

Know Your ICAI – Series 3



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Namaste

To know more about ICAI, in Series – 3 we would discuss in brief about Experts Advisory Committee and the Opinions issued by it.

The Expert Advisory Committee (EAC) was constituted as a Non Standing Committee by the Council of the Institute in the year 1975 (even before ASB was formed) to give guidance to auditors and preparers of financial statements being the members of the Institute on Accounting, Auditing and allied matters in accordance with the Advisory Service Rules.

EAC regularly replies on letters/queries received from the Regulators viz. Ministry of Corporate Affairs, SEBI, NABARD, etc. on matters involving accounting / auditing issues in the specific facts and circumstances.

Apart from the replies to regulators, EAC's main function is to reply to the queries on accounting, auditing and allied matters, received from the members of the Institute as per the rules framed for this purpose by the Council. Only queries received from the members of the ICAI are answered by the EAC. Currently the fee charged for each query is as follows:

1. Where the queries relate to enterprises whose equity or debt securities are **listed** on a recognised stock exchange:
 - a. Enterprises having an annual turnover exceeding Rs. 500 crores based on the annual accounts of the year immediately preceding the date of sending of the query - **Rs. 200,000/- plus taxes (as applicable) per query**
 - b. Enterprises having an annual turnover of Rs.500 crores or less based on the annual accounts of the year immediately preceding the date of sending of the query - **Rs. 100,000/- plus taxes (as applicable) per query**
2. Where the queries relate to enterprises whose equity or debt securities are **NOT listed** on a recognised stock exchange:
 - a. Enterprises having an annual turnover exceeding Rs. 500 crores based on the annual accounts of the year immediately preceding the date of



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- sending of the query - **Rs. 200,000/- plus taxes (as applicable) per query**
- b. Enterprises having an annual turnover of Rs.500 crores or less but more than Rs. 100 crores based on the annual accounts of the year immediately preceding the date of sending of the query - **Rs. 100,000/- plus taxes (as applicable) per query**
 - c. Enterprises having an annual turnover of Rs.100 crores or less based on the annual accounts of the year immediately preceding the date of sending of the query - **Rs. 50,000/- plus taxes (as applicable) per query**

Where a query concerns a matter which is before the Board of Discipline or the Disciplinary Committee of the Institute, it is not be answered by the Committee. Although the Committee has been appointed by the Council, an opinion given or a view expressed by the Committee represents nothing more than the opinion or view of the members of the Committee and not the official opinion of the Council.

The opinions given by the Committee during a year are published as a volume of the Compendium of Opinions. EAC has so far published 35 volumes of the Compendium of Opinions which have enjoyed extensive readership. The opinion is also published in the journal of ICAI.

These opinions issued by EAC are available online too, free of any charge for members and public at large and are currently available at:

1. Compendium of opinions - <http://115.248.235.50/eaicai/>
2. Recent opinions: - https://www.icai.org/new_post.html?post_id=5681

Though the opinions are case specific and would vary from case to case depending on its circumstances, yet to arrive at some decision on nearly similar matter, the discussions of various experts embedded in the opinion could be of great help to members in practice as well as in industry. Hence, members should extensively use the online availability of these opinions.

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I hope this document is of use to you. Your suggestions and comments would be highly appreciated

Best Regards

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