Institute of Chartered Accountants of India (ICAI)

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About Institute of Chartered Accountants of India (ICAI):

- It is a **statutory body** established by an Act of Parliament, viz., the **Chartered Accountants Act, 194**9, for **regulating the profession of Chartered Accountancy** in the country.
- It functions under the administrative control of the **Ministry of Corporate Affairs**, Government of India.
- **Headquarters: New Delhi**
- It is the **second largest professional body of chartered accountants in the world**.
- The affairs of the ICAI are **managed by a Council** in accordance with the provisions of the Chartered Accountants Act, 1949, and the Chartered Accountants Regulations, 1988.
    - The Council consists of **40 members,** of whom **32 are elected by the Chartered Accountants** and the remaining **8 are nominated by the Central Government,** generally representing the Comptroller and Auditor General of India, the Securities and Exchange Board of India, the Ministry of Corporate Affairs, the Ministry of Finance, and other stakeholders.
- **Functions of ICAI:**
    - **Regulates** the **profession of Accountancy**.
    - Examination and education of **Chartered Accountancy course.**
    - Continuing professional education of members.

- Conducting post-qualification courses.
- **Formulation of accounting standards.**
- **Prescription of standard auditing procedures**.
- **Laying down ethical standards.**
- **Monitoring quality** through peer review.
- **Ensuring standards** of performance of members.
- **Exercise disciplinary jurisdiction**.
- **Financial reporting review**.
- **Input on policy matters** to the government.

Q1: What is auditing?

By definition, auditing is an official inspection and verification of the credibility of financial reports. Audits can be conducted by either a business’s management as an internal control process or by the government, in case they notice suspicious financial activity.

Source: Supreme Court Upholds ICAI Rule Limiting Number Of Tax Audits By Chartered Accountants Per Yer; Declares It Operative From April 1, 2024
