PART I TO FIRST SCHEDULE: PROFESSIONAL MISCONDUCT IN RELATION

Clause No.	Clause	Mnemonic
1	Allows any person to practice in his **name** as a C.A. unless such person is also a C.A. in practice and is in partnership with or employed by himself.	**NITIN**
2	Pays / allows / agrees to pay or allow, directly or indirectly, any **share**, commission or brokerage in fees or profits of his professional business to any person other than • a member, or • partner, or • retired partner, or • legal representative of deceased partner, or • member of any other professional bodies, or • with such other persons having prescribed qualifications.	**SHAH**
3	**Accepts / Agrees** to accept any part of the profits of the professional work of a person who is not a member of the Institute. However, such a restriction does not apply in respect of following persons: • member of any other professional bodies, or • with such other persons having prescribed qualifications.	**ASKED**
4	Enters into **partnership** with any person other than the following: • C.A. in practice, or • Member of any other professional body having prescribed qualifications, or • a person resident without India who but for his residence abroad would be entitled to be registered u/s 4(i)(v), or • a person whose qualifications are recognized by Central Govt. or Council for the purpose of permitting such partnerships.	**PARTNER**
5	**Secures** any professional business through the services of a person who is not an employee or not his partner or by means which are not open to a CA.	**SAMEER**
6	**Solicits** clients or professional work either directly or indirectly, by circular, advertisement, personal communication or by any other means.	**SHAH**
7	**Advertises** his professional attainments or services, or uses any designation or expressions other than CA on professional documents, visiting cards, letter heads or sign boards. However, an recognized degree of university or title indicating membership of ICAI or other recognized institution may be used.	**ABOUT**
8	Accept a position as Auditor previously held by another chartered accountant or certified auditor without first **communicating** with him in writing	**C**
9	**Accepts an appointment** as auditor of a company without ascertaining whether requirements of Sec. 224 & 225 of Companies Act, 1956, in respect of such appointment have been duly complied with.	**A**
10	Charges or offers to charge, accepts or offers to accept in respect of any professional employment, fee which is based on a **Percentage of profits** or which are contingent upon findings or results of such employment, except as permitted under regulations.	**PRACTICE**
11	**Engage** in any Business or occupation other than profession of C.A. unless permitted by council so to engage. However, a member may become director (not being M.D. or WTD) in a company provided he or any of his partner is not interested in such company as an auditor.	**EVERY**
12	Allows a person not being a member of ICAI in practice or a member not being his partner to **sign** on his behalf or on behalf of his firm, any Balance Sheet, P&L A/c. Report or Financial Statements	**SUNDAY**

PART I TO SECOND SCHEDULE: PROFESSIONAL MISCONDUCT IN RELATION

Clause No.	Clause	Mnemonic
1	**Discloses** the information acquired in the course of his professional engagement to any person other than his client so engaging him without the consent of his client or otherwise than as required by any law.	**DON'T**
2	**Certifies** or submits in his name or in the name of his firm a report of an examination of financial statements unless the examination of such statements and the related records has been made by him or by a partner or an employee in his firm or by another CA in practice.	**CHEAT**
3	Permits his name or the name of his firm to be used in connection with an estimate of earnings contingent upon **future transactions** in manner which may lead to the belief that he vouches for the accuracy of the forecast.	**FRIENDS**
4	Expresses his opinion on financial statements of any business or enterprise in which he or a partner in his firm has a substantial **interest**.	**IT**
5	Fails to disclose a **material fact** known to him which is not disclosed in a financial statement, but disclosure of which is necessary in making such financial statement not misleading where he is concerned with that financial statement in a professional capacity.	**MAY**
6	Fails to report a **material misstatement** known to him to appear in a financial statement with which he is concerned in a professional capacity.	**MAKE**
7	Does not exercise due diligence, or is **grossly negligent** in the conduct of his professional duties.	**GOOD**
8	Fails to obtain sufficient **information** which is necessary for expression of an opinion or its exceptions are sufficiently material to negate the expression of an opinion.	**INTENTIONS**
9	Fails to invite attention to any **material departure** from the generally accepted procedure of audit applicable to the circumstances.	**MORE**
10	Fails to keep moneys of his client other than fees or remuneration or money meant to be expended, in a separate **banking account** or to use such moneys for purposes for which they are intended within a reasonable time.	**BAD**

S.No	CARO
1	Fixed Assets
2	Inventory
3	Loans & Advances
4	Guarantee of Loans taken by others
5	Deposits
6	Cost Records
7	Statutory Dues
8	Default in Payment of dues
9	Application of Funds
10	Reporting of Fraud
11	Managerial Remuneration
12	Nidhi Company
13	Related Party Transaactions
14	Preferential Allotment
15	Non Cash Transactions
16	Non Banking Financial Institutions