



Guidelines for filling up Questionnaire for Practice Unit

(Practice Unit means a sole practitioner, partnership including LLP or any other entity of professional cost accountants, whether practicing individually or as a firm of Cost Accountants.)

Instructions for filling up the Questionnaire

1. The Questionnaire should be filled up in the MS-Word format in English language ONLY. No handwritten submission shall be accepted by the Board.
2. You may insert additional rows in the questionnaire as per your requirement.
3. Filled up questionnaire in MS-Word format along with its pdf copy duly signed and sealed on every page and also at the end of the questionnaire should be sent by email to the Board at peerreviewboard@icmai.in. The questionnaire shall not be accepted by the post / courier/ hand.
4. No other attachment / annexure are required to be attached with the Questionnaire.
5. Following documents need to be kept handy for smooth filling up the questionnaire:
 - Membership firm registration certificate issued by Institute of Cost accountants of India
 - PAN of the PU
 - GST Certificate of the PU
 - Details of Branches of the PU
 - Details of Partners of the PU
 - Annual Turnover of the PU for FY 2020-21, 2021-22 and 2022-23
6. The questionnaire submitted by the PU, incomplete in any aspect, shall not be accepted by the Board and the PU shall be duly informed to resubmit the questionnaire duly filled in.

PART A - PROFILE OF PRACTICE UNIT (PU)

1.	Name of the Practice Unit (PU) The name should be filled in as per the registration certificate of the Firm.			
2.	Status (Please tick) Please select the correct option as per the registration certificate of the Firm.	Proprietorship	Partnership	LLP
3.	PU Registration No. As per the registration certificate of the Firm.	Date of establishment As per the registration certificate of the Firm.		
4.	Address of the PU Address of the firm			



	City:		State:		Pin:	
5.	Telephone:		Mobile:			
6.	Website Address & Email ID					
7.	Permanent Account Number (PAN) of PU					
8.	GSTN of the PU					
9.	Contact Person for Peer Review (along with membership No., mobile number and e-mail) Name of the first point of contact (proprietor / partner / employee) for Peer Review.					
10.	Number of partners including self As per the registration certificate of the Firm.					
11.	Details of Branches: Please share the details of branches, if any.					
	Address of Branch			Member In-Charge		Membership No.
	a)					
	b)					
11a.	Particulars about the Constitution of the PU during the period under review (as on the last day of the financial year under review) Please fill in the information as per the registration certificate / deed of the firm.					
Name of the Partner	Membership No. of Partner	Association with PU (in years)	Professional Experience in Practice	Predominant function (e.g. Cost Audit, Internal Audit, Certification, Consulting, Others (please specify))	Details of Changes	
					Joined (Year)	Left (Year)
11b.	Particulars of CMAs Employed Please share the details of the CMA employees of the firm.					
	Name	Membership No.	Association with the PU (in years)	Experience (in years)		
12.	Details of Other Employees/ Trainees Please share the details of the other employees / trainees of the				Number	



	firm.			
	a)	Semi-Qualified Assistants (pursuing CMA course)		
	b)	CMA trainees		
	c)	Administrative Staff		
	d)	Others		
13.	Stipend being paid to CMA trainees (whether as per the Institute's standards) Please write YES if the payment of stipend is in accordance with the advisory of the Institute, else write NO. https://icmai.in/upload/Students/Circulars/Revision_Minimum_Stipend.pdf		Yes	No
14.	(a) Indicate the annual turnover of the PU. Indicate the correct slot of annual turnover of the PU as per the financial statement for previous three years.			
	Amount (Rs.)	Previous Year 1 2022-23	Previous Year 2 2021-22	Previous Year 3 2020-21
	Less than 25 Lakh			
	Between 25 to 50 Lakh			
	More than 50 Lakh			
	(b) Indicate percentage of fees earned from different services rendered by the PU. (Indicate in aggregate for the period under review) The percentage is to be mentioned. If in any of the case PU is not providing those services, simply put in NIL.			
	Type of Service	% of Fees	Remark, if any	
	i) Audit and Assurance Services			
	ii) Other Certification Services			
	iii) Consultancy Services			
	iv) Others, please specify			
	Total			
15.	If the PU renders cost audit services, does it provide any service specified under Section 144 of the Companies Act, 2013 to the same company?		YES	NO



	Kindly write YES or NO suitably.		
16.	Industry/ Sector in which the PU is rendering services Please indicate the major sectors in which the PU is rendering services. Like Steel, Cement, Constructions etc.		
DISCIPLINARY PROCEEDINGS			
17.	Whether any proceedings relating to matters of professional or other misconduct referred to in any of the Schedules of the Cost Accountants Act, 1959 (as amended) are pending against any of the partners/proprietor of the PU. Write YES or NO suitably.	YES	NO
18.	If disciplinary proceedings of the Institute have been initiated against any partner/employee of the PU, and remains unresolved, furnish details with case reference. If the response to Q 17 is YES please share the details hereunder.		

