

Response to the IFAC Part 2, SMO Self-Assessment Questionnaire

Member Name: The Institute of Chartered Accountants of India

Country: India

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Number	Question Title/Text/Help text	Answer	Comments
IFAC Part 2 SMO Self-Assessment			
1.	SMO 1		
1.1.	Quality Assurance Program		
1.1.1.	<i>Quality Assurance Review Program</i> In your jurisdiction is there a mandatory quality assurance review program in place for members of your organization performing audits of financial statements of listed companies?	1 <input checked="" type="radio"/> Yes 2 <input type="radio"/> No	
1.2.	Responsibility for Quality Assurance - Overview		
1.2.1.	<i>Responsibility for Quality Assurance</i> Within your jurisdiction, is your organization responsible for monitoring the quality of the work of your members performing audits of financial statements? Select the answer option that is most appropriate.	1 <input checked="" type="radio"/> Yes - for all audits of financial statements 2 <input type="radio"/> Yes - for all audits except	

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		<p>those of listed entities</p> <p>3○ Our organization shares responsibility for the quality assurance program with another body</p> <p>4○ No, responsibility for quality assurance for all audits rests with another body</p> <p>5○ Other (please describe)</p> <p>6○ Not applicable - no members of our organization perform audits of listed entities</p>	
1.2.6.	<p><i>Quality Assurance (Member Body) All Audits - Scope</i></p> <p>What types of engagements are included in the scope of the quality assurance review program? Select all the answer options that are appropriate.</p>	<p>1☑ Financial statement audit - listed entities (minimum requirement)</p> <p>2☑ Financial statement audit - audit of other than listed entities</p> <p>3☑ Other services (e.g., review, compilation)</p> <p>4☐ Insolvency</p> <p>5☑ Other (please specify)</p>	Verification or Certification of Financial, Accounting and Related Statements
1.4.	Member - Benchmarking		
1.4.1.	Quality Control Standards and Guidance		
1.4.1.1.	<p><i>Quality Control Standards</i></p> <p>Has your organization established and published quality control standards requiring</p>	1○ Yes	

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	firms to implement a system of quality control in accordance with International Standard on Quality Control 1?	2 <input checked="" type="radio"/> No	
1.4.1.2.	<i>Quality Control Standards Follow Up</i> What plans does your organization have for developing and issuing quality control standards for your members? If you do not have such plans, what special reasons or conditions for that fact exist?	At present AAS 17 on Quality Control for Audit Work is corresponding to ISA 220, the basis for implementation of the system of Quality Control AAS 17 Quality Control for Audit Work	
1.4.1.4.	<i>Other Quality Control Guidance</i> Has your organization established and published other quality control guidance to assist your members to understand the objectives of quality control and to implement and maintain appropriate systems of quality control?	1 <input checked="" type="radio"/> Yes 2 <input type="radio"/> No	Principles laid down in AAS-17 “Quality Control in Audit Work” have been elaborately dealt with in the Peer Review Manual and explained to assist the firms to implement & maintain appropriate systems of quality control.
1.4.1.5.	<i>Other Quality Control Guidance - Name</i> State the name of the other quality control guidance.	1. Statement on Peer Review(A Statement issued by the Council) 2. Peer Review Manual(A Guide to assist the Peer Reviewers)	Statement on Peer Review is mandatory document which lays down methodology & principles of review. The main objective of peer review

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			<p>is to ensure that in carrying out their professional attestation services assignments, the members of the Institute: (a) comply with the Technical Standards laid down by the Institute; and (b) have in place proper systems (including documentation systems) for maintaining the quality of the attestation services work they perform.</p> <p>The Peer Review Manual serves a dual purpose (i) explains the process of review for Peer Reviewers (ii) provides guidance to the Practice Units as to how they should maintain their records of attestation assignments , so as to ensure compliance with technical standards and maintain quality. In this context a separate chapter on “Documentation” has been given in the Manual for the guidance of the members. In addition to the above publications, Training</p>

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			Modules for Peer Reviewers has also been published.
1.4.2.	Design of the Quality Assurance Review Program		
1.4.2.1.	<i>Subject of the QA Review Program</i> Who is the subject of the quality assurance review program?	1 <input checked="" type="checkbox"/> Audit firm 2 <input type="checkbox"/> Partner	
1.4.2.2.	<i>Audit Firm</i> As the audit firm is the subject of the quality assurance review program, the quality assurance program should be designed, as required by SMO 1, to obtain reasonable assurance that: - The firm has an adequate system of quality control relating to audits of financial statements of listed entities (and of other entities or engagements that are also included in the scope of the review). - The firm complies with that system. - The firm and engagement teams have adhered to professional standards and regulatory and legal requirements in performing audits of financial statements selected for review. Does the quality assurance program contain all three of these elements?	1 <input checked="" type="radio"/> Yes	

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		2○ No	
1.4.2.5.	<i>Publication of Scope</i> Does your organization publish a description of the scope and design of its quality assurance review program?	1⊙ Yes	
		2○ No	
1.4.2.7.	<i>Name of Documents</i> Please name the published document(s) that describe the scope and design of the quality assurance review program.	1. Statement on Peer Review 2. Peer Review Manual	
1.4.2.8.	<i>Location of Documents</i> Please indicate where the document(s) that include details on the scope and design of the quality assurance program can be located (e.g., provide internet address or indicate that documents are available from your organization).	1. Information is hosted on the Peer Review Board Page of the Institute's website. 2. Available at Sale Counters of the Organisation at its Head Office and Regional Offices	
1.4.3.	Review Cycle		
1.4.3.1.	<i>Selection Approach</i> Please select the approach used to select subjects for quality assurance review. Select all the answer options that are appropriate.	1☑ Cycle approach	
		2☐ Risk-based approach	
1.4.3.2.	<i>Cycle Approach - Firm</i>		

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	As the audit firm is the subject of the review, please indicate the maximum number of years in the review cycle:	1 <input type="radio"/> 1 year 2 <input type="radio"/> 2 years 3 <input checked="" type="radio"/> 3 years 4 <input type="radio"/> 4 years 5 <input type="radio"/> 5 years 6 <input type="radio"/> 6 or more years	
1.4.4.	Implementation of the Quality Assurance Program		
1.4.4.1.	<i>Date of Implementation</i> On what date did the quality assurance review program commence? (provide month/year)	4/1/2003	
1.4.4.2.	<i>Number of Reviews - 2005</i> How many quality assurance reviews were completed during the year ended December 31, 2005 (or other 12 month period ending in 2005)?	183	
1.4.4.3.	<i>Number of Reviews - 2004</i> How many quality assurance reviews were completed during the year ended December 31, 2004 (or other 12 month period ending in 2004)?	23	
1.4.4.4.	<i>Number of Reviews - 2003</i>		

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	How many quality assurance reviews were completed during the year ended December 31, 2003 (or other 12 month period ending in 2003)?	0	
1.4.5.	Quality Assurance Review Team Procedures		
1.4.5.1.	<i>Publication of Review Guidelines</i> Does your organization publish guidelines for procedures to be followed by quality assurance review teams?	1 <input checked="" type="radio"/> Yes 2 <input type="radio"/> No	
1.4.5.2.	<i>Name of Guidelines</i> State the name of the published document(s) that include the procedures required to be followed by quality assurance review teams.	1. Statement on Peer Review 2. Peer Review Manual 3. Training Modules for Peer Reviewers	
1.4.5.4.	<i>Location of Guidelines</i> How can the document(s) that include the procedures required to be followed by quality assurance review teams be located (e.g., provide internet address or indicate that documents are available from your organization)?	Available at sale offices of the Organization at its head office and regional office	
1.4.5.5.	<i>Content of Guidelines</i> SMO 1 requires that the procedures to be	1 <input checked="" type="radio"/> Yes	

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	<p>performed during the quality assurance review include:</p> <p>a. An assessment of the system of quality control relating to audits of financial statements of listed entities (minimum requirement)</p> <p>b. Sufficient review of the quality control policies and procedures and reviews of engagement working papers to evaluate:</p> <ul style="list-style-type: none"> - The functioning of that system of quality control, and compliance with it; and - The compliance with professional standards and regulatory and legal requirements in respect of audits of financial statements <p>c. Review of engagement working papers</p> <p>d. Specific requirements regarding documentation of the review</p> <p>Does your quality assurance review program include requirements for all of these procedures?</p>	<p>2○ No</p>	
1.4.5.7.	<p><i>Review of Engagement Working Papers</i></p> <p>SMO 1 requires procedures to be performed for the review of engagement working papers, including the evaluation of:</p> <ul style="list-style-type: none"> - The existence and effectiveness of the 	<p>1⊙ Yes</p>	

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	<p>system of quality control implemented by the subject of the review;</p> <ul style="list-style-type: none"> - Compliance with professional standards and regulatory and legal requirements in performing the engagement; - The sufficiency and appropriateness of evidence documented in the working papers; and - Whether the auditor's reports are appropriate in the circumstances. <p>Does your quality assurance review program include requirements for all of these procedures?</p>	2 <input type="radio"/> No	
1.4.5.9.	<p><i>Documentation</i></p> <p>Do the procedures to be performed by the quality assurance review team require documentation:</p> <ul style="list-style-type: none"> - of evidence supporting the quality assurance review report; and - that establishes that the quality assurance review was carried out in accordance with the established guidelines. <p>Are both of these requirements included in the quality assurance review program?</p>	1 <input type="radio"/> Yes	
		2 <input checked="" type="radio"/> No	
1.4.5.10.	<p><i>Documentation Follow Up</i></p>		

Number	Question Title/Text/Help text	Answer	Comments
	review team required to possess certification or credentials issued by your organization to be eligible to serve as team members?	2○ No	
1.4.6.5.	<i>Quality Assurance Review Team Leader</i> Where more than one reviewer is used to conduct a review, is a quality assurance review team leader assigned for each quality assurance review assignment?	1○ Yes 2⊙ No	
1.4.6.6.	<i>QA Review Team Leader Follow Up</i> Please explain why a quality assurance review team leader is not assigned for each quality assurance review assignment.		There is only one reviewer for each assignment, however the reviewer has choice to take help of one qualified assistant for review.
1.4.6.7.	<i>QA Review Team Leader - Responsibilities</i> As required by SMO 1, the responsibilities of the quality assurance review team leader should include: - Supervision of the quality assurance review. - Communication of the quality assurance review team's conclusions to the subject of the review. - Preparation of the quality assurance review report.	1○ Yes	

Number	Question Title/Text/Help text	Answer	Comments
	Does the quality assurance program place all these responsibilities on the review team leader?	2 <input checked="" type="radio"/> No	
1.4.6.8.	<i>QA Review Team Leader - Responsibilities Follow Up</i> Explain the reasons why one or more of these responsibilities have not been placed on the quality assurance review team leader.		As there is only one reviewer for each assignment.
1.4.6.9.	<i>Size of Quality Assurance Review Team</i> Please estimate the average number of reviewers included on a review team.	1	
1.4.7.	Quality Assurance Confidentiality - QA Review Team		
1.4.7.1.	<i>Exemption for QA Reviewers</i> Does your organization exempt members from professional client confidentiality requirements concerning audit engagement working papers for the purpose of quality assurance reviews?	1 <input type="radio"/> Yes 2 <input checked="" type="radio"/> No	
1.4.7.2.	<i>Exemption for QA Reviewers Follow Up</i> Please explain why your organization does not exempt reviewers from professional client confidentiality requirements concerning audit engagement working papers for the purpose of quality assurance		Provisions are required for reviewers as they have access to records of clients of the firm under review and by sharing such information the firms are exposed

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	reviews?		to unfair competition or misuse of such information.
1.4.7.3.	<i>Confidentiality Requirements</i> Is the quality assurance review team required to follow professional confidentiality requirements similar to those established for professional accountants performing audits of financial statements?	1 <input checked="" type="radio"/> Yes 2 <input type="radio"/> No	
1.4.8.	Ethical Requirements and QA Review Team		
1.4.8.1.	<i>Fundamental Principles</i> Are the fundamental principles set out in the IFAC Code of Ethics (relevant national ethical requirements) considered in relation to the quality assurance review team's conduct of a review?	1 <input checked="" type="radio"/> Yes 2 <input type="radio"/> No	
1.4.8.3.	<i>Consideration of Independence</i> Quality assurance review team members are expected to be independent of the member (i.e., the accountant or firm being reviewed) and the member's clients selected for review. Do those who select and approve a review team determine whether the independence of the quality assurance review team leader and each member of the quality assurance review team has been reasonably assured?	1 <input checked="" type="radio"/> Yes	

Number	Question Title/Text/Help text	Answer	Comments
		2○ No	
1.4.8.5.	<p><i>Reciprocal Reviews</i> Where the review is performed by team members from a single firm (e.g., a "peer review"), please indicate whether firms are permitted to perform reciprocal quality assurance reviews.</p>	<p>1○ Yes, reciprocal reviews are permitted</p> <p>2○ No, reciprocal reviews are not permitted</p> <p>3⊙ Not applicable - peer review is not used</p>	
1.4.9.	Reporting		
1.4.9.1.	<p><i>Quality Assurance Review Report</i> Is the quality assurance review team leader required to issue a written quality assurance review report to the reviewed firm or partner upon completion of each quality assurance review assignment?</p>	<p>1⊙ Yes</p> <p>2○ No</p>	
1.4.9.3.	<p><i>Contents of Report</i> As required by SMO 1, the quality assurance review report should include the following elements:</p> <ul style="list-style-type: none"> - The review guidelines (referred to in Question 1.4.5.1) utilized by the quality assurance review team. - Recommendations for areas of improvement at both firm wide and engagement level. 	1○ Yes	

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	Does the quality assurance program require both of these elements to be included in the report?	2⊙ No	
1.4.9.4.	<i>Content of Report Follow Up</i> Please explain why one or more of the required elements of the quality assurance review report has not been included.	Second Element is not included. The power of recommendation lies with the Peer Review Board. Also review system is in its initial stage of implementation. Gradually with Practical experience of review, new and improved provisions shall be included in the Peer Review Program	
1.4.9.5.	<i>Contents of Report - Firm</i> As required by SMO 1, the quality assurance review report should include the following conclusions: - Whether the firm's system of quality control has been designed to meet the requirements of the applicable quality control standards; - Whether the firm has complied with its system of quality control during the period under review; and - Reasons for reaching negative conclusions	1⊙ Yes	

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	on either or both of the above. Does the quality assurance program require all of these elements to be included in the report?	2○ No	
1.4.9.8.	<i>Response to Reporting</i> Is the subject of the review required to provide a timely written response to the recommendations and conclusions of the quality assurance review report, including planned actions and expected time of completion or implementation?	1⊙ Yes	
		2○ No	
1.4.9.10.	<i>Reporting to the Public</i> Does your organization prepare and make available to the public (and upon request from regulatory authorities) an annual report summarizing the results of the quality assurance review program?	1○ Yes	
		2⊙ No	
1.4.9.11.	<i>Reporting to the Public Follow Up</i> Please explain why your organization does not prepare an annual report summarizing the results of the quality assurance review program available to the public?	To ensure confidentiality of information of the firm under review	
1.4.10.	Corrective and Disciplinary Actions		
1.4.10.1.	<i>Corrective Actions Required</i> Does your organization require each of its	1⊙ Yes	

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	members to make appropriate corrections to its system of quality control, or in its compliance with policies and procedures?	2○ No	
1.4.10.3.	<i>Disciplinary Actions</i> If one of your members subsequently fails to demonstrate compliance with professional standards and regulatory and legal requirements, do you take appropriate disciplinary action?	1○ Yes 2⊙ No	
1.4.10.4.	<i>Disciplinary Actions Follow Up</i> Please explain why your organization does not take appropriate disciplinary action if one of your members subsequently fails to demonstrate compliance with professional standards and regulatory and legal requirements.	In India, as of now, in its initial stages, system of Peer Review is intended to be educative and is aimed at enhancing the quality of services rendered by the members of the Institute who are in public practice and findings of Peer review shall not result into any disciplinary proceedings against any member.	
1.4.10.5.	<i>Linkage with Disciplinary Actions</i> Does your organization clearly establish a link between less than satisfactory results of quality assurance reviews and the initiation of corrective and disciplinary actions under its disciplinary system?	1⊙ Yes	

Number	Question Title/Text/Help text	Answer	Comments
		2○ No	
2.	SMO 2		
2.1.	<i>MB Membership Requirements</i> Which of the following are required for individuals to be admitted as members in your organization? Select all the options that are appropriate.	1☑ Complete a program of professional accountancy education 2☑ Complete a practical experience requirement 3☑ Complete a final assessment of the individual's professional capabilities and competencies 4☐ None of the above	
2.2.	<i>Continuous Professional Development</i> Is there a requirement for your members to develop and maintain competence through continuous professional development (CPD)?	1⊙ Yes 2○ No	
2.3.	Professional Accountancy Education		
2.3.1.	<i>Professional Accountancy Education Program</i> Who delivers the professional accountancy education program for your members? Select all the answer options that are appropriate.	1☑ Our organization 2☐ Another IFAC member body 3☐ Universities	

Number	Question Title/Text/Help text	Answer	Comments
		<input type="checkbox"/> 4 Approved training institutions <input type="checkbox"/> 5 Government bodies <input type="checkbox"/> 6 Other organizations	
2.7.	IES 1 Entry Requirements		
2.7.1.	<p><i>Entry Requirements and Equivalency</i> Section 2.7 deals with the entry requirements to the professional accountancy education program delivered by your organization.</p> <p>Are the entry requirements to the program equivalent to admissions requirements for a recognized university degree program (or its equivalent)?</p>	<p>1 <input checked="" type="radio"/> Entry requirements are at least equivalent to that for admission into a recognized university degree program (or its equivalent)</p> <p>2 <input type="radio"/> Entry requirements are not equivalent to that for admissions into a recognized university degree program (or its equivalent)</p>	
2.7.3.	<p><i>Process for Checking Equivalency</i> Is there a formal process for assessing whether an individual's experience and knowledge is equivalent to that for admissions into a recognized university?</p>	<p>1 <input checked="" type="radio"/> Yes</p> <p>2 <input type="radio"/> No</p>	
2.8.	IES 2 Content of Professional Accounting Education Program		
2.8.1.	<p><i>Gaining Accountancy Knowledge</i> Section 2.8 deals with the general content of the professional accountancy education</p>	1 <input checked="" type="checkbox"/> Post-secondary accounting degree	

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	<p>program delivered by your organization.</p> <p>What forms of pre-qualification, professional accountancy knowledge are recognized by your organization? Select all the answer options that are appropriate.</p>	<p><input type="checkbox"/> Post-secondary business or finance degree</p> <p><input type="checkbox"/> Post-secondary degree in another subject matter</p> <p><input type="checkbox"/> Qualification offered by another IFAC member body</p> <p><input type="checkbox"/> Relevant work experience</p> <p><input type="checkbox"/> Other</p>	
2.8.6.	<p><i>Pre-Qualification for Professional Knowledge</i></p> <p>What is the length of the professional accountancy knowledge component of pre-qualification education? Select the answer option that is the most appropriate.</p>	<p><input type="radio"/> Two years of full-time study or part-time equivalent</p> <p><input type="radio"/> Less than two years of full-time study or part-time equivalent</p> <p><input checked="" type="radio"/> More than two years of full-time study or part-time equivalent study</p>	
2.8.7.	<p><i>Length Follow Up</i></p> <p>Please describe the extent of professional accountancy knowledge that is required as</p>	Expert knowledge required.	

