

Banking – An Exciting Career Opportunity for Young Chartered Accountants



Chartered Accountancy is a comprehensive programme in the financial discipline and opens up a wide range of career options. Banking is one of the most sought after careers for enthusiasts in the field of finance and accounts. It is an entry into a well paid, relatively secure and status career. Though it may appear that the top jobs in banking are for management graduates from premier institutions, the fact is that a large number of successful bankers are qualified Chartered Accountants. Some of the CAs leading in banking are Deepak Parekh – Chairman of HDFC, Aditya Puri - CEO of HDFC Bank, Naina Lal Kidwai - Country Head of HSBC and Amit Mimani, Director M & A, Standard Chartered Bank. This article provides an insight into one of the most exciting and rewarding careers opportunities and a platform for honing your skills. Read on to know more...



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New Trends in Banking Sector

Supported by the latest technology, banks are working to identify new business niches, to develop customised services, to implement innovative strategies and to capture new market opportunities. The modern banking industry has brought greater business diversification. Some banks in the industrialised world are entering into investments,

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underwriting of securities, portfolio management and the insurance businesses. Taken together, these changes have made banks an even more important entity in the global business community.

Banking Careers and Job Information

Today's banking professionals assume a broad range of responsibilities involving capital budgeting, risk management, project analysis and evaluation, and short-term and long-term financial planning.

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Corporate Finance

In Corporate finance you would work for a company to help it find various sources to raise finance, grow the business, make acquisitions, plan for its financial future, manage any cash in hand and ensure future economic viability.

Syllabus: Financial Reporting - analysing financial statements including group companies and financial reports of various entities thereby develops skills to solve financial reporting and valuation cases. Also, some topics covered in Strategic Financial Management provide insights to financial policy and Corporate Strategy come useful to the the banking industry.

Job Options: The following are just a few of the job options available for professionals seeking a career in corporate finance:

- (1) **Treasurer:** Responsible for capital raising, financial planning, cash and asset management. Impeccable analytical abilities as well as management and motivation skills are essential in this upper level administrative position.
- (2) **Payment Manager:** Responsibilities consist of establishing rules for credit collection as well as for the securitisation of receivables. Must be able to analyse accounting data and know a lot about their customers.
- (3) **Investor Relations Officer:** Responsible for publishing corporate financial information and events through press releases, coordinating with investors and replying to investor inquiries. You are in close contact with top management officials and the job demands that you understand both finance as well as public relations.
- (4) **Controller:** Responsibilities include accounting, cost analysis, financial planning and reporting, creating costing systems, and transfer pricing issues. The requirement is of CA/Cost Accountant with experience in the field.

Investment Banking

Investment Banks help companies and governments issue securities, help investors purchase securities, manage financial assets, trade securities and provide financial advice.

Syllabus: Capital Budgeting covers Evaluation of Risky Investment Proposals, Risk and Return analysis, Simulation and decision tree analysis, Sensitivity analysis, Capital Rationing, Adjusted Net Present Value, Replacement decisions, Application of Real Options in capital budgeting, Impact of inflation on capital budgeting decisions.

Job Options: Initially, you may start as an analyst and be responsible for writing reports, maintaining spreadsheets, trading stock options,

In Investment Banking, initially, you may start as an analyst and be responsible for writing reports, maintaining spreadsheets, trading stock options, research, etc. You will need to involve yourself in an intensive study to find out opportunities to invest in profitable shares, debentures and other financial instruments. You need to have in-depth knowledge of money markets, the state of the economy and business and industry in general.

Young Members Empowerment

research, etc. You will need to involve yourself in an intensive study to find out opportunities to invest in profitable shares, debentures and other financial instruments. You need to have in-depth knowledge of money markets, the state of the economy and business and industry in general. Moreover, you will need to continuously involve yourself in extensive research on these subjects, and be up-to-date with the latest information.

Commercial Banking

Commercial banks serve large corporations, small businesses, as well as the general public. Despite the recent consolidation in commercial banking, the industry continues to provide more career opportunities in finance than any other sector in the financial services industry.

Syllabus: Advances Management Accounting covers various management accounting techniques to all types of organisations for planning, decision making and control purposes in practical situations and ability to apply quantitative techniques to business problems.

Job Options: The opportunities at commercial banks are more numerous today than they have ever been. With entry-level tellers, leasing agents, international finance officers, trade credit specialists, and credit card banking specialists, the options in commercial banking are seemingly endless. As a mortgage banker, the responsibility is to supply potential homeowners and businesses with loan opportunities.

Forex Management

Indian Companies have been increasingly attracting foreign capital either through listing on the international stock exchanges or through private equity placements. Companies that wish to access markets for capital or that wish to become the leading global suppliers to corporations in the developed markets have to hedge forex exposure.



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Syllabus: Foreign Exchange Exposure and Risk Management covers foreign currency market, Forex derivatives-Forwards, futures, Swaps, Options, Management of transaction, translation and economic exposures and Hedging currency risk.

Job Options: The Forex Treasury division in banks offers a full range of vanilla and derivative products in forex, interest rates and commodities. These include spot, forward, swaps, currency options, interest rate derivatives, commodity futures and options in addition to high yield structured deposits linked to currencies, interest rates and commodities. Several companies are looking for professionals who understand the nuances of international finance, international capital markets and risk management. CAs may seek careers in the following areas: overseas fund mobilisation, risk management, forex dealing or forex consultancy.

Financial Planning

Financial planning helps people make advance provision for financial needs that may arise in the future. You can draw parallels between the family doctor and a financial planner. The family doctor takes care of your physical health and the financial planner takes care of your financial health, ensuring orderly and systematic achievement of your financial goals.

Syllabus: Topics such as insurance creation, budgeting, cash flow management, debt management and financial plan construction come in useful in managing this portfolio.

Job Options: The job options in this important area of banking include:

(1) Financial Planner: On the technical side, strong attention to detail is required as you analyse all types of financial options, including their tax implications and legal restrictions.

