

## CA FINAL PROFESSIONAL ETHICS QUICK SUMMARY

Clause No	Content
<b>THE FIRST SCHEDULE</b>	
<b>Part I: Professional Misconduct in relation to CA in practice</b>	
1	Allows another person to practice in his name unless such person also a CA in practice & partner/employee of him
2	Pays/ allows/agrees to pay/ allow any share/commission/brokerage in fee/profits of his professional business to any person other than- 1) A CA; 2) A partner; or 3) Retired partner; or 4) LR of deceased partner; 5) Member of any other professional bodies; 6) such persons with prescribed qualifications,
3	Accepts/agrees to accept any part of profits of professional work of a person who is not a member of the Institute.
4	Enters into partnership with any person other than (1) CA in practice; (2) Member of any professional body with prescribed qualification; (3) Person resident in India who for his residence abroad is entitled to be registered as member U/s 4 (i)(v) or (4) whose qualification are recognized by C.G./ council for purpose of permitting such partnerships.
5	Secures any professional business through services of person who is not an employee/not his partner/by means which not open to a CA
6	Solicits client/professional work by Circulars, advt, personal comm, interview, or any other means.
7	Advertises his professional attainments/services/uses any designation other than CA on Professional docs, visiting cards, letter heads/sign boards unless it is degree of University established by law in India or recognized by CG or title indicating membership of ICAI or of any other institution recognized by CG or may be recognized by the Council.  Provided that member in practice may advertise through a write up
8	Accepts a position as auditor previously held by another CA without first communicating with him in writing
9	Accepts appointment as auditor without first ascertaining whether requirements of Sec 139,140 of The CA Act, 2013 have been duly complied with
10	Charges/offers to charge/accepts/offers to accept fees based on % of profits or contingent upon findings, or results of such employment,
11	Engages in any business/occupation other than profession of CA unless permitted by Council so to engage.
12	Allows person not being a member in practice/member not being his partner to sign on his behalf/on behalf of his firm any balance sheet, profit & loss account, report or financial statements.
<b>Part II: Professional Misconduct in relation to members of institute in service</b>	
1	Pays/allows/agrees to pay any share in the emoluments of the employment undertaken by him.
2	Accepts/agrees to accept any part of fees/profits/gains from a lawyer, a CA or broker engaged by such company, firm or person or agent/customer of such company, firm or person by way of commission or gratification.
<b>Part III: Professional Misconduct in relation to members of institute generally</b>	
1	not being a fellow of the Institute but acts as a fellow of the Institute.
2	Does not supply info called for or comply with requirements asked by ICAI, Council or any of its Committees, Director (Discipline), Board of Discipline, Disciplinary Committee, Quality Review Board or the Appellate Authority.
3	While inviting professional work from CA or responding to tenders/enquiries or advertising through a write up, or anything as provided for in items (6) and (7) of Part I of this Schedule gives information knowing it to be false.
<b>Part IV: Other misconduct in relation to members of the Institute Generally</b>	
1	Held guilty by civil/criminal court for an offence which is punishable with imprisonment for term not exceeding 6 months
2	In opinion of Council, brings disrepute to profession/ICAI as a result of his action
<b>THE SECOND SCHEDULE</b>	
<b>Part I: Professional Misconduct in relation to CA in practice</b>	
1	Discloses info acquired in course of his professional engagement to any person other than his client without consent of his client or otherwise than as required by any law for the time being in force.
2	Certifies/submits in his name or in name of his firm report of an examination of FS unless examination of such statements & related records has been made by him/by a partner/an employee/by another CA in practice.
3	Permits his name/name of his firm to be used in connection with an estimate of earnings contingent upon future transactions in manner which lead to belief that he vouches for accuracy of the forecast.
4	Expresses opinion on FS of any business or enterprise in which he, his firm, or partner in his firm has substantial interest
5	Fails to disclose material fact known to him not disclosed in FS but disclosure is necessary in making FS not misleading
6	Fails to report a material misstatement known to him to appear in FS with which he is concerned in a professional capacity.
7	Does not exercise due diligence, or is grossly negligent in the conduct of his professional duties.
8	Fails to obtain sufficient info necessary for expression of an opinion/its exceptions are sufficiently material to negate expression of an opinion.
9	Fails to invite attention to material departure from generally accepted procedure of audit applicable to the circumstances.
10	Fails to keep moneys of his client other than fees/remuneration/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.
<b>Part II: Professional Misconduct in relation to Chartered Accountant in Generally</b>	
1	Contravenes any of the provisions of this Act or the regulations made there under or any guidelines issued by the Council
2	Being an employee of co, firm or person, discloses confidential info acquired in course of his employment except as & when required by any law/except as permitted by employer.
3	Includes in any info, statement, return/form to be submitted to ICAI, Council/any Committees, Director, Board of Discipline. Disciplinary Committee, Quality Review Board or the Appellate Authority, any particulars knowing them to be false.
4	Defalcates/embezzles money received in his professional capacity
<b>Part III: Other misconduct in relation to members of the Institute in Generally</b>	
1	Held guilty by civil/criminal court for an offence which is punishable with imprisonment for a term exceeding 6 months.