="list-style-type: none"> <input type="checkbox"/> Section D: General Economics (50 marks) <input type="checkbox"/> Section E: Quantitative Aptitude (50 marks)
3) Marking Scheme	The test comprises of objective type questions with negative marking for choosing wrong options.	
4) Examination centre	Examination will be conducted only once in a year and in one examination centre.	
5) Passing requirements	Examination will be conducted only once in a year and in one examination centre. Overall 50% with a minimum of 40% in each subject.	
Other requirements for Education and training		
(II) On completion of 9 months of study course one day prior to the month in which examination to be held, OCI can appear in 2nd level of test.		
(III) Completion of 100 hours ITT during 9 months study course period or as decided by the council from time to time. (Waiver in case of OCI applicant against minimum 100 hours IT training of equivalent course duly certified by the parent accounting body).		
(IV) 2nd level test ()	Common for both the categories i.e English and non-English language candidates Passing criteria: Minimum 40 marks in each paper and overall 50% in the 2nd level of test comprising of 3 papers.	

I. Scheme of Education and Training	
1) Papers	(a) Taxation (Direct & Indirect) [Specially designed] [60+40= 100 Marks] (b) Advance Auditing and Professional Ethics [Paper-3 of CA Final Course] [100 Marks] (c) Corporate and Allied Laws [Paper-4 of CA Final Course]. [100 Marks]
2) Duration	3 hours
3) No. of attempts	5 (passing all papers in single sitting)
(V) GMCS Course	Candidates are required to undergo 15 days of General Management and Communications Skills Course of ICAI or as decided by the council from time to time.
(VI) Practical training	Practical training from 6 months to 36 months shall be prescribed as per ICAI rules depending on the nature of training provided through the scheme of the parent accounting body of henceforth OCI.
VII) Issuance of COP	Screening test in nature of interactive session will be conducted before issuing Certificate of Practice (COP) to the OCI applicants.

2) OCI CERTIFIED PUBLIC ACCOUNTANTS

The CPAs holding License to practice in their country will be guided by same scheme as OCI CHARTERED ACCOUNTANTS – except the Practical training under 5 (VI) above which shall in their case will read as under :

(VI) Practical training	Practical training from 18 months to 36 months shall be prescribed as per ICAI rules depending on the nature of training provided through the scheme of the parent accounting body of henceforth OCI.
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3) In regard to the qualifications not mentioned specifically above, either under the category of Chartered Accountants(CAs), Certified Public Accountants(CPAs) or exclusion list given below, the ICAI would consider such qualifications on case to case basis under the authority of the Council.

4) Exclusion List (Not Exhaustive)

- 1) Certified Management Accountants (CMAs)
- 2) CIMA
- 3) ACCA Professionals
- 4) Certified Auditors
- 5) Certified Accountants
- 6) Cost Accountants
- 7) CGA Professionals
- 8) Cost and Works Accountants
- 9) Cost and Management Accountants

Additional requirements under this scheme:

1. OCI means Overseas Citizens of India defined under Section 7 of the Citizenship Act, 1955.
2. (Deleted)
3. The aspirants need to be residing in India for 182 days in the financial year before being eligible for membership under OCI holder bridging mechanism.
4. The OCI holder aspirant, at the time of application with ICAI would have an after getting membership with ICAI continue to retain the membership with the parent accountancy body so as to have control on his professional/ethical conduct.
5. The membership awarded in this case will not have voting rights.
6. If Certificate of Practice (COP) is awarded then he/she need to have a local partner in India for practice purposes.
7. The firm of Chartered Accountants is to be peer reviewed and shall obtain certificate of Peer Review from ICAI in every 2 years.
8. Candidates under the scheme will not be allowed to register under this scheme, if they have failed at any time in any of the examination conducted by the Institute of Chartered Accountants of India before implementation of this scheme.
9. Minimum number of OCI under the scheme shall be 50 for conducting the examination at any level.
10. Examination will be conducted only once in a year and in one examination centre.
11. The overseas citizens of India will have to subject themselves to disciplinary mechanism of the Institute of Chartered Accountants of India in terms of the Chartered Accountants Act, 1949. ICAI can prescribe necessary legal obligation to be sworn by such OCI.
12. The overseas citizens of India will also have to subject themselves to code of ethics and other ethical requirements in terms of the Chartered Accountants Act, 1949, Regulations and Guidelines framed there under as well as in terms of other applicable laws of India.
13. All the members who shall be holding Certificate of Practice (COP) under the scheme are required to comply with Continuing Professional Education (CPE) credit hours requirements as per terms prescribed by ICAI Council from time to time.
14. Any other requirement(s) as and when prescribed by the Council of the Institute shall be applicable to all members holding Certificate of Practice (COP) under the scheme.
15. OCI under the scheme needs to have a permanent address in India and a PAN Card issued by Government of India.
16. ICAI reserves to put in place a framework akin to KYC (Know your client) norms for intending OCI applicants. Such norms will be made known to all applicants in advance.
17. This Qualification Bridging Mechanism may be amended or modified by the Council of ICAI as it may deem fit.