

Instruction No.04 / 2015

F. No.246/94/2013-A&PAC.I
Government of India
Ministry of Finance
Department of Revenue
Central Board of Direct Taxes

New Delhi, the 14th May, 2015

To

All CCsIT (CCA), CCsIT/DGsIT

Sub: Modification of Instruction No. 3 of 2007

1. The annual target of audit of minimum number of cases to be audited has been prescribed by paragraph III of the Instruction No.3 of 2007 which reads as under:

III Internal Audit – Auditable Cases: Norms and Targets

- i. *The minimum number of cases to be audited by each Additional CIT, SAP or IAP in a year shall be as under:*

Additional CIT : 50**SAP : 300****IAP : 600(Corporate Cases); & 700 (Non- corporate Cases)**

The identical text has also been used in paragraph 3.1.(i) of the Chapter 3 of the Audit Manual 2011.

2. After the cadre restructuring, number of assessment units which are subject to audit both by the C&AG and the Internal Audit have increased substantially leading to increased workload of auditable cases. Accordingly, annual targets of auditable cases by Internal Audit have been reexamined. Currently the annual target of auditable cases by AddCIT/ JCIT has been fixed at 50 cases per annum i.e the monthly workload of the audit is only 4 cases. Taking into account increased workload of auditable cases and current annual target, it has been decided to enhance annual target of auditable cases for the AddCIT/JCIT from 50 cases to 150 cases per annum. The annual target will give monthly workload of audit of 12 to 13 cases by the AddCIT/JCIT. In cases, where posts of AddCIT/JCIT(Audit) are held as additional charge, Pr.CCIT may suitably adjust the annual target.

3. The C&AG while examining the wording of annual target for IAP has pointed out that word "&" between 600 (corporate cases) and 700 (non-corporate cases) in Instruction No.3 of 2007 gives the impression that the annual target of audit of minimum number of cases by IAP is fixed at 1300 cases (600 corporate cases & 700 non-corporate cases). The Board has clarified to the C & AG the annual target for auditable cases by the IAP is 600 corporate or 700 non-corporate cases. It has been decided to modify the wordings of the paragraph III (i) of Instruction No. 3 of 2007 relating to annual target for IAP by replacing the word "&" by "or" between 600 (Corporate Cases) and 700 (Non-corporate cases) to clarify the target of IAPs.

- 2 -

4. In view of above, sub paragraph (i) of paragraph III of Instruction No. 03 of 2007 dated 16.04.2007 and paragraph 3.1.(i) of the Chapter 3 of the Audit Manual, 2011 are modified as under:

i. **The minimum number of cases to be audited by each Additional CIT, SAP or IAP in a year shall be as under:**

Additional CIT (Audit): 150

SAP : 300

IAP : 600 (Corporate Cases) or 700 (Non- corporate Cases)

5. The Instruction no 3 of 2007 is amended and supplemented with immediate effect.

6. This may be brought to notice of all officers working under your jurisdiction for compliance.

7. Hindi version of the Instruction will follow.

Sunita Singh
(Sunita Singh)
Director (A&PAC)

Copy to:-

- 1) Chairperson, CBDT
- 2) All Members, CBDT
- 3) All other officers of CBDT of the rank of Under Secretary and above
- 4) DIT(PR,PP&OL), Mayur Bhawan, New Delhi
- 5) The Comptroller and Auditor General of India
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