AUDITING CODE OF ETHICS – FINAL NOV'2012

FIRST SCHEDULE TO THE CHARTERED ACCOUNTANTS ACT 1949

(as amended by the Chartered Accountants (Amendment) Act, 2006)

	Part I	Part II	Part III	Part IV
Misconduct	-----Professional -----			Other
Applicability	CAs in Practice	CAs in Service	-----CAs in General-----	
Clause 1	Allowing non members to practice in his own name	Sharing employment emoluments with any person(including member)	Not FCA but styles FCA	Guilty of offence by civil or criminal court involving imprisonment for <= 6 months
Clause 2	Paying / allowing/ sharing commission or brokerage in the fees/ profits with non members/ non specified persons	Accepting share from other professionals, CAs, profits/fees or commission from any agent or customer	Doesn't supply required information to Council/ Board/ Committees	Brings disrepute to profession or the Institute as a result of his action whether or not related to his professional work
Clause 3	Accepting profits of professional work from non members/ non specified persons	Nil	Gives false information while inviting professional work or responding to tenders	Nil
Clause 4	Partnership with non members / non specified persons	Nil		
Clause 5	Securing work through non members / non specified persons			
Clause 6	Solicitation of clients or professional work except from practising CA or responding to specified tenders			
Clause 7	Use of wrong designation			
Clause 8	Accepting appointment without communicating with previous auditor			
Clause 9	Accepting appointment against sec. 224 & 225			
Clause 10	Charging fees as a percentage of profits			
Clause 11	Engage in other occupation without permission			
Clause 12	Balance Sheet, P&L Signed by a non member			

SECOND SCHEDULE TO THE CHARTERED ACCOUNTANTS ACT 1949
(as amended by the Chartered Accountants (Amendment) Act, 2006)

	Part I	Part II	Part III
Misconduct	-----Professional-----		Other
Applicability	CAs in Practice	-----CAs in General-----	
Clause 1	Disclosing information without client's consent/ legal requirement	Contravenes any provisions of the act and/ or regulations made there under	Guilty of offence by civil or criminal court involving imprisonment for > 6 months
Clause 2	Submitting report on financial statements without examination of records	Disclosing information without employer's consent/legal requirement	Nil
Clause 3	His association with estimation of forecasts	Gives false information to the Council/ Board/ Committees	
Clause 4	Reporting even if having substantial interest in the auditee enterprise	Defalcates or embezzles money received in his professional capacity	
Clause 5	Failure to disclose material facts	Nil	
Clause 6	Failure to disclose material mis-statement		
Clause 7	Does not exercise due diligence or is grossly negligent of his professional duties		
Clause 8	Reporting without obtaining sufficient evidence		
Clause 9	Failure to highlight material departure from Generally accepted audit procedures		
Clause 10	Failure to keep/ spend money of his client in/from a separate bank account		