

COUNCIL GENERAL GUIDELINES

1- Short Title and Commencement	<p><Guidelines under CA Act 1949 <Applicable to all members</p>
2- Conduct of a member being a employee	<p><Shall Exercise Due Diligence <Shall Not grossly negligent in the conduct of his duties</p>
3&4- Appointment of a member as cost auditor and opinion on the financial statement when there is substantial interest	<Omitted
5- Maintenance of Books of Account	<p>< Cash Book < Ledger</p> <p>If Member will not maintain books of account even the income is less than as prescribed u/s44AB of the IT act,1961 (Tax Audit)</p>
6- Tax Audit Assignments u/s 44AB of the IT Act	<p><A Member in practice shall not accept in a FY more than the Specified number of tax audit assignments. <In Case of Firm specified number is for every partner in firm. <Specified number of Audit = 60 Tax Audit Assignment.</p> <p><If one person is parmer in more than one firm the total number of audit of that person shall not be more than specified number.</p> <p>< Audit Conducted under section 44AD (declare income on presumptive basis) 44ADA1 (scheme of presumptive taxation of profits and gains arising from professions whose annual gross receipts are under Rs 50 lakh.) 44AE (eligible assessee owns less than 10 light goods carriages) 44AF (special provisions for computing profits and gains of retail business.) Shall not be taken for the purpose of reckoning the specified number of tax audit assignments.</p> <p>< Specified Number of Audit - General points 1- Each Year audit would be count as separate assignment 2- Head office + Branch = Will be counted as 1 Audit 3- Multiple Branches of same concern - Will be counted as 1 audit 4- CA In part time practice = will not be counted as partner of firm for the purpose of counting number of tax audit 5- A CA in practice will maintain record of tax audit assignment in each financial year. 6- Limit of Tax Audit in a firm can be distributed in partner by any manner even one partner can sign all the tax audit report.</p>

<p>7- Appointment of Auditor in case of non payment of Undisputed audit fees</p>	<p>CA shall not accept appointment as auditor under company act if undisputed audit fee and other various other statutes not paid.</p> <p><Exception - In case of Sick Unit the above prohibition shall not be applicable. <Sick Unit- A Unit registered for not less than 5 years , which has at the end of any financial year accumulated losses >= its entire net worth.</p>
<p>8- Specified Number of Audit Assignment</p>	<p>As per Council Guidelines a CA can accept 30 company audit including all the private company except, 1- One Person company 2- Dormant company.</p> <p>Link with Company Audit section 141(3)(g) A CA can accept 20 company audit excluding A- Pvt Company having paid up capital 100cr or less (No Default of sec 92 and 137, filling of annual return and Filling of Financial Statement.) B- One person company 3- Small Company 4- Dormant Company</p>
<p>9- Appointment as Statutory Audit</p>	<p>company having turnover of Rs50crore or more Other service sec 2(2)(iv) fees are higher the fee for statutory audit</p> <p>Shall not accept the statutory Audit or fee for other service should be less than Statutory audit fees. Remember Section 144 as well.</p>
<p>10- Appointment of auditor when he is indebted to a concern</p>	<p>1- A member in Practice 2- Partner of Firm 3- Firm 4- Relative of Member or partner</p> <p>Shall Not Accept appointment as auditor while,</p> <p>A- Indebted to the concern B- Given any guarantee C- provided any security in connection with the third person to the concern for Limit</p> <p>X- Limit Fixed in the Statute Y- Other Cases = Rs1,00,000</p> <p>Link with Company Audit and Tax Audit etc</p>
<p>11- Direction in case of Unjustified Removal of Auditors</p>	<p>Not accept audit in case of unjustified removal</p>
<p>13- Guidelines for Tender</p>	<p>Already covered</p>
<p>14- UDIN</p>	<p>Generate UDIN for all the attestation work to curb the malpractice of false certification.</p>

15- Guidelines fo Networking	Covered in Ch 19
16- Logo Guidelines	Only follow ICAI Logo.
17- Guidelines for Corporate form of Practice	<p>>to provide other services as defined in sec 2(2)(iv) , A CA can hold office as MD, WTD or manager of body corporate.</p> <p>>He should comply with C6 and C7 of part 1 of Schedule 1 of CA Act , 1949</p> <p>> Comply with Ethical Requirement</p> <p>A- Comply with Section 144 Service , do not provide sec 144 service through company along with statutory audit</p> <p>B- Ceiling of Non Audit Fee- should be less than Statutory Audit.</p> <p>C- Comply with C6 & C7</p>
Guidelines for Advertisement	
1- Writeup	<p>A- Honest & Truthfull</p> <p>B- No Exaggerated Claims</p> <p>C- No Disparaging reference or comparisons</p> <p>D- No Disrepute to profession</p> <p>E- No Reference of client and fee charged</p> <p>F- No Information about achievement/awards (except award given by CG or SG or Regulatory body)</p> <p>G- Catcy word not allowed</p> <p>H- Membership number and firm registration number is mandatory</p> <p>I- Font size Maximum 14</p> <p>J- No violation of CA Act 1949 along with code of ethics and guidance of the council.</p>
2- Website	Already covered
3- Online Third Party Platform	<p>Consultancy service can be provided through portals of third party.</p> <p>The name of Chartered Accountant is not permitted on website.</p>
4- Application base Service provider Aggregators	Not Allowed
5- Publication of name or the firm name in Telephone Directories	<p>Allowed</p> <p>A- Entry should not appear in any other section except that of chartered accountant.</p> <p>B- Member or firm should belong to the same town or city</p> <p>C- Order should be Alphabetical</p> <p>D- Entry should not be different or giving the impression of Advertisement</p> <p>E- Entry should be open to all chartered accountant of the town or city</p> <p>F- Member can also include their name in trade or social directories</p>
6- Special Directories for limited circulations	Allowed

7- Exemptions	<p>Exemption for Advertisement</p> <p>a)- For Recruiting staff for own office</p> <p>b) - For Recruiting staff for client or for dispose of business or property</p> <p>c) - Sale of business or property , acting as trustee, liquidator or receiver</p> <p>No advertisement like well known firm , no promotion</p>
8- Branch Audit	<p>Branch audit should not be conducted by firm if they are 10 or more members but it should be conducted by local firm of auditors of less than 10 members.</p>
9- Joint Audit	<p>In case of Large company - Less than 5 members firm should be joint auditor and big firm should not object the same.</p>
10- Ratio between Qualified and Unqualified Staff	<p>01:05</p>
11- Disclosure of Interest by Auditor in other firm	<p>He should disclose all the income from all the different firm or as proprietor.</p>
12- Recommended Minimum scale of Fees	<p>Follow Minimum fees guidance according to cities</p>