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	part of the pre-qualification education component. Include in your description factors that were relevant in selecting the extent of knowledge required.		
2.8.8.	Pre-Qualification Content		
2.8.8.1.	<p><i>Accounting and Finance</i> Section 2.8.8.1 deals with the specific content of the professional accountancy education program delivered by your organization.</p> <p>Which of the following accounting, finance, and related knowledge subject areas are required prior to qualification? Select all the answer options that are appropriate.</p>	<p>1 <input checked="" type="checkbox"/> Financial accounting and reporting</p> <p>2 <input checked="" type="checkbox"/> Management accounting and control</p> <p>3 <input checked="" type="checkbox"/> Control</p> <p>4 <input checked="" type="checkbox"/> Taxation</p> <p>5 <input checked="" type="checkbox"/> Business and commercial law</p> <p>6 <input checked="" type="checkbox"/> Audit and assurance</p> <p>7 <input checked="" type="checkbox"/> Finance and financial management</p> <p>8 <input checked="" type="checkbox"/> Professional values and ethics</p> <p>9 <input type="checkbox"/> None of the above</p>	
2.8.8.3.	<p><i>Organizational and Business Knowledge</i> Which of the following organizational and business knowledge subject areas are required prior to qualification? Select all the</p>	1 <input checked="" type="checkbox"/> Economics	

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	answer options that are appropriate.	2 <input checked="" type="checkbox"/> Business environment 3 <input checked="" type="checkbox"/> Corporate governance 4 <input checked="" type="checkbox"/> Business ethics 5 <input checked="" type="checkbox"/> Financial markets 6 <input checked="" type="checkbox"/> Quantitative methods 7 <input type="checkbox"/> Organizational behavior 8 <input checked="" type="checkbox"/> Management and strategic decision making 9 <input type="checkbox"/> Marketing 10 International business and <input type="checkbox"/> globalization 11 None of the above <input type="checkbox"/>	
2.8.8.4.	<i>Organizational and Business Follow Up</i> For the organizational and business knowledge subjects in question 2.10.8.3 that are not required by your organization, please explain the special conditions or reasons why they are not required.	They are part of Bachelor degree programme in our Country.	
2.8.8.5.	<i>Information Technology</i> Which of the following information technology (IT) subject areas and competences are required prior to qualification? Select all the answer options that are appropriate.	1 <input checked="" type="checkbox"/> General knowledge of IT 2 <input checked="" type="checkbox"/> IT control knowledge 3 <input checked="" type="checkbox"/> IT control competences 4 <input checked="" type="checkbox"/> IT user competences	

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		5 <input checked="" type="checkbox"/> One of, or a mixture of, the competences of, the roles of manager, evaluator or designer of information systems 6 <input type="checkbox"/> None of the above	
2.8.8.7.	<i>Additional Content by Requirement</i> Are there additional content requirements specified by law or regulation, or your organization?	1 <input checked="" type="checkbox"/> Yes, as required by law or regulation 2 <input type="checkbox"/> Yes, as determined to be necessary by our organization 3 <input type="checkbox"/> No	250 hours of practical Training.
2.8.8.8.	<i>Additional Content - Describe</i> Describe the additional content required by law / regulation or determined to be necessary by your organization including whether this requirement applies to all professional accountants or those operating in public practice or employed in business.	Yes, includes learning of Accounting and Audit process.	
2.9.	IES 3 Professional Skills		
2.9.1.	<i>Development of Intellectual Skills</i> Section 2.9 deals with the professional skills required by the professional accountancy education program delivered by your organization. At what points in the professional accountancy education program are	1 <input checked="" type="checkbox"/> As part of general education and / or as part of the professional accountancy education program entry requirements	

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	intellectual skills developed? Select all the answer options that are appropriate. In responding to this question refer to IES 3 paragraphs 13 and 14.	<input checked="" type="checkbox"/> Through specific professional accountancy education course content <input checked="" type="checkbox"/> Through practical experience requirement <input type="checkbox"/> Other (please describe)	
2.9.2.	<i>Intellectual Skills</i> Describe the specific intellectual skills candidates are required to have at the point of qualification and how these skills are assessed.	Knowledge and understanding tested through conceptual questions in examination. Application of knowledge is carried out in practical training as well.	
2.9.3.	<i>Development of Technical and Functional Skills</i> At what points in the professional accountancy education program are technical and functional skills developed? Select all the answer options that are appropriate. In responding to this question refer to IES 3 paragraphs 13 and 15.	<input type="checkbox"/> As part of general education and / or as part of the professional accountancy education program entry requirements <input checked="" type="checkbox"/> Through specific professional accountancy education course content <input checked="" type="checkbox"/> Through practical experience	Practical Computer Training and General Management and Communication skills programme.

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		requirement 4 <input checked="" type="checkbox"/> Other (please describe)	
2.9.4.	<i>Technical and Functional Skills</i> Describe the specific technical and functional skills candidates are required to have at the point of qualification and how these skills are assessed.	Financial reporting, Management Accounting for Internal Analysis, Operations Research for decision Analysis, Laws for legal Analysis & Compliance, Maths & Statistics for Measurement, Transportation and mathematical evaluation.	
2.9.5.	<i>Development of Personal Skills</i> At what points in the professional accountancy education program are personal skills developed? Select all the answer options that are appropriate. In responding to this question IES 3 paragraphs 13 and 16.	1 <input checked="" type="checkbox"/> As part of general education and / or as part of the professional accountancy education program entry requirements 2 <input checked="" type="checkbox"/> Through specific professional accountancy education course content 3 <input type="checkbox"/> Through practical experience requirement 4 <input type="checkbox"/> Other (please describe)	Business Communication in P.E.-I Examination. General Management and Communication Skills Programme of 15 days.
2.9.6.	<i>Personal Skills</i> Describe the specific personal skills candidates are required to have at the point of qualification and how these skills are assessed.	Through 15 days General Management and Communication Skills Programme and 3 years of articulated training.	

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2.9.7.	<p><i>Dev of Interpersonal and Communication Skills</i> At what points in the professional accountancy education program are interpersonal and communication skills developed? Select all the answer options that are appropriate. In responding to this question refer to IES 3 paragraphs 13 and 17.</p>	<p>1 <input checked="" type="checkbox"/> As part of general education and / or as part of the professional accountancy education program entry requirements</p> <p>2 <input checked="" type="checkbox"/> Through specific professional accountancy education course content</p> <p>3 <input checked="" type="checkbox"/> Through practical experience requirement</p> <p>4 <input type="checkbox"/> Other (please describe)</p>	
2.9.8.	<p><i>Interpersonal and Communication Skills</i> Describe the specific interpersonal and communication skills candidates are required to have at the point of qualification and how these skills are assessed.</p>	<p>Group Dynamics through articulated training, industrial training and interactive process in General Management & Communication Skills Programme.</p>	
2.9.9.	<p><i>Dev of Organizational and Business Mngt Skills</i> At what points in the professional accountancy education program are organizational and business management skills developed? Select all the answer options that are appropriate. In responding</p>	<p>1 <input checked="" type="checkbox"/> As part of general education and / or as part of the professional accountancy education program entry requirements</p>	

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	to this question refer to IES 3 paragraphs 13 and 18.	<p>2 <input type="checkbox"/> Through specific professional accountancy education course content</p> <p>3 <input checked="" type="checkbox"/> Through practical experience requirement</p> <p>4 <input type="checkbox"/> Other (please describe)</p>	
2.9.10.	<p><i>Organizational and Business Management Skills</i></p> <p>Describe the specific organizational and business management skills candidates are required to have at the point of qualification and how these skills are assessed.</p>	Understanding organisation behaviour, Organisational Dev.	
2.10.	IES 4 Professional Values, Ethics and Attitudes		
2.10.1.	<p><i>Content for Values, Ethics and Attitudes</i></p> <p>Section 2.10 deals with professional ethics, values, and attitude content and requirements of the professional accountancy education program delivered by your organization.</p> <p>Does the professional accountancy education program include coverage of values, ethics and attitudes?</p>	<p>1 <input checked="" type="radio"/> Yes</p> <p>2 <input type="radio"/> No</p>	
2.10.2.	Values, Ethics and Attitudes in Content		
2.10.2.1.	<i>Program Content for Values, Ethics and</i>		

Number	Question Title/Text/Help text	Answer	Comments
	<i>Attitudes</i> Which of the following are included in the program content? Select all the answer options that are appropriate.	<p>1 <input checked="" type="checkbox"/> The nature of ethics</p> <p>2 <input checked="" type="checkbox"/> Differences of detailed rules-based and framework approaches to ethics, their advantages and drawbacks</p> <p>3 <input checked="" type="checkbox"/> Compliance with the fundamental ethical principles of integrity, objectivity, commitment to professional competence and due care, and confidentiality</p> <p>4 <input checked="" type="checkbox"/> Professional behavior and compliance with technical standards</p> <p>5 <input checked="" type="checkbox"/> Concepts of independence, skepticism, accountability and public expectations</p> <p>6 <input checked="" type="checkbox"/> Ethics and the profession: social responsibility</p> <p>7 <input checked="" type="checkbox"/> Ethics and law, including the relationship between laws, regulations and the public interest</p> <p>8 <input checked="" type="checkbox"/> Consequences of unethical behavior to the individual, to the profession and to society at large</p>	

Number	Question Title/Text/Help text	Answer	Comments
		<p>9 <input checked="" type="checkbox"/> Ethics in relation to business and good governance</p> <p>10 <input checked="" type="checkbox"/> Ethics and the individual professional accountant: whistle blowing, conflicts of interest, ethical dilemmas and their resolution.</p> <p>11 <input type="checkbox"/> None of the above</p>	
2.10.2.3.	<p><i>IFAC Code of Ethics</i></p> <p>Is the program content based on the relevant sections of the IFAC Code of Ethics?</p>	<p>1 <input checked="" type="radio"/> Yes</p> <p>2 <input type="radio"/> No</p>	<p>Please describe in general terms what aspects of the IFAC Code of Ethics are incorporated into the program content.</p> <p>The Code of Ethics of our Institute is based on the principle of IFAC Code of Ethics.</p>
2.10.2.4.	<p><i>Workplace Learning Development</i></p> <p>At what points in the professional accountancy education program are values, ethics, attitudes and adherence to them developed? Select all the answer options that are appropriate.</p>	<p>1 <input checked="" type="checkbox"/> As part of general education and / or as part of the program entry requirements</p> <p>2 <input checked="" type="checkbox"/> Through specific program</p>	

Number	Question Title/Text/Help text	Answer	Comments
		course content 3 <input checked="" type="checkbox"/> Through practical experience requirement 4 <input type="checkbox"/> Other (please describe)	
2.11.	IES 5 Practical Experience Requirement		
2.11.1.	<i>Approved Provider</i> Section 2.11 deals with the practical experience requirement established by your organization. Does the practical experience requirement have to be obtained with approved providers or employers?	1 <input checked="" type="radio"/> Yes 2 <input type="radio"/> No	
2.11.2.	<i>Provider Characteristics</i> Please describe the characteristics set by your organization for recognizing approved providers.	They have to be Member of Institute holding Certificate to Practice.	
2.11.4.	<i>Length of Practical Experience</i> What is the required length of pre-qualification practical experience? Select the answer option that is most appropriate.	1 <input checked="" type="radio"/> Three years 2 <input type="radio"/> Less than three years 3 <input type="radio"/> More than three years	
2.11.6.	Practical Application SMO 2		
2.11.6.1.	<i>Practical Application</i> Where relevant graduate (beyond undergraduate, e.g., masters) professional education has a strong element of practical	1 <input type="radio"/> Yes	

Number	Question Title/Text/Help text	Answer	Comments
	accounting application, may any portion of the professional education be contributed to the practical experience requirement?	2 <input checked="" type="radio"/> No	
2.11.7.	Timing of Experience		
2.11.7.1.	<i>Pre or Post Qualification Experience</i> The practical experience for accountants may be obtained (select all the answer options that are appropriate):	1 <input checked="" type="checkbox"/> Before the professional accountancy education program of study 2 <input checked="" type="checkbox"/> At the same time as the professional accountancy education program of study 3 <input checked="" type="checkbox"/> After the professional accountancy education program of study	
2.11.7.2.	<i>Describe Pre or Post Experience</i> Describe the length of practical experience that may be obtained pre-qualification and / or post-qualification.	6 months.	
2.12.	IES 5 Monitoring of Practical Experience Requirement		
2.12.1.	<i>Monitoring of Practical Experience</i> Is the period of practical experience monitored?	1 <input checked="" type="radio"/> Yes 2 <input type="radio"/> No	
2.12.3.	<i>Monitoring Practical Experience</i> How is the practical experience requirement (or practical application) monitored and assessed? Select all the answer options that	1 <input checked="" type="checkbox"/> Mentoring system	

Number	Question Title/Text/Help text	Answer	Comments
		3 <input type="checkbox"/> Government or regulatory body 4 <input type="checkbox"/> Other	
2.13.4.	<i>Characteristics of Assessment</i> Which of the following characteristics are applicable to the final assessment process? Select all the answer options that are appropriate.	1 <input checked="" type="checkbox"/> Uniform for all students 2 <input checked="" type="checkbox"/> Given simultaneously where it is being held in more than once location in the country 3 <input checked="" type="checkbox"/> Assessment is set and assessed only by qualified or approved individuals 4 <input type="checkbox"/> None of the above	
2.13.5.	<i>Qualifying for Final Assessment</i> What requirements must the candidate satisfy to take the final assessment? Select all the answer options that are appropriate.	1 <input checked="" type="checkbox"/> Specified pre-qualification requirements relating to professional knowledge, professional skills, and professional values, ethics, and attitudes 2 <input checked="" type="checkbox"/> Specified practical experience requirements 3 <input checked="" type="checkbox"/> Other (please describe) 4 <input type="checkbox"/> None of the above	Other include: 150 hours of computer training and General Management skill course
2.13.6.	<i>Timing Considerations for Final Assessment</i> Is there a requirement or restriction for completing the final assessment? For example, some organization may require the	1 <input type="radio"/> Yes	

Number	Question Title/Text/Help text	Answer	Comments
	candidate to take the final examination within a specified number of years of meeting the pre-assessment requirements.	2⊙ No	
2.13.8.	<i>Assess Professional Knowledge</i> Describe in general terms how required professional knowledge (e.g. technical knowledge about accounting, finance, audit, financial reporting, legislative requirements, information technology etc) is assessed during the final assessment.	There are 8 papers. In these subjects, experience level, knowledge and due analytical skills to answer the papers in a dynamic content are required.	
2.13.9.	<i>Assess Professional Skills</i> Describe in general terms how required professional skills (e.g. ability to solve problems, make decisions, exercise judgment, personal skills, interpersonal and communication skills, organizational and business management skills etc) are assessed during the final assessment.	The final paper set through pertain to the subject matter, but are multi disciplinary in nature and test the competency level beyond a defined spectrum.	
2.13.10.	<i>Assess Professional Values, Ethics, Attitudes</i> Describe in general terms how required professional values, ethics, and attitudes are assessed during the final assessment.	The training has a large role to play in this regard. During the course of training, the candidates imbibe these virtues and ethics as a part of course syllabi. While, it is difficult to quantify the extent of coverage of ethics, lot many socio-cultural factors in Indian context strengthen	

Number	Question Title/Text/Help text	Answer	Comments
		this aspect of professional ethics.	
2.13.11.	<i>Recorded or Oral Format</i> Is the final assessment conducted through:	1 <input checked="" type="radio"/> Recorded format with recorded (e.g. written) response required 2 <input type="radio"/> Oral format with oral responses 3 <input type="radio"/> Both recorded and oral response formats	
2.13.13.	<i>Assessment Formats</i> What formats are used in conducting the final assessment (select all the answer options that are appropriate)?	1 <input type="checkbox"/> Multiple choice questions 2 <input checked="" type="checkbox"/> Case studies 3 <input checked="" type="checkbox"/> Technical questions 4 <input type="checkbox"/> Thesis 5 <input checked="" type="checkbox"/> Other (please describe) 6 <input type="checkbox"/> None of the above	Short/ Long Answers
2.13.14.	<i>Reliability and Validity</i> Describe in general terms the procedures in place to ensure the final assessments are reliable and valid. Include a description of how the assessment questions are set and by whom and also how reviewers / assessors are selected.	For efficient and effective administration of examination, senior academicians of proven integrity and ability are appointed as superintendent of examination, who are further seen by a Chief investigators and adequate number of investigators . Another three tier assessment is also made through	

Number	Question Title/Text/Help text	Answer	Comments
		<p>independent observers/ special observers and coordinators, who remain present at the designated examination centres to maintain the sanctity of examination and its smooth conduct. The report of the observers and the coordinators are critically examined. The graders are usually the professors in Indian University and members of the profession.</p>	
2.13.15.	<p><i>Frequency of Final Assessments</i> How many times in a year is the final assessment offered? Select the answer option that is the most appropriate.</p>	<p>1 <input type="radio"/> Yearly (or once a year)</p> <p>2 <input checked="" type="radio"/> Half yearly (or twice a year)</p> <p>3 <input type="radio"/> Three sessions a year</p> <p>4 <input type="radio"/> Four sessions a year</p> <p>5 <input type="radio"/> Five sessions a year</p> <p>6 <input type="radio"/> Other (please describe the frequency of the examinations)</p>	
2.14.	<p>IES 7 Continuing Professional Development - CPD</p>	<p>1 <input checked="" type="checkbox"/> Our organization</p>	
2.14.1.	<p><i>Responsibility for CPD Requirements</i> Section 2.14 deals with the continuous professional development requirements established by your organization.</p>	<p>1 <input checked="" type="checkbox"/> Our organization</p>	

Number	Question Title/Text/Help text	Answer	Comments
	Who establishes the continuous professional development requirements applicable to your members? Select all the answer options that are appropriate.	<p>2 <input type="checkbox"/> Another organization (state the name of the organization including whether it is an IFAC member body)</p> <p>3 <input type="checkbox"/> Law and / or regulation (state the name of the law / regulation)</p> <p>4 <input type="checkbox"/> Other (please describe)</p>	
2.14.2.	<i>CPD and Professional Accountants</i> Which membership categories are required to maintain professional competence through continuous professional development? Select all the answer options that are appropriate.	<p>1 <input type="checkbox"/> All our qualified members</p> <p>2 <input checked="" type="checkbox"/> Qualified members who perform audits of listed entities</p> <p>3 <input checked="" type="checkbox"/> Qualified members who perform audits of entities other than listed entities</p> <p>4 <input checked="" type="checkbox"/> Qualified members who provide services (other than audit) to the public</p>	<p>Mandatory for members in practice.</p> <p>Recommendatory for members engaged otherwise than in practice and for Members residing abroad</p>

Number	Question Title/Text/Help text	Answer	Comments
		5 <input type="checkbox"/> Qualified members who are employed in business	
		6 <input checked="" type="checkbox"/> Other (please describe)	
2.14.3.	Requirement - CPD		
2.14.3.1.	<i>Type of CPD Requirement</i> Which of the following answer options describes the way the continuous professional development is structured? Select all the answer options that are appropriate.	1 <input checked="" type="checkbox"/> Members must satisfy a number of hours of continuous professional development a year or over a number of years 2 <input type="checkbox"/> All members are to satisfy specified content requirements (e.g. specified courses or knowledge content) 3 <input type="checkbox"/> Members working in specialist areas or areas of high risk to the public are to satisfy specified content requirements (e.g. specified courses or knowledge content) 4 <input type="checkbox"/> Other	
2.14.3.3.	<i>Hours of Continuous Professional Development</i> Which one of the following answer options best describes the continuous professional development hours required?	1 <input type="radio"/> Members have to complete a minimum of 120 hours or equivalent learning units of relevant professional	

