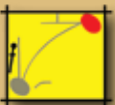


ANALYSIS OF PE2 EXAMS

Class of 2009 June

.....A Prime Academy
Research Report



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Source:

This document is based on sample data accessed from ICAI's website. The ICAI is in no way part of this analysis.

Caveat:

While all care has been taken to ensure that the data provided in this Report is accurate, the Academy will not take any responsibility for decisions that anyone may take on the basis of this report.

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How did “Class of 2009J (CA PE2)” Fare

How did those who take CA PE 2 (the erstwhile Level 2) fare in their June 09 examination? At a time when that examination is being phased out, this question may not sound very relevant. But exams are after all exams and we need answers to pointed questions such as:

- what the pass percentages were;
- how many failed courtesy “aggregate”,
- what was the quality of the candidates explained in terms of the marks scored;
- where did the candidates fail;
- did they fail marginally or spectacularly;
- which were the success subjects

How did we do the Analysis?

Our ball-park estimate is that about 24,000 candidates took the examination. Applying the principles of sampling and drawing inputs from the software that we use, we found that for a 4% error estimate and a 99% confidence level the sample size should be 996. For simplicity we rounded off the number to 1,000. Incidentally, even if the population goes up substantially, the sample size is unlikely to go up by any significant number.

We then used the random number table generated by the software that we employ to decide on the candidates whose marks we would tap. Interestingly, 193 of the numbers selected did not appear in the ICAI exam result list. This could perhaps mean that 19.3% of the candidates did not elect to take the exams that they were supposed to take. A massive percentage indeed.

Sample size

Incidentally, even if the population goes up substantially, the sample size is unlikely to go up by any significant number.

Random Sampling

“4% error estimate and 99% confidence level” means that if the check is repeated, then 99 out of 100 times the results would be this way or that by a maximum of 4% in relation to the results that we get out of using this sample.

We substituted this with a fresh set of 193 numbers, again using the Random Number Table generator.

What are the Findings?

We break the findings into 5 parts

PART 1: Catastrophic

The first critical number is the pass percentage. It is easy to define “pass percent” of candidates who took both Groups; divide the passes in “both groups” by the number of enrolments in “both groups”. When it comes to “pass percent” of a Group things can be tricky. We have looked at Group pass percent in two ways. One, the pass percent of those who take “one Group” only. And two, the pass percent of those who “Appeared in the Group” a k a composite results.

Table 1: Pass Percentage

Appeared	Students	Pass	Percent
Group 1 and passed Group 1	213	10	4.7%
Group 2 and passed Group 2	337	7	2.1%
Both Groups	450		
Passed Group 1 only		12	2.7%
Passed Group 2 only		0	0 %
Passed Both Groups		0	0%
Total	1,000	29	2.9%
Composite Result			
Group 1*	663	22	3.3%
Group 2*	787	7	0.9%
Total	1,450	29	2.0%

* Including those who wrote both groups

“Took Group 1 only” would mean that the candidate wrote that Group only and did not take the other group. “Took Group 2 only” would mean that he wrote that Group only and did not take the other group.

“Appeared in Group 1” (a.k.a. composite result) would include those who took both groups. “Appeared in Group 2” (a.k.a. composite result) would include those who took both groups. Ditto when it comes to number of people who passed that group.

For example, if 100 candidates took Group 1 only, 150 took Group 2 only and 75 took both groups, the number of candidates who “Appeared in Group 1” would be $100+75 = 175$ while the number who “Appeared in Group 2” would be $150+75 = 225$. And if 30 passed Group 1 only, 20 passed Group 2 only and 15 passed both Groups, the number passing Group 1 would be $30+15 = 45$, the number passing Group 2 would be $20+15 = 35$.

This we believe is the appropriate way of assessing pass percent of a Group.

