Scaling practice

REVISED CODE OF ETHICS, 2026
