

**TO BE USED IN THE CASE OF A PRACTICING COST ACCOUNTANT/ A FIRM OF COST ACCOUNTANTS /OR ANY OTHER PARTNERSHIP FIRM ONLY**

(To be executed between the Trainee and Principal on a non Judicial Stamp paper of Rs. 100/- and duly notarized)

**ARTICLES OF TRAINING**

Articles of Training made on the \_\_\_\_\_ day of \_\_\_\_\_ two thousand and \_\_\_\_\_ between Mr./Ms./M/s \_\_\_\_\_, practicing Cost Accountant/ a firm of Cost Accountants / a partnership firm having his/ its office at \_\_\_\_\_, hereinafter called the principal of the ONE PART and Mr./Ms \_\_\_\_\_ (Student Registration Number \_\_\_\_\_) S/o \_\_\_\_\_ and resident of \_\_\_\_\_ (hereinafter called the "Cost and management Trainee") of the SECOND OTHER PART.

In these articles the words defined in the first schedule here to shall have the meanings there attributed to them.

**WHEREAS:**

The trainee is a registered intermediate/final course student of the Institute and the principal is a fellow / associate of the institute and is a practicing cost accountant / a firm of cost accountants or is a partnership firm in India and is recognized for the purpose of granting practical training to the registered students of the Institute, in terms of the practical training scheme of the institute under The Act and The Regulations thereunder.

**NOW THIS INDENTURE WITNESSETH:**

1. In consideration of the covenants by the Cost and Management Trainee hereafter contained, the Principal agrees to take the Cost and Management Trainee as Cost and Management Trainee for the term of \_\_\_\_\_ years from the \_\_\_\_\_ day of \_\_\_\_\_ two thousand \_\_\_\_\_.

2. The Cost and Management Trainee of his own free will places and binds himself as Cost and Management Trainee to the Principal to serve him/ it from the \_\_\_\_\_ day of \_\_\_\_\_ two thousand \_\_\_\_\_ for the term of \_\_\_\_\_ years there from subject as hereinafter provided.

3. The Cost and Management Trainee covenants with the principal as follows:

(a) That the Cost and Management Trainee will at all times during the said term diligently and faithfully serve the Principal as his/ its Cost and Management Trainee in the areas prescribed for training in the practical training scheme of the institute;

(b) That the Cost and Management Trainee shall not at any time during the said term cancel, obliterate, spoil, destroy, waste, embezzle, spend, make away with or otherwise deal improperly with any other books, papers, writings, plans, documents, monies,

stamps and other property of the Principal or of his partner or partners or of any of his or their clients which shall be deposited in the hands of the Cost and Management Trainee or entrusted to his custody or possession or to the care, custody or possession of the principal or his partner or partners and shall not without instructions so to do make copies of any books or papers belonging to or in the custody of the principal or his partner or partners;

(c) That the Cost and Management Trainee shall take all precautions and care as within his reasonable means to prevent others from destroying/harming/embezzling/making away with the books, papers, writings, plans, documents, monies, stamps and other property of the principal or of his partners or of any of his or their clients which are deposited in the hands of the Cost and Management Trainee or which come to his care, custody or possession.

(d) That the Cost and Management Trainee will all times keep secret the affairs of the principal and his partner or partners and all and every one of them and of his and their clients and shall not divulge the names of such clients. Also he will not publish any material/data of the principal or his partner/partners without his written approval.

(e) That at all times during the said term the Cost and Management Trainee shall conduct himself with all due diligence, honesty and propriety and shall observe perfect discipline in the office.

(f) That at all times during the said term, the Cost and Management Trainee will readily obey and execute the lawful and reasonable commands of the principal and will abide by the rules and regulations of the principal as enforced from time to time.

(g) That the Cost and Management Trainee will not depart or absent himself from the service of the principal at any time during the said term without the prior consent of the principal/his partner.

(h) That the Cost and Management Trainee, during the entire term of his training, will diligently maintain or cause to be maintained books and records, drawing and other papers of the principal and do all other things that he ought to do as a Cost and Management Trainee under the practical training scheme of the Institute.

