

Subject: Articleship issues in UAE

The matter regarding revision in the Guidelines of Articleship Training abroad was considered at the 340th meeting of Council held from February 10-12, 2015 wherein the Council agreed with the recommendation of Executive Committee regarding the revision of the existing Guidelines for Articleship Training abroad and agreed to the addition of proviso to the existing Guideline under point No. (iii). Pursuant to the approved Summary of decision the guidelines would now stand as under:

REVISED GUIDELINES FOR TRAINING OF ARTICLED ASSISTANTS OUTSIDE INDIA (APPLICABLE W.E.F....)

- i. 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.
- ii. Any member engaged in any other business, occupation or holding part time certificate of practice is not entitled to train articled 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 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:

<i>Category</i>	<i>Period of continuous practice</i>	<i>Entitlement of articled assistant or assistants</i>
<i>(i)</i>	<i>An associate or fellow in continuous practice for a period up to 3 years</i>	<i>1</i>
<i>(ii)</i>	<i>An associate or fellow in continuous practice for any period from 3 years to 5 years</i>	<i>2</i>

(iii)	An associate or fellow in continuous practice for any period from 5 years to 10 years	4
(iv)	An associate or fellow in continuous practice for any period from 10 years	5

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 articleship.

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

- 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. *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.

- vi. The period of practical training shall be 3 years or 3 ½ 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.

- 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 alongwith 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 alongwith 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 aboard 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 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 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 this 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 articulated assistant to be accepted as additional articulated assistant by a member, notwithstanding anything contained in Regulation 43.
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Subsequent to the same, the Office had organized a telecon on February 17, 2015 with the Dubai and Abu Dhabi Chapters of ICAI wherein the issues regarding articleship in UAE were discussed along with other issues. The minutes of the telecon are enclosed as Annexure B for perusal. During the telecon CA. James Ravi, Regional Director, Middle East had been requested to send a detailed list of pending cases of Articleship training so that the same can be appropriately taken by the Members and Students Section.

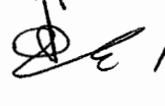
CA. James Ravi vide mail dated March 2, 2015 had sent a list of 31 students (enclosed as Annexure C) looking for articleship with a request to request the SRO and WRO to process the applications. The list of pending cases should be forwarded to Members and Students Section of ICAI for following up the matter with the respective Regional Offices

The summary of decision is enclosed as Annexure B. The decision of the Council regarding revision in the existing Articleship guidelines needs to be communicated by the Members and Students Section to all the DCOs for implementation.


It is requested that M&SS may please advise all the DCOs to appropriately advise the decision as also take steps from effecting appropriate changes in the software for registering cases under the new dispensation



Executive Officer

DS 
18/3/15

Ad S (RS)  18/3/15


Acting Secretary


18/3/15


18/3/15
5:45 P.M.

**Draft Minutes of the Telecon with Dubai and Abu Dhabi Chapter of ICAI on
February 17, 2015 at 03:00 PM**

Members Present

Dubai Chapter of ICAI	Abu Dhabi Chapter of ICAI	Dubai Office of ICAI	ICAI Head office
<ul style="list-style-type: none"> CA. Raju Menon, Chairman CA Nimish Makvana, Vice Chairman 	<ul style="list-style-type: none"> CA Padmanabha Acharya, Chairman CA Rajiv Shah, Vice Chairman 	CA James Ravi, Regional Director, Middle East	<ul style="list-style-type: none"> Shri Rakesh Sehgal, Additional Secretary [Ad S(RS)] CA. Anita Suneja, Deputy Secretary CA. Shruti Kalra, Executive Officer

Sl No.	Issues discussed	Views	Further Action Required												
1	Articleship issues in Dubai	<p>The participants were informed that the matter regarding Articleship issues at Dubai had been considered at the 340th meeting of Council held from February 10-12, 2015 and the Council had agreed that a proviso to the existing guideline may be added which would provide for the following:</p> <table border="1"> <thead> <tr> <th>Category</th> <th>Period of continuous practice</th> <th>Entitlement of articled assistant or assistants</th> <th>Entitlement of articled assistant or assistants for Indian Chartered Accountants</th> </tr> </thead> <tbody> <tr> <td>(i)</td> <td>An associate or fellow in continuous practice for a period up to 3 years</td> <td>1</td> <td>1</td> </tr> <tr> <td>(ii)</td> <td>An associate or fellow in</td> <td>2</td> <td>3</td> </tr> </tbody> </table>	Category	Period of continuous practice	Entitlement of articled assistant or assistants	Entitlement of articled assistant or assistants for Indian Chartered Accountants	(i)	An associate or fellow in continuous practice for a period up to 3 years	1	1	(ii)	An associate or fellow in	2	3	<p><i>Members and Students Section of ICAI to send a formal communication to all the Regional Offices about the revised articleship guidelines after the finalization of the minutes of the Council meeting.</i></p> <p><i>CA. James Ravi has been requested to send a detailed list of pending cases of Articleship</i></p>
Category	Period of continuous practice	Entitlement of articled assistant or assistants	Entitlement of articled assistant or assistants for Indian Chartered Accountants												
(i)	An associate or fellow in continuous practice for a period up to 3 years	1	1												
(ii)	An associate or fellow in	2	3												

