

Audit of accounts of certain persons carrying on business or profession.

44AB. Every person,—

- (a) carrying on business shall, if his total sales, turnover or gross receipts, as the case may be, in business exceed or exceeds *one crore rupees*¹ in any previous year; or
- (b) carrying on profession shall, if his gross receipts in profession exceed *twenty-five lakh rupees*² in any previous year; or
- (c) carrying on the business shall, if the profits and gains from the business are deemed to be the profits and gains of such person under *section 44AE* or *section 44BB* or *section 44BBB*, as the case may be, and he has claimed his income to be lower than the profits or gains so deemed to be the profits and gains of his business, as the case may be, in any *previous year*; or
- (d) *carrying on the business shall, if the profits and gains from the business are deemed to be the profits and gains of such person under section 44AD and he has claimed such income to be lower than the profits and gains so deemed to be the profits and gains of his business and his income exceeds the maximum amount which is not chargeable to income-tax in any previous year,*

get his accounts of such previous year audited by an accountant before the specified date and furnish by that date the report of such audit in the prescribed form duly signed and verified by such accountant and setting forth such particulars as may be prescribed :

Provided that this section shall not apply to the person, who derives income of the nature referred to in *section 44B* or *section 44BBA*, on and from the 1st day of April, 1985 or, as the case may be, the date on which the relevant section came into force, whichever is later :

Provided further that] in a case where such person is required by or under any other law to get his accounts audited, it shall be sufficient compliance with the provisions of this section if such person gets the accounts of such business or profession audited under such law before the specified date and furnishes by that date the report of the audit as required under such other law and a further report by an accountant in the form prescribed under this section.

Explanation.—For the purposes of this section,—

- (i) “accountant” shall have the same meaning as in the *Explanation* below sub-section (2) of *section 288*;
- (ii) “specified date”, in relation to the accounts of the assessee of the previous year relevant to an assessment year, means ‘the due date for furnishing the return of income under sub-section (1) of *section 139*’.

¹ Substituted with effect from the 1st day of April, 2013

² Substituted with effect from the 1st day of April, 2013