(i) That the Cost and Management Trainee will not claim reimbursement for travelling and other expenses at the time of joining the principal as Trainee.

(j) That the Cost and Management Trainee will not claim any conveyance for commuting from residence to the place of training.

(k) That the Cost and Management Trainee will make his own arrangement for accommodation during the term of training.

(l) That the Cost and Management Trainee will have absolutely no claim whatsoever,

of employment with the principal.

4. The principal hereby covenants with the Cost and Management Trainee as follows:

(a) That the principal will by the best ways and means in his/its power and to the utmost of his/ its skill and knowledge instruct or cause to be instructed the Cost and Management Trainee and afford him such reasonable opportunities and work as may be required to enable him to acquire the art, science and knowledge in the areas prescribed for training by the Institute in its practical training scheme under The Act and The Regulations thereunder.`

(b) That the principal will provide the training to the Cost and Management Trainee, in terms of the practical training scheme of the Institute under The Act and The Regulations thereunder, as may be in force from time to time.

(c) That the principal will pay to the Cost and Management Trainee a minimum monthly stipend at the rates specified in the Practical Training scheme of the Institute and that the same shall be either paid

i) by a crossed account payee cheque every month against a stamped receipt to obtained from the Cost and Management Trainee; or

(ii) by depositing the amount every month in the bank account opened by the Cost and Management Trainee for the purpose.

(d) That the principal will reimburse to the Cost and management Trainee, the travelling, boarding, lodging and other expenses incurred by the Trainee in the course of the official tours undertaken by the Trainee during the course of his Training.

(e) That the principal will allow the Cost and Management Trainee, in addition to one normal weekly off and public holidays, one day's leave per month without reduction/loss of stipend and one month leave without stipend for appearing in the examination of the Institute.

5. PROVIDED ALWAYS AND IT IS HEREBY EXPRESSLY AGREED AND DECLARED by the parties hereto:

(i) That either the Cost and Management Trainee on one hand or the Principal on the other hand may terminate these articles by giving not less than one month's previous notice in writing to the other and a copy of such notice shall be sent to the Director (Training and Placement), Institute of Cost Accountants of India, 3, Institutional Area, Lodhi Road, New Delhi-110003.

(ii) That any dispute between the parties hereto which arises out of any of the provisions prescribed by the council for inclusion in these articles and which the parties hereto are unable to resolve will, at the request of any of them, be notified to the Secretary of the Institute who will refer the matter to the duly authorized official of the

institute, whose decision on any such dispute shall be final and binding on the parties hereto.

6. These articles shall be subject to the provisions of the practical training scheme of the Institute and The Act and The Regulations thereunder (including any amendments to the same) and the parties hereto agree to comply in all respect herewith.

7. These articles shall not be effective until registered by the Institute in accordance with its practical training scheme under The Act and The Regulations thereunder provided always that on such registration, they shall be effective as from the date specified in clause 1 hereof or such other date as the duly authorized official of the institute may direct.

8. If the registration of these articles by the Institute is refused or withdrawn, these articles shall cease and determine unless the Secretary otherwise directs.

IN WITNESS where of the parties have hereunto set their hands and seals the day and year first above written.

## **FIRST SCHEDULE**

### **DEFINITIONS**

<b>The Institute</b>	The Institute of Cost Accountants of India
<b>The Act</b>	The Cost and Works Accountants Act, 1959 as amended by The Cost and Works Accountants (Amendment) Act, 2006
<b>The Regulations</b>	The Cost and Works Accountants Regulations, 1959 as amended from time to time.
<b>Council</b>	Council of the Institute constituted under The Cost and Works Accountants Act.
<b>Secretary/Director</b>	The secretary/ director appointed by the council or any person acting in such capacity by the direction of the council.

Signed and delivered

By

In the presence of

Signed and delivered

By

In the presence of

Signed and delivered

By

In the presence of

Signed and delivered

By

In the presence of