

## FAQs on Ceiling for UDIN Generation under Tax Audit

For implementation of the ceiling on Tax Audit assignments through the UDIN system, only specified sub-categories under “GST & Tax Audit” shall be considered for computation of the ceiling. The ceiling on Tax Audit assignments is 60 per financial year per member and is applicable with effect from 1st April, 2026. The same is governed by the “Chartered Accountants (Limit on Number of Tax Audits) Guidelines, 2025” as published in the Gazette of India is available at **Annexure I**.

### **Key definitions:**

- **Applicable sub-categories:** Means the following sub-categories on which the ceiling shall be applicable:
  1. Form 3CA - 3rd proviso to section 44AB
  2. Form 3CB - Section 44AB(a)
  3. Form 3CB - Section 44AB(b)
  4. Form 3CB (Combined) under section 44AB
- **Non-applicable sub-categories:** Means all other sub-categories under Section 44AB except the above specified sub-categories:
  1. Form 3CB - Section 44AB(c)
  2. Form 3CB - Section 44AB(d)
  3. Form 3CB - Section 44AB(e)

### **Q1. What is the ceiling on Tax Audit assignments for UDIN generation?**

Ans. At the time of UDIN generation under Tax Audit, a ceiling of 60 assignments per financial year per member shall be applicable.

### **Q2. How is the ceiling of Tax Audit assignments computed?**

Ans. The ceiling shall be computed on the basis of the date of signing of the Tax Audit Report during the financial year, and not on the date of UDIN generation.

### **Q3. Which sub-categories are considered for the purpose of Tax Audit ceiling?**

Ans. UDINs generated under the applicable sub-categories shall be considered for the purpose of ceiling.

### **Q4. Whether Tax Audit assignments undertaken in different firms or in individual capacity are aggregated?**

Ans. Yes, the UDIN system shall aggregate all Tax Audit UDINs generated by a member, whether in individual capacity or as a partner in one or more firms, for the purpose of ceiling.

### **Q5. Whether UDIN generated for revised Tax Audit Reports is counted within the ceiling?**

Ans. No, UDINs generated for revised Tax Audit Reports shall not be treated as separate assignments for the purpose of ceiling.

**Q6. How are UDINs for Head Office and Branch audits treated for ceiling purposes?**

Ans. While generating UDIN under the applicable sub-categories, audits of Head Office and branches of the same assessee for the same assessment year shall be treated as one Tax Audit assignment. However, separate UDINs may be generated; the ceiling count shall not increase.

**Q7. How are multiple assessment years for the same assessee treated?**

Ans. UDINs generated under the applicable sub-categories for different assessment years for the same assessee shall be treated as separate assignments.

**Q8. How are multiple forms for the same assessee treated?**

Ans. Multiple UDINs generated under the applicable sub-categories for the same assessee and same assessment year shall be treated as one assignment.

**Q9. What is the treatment of UDINs for Tax Audit assignments under various scenarios?**

Ans. As per the provisions contained in **Annexure I**, the treatment of UDINs generated for Tax Audit forms/reports is as under:

S.No.	Scenario / Description	Treatment of UDIN for Ceiling
1	UDINs generated for the same assessee under multiple forms within the applicable sub-categories	No additional count shall be made, provided the audits pertain to the same PAN and same assessment year.
2	Change in sub-category from non-applicable sub-category to applicable sub-category	The assignment shall be counted towards the ceiling and the available limit shall be reduced.
3	Change in sub-category from applicable sub-category to non-applicable sub-category	The assignment shall be excluded from the ceiling and the available limit shall increase accordingly.