

1st Schedule

Part 1

Misconduct in relation to a member in practice if he

- Clause 1** Allow any person to practice in his name
- Clause 2** Pays or allows or agrees to pay remuneration to any person other than a member
- Clause 3** Accepts or agrees to accept profits of professional work of any person other than a member
- Clause 4** Enters into partnership with a Non-CA
- Clause 5** Secures any professional business through a Non-CA/Non-Partner/Non-Employee
- Clause 6** Solicits clients by advertisement
- Clause 7** Advertises or uses any designation other than a CA
- Clause 8** Accepts audit without communicating to the previous CA in writing
- Clause 9** Accepts audit without ascertaining the compliance requirements under sec 225 of Co. Act
- Clause 10** Accepts employment based on % of profits/findings except as Liquidator, Auditor of Co-operative society & Valuer
- Clause 11** Engages in any business except CA without the permission of Council except Director of a co. but not MD/WTG
- Clause 12** Allows a Non-CA to sign B/s, P&L, reports, fin. Stat. on his behalf

Part 2

Misconduct of members in Service if he

- Clause 1** Pays any share in remuneration to any person
- Clause 2** Accepts any part of profit from lawyer, CA, broker, customer engaged by such co.

Part 3

Misconduct in relation to a member in generally whether in practice or not if he

- Clause 1** Not being a FCA, acts as FCA
- Clause 2** Does not supply informations called by institute of similar authority
- Clause 3** Gives false information towards enquiries/tenders

Part 4

Other Misconduct of members generally if he

- Clause 1** Held guilty by a civil/criminal court for an offence which is punishable with imprisonment for <6 months. But if it >6 months, then it would be covered under part III of schedule II.
- Clause 2** In the Opinion of the council, brings disrepute to the profession or the institute

2nd Schedule

Part 1

Professional Misconduct in relation to a CA in practice if he

- Clause 1** Disclosed information of clients to others
- Clause 2** Certifies financial statements without examining
- Clause 3** Permits his/his firm name to be used in connection with an estimate of future earnings
- Clause 4** Express his opinion on f/s of any business in which he/firm/partner has a substantial interest
- Clause 5** Fails to disclose a material fact in f/s to the users of f/s
- Clause 6** Fails to report a material misstatement in f/s in a professional capacity
- Clause 7** Does not exercise due diligence in his professional duties
- Clause 8** Fails to obtain sufficient information for expressing an opinion
- Clause 9** Fails to invite attention to any material departure
- Clause 10** Fails to keep moneys other than fees of his clients in a separate bank a/c

Part 2

Professional Misconduct of members generally whether in practice or not if he

- Clause 1** Contravenes any provisions, regulations, guidelines issued by the council
- Clause 2** Being an employee discloses confidential information
- Clause 3** Provides false information, statement, return, form to be submitted to the institute
- Clause 4** Defalcates or Embezzles money received in his professional capacity

Part 3

Other Misconduct in relation to members generally whether in practice or not if he

- Held guilty by a civil/criminal court for an offence which is punishable with imprisonment for >6 months.
- It would be treated as a Major Offence
- The Director (Discipline) can place the matter to the Disciplinary Authority