

Institute of Chartered Accountants of India & Ors. v. Shaji Poulose & Ors.

Transfer Petition (Civil) Nos. 2849-2859 of 2019 / Transfer Petition (Civil) Nos. 727-728 of 2020
[2020] 9 SCR 851 | 2020-12-09

Whether the challenges in several High Courts to the ICAI tax-audit ceiling and related disciplinary proceedings should be withdrawn to the Supreme Court, with existing interim orders preserved pending further orders.

44AB

Three-judge bench | Ashok Bhushan, J. | R. Subhash Reddy, J. | M. R. Shah, J.

Assessment years: See the source-scope notes; no year inferred.

Historical transfer order; later merits judgment checked

The 9 December 2020 order only transferred the writ petitions and preserved existing interim orders pending further orders. The transferred cases were disposed of on 17 May 2024, with the guideline upheld and the specific temporal and disciplinary relief in paragraph 50. Do not present the 2020 interim protection as a currently operative general stay or its historical audit figure as a verified current limit.

[Read the reviewed 2024-05-17 final judgment: paragraphs 3.31 / PDF pages 37, 38 / judicial text: paragraphs 50\(a\)-\(h\) / PDF pages 137, 138, 139 / judicial text](#)

01 FACTS OF THE CASE

Chartered Accountants had filed writ petitions in the Kerala, Madras and Calcutta High Courts challenging Chapter VI of the ICAI Council Guidelines dated 8 August 2008 and disciplinary action for exceeding the specified number of section 44AB tax-audit assignments. The judgment described the ceiling then in question as sixty. ICAI sought transfer under Article 139A(1) to avoid multiple proceedings and inconsistent decisions; the writ petitioners resisted or alternatively sought consolidation in one High Court. Some already had interim protection from disciplinary proceedings (paragraphs 1-6 and 12-13).

The Court recounted the earlier thirty-assignment notification, conflicting High Court decisions, the superseding 2008 Guidelines and the 2013 disposal of appeals as infructuous without a merits decision. Those earlier stages explained the need for a common forum; they were not new decisions on the constitutionality of the ceiling (paragraphs 8-11).

Source: [reported judgment / paragraphs 1-13 / PDF pages 2, 3, 4, 5, 6, 7 / judicial text](#)

02 DISCUSSION BY THE HON'BLE COURT

The earlier refusal to transfer challenges in 1991 did not bar transfer in the changed circumstances. Conflicting High Court views had subsequently emerged. Nor did Southern Petrochemical, where another set of ICAI challenges had been sent to one High Court, prevent the Supreme Court from taking this group itself (paragraphs 14-15).

The audit-ceiling and disciplinary questions affected both practitioners and citizens requiring compulsory tax audits. The Court considered a conclusive common determination important to remove uncertainty. That supported withdrawal of the writ petitions to the Supreme Court, not a conclusion on whether the substantive challenges should succeed (paragraph 16).

The Court also accepted the request that the existing interim orders should continue until it considered the matters and made another order. The protection was expressly provisional and related to the transferred proceedings, rather than a permanent nationwide invalidation of the guideline (paragraphs 17 and 19).

Source: [reported judgment / paragraphs 14-17 / PDF pages 7, 8 / judicial text](#)

03 JUDICIAL DECISION

The transfer petitions were allowed and the identified writ petitions were withdrawn to the Supreme Court. The Registry was directed to communicate the order immediately to the respective High Courts. Existing interim orders in those proceedings were to continue until another Supreme Court order. The merits of the audit ceiling and individual disciplinary liability were not determined (paragraphs 18-19).

Source: [official signed judgment / paragraphs 18-19 / PDF pages 14 / judicial text](#)

04 OUTCOME / IN WHOSE FAVOUR

In whose favour: ICAI on forum transfer; writ petitioners retained existing interim protection at that stage

Transfer petitions allowed; High Court writ petitions withdrawn to the Supreme Court; interim orders continued subject to further Supreme Court orders

Procedural transfer determination only

No constitutional validation or invalidation of the audit ceiling, no final disciplinary adjudication and no current stay certificate.