Number	Question Title/Text/Help text	Answer	Comments
		development activity over a three-year rolling period. 2Ⓐ Members have to complete a minimum of 20 hours or equivalent learning units in each year 3Ⓐ Other	
2.14.3.8.	<i>Monitoring of CPD</i> Is there a process to monitor whether your members who are qualified as professional accountants meet the continuous professional development requirements?	1Ⓐ Yes, there is a monitoring process for CPD requirements 2Ⓐ No, there is no monitoring process for CPD requirements	
2.14.4.	Monitoring of CPD Requirement		
2.14.4.1.	<i>Monitoring Process SMO 2</i> Which of the following elements does the monitoring process include? Select all the answer options that are appropriate.	1☑ Professional accountants are required to submit a declaration 2☐ Professional accountants are required to submit evidence 3☐ Our organization audits a sample of professional accountants to check compliance 4☐ Compliance is monitored through firm quality control standards 5☐ Compliance is monitored through a quality assurance	

Number	Question Title/Text/Help text	Answer	Comments
		<p>review program</p> <p>6 <input type="checkbox"/> Other (please describe)</p> <p>7 <input type="checkbox"/> None of the above</p>	
2.14.4.2.	<p><i>Declaration and CPD SMO 2</i></p> <p>Describe the matters addressed in the declaration (select all that apply):</p>	<p>1 <input type="checkbox"/> Professional accountant's obligation to meet ethical obligations</p> <p>2 <input type="checkbox"/> Professional accountant's obligation to maintain knowledge</p> <p>3 <input type="checkbox"/> Professional accountant's obligation to maintain skills to perform competently</p> <p>4 <input checked="" type="checkbox"/> Compliance with CPD requirement</p> <p>5 <input type="checkbox"/> Other (please describe)</p>	
2.14.4.3.	<p><i>Sanctions SMO 2</i></p> <p>Where a professional accountant does not satisfy the CPD requirements (within a reasonable period of encouraging the professional accountant to meet the requirements), are sanctions or other non-compliance actions, such as expulsion or denial of the right to practice, imposed?</p>	<p>1 <input checked="" type="radio"/> Yes, sanctions or actions for non-compliance are imposed</p> <p>2 <input type="radio"/> No, sanctions or other non-compliance actions are not imposed</p>	
2.14.4.4.	<p><i>Sanction Types and CPD</i></p> <p>Describe the nature and extent of the sanction, expulsions or denial of the right to</p>	<p>- Members shall have to make up any shortfalls in their CPE</p>	

Number	Question Title/Text/Help text	Answer	Comments
	practice.	<p>Credit in a given calendar year by obtaining twice the amount of the shortfall before the 31st of December of the subsequent calendar year. Such 'make-up hours' shall be in addition to the regular CPE Credit hour requirements for every calendar year.</p> <p>-Publication of names of those who are not complying with the CPE requirements for the two calendar years.</p> <p>-Restriction of certain members rights like empanelment who are not complying with the requirements for three calendar years starting from calendar year 2003.</p> <p>-Any other action in accordance with the provisions of the Chartered Accountants Act 1949 and Chartered Accountants Regulations, 1988 and modifications made there under from time to time. However any such penal action will be</p>	

Number	Question Title/Text/Help text	Answer	Comments
		announced in advance for the information of the members who are covered by the provisions of the Statement.	
2.15.	<i>Activities to Promote IESs SMO 2</i> Please describe the activities your organization undertakes to promote and assist in implementing the pronouncements issued by IFAC's International Accounting Education Standards Board.	We follow IFAC pronouncements and modify them as per the specific requirements of the country.	We follow IFAC pronouncements and modify them as per the specific requirements of the country.
3.	SMO 3		
3.1.	<i>Auditing Standards in Law/Regulation</i> Does law or regulation establish the set of auditing standards to be used in the audit of private sector listed entities and non-listed entities? Select all the answer options that are appropriate. Where the law / regulation establishes the auditing standards to be used by reference to the set of standards to be used by their name or by including the text of the standards in the law / regulation, please respond "yes" to this question. Section 3.8. of this module includes questions about the law / regulation. Where the law / regulation gives authority to	1 <input type="checkbox"/> Yes for audits of listed entities	

Number	Question Title/Text/Help text	Answer	Comments
	<p>a national standard-setter to establish the auditing standards, please respond "no". Section 3.2. of this module includes questions about the standard-setter and the auditing standards that are established.</p>	<p>2 <input type="checkbox"/> Yes for audits of non-listed entities 3 <input checked="" type="checkbox"/> No for audits of listed entities 4 <input checked="" type="checkbox"/> No for audits of non-listed entities</p>	
3.2.	<p>Responsibility for Private Sector Auditing Standards</p>		
3.2.1.	<p><i>Auditing Standards - Private Sector</i> Is there only one set of auditing standards or are the auditing standards applicable to listed entities different from non-listed entities?</p>	<p>1 <input checked="" type="radio"/> The auditing standards for listed entities and non-listed entities are the same set of standards 2 <input type="radio"/> The auditing standards for listed entities and non-listed entities are not the same set of standards</p>	
3.2.6.	<p><i>Responsibility for Auditing Standards</i> Who has the authority for establishing the auditing standards for listed and non-listed entities?</p>	<p>1 <input checked="" type="radio"/> Our organization 2 <input type="radio"/> Another IFAC member body 3 <input type="radio"/> Joint process between our organization and another IFAC member body or other organization</p>	

Number	Question Title/Text/Help text	Answer	Comments
		4○	Another organization
3.3.	Member Body SMO 3		
3.3.1.	<i>MB Convergence Objective SMO 3</i> Has convergence with IAASB pronouncements been established as an objective?	1⊙ Yes 2○ No	
3.3.3.	<i>MB Convergence Implemented SMO 3</i> Has the convergence objective for auditing standards been implemented?	1⊙ Yes 2○ No	
3.6.	Incorporation of Auditing Standards		
3.6.1.	<i>Incorporation Approach SMO 3</i> Where your response indicates that convergence with IAASB pronouncements has been implemented, which of the following best describes the approach is used to incorporate the IAASB pronouncements into national standards? Select the answer option that is most appropriate. Help text: Answer Option 1 and reference to "adopted without amendment" Select this option where IAASB pronouncements are adopted as drafted except for changes to: Rename the IAASB pronouncement to a national standard name; Translate the IAASB pronouncement into	1○ IAASB pronouncements are adopted as drafted without amendments (refer Help Text) 2⊙ IAASB pronouncements are adopted as national standards and amended as necessary to address differences due to conflicts with legal or regulatory requirements (refer Help Text)	

Number	Question Title/Text/Help text	Answer	Comments
	<p>another language; Apply an effective date that differs from the IAASB pronouncement.</p> <p>Answer Option 2 and 3 reference to "Differences" In responding to this question, "differences" may include: Requirements in addition to those specified in the IAASB pronouncement or ISA; Deletion of a basic principle, essential procedure, and / or related guidance specified in the IAASB pronouncement or ISA; Modification of a requirement specified in the IAASB pronouncement or ISA (e.g. an ISA requirement was not deleted in full because a similar requirement was included).</p>	<p>3○ Existing national standards are compared with IAASB pronouncements to eliminate to the extent possible differences between the national standard and the IAASB pronouncement (refer Help Text)</p> <p>4○ Other</p>	
3.6.3.	Adoption with Amendments SMO 3		
3.6.3.1.	<i>IAASB Pronouncements with Amendments</i>		

Number	Question Title/Text/Help text	Answer	Comments
	Which of the following IAASB pronouncements have been adopted or incorporated? Select all the answer options that are appropriate.	<p>1 <input type="checkbox"/> International Standard on Quality Control 1</p> <p>2 <input checked="" type="checkbox"/> International Standards on Auditing</p> <p>3 <input checked="" type="checkbox"/> International Auditing Practices Statements</p> <p>4 <input checked="" type="checkbox"/> International Standards on Assurance Engagements</p> <p>5 <input checked="" type="checkbox"/> International Standards on Review Engagements</p> <p>6 <input checked="" type="checkbox"/> International Standards on Related Services</p>	
3.6.3.2.	<i>Name of Standards SMO 3 - Amendments</i> When the IAASB pronouncements are adopted, are the IAASB pronouncements renamed as national standards and pronouncements?	<p>1 <input checked="" type="radio"/> IAASB pronouncements are adopted without changes to the pronouncement's name</p> <p>2 <input type="radio"/> IAASB pronouncements are adopted with changes to their names</p>	
3.6.3.4.	<i>Adopted with Amendments SMO 3</i> Is information publicly available describing: The IAASB pronouncements that have been adopted; Whether the adopted IAASB pronouncement is the version in effect as at September 30, 2005; The effective date set by your organization	1 <input type="radio"/> Yes	

Number	Question Title/Text/Help text	Answer	Comments
	<p>where it differs from the IAASB pronouncement; The differences between the IAASB pronouncement and what was adopted; The reasons for the differences?</p>	2⊙ No	
3.6.3.5.	<p><i>Submit Information - Amendments SMO 3</i> If the standard-setter has issued information about the status of adopted ISAs and other IAASB pronouncements and it is available in English, indicate this in your response and submit a copy of the information to Compliance Staff.</p> <p>If this information is not available, complete the SMO 3 Comparison with IAASB Pronouncements.doc report by clicking on the link and submit it in Word format to Compliance Staff.</p> <p>Indicate whether your organization will be submitting available information or the "SMO 3: Comparison with IAASB Pronouncements" report.</p> <p>Help text:</p>	<p>1⊙ The information is available and in English and will be submitted to Compliance Staff</p> <p>2⊙ The "SMO 3: Comparison with IAASB Pronouncements" report will be completed and submitted</p>	<p>The comparative position of International Engagement Standards, issued by IFAC vis. A vis. Auditing and Assurance Standards and Guidance Notes issued by ICAI is enclosed as Annexure A.</p>

Number	Question Title/Text/Help text	Answer	Comments
			to Compliance Staff
3.10.	Translation SMO 3		
3.10.1.	<i>Translation of IAASB Pronouncements</i> Are the IAASB pronouncements translated into a national language?	<p>1 <input checked="" type="radio"/> No as English is the national language or a widely spoken language</p> <p>2 <input type="radio"/> Yes, the IAASB pronouncements are translated</p> <p>3 <input type="radio"/> No and English is not an official language or is not widely spoken</p>	
3.11.	<i>Activities to Promote IAASB Pronouncements</i> Please describe the activities your organization undertakes to promote and assist in the implementation of IAASB pronouncements and other IAASB activities.	ICAI's commitment towards promotion and assistance in implementation of IAASB pronouncements is amply reflected in the former's commitment to convergence with IAASB pronouncements. The preface to the Statements on Standard Auditing Practices clearly lays down this obligation for the ICAI, and consideration of IAASB pronouncements constitutes an integral part of the 'due procedure' of the Auditing and Assurance Standards Board(AASB) of ICAI.	

Number	Question Title/Text/Help text	Answer	Comments
		<p>In addition, the Institute regularly conducts conferences, workshops etc. to further educate its members on implementation of auditing standards. It has also been decided recently to include a regular feature on update of the recent IAASB pronouncements for example new International Standards on Auditing, new Exposure drafts etc in the monthly journal of the Institute.</p> <p>Above all, the AASB has also recently undertaken a project on comparison of all AASs vis a vis ISAs to examine the significant differences. The AASB has also constituted various study groups to study these differences and prepare the drafts of the revised AASs, bringing them in line with the relevant ISAs.</p>	
4.	SMO 4		
4.1.	Responsibility and National Ethical Requirements		
4.1.1.	<p><i>IFAC MB and Ethical Requirements</i> Does your organization establish ethical requirements (e.g. code of ethics, code of conduct, ethics rules, member regulations,</p>	<p>1 <input checked="" type="radio"/> Yes, our organization does establish ethical requirements</p>	

Number	Question Title/Text/Help text	Answer	Comments
	<p>etc.) to be complied with by your members?</p> <p>Help text: In some countries, ethical requirements may be established on a regional, provincial, or state basis. Where this is the case in your country for the ethical requirements that apply to your members, please contact Compliance Staff for further instruction.</p>	2○	No, our organization does not establish ethical requirements
4.1.2.	<p><i>IFAC MB and Convergence with IFAC Code</i> Has your organization implemented convergence with the IFAC Code of Ethics as an objective?</p>	1⊙	Yes
		2○	No
4.1.9.	<p><i>IFAC MB Approach to Ethics</i> Which of the following options best describes your organization's activities to incorporate the IFAC Code?</p> <p>For the purposes of the Part 2 SMO 4 module, modifications include: Deletion/omission of concepts, principles, or guidance that are established in the IFAC Code; Inclusion of concepts, principles, or guidance that are not in the IFAC Code; Other amendments that give rise to differences between your organization's ethical requirements and the IFAC Code.</p>	1○	Our organization adopted the IFAC Code as issued without modifications

Number	Question Title/Text/Help text	Answer	Comments
		<p>2○ Our organization adopted the IFAC Code but with modifications</p> <p>3○ Our organization has developed our own ethical requirements with a process to eliminate differences between our ethical requirements and the IFAC Code</p> <p>4⊙ Our organization develops our own ethical requirements and uses another approach to incorporate the IFAC Code of Ethics</p>	
4.1.11.	<p><i>IFAC MB and Other - Describe</i> Describe the approach used by your organization to incorporate the IFAC Code of Ethics.</p>	<p>While deciding on any ethical issue, the Institute uses its best endeavors to incorporate the fundamental principles set out in the IFAC code of ethics</p>	
4.2.	<p>MB and Version of IFAC Code</p>	<p>1○ The IFAC Code currently in effect, revised and issued in June 2004</p> <p>2○ A version issued prior to 2004</p> <p>3⊙ The revised IFAC Code</p>	
4.2.1.	<p><i>Version of IFAC Code</i> Which version of the IFAC Code was adopted or used as the basis for your organization's ethical requirements?</p>	<p>1○ The IFAC Code currently in effect, revised and issued in June 2004</p> <p>2○ A version issued prior to 2004</p> <p>3⊙ The revised IFAC Code</p>	

Number	Question Title/Text/Help text	Answer	Comments
			issued and in effect June 30, 2006
4.3.	<i>Ethical Requirements by Gov / Reg Bodies</i> In addition to the ethical requirements established by your organization, are there also laws or regulations that set out ethical requirements to be complied with by your members?	1 <input checked="" type="radio"/> Yes	
		2 <input type="radio"/> No	
4.4.	Gov / Reg Bodies and Ethical Requirements		
4.4.1.	<i>Gov/Reg Bodies - Ethical Requirements</i> Where ethical requirements applicable to your members are established in law or regulation, do they include any of the following types of laws and regulations? Select all the answer options that are appropriate.	1 <input checked="" type="checkbox"/> There is a law / regulation (e.g. Audit Law, Accountants Law) that sets out ethical requirements to be complied with by all professional accountants 2 <input type="checkbox"/> There is a law / regulation that sets out ethical requirements to be complied with by professional accountants who audit listed entities 3 <input type="checkbox"/> There is a law / regulation that sets out ethical requirements to be complied with by professional	

Number	Question Title/Text/Help text	Answer	Comments
		<p>accountants who audit entities other than listed entities</p> <p>4 <input type="checkbox"/> There is a law / regulation that sets out ethical requirements to be complied with by professional accountants who provide services to the public (other than as auditors of listed or other entities)</p> <p>5 <input type="checkbox"/> There is a law / regulation that sets out ethical requirements for professional accountants employed in business</p> <p>6 <input type="checkbox"/> None of the above</p>	
4.4.3.	<p><i>Describe Law / Reg - Prof Accountants</i> Regarding your response to question 4.4.1 and the law / regulation for professional accountants, please: State the law / regulation's name; Provide a general description of the law / regulation; Describe how the law / regulation sets out the scope of professional accountants that it applies to.</p>	<p>1. The Chartered Accountants Act, 1949 enacted by the Parliament of India</p> <p>2. The Chartered Accountants Regulations, 1988 enacted by the Parliament of India.</p>	
4.4.7.	<p><i>Gov/Reg and Convergence</i> Please explain whether your organization has undertaken any activities to promote the</p>	<p>The Two Schedules of the Chartered Accountants, 1949</p>	

Number	Question Title/Text/Help text	Answer	Comments
	<p>IFAC Code of Ethics to the relevant government or regulatory body that sets ethical requirements. Include in your explanation descriptions of any specific activities and the outcome or the reasons why such activities have not been undertaken.</p>	<p>prescribing professional misconduct for the members of the Institute broadly cover the ethical requirements of the IFAC Code of Ethics. The Council, while interpreting and implementing the provisions of the two schedules, takes into consideration the ethical requirements of IFAC Code of Ethics. The Council always take care of the independence of the auditors. An example of the same is that Council has prohibited its members from providing book-keeping services to their clients which is akin to the IFAC Code of Ethics. The Council has prescribed various checks and balances to ensure the independence of Auditors. There is a separate Committee by the name "Committee on Ethical Standards" to look after the ethical requirements. Further, the Council regularly publishes the booklet on 'Code of Ethics' for the guidance of members to ensure independence, integrity, excellence and objectivity. The Council has also issued a Guidance Note on</p>	

Number	Question Title/Text/Help text	Answer	Comments
Independence of Auditors.			
4.5.	<p><i>Comparison of Requirements SMO 4</i></p> <p>Does your organization have information that identifies any differences between the IFAC Code of Ethics currently in effect or the revised Code and the national ethical requirements? In responding to this question, differences include:</p> <p>Principles, concepts, and guidance in the IFAC Code that are not addressed in the national ethical requirements; Principles, concepts, and guidance in the IFAC Code that are not equivalent to the national ethical requirements; Principles, concepts, rules, regulations, laws, or other mandatory ethical requirements in national ethical requirements that are not addressed in the IFAC Code.</p> <p>The phrase "national ethical requirements" as used in this questionnaire refers to the totality of ethical requirements established by your organization and others including government and regulatory bodies that are applicable to your members.</p>	<p>1 <input checked="" type="radio"/> Yes, our organization has this information and it will be submitted</p> <p>2 <input type="radio"/> This information will be submitted by another IFAC member body</p>	<p>Comparative Study of IFAC Code of Ethics For Professional Accountants and the Code of Ethics adopted by the Institute of Chartered Accountants of India is enclosed as Annexure B.</p>

Number	Question Title/Text/Help text	Answer	Comments
		3 <input type="radio"/>	No, the information is not available
4.11.	<p><i>Translation of IFAC Code</i> Has your organization or others (e.g. government or regulatory body) translated the IFAC Code (in effect) or earlier versions of the Code? Select all the answer options that are appropriate.</p>	1 <input checked="" type="checkbox"/>	No, as English is an official language or widely spoken language
		2 <input type="checkbox"/>	Yes, our organization has translated the IFAC Code
		3 <input type="checkbox"/>	Yes, a government, regulatory, or other body has translated the IFAC Code
		4 <input type="checkbox"/>	No, the IFAC Code has not been translated and English is not an official language or widely spoken language
4.15.	<p><i>Activities to Promote IFAC Code of Ethics</i> Please describe the activities your organization undertakes to promote and assist in implementing the pronouncements (e.g. IFAC Code of Ethics) and work of IFAC's International Ethics Standards Board for Accountants.</p>		The Institute of the Chartered Accountants of India has included in its Code of Ethics, the Principles, concepts, and guidance of the IFAC set out by the IFAC in its Code of Ethics for Professional Accountants relating to the Public Interest, Objectives and Fundamental Principles. The Institute studied each and every pronouncements made by IFAC relating to Code of Ethics and implement as far as

Number	Question Title/Text/Help text	Answer	Comments
		possible the same in its own Code of Ethics within the broad provisions of the Chartered Accountants Act, 1949.	
5.	SMO 5		
5.1.	<p><i>Public Sector Accounting Standards - Objective</i></p> <p>Has the federal government / national government established convergence with International Public Sector Accounting Standards (IPSASs) as an objective?</p>	1 <input checked="" type="radio"/> Yes	<p>In India, there are three levels of Government, i.e. Union Government, State Government and the local self Government including Local Bodies and Panchayati Raj Institutions. The Government Accounting Standards Advisory Board constituted by the Comptroller & Auditor General of India formulates Indian Government Accounting Standards(IGASs) on cash basis for Union Government, State Governments and Union territories with legislative assemblies. Though the IGASs, which are under formulation,are on cash basis, but the GASAB uses the corresponding International</p>

Number	Question Title/Text/Help text	Answer	Comments
			<p>Public Sector Accounting Standard(IPSAS) for their formulation, wherever possible. Of late, The Government of India, has taken an in-principle decision for implementation of accrual accounting in Governments of India. Once this decision is implemented, GASAB is likely to formulate the Standards on accrual basis on the line of IPSASs.</p> <p>For the third level of Government, i.e. the local Self Government, The Institute of Chartered Accountants of India has constituted a Committee on Accounting Standards for Local Bodies(CASLB) for formulating Accounting Standards for Local Bodies on accrual basis. The CASLB has established convergence with the IPSASs as an objective.</p>
		2○ No 3○ Information is not available	

Number	Question Title/Text/Help text	Answer	Comments
		or not known	
5.3.	Convergence and IPSASs		
5.3.1.	<i>Convergence Approach - IPSASs</i> Which of the following best describes government's convergence objective? Select the answer option that is the most appropriate.	<p>1 <input type="checkbox"/> IPSASs are adopted as drafted without amendments</p> <p>2 <input checked="" type="checkbox"/> IPSASs are adopted with amendments</p> <p>3 <input type="checkbox"/> National public sector accounting standards are developed with a process to eliminate differences between the national standards and IPSASs</p> <p>4 <input type="checkbox"/> IPSASs are incorporated using another approach</p>	The answer to above question has been given only from the perspective of third level of Government i.e. Local Self Government.
5.3.3.	<i>Comparison Information SMO 5</i> Is information about the IPSASs that have been incorporated (e.g. by adoption or other approaches) publicly available? Information should include the IPSASs issued and in effect that have been incorporated and differences between the IPSASs and national public sector accounting standards where differences exist.	<p>1 <input type="radio"/> Yes</p> <p>2 <input checked="" type="radio"/> No</p>	Since the CASLB has been constituted recently, no Accounting Standard for Local Bodies have been issued till date. Drafts of various standards are under preparation by the CASLB. Therefore comparison information could not be prepared.