			<i>continuous practice for any period from 3 years to 5 years</i>			<p><i>training so that the same can be appropriately taken by the Members and Students Section.</i></p> <p><i>CA. James Ravi has also been requested to send the details of the ICAI members registered under the Federal Law 22.</i></p>
		(iii)	<i>An associate or fellow in continuous practice for any period from 5 years to 10 years</i>	4	7	
		(iv)	<i>An associate or fellow in continuous practice for any period from 10 years</i>	5	10	
		<p>The office had informed that a formal communication in this regard will be sent to all the Chapters and the Regional Offices after the finalisation of the minutes of the Council meeting. CA. Raju Menon further submitted that the modification in the Guidelines in Articleship Training should be made applicable prospective and the modification should not impact the existing Articles registered with the members and in case of any discrepancies the same should be regularized.</p> <p>CA. James Ravi was requested to send a detailed list of pending cases of Articleship training so that the same can be appropriately taken by the Members and Students Section. As regards the existing pending cases the office will be requesting Members and Students Section to take up the matter with the Regional Office. CA. James Ravi was further requested to send the details of the members registered under the Federal Law 22 so that the modified guidelines can be implemented.</p>				
2	Increasing mobility of	It was shared that the Action plan of the Committee				CA. James Ravi,

<p>Indian Chartered Accountants in Middle East market by way of placement/other professional avenues</p>	<p>focuses on increasing the mobility of Indian Chartered Accountants globally. It was generally discussed as regards organising career shows and interaction with prospective employers overseas in order to provide more employment opportunities for Indian members globally or other similar approaches could be suggested by Dubai and Abu Dhabi Chapter</p> <p>CA. Padmanabha Acharya, Chairman, Abu Dhabi Chapter of ICAI discussed on the possibility of having interaction with the Managing Partners of the big firms in UAE which can be useful for ICAI members interested to enter into practice. He also suggested that the information about the vacancies in the Middle East Industries can be made available on the ICAI website which are usually advertised in newspapers so that the interested members can benefit from the same.</p> <p>CA. Raju Menon, Chairman, Dubai Chapter of ICAI also discussed on approaching Big four CA firms and organizing campus interviews to increase professional avenues for our members in Middle East.</p> <p>CA. James Ravi raised the issue of reluctance to pay participation fees for participation in the Gulf campus Interviews which the office informed that they will forward for consideration by Committee for members in Industry of ICAI.</p> <p>Both the Dubai and Abu Dhabi Chapter Chairmen discussed on the limitation of interviews of interested Chartered Accountants by prospective employer organisations through Video Conference process. They also recommended that one of managing Committee member of both the Chapters can be made a focal point for providing necessary</p>	<p><i>Regional Director, Middle East to send a concept paper on opportunities for Indian CAs in Middle East interalia indicating the approach to be adopted, possible medium of outreach, cost outlays and most favourable months during the calendar year.</i></p>
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		<p>support for disseminating the information on employment opportunities available in Middle East.</p> <p>The office also discussed on the possibility of having an Employment portal for ICAI members under the legally permissibility of the UAE laws.</p>	
3	Ways and means for effective PR for the ICAI within the Region	<p>The office discussed on effective branding for the profession in Middle East through interviews of ICAI functionaries and advertisements in leading newspapers of UAE. The office also suggested that the Chapters can be associated as channel partners in their events for effective PR in the Middle East region.</p> <p>The Chapter Chairmen suggested that ICAI should also associate as sponsors in events of Middle East Regions like Gulf Educational Conference; government sponsored events etc with a view to enhance presence globally.</p> <p>The office had requested CA. James Ravi to send details of such programmes so that a detailed proposal can be placed before competent authority.</p>	<p><i>CA. James Ravi has been requested to send details of such programmes for effective branding and PR.</i></p>
4	Recognition of CA. Qualification in Dubai as equivalent to graduate	<p>Both the Chapter Chairmen informed about the issue regarding non recognition of ICAI qualification in Dubai as equivalent to a graduate degree.</p> <p>The Chapter Chairmen informed that a meeting of CA. Manoj Fadnis, President, ICAI and CA. M Devaraja Reddy, Vice President, ICAI can be fixed with the Labour Ministry coinciding with their visit to Dubai in April, 2015 for the Annual International Conference of Dubai Chapter of ICAI.</p> <p>The office requested CA. James Ravi, Regional Director, Middle East to send a draft communication</p>	<p><i>CA. James Ravi has been requested to send a draft communication in this regard to be forwarded to Ministry of External Affairs for further forwarding the same to India Ambassador at</i></p>