Leadership Responsibilities

(The PU should assign responsibility for each assignment to one of its partners or the team leader who shall be responsible for overall quality of such assignment.)

19.	A) Has the PU assigned the responsibility for developing, implementing and operating its Quality Control system for each of its assignments? <i>Quality Control System covers the policies, procedures and systems that are set in an audit firm (PU) to assure that it renders professional services consistently of high quality.</i> Please write Yes , if the PU has assigned this responsibility to any of the partners, employees or other staff members, otherwise write NO .	Yes	No
	B) Describe how the authorised person has sufficient appropriate experience, ability and authority within the PU to assume the above responsibility? If the answer to the Q 19(a) is yes, please share the prescribed details of the person responsible for developing, implementing and operating its Quality Control system.		
20.	A) Are the quality control policies and procedures well communicated to all team members/ relevant personnel in the PU? <i>The PU is responsible for communicating the quality control policies and procedures to all the team members and staff.</i> Please write Yes , if the PU has communicated the same to all the team members, otherwise write NO .	Yes	No



	<p>B) What are the methods used for this communication? <i>If the answer to the Q 20(a) is yes, please share the ways of communication used by the PU.</i></p>		
	<p>C) What is the frequency of sending this communication? <i>If the answer to the Q 20(a) is yes, please share the frequency of sending the communication by the PU. (monthly, quarterly, yearly or any other periodicity)</i></p>		
	<p>D) What is the scope of this communication? <i>If the answer to the Q 20(a) is yes, please share the scope of the communication. The scope of such communication is to educate all the team members and staff about the quality control policies and procedures adopted by the PU.</i></p>		
21.	<p>A) Are the quality control policies and procedures of the PU documented? <i>In order to ensure & achieve the quality control, it is necessary to set a procedure for documentation covering quality control policies and procedures of the PU and its circulation to all relevant personnel. Please write Yes, if such documentation is there, else write NO.</i></p>	Yes	No
	<p>B) Are the same circulated amongst all relevant personnel? <i>If the answer to the Q 21(A) is yes, please write YES in case the same is circulated amongst all the team members, else write NO.</i></p>	Yes	No
22.	<p>Is there an established process in the system that encourages the personnel to communicate their views or concerns on quality control matters? <i>Quality Control System covers establishing a process that encourages team members and staff to communicate their views or concerns on quality control matters. Please write YES if such a process is established within the PU else write NO.</i></p>	Yes	No
23.	<p>A) Does there exist clear responsibilities of the proprietor/ partners of the firm and other senior personnel for quality control? <i>Quality Control System covers establishing responsibilities of the proprietor of the entity or partners of the firm and other senior personnel for quality control. Please write YES if the responsibilities are established within the PU else write NO.</i></p>	Yes	No
	<p>B) Are these responsibilities adequately documented?</p>	Yes	No



	<p>If the answer to the Q 23(A) is yes, please write YES in case the same is well documented, else write NO.</p>		
	<p>C) Is this responsibility document circulated amongst concerned personnel?</p> <p>If the answer to the Q 23(A) is yes, please write YES in case the same is circulated to all the team members and staff, else write NO.</p>	Yes	No
24.	<p>Does your PU provide practical guidance in quality control and also covering professional development programs? If yes, enlist the initiatives</p> <p><i>Quality Control System covers provisions of related practical guidance to all the team members including coverage in professional development programs.</i></p> <p>Please write YES and provide the relevant initiatives in this regard, else write NO.</p>	Yes	No
25.	<p>Does your PU promote an internal culture of quality? If yes, enlist the initiatives.</p> <p><i>The firm, its partner or the team leader should promote an internal culture for quality and impress on the team members that quality is essential in performing any audit assignment.</i></p> <p>Please write YES, if such a system is in place within the PU, else write NO.</p>	Yes	No
<p>ETHICAL REQUIREMENTS</p> <p><i>(The PU, its partner or the team leader responsible for the assignment should ensure whether members of the audit team have complied with relevant ethical requirements.)</i></p>			
26.	<p>Does the PU, its partners or the team leaders responsible for the assignment ensure that the team members comply with relevant ethical practices?</p> <p>Please write YES, if such a system in place within the PU, else write NO.</p>	Yes	No
27.	<p>Are there methods and processes for establishing, promoting and monitoring ethical conduct among all personnel? If yes, kindly elaborate.</p> <p><i>Ethical requirements cover methods and processes for establishing, promoting, and monitoring ethical conduct among the team members.</i></p> <p>Please write YES, if such a system is in place within the PU, else write NO.</p>	Yes	No
28.	<p>A) Are there policies and procedures to identify non-compliance with ethical requirements and also to resolve any issues of conflict?</p> <p><i>It is essential to establish policies and procedures to identify non-compliance with ethical requirements within the PU.</i></p> <p>Please write YES, if such policies and procedures have been established within</p>	Yes	No



