



EXEMPTIONS

Directive 1.21

The directive shall become effective after gazette notification of the corresponding amendments in CA Bye-Laws.

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EXEMPTIONS

In exercise of the powers conferred by section 15 of the Chartered Accountants Ordinance, 1961 (CA Ordinance) read with bye-law 113, 123 and 129A of Chartered Accountants Bye-Laws, 1983 (CA Bye-Laws) and Directive 1.01, to regulate the grant of exemption to candidates with relevant academic, university or professional qualification from member bodies of International Federation of Accountants, the Council approves the following policy.

1. APPLICATION

All candidates seeking exemption from any examination shall be required to apply to the Institute using the specified exemption form, along with the prescribed fee, where applicable.

2. EXEMPTION FROM PRE-REQUISITE COMPETENCIES (PRC)

- (1) Candidates holding a non-relevant associate degree with 14 years of education from any degree-awarding institution recognized by the Higher Education Commission or those holding, a Higher Secondary School Certificate (HSSC), A-Levels, or an equivalent qualification shall be eligible to claim exemption from the following competence areas after fulfilling the criteria specified in sub-paragraph (2).

PRC-1 Fundamentals of Accounting

PRC-2 Quantitative Analysis for Business

PRC-3 Business and Economic Insights

- (2) Criteria for exemption shall be as follows:

- (i) For candidates holding a non-relevant associate degree with 14 years of education:
 - (a) A minimum of 60% marks or equivalent grades in aggregate;
 - (b) A minimum of 75% marks or equivalent grades in the relevant subject(s) for which the candidate is seeking exemption; and
 - (c) The syllabus content and learning outcomes of the subject must match at least 70% of the prescribed syllabus and learning outcomes provided by the Institute under this Scheme or be of a more advanced level.
- (ii) For candidates with an HSSC or other equivalent qualifications:
 - (a) A minimum of 70% marks or equivalent grades in aggregate;
 - (b) A minimum of 75% marks or equivalent grades in the relevant subject(s) for which the candidate is seeking exemption; and
 - (c) The syllabus content and learning outcomes of the subject must match at least 70% of the prescribed syllabus and learning outcomes provided by the Institute under this Scheme or be at a more advanced level.

- (iii) For candidates with A-Levels:
 - (a) A minimum of two B Grades;
 - (b) A minimum of a B Grade in the subject(s) from which the candidate is seeking exemption; and
 - (c) The syllabus content and learning outcomes of the subject must match at least 70% of the prescribed syllabus and learning outcomes provided by the Institute under this Scheme or be at a more advanced level.
- (3) The following candidates shall be deemed exempt from PRC without fulfilling any criteria:
 - (i) Candidates holding a relevant associate degree, as defined in Directive 1.01, with 14 years of education from a degree-awarding institute recognized by the Higher Education Commission.
 - (ii) Candidates holding a degree with a minimum of 16 years of education from a degree-awarding institute recognized or having equivalence issued by the Higher Education Commission.
 - (iii) Candidates who have passed all examinations of ICMAP, PIPFA, ACCA (UK), or CIMA (UK).
 - (iv) Candidates who have passed all examinations of any other relevant professional body shall be granted exemptions from papers of prerequisite competencies on a case-by-case basis.
- (4) A candidate shall be eligible to claim exemption based on the different qualifications he holds.
- (5) The reference to passing the examination for professional qualifications means attempting and successfully passing the examinations of the relevant qualification and does not include obtaining an exemption from such examinations. Provided, however, that subject to the conditions imposed by the Council, this clause shall not apply to candidates who have obtained the qualification of the Institute of Cost and Management Accountants of Pakistan (ICMAP) and Pakistan Institute of Public Finance Accountants (PIPFA) after receiving some exemptions from the examinations of the said professional bodies.

3. EXEMPTION FROM CERTIFICATE IN ACCOUNTING AND FINANCE (CAF)

(1) Graduates with 16 years of education

Exemption from CAF under the following clauses, namely (i), (ii), (iii), and (iv) below, is subject to the criteria outlined in sub-section (2) underneath.

- (i) Candidates holding a minimum of a four-year relevant degree, as defined in Directive 1.01, from 'Specified Degree Awarding Institutes (SDAI)', as explained in Directive 1.04, shall be exempted from the examinations of Certificate in Accounting and Finance.

- (ii) Candidates holding a minimum of a four-year relevant degree from a 'Relevant Degree Awarding Institute (RDAI)', as defined in Directive 1.04, shall be exempted from the examination of the following papers of CAF:

CAF-1 Financial Accounting and Reporting

CAF-3 Data, Systems and Risks

CAF-4 Business Law Dynamics

CAF-6 Corporate Reporting

CAF-7 Business Insights and Analysis

- (iii) Candidates holding a degree with a minimum of 16 years of education from a foreign degree-awarding institute, recognized by the HEC shall be exempted from all papers of CAF. Provided that the said institute was included in the accredited list of the Association to Advance Collegiate Schools of Business (AACSB) at the time of degree issuance.

- (iv) Candidates holding a degree with a minimum of 16 years of education from a local degree-awarding institute, accredited by the National Business Education Accreditation Council (NBEAC) established by HEC, and classified as a W category institute, at the time of degree issuance shall be eligible to claim exemption from the following CAF papers:

CAF-1 Financial Accounting and Reporting

CAF-3 Data, Systems and Risks

CAF-4 Business Law Dynamics

CAF-6 Corporate Reporting

CAF-7 Business Insights and Analysis

- (v) Candidates who do not fall under the clauses (i) to (iv) above and hold a minimum of a four-year degree from any local or foreign degree-awarding institution, recognized by the Higher Education Commission, shall be exempted from the following CAF papers and shall instead appear in the Graduation Conversion Course (GCC) papers in lieu of CAF Examinations, as mentioned in Directive 1.01.

CAF-1 Financial Accounting and Reporting

CAF-3 Data, Systems and Risks

CAF-4 Business Law Dynamics

CAF-7 Business Insights and Analysis

(2) Criteria for exemption from CAF shall be as follows:

- (i) The syllabus content and learning outcomes of the subject must match at least 70% of the prescribed syllabus and learning outcomes provided by the Institute under this Scheme or be of a more advanced level; and
- (ii) A candidate must have secured a minimum of 60% marks or equivalent grades in the subject for which exemption is sought.

(3) Professional Qualification

- (i) Candidates who have passed all examinations of the professional accountancy bodies listed below shall be eligible to claim exemption from the CAF papers specified under each respective body:

(a) **Institute of Cost and Management Accountants of Pakistan (ICMAP)**

All papers up to and including the CAF stage

(b) **Pakistan Institute of Public Finance Accountants (PIPFA)**

CAF-4 Business Laws Dynamics

(c) **Association of Chartered Certified Accountants (ACCA) of UK**

CAF-1 Financial Accounting and Reporting

CAF-5 Management Accounting

CAF-6 Corporate Reporting

CAF-8 Audit and Assurance Essentials

Provided that exemption from 'CAF-8 Audit and Assurance Essentials' shall only be granted to candidates who have passed AAA - Advanced Audit and Assurance.

(d) **Chartered Institute of Management Accountants (CIMA) of UK**

CAF-1 Financial Accounting and Reporting

CAF-4 Business Law Dynamics

CAF-5 Management Accounting

CAF-6 Corporate Reporting

CAF-7 Business Insights and Analysis

(e) **Other relevant professional bodies**

Exemptions shall be granted by the Council on a case-to-case basis, based on qualifications.

- i A candidate shall be eligible to claim exemption based on the different qualifications he holds.
- ii The reference to passing the examination in this paragraph means attempting and successfully passing the examinations of the relevant qualification and does not include obtaining an exemption from such examinations. Provided, however, that subject to the conditions imposed by the Council, this clause shall not apply to candidates who have obtained the qualification of the Institute of Cost and Management Accountants of Pakistan (ICMAP) and Pakistan Institute of Public Finance Accountants (PIPFA) after receiving some exemptions from the examinations of the said professional bodies.

4. EXEMPTION FROM GRADUATE CONVERSION COURSE (GCC)

- (1) Read in connection with clause 3(1)(v), candidates who hold a minimum of a four-year degree from any local degree awarding institute accredited by the National Business Education Accreditation Council (established by HEC) as an X-category degree awarding institute will be eligible to obtain an exemption from GCC-1: Business Concept and Environment, which comprises relevant components of PRC – 2 Quantitative Analysis for Business, PRC – 3 Business and Economic Insights and CAF – 4 Business Law Dynamics.

5. EXEMPTION FROM HANDS-ON COURSES (HOC)

- (1) Exemption from Hands-on Courses, completed and passed at any recognized degree-awarding institute or university, shall be granted subject to the following conditions:
 - (i) The criteria for exemption from HOC shall be as follows:
 - (a) The syllabus contents and learning outcomes of the course match at least 70% of the prescribed syllabus of the Institute;
 - (b) The candidate must have secured a minimum of 60% marks or an equivalent grade in the course; and
 - (ii) for technology-related courses, the candidate must have passed the course no earlier than three years before the date of application for exemption.
 - (2) Candidates holding a minimum of a four-year degree from any local or foreign institution recognized by the Higher Education Commission (HEC), shall be eligible to claim exemption from Hands-on Course on MS Office for Business.
 - (3) Candidates holding an equivalence of four-year degree issued by HEC on the basis of their professional qualification, shall be eligible to claim exemption from the Hands-on Course on MS Office for Business.
 - (4) Additionally, the following shall be deemed exempt from PPE:
 - (i) Four-year degree holders from any local or foreign HEC - recognized degree awarding institute / university;
 - (ii) Candidates holding equivalence of four-year degree issued by HEC on the basis of their professional qualification;
 - (iii) Candidates who have completed either PCSC or PCSC – 1.
- 6.** No candidate shall be eligible to claim an exemption from the papers of CFAP and Strategic Case Study.

7. EFFECTIVE DATE

This Directive shall become effective after gazette notification of the corresponding amendments in CA Bye-Laws.