

ANNOUNCEMENT

Modification in the Council Guidelines No. 1-CA(7)/02/2008 dated 8th August, 2008 as contained in Appendix No. (34) to the Chartered Accountants Act, 1949

In furtherance of the Announcement dated [11th February 2014](#) and [2nd July, 2014](#) informing the members of the modification in the Council Guidelines No. 1-CA(7)/02/2008 dated 8th August, 2008 pertaining to Chapter VI regarding increase in tax audit limit from 45 to 60 and change in applicability of limit from 'financial year' to 'assessment year' respectively, it is hereby informed that the Council of the Institute at its 368th meeting held in August, 2017 decided to exclude the audit conducted under section 44ADA of the Income-tax Act, 1961 for the purpose of reckoning the "specified number of tax audit assignments" under Chapter VI of the Council Guidelines as section 44ADA of the Income-tax Act, 1961 also contains special provision for computing profits and gains of profession on presumptive basis.

In view of the aforesaid decision of the Council, the fourth proviso to para 6.0 of Chapter VI of the Council Guidelines No. 1-CA(7)/02/2008 dated 8th August, 2008 as contained in Appendix No. (34) to the Chartered Accountants Act, 1949 stands modified as under:-

1. In the fourth proviso to para 6.0, after the words "44AD," words "44ADA and" has been inserted.
2. In the fourth proviso to para 6.0, after the words "44AE," words "and 44AF" has been deleted.

Accordingly, audits conducted under Section 44AD, 44ADA and 44AE of the Income-tax Act, 1961 shall not be taken into account for the purpose of reckoning the "specified number of tax audit assignments".

The above announcement is published for information of the members at large.

(V. Sagar)
Secretary

Dated: 23rd August, 2018