		which could be sent to the Ministry of External Affairs for further forwarding the same to India Ambassador at UAE so that the matter can be taken appropriately with the Ministry.	UAE
5	Joint programme of ICAI Middle East Chapters to be conceptualized on the basis of GCC Conference in addition to usual Chapter events	<p>CA. Padmanabha Acharya, Chairman, Abu Dhabi Chapter of ICAI informed that most of the Chapters in Middle East are every year organizing their International Conference and suggested that the active Chapters in middle East can on rotational basis designate their International Conference as GCC Conference.</p> <p>CA. Raju Menon, Chairman, Dubai Chapter of ICAI requested that the Head office should send mass mail for their annual conference to all the ICAI members and make details available for the same on ICAI website so that the programme can receive wider participation from India.</p>	<i>We need to take a call on this concept of rational unified Middle East Conference can be put in place. The office agreed to look into the same.</i>
6	To design a Joint programme of ICAI with other foreign accounting bodies in Dubai	<p>CA. Padmanabha Acharya, Chairman, Abu Dhabi Chapter of ICAI informed that the initiative for joint event is already in place in Abu Dhabi and the Chapter is organising events in association with the Indian Business and Professional Group</p> <p>Ad S (RS) requested both the Dubai and Abu Dhabi Chairman to invite key resources/ faculties from IFAC, CPA Australia, ICAEW etc in their conferences.</p>	<i>Dubai and Abu Dhabi to inform if they need ICAI help in promotion of such events more particularly sourcing of speaking resources</i>
7	<p>Other issues raised by CA. James Ravi:</p> <ul style="list-style-type: none"> • Access to database of Middle East Chapters • Examination centre in 	<p>CA. James Ravi had requested to have online access to the database of ICAI so that the status of members can be ascertained and checked on requests being received from ICAI members. Ad S (RS) submitted that the request shall be sent to the Members and Students Section for their consideration.</p> <p>CA. James Ravi informed about the issue regarding</p>	CA. James Ravi to

	<p>Bahrain</p> <p>• Request for CCTV</p>	<p>the closure of ICAI exam centre in Bahrain. The office advised CA. James Ravi to send a communication in this regard which can be forwarded to the Examination Committee of ICAI for consideration.</p> <p>CA. James Ravi requested for CCTV Cameras for the Dubai office to which Ad S (RS) requested him to send the detailed proposal along with budget so that the same can be placed before competent authority at ICAI.</p>	<p><i>send a communication in regard to closure of ICAI exam centre in Bahrain which can be forwarded to the Examination Committee of ICAI for consideration</i></p> <p><i>CA. James Ravi to send a detailed proposal along with budget for the CCTV</i></p>
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Draft Minutes in respect of International Affairs Committee related Item at the 340th Council meeting held from February 10-12, 2015- for approval please

Item No 49: Setting up of ICAI Chapter at Ras Al Khaimah (RAK)

President introduced the matter for consideration.

The Council noted that all the stipulated formalities for setting up of Chapter abroad have been fulfilled and approved the formation of ICAI Chapter at Ras Al Khaimah (RAK) in terms of recommendation of Executive Committee.

Item No 54: Guidelines for Articleship Training abroad

President introduced the matter for consideration.

The Council noted that it at its 291st meeting held on December 16 and 17, 2009 had interalia framed guidelines for articleship training abroad and that following same; there has been issue regarding non-availability of vacancy under Members in Dubai and the pending applications for articled registration under them at SRO, Chennai primarily and other Regional Offices due to no vacancy.

The Council after detailed deliberation agreed with the recommendation of Executive Committee regarding the revision of the existing Guidelines for Articleship Training abroad and agreed to the addition of the following proviso to the existing Guideline under point No. (iii).

Quote

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:

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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

Unquote

The Council approved the revised Guidelines for Articleship Training abroad in terms of recommendation of Executive Committee.

Submitted for kind consideration and approval

Chuti
Executive Officer

DS

Ar. K. Singh

Ad S (RS)

[Signature]
26/2/2015

Acting Secretary

[Signature]
26/2/15
5:30 PM

[Signature] 17
26/2