	the PU, else write NO.		
	B) If yes, are these policies and procedures adequately documented? If the answer to the Q 28(A) is yes, please write YES in case the same is well documented, else write NO.	Yes	No
29.	Are there policies and procedures to ensure that the PU partners and professionals comply with the following professional ethics: Independence, Integrity, Objectivity, Professional competence and due care, Confidentiality, Professional conduct, Technical standards Please write YES, if the policies and procedures established within the PU, ensure the compliance with all the given Ethics, write NO and explain the reasons.	Yes	No
30.	Are there policies, processes and safeguards established by the PU to mitigate the familiarity threat to its independence? <i>Familiarity threat refers to the personal closeness or familiarity of PU or any of its partners with employees, officers, or directors of the client company.</i> Please write YES, if the policies, processes and safeguards are established within the PU, else write NO and explain the reasons.	Yes	No
HUMAN RESOURCES			
<i>(In case of a PU, human resources are the prime assets responsible for its success or failure. The constitution of the team and members which make the team is the major determinant in rendering the quality professional services.)</i>			
31.	What steps has the PU taken to ensure that the personnel it hires have the desired capability, competence and commitment to ethical principles to perform as per the professional standards, regulatory and legal requirements? <i>The quality of Human Resources plays the most significant role in providing and assuring quality in professional services by PU. An excellence in quality services can only be achieved if there are corresponding excellent personnel. The firm should continuously assess its manpower requirement at various levels, with different skills sets.</i> Please elaborate the hiring policy of the PU, else write NA.		
32.	What process does the PU follow for determining the appropriateness of an engagement team? <i>The PU should establish policies and procedures regarding assigning appropriate staff with the necessary capabilities, competence and time to perform engagements.</i> Please elaborate if the PU has established such policies and procedures, else write NA.		
33.	What are the considerations for assigning responsibility for an engagement to a particular		



	<p>partner?</p> <p><i>The PU should establish policies and procedures for assigning the responsibility for each engagement to an engagement partner and communicating this information to the client.</i></p> <p><i>Please elaborate if the PU has established such policies and procedures, else write NA.</i></p>		
34.	<p>What steps has the PU taken to ensure that its partners participate in CPD & Professional Development programmes that enable them to accomplish assigned responsibilities?</p> <p><i>The PU should provide effective training for the partners. Continuous education is the buzzword and in this era of competition, the team members must update and upgrade their knowledge and skill. The ICMAI has taken a lead in this direction and has also introduced a scheme for continuous education program as a mandatory requirement for its professionals.</i></p> <p><i>Please elaborate if the PU has established such a policy, else write NA.</i></p>		
35.	<p>What steps has the PU taken to ensure that its employees participate in CPD& Professional Development programmes that enable them to accomplish assigned responsibilities?</p> <p><i>The PU should provide effective training for the staff members. Various types of training should be imparted to the staff, e.g. introductory and induction training to the newly employed, technical and skill enhancement training to the existing staff, managerial training for the higher level staff and so on.</i></p> <p><i>Please elaborate if the PU has established such a policy, else write NA.</i></p>		
36.	<p>How does the PU ensure that personnel selected for advancement have the qualifications to fulfil the responsibilities they will be called upon to assume?</p> <p><i>Advancement or promotion to next level in the PU depends upon performance quality.</i></p> <p><i>Please elaborate if the PU has established an advancement or a promotion policy, else write NA.</i></p>		
<p>PERFORMANCE EVALUATION</p> <p><i>(Performance Evaluation is necessary for developing and maintaining competence & commitment to ethical principles.)</i></p>			
37.	Has your PU taken steps for:		
	a) Making personnel aware of the PU's expectations regarding their performance?	Yes	No
	b) Providing performance evaluation reports with the personnel?	Yes	No
	c) Helping personnel understand that advancement to positions of greater	Yes	No