A few quick conclusions follow from Table 1:

- Of the 1,000 candidates in the sample, 29 passed one group or other. One interpretation hence is that the overall success rate is 2.9%.
- The overall composite result is 2.0%. To understand this we need to understand the number 1,450 in our table. If a candidate took both groups he is counted as 2 candidates. From that stand point there are 1,450 candidates. If a candidate passes both groups, it’s counted as 2 passes. This gives a result of 2.0% which is a second indicator of the success rate.
- At 3.3%, the Composite Group 1 result and at 0.9%, the Composite Group 2 result are downright catastrophic. We seem to have moved 20 years back in time.
- The pass percent for “both groups” is zero.

ICAI’s Announcement

Group	% of pass
Both Groups	0.25
Group - 1	3.8%
Group - 2	1.8%

- Considering the fact that these percentage are fairly close to that announced by ICAI, we believe that our sample is reliable.

PART 2: It's plain and simple failure

Table 2: Outcome percentage

Failed In	GROUP 1		GROUP 2	
	Total	%	Total	%
One subject	133	20.1%	99	12.6%
Two subjects	239	36.0%	192	24.4%
Three subjects	244	36.8%	474	60.2%
Aggregate	25	3.8%	15	1.9%
Passed	22	3.3%	7	0.9%
TOTAL	663	100%	787	100%

Why did a candidate fail the exam? Was it because he failed in a subject or was it because he failed to crack the “aggregate” code? The “aggregate” clause has historically drawn a lot of flak amongst people; not just amongst the student community but amongst the academia as well. This clause requires that a candidate get 40 in each subject and 50 overall to clear the examination. Whether the clause relating to “aggregate” is good or bad has always been a subject of argument.

Table 3: Failures

% of Failure	GROUP 1		GROUP 2	
	Failed	Percent	Failed	Percent
One subject	133	20.7 %	99	12.7%
Two subjects	239	37.3 %	192	24.6%
Three subjects	244	38.1%	474	60.8%
Aggregate	25	3.9%	15	1.9%
TOTAL	641	100%	780	100%

Arguments notwithstanding, a look at how many didn't win because they didn't win in a subject or because they didn't cross the aggregate is worth looking.

Here are a few observations glanced from Table 2 and Table 3:

- In Group I, 3.9% of the total candidates who failed, failed because they did not get the overall total of 150 in that Group, In other words they got their 40 in each subject but not the overall total of 150. In Group II, 1.9% of the total candidates who failed, failed because they did not get a total 150 in that Group. We believe that these percentages are too small for anyone to cry foul over the aggregate clause.
- The extent of failure in Group 2 is a lot more alarming than that in Group 1 with more than 85.4% of the failed students failing in two or more papers. The corresponding number in Group 1 is 75.4%.

PART 3: The Marks Story

To understand the quality of performance it is instructive to look at the class interval of marks. This tells a very revealing story.

The range of marks scored in each subject is captured in Table 4.

Table 4: Range of Marks

Range	GROUP 1			GROUP 2		
	ACCTS	AUDIT	LAW	CAFM	TAX	INFO
0-9	69	18	3	50	29	43
10-19	161	80	24	163	146	141
20-29	179	177	95	237	308	171
30-39	124	184	158	188	191	181
40-49	77	147	217	119	71	145
50-59	13	22	88	19	3	33
60-69	33	6	36	5	18	38
70-79	5	1	1	1	1	2
80-89	0	0	0	0	0	1
90-99	0	0	0	0	0	0
Absentees	2	28	41	5	20	32
Total	663	663	663	787	787	787

Pass Percentage and Scoring Rate

Table 5: Group 1

Subject	Accounts	Auditing	Law
Pass percent	19.3%	26.5%	51.6%
Above 60%	5.7%	1%	5.6%

Table 6: Group 2

Subject	CAFM	Tax	Info.
Pass percent	18.3%	11.8%	27.8%
Above 60%	0.8%	2.4%	5.2%

A slew of numbers in respect of each subject is computed (Table 5,6 and 7) to understand the quality of performance.

