

Common Proficiency Test (CPT)

- Common Proficiency Test (CPT) is a centralized eligibility test to do CA course, which is conducted by Institute of Chartered Accountants of India (ICAI).
- The test is taken after 10+2 for admission into Chartered Accountancy course.
- The FOUR hour CPT test consists of objective questions covering on FUNDAMENTALS OF ACCOUNTS, MARCANTILE LAW, GENERAL ECONOMICS & QUANTITATIVE APTITUDE.
- The CPT test is divided in to TWO sessions; each session contains 100 objective questions.
- Session-I contains 100 objective questions; 60 from FUNDAMENTALS OF ACCOUNTS and 40 from MARCANTILE LAW. Each correct answer carries 1 mark, for every wrong answer ¼ mark will be deducted.
- Session-II contains 100 objective questions; 50 from GENERAL ECONOMICS and 50 from QUANTITATIVE APTITUDE. Each correct answer carries 1 mark, for every wrong answer ¼ mark will be deducted.
- CPT Registration fee will be Rs.6200/- should be paid in the form of DEMAND DRAFT of any Nationalized Bank, in favour of THE SECRETARY, ICAI, CHENNAI.
- The application and prospectus cost is Rs.100/- can be paid in cash.
- Examination frequency – twice a year – JUNE & DECEMBER every year.
- Last date for CPT Registration is - APRIL 4th for JUNE attempt and OCTOBER 4th for DECEMBER attempt.
- Examination fee is Rs.1000/- can be paid in cash between APRIL 4th and APRIL 25th for JUNE attempt; between OCTOBER 4th and OCTOBER 25th for DECEMBER attempt.
- Results will be announced in the last week of JULY for JUNE attempt and in the last week of JANUARY for DECEMBER attempt.

Eligibility

Eligibility: 10 + 2 Examination (with any group) or equivalent examination pass/appeared.

Age limit: No age limit to appear CPT exam.

Examination pattern

- Total Marks - 200
- Mode of exam - objective
- No. of Questions - 200
- Duration - 4 hours (in TWO sessions of 2hours each)
- Timing - session 1 (10.00 am to 12.00am)
- Session 2 (2.00pm to 4.00pm)

SYLLABUS

SESSION – I

Section A: Fundamentals of Accounting (60 Marks)

Objective: To develop conceptual understanding of the fundamentals of financial accounting system.

Contents

1. Theoretical Framework

- (i) Meaning and Scope of accounting
- (ii) Accounting Concepts, Principles and Conventions
- (iii) Accounting Standards – concepts, objectives, benefits
- (iv) Accounting Policies
- (v) Accounting as a measurement discipline – valuation principles, accounting estimates

2. Accounting Process: Books of Accounts leading to the preparation of Trial Balance, Capital and revenue expenditures, Capital and revenue receipts, Contingent assets and contingent liabilities, Fundamental errors including rectifications thereof.

3. Bank Reconciliation Statement

4. Inventories: Basis of inventory valuation and record keeping.

5. Depreciation accounting: Methods, computation and accounting treatment of depreciation, Change in depreciation methods.

6. Preparation of Final Accounts for Sole Proprietors

7. Accounting for Special Transactions

- (a) Consignments
- (b) Joint Ventures
- (c) Bills of exchange and promissory notes
- (d) Sale of goods on approval or return basis.

8. Partnership Accounts: Final accounts of partnership firms – Basic concepts of admission, retirement and death of a partner including treatment of goodwill.

9. Introduction to Company Accounts: Issue of shares and debentures, forfeiture of shares, re-issue of forfeited shares, redemption of preference shares

Section B: Mercantile Law (40 Marks)

Objective: To test the general comprehension of elements of mercantile law

Contents

1. The Indian Contract Act , 1872: An overview of Sections 1 to 75 covering the general nature of contract , consideration , other essential elements of a valid contract , performance of contract and breach of contract.

2. The Sale of Goods Act, 1930: Formation of the contract of sale – Conditions and Warranties –Transfer of ownership and delivery of goods – Unpaid seller and his rights.

