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[A] Earlier substituted for the following Notification:-
[Published in Part III Section 4 of the Gazette of India dated 6th June, 1987]

NOTIFICATION
(Chartered Accountants)

25th May, 1987

No. 1-CA(7)/158/87: In exercise of the powers conferred by clause (ii) of Part II of the Second Schedule to the Chartered Accountants Act, 1949, the Council of the Institute of Chartered Accountants of India hereby specifies that a member of the Institute in practice shall be deemed to be guilty of professional misconduct, if he on behalf of the firm of chartered accountants in which he is a partner (a) consisting of 4 or more partners but less than 8 partners with atleast one partner holding a certificate of practice for five years of more; or (b) consisting of 8 or more partners with atleast one partner holding a certificate of practice for five years or more; accepts or carries out any audit work involving receipt of audit fees (excluding reimbursement of expenses, if any) for such work of an amount below what is specified hereunder:-

		Practising firm having 4 or more partners but less than 8 partners	Practising firm having 8 or more partners
i)	In cities with population of 2 million and above	Rs.1,500/- p.a.	Rs.3,000/- p.a.
ii)	In cities/towns having population of less than 2 million	Rs.1,000/- p.a.	Rs.2,000/- p.a.

Provided that such restriction shall not apply in respect of the following:

i) audit of accounts of charitable institutions, clubs, provident funds, etc. where the appointment is honorary, i.e. without any fees;
ii) statutory audit of branches of banks including regional rural banks;
iii) audit of newly formed concerns relating to two accounting years from the date of commencement of their operations; and
iv) certification or audit under Income-tax Act or other attestation work carried out by the Statutory Auditor.

This becomes operative for all audits relating to accounting periods beginning on or after 1st August, 1987.

Explanation -

For the purpose of this notification, the expression Statutory Auditor means and includes a chartered accountant appointed as an auditor under a Central/State or provincial Act as well as an auditor appointed under any agreement.

G. Banerjee
Deputy Secretary

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[The Notification given in Appendix No. (26) was in operation until issuance of Council General Guidelines, 2008 - No. 1-CA(7)/02/2008 dated 8th August, 2008, given at Appendix No. (34)]

Appendix No. (26)

[Published in Part III Section 4 of the Gazette of India dated 4th February, 1989]

NOTIFICATION

(Chartered Accountant)

13th January, 1989

No. 1-CA(7)/3/88. – In exercise of the powers conferred by clause (ii) of Part II of the Second Schedule to the Chartered Accountants Act, 1949, the Council of the Institute of Chartered Accountants of India hereby specifies that a member of the Institute in practice shall be deemed to be guilty of professional misconduct, if he accepts, in a financial year, more than the "specified number of tax audit assignments" under Section 44AB of the Income-tax Act, 1961.

Provided that in the case of a firm of chartered accountants in practice, the "specified number of tax audit assignments" shall be construed as the specified number of audit tax assignments for every partner of the firm.

Provided further that where any partner of the firm is also a partner of any other firm or firms of chartered accountants in practice, the number of tax audit assignments which may be taken for all the firms together in relation to such partner shall not exceed the "specified number of tax audit assignments" in the aggregate.

Provided further that where any partner of a firm of chartered accountants in practice accepts one or more tax audit assignments in his individual capacity, the total number of such assignments which may be accepted by him shall not exceed the "specified number of tax audit assignments" in the aggregate.

Explanation -

1. For the above purpose, "specified number of tax audit assignments" means-

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(a) in the case of a chartered accountant in practice or a proprietary firm of chartered accountant, 30[1] tax audit assignments, in a financial year, whether in respect of corporate or non-corporate assesses.

(b) in the case of firm of chartered accountants in practice, 30 tax audit assignments per partner in the firm, in a financial year, whether in respect of corporate or non-corporate assesses.

2. In computing the "specified number of tax audit assignments", each year's audit would be taken as a separate assignment.

3. In computing the "specified number of tax audit assignments", the number of such assignments, which he or any partner of his firm has accepted whether singly or in combination with any other chartered accountants in practice or firm of such chartered accountants, shall be taken into account.

4. The audit of the head office and branch offices of a concern shall be regarded as one tax audit assignment.

5. The audit of one or more branches of the same concern by one chartered accountant in practice shall be construed as only one tax audit assignment.

6. The above notification shall come into force from the financial year commencing on or after 1st April, 1989.

7. A chartered accountant in practice and every partner of a firm of such chartered accountants holding immediately before 1st April, 1989, tax audit assignments in excess of the specified number, shall within sixty days from 1st April, 1989, intimate his inability to conduct tax audit in excess of the specified number to the concerned assesses.

8. A chartered accountant in practice shall maintain a record of the tax audit assignments accepted by him in each

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[1] Should be read with announcement published in June, 2007 issue of the Journal regarding increase in the "specified number of tax audit assignments" from 30 to 45.

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financial year in the format as may be prescribed by the Council.

M.C. Narasimhan
Secretary

[The Notification given in Appendix No. (27) was in operation until issuance of Council General Guidelines, 2008 - No. 1-CA(7)/02/2008 dated 8th August, 2008, given at Appendix No. (34)]