- The pass percent in 5 subjects is under 30%. In Tax it is a very low 11.8%.
- The mean or the average marks gives a general idea of the performance of the student. The best average is Law (37%) followed by Auditing and Info. Tech. (30%). It's 27% in Accounts and CAFM and very poor 26% in Tax. No subject has an average mark of 50%. Doesn't give scope for much joy.
- The average marks can be misleading. It can hide the overall performance on account of extremes at either end; big daddies and poor performers. The median mark is far more interesting because it tells you the mark which 50% of the candidates crossed. Very interestingly there is no difference subject wise in the mean and the mode, indicating that the performance of the class was generally uniform. In Group 1 the difference is marginal.
- There have been zeroes scored in some subjects. Sad but true.
- It can be disappointing to get 39 in a subject. 9 candidates got that in Info. Tech and 7 candidates in Tax. In Accounts the number was 6, in Auditing it was 5, in Law it was 3 and in CAFM 2. It is another matter that none of these candidates did really well in other subjects to generate a sympathy factor.

Table 7: High, Med, Low

	Mean	High	Low	Med	Mode	Subject 39
Accounts	27	74	0	25	16	6
Audit	30	71	0	32	40	5
Law	37	78	5	40	40	3
Total Group 1	94	178	1	97	104	NA
CAFM	27	70	0	27	32	2
Tax	26	70	0	26	26	7
Info	30	80	2	30	41	9
Total Group 2	84	173	5	85	103	NA

PART 4: Super Sixty

Sixty is considered to be an important number in professional examinations. So a look at how many got 60 in one subject, in two subjects etc can be instructive. Of-course the other importance of 60 is that, if you get sixty in a paper and yet fail the Group you are exempt from writing the paper the next time around.

Table 8: 60 counts

60s	Composite Group 1	Composite Group 2
None	584	723
In One sub	76	62
In Two Subs	3	2
In Three Subs	0	0
Total	663	787

A quick glean from the sixty club reveals:

- No candidate has scored 60 in all three subjects of a Group 1 and Group 2
- A fairly large number of students have scored more than 60 in one subject
- The number of students managing 60 plus in one subject is significantly less in Group 2.

PART 5: The non-serious player

Drop Outs: There is the propensity amongst students to apply for the exams, pay the fees for it, receive the hall ticket and then not take the exams for a variety of reasons. While we have not taken these numbers in the computation of pass percents it would be instructive to find the dropout percents. Our definition of a drop out would be someone who has not turned up for all the subjects of the Group.

No student is marked as absent in all the three subjects of the group. The fact that some numbers in the sequence are missing could mean that these numbers are withdrawn possibly because the candidates did not take up the exam. As indicated earlier this is 19.3%. The drop out is likely to be 19.3%.

Half way drop outs: There is also a propensity amongst candidates to take a paper or two in a group and then drop out either because they had done the paper poorly or in their judgment their performance was sub-par and that they felt that they had no prospects of clearing the group. There would of-course be the legitimate reason of falling sick. Whether the sickness was because of lack of performance or otherwise is debatable. Computing the proportion of such dropouts gives one an indication of non-serious candidates or candidates lacking in self-confidence. As Table 9 shows this is not significant.

Table 9: Half way drop outs

Half way drop outs	Group 1	Group 2
Appeared	663	787
Wrote and Dropped Out		
After 1 paper	27	18
After 2 papers	13	11

Non-serious: Anyone who applies for but doesn't take the exam in full or in part; anyone who gets less than 20 marks in a subject is in our definition a Non-serious player. In Group 1 the percent is 4.1% and in Group 2 is 2.5%.

IN RETROSPECT

Here is a summary of the research

- The sample is representative given that the pass percent findings are close to those announced by the ICAI.
- The composite rate is 2% and the success rate is 2.9%.
- The results in both Group I and Group 2 are pathetic.
- The cause for failure is not the inability to get an aggregate but the inability to score 40 in each subject
- The pass percentage in each subject is low across the board except for Law.
- Hardly any one has scored over 60 in 2 subjects.

Range of Marks