Number	Question Title/Text/Help text	Answer	Comments
		30 Our organization is not aware of such information	
5.4.	<p><i>Activities to Promote IPSASB Pronouncements</i> Please describe the activities your organization undertakes to promote pronouncements issued by the International Public Sector Accounting Standards Board. Please provide an explanation where such activities have not been undertaken because they are not within the scope of your organization's objectives or work program.</p>	<p>The Institute of Chartered Accountants of India(ICAI) has constituted an independent Committee on Accounting Standards for Local Bodies(CASLB) in March 2005. The main objective of the Committee on Accounting Standards for Local Bodies(CASLB) is to formulate Accounting Standards for Local Bodies. The CASLB, in its terms of reference, has specifically recognised that while formulating Accounting Standards for Local Bodies, the CASLB will give due consideration to the International Public Sector Accounting Standards(IPSASs) prepared by the International Public Sector Accounting Standards Board(IPSASB) of the IFAC and try to integrate them, to the extent possible, with a view to facilitate global harmonisation. The CASLB would try to achieve convergence</p>	

Number	Question Title/Text/Help text	Answer	Comments
		<p>with the IPSASs.</p> <p>Besides the above, the Government Accounting Standards Advisory Board, while formulating Accounting Standards on cash basis, takes guidance from the IPSAS. In the long term, Government of India has plans to implement accrual basis of accounting and thereafter accounting standards on accrual basis would be prepared.</p>	
6.	SMO 6		
6.1.	<p><i>Investigation and Discipline Program</i> In your jurisdiction is there a program for investigating and disciplining members of your organization for misconduct, including breaches of professional standards and rules?</p>	<p>1 <input checked="" type="radio"/> Yes</p> <p>2 <input type="radio"/> No</p>	
6.3.	Responsibility for Investigation and Discipline		
6.3.1.	<p><i>Body Responsible for Investigation and Discipline</i> Is your organization responsible for investigation and discipline of misconduct, including breaches of professional standards</p>	<p>1 <input checked="" type="radio"/> Yes, our organization has this responsibility</p>	<p>Investigation and discipline of misconduct with regard to the members of the ICAI is</p>

Number	Question Title/Text/Help text	Answer	Comments
	and rules by its individual members (and, if local laws and practices permit, by firms)? Select the answer option that is most appropriate.		dealt with in accordance with the provisions of the Chartered Accountants Act, 1949 and the Regulations framed thereunder. The disciplinary mechanism as provided therein is given in brief hereinunder:- The Institute of Chartered Accountants of India (ICAI) is a creation of an Act passed by the Parliament i.e. The Chartered Accountants Act, 1949 (hereinafter referred to as an “Act”). The affairs of the Institute are managed by its Council. The Chartered Accountants Regulations are made from time to time by the Council of the ICAI, in terms of powers conferred upon it under Section 30 of the Act. The Regulations currently in force are the Chartered Accountants Regulations, 1988 (hereinafter referred to as the “Regulations”) and have the force of law. The members of

Number	Question Title/Text/Help text	Answer	Comments
			<p>ICAI discharge their professional responsibilities within the framework of a strict Code of Ethics and also the disciplinary provisions of the Chartered Accountants Act. The Council of ICAI is empowered to take action against its members for any misconduct as contemplated in the Act & Regulations framed thereunder. The relevant provisions of the Act and the Regulations dealing with the disciplinary mechanism of the ICAI are given hereinunder:-</p> <p>Section 9 – Provides for the constitution of the Council of the Institute which is composed of 24 persons elected by the members of the Institute and 6 persons nominated by the Government.</p> <p>Section 15 - Provides for the</p>

Number	Question Title/Text/Help text	Answer	Comments
			<p>functions of the Council. One of the functions assigned to the Council is “to exercise the disciplinary powers conferred by the Act Sec.15(l)”.</p> <p>Section 17 - Provides for the constitution of the Disciplinary Committee which is one of the Standing Committees of the Council of the ICAI.</p> <p>Section 21 - Deals with the misconduct of the members of the ICAI and provides the procedure to be followed in the enquiry in such cases.</p> <p>Section 22 - Defines professional misconduct as well as the conduct of any member of the ICAI under any of the circumstances popularly called as “other misconduct”.</p>

Number	Question Title/Text/Help text	Answer	Comments
			<p>The First Schedule of the Act Part I of the First Schedule deals with professional misconduct in relation to Chartered Accountants in practice Part II deals with professional misconduct in relation to members of the Institute in service Part III deals with professional misconduct in relation to members of the Institute generally.</p> <p>The Second Schedule to the Act Part I of the Second Schedule deals with the professional misconduct in relation to Chartered Accountants in practice requiring decision on the recommendations of the Council of ICAI/action by High Court. Part II deals with professional misconduct in relation to members of the Institute generally requiring decision on the</p>

Number	Question Title/Text/Help text	Answer	Comments
			<p>statement is sent to the Complainant for his rejoinder. Reg.12(8)</p> <p style="text-align: center;">After the receipt of the rejoinder, the same is sent to the member concerned for his comments Reg.12(9).</p> <p style="text-align: center;">The President of the ICAI is empowered to call for any additional particulars/documents from the parties Reg.12(10).</p> <p style="text-align: center;">Thereafter the complaint is placed before the Council alongwith the aforesaid papers for its prima facie opinion.</p> <p style="text-align: center;">If the Council is prima facie of the opinion that the member is guilty of professional and/or other misconduct, it refers the case to the Disciplinary Committee for enquiry. [Reg.12(11)(i).</p>

Number	Question Title/Text/Help text	Answer	Comments
			<p style="text-align: right;">If the Council is prima facie of the opinion that the member is not guilty of any professional and/or other misconduct, it dismisses the complaint. Reg.12(11)(ii)</p> <p>Regulation 13 Provides that the procedure prescribed in sub Regulation (1) and sub-Regulations 6 to 13 of the Regulation 12 shall so far as may be applied to an information received under Section 21.</p> <p>Regulation 15 The Disciplinary Committee of the Council of the ICAI is empowered to hold the enquiry in such manner as may be prescribed and has to report to the Council.</p> <p style="text-align: right;">The Disciplinary Committee has the power to regulate its procedure in such manner as</p>

Number	Question Title/Text/Help text	Answer	Comments
			<p>it considers just an expedient Reg.15(4)</p> <p>Regulation 16 The Disciplinary Committee after conducting an enquiry gives its report to the Council.</p> <p style="text-align: right;">The parties to the complaint are provided an opportunity to make representation in writing on the report of Disciplinary Committee.</p> <p>The parties are also provided an opportunity of hearing before the Council at the time of consideration of the Disciplinary Committee report.</p> <p>If the Council is of the opinion that the member is guilty under the First Schedule of the Act, it gives the member an opportunity of hearing and order under Section 21(4) of the Act is passed. Section 21(4) of the</p>

Number	Question Title/Text/Help text	Answer	Comments
			<p>Act and Regulation 17 of the Regulations</p> <p>Under Section 21(4), the Council can make any of the following orders: Section 21(4) (a) Reprimand the member</p> <p> (b) Remove the name of the member from the Register of Members for such period, not exceeding five years,</p> <p>Proviso to Section 21(4) If it appears to the Council that the case is one in which the name of the member ought to be removed from the Register of members for a period exceeding five years or permanently, it has to forward the case to the High Court with its recommendations thereon.</p> <p>Section 22A Any member aggrieved by the</p>

Number	Question Title/Text/Help text	Answer	Comments
			<p>decision of the Council passed under Section 21(4) of the Act has the right to appeal before the High Court</p> <p>Section 21(5) If the Council is of the opinion that the member is guilty other than as referred to in Section 21(4), the Council refers the case with its recommendations to the High Court</p> <p>Section 21(6) The High Court after affording an opportunity of hearing to the member concerned, Central Government and the Council of the ICAI can pass the following order:</p> <ul style="list-style-type: none">(a) Direct that the proceedings be filed, or dismiss the complaint as the case may be;(b) Reprimand the member;(c) Remove the

Number	Question Title/Text/Help text	Answer	Comments
			<p>name of the member from the membership of the Institute either permanently or for such period as the High Court thinks fit;</p> <p>(d) Refer the case to the Council for further inquiry and report.</p> <p>Section 21(8) The Council and the Disciplinary Committee for the purpose of any enquiry under Section 21 of the Act have the same powers as are vested in a Civil Court under the Code of Civil Procedure, 1908 in respect of the following matters namely:</p> <p>(a) Summoning and enforcing the attendance of any person and examining him on oath.</p> <p>(b) The discovery and production of any document and</p>

Number	Question Title/Text/Help text	Answer	Comments
		20 No, responsibility for investigation and discipline	(c) Receiving evidence on affidavit Section 24 Provides for penalty for falsely claiming to be a member of the ICAI etc. Any person not being a member of the ICAI represents that he is a member of the ICAI or uses the designation 'Chartered Accountant' or being a member of the ICAI, but not having a Certificate of Practice, represents that he is practice or practices as a Chartered Accountant shall be punishable on first conviction with fine and on any subsequent conviction with imprisonment which may extend to six months or with fine which may extend to five thousand rupees and both.

Number	Question Title/Text/Help text	Answer	Comments
		<p>rests solely with an external body</p> <p>3○ Our organization shares responsibility for investigation and discipline with an external body</p> <p>4○ Other</p>	
6.5.	SMO 6 - Detailed Assessment		
6.5.1.	Rules and Procedures for Investigation and Discipline		
6.5.1.1.	<i>Rules and Procedures</i> Does your organization establish in its constitution or rules the provisions and processes for the investigating and disciplining your members?	<p>1⊙ Yes</p> <p>2○ No</p>	
6.5.1.3.	<i>Misconduct</i> In your jurisdiction, which of the following are considered "misconduct" as described in SMO 6 paragraph 4? Select all the answer options that are appropriate.	1☑ Criminal activity	<p>Section 21 - Deals with the misconduct of the members of the ICAI and provides the procedure to be followed in the enquiry in such cases.</p> <p>Section 22 - Defines professional misconduct as well as the conduct of any member of the ICAI under any of the circumstances popularly</p>

Number	Question Title/Text/Help text	Answer	Comments
			<p>called as “other misconduct”.</p> <p>The First Schedule of the Act Part I of the First Schedule deals with professional misconduct in relation to Chartered Accountants in practice Part II deals with professional misconduct in relation to members of the Institute in service Part III deals with professional misconduct in relation to members of the Institute generally.</p> <p>The Second Schedule to the Act Part I of the Second Schedule deals with the professional misconduct in relation to Chartered Accountants in practice requiring decision on the recommendations of the Council of ICAI/action by High Court. Part II deals with professional misconduct in relation to members of the</p>

Number	Question Title/Text/Help text	Answer	Comments
			<p>statement from the member concerned, the written statement is sent to the Complainant for his rejoinder. Reg.12(8)</p> <p style="text-align: center;">After the receipt of the rejoinder, the same is sent to the member concerned for his comments Reg.12(9).</p> <p style="text-align: center;">The President of the ICAI is empowered to call for any additional particulars/documents from the parties Reg.12(10).</p> <p style="text-align: center;">Thereafter the complaint is placed before the Council alongwith the aforesaid papers for its prima facie opinion.</p> <p style="text-align: center;">If the Council is prima facie of the opinion that the member is guilty of professional and/or other misconduct, it refers the case to the Disciplinary</p>

Number	Question Title/Text/Help text	Answer	Comments
		<p>2<input checked="" type="checkbox"/> Acts or omissions likely to bring the accountancy profession into disrepute</p> <p>3<input checked="" type="checkbox"/> Breaches of professional standards</p> <p>4<input checked="" type="checkbox"/> Breaches of ethical requirements</p> <p>5<input checked="" type="checkbox"/> Gross professional negligence</p> <p>6<input checked="" type="checkbox"/> A number of less serious instances of professional negligence that, cumulatively, may indicate unfitness to exercise practicing rights</p> <p>7<input type="checkbox"/> Unsatisfactory work</p> <p>8<input checked="" type="checkbox"/> Other (please describe)</p>	<p>Committee for enquiry. [Reg.12(11)(i).</p> <p style="text-align: right;">If the Council is prima facie of the opinion that the member is not guilty of any professional and/or other misconduct, it dismisses the complaint. Reg.12(11)(ii)</p>
6.5.2.	<p><i>Types of Sanctions</i></p> <p>Which of the following actions can be imposed by those who judge such issues: Select all the answer options that are appropriate.</p>	1 <input checked="" type="checkbox"/> Reprimand	<p>The statute does not provide for fine untill now, the new legislation proposed to be brought any time provides for</p>

Number	Question Title/Text/Help text	Answer	Comments
		2 <input checked="" type="checkbox"/> Loss or restriction of practice rights 3 <input type="checkbox"/> Fine/payment of costs 4 <input checked="" type="checkbox"/> Loss of professional title (designation) 5 <input checked="" type="checkbox"/> Exclusion from membership 6 <input type="checkbox"/> Other (please describe)	the same
6.5.3.	Provision of Information and Guidance to Members		
6.5.3.1.	<i>Information and Guidance</i> Does your organization make each member fully aware of: - All provisions of the ethical code and other applicable professional standards, rules and requirements (and any amendments), whether issued by IFAC or at the national level by the member body and - Consequences of non-compliance?	1 <input checked="" type="radio"/> Yes	Provision of information and guidance to members:- The ICAI publishes from time to time a booklet namely 'Code of Ethics' under the authority of the Council which contains elaborate explanation on the various items comprised in the Schedules to the Chartered Accountants Act, 1949. It also deals comprehensively with the various aspects of other misconduct. The ethical requirement which the member of the profession have to be adhered to, various decisions of the Council in administrating the Code of

Number	Question Title/Text/Help text	Answer	Comments
			<p>Conduct, the various statements on auditing practices and accounting standards which are mandatory etc. are reflected in above booklet. This booklet is supplied to all members of the ICAI at the time of their enrolment.</p> <p>The ICAI publishes a Journal entitled “The Chartered Accountant” every month which contains information, articles, notifications, circulars etc. issued by the Government and ICAI relating to the C.A. profession. This Journal is sent to all members of the ICAI every month free of cost.</p>
		20	No
6.5.3.2.	<p><i>Information and Guidance Description</i> Provide a brief description of how your organization meets this requirement of SMO 6.</p>	<p>Rules and procedures for investigation and discipline:- Rules and procedure with regard to investigation and discipline of misconduct have been explained</p>	

Number	Question Title/Text/Help text	Answer	Comments
		<p>herein. Please see Section 21 of the Act, the Schedules to the Act and Regulations 12 to 17 of the Chartered Accountants Regulations, 1988 which deals with the misconduct of the members and provides the procedure to be followed in enquiries in such cases.</p> <p>As mentioned hereinabove a member of ICAI is liable to disciplinary action if he is found guilty of any professional and/or 'other misconduct'. The 'other misconduct' has not been defined specifically in the Act. Section 21 of the Act empowers the Council to enquire into any misconduct of a member even if it does not arise out of its professional work. This is considered necessary because a Chartered Accountant is expected to maintain the highest standards of integrity even in his personal affairs and any deviation from these standards, even in his non-professional work, would expose him to disciplinary action.</p> <p>Types of sanctions:-</p>	

Number	Question Title/Text/Help text	Answer	Comments
		<p>Types of sanction which the Council of the ICAI and the High Court can impose on a member for misconduct is provided in Section 21(4) and 21(6) respectively in the Act.</p> <p>Provision of information and guidance to members:- The ICAI publishes from time to time a booklet namely 'Code of Ethics' under the authority of the Council which contains elaborate explanation on the various items comprised in the Schedules to the Chartered Accountants Act, 1949. It also deals comprehensively with the various aspects of other misconduct. The ethical requirement which the member of the profession have to be adhered to, various decisions of the Council in administrating the Code of Conduct, the various statements on auditing practices and accounting standards which are mandatory etc. are reflected in above booklet. This booklet is supplied to all members of the ICAI at the time of their enrolment.</p>	

Number	Question Title/Text/Help text	Answer	Comments
		<p>The ICAI publishes a Journal entitled “The Chartered Accountant” every month which contains information, articles, notifications, circulars etc. issued by the Government and ICAI relating to the C.A. profession. This Journal is sent to all members of the ICAI every month free of cost.</p> <p>(The information with regard to other programmes such as seminars, conferences, other publications issued by the ICAI for information and guidance to members may please be obtained from the concerned Sections).</p> <p>Obligations to report to outside bodies:- ICAI, being a regulatory body, regulates the profession of Chartered Accountants. The Council of the ICAI is empowered to take action against its members for any misconduct as contemplated in the Chartered Accountants Act, 1949 and the Regulations framed thereunder. The other information</p>	

Number	Question Title/Text/Help text	Answer	Comments
		<p>in this regard may be obtained from the concerned Section e.g. Professional Development Committee.</p> <p>Approach to proceedings:- In accordance with Section 21(1) of the Act, the Council of the ICAI can initiate proceedings against members of the ICAI either on receipt of information by it or of a complaint made to it.</p> <p>Investigative powers and processes:- The details of the investigative power and processes has been described hereinabove (please refer to the Section 21 of the Act and Regulations 12 to 17 of the Regulation). As mentioned hereinabove, the Council and the Disciplinary Committee for the purpose of any enquiry under Section 21 of the Act have the same powers as are vested in a Civil Court under the Code of Civil Procedure, 1908 in respect of the following matters namely:</p> <p>a) Summoning and enforcing</p>	

Number	Question Title/Text/Help text	Answer	Comments
		<p>the attendance of any person and examining him on oath.</p> <p>b) The discovery and production of any document and</p> <p>c) Receiving evidence on affidavit</p> <p>Further, the Council of the Institute is also empowered to initiate action under Section 21 of the Act for the professional misconduct, if a member of the Institute whether in practice or not, (1) includes in any statement, return or form to be submitted to the Council any particulars knowing them to be false; (2) not being a fellow style himself as a fellow; (3) does not supply the information called for, or does not comply with the requirements asked for, by the Council or any of its committees.</p> <p>The investigation on the misconduct of members are done strictly in accordance with the provisions of the Chartered Accountants Act, 1949 and of the Regulations made thereunder. The rules of natural justice are</p>	

Number	Question Title/Text/Help text	Answer	Comments
		<p>consistently followed during the enquiry process.</p> <p>It may also be mentioned that Council of the ICAI form its prima facie opinion whether the member is guilty of professional and/or other misconduct. If the Council decides that the member is guilty of professional misconduct, it refers the matter to the Disciplinary Committee for enquiry which submits its report to the Council. The report of the Disciplinary Committee, thereafter, is considered by the Council of ICAI which gives its finding thereupon. In this connection, it is relevant to mention that the members of the Disciplinary Committee do not sit in the meeting of the Council, when the report of the Disciplinary Committee is considered by the Council to have the independent decision in the matter by the Council. So is the case in respect of “interest” of members in any case. These are applicable in all stages of disciplinary proceedings.</p>	

Number	Question Title/Text/Help text	Answer	Comments
		<p>Disciplinary process: The disciplinary process has been discussed in detail in the preceding paragraphs. As mentioned hereinabove the right to appeal has been provided under Section 22A of the Act to the member, if he is aggrieved by any decision of the Council passed under Section 21(4) of the Act. In the cases of professional misconduct described in Second Schedule, the Council of the ICAI is only required to forward the cases with its recommendations to the High Court, which takes final decision in the matter.</p> <p>Administrative process:- The Regulation 12 provides the time Schedule to be followed at certain stage of the enquiry. The ICAI has established a full fledged Secretariat which is involved in the processing and dealing with all</p>	

Number	Question Title/Text/Help text	Answer	Comments
		<p>matters relating to “information” and complaint cases received under Section 21 of the Chartered Accountants Act, 1949. The ICAI ensures that all complaints and information cases are promptly handled and that all necessary action is taken at the appropriate stage in terms of the provisions set out/procedures laid down. For that number of meetings of the Council and of the Disciplinary Committee are fixed for considering/hearing the above cases.</p> <p>The ICAI maintains complete records of all investigations and disciplinary process both during the proceeding and thereafter. The ICAI also publishes the disciplinary volumes which contains the reports of the Disciplinary Committee, findings of the Council and the decisions of the High Court as the case may be in all the cases dealt with.</p> <p>The Council also notifies in accordance with Section 20 of the Act read with Regulation 18 of the</p>	

Number	Question Title/Text/Help text	Answer	Comments
		Regulations, the removal of the names of the members from the Register of Members in respect of whom an order has been passed under the Act.	
6.5.4.	Obligations to Report to Outside Bodies		
6.5.4.1.	<i>Reporting to Outside Bodies</i> Is your organization obligated under local laws to report possible involvement in serious crimes and offences by its individual members or member firms to the appropriate public authority and disclose related information to that authority?	1 <input type="radio"/> Yes 2 <input checked="" type="radio"/> No	The detail of cases of conviction awarded is published in the gazette of India which is available to public by government
6.5.4.2.	<i>Reporting to Outside Bodies Follow Up</i> Please describe your plans to introduce an obligation or requirement to report possible involvement in serious crimes and offences by individual members or member firms to the appropriate public authority and disclose related information to that authority.	ICAI, being a regulatory body, regulates the profession of Chartered Accountants. The Council of the ICAI is empowered to take action against its members for any misconduct as contemplated in the Chartered Accountants Act, 1949 and the Regulations framed thereunder. Details of punishment ultimately awarded is reported to specified public appointing authorities besides providing the same to entities seeking	

Number	Question Title/Text/Help text	Answer	Comments
		information about disciplinary proceedings against individual members or firms.	
6.5.5.	<i>Approach to Proceedings</i> What type of approach does your organization use to initiate investigation and discipline proceedings? Select all the answer options that are appropriate.	1 <input checked="" type="checkbox"/> Information-based 2 <input checked="" type="checkbox"/> Complaints-based 3 <input type="checkbox"/> Other (please describe) 4 <input type="checkbox"/> None of the above	In accordance with Section 21(1) of the Act, the Council of the ICAI can initiate proceedings against members of the ICAI either on receipt of information by it or of a complaint made to it.
6.5.6.	Investigative Powers and Processes		
6.5.6.1.	<i>Powers</i> Does your organization have all required powers so that authorized personnel can carry out an effective investigation?	1 <input checked="" type="radio"/> Yes	Investigative powers and processes:- The details of the investigative power and processes has been described hereinabove (please refer to the Section 21 of the Act and Regulations 12 to 17 of the Regulation). As mentioned hereinabove, the Council and the Disciplinary Committee for the purpose of any enquiry under Section 21 of

Number	Question Title/Text/Help text	Answer	Comments
			<p>the Act have the same powers as are vested in a Civil Court under the Code of Civil Procedure, 1908 in respect of the following matters namely:</p> <ul style="list-style-type: none">a) Summoning and enforcing the attendance of any person and examining him on oath.b) The discovery and production of any document andc) Receiving evidence on affidavit <p>Further, the Council of the Institute is also empowered to initiate action under Section 21 of the Act for the professional misconduct, if a member of the Institute whether in practice or not, (1) includes in any statement, return or form to be submitted to the Council any particulars knowing them to be false; (2) not being a fellow style himself as a fellow; (3) does not supply the information called for, or</p>

Number	Question Title/Text/Help text	Answer	Comments
			<p>does not comply with the requirements asked for, by the Council or any of its committees.</p> <p>The investigation on the misconduct of members are done strictly in accordance with the provisions of the Chartered Accountants Act, 1949 and of the Regulations made thereunder. The rules of natural justice are consistently followed during the enquiry process.</p> <p>It may also be mentioned that Council of the ICAI form its prima facie opinion whether the member is guilty of professional and/or other misconduct. If the Council decides that the member is guilty of professional misconduct, it refers the matter to the Disciplinary Committee for enquiry which submits its report to the Council. The</p>

Number	Question Title/Text/Help text	Answer	Comments
			<p>report of the Disciplinary Committee, thereafter, is considered by the Council of ICAI which gives its finding thereupon. In this connection, it is relevant to mention that the members of the Disciplinary Committee do not sit in the meeting of the Council, when the report of the Disciplinary Committee is considered by the Council to have the independent decision in the matter by the Council. So is the case in respect of “interest” of members in any case. These are applicable in all stages of disciplinary proceedings.</p>
6.5.6.3.	<p><i>Cooperation of Members</i> Do the powers to carry out an effective investigation include: Select all the answer options that are appropriate.</p>	<p>2○ No</p> <p>1☑ A requirement for members (and member firms) to co-operate in the investigation of complaints and to respond promptly to all communications from the</p>	<p>Types of sanction which the Council of the ICAI and the High Court can impose on a member for misconduct is provided in Section 21(4) and 21(6) respectively in the Act.</p>

Number	Question Title/Text/Help text	Answer	Comments
		member body 2 <input type="checkbox"/> Provision for sanctions in the event of failure to comply 3 <input type="checkbox"/> None of the above	
6.5.6.5.	<i>Provide for Sanctions Follow Up</i> Please explain why there are no sanctions in the event of failure to comply with the requirement to cooperate.	The statute doent provide for sanctions	
6.5.6.6.	<i>Expertise and Resource</i> Does your organization maintain appropriate expertise and adequate financial and other resources to enable timely investigative and disciplinary action?	1 <input checked="" type="radio"/> Yes (please describe)	Investigative powers and processes:- The details of the investigative power and processes has been described hereinabove (please refer to the Section 21 of the Act and Regulations 12 to 17 of the Regulation). As mentioned hereinabove, the Council and the Disciplinary Committee for the purpose of any enquiry under Section 21 of the Act have the same powers as are vested in a Civil Court under the Code of Civil Procedure, 1908 in respect of the following matters namely: a) Summoning and enforcing the attendance of

Number	Question Title/Text/Help text	Answer	Comments
			<p>any person and examining him on oath.</p> <p>b) The discovery and production of any document and</p> <p>c) Receiving evidence on affidavit</p> <p>Further, the Council of the Institute is also empowered to initiate action under Section 21 of the Act for the professional misconduct, if a member of the Institute whether in practice or not, (1) includes in any statement, return or form to be submitted to the Council any particulars knowing them to be false; (2) not being a fellow style himself as a fellow; (3) does not supply the information called for, or does not comply with the requirements asked for, by the Council or any of its committees.</p> <p>The investigation on the misconduct of members</p>

Number	Question Title/Text/Help text	Answer	Comments
			<p>are done strictly in accordance with the provisions of the Chartered Accountants Act, 1949 and of the Regulations made thereunder. The rules of natural justice are consistently followed during the enquiry process.</p> <p>It may also be mentioned that Council of the ICAI form its prima facie opinion whether the member is guilty of professional and/or other misconduct. If the Council decides that the member is guilty of professional misconduct, it refers the matter to the Disciplinary Committee for enquiry which submits its report to the Council. The report of the Disciplinary Committee, thereafter, is considered by the Council of ICAI which gives its finding thereupon. In this connection, it is relevant to mention that the members of</p>

Number	Question Title/Text/Help text	Answer	Comments
			<p data-bbox="1496 277 1868 751">the Disciplinary Committee do not sit in the meeting of the Council, when the report of the Disciplinary Committee is considered by the Council to have the independent decision in the matter by the Council. So is the case in respect of “interest” of members in any case. These are applicable in all stages of disciplinary proceedings.</p> <p data-bbox="1496 943 1879 1378">Disciplinary process: The disciplinary process has been discussed in detail in the preceding paragraphs. As mentioned hereinabove the right to appeal has been provided under Section 22A of the Act to the member, if he is aggrieved by any decision of the Council passed under Section 21(4) of the Act. In the cases of</p>

Number	Question Title/Text/Help text	Answer	Comments
			<p>professional misconduct described in Second Schedule, the Council of the ICAI is only required to forward the cases with its recommendations to the High Court, which takes final decision in the matter.</p> <p>Administrative process:- The Regulation 12 provides the time Schedule to be followed at certain stage of the enquiry. The ICAI has established a full fledged Secretariat which is involved in the processing and dealing with all matters relating to “information” and complaint cases received under Section 21 of the Chartered Accountants Act, 1949. The ICAI ensures that all complaints and information cases are promptly handled and that all necessary action is taken at the appropriate stage in terms of the provisions set out/procedures laid down. For that number of</p>

Number	Question Title/Text/Help text	Answer	Comments
			<p>meetings of the Council and of the Disciplinary Committee are fixed for considering/hearing the above cases.</p> <p>The ICAI maintains complete records of all investigations and disciplinary process both during the proceeding and thereafter. The ICAI also publishes the disciplinary volumes which contains the reports of the Disciplinary Committee, findings of the Council and the decisions of the High Court as the case may be in all the cases dealt with.</p> <p>The Council also notifies in accordance with Section 20 of the Act read with Regulation 18 of the Regulations, the removal of the names of the members from the Register of Members in respect of whom an order has been passed under the Act.</p>

Number	Question Title/Text/Help text	Answer	Comments
		2○ No	
6.5.6.8.	<p><i>Independence and Subject of Investigation</i> Does your organization in all cases, confirm at the start of the investigation that any individual chosen to assist in an investigation is independent from (a) the subject of the investigation, and (b) anyone connected with or interested in the matter investigated?</p> <p>Help text: If a conflict exists at the start of an investigation, or arises during the investigation, the chosen individual should immediately withdraw. Similar considerations apply equally to anyone else connected with the investigation and hearing of cases.</p>	<p>1⊙ Yes</p> <p>2○ No</p>	
6.5.6.10.	<p><i>Infrastructure</i> Which of the following best describes your organization's investigation and discipline infrastructure? Select all the answer options that are appropriate.</p>	<p>1⊙ One committee/panel to investigate the complaint and a separate committee/tribunal to administer disciplinary action</p> <p>2○ A single committee/panel to conduct the investigation and administer disciplinary action.</p> <p>3○ Other</p>	
6.5.6.12.	<i>Independent Review</i>		

Number	Question Title/Text/Help text	Answer	Comments
	Has your organization established and does it maintain a process for the independent review of complaints by clients and others where it has been decided by the investigation committee that the matter will not be referred to a disciplinary hearing?	1 <input type="radio"/> Yes 2 <input checked="" type="radio"/> No	.
6.5.6.13.	<i>Independent Review Follow Up</i> Please explain why your organization has not established and maintained such a process.	The authority for review vests with the higher body which is not enquiring and investing the matter perse.	
6.5.7.	The Disciplinary Process		
6.5.7.1.	<i>Composition of Tribunal</i> Does the tribunal responsible for the disciplinary hearing contain a balance of professional expertise and outside judgment (e.g., composed of accountants and non-accountants)?	1 <input checked="" type="radio"/> Yes (please describe) 2 <input type="radio"/> No	Section 9 – Provides for the constitution of the Council of the Institute which is composed of 24 persons elected by the members of the Institute and 6 persons nominated by the Government.
6.5.7.3.	<i>Conflicts</i> Are members of the investigation committee or the disciplinary tribunal permitted to serve on both at the same time, or in relation	1 <input type="radio"/> Yes	

Number	Question Title/Text/Help text	Answer	Comments
	to the same case?	2⊙ No	
6.5.7.5.	<i>Independence of Tribunal</i> Briefly describe how the disciplinary tribunal exhibits independence.	Council of the ICAI form its prima facie opinion whether the member is guilty of professional and/or other misconduct. If the Council decides that the member is guilty of professional misconduct, it refers the matter to the Disciplinary Committee for enquiry which submits its report to the Council. The report of the Disciplinary Committee, thereafter, is considered by the Council of ICAI which gives its finding thereupon. In this connection, it is relevant to mention that the members of the Disciplinary Committee do not sit in the meeting of the Council, when the report of the Disciplinary Committee is considered by the Council to have the independent decision in the matter by the Council. So is the case in respect of “interest” of members in any case. These are applicable in all stages of disciplinary proceedings.	

Number	Question Title/Text/Help text	Answer	Comments
6.5.7.6.	<p data-bbox="398 277 618 309"><i>Appeals Process</i></p> <p data-bbox="398 316 801 347">Does your organization's rules:</p> <p data-bbox="398 389 875 459">Select all the answer options that are appropriate.</p>	<p data-bbox="1003 316 1469 603">1 <input checked="" type="checkbox"/> Permit a qualified lawyer or other person chosen by the defendant to accompany and represent the defendant at all disciplinary hearings and to advise him or her throughout the investigative and disciplinary process</p> <p data-bbox="1003 721 1469 826">2 <input checked="" type="checkbox"/> Permit the defendant to appeal the conviction and any imposed sanction</p> <p data-bbox="1003 833 1469 1050">3 <input checked="" type="checkbox"/> Permit any order made against the defendant to be suspended by the tribunal that convicted the defendant, pending the hearing of that appeal</p> <p data-bbox="1003 1056 1469 1305">4 <input checked="" type="checkbox"/> Prohibit the appeal tribunal from including a prosecutor or a member of the first tribunal, or any other individual who was concerned with the original conviction</p> <p data-bbox="1003 1311 1469 1380">5 <input checked="" type="checkbox"/> Require that the same procedures apply to the</p>	<p data-bbox="1496 316 1886 421">Imposition of punishment withheld if stay against ICAI is granted by the High Court.</p> <p data-bbox="1496 462 1886 715">The Advocate can represent the defendant up to the stage of enquiry. After the report of Council only a chartered Accountant can represent defendant who may or may not be a lawyer.</p>

Number	Question Title/Text/Help text	Answer	Comments
		<p>appeal process as apply to hearings before the disciplinary tribunal</p> <p>6 <input type="checkbox"/> None of the above</p>	
6.5.8.	Administrative Processes		
6.5.8.1.	<p><i>Elements of Administrative Processes</i></p> <p>As a part of Investigation and Discipline administrative processes does your organization:</p> <p>Select all the answer options that are appropriate.</p>	<p>1 <input checked="" type="checkbox"/> Establish time limits for disposal (completion) of all cases</p>	<p>Generally time limit fixed Administrative process:- The Regulation 12 provides the time Schedule to be followed at certain stage of the enquiry. The ICAI has established a full fledged Secretariat which is involved in the processing and dealing with all matters relating to “information” and complaint cases received under Section 21 of the Chartered Accountants Act, 1949. The ICAI ensures that all complaints and information cases are promptly handled and that all necessary action is taken at the appropriate stage in terms of the provisions set out/procedures laid down. For that number of meetings of the Council and of the Disciplinary</p>

Number	Question Title/Text/Help text	Answer	Comments
			<p>Committee are fixed for considering/hearing the above cases.</p> <p>The ICAI maintains complete records of all investigations and disciplinary process both during the proceeding and thereafter. The ICAI also publishes the disciplinary volumes which contains the reports of the Disciplinary Committee, findings of the Council and the decisions of the High Court as the case may be in all the cases dealt with.</p> <p>The Council also notifies in accordance with Section 20 of the Act read with Regulation 18 of the Regulations, the removal of the names of the members from the Register of Members in respect of whom an order has been passed under the Act.</p> <p>2☑ Maintain and operate tracking</p>

Number	Question Title/Text/Help text	Answer	Comments
		<p>mechanisms, to ensure that all investigations and prosecutions are promptly handled, and that all necessary action is taken at the appropriate stage</p> <p>3 <input checked="" type="checkbox"/> Maintain a procedure requiring (a) notification to all persons employed or otherwise participating in the investigative and disciplinary processes (or having access to information concerning such processes) of the importance of maintaining confidentiality, and (b) a binding agreement to maintain that confidentiality</p> <p>4 <input checked="" type="checkbox"/> Maintain secure and confidential facilities for the storage of case papers and other evidence</p> <p>5 <input checked="" type="checkbox"/> Maintain records of all investigation and disciplinary proceedings</p> <p>6 <input type="checkbox"/> None of the above</p>	
6.5.8.3.	Case Numbers		
6.5.8.3.1.	<i>2005 Heard Case Numbers</i> Indicate the number of cases heard in 2005.	51	

Number	Question Title/Text/Help text	Answer	Comments
6.5.8.3.2.	<i>2004 Heard Case Numbers</i> Indicate the number of cases heard in 2004.	91	
6.5.8.3.3.	<i>2003 Heard Case Numbers</i> Indicate the number of cases heard in 2003.	57	
6.5.8.3.4.	<i>2005 Completed Case Numbers</i> Indicate the number of cases completed in 2005.	51	
6.5.8.3.5.	<i>2004 Completed Case Numbers</i> Indicate the number of cases completed in 2004.	91	
6.5.8.3.6.	<i>2003 Completed Case Numbers</i> Indicate the number of cases completed in 2003.	57	
6.5.8.3.7.	<i>Average time required for disposal of cases</i> Indicate the average time (in months) required for the disposal (completion) of a case. This number should include both the time spent on (a) the investigation of the complaints and (b) the disciplinary proceedings.	12	Depends on case to case basis
7.	SMO 7		
7.1.	<i>Accounting Standards in Law/Regulation</i> Does law or regulation establish the set of accounting standards to be used for	1 <input type="checkbox"/> Yes, for financial statements of listed entities	In India, the law governing the companies, viz., the

Number	Question Title/Text/Help text	Answer	Comments
	<p>preparation of financial statements of private sector listed entities and non-listed entities? Select all the answer options that are appropriate.</p> <p>Where the law / regulation establishes the accounting standards to be used by reference to the set of standards to be used by their name or by including the text of the standards in the law / regulation, please respond "yes" to this question. Section 7.8. of this module includes questions about the law / regulation.</p> <p>Where the law / regulation gives authority to a national standard-setter to establish the accounting standards, please respond "no". Section 7.2. of this module includes questions about the standard-setter and the accounting standards that are established.</p>		<p>Companies Act, 1956, requires all companies to comply with the Accounting Standards. The market regulator, viz., the Securities and Exchange Board of India(SEBI), through the Listing Agreement, requires all the listed entities to comply with accounting standards. Further the Reserve Bank of India(RBI), being the regulators of banks and certain categories of financial entities, and the Insurance Regulatory and Development Authority(IRDA), being the regulator of insurance entities, require compliance with the accounting standards by their respective constituents. For other non corporate bodies there is no legal requirement to comply with the accounting standards. On such entities, the Accounting Standards have been made mandatory by the Institute of Chartered</p>

Number	Question Title/Text/Help text	Answer	Comments
		<p>2 <input type="checkbox"/> Yes, for financial statements of non-listed entities</p> <p>3 <input checked="" type="checkbox"/> No, for financial statements of listed entities</p> <p>4 <input checked="" type="checkbox"/> No, for financial statements of non-listed entities</p>	<p>Accountants of India(ICAI), through its members, whenever financial statements are attested by a member. This implies that, while discharging their attest function, it is the duty of the members of the Institute to examine whether the mandatory Accounting Standards have been compiled with in the presentation of financial statements covered by their audit. In the event of any deviation from this Accounting Standard, it is their duty to make adequate disclosures in their audit reports so that the users of financial statements may be aware of such deviations.</p>
7.2.	<p>Responsibility for Private Sector Accounting Standards</p>		

Number	Question Title/Text/Help text	Answer	Comments
7.2.1.	<i>Accounting Standards - Private Sector</i> Is there only one group of accounting standards or are the accounting standards applicable to listed entities different from non-listed entities?	1 ☉ The accounting standards for listed entities and non-listed entities are the same set of standards	<p>In India, the listed entities, large-sized entities and other publicly accountable entities are required to apply the same set of accounting standards. The Small and Medium-sized Entities (SMEs) have been provided various exemptions/relaxations from the Accounting Standards. A note explaining the criteria for identification of SMEs and detailing exemptions/relaxations provided to SMEs in India is as follows :-</p> <p style="text-align: center;">APPLICABILITY OF ACCOUNTING STANDARDS FOR SMEs</p> <p>In Indian context, the Institute of Chartered Accountants of India (ICAI) has been issuing Accounting Standards to be followed by various enterprises. Till date, the ICAI has issued 29 Accounting Standards, out of which one standard, viz., AS</p>

Number	Question Title/Text/Help text	Answer	Comments
			<p>8, Accounting for Research and Development, has been withdrawn pursuant to AS 26, Intangible Assets, becoming mandatory. The Accounting Standards issued by the ICAI are based on the International Accounting Standards (IASs)/ International Financial Reporting Standards (IFRSs).</p> <p>With a view to address the issues of Applicability of Accounting Standards to Small and Medium Sized Enterprises (SMEs), the ICAI has decided to provide certain exemptions/ relaxations to SMEs. The following is the scheme of applicability of accounting standards to Small and Medium Sized Enterprises (SMEs).</p> <p>1. For the purpose of applicability of Accounting Standards, enterprises are classified into three categories, viz., Level I, Level II and Level III. Level</p>

Number	Question Title/Text/Help text	Answer	Comments
			<p>II and Level III enterprises are considered as SMEs. The criteria for different levels are enclosed at Annexure I.</p> <p>2. Level I enterprises are required to comply fully with all the accounting standards.</p> <p>3. Relaxations/exemptions have been provided to Level II and Level III enterprises from the accounting standards. Accordingly, Level II and Level III enterprises are fully exempted from certain accounting standards which primarily lay down disclosure requirements. In respect of certain other accounting standards, which lay down recognition, measurement and disclosure requirements, relaxations from certain specific requirements are given. The exemptions/relaxations are provided by modifying the applicability portion (and not</p>

Number	Question Title/Text/Help text	Answer	Comments
			<p>the text) of the relevant accounting standards.</p> <p>4. Exemptions/relaxations for SMEs</p> <p>(A) The following Accounting Standards are not applicable to Level II and Level III enterprises in their entirety</p> <p>(i) AS 3, Cash Flow Statements</p> <p>(ii) AS 17, Segment Reporting</p> <p>(iii) AS 18, Related Party Disclosures</p> <p>(iv) AS 24, Discontinuing Operations</p> <p>(B) Accounting Standards not applicable to Level II and Level III enterprises since the relevant Regulators require compliance with them only by certain Level I enterprises</p> <p>(i) AS 21, Consolidated Financial Statements</p> <p>(ii) AS 23, Accounting</p>

Number	Question Title/Text/Help text	Answer	Comments
			<p>for Investments in Associates in Consolidated Financial Statements</p> <p>(iii) AS 27, Financial Reporting of Interests in Joint Ventures (to the extent of requirements relating to consolidated financial statements)</p> <p>(C) Accounting Standards in respect of which certain relaxations have been given to Level II and Level III enterprises:</p> <p>(i) AS 15 (revised 2005), Employee Benefits Level II and Level III enterprises whose average number of persons employed during the year is 50 or more have been provided the following relaxations from the standard:</p> <p>(i) Such enterprises are not required to apply the requirements of the standard regarding short-term</p>

Number	Question Title/Text/Help text	Answer	Comments
			<p>compensated absences to the extent they deal with accumulating compensated absences which are non-vesting (i.e., which not encashable).</p> <p>(ii) Such enterprises are not required to discount the amounts that fall due more than 12 months after the balance sheet date.</p> <p>(iii) Accounting for defined benefit plans has been simplified on the following lines:</p> <p>(a) Such enterprises should determine and provide for accrued liability by using the Projected Unit Credit Method.</p> <p>(b) The discount rate used should be determined by reference to market yields at the balance sheet date on government bonds.</p> <p>Such enterprises should disclose actuarial assumptions as per AS 15. The other recognition, measurement, presentation</p>

Number	Question Title/Text/Help text	Answer	Comments
			<p>and disclosure requirements of AS 15 concerning defined benefit plans are not applicable to such enterprises.</p> <p>(iii) Accounting for other long-term employee benefits has been simplified on the following lines:</p> <p>(a) Such enterprises should determine and provide for accrued liability by using the Projected Unit Credit Method.</p> <p>(b) The discount rate used should be determined by reference to market yields at the balance sheet date on government bonds.</p> <p>The other recognition and measurement requirements of AS 15 concerning other long-term employee benefits are not applicable to such enterprises.</p> <p>Level II and Level III enterprises whose average number of persons employed during the year is less than 50 have been exempted totally from the application of</p>

Number	Question Title/Text/Help text	Answer	Comments
			<p>actuarial method for defined benefit plans and other long-term employee benefits as a whole. Such enterprises may calculate and account for the accrued liability by reference to some other rational method, e.g., a method based on the assumption that such benefits are payable to all employees at the end of the accounting year.</p> <p>(ii) AS 19, Leases Relaxations from certain disclosure requirements of AS 19 have been provided to Level II and Level III enterprises. For example, in the financial statements of Lessees which are SMEs, the following disclosures are not required to be made for finance leases:</p> <ul style="list-style-type: none">“ Reconciliation between the total of minimum lease payments at the balance sheet date and their present value.“ The total of minimum

Number	Question Title/Text/Help text	Answer	Comments
			<p>lease payments at the balance sheet date, and their present value, for each of the following periods:</p> <ul style="list-style-type: none"> · Not later than one year; · Later than one year and not later than five years; · Later than five years. <p>.. Total of future minimum sublease payments expected to be received under non-cancellable subleases at the balance sheet date</p> <p>.. General description of the lessee's significant leasing arrangements including, but not limited to, the following:</p> <ul style="list-style-type: none"> · The basis on which contingent rent payments are determined. · The existence and terms of renewal or purchase options and escalation clauses. · Restrictions imposed by lease arrangements, such as those concerning dividends, additional debt,

Number	Question Title/Text/Help text	Answer	Comments
			<p>and further leasing. Similar relaxations have been provided in respect of Operating Leases and to the Lessors also.</p> <p>(iii) AS 20, Earnings Per Share Disclosure of Diluted Earnings Per Share (EPS) (both including and excluding extraordinary items) is not required for Level II and Level III enterprises.</p> <p>(iii) AS 28, Impairment of Assets Level II and Level III enterprises have been given an option to measure the 'value in use' on the basis of reasonable estimate of the value of using the asset over its useful life instead of computing the value in use by the present value technique. Consequently, if an SME chooses to measure the 'value in use' by not using the present value technique, the relevant provisions of AS 28,</p>

Number	Question Title/Text/Help text	Answer	Comments
			<p>such as the discount rate etc., would not be applicable. Further, such an SME need not disclose the information regarding discount rate (s) used.</p> <p>Apart from the above, the applicability of AS 28, Impairment of Assets, has also been deferred for SMEs. For Level I Enterprises, it was applicable from 1-4-2004. For Level II enterprises, the standard is applicable from 1-4-2006 and for Level III enterprises, the applicability date is 1-4-2008</p> <p>(v) AS 29, Provisions, Contingent Liabilities and Contingent Assets</p> <p>For each class of provision, the following disclosures are not required to be made by Level II enterprises:</p> <p>(a) Description of the nature of the obligation and the expected timing of any</p>

Number	Question Title/Text/Help text	Answer	Comments
			<p>resulting outflows.</p> <p>(b) An indication of the uncertainties about those outflows.</p> <p>(c) The amount of any expected reimbursement, stating the amount of any asset that has been recognized for that expected reimbursement.</p> <p>In addition to relaxations provided to Level II enterprises, Level III enterprises are also not required to make the following disclosures for each class of provision:</p> <p>(a) The carrying amount at the beginning and end of the period.</p> <p>(b) Additional provisions made in the period, including increases to existing provisions.</p> <p>(c) Amounts used (i.e., incurred and charged against the provision) during the period.</p> <p>(d) Unused amounts reversed during the period.</p>

Number	Question Title/Text/Help text	Answer	Comments
			<p>(E) AS 25, Interim Financial Reporting, does not require any enterprise to present interim financial report. It is applicable only if an enterprise is required or elects to prepare and present an interim financial report. Since, at present, there is no requirement for SMEs to present interim financial report, AS 25 is not mandatorily applicable to Level II and Level III enterprises.</p> <p>5. An enterprise which does not disclose certain information pursuant to the above exemptions/relaxations, should disclose the fact by way of a note to its financial statements.</p> <p>6. Where an enterprise has previously qualified for any exemption/relaxation (being under Level II or</p>

Number	Question Title/Text/Help text	Answer	Comments
			<p data-bbox="1496 277 1886 671">Level III), but no longer qualifies for the relevant exemption/relaxation in the current accounting period, the relevant standards/requirements become applicable from the current period. However, the corresponding previous period figures need not be disclosed.</p> <p data-bbox="1496 719 1886 1305">7. Where an enterprise has been covered in Level I and subsequently, ceases to be so covered, the enterprise will not qualify for exemption/relaxation available to Level II enterprises, until the enterprise ceases to be covered in Level I for two consecutive years. Similar is the case in respect of an enterprise, which has been covered in Level I or Level II and subsequently, gets covered under Level III.</p> <p data-bbox="1592 1353 1839 1380" style="text-align: right;">A copy each of the</p>

Number	Question Title/Text/Help text	Answer	Comments
			<p>Announcements made by the ICAI for providing the above exemptions is enclosed herewith.</p> <p>Annexure I</p> <p>Criteria for classification of enterprises</p> <p>Level I Enterprises</p> <p>Enterprises which fall in any one or more of the following categories, at any time during the accounting period, are classified as Level I enterprises:</p> <p>(i) Enterprises whose equity or debt securities are listed whether in India or outside India.</p> <p>(ii) Enterprises which are in the process of listing their equity or debt securities as evidenced by the board of directors' resolution in this regard.</p> <p>(iii) Banks including co-</p>

Number	Question Title/Text/Help text	Answer	Comments
			<p>operative banks.</p> <p>(iv) Financial institutions.</p> <p>(v) Enterprises carrying on insurance business.</p> <p>(vi) All commercial, industrial and business reporting enterprises, whose turnover for the immediately preceding accounting period on the basis of audited financial statements exceeds Rs. 50 crore. Turnover does not include 'other income'.</p> <p>(vii) All commercial, industrial and business reporting enterprises having borrowings, including public deposits, in excess of Rs. 10 crore at any time during the accounting period.</p> <p>(viii) Holding and subsidiary enterprises of any one of the above at any time during the accounting period.</p> <p>Level II Enterprises</p> <p>Enterprises which are not Level I enterprises but fall in any one or more of the</p>

Number	Question Title/Text/Help text	Answer	Comments
			<p>following categories are classified as Level II enterprises:</p> <p>(i) All commercial, industrial and business reporting enterprises, whose turnover for the immediately preceding accounting period on the basis of audited financial statements exceeds Rs. 40 lakhs but does not exceed Rs. 50 crore. Turnover does not include 'other income'.</p> <p>(ii) All commercial, industrial and business reporting enterprises having borrowings, including public deposits, in excess of Rs. 1 crore but not in excess of Rs. 10 crore at any time during the accounting period.</p> <p>(iii) Holding and subsidiary enterprises of any one of the above at any time during the accounting period.</p> <p>Level III Enterprises</p>

Number	Question Title/Text/Help text	Answer	Comments
		2○ The accounting standards for listed entities and non-listed entities are not the same set of standards	Enterprises which are not covered under Level I and Level II are considered as Level III enterprises.
7.2.6.	<i>Responsibility for Accounting Standards</i> Who has the authority establishing the accounting standards for listed and non-listed entities?	1⊙ Our organization 2○ Another IFAC member body 3○ Joint process between our organization and another IFAC member body 4○ Another organization	
7.3.	Member Body SMO 7		
7.3.1.	<i>MB Convergence Objective SMO 7</i> Where national accounting standards are established by your organization, has convergence with IFRSs and other IASB pronouncements been established as an objective? Select all the answer options that are appropriate.	1☑ Yes, for IFRSs 2☑ Yes, for other IASB pronouncements 3☐ No, convergence has not been	

Number	Question Title/Text/Help text	Answer	Comments
			established as an objective
7.3.3.	<i>MB Convergence Implemented SMO 7</i> Has the convergence objective been implemented? Select all the answer options that are appropriate.	<p>1 <input checked="" type="checkbox"/> Yes, for IFRSs</p> <p>2 <input checked="" type="checkbox"/> Yes, for other IASB pronouncements</p> <p>3 <input type="checkbox"/> No, the convergence objective has not been implemented</p>	
7.6.	Incorporation of Accounting Standards		
7.6.1.	<i>Incorporation Approach SMO 7</i> Where your response indicates that convergence with IFRSs and other IASB pronouncements has been implemented, which of the following best describes the approach is used to incorporate IFRSs and other IASB pronouncements into national standards? Select the answer option that is most appropriate.	<p>1 <input type="radio"/> IFRSs are adopted as drafted without amendments except to rename the IFRS as a national standard and / or to translate it into another language</p>	<p>In India, the Accounting Standards are formulated and issued by the Institute of Chartered Accountants of India. While formulating the Accounting Standards, the endeavour of the ICAI has always been to converge with IFRSs, issued by the International Accounting Standards Board (IASB), to the maximum extent. The changes are made only in those cases where these are absolutely necessary considering:</p> <p>(a) Legal and regulatory environment prevailing in the</p>

Number	Question Title/Text/Help text	Answer	Comments
	<p>Help text: Answer Option 1 and reference to "adopted without amendment" Select this option where IFRSs are adopted as drafted except for changes to: Rename the IFRS to a national standard name; Translate the IFRS into another language; Apply an effective date that differs from the IFRS.</p> <p>Answer Option 2 and 3 - "Differences" In responding to this question, "differences" may include: Requirements in addition to those specified in the IFRS; Deletion of main principle and / or related guidance specified in the IFRS;</p>	<p>2⊙ IFRSs are adopted as national standards and amended as necessary to address differences due to conflicts with legal or regulatory requirements</p>	<p>country; (b) With a view to remove alternatives permitted in certain IFRSs so as to ensure comparable financial information in the country. (c) Economic environment within the country (d) Level of preparedness of industry.</p>

Number	Question Title/Text/Help text	Answer	Comments
	Modification of a requirement specified in the IFRS (e.g. an IFRS requirement was not deleted in full because a similar requirement was included).	<p>3○ Existing national standards are compared with IFRSs to eliminate to the extent possible differences between the national standard and the IFRS</p> <p>4○ Other</p>	
7.6.3.	Adoption with Amendments SMO 7		
7.6.3.1.	<i>IASB Pronouncements with Amendments</i> Which of the following IASB pronouncements have been adopted or incorporated? Select all the answer options that are appropriate.	<p>1☑ International Financial Reporting Standards (including International Accounting Standards)</p> <p>2☑ IFRIC Interpretations</p> <p>3☑ SIC Interpretations</p> <p>4☑ Framework for the Preparation and Presentation of the Financial Statements</p>	
7.6.3.2.	<i>IASB Related Documentation and Amendments</i> IASB requires the standards to be read in the context of related documentation including: Bases for Conclusions, Implementation Guidance, Application Guidance, Appendices and Illustrative Examples. Have the related documentation issued by IASB	1○ Yes, for all related documentation	With a view to provide immediate guidance on new/emerging accounting issues arising from changes in legal or economic environment and/ or other developments

Number	Question Title/Text/Help text	Answer	Comments
	been adopted? Select the answer option that is most appropriate.		<p>and to provide guidance on application of accounting standards in specific situations, the Institute of Chartered Accountants of India has been issuing Guidance Notes on accounting aspects. The Guidance Notes are recommendatory in nature. A list of the Guidance Notes on accounting aspects, issued by the Institute, till date, is:-</p> <p>Guidance Notes on accounting aspects</p> <ol style="list-style-type: none">1. Mode of Valuation of Fixed Assets2. Guarantees & Counter-Guarantees Given by Companies3. Guidance Note on Treatment of Reserves Created on Revaluation of Fixed Assets4. Guidance Note on Accounting for Changing Prices5. Guidance Note on Terms Used in Financial

Number	Question Title/Text/Help text	Answer	Comments
			Statements 6. Guidance Note on Accrual Basis of Accounting 7. Guidance Note on Accounting for Depreciation in Companies 8. Guidance Note on Some Important Issues Arising from the Amendments in Schedule XIV to the Companies Act, 1956 9. Guidance Note on Availability of Revaluation Reserve for Issue of Bonus Shares 10. Guidance Note on Accounting for Leases 11. Guidance Note on Accounting for Corporate Dividend Tax 12. Guidance Note on Accounting Treatment for Excise Duty 13. Guidance Note on Accounting for Investments in the Financial Statements of Mutual Funds 14. Guidance Note on Accounting by Dot-Com

Number	Question Title/Text/Help text	Answer	Comments
			Companies 15. Guidance Note on Accounting for Oil and Gas Producing Activities 16. Guidance Note on Accounting for Securitisation 17. Guidance Note on Accounting for Equity Index and Equity Stock Futures and Options 18. Guidance Note on Accounting for Employee Share-based Payments 19. Guidance Note on Accounting for State-level Value Added Tax 20. Guidance Note on Accounting for Fringe Benefits Tax 21. Guidance Note on Accounting by Schools 22. Guidance Note on Accounting for Credit available in respect of Minimum Alternative Tax under the Income-tax Act, 1961 23. Guidance Note on Accounting for MODVAT/ CENVAT

Number	Question Title/Text/Help text	Answer	Comments
		<p><input type="radio"/> Yes, for some related documentation (describe what types of related documentation have been adopted)</p> <p><input type="radio"/> No</p>	<p>24. Guidance Note on treatment of Expenditure during Construction Period</p> <p>25. Guidance Note on Recognition of Revenue by Real Estate Developers</p>
7.6.3.3.	<p><i>Name of Standards - Amendments SMO 7</i> When the IFRSs and/or other IASB pronouncements are adopted, does your organization rename the standards or do the standards retain their names as issued by the IASB? Select all the answer options that are appropriate.</p>	<p><input type="radio"/> IFRSs are adopted as named by the IASB</p> <p><input checked="" type="radio"/> IFRSs are renamed</p>	
7.6.3.4.	<p><i>State National Standards Name - Amendments SMO 7</i> State the name of the national accounting standards.</p>	<p>Accounting Standards and other authoritative pronouncements</p> <p>I. Accounting Standards</p> <p>1. AS 1 Disclosure of Accounting Policies</p> <p>2. AS 2 Valuation of</p>	

Number	Question Title/Text/Help text	Answer	Comments
		Inventories	
		3. AS 3 Cash Flow	
		Statements	
		4. AS 4 Contingencies and Events Occurring after the Balance Sheet Date	
		5. AS 5 Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies	
		6. AS 6 Depreciation Accounting	
		7. AS 7 Construction Contracts	
		8. AS 9 Revenue Recognition	
		9. AS 10 Accounting for Fixed Assets	
		10. AS 11 The Effects of Changes in Foreign Exchange Rates	
		11. AS 12 Accounting for Government Grants	
		12. AS 13 Accounting for Investments	
		13. AS 14 Accounting for Amalgamations	
		14. AS 15 Employee Benefits	
		15. AS 16 Borrowing Costs	
		16. AS 17 Segment Reporting	

Number	Question Title/Text/Help text	Answer	Comments
		17. AS 18 Related Party Disclosures 18. AS 19 Leases 19. AS 20 Earnings Per Share 20. AS 21 Consolidated Financial Statements 21. AS 22 Accounting for Taxes on Income 22. AS 23 Accounting for Investments in Associates in Consolidated Financial Statements 23. AS 24 Discontinuing Operations 24. AS 25 Interim Financial Reporting 25. AS 26 Intangible Assets 26. AS 27 Financial Reporting of Interests in Joint Ventures 27. AS 28 Impairment of Assets 28. AS 29 Provisions, Contingent Liabilities and Contingent Assets	
		Listed entities, large-sized entities and other publicly accountable entities are required to apply all the above accounting standards in totality. The Small and Medium-sized Entities (SMEs) have been	

Number	Question Title/Text/Help text	Answer	Comments
		<p>provided various exemptions/ relaxations from the Accounting Standards. For the criteria for identification of SMEs and detailing regarding exemptions/ relaxations provided to SMEs in India, reference should be made to Annexure A.</p> <p>II. Other Authoritative Pronouncements</p> <p>1. Guidance Notes on accounting aspects issued by the ICAI For the names of the Guidance Notes, reference should be made to the Annexure C.</p> <p>For listed entities</p> <p>2. Securities and Exchange Board of India (SEBI): SEBI, being the regulator of listed entities, has prescribed certain accounting requirements applicable to the listed entities, e.g., it has prescribed the format for preparation and presentation of quarterly and half yearly financial results of listed companies. SEBI</p>	

Number	Question Title/Text/Help text	Answer	Comments
		<p>has also issued certain regulations dealing with certain specific aspects. Some of these regulations also contain the accounting requirements, e.g., the following:</p> <ul style="list-style-type: none">(i) Securities and Exchange Board of India (Mutual Funds) Regulation, 1996(ii) SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 <p>For companies</p> <p>3. Companies Act, 1956: The Companies Act, 1956, is applicable to all companies, including listed and non-listed. Apart from requiring compliance with the Accounting Standards, the Act lays down various requirements, e.g.</p> <ul style="list-style-type: none">(i) The Act, in one of the Schedules, prescribes a detailed format of financial statements applicable to the companies.(ii) The Act, in one of the Schedules, prescribes the rates of depreciation on the various assets specified in the Schedule. The rates	

Number	Question Title/Text/Help text	Answer	Comments
		<p>prescribed under the Act are considered to be minimum rates of depreciation.</p> <p>For banks</p> <p>4. The law governing the banks, in one of the Schedules, prescribes a format for the financial statements of banks. Apart from this, the Reserve Bank of India (RBI), being regulator and some other categories of financial entities, has issued certain circulars which prescribes accounting treatment to be followed by banks. An illustrative list of such circulars is given below:</p> <p>(i) Guidelines for uniform accounting for Repo/Reverse Repo transactions</p> <p>(ii) Guidelines on Exchange Traded Interest Rate Derivatives (Applicable to All Scheduled Commercial Banks and specified All India Financial Institutions) (Dated June 3, 2003)</p> <p>(iii) Guidelines on Exchange Traded Interest Rate Derivatives (Applicable to All Primary Dealers) (Dated June 3, 2003)</p>	

Number	Question Title/Text/Help text	Answer	Comments
		(iv) Guidelines on Exchange Traded Interest Rate Derivatives (Applicable to All Primary Dealers) (Dated June 11, 2003) (v) Accounting treatment of legal expenses incurred by banks in suit filed accounts For Insurance Entities 5. Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2000 The above Regulations, inter alia, lay down the format of financial statements applicable for insurance entities and the treatment of certain specific items.	
7.6.3.5.	<i>Adopted with Amendments SMO 7</i> Is information publicly available describing: IFRSs and other IASB pronouncements have been adopted; Whether the adopted IFRS or IASB pronouncement is the version in effect as at September 30, 2005; The effective date set by your organization where it differs from the IFRS or IASB pronouncement;	1 <input checked="" type="radio"/> Yes	

Number	Question Title/Text/Help text	Answer	Comments
	The differences between the IFRS or IASB pronouncement and what was adopted; The reasons for the differences.	2○ No	
7.6.3.6.	<p><i>Submit Information - Amendments SMO 7</i></p> <p>If the standard-setter has issued information about the status of adopted IFRSs and other IASB pronouncements and it is available in English, indicate this in your response and submit a copy of the information to Compliance Staff.</p> <p>If this information is not available, complete the SMO 7: Comparison with IASB Pronouncements report and submit it in Word format to Compliance Staff.</p> <p>Indicate whether your organization will be submitting available information or the "SMO 7: Comparison with IASB Pronouncements" report.</p> <p>Help text:</p>	<p>1⊙ The information is available and in English and will be submitted to Compliance Staff</p> <p>2○ The "SMO 7: Comparison with IASB Pronouncements" report will be completed and submitted to Compliance Staff</p>	
7.10.	Translation SMO 7		
7.10.1.	<i>Translation of IFRSs</i>		

Number	Question Title/Text/Help text	Answer	Comments
	Are the IFRSs and other IASB pronouncements translated into national language?	<p>1 <input checked="" type="radio"/> No, as English is an official language or widely spoken language</p> <p>2 <input type="radio"/> Yes, the IFRSs are translated</p> <p>3 <input type="radio"/> No and English is not an official language or is not widely spoken</p>	
7.11.	<p><i>Promotion Activities SMO 7</i></p> <p>Please describe the activities your organization undertakes to promote and assist in the implementation of IFRSs and other IASB pronouncements and activities.</p>	<p>In India, the Accounting Standards are formulated and issued by the Institute of Chartered Accountants of India. While formulating the Accounting Standards, the endeavour of the ICAI has always been to converge with IFRSs, issued by the International Accounting Standards Board (IASB), to the maximum extent. The changes are made only in those cases where these are absolutely necessary considering:</p> <p>(a) Legal and regulatory environment prevailing in the country;</p> <p>(b) With a view to remove alternatives permitted in certain IFRSs so as to ensure comparable financial information in the country.</p> <p>(c) Economic environment</p>	

Number	Question Title/Text/Help text	Answer	Comments
		<p>within the country</p> <p>(d) Level of preparedness of industry.</p> <p>As mentioned earlier, the Accounting Standards are required to be followed by the various entities under the respective legal/regulatory requirements. The ICAI is, inter alia, taking the following steps towards promulgation and/ or implementation of the standards:</p> <p>(i) Accounting Standards are formulated by the ICAI, by following a consultative process which ensures participation of all interest groups.</p> <p>(ii) Press Releases are given in the various Newspapers.</p> <p>(iii) The complete text of each Accounting Standard is published in the Journal of the Institute as soon as it is issued.</p> <p>(iv) All Accounting Standards are available on the Website of the Institute and can be downloaded free of cost.</p> <p>(v) Organisation of seminars/workshops on Accounting Standards in various parts of the</p>	

Number	Question Title/Text/Help text	Answer	Comments
		<p>country.</p> <p>(vi) ICAI has constituted a separate Committee which addresses various entity-specific issues that may arise in the application of Accounting Standards.</p> <p>(vii) With a view to recognise and encourage excellence in financial reporting, the ICAI has been organising a competition for the 'ICAI Awards for Excellence in Financial Reporting'. In deciding awardees under the Competition, a special attention is given to the implementation of accounting standards in an entity.</p> <p>(viii) The ICAI has constituted the Financial Reporting Review Board (FRRB). The FRRB reviews general purpose financial statements of certain selected enterprises with a view to determine compliance, inter alia, with the accounting standards.</p> <p>(ix) The ICAI has constituted the Peer Review Board (PRB). The PRB calls for information from practice units to ensure that these units, while carrying out their</p>	

Number	Question Title/Text/Help text	Answer	Comments
		professional attestation services assignments, comply with the technical standards which include examining whether the mandatory Accounting Standards have been complied with in the presentation of financial statements covered by their audit.	
8.	Certification of Chief Executive		
8.1.	<i>Complete Certification</i> Once all required questions have been completed, the Certification of Chief Executive should be signed and submitted to Compliance Staff. Click here to download a copy of the Certification form.	1 <input checked="" type="checkbox"/> Yes, the Certification of Chief Executive has been submitted 2 <input type="checkbox"/>	

Annexure A

**Comparative Position of International Engagement Standards, issued by the International Federation of Accountants *vis. a vis.* Auditing and Assurance Standards (AASs) and Guidance Notes, issued by ICAI
(As on November 14, 2006)**

Standards on Quality control				
Sl. No	ISQC No.	Title of the ISQC	AAS No.	Title of the AAS*
01.	1	Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements		<i>The Board has issued the Exposure Draft of the Proposed SQC 1.</i>
Standards on Auditing				
	ISA No.	Title of the ISA	AAS No.	AAS*/ Guidance Note
02.	200	Objective and General Principles Governing an Audit of Financial Statements	01	Basic Principles Governing an Audit
			02	Objective and Scope of Audit of Financial Statements.
03.	210	Terms of Audit Engagements	26	Terms of Audit Engagements
04.	220	Quality Control for Audits of Historical Financial Information	17	Quality Control for Audit Work
05.	230	Documentation	03	Documentation
	230R	Audit Documentation		<i>(Revised AAS 3 is under consideration of the AASB)</i>
06.	240	The Auditor's Responsibility to	04	The Auditor's Responsibility to

		Consider Fraud and Error in an Audit of Financial Statements		Consider Fraud and Error in an Audit of Financial Statements
07.	250	Consideration of Laws and Regulations in an Audit of Financial Statements	21	Consideration of Laws and Regulations in an Audit of Financial Statements
08.	260	Communications of Audit Matters with Those Charged with Governance	27	Communications of Audit Matters with Those Charged with Governance
09.	300	Planning an Audit of Financial Statements	08	Audit Planning
	310	Knowledge of the Business <i>(withdrawn pursuant to issuance of ISA 315 and 330)</i>	20	Knowledge of the Business
10.	315	Understanding the Entity and Its Environment and Assessing the Risks of Material Misstatement		<i>The Exposure Draft of the proposed AAS is under reconsideration of the Board</i>
11.	320	Audit Materiality	13	Audit Materiality
12.	330	The Auditor's Procedures In Response to Assessed Risks		<i>The Exposure Draft of the proposed AAS is under reconsideration of the Board</i>
	400	Risk Assessments and Internal Control <i>(withdrawn pursuant to issuance of ISA 315 and 330)</i>	06	Risk Assessments and Internal Control
	401	Auditing in a Computer Information Systems Environment <i>(withdrawn pursuant to issuance of ISA 315 and 330)</i>	29	Auditing in a Computer Information Systems Environment.
13.	402	Audit Considerations Relating to Entities Using Service Organizations	24	Audit Considerations Relating to Entities Using Service Organisations
14.	500	Audit Evidence	05	Audit Evidence
15.	501	Audit Evidence – Additional Considerations for Specific Items	34	Audit Evidence – Additional Considerations for Specific Items

16.	505	External Confirmations	30	External Confirmations
17.	510	Initial Engagements- Opening Balances	22	Initial Engagements- Opening Balances
18.	520	Analytical Procedures	14	Analytical Procedures
19.	530	Audit Sampling and Other Means of Testing	15	Audit Sampling
20.	540	Audit of Accounting Estimates	18	Audit of Accounting Estimates
21.	545	Auditing Fair Value Measurements and Disclosures		<i>The Board had earlier decided to keep this project in abeyance till the time an Accounting Standard on Fair Value Measurement and Disclosures is issued by the Institute. The Board is likely to reconsider the need to issue the AAS corresponding to ISA 545 shortly.</i>
22.	550	Related Parties	23	Related Parties
23.	560	Subsequent Events	19	Subsequent Events <i>The Board has already undertaken the revision of AAS 19</i>
24.	570	Going Concern	16	Going Concern
25.	580	Management Representations	11	Representations by Management
26.	600	Using the Work of Another Auditor	10	Using the Work of Another Auditor
27.	610	Considering the Work of Internal Audit	07	Relying Upon the Work of Internal Auditor
28.	620	Using the Work of an Expert	09	Using the Work of an Expert
29.	700	The Auditor's Report on Financial Statements	28	The Auditor's Report on Financial Statements
	700R	The Independent Auditor's Report on a Complete Set of General Purpose Financial Statements		<i>The Board has already undertaken the revision of AAS 28.</i>

30.	701	Modifications to the Independent Auditor's Report		<i>The Board has already undertaken the revision of AAS 28.</i>
31.	710	Comparatives	25	Comparatives
32.	720	Other Information in Documents Containing Audited Financial Statements		<i>The Council of the Institute has decided to keep preparation of an AAS on this subject under abeyance.</i>
33.	800	The Auditor's Report on Special Purpose Audit Engagements		Guidance Note on Audit Reports and Certificates for Special Purposes <i>The Board has already undertaken a project to prepare an AAS corresponding to ISA 800.</i>
Standards on Review Engagements				
	ISRE No.	Title of the ISRE	AAS No.	Title of the AAS*
34.	2400	Engagements to Review Financial Statements	33	Engagements to Review Financial Statements
35.	2410	Review of Interim Financial Information Performed by the Independent Auditor of the Entity		<i>The Board has already undertaken a project to prepare an AAS corresponding to ISRE 2410.</i>
Standards on Assurance Engagements				
	ISAE No.	Title of the ISAE	AAS No.	Title of the AAS*
36.	3000	Assurance Engagements Other than Audits or Reviews of Historical Financial Information		<i>The Board has already undertaken a project to prepare an AAS corresponding to ISAE 3000.</i>
37.	3400	The Examination of Prospective Financial Information	35	The Examination of Prospective Financial Information

Standards on Related Services Engagements				
	ISRS No.	Title of the ISRS	AAS No.	Title of the AAS*
38.	4400	Engagements to Perform Agreed-upon Procedures Regarding Financial Information	32	Engagements to Perform Agreed-upon Procedures Regarding Financial Information
39.	930	Engagements to Compile Financial Information (Now ISRS ^o 4410)	31	Engagements to Compile Financial Information

* The Board has also undertaken a project of reviewing all the Auditing and Assurance Standards issued by the Institute in the light of the Policy Position issued by the IAASB in July 2006 regarding the extent of modifications that a National Standard Setter may make to International Standards to keep the National Standards in conformity with International Standards.

COMPARATIVE STUDY OF IFAC CODE OF ETHICS FOR PROFESSIONAL ACCOUNTANTS AND THE CODE OF ETHICS ADOPTED BY INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA (ICAI)

The Code of Ethics of the ICAI is following rule-based approach and the IFAC Code of Ethics has adopted principle-based approach.

The Chartered Accountants Act, 1949 has been enacted by the Parliament of India for the regulation of the profession of Chartered Accountants and for the purpose of carrying out the object of the Chartered Accountants Act, 1949, the Chartered Accountants Regulations, 1988 have been enacted.

The Chartered Accountants Act, 1949 has two schedules i.e. First Schedule & Second Schedule.

The First Schedule has three parts:

Part I – Professional misconduct in relation to Chartered Accountants in Practice.

Part II – Professional misconduct in relation to Members of the Institute in Service.

Part III – Professional misconduct in relation to Members of the Institute generally.

The Second Schedule has two parts:

Part I – Professional misconduct in relation to Chartered Accountants in practice requiring action by a High Court.

Part II – Professional misconduct in relation to Members of the Institute generally requiring action by a High Court.

Section 22 of the Chartered Accountants Act, 1949 defines professional misconduct. Acts or omissions which comprise professional misconduct within the meaning of Section 22 of the Chartered Accountants Act, 1949 are defined in these two schedules.

These two schedules alongwith the decisions of the Courts on professional misconducts, decisions, directions, guidelines, clarifications as well as interpretations of the Council on the various clauses of these two schedules constitute the Code of Ethics for the accountancy profession.

A. PRINCIPLES, CONCEPTS, AND GUIDANCE IN THE IFAC CODE THAT ARE NOT ADDRESSED IN THE NATIONAL ETHICAL REQUIREMENTS

1) Rotation of Auditors

While IFAC Code of Ethics contains specific provisions for rotation of auditors to tackle various situations of conflict of interest. **(Pages 56 and 57 of IFAC Code of Ethics)** There is no such provision in the ICAI Code of Ethics. However, at ICAI the matter is under consideration at appropriate level.

2) Potential Employment with a client

There is a provision in respect to safeguard to the independence of an auditor under IFAC Code of Ethics (**Page 53-54 of IFAC Code of Ethics**). There is no such provision in the ICAI Code of Ethics. However, under ICAI Code of Ethics it is provided that "Public conscience is expected to be ahead of the law. Members, therefore, are expected to interpret the requirement as regards independence much more strictly than what the law requires and should not place themselves in positions which would either compromise or jeopardize their independence". (**Page 197 of ICAI Code of Ethics**).

3) Gift and hospitality

There is a provision in IFAC Code of Ethics to take care of the threat by way of Gifts & Hospitality. (**Page 71 of IFAC Code of Ethics**). There is no such provision in the ICAI Code of Ethics. However, under ICAI Code of Ethics it is provided that "Public conscience is expected to be ahead of the law. Members, therefore, are expected to interpret the requirement as regards independence much more strictly than what the law requires and should not place themselves in positions which would either compromise or jeopardize their independence". (**Page 197 of ICAI Code of Ethics**) Therefore members as such cannot accept Gifts and hospitality which would cause threat to their independence.

B. PRINCIPLES, CONCEPTS, AND GUIDANCE IN THE IFAC CODE THAT ARE NOT EQUIVALENT TO THE NATIONAL ETHICAL REQUIREMENTS;

1) Writing Books of Accounts for clients

The ICAI has prohibited the members in practice to write the books of accounts of their auditee clients. (**Page 200 of ICAI Code of Ethics**). However, the IFAC Code of Ethics contains situations where a member may provide book-keeping services. (**Page 60-62 of IFAC Code of Ethics**)

2) Internal Audit

Further a statutory auditor of a company cannot also be its internal auditor. (**Pages 200-201 of ICAI Code of Ethics**). However, the IFAC Code of Ethics contains situations where a member may provide internal audit services. (**Pages 64-65 of IFAC Code of Ethics**)

3) Network

The IFAC Code of Ethics provides for network firm. (**Page 94 of IFAC Code of Ethics**) However, the ICAI has framed detailed rules for the network amongst the firms registered with ICAI and also for the firms registered with the ICAI and having network with entities outside India. (**Page 94 of ICAI Code of Ethics**)

4) Contingent Fees

The provisions for contingent fees on non-audit services as contained under the IFAC Code of Ethics are elaborative. However, the provisions in the ICAI Code of Ethics are restrictive. ICAI has taken up the matter of allowing members to charge contingent fees on Management Consultancy and Other Services and the same is under consideration at appropriate level. (**Pages 70-71 of IFAC Code of Ethics**).

