

**General Circular No. 30/2011**

No 02/02/2011-CL.V  
Government of India  
Ministry of Corporate Affairs

5<sup>th</sup> floor, 'A' Wing, Shastri Bhawan,  
Dr. Rajendra Prasad Road, New Delhi  
Dated: 26.05.2011

All the Regional Directors,  
All the Registrar of Companies

**Subject : Clarification regarding 'Body Corporate' for the purpose of section 226(3)(a) of the Companies Act, 1956.**

Sir,

The Ministry of Corporate Affairs has received representation from the Institute of Chartered Accountants of India wherein they have stated that under section 226(3)(a) of the Companies Act, 1956 a body corporate is disqualified from appointment as auditor by a company. Since LLP is a body corporate as per section 3(1) of the Limited Liability Partnership Act, 2008, LLP among Chartered Accountants will not be qualified for appointment as auditor under section 226(3) (a) of the Companies Act, 1956.

2. It is hereby clarified that Limited Liability Partnership of chartered accountants will not be treated as body corporate for the limited purpose of Section 226(3)(a) of the Companies Act, 1956 and notification in this respect has been sent for publication in the Gazette of India (copy enclosed).

Yours faithfully,

  
(Kamna Sharma)  
Assistant Director

Copy to: All concerned.

[TO BE PUBLISHED IN THE GAZETTE OF INDIA PART II, SECTION 3,  
SUB SECTION (ii), EXTRAORDINARY]

GOVERNMENT OF INDIA  
Ministry of Corporate Affairs

**Notification**

New Delhi the 23.05.2011

S.O. .... (E). – In exercise of the powers conferred by clause (c) of sub-section (7) of section 2 of the Companies Act, 1956 (1 of 1956), the Central Government hereby specifies, for the purpose of the said clause, the Limited Liability Partnership, a body corporate, incorporated under clause (1) of section 3 of Limited Liability Partnership Act, 2008 (6 of 2009), for the limited purpose of clause (a) of sub-section (3) of section 226 of the Companies Act, 1956.

[F No 2/2/2011-CL.V]

  
J.N. Tikku,  
Joint Director

Note:- The Principal notification was published vide number G.S.R. 1883 dated the 20<sup>th</sup> December, 1965

01<sup>c</sup>