	responsibility depends, amongst other things, upon performance quality?		
	d) Explaining personnel in clear terms that the failure to comply with the PU's policies and procedures may result in disciplinary action?	Yes	No
	Kindly elaborate:		
	<i>Please write YES or NO depending upon the Performance Evaluation policy of the PU. Elaborate any point if required.</i>		
38.	In order to evaluate the performance are the following documented in your PU:		
	a) Overall quality standards set for an assignment	Yes	No
	b) Responsibility of engagement partner to ensure quality standards	Yes	No
	c) Mapping of engagement quality and consistency through use of manuals and/or software tools or other forms of standardized documentation and industry/ subject-matter specific guidance	Yes	No
	d) Supervision, quality control & documentation of work during the engagement	Yes	No
	e) SOPs for the assembly of final engagement files	Yes	No
	<i>Please write YES or NO depending upon the documentation policy of the PU with regard to the Performance Evaluation of the team members.</i>		
39.	Is the work done by the less experienced team members in the engagement team reviewed by more experienced personnel prior to the issue of auditor's report? <i>Please write YES if such a convention / policy exists in the PU, else write NO.</i>	Yes	No
MONITORING			
<i>(Monitoring refers to a process which is an ongoing exercise for evaluation of PU's quality control systems which also includes periodic inspection of completed assignments on sample basis to provide the PU with reasonable assurance that its quality control systems are operating effectively.)</i>			
40.	A) Do you have well documented SOPs for monitoring the PU's quality controls in terms of:		
	a) Its personnel and human resources	Yes	No
	b) Assignment performance	Yes	No
	c) Professional development of personnel	Yes	No



	<p>B) Please elaborate:</p> <p>Please write YES or NO on the basis of the Monitoring Policy of the PU. Elaborate any point if required.</p>		
41.	<p>Do the engagement team members discuss their findings with the appropriate management personnel?</p> <p><i>Reporting & Corrective Measures provide for reporting the findings to the appropriate management levels, for monitoring actions taken or planned, and for overall review of the firm's quality control system.</i></p> <p>Please write YES or NO on the basis of above mentioned measures of the PU.</p>	Yes	No
42.	<p>While reporting, do the engagement team members discuss the corrective actions taken or planned discussed with the appropriate management personnel?</p> <p><i>Reporting & Corrective Measures also provide for discussing the reports with the appropriate management levels, for taking any corrective actions.</i></p> <p>Please write YES or NO on the basis of above mentioned measures of the PU.</p>	Yes	No
43.	<p>In your PU, what is the scope for the modification of quality control policies and procedures in view of the monitoring reports? Please elaborate:</p>		
<p>REPORTING UNDER COST AUDIT MECHANISM</p> <p><i>(Cost Audit is the major avenue for Cost Accountants in Practice, and hence maintaining the quality of the Cost Audit Report ensures its usefulness to the client, Government, Regulators and other stakeholders.)</i></p>			
44.	<p>Does the PU follow a system of discussion with the management in connection with the following issues before finalizing the report in case of cost audit:</p>		
	a) Abnormal expenditure pertaining to idle capacity, idle machine hours, strike, lock out etc.	Yes	No
	b) Variation in raw material consumption as compared to norms.	Yes	No
	c) Valuation of inventory and its impact on overall profitability.	Yes	No
	d) Way forward for optimum Capacity Utilization	Yes	No
	<p>Please write YES or NO appropriately.</p>		
45.	<p>Does the PU submit signed Cost Audit Report in form CRA-3 with annexures, duly authenticated by the persons authorised to sign on behalf of the company and addressed to the Board of Directors?</p>	Yes	No



	Please write YES or NO appropriately.		
46.	Has the PU visited the company and its different locations for conducting the Cost Audit? Please write YES or NO appropriately.	Yes	No
QUALITY WITH RESPECT TO CUSTOMER & CUSTOMER RELATIONSHIP Acceptance & continuation of client relationship & specific assignments <i>A PU shall establish policies and procedures for the acceptance and continuance of client relationships and specific engagements which will provide reasonable assurance to the PU that it will undertake or continue relationship with client only when it satisfies that the PU has competence, capability, time & resources to carry out the assignment, PU complies with the relevant ethical requirements and PU has considered the integrity of the client and ensured the same at an acceptable level.</i> Please answer YES or NO, on the basis of PU's established policies as per the above.			
47.	While establishing and continuing relationships with its clients, do there exist clear SOPs in the PU that ensure:		
	a) The PU has competence, capability, time and resources to carry out the assignment.	Yes	No
	b) The PU complies with the relevant ethical requirements?	Yes	No
48.	Is there a complaint against the client or any pending proceedings for violation of statute or other irregularities? If yes, please specify.	Yes	No
49.	Does the PU have clear SOPs for evaluation of prospective clients and for their approval as clients?	Yes	No
50.	Who evaluates the information obtained regarding the prospective clients and to make the acceptance decision in your PU? Kindly mention with the designation of the official.		

I hereby declare that the information furnished above is true to the best of my knowledge.

Signature of the authorised representative of the PU with seal

Name of the authorised representative:

Membership No:

Date:

Place: