



The Institute of
Chartered Accountants
of Pakistan

CA
PAKISTAN

EXEMPTIONS

Directive 1.21 (Revised 2023)

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 persons seeking exemption from any examination shall be required to apply to the Institute on the specified exemption form along with the prescribed fee.

2. EXEMPTION FROM PRE-REQUISITE COMPETENCIES (PRC)

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

PRC-1 Business Writing and Comprehension Skills

PRC-2 Quantitative Methods

PRC-3 Principles of Economics

PRC-4 Introduction to Accounting

PRC-5 Introduction to Business

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

- (i) For graduates with 14 years of education:

- (a) Minimum 60% marks or equivalent grades in aggregate;
- (b) Minimum 75% marks or equivalent grades in the relevant subject(s) from which the person is seeking exemption; and
- (c) The syllabus contents and learning outcomes of the subject match at least 70% with that of the prescribed syllabus and learning outcomes of the Institute or are of a more advanced level.

- (ii) For persons with HSSC or other equivalent qualification:

- (a) Minimum 70% marks or equivalent grades in aggregate;
- (b) Minimum 75% marks or equivalent grades in relevant subject(s) from which the person is seeking exemption; and
- (c) The syllabus contents and learning outcomes of the subject match at least 70% with that of the prescribed syllabus and learning outcomes of the Institute or are of a more advanced level.

- (iii) For persons with A-Levels:

- (a) Minimum two B Grades;
- (b) Minimum B Grade in the subject(s) from which the person is seeking exemption; and
- (c) The syllabus contents and learning outcomes of the subject match at least 70% with that of the prescribed syllabus and learning outcomes of the Institute or are of more advanced level.

- (iv) Persons with HSSC, A-Levels or other equivalent qualification who have enrolled in PRC after passing QAT shall not be eligible to obtain any exemption.

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

(1) Graduates with 16 year of education

Exemption from CAF, subject to the criteria specified in (2) below, shall be available as follows:

- (i) Persons who hold a minimum of a four-year relevant degree from 'Specified Degree Awarding Institutes (SDAI)' shall be eligible to claim exemption from all papers of CAF.
- (ii) Persons who hold a minimum of a four-year relevant degree from 'Relevant Degree Awarding Institute (RDAI)' shall be eligible to claim exemption from the following CAF papers:
- CAF-1** Financial Accounting and Reporting-I
CAF-4 Business Law
CAF-6 Managerial and Financial Analysis
CAF-7 Company Law
- (iii) Persons who hold a minimum of a four-year relevant degree from any other local or foreign institution recognized by the Higher Education Commission (HEC), shall be eligible to claim exemption from the following CAF papers.
- CAF-4** Business Law
CAF-6 Managerial and Financial Analysis
CAF-7 Company Law
- (iv) *Persons who hold a degree with a minimum of 16 years of education from a foreign degree awarding institute and having equivalence issued by HEC shall be eligible to claim exemption from all papers of CAF. Provided the university was included in the accredited list of Association to Advanced Collegiate Schools of Business (AACSB) at the time of issuance of degree.
- (v) Persons who hold a degree with a minimum of 16 year of education from any local degree awarding institute having accreditation from the National Business Education Accreditation Council established by HEC at the time of issuance of the degree shall be eligible to claim exemption from the following CAF papers:
- CAF-1** Financial Accounting and Reporting-I
CAF-4 Business Law
CAF-6 Managerial and Financial Analysis
CAF-7 Company Law
- Provided that such candidates shall not be eligible to claim exemptions from the papers of CAF stage, namely:
- CAF-2** Tax Practices
CAF-3 Cost and Management Accounting
CAF-5 Financial Accounting and Reporting-II
CAF-8 Audit and Assurance

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- (2) Criteria for exemption from CAF shall be as follows:**
- (i) the syllabus contents and learning outcomes of the subject match at least 70% with that of the prescribed syllabus and learning outcomes of the Institute or are of more advanced level; and
 - (ii) person has secured a minimum of 60% marks or equivalent grades in the subject from which exemption is sought.
- (3) Professional qualification**
- (i) Persons who have passed all examinations of the professional accountancy bodies specified below shall be eligible to claim exemption from papers of CAF mentioned under the name of each such body:
 - (a) Institute of Cost and Management Accountants of Pakistan (ICMAP)**
All papers up to CAF stage
 - (b) Pakistan Institute of Public Finance Accountants (PIPFA)**
CAF-4 Business Law
CAF-7 Company Law
 - (c) Association of Chartered Certified Accountants (ACCA) of UK**
CAF-1 Financial Accounting and Reporting-I
CAF-3 Cost and Management Accounting
CAF-5 Financial Accounting and Reporting-II
CAF-8 Audit and Assurance
Provided that the exemption from 'CAF-8 Audit and Assurance' shall only be granted to persons who have passed AAA - Advanced Audit and Assurance.
 - (d) Chartered Institute of Management Accountants (CIMA) of UK**
CAF-1 Financial Accounting and Reporting-I
CAF-3 Cost and Management Accounting
CAF-4 Business Law
CAF-5 Financial Accounting and Reporting-II
CAF-6 Managerial and Financial Analysis
CAF-7 Company Law
 - (e) Other relevant professional bodies**
Exemptions shall be granted on basis of qualification on a case-to-case basis by the Council.
 - (ii) A person shall be eligible to claim exemption on the basis of different qualifications that the person holds.
 - (iii) The reference to passing of the examination in this paragraph means attempting and passing the examinations of the relevant qualification and does not include obtaining an exemption from such examinations. Provided that subject to the conditions imposed by the Council, this clause shall not apply to candidates who have gained the qualification of the Institute of Cost and Management Accountants of Pakistan (ICMAP) and Pakistan Institute of Public Finance

Accountants (PIPFA) after obtaining some exemptions from examinations of the said professional bodies.

4. EXEMPTION FROM HANDS-ON COURSES (HOC)

- (1) *Exemption from Hands-on Courses, completed and passed from any recognized degree awarding institute or university, shall be granted subject to the following condition:
- (i) Criteria for exemption from HOC shall be as follows:
 - (a) *the syllabus contents and learning outcomes of the course match at least 70% with that of the prescribed syllabus of the Institute;
 - (b) person has secured a minimum of 60% marks or equivalent grades in the course; and
 - (ii) for courses on technology, a person has passed the course no earlier than three years from the date of application for exemption.
 - (iii)*Persons who hold 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.
 - (iv) Additionally, the following shall be exempt from PPE:
 - (a) A person who has commenced training on or before the effective date of this directive;
 - (b) Four-year degree holders from any recognized university;
 - (c) Candidates holding equivalence of four-year degree issued by HEC on the basis of their professional qualification;
 - (d) Candidates who have completed PCSC – 1; or
 - (e) Candidate who are enrolled in PCSC under Education and Training Scheme 2013 and successfully complete the same not later than February 28, 2022.

5. No person shall be eligible to claim exemptions from papers of CFAP and MSA.

6. EFFECTIVE DATE

This Directive shall become effective from March 1, 2022 subject to gazette notification of the amendments in the corresponding CA Bye-Laws.

* 373rd Council Meeting held on September 22-23, 2023