

## Guidelines on Appointment of Auditors

- i) As per clause 130 of the Company Secretaries Regulations, 1982, The Accounts of each Regional Council shall be audited every year by an auditor who is a Chartered Accountant, as may be elected at the annual general meeting of the Regional constituency and the remuneration of the auditor, if any, shall also be fixed at that meeting. The accounts together with the auditor's report and the report of the Regional Council shall be sent to all the members borne on the Regional register and the Auditor and Secretary of the Institute at least fourteen days before the date of annual general meeting. Any casual vacancy in the office of the auditor shall be filled by the Regional Council and the remuneration, if any, of such auditor shall also be fixed by the Regional Council.
- ii) As per ICSI HQ email dt.15.04.2011, as decided by the Council ICSI in its meeting held on 18.03.2011, the firms carrying out the Statutory / Internal audit assignment of the Headquarters, ICSI-CCGRT, Regional Councils and Chapters be rotated after every five years and their yearly appointment to be reviewed on year to year basis
- iii) As per ICSI HQ email dt.04.04.2016, as decided by the Council in its 236<sup>th</sup> meeting held on 29<sup>th</sup> – 30<sup>th</sup> March, 2016 the guidelines on appointment of internal auditors for Regional Offices and Chapters
  - (a) *The firm of the internal auditors should be at least in existence for ten years for RO and A+ and A Grade Chapters and five years for B, C & D Grade Chapters;*
  - (b) *The Annual receipts as per the previous years audited annual accounts should not be less than Rs. 25 Lacs and Rs. 10 Lacs for RO, A+ and A Grade Chapters and for B, C & D Grade Chapters respectively;*
  - (c) *The auditors' firm should be internal auditors for at least five entities in the previous three years."*
- iv) As per ICSI HQ email dt.02.02.2018, as decided by the Council in its 249<sup>th</sup> meeting held on 18<sup>th</sup> January 2018 the revision in the guidelines for appointment of internal auditors of ROs / Chapters w.e.f. the financial year 2018-19 as Internal Auditors are to be appointed out of practicing Chartered Accountants / Company Secretaries / **Cost Accountant**, with a condition that the individual or partner of the firm should not be an Office-bearer of the Regional Council / Chapter