CANNOT pay

- earnest money/security deposit in areas which are exclusive to CA as per law

CAN pay

- a reasonable amount as price for tender/bid document;
- earnest money/security deposit in other areas open to both Chartered Accountants and other professionals at their discretion.
- reasonable amount towards earnest money/security deposit, if any C.As. are recruited in non-exclusive area.

Fees : For accounting periods beginning on or after 1-4-2004 Firm size (No. of partners)	Min. Audit fees on basisof City Populn.	
(At least 1 partner must have held certificate for min. 5 yrs.)	20 lakhs and above	Others
4 or more but less than 8	Rs. 5,000	Rs. 3,000
8 or more	Rs. 9,000	Rs. 6,000

f. NOTIFICATION No. 1-CA(7)/60/2002 :

A member of the Institute in practice shall be deemed to be guilty of professional misconduct, if he accepts the appointment as statutory auditor of Public Sector Undertaking(s)/ Government Company(ies)/Listed Company(ies) and other Public Company(ies) having turnover of Rs. 50 crores or more in a year and accepts any other work(s) or assignment(s) or service(s) in regard to the same Undertaking(s)/Company(ies) on a remuneration which in total exceeds the fee payable for carrying out the statutory audit of the same Undertaking/Company.

Provided that

1. The above restrictions shall apply in respect of fees for other work(s) or service(s) or assignment(s) payable to the statutory auditors and their associate concern(s) put together;

2. For the above purpose,

i. the term "other work(s)" or "service(s)" or "assignment(s)" shall include Management Consultancy and all other professional services permitted by the Council pursuant to Section 2(2)(iv) of the Chartered Accountants Act, 1949 but shall not include: –

• audit under any other statute;

• certification work required to be done by the statutory auditors; and

• any representation before an authority;

ii. the term "associate concern" means any corporate body or partnership firm which renders the Management Consultancy and all other professional services permitted by the Council wherein the proprietor and/or partner(s) of the statutory auditor firm and/or their "relative(s)" is/are Director/s or partner/s and/or jointly or severally hold "substantial interest" in the said corporate body or partnership;

iii. the terms "relative" and "substantial interest" shall have the same meaning as are assigned under Appendix (10) to the Chartered Accountants Regulations, 1988.

3. In regard to taking up other work(s) or service(s) or assignment(s) of the undertaking/company referred to above, it shall be open to such associate concern or corporate body to render such work(s) or service(s) or assignment(s) so long as aggregate remuneration for such other work(s) or service(s) or assignment(s) payable to the statutory auditor/s together with fees payable to its associate concern(s) or corporate body(ies) do/does not exceed the aggregate of fee payable for carrying out the statutory audit.

4. This notification shall apply for any appointment(s) on or after 1st April, 2002.

Tax Audit under Income-tax Act

a) Firm of CAs not to accept more than 45 tax audits per partner.

b) Member not to accept more than 45 tax audits.

c) Record of Tax Audit Assignments to be maintained.

RULES OF NETWORK AND MERGER–DEMERGER

Rules of Network and Merger–Demerger amongst the firms registered with the ICAI (Refer February 2005 ICAIJ p. 1075)

in case appointing authority(ies)/regulatory body(ies) specify(ies) more stringent condition(s)/restriction(s), the same shall apply instead of the conditions/restrictions specified in this Notification.