3. The India Partnership Act, 1932: General Nature of Partnership – Rights and duties of partners – Registration and dissolution of a firm.

SESSION – II

Section C: General Economics (50 Marks)

Objective: To ensure basic understanding of economic systems, economic behavior of individuals and Organizations.

Contents

(I) Micro Economics:

1. Introduction to Micro Economics

- (a) Definition, scope and nature of Economics
- (b) Methods of economic study
- (c) Central problems of an economy and Production possibilities curve.

2. Theory of Demand and Supply

- (a) Meaning and determinants of demand, Law of demand and Elasticity of demand – Price, income and cross elasticity
- (b) Theory of consumer's behavior – Marshallian approach and Indifference curve approach
- (c) Meaning and determinants of supply, Law of supply and Elasticity of supply.

3. Theory of Production and Cost

- (a) Meaning and Factors of production
- (b) Laws of Production – The Law of variable proportions and Laws of returns to scale
- (c) Concepts of Costs – Short-run and long-run costs, Average and marginal costs, Total, fixed and variable costs.

4. Price Determination in Different Markets

- (a) Various forms of markets – Perfect Competition, Monopoly, Monopolistic Competition and Oligopoly
- (b) Price determination in these markets.

(II) Indian Economic Development

5. Indian Economy – A Profile

- (a) Nature of the Indian Economy
- (b) Role of different sectors – Agriculture, Industry and Services in the development of the Indian economy, their problems and growth
- (c) National Income of India – Concepts of national income, Different methods of measuring national income, Growth of national income and per capita income in various plans.
- (d) Basic understanding of tax system of India – Direct and Indirect Taxation

6. Select Aspects of Indian Economy

- (a) Population – Its size, rate of growth and its implication for growth
- (b) Poverty – Absolute and relative poverty and main programs for poverty alleviation
- (c) Unemployment – Types, causes and incidence of unemployment
- (d) Infrastructure – Energy, Transportation, Communication, Health and Education
- (e) Inflation
- (f) Budget and Fiscal deficits
- (g) Balance of payments
- (h) External debts.

7. Economic Reforms in India

- (a) Features of economic reforms since 1991

(b) Liberalization, Privatization and Disinvestment(c) Globalization.

8. Money and Banking

(a) Money – Meaning and functions

(b) Commercial Banks – Role and functions

(c) Reserve Bank of India – Role and functions, Monetary policy

Section D: Quantitative Aptitude (50 Marks)

Objective: To test the grasp of elementary concepts in Mathematics and Statistics and application of the same as useful quantitative tools.

Contents

1. Ratio and proportion, Indices, Logarithms

2. Equations: Linear – simultaneous linear equations up to three variables, quadratic and cubic equations in one variable, equations of a straight line, intersection of straight lines, graphical solution to linear equations.

3. Inequalities: Graphs of inequalities in two variables – common region.

4. Simple and Compound Interest including annuity – Applications

5. Basic concepts of Permutations and Combinations

6. Sequence and Series – Arithmetic and geometric progressions

7. Sets, Functions and Relations

8. Limits and Continuity – Intuitive Approach

9. Basic concepts of Differential and Integral Calculus (excluding trigonometric functions)

10. Statistical description of data

(a) Textual, Tabular & Diagrammatic representation of data.

(b) Frequency Distribution.

(c) Graphical representation of frequency distribution – Histogram, Frequency Polygon, Ogive

11. Measures of Central Tendency and Dispersion

Arithmetic Mean, Median – Partition Values, Mode, Geometric Mean and Harmonic, Mean, Standard deviation, Quartile deviation

12. Correlation and Regression

13. Probability and Expected Value by Mathematical Expectation

14. Theoretical Distributions Binomial, Poisson and Normal.

15. Sampling Theory: Basic Principles of sampling theory, Comparison between sample survey and complete enumeration, Errors in sample survey, Some important terms associated with sampling, Types of sampling, Theory of estimation, Determination of sample size.

16. Index Numbers