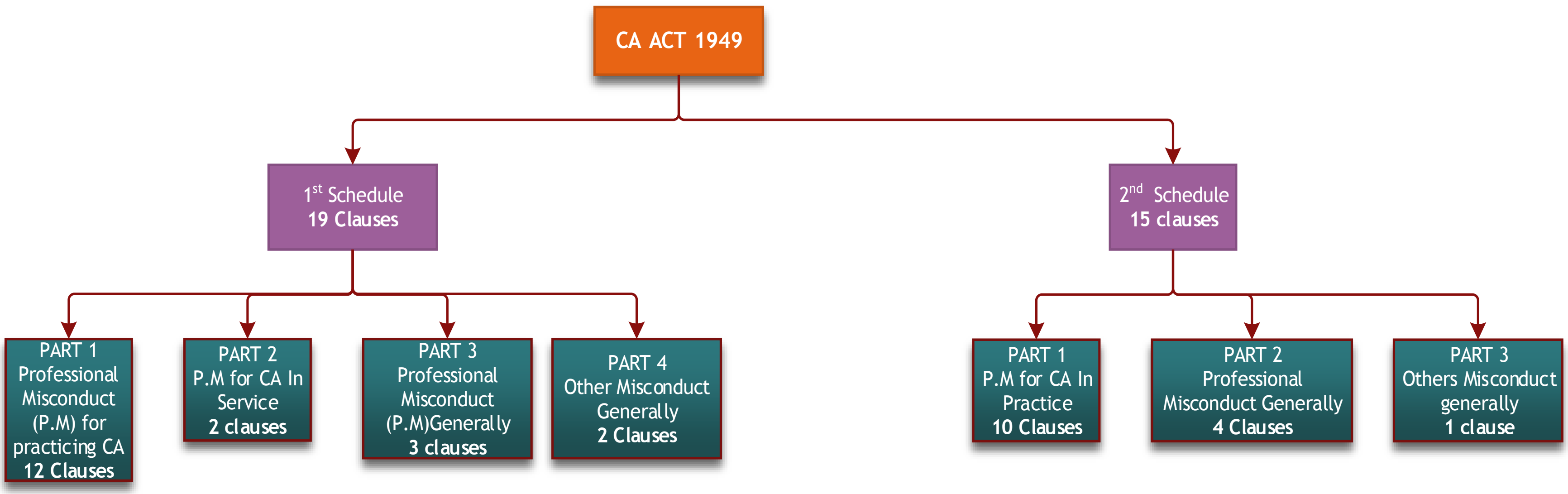
PROFESSIONAL ETHICS (SCHEDULES UNDER C.A ACT 1949)



CLAUSES UNDER THE PART (1) of FIRST SCHEDULE OF C.A ACT 1949

CLAUSE 1 - Practicing under own name
PM if a CA allow as anybody except hiss partner or employee to practice under his own name

CLAUSE 2 -Pays any share of remn from the profits of his professional business
Exceptions - ICAI member, Partner, Retd Partner, Legal representative, Member of any other professional body

CLAUSE 3 -Accepts any share in the profit
Exceptions - Member of such professional body or other person having requisite qualifications.

CLAUSE 4 -Partnership
Exceptions - Member of such professional body or other person having requisite qualifications recngd by CG/ Council

CLAUSE 5 -Secures through any other person (non CA) any professional business.
Exceptions - Cl 2,3 ,4

CLAUSE 6 -Solicits Client work directly or indirectly
by Circular, Advertisement, Personal comm, interview
Excptns - CA securing work from CA
Respond to tenders, enquiries

CLAUSE 7 -Advertises professional attainments/services or uses any designation or expressions other than CA on docs, v cards, letter heads, sign boards
Excptns - University degree,CG recgnzd degree title indicating membership of any other body recognized by Central Government

CLAUSE 8 -Taking appointment as an auditor without written communication with previous auditor

CLAUSE 9 -Accepting w/o ascertaining the compliance of Sec 130-142 of Companies Act have been complied

CLAUSE 10 -Charge fee on percentage of profit basis which are contingent upon finding results of such employment

CLAUSE 11 -Engages in any other profession or business other than profession of CA (excptsns read page 2.39)

CLAUSE 12 -Sign on his behalf or behalf of his firm on any document expressing an opinion
Exceptions - Routine Correspondence

CLAUSES UNDER THE PART (2) of FIRST SCHEDULE OF C.A ACT 1949

CLAUSE 1 - Agreement with any persons to share emoluments earned by him during the course of employment

CLAUSE 2 - Accepts to any fees, profits, gains, from lawyer, CA, broker engaged by such co/firm by way of commission/gratification

CLAUSES UNDER THE PART (3) of FIRST SCHEDULE OF C.A ACT 1949

CLAUSE 1 - Not being a fellow acts a fellow of the institute

CLAUSE 2 - Does not supply for information, fails to comply with reqmts asked by ICAI, Council or any of its Committees, Director (Discipline), BoD, Disciplinary Committee, Quality Review Board, Appellate Authority

CLAUSE 3 - Submitting false information knowing it to be false in inviting professional work thru CA or thru tenders

CLAUSES UNDER THE PART (4) of FIRST SCHEDULE OF C.A ACT 1949

CLAUSE 1 - Held guilty by any civil or criminal court for an offence punishable with imprisonment not exceeding 6 months

CLAUSE 2 - Act bringing disrepute to profession whether disrepute is due to professional work or not

CLAUSES UNDER THE PART (1) of SECOND SCHEDULE OF C.A ACT 1949

CLAUSE 1 - Disclosure of Information
PM if discloses information acquired in the course of normal engagement to any person other than client
Exceptions - When it is required by any law

CLAUSE 2 - Certification without examination
PM if certifies or submits in his name/firms name a report on examination of Financial statement which is not carried out by him, his partner or employee or by another practicing CA

CLAUSE 3 - Examination of Prospective Financial Information
Permits his name /firms name to be used in connection with estimates of earnings contingent upon future transactions in a manner that he vouches for accuracy of forecast
Exception - SAE 3400
CA Can participate if indicates the sources, basis, major assumptions, does not vouch for accuracy

CLAUSE 4 - Certification of related entities
PM if expresses his opinion on FS of any enterprise in which he/partner/ relatives (AS_18) have substantial interest.
Exceptions - Statements prepared by members in employments for Info Systems

CLAUSE 5 - Disclosure of Material Fact
Fails to disclose a material fact known to him not discl in FS but disclosure is necessary in making such FS

CLAUSE 6 - Failure to report on material misstatement known to him in Financial Statement

CLAUSE 7 - Does not exercise due diligence or grossly negligent in conduct of professional duties

CLAUSE 8 - Fails to obtain sufficient information necessary for expression of opinion or its exceptions are material to negate expression of opinion

CLAUSE 9 - Fails to invite attention towards departure from GAAP (Audit procedure)

CLAUSE 10 - Fails to keep money recd from client other than fees/ remuneration in separate bank A/c

CLAUSES UNDER THE PART (2) of SECOND SCHEDULE OF C.A ACT 1949

CLAUSE 1 - Contravenes any of the provisions of Act or Regulations or guidelines of Council

CLAUSE 2 - Being an employee discloses confidential information
Exceptions - As reqd by law

CLAUSE 3 - Submission of false information to any authority of ICAI knowing it to be false

CLAUSE 4 - Defalcates or embezzles money recd in professional capacity

CLAUSES UNDER THE PART (3) of SECOND SCHEDULE OF C.A ACT 1949

CLAUSE 1 - Held guilty by civil or criminal court for an offence with imprisonment exceeding 6 months