Source: [official signed judgment / paragraphs 16-19 / PDF pages 13, 14 / judicial text](#)

05 AKHB REVIEW POINT

Use this order to understand the litigation's procedural history and the movement of the writ records. It should not be cited as the merits decision validating or striking down the audit ceiling. The existing interim protection was expressly subject to further orders.

A bounded later-source check confirms that the transferred cases were subsequently disposed of by the common judgment dated 17 May 2024. That judgment, including its stated 1 April 2024 boundary and defined disciplinary relief, must be consulted before describing the operative position. Neither the sixty-audit figure nor the tax-audit thresholds recited in the historical record are certified here as current.

Source: [official signed judgment / paragraphs 16-19 / PDF pages 13, 14 / judicial text](#); [official later judgment bounded check / paragraphs 3.31 and 50\(a\)-\(h\) / PDF pages 37, 38, 137, 138, 139 / judicial text](#)

OTHER GOVERNING STATUTES

1.

Act: Constitution of India

Provisions: 139A(1); 19(1)(g); 14

Role: Transfer jurisdiction and underlying constitutional challenge

2.

Act: Chartered Accountants Act, 1949

Provisions: 22; Second Schedule, Part II, clause 1

Role: Professional-regulation context; validity not decided here

3.

Act: Supreme Court Rules, 2013

Provisions: Order XL, Rule 1

Role: Transfer procedure

JUDICIAL AUTHORSHIP AND SEPARATE OPINIONS

Ashok Bhushan, J.

ACT IDENTIFIED IN THE REVIEWED SOURCE

Income-tax Act, 1961

SPECIFIED LATER DECISION AND LIMITS OF THE CHECK

Status: specific later disposal verified

Case id: sc-2024-05-17-shaji-poulose

Title: Shaji Poulose v. Institute of Chartered Accountants of India & Others

Date: 2024-05-17

Finding: The later judgment expressly traces the 9 December 2020 transfer and disposes of the transferred cases. It upholds the guideline's validity, states it is not to be given effect to till 1 April 2024, and quashes the proceedings within paragraph 50(c). No subsequent amendment or further implementation is certified.

Pinpoints

1.

Source url: [Open cited source](#)

Pdf pages: 37; 38

Paragraphs: 3.31

Source role: judicial text

2.

Source url: [Open cited source](#)

Pdf pages: 137; 138; 139

Paragraphs: 50(a)-(h)

Source role: judicial text

SOURCE & VERIFICATION

[Hon'ble Supreme Court source PDF \(official signed judgment\)](#)

Identified source rendition: 14 PDF pages; SHA-256

79e36fc559b70e8a2b615f7337c11b28d4873ac463991389d6ee682d55883c1a. Original bytes preserved. One judgment, physical pages 1-14.

Cover, case numbers, author, key reasoning, operative disposition and signatures/date checked against the fully read reported judgment. Not a claim of full independent rereading of every original page.

[Open cited source rendition](#)

SCR citation verified from the reported cover; no neutral citation inferred.

Professional-regulation transfer proceedings; no taxpayer assessment year or quantified tax liability adjudicated.

The reported jurisdiction block labels the companion transfer petitions 727-728 of 2019. The official signed cover states 727-728 of 2020; the 2024 judgment paragraph 3.31 independently repeats 2020. The official year is used without altering the reported source.

STATUTORY SCOPE

Historical issue-specific review only; no automatic Income-tax Act, 2025 mapping.

LATER TREATMENT

Source checked 2026-10-04. No comprehensive later-treatment or current-law review.

IDENTIFIED SOURCE LINKS

[official signed judgment - PDF pages: 14](#)

SHA-256: 79e36fc559b70e8a2b615f7337c11b28d4873ac463991389d6ee682d55883c1a

[reported judgment - PDF pages: 8](#)

SHA-256: 2b6ed142b3e9bda3012c6151160147d3df0bac5bb8946618dec4c2a61d19f985

[official later judgment bounded check - PDF pages: 139](#)

SHA-256: 373da064ca36f994e2148bc402e39a58e0344f44c547e3a88676df56c651bf7f

[Related note: Shaji Poulse v. Institute of Chartered Accountants of India & Others](#)

AI DISCLOSURE

AI-assisted research checked against the identified source. Extraction, interpretation or omission errors remain possible. Source review does not mean independent approval by a practising professional. Verify every material statement against the complete original judgment.

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