5) Custody of client assets

ICAI Code of Ethics talks about only client's moneys and is silent on other assets belonging to the client (**Pages 241-242 of ICAI Code of Ethics**), whereas, the IFAC Code of Ethics contains the provisions for the other assets of the client. (**Pages 31 of IFAC Code of Ethics**).

C. PRINCIPLES, CONCEPTS, RULES, REGULATIONS, LAWS, OR OTHER MANDATORY ETHICAL REQUIREMENTS IN NATIONAL ETHICAL REQUIREMENTS THAT ARE NOT ADDRESSED IN THE IFAC CODE.

1) Definition of Management Consultancy and other services

In pursuance to Section 2(2)(iv) of Chartered Accountants Act, 1949, the Council of ICAI is empowered to include emerging opportunities of the profession within the said definition. The Council may add any number of services which according to them a member in practice can adopt. However, in IFAC Code of Ethics, there is no such provision. (**Pages 8-10 of ICAI Code of Ethics**)

2) Self Regulatory measures

The Council of the ICAI has decided upon certain self-regulatory measures in order to ensure a healthy growth of profession and an equitable flow of professional work among the members. These measures are reviewed from time to time and are published in the monthly journal of the ICAI for observance by the members. The self-regulatory measures are recommendatory. However, considering the spirit underlying these measures, the Council expects that each and every member will effectively implement them. The Council earnestly believes that implementation of these measures would go a long way in ensuring equitable flow of work among the members and would also further enhance the prestige of the profession in the society. (**Pages 268-270 of ICAI Code of Ethics**). However, there is no corresponding provision in the IFAC Code of Ethics.

The more important of these recommendations under ICAI Code of Ethics are as under:

(i) Branch audit:

The branch audit of a company should not be conducted by its statutory auditors consisting of ten or more members but should be conducted by the local firms of auditors consisting of less than ten members subject to exception.

(ii) Joint audit:

In the case of large Companies, the practice of associating a practicing firm with less than five members as joint auditors should be encouraged. Where a client desires to appoint such a firm as joint auditor, the senior firm should not object to the same.

(iii) Ratio Between Qualified and Unqualified Staff

A practicing firm of Chartered Accountants engaged in audit work should have at least one member for every five non-qualified members of the staff, excluding articled and audit clerks, typists, peons and other persons not engaged directly in such professional work.

(iv) Disclosure of Interest by Auditors in other Firms

A good and healthy practice, auditors should make a disclosure of the payments received by them for other services through the medium of different firm or firms in which the said auditor may be either a partner or proprietor.

(v) Ceiling on the Fees

To ensure that the professional independence of a member in full- time or part-time practice does not appear to be jeopardized he should, as far as possible, take care to see that the professional fees for audit and other services received by the firm in which he is a partner, by him and his partners individually and by firm or firms in which he or his partner are partners from one or more clients or Companies under the same management does not exceed 40% of the gross annual fees of the firm, firms and partners referred to above. Companies under the same management here would refer to the definition of this expression as provided under Section 370(1-B) of the Companies Act, 1956.

(vi) Recommended scale of fees chargeable for the work done by the members of the ICAI.

ICAI recommends from time to time scale of fees chargeable for the work done by the members of the ICAI. No provision in IFAC Code of Ethics.

3) Ceiling of Statutory Audit Assignments

ICAI has prescribed the number of audit assignments of companies that a member can accept. **(Pages 261-263 of ICAI Code of Ethics)**. However, there is no corresponding provision in the IFAC Code of Ethics.

4) Ceiling of Tax Audit Assignments

ICAI has also prescribed the number of tax audit assignments that a member can accept. **(Pages 257-259 of ICAI Code of Ethics)**. However, there is no corresponding provision in the IFAC Code of Ethics.

5) Responding to tenders, advertisements and circulars

ICAI has prescribed guidelines for the members for responding to tenders, advertisements and circulars. **(Pages 74-76 of ICAI Code of Ethics)**. However, there is no corresponding provision in the IFAC Code of Ethics.

6) Application for empanelment for allotment of audit and other professional work

ICAI has prescribed guidelines for application for empanelment for allotment of audit and other professional work. **(Pages 72-73 of ICAI Code of Ethics)**. However, there is no corresponding provision in the IFAC Code of Ethics.

7) Website Guidelines.

ICAI has prescribed guidelines for website of the members. **(Pages 77-82 of ICAI Code of Ethics)**. However, there is no corresponding provision in the IFAC Code of Ethics.

Accounting Standards

Comparative Statement of Indian Accounting Standards and International Accounting Standards/International Financial Reporting Standards (As on October 25, 2005)

I. Indian Accounting Standards already issued by the Institute of Chartered Accountants of India (ICAI) corresponding to the International Accounting Standards/International Financial Reporting Standards

Sl.No	International Accounting Standards (IASs)/International Financial Reporting Standards (IFRSs) ¹		Indian Accounting Standards (ASs)	
	IAS/ IFRS No.	Title of the Standard	AS No.	Title of the Standard
1.	IAS 1	Presentation of Financial Statements	AS 1	Disclosure of Accounting Policies
2.	IAS 2	Inventories	AS 2	Valuation of Inventories
3.		Corresponding IAS has been withdrawn since the matter is now covered by IAS 16 and IAS 38	AS 6	Depreciation Accounting
4.	IAS 7	Cash Flow Statements	AS 3	Cash Flow Statements
5.	IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors	AS 5	Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies
6.	IAS 10	Events After the Balance Sheet Date	AS 4	Contingencies and Events Occurring after the Balance Sheet Date
7.	IAS 11	Construction Contracts	AS 7	Construction Contracts
8.	IAS 12	Income Taxes	AS 22	Accounting for Taxes on Income
9.	IAS 14	Segment Reporting	AS 17	Segment Reporting
10.	IAS 16	Property, Plant and Equipment	AS 10	Accounting for Fixed Assets
11.	IAS 17	Leases	AS 19	Leases
12.	IAS 18	Revenue	AS 9	Revenue Recognition

13.	IAS 19	Employee Benefits	AS 15	Accounting for Retirement Benefits in the Financial Statements of Employers (recently revised and titled as 'Employee Benefits')
14.	IAS 20	Accounting for Government Grants and Disclosure of Government Assistance	AS 12	Accounting for Government Grants
15.	IAS 21	The Effects of Changes in Foreign Exchange Rates	AS 11	The Effects of Changes in Foreign Exchange Rates
16.	IAS 23	Borrowing Costs	AS 16	Borrowing Costs
17.	IAS 24	Related Party Disclosures	AS 18	Related Party Disclosures
18.	IAS 27	Consolidated and Separate Financial Statements	AS 21	Consolidated Financial Statements
19.	IAS 28	Investments in Associates	AS 23	Accounting for Investments in Associates in Consolidated Financial Statements
20.	IAS 31	Interests in Joint Ventures	AS 27	Financial Reporting of Interests in Joint Ventures
21.	IAS 33	Earnings Per Share	AS 20	Earnings Per Share
22.	IAS 34	Interim Financial Reporting	AS 25	Interim Financial Reporting
23.	IAS 36	Impairment of Assets	AS 28	Impairment of Assets
24.	IAS 37	Provisions, Contingent Liabilities and Contingent Assets	AS 29	Provisions, Contingent Liabilities and Contingent Assets
25.	IAS 38	Intangible Assets	AS 26	Intangible Assets
26.		Corresponding IAS has been withdrawn since the matter is now covered by IAS 32, 39 and 40	AS 13	Accounting for Investments
27.	IAS 40	Investment Property	-	Dealt with by Accounting Standard 13
28.	IFRS 3	Business Combinations	AS 14	Accounting for Amalgamations
29.	IFRS 5	Non-current Assets Held for Sale and Discontinued Operations	AS 24	Discontinuing Operations ² Further, As 10 deals with accounting for fixed assets retired from

active use.

II. International Accounting Standard/International Financial Reporting Standard not considered relevant for issuance of either Accounting Standards or the Guidance Notes by the ICAI for the reasons indicated.

Sl.No.	International Financial Reporting Standard		
	IAS/ IFRS No.	Title of the Standard	Reasons
1.	IAS 29	Financial Reporting in Hyper-inflationary Economies	The Institute notes that the hyper-inflationary conditions do not prevail in India. Accordingly, the subject is not considered relevant in the Indian context.
2.	IFRS1	First-time Adoption of International Financial Reporting Standards	In India, Indian ASs are being adopted since last many years and IFRSs are not being adopted for the first time. Therefore, the IFRS 1 is not relevant to India at present.

III. Accounting Standards presently under preparation corresponding to the International Accounting Standards/International Financial Reporting Standards

Sl.No	International Financial Reporting Standards		
	IAS/ IFRS No.	Title of the Standard	Status
1.	IAS 26	Accounting and Reporting by Retirement Benefit Plans	Under Preparation
2.	IAS 32	Financial Instruments: Disclosure and Presentation	Under Preparation
3.	IAS 39	Financial Instruments: Recognition and Measurement*	Under Preparation
4.	IAS 41	Agriculture	Under preparation

5.	IFRS	Share-based Payment	Under preparation. At present, Employee-share based Payments, are covered by a Guidance Note issued by the Institute. Further, some other pronouncements deal with other share-based payments, e.g., AS 10, Accounting for Fixed Assets
	2		
6.	IFRS	Insurance Contracts	Under preparation
	4		
7.	IFRS	Financial Instruments : Disclosure	Under Preparation.
	7		

RECONCILIATION OF INDIAN ACCOUNTING STANDARDS WITH THE INTERNATIONAL ACCOUNTING STANDARDS/INTERNATIONAL FINANCIAL REPORTING STANDARDS (As on October 25, 2005)

A) International Financial Reporting Standards issued by the International Accounting Standards Board		
Number of International Accounting Standards (IASs) issued by the International Accounting Standards Committee (IASC) (now International Accounting Standards Board)		41
Number of International Financial Reporting Standards issued by IASB		7
Less: Number of IASs since withdrawn		(11)
Add: IAS 4 which has been withdrawn, however, included here for reconciliation purposes because corresponding Accounting Standards of the ICAI (i.e. AS 6) is still in force		1
		38
B) Accounting Standards (ASs) and other documents issued by the Institute of Chartered Accountants of India		
1. Number of Indian Accounting Standards issued (except AS 8 which is withdrawn pursuant to AS 26 becoming mandatory)		28
2. IAS/IFRS not relevant in the Indian context		2
3. Guidance Note issued by the ICAI ³		1
4. Number of Accounting Standards under preparation		7
		38

¹It may be noted that International Accounting Standards nos. 3, 4, 5, 6, 9, 13, 15, 22, 25, 30 and 35 have already been

withdrawn by the International Accounting Standards Board (IASB).

²IASB recently issued IFRS 5 and withdrew IAS 35, Discontinuing Operations, on which AS 24 is based. An Indian Accounting Standard corresponding to IFRS 5 is under preparation. After the issuance of this Indian AS, AS 24 is proposed to be withdrawn.

*Pending the issuance of a comprehensive Accounting Standard on Financial Instruments, the following pronouncements deal with the accounting for certain types of financial instruments: (1) AS 13, Accounting for Investments (2) Guidance Note on Equity Index and Equity Stock Futures and Options (3) Guidance Note on Investments by Mutual Funds. (4) Guidance Note on Securitisation

³Corresponding to IFRS 6 (effective 2006), Exploration for and Evaluation of Mineral Resources, Guidance Note of the ICAI titled 'Accounting for Oil and Gas Producing Activities', has been issued.

**Comparative Statement of International Accounting Standards/ International Financial Reporting Standards and Indian Accounting Standards
(As on December 14, 2006)**

I. Indian Accounting Standards already issued by the Institute of Chartered Accountants of India (ICAI) corresponding to the International Accounting Standards/ International Financial Reporting Standards

S. No	International Accounting Standards (IASs) / International Financial Reporting Standards (IFRSs) ¹		Indian Accounting Standards (ASs)	
	No.	Title of the Standard	AS No.	Title of the Standard
1.	IAS 1	Presentation of Financial Statements	AS 1	Disclosure of Accounting Policies
2.	IAS 2	Inventories	AS 2	Valuation of Inventories
3.		Corresponding IAS has been withdrawn since the matter is now covered by IAS 16 and IAS 38	AS 6	Depreciation Accounting
4.	IAS 7	Cash Flow Statements	AS 3	Cash Flow Statements
5.	IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors	AS 5	Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies
6.	IAS 10	Events After the Balance Sheet Date	AS 4	Contingencies and Events Occurring after the Balance Sheet Date
7.	IAS 11	Construction Contracts	AS 7	Construction Contracts
8.	IAS 12	Income Taxes	AS 22	Accounting for Taxes on Income
9.	IAS 14	Segment Reporting	AS 17	Segment Reporting
10.	IAS 16	Property, Plant and Equipment	AS 10	Accounting for Fixed Assets
11.	IAS 17	Leases	AS 19	Leases
12.	IAS 18	Revenue	AS 9	Revenue Recognition
13.	IAS 19	Employee Benefits	AS 15	Employee Benefits
14.	IAS 20	Accounting for Government Grants and Disclosure of Government Assistance	AS 12	Accounting for Government Grants
15.	IAS 21	The Effects of Changes in Foreign Exchange Rates	AS 11	The Effects of Changes in Foreign Exchange Rates
16.	IAS 23	Borrowing Costs	AS 16	Borrowing Costs

¹ It may be noted that International Accounting Standards nos. 3, 4, 5, 6, 9, 13, 15, 22, 25, 30 and 35 have already been withdrawn by the International Accounting Standards Board (IASB).

17.	IAS 24	Related Party Disclosures	AS 18	Related Party Disclosures
18.	IAS 27	Consolidated and Separate Financial Statements	AS 21	Consolidated Financial Statements
19.	IAS 28	Investments in Associates	AS 23	Accounting for Investments in Associates in Consolidated Financial Statements
20.	IAS 31	Interests in Joint Ventures	AS 27	Financial Reporting of Interests in Joint Ventures
21.	IAS 33	Earnings Per Share	AS 20	Earnings Per Share
22.	IAS 34	Interim Financial Reporting	AS 25	Interim Financial Reporting
23.	IAS 36	Impairment of Assets	AS 28	Impairment of Assets
24.	IAS 37	Provisions, Contingent Liabilities and Contingent Assets	AS 29	Provisions, Contingent Liabilities and Contingent Assets
25.	IAS 38	Intangible Assets	AS 26	Intangible Assets
26.		Corresponding IAS has been withdrawn since the matter is now covered by IAS 32, 39, 40 and IFRS 7	AS 13	Accounting for Investments
27.	IFRS 3	Business Combinations	AS 14	Accounting for Amalgamations
28.	IFRS 5	Non-current Assets Held for Sale and Discontinued Operations	AS 24	Discontinuing Operations ² . Further, AS 10 deals with accounting for fixed assets retired from active use.

II. International Accounting Standards/ International Financial Reporting Standards not considered relevant for issuance of Accounting Standards by the ICAI for the reasons indicated.

S. No.	International Accounting Standards/ International Financial Reporting Standard		Reasons
	No.	Title of the Standard	
1.	IAS 29	Financial Reporting in Hyper-inflationary Economies	The Institute notes that the hyper-inflationary conditions do not prevail in India. Accordingly, the subject is not considered relevant in the Indian context.

² IASB has issued IFRS 5 and withdrew IAS 35, *Discontinuing Operations*, on which AS 24 is based. An Indian Accounting Standard corresponding to IFRS 5 is under preparation. After the issuance of this Indian AS, AS 24 is proposed to be withdrawn.

2.	IFRS1	First-time Adoption of International Financial Reporting Standards	In India, Indian ASs are being adopted since last many years and IFRSs are not being adopted for the first time. Therefore, the IFRS 1 is not relevant to India at present.
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III. Accounting Standards presently under preparation corresponding to the International Accounting Standards/ International Financial Reporting Standards

S. No	International Accounting Standards/ International Financial Reporting Standards		Status
	No.	Title of the Standard	
1.	IAS 26	Accounting and Reporting by Retirement Benefit Plans	Under Preparation.
2.	IAS 32	Financial Instruments: Presentation	Under Preparation. The ASB had earlier finalised the draft Accounting Standard, after considering the comments received on its Exposure Draft. However, considering the closed linkage of the draft Standard with the proposed Accounting Standard on ' <i>Financial Instruments: Recognition and Measurement</i> ' which is being formulated, the issuance of the final Standard on the subject was kept in abeyance. Now, the ASB has decided to re-expose the draft of the proposed Accounting Standard, so as to obtain views on the changes made in the Exposure Draft of the said Standard.
3.	IAS 39	Financial Instruments: Recognition and Measurement*	Under Preparation. The ASB has finalised the Exposure Draft of the proposed Standard which would be issued shortly for public comments.
4.	IAS 40	Investment Property	Under preparation. At present, covered by Accounting Standard (AS) 13, <i>Accounting for Investments</i> .
5.	IAS 41	Agriculture	Under preparation.

*Pending the issuance of a comprehensive Accounting Standard on Financial Instruments, the following pronouncements deal with the accounting for certain types of financial instruments:

- (1) AS 13, *Accounting for Investments*
- (2) Guidance Note on Equity Index and Equity Stock Futures and Options
- (3) Guidance Note on Investments by Mutual Funds.
- (4) Guidance Note on Securitisation

6.	IFRS 2	Share-based Payment	Under preparation. At present, Employee-share based Payments, are covered by a Guidance Note issued by the ICAI, which is based on IFRS 2. Further, some other pronouncements deal with other share-based payments, e.g., AS 10, Accounting for Fixed Assets.
7.	IFRS 4	Insurance Contracts	Under preparation.
8.	IFRS 7	Financial Instruments: Disclosures	Under preparation.

IV. Guidance Notes issued by the Institute of Chartered Accountants of India (ICAI) corresponding to the International Accounting Standards/ International Financial Reporting Standards

S. No	International Accounting Standards/ International Financial Reporting Standards (IFRSs)		Title of the Guidance Note
	No.	Title of the Standard	
1.	IFRS 6	Exploration for and Evaluation of Mineral Resources	Guidance Note on Accounting for Oil and Gas Producing Activities

**Reconciliation of the International Accounting Standards/ International Financial Reporting Standards with the Indian Accounting Standards
(As on November 28, 2006)**

A) International Accounting Standards/ International Financial Reporting Standards issued by the International Accounting Standards Board

Number of International Accounting Standards (IASs) issued by the International Accounting Standards Board	41
Number of International Financial Reporting Standards issued by the IASB	7
<u>Less:</u> Number of IASs since withdrawn	(11)
<u>Add:</u> IAS 4 and IAS 25 have been withdrawn, but, included here for reconciliation purposes because corresponding Accounting Standards of the ICAI (<i>i.e.</i> , AS 6 and AS 13) are still in force	2
	39

B) Accounting Standards (ASs) and other documents issued by the Institute of Chartered Accountants of India

1. Number of Indian Accounting Standards issued (excluding AS 8 which is withdrawn pursuant to AS 26 becoming mandatory)	28
2. IAS/IFRS not relevant in the Indian context	2
3. Guidance Note issued by the ICAI ³	1
4. Number of Accounting Standards under preparation	8
	39

³ Corresponding to IFRS 6 (effective 2006), Exploration for and Evaluation of Mineral Resources, Guidance Note of the ICAI titled 'Accounting for Oil and Gas Producing Activities', has been issued.