

PRACTICAL TRAINING

1. Objectives of the Practical Training

- To develop among the students the necessary skill required to apply theoretical knowledge of cost and management accounting to practical situations in different professional fields.
- Exposure to environments under which different organizations work.
- Providing on-job experience of practical aspects of cost and management accounting.
- Developing disciplined attitude required for a professional.
- Creating awareness on ethical values in professional work.

2. Who are to undergo Practical Training

Every student having registered under Revised Syllabus 2008/Syllabus 2012, shall be required to undergo practical training for a period of 3 years on whole time basis to the satisfaction of council in any one or more of the organization specified in Appendix A, and in areas as specified in Appendix B for the recognition for training.

However, students for being eligible to make an application to appear in the final examination must

- (a) complete at least 6 months of Practical Training in any one or more of the organization specified in Appendix A, and in areas as specified in Appendix B;
(Or)
- (b) must have an experience of at least 6 months in any one or more of the organization specified in Appendix A, and in areas as specified in Appendix B ,
(Or)
- (c) enroll for the I- CMA Training Module as indicated in Appendix C

3. Exemption from Practical Training

A student of the Institute who is working or has already worked in any of the recognized Organizations as given in Appendix A and in any of the recognized areas as given in Appendix B, can claim exemption from Practical Training by following the procedures given below:

- i. Submission of Form T-3 to Directorate of Training and Placement of the Institute along with a DD for Rs. 2000/- drawn in favour of Institute of Cost Accountants of India payable at New Delhi.
- ii. The students whose applications are received & found eligible on or before 31st March will be eligible to appear for June Examination & 30th September will be eligible to appear for December Examinations.
- iii. A student can seek exemption from Practical Training immediately after joining the Intermediate course, or at any time during the course of studies subject to dates given in 3(ii) if he is otherwise eligible.

Documents to be submitted along with Form T-3

- Experience certificate (stating designation, area of work & duration), duly signed by the Competent Authority of the organization in which employed/were employed.
- Audited balance sheet of employers or any other proof of turnover (A letter mentioning the turnover of the company on the letterhead of the company, signed with seal)
- Copy of current salary slip duly attested by employer.

4. Procedure for Intimation of Practical Training

A student desirous of undergoing Practical Training can approach any Organizations as defined in Appendix A or Practicing Cost Accountants.

A student after joining an Organization/Practicing Cost Accountants has to intimate the Institute about the fact of his/her Training by following the given below procedures:

- a. Submission of Form No. T-1 in case of PCA/firm of Cost Accountants.
- b. Submission of T-4 in case of Organizations.
- c. The qualifying dates for the purpose of determining the eligibility for Final Examination would be:

31st March- for June Term Examination

30th September- for December term Examination

(The intimation of Practical Training in the Form T-1/ T-4 should reach the Institute before the above dates)

- d. A student shall inform any change in the Principal or employer to the Institute within 30 Days of such changes with all the relevant documents i.e. New Form T1/ T4, experience certificate from past principal or employer along with a fee of Rs. 1000/- in form of DD drawn in favour of Institute of Cost Accountants of India payable at New Delhi.

After completion of atleast six months training, with PCA/firm of Cost Accountants/Organization a student shall submit Form T-5 to The Director (T&P), Institute of Cost Accountants of India, 4th floor, CMA Bhawan, 3, Institutional Area, Lodhi Road, New Delhi -110003.

All the forms T-1, T-3, T-4, T-5 and T-6 relating to Practical Training can be downloaded from the Institute's Website www.icmai.in.

In order to help the students, Institute will also maintain database of organizations and firms interested to impart practical training to the students, in its website www.icmai.in.

4A. Form T-6 is required to be submitted for I-CMAT module along with the necessary fees as given in Appendix C.

5. Change of Employer

In case of change of Principal/Employer, i.e. students serving under different Principal/Employer, the accumulated period of training shall include training periods undergone with different

Principal/Employers, including the days of leave availed as per rules but excluding excess leave availed, if any. Not more than two changes shall be allowed within a period of one year.

This scheme of completion of at least 6 (Six) months of Training, having registered for training of one year will be effective from December 2013 term of examination onward.

6. Minimum Stipend to Cost and Management Trainees

Every Trainee shall receive the following minimum monthly stipend from the employer:

Employer	1 st year	2 nd year	3 rd year
Practicing Cost Accountant/ a firm of Cost Accountants	Rs. 2000	Rs. 3000	Rs. 4000
Organization	Rs. 4000	Rs. 5000	Rs. 6000

The stipend indicated above is minimum prescribed by the Institute. However, Practicing Cost Accountant/a firm of Cost Accountants/ Organizations may fix higher stipend. The stipend under this regulation shall be paid by the principal to the trainee either by (a) a crossed a/c. payee cheque every month or (b) by depositing the amount every month in an account opened by the trainee in his own name with a branch of the bank to be specified by the principal.

7. Leave to Cost and Management Trainees:

- i. A Cost trainee shall be entitled to one day's leave with pay per month excluding the normal holidays.
- ii. The trainee shall be eligible for **one month leave** without pay for appearing in the examination of the Institute.
- iii. The trainees availing leave in excess of the period of leave to which he is entitled to shall be required to undergo training for a further period equivalent to the excess leave taken by him.

8. Working Hours of Cost Trainee:

- i. The minimum working hours of a Cost Trainee shall be 35 hours per week.
- ii. Hours spent on any conference, course, seminar organized by the Institute/Region/Chapter shall be treated as period covered under training.

9. Restriction on Number of Trainees

The Firms and the organizations intending to engage Trainees shall have the following restriction on the number of trainees.

Practicing Cost Accountant	No. of Trainees
a) Practicing Cost Accountant (Associate Member)	10

b) Practicing Cost Accountant (Fellow Member)	15
c) Firms of Cost Accountants	Depending upon status of the partner as given in (a) and (b) above. For the purpose of calculation of number of Trainees, the total number of trainees under a Cost Accountant as Individual member and a partner in firm(s) shall not exceed the limit prescribed in (a) or (b) above, as the case may be.
Organizations	No Limits

Organizations recognized for Practical Training

A Cost Trainee shall undergo practical training under (1) Practicing Cost Accountant or (2) a firm of Cost Accountants or (3) in any of the following organizations.

- i. Central/State Government / Semi-Government / Public Utilities.
- ii. Banks/Insurance/ other Financial Institution
- iii. Public Sector Unit
- iv. Universities, Management Institutes and any other recognized educational institute
- v. Co-operative societies engaged in Banking, Manufacturing.
- vi. Any other organization with a turnover of Rs. 50 Lakhs in case service sector or Rs. 1 crore in case of other than service sector.
- vii. If the firm of Chartered Accountants/ Company Secretaries has separate Management Consultancy Division and if the applicant has exclusively worked in that division, credence to such service is given on percentage basis depending on the nature of job related with cost/ management accounting/ financial accounting/ taxation/ MIS or of similar nature, size of the firm, nature of duties handled by the applicant, size of the client companies etc.
- viii. Management Consultant in individual capacity depending on the size of the firm, nature of duties handled by the applicant related with cost/ management accounting/ financial accounting/ taxation/ MIS or of similar nature, size of the client companies etc.
- ix. Note: Practicing Chartered Accountants/Company Secretaries are exempted from the Practical Training Scheme and they will have to seek exemption after duly following the procedures on payment of exemption fee as prescribed.
- x. Any other institution as approved by the Council

Recognized areas for Training

- i. Management Accounting
- ii. Cost Accounting
- iii. Financial Accounting
- iv. Financial Management
- v. Auditing
- vi. Regulatory compliances
- vii. Direct Taxation
- viii. Indirect taxation
- ix. Corporate Laws, Industrial Laws, Commercial Laws
- x. Systems Analysis, Information Technology (including ERP system)
- xi. Project Management
- xii. Banking Operation
- xiii. Insurance
- xiv. Valuation
- xv. Financial Services
- xvi. Teaching in Finance, Accounts, Costing, Taxation and Management.
- xvii. Management Consultancy Services as defined in appendix 6 under Regulation 111 of CWA Regulation, 1959.
- xviii. Engineering Services involved in production of power or any manufacturing activities, Project Planning & Management, Quality Assessment, and Supply Chain Management.
- xix. Any other areas approved by the Council.

I-CMA Training (I-CMAT)

The students who are desirous of appearing for Final Examinations from Dec 2013 to Dec 2014 but are neither employed nor under training as indicated in Appendix A, to become eligible for final Examination, should enroll for I-CMA Training Module. The details of this Module are:

1. The students have to enroll for the I-CMA Training Module by submitting Form T-6 along with the Demand Draft for Rs.3000/ drawn in favour of the Institute Cost Accountants of India, payable at New Delhi.

2. Each of the students enrolled for this Module needs to complete at least 100 hours of Active Learning Hours (ALH)

- The total Active Learning Hours (ALH) will be subdivided into various topics based on a weightage and the training in the topics will be provided in a class room/ webinar/seminar/PD Programme mode.
- The Institute will notify the detailed schedule of such programme from time to time through its web site/ email communication. Topics in which the student will require practical exposure will generally be:
 - Cost Accounting System
 - Working Capital assessment (CMA, FFR, QIS, etc.)
 - Cost Accounting Records- Regulated Industries
 - Cost Accounting Records- Common
 - Cost Compliance Reports
 - Cost Audit
 - XBRL Filing
 - MCA E-filing
 - Advanced Excel
 - ERP
 - Central Excise (e-filing, assessment, audit)
 - Service tax (e-filing, assessment, audit)
 - Direct Taxes (e-filing, assessment, audit)
 - VAT (e-filing, assessment, audit)
 - Customs (e-filing, assessment, audit)
 - Stock audit-banks
 - Receivables audit- banks
 - FEMA certificates
 - Internal Audit

(This list is only indicative in nature)

The total 100 ALH will be sub divided into various activities and the maximum weightage a student can earn from these activities will be:

Sl. No.	Activity	Maximum weightage assigned (ALH)
1.	Training in the topics will be provided in a) class room/ webinar/seminar/PD Programme mode.	100
2.	Project Work	50

3.	Summer training already completed by students as part of their Under Graduate and Post Graduate course or hands on training with companies/Practicing Cost Accountants	50
----	--	----

- The students will be accumulating ALH by attending the Training module and once they accumulate 100 hours of ALH they will become eligible to appear for Final Examinations.

Important to Note

- On-line Registration of students who prefer the 100 ALH scheme including on-line payment within 16th Aug 2013 for Dec 2013 exam and corresponding dates for other terms will be duly notified.
- 100 ALH is to be accumulated by the students within 25th Oct 2013, to become eligible for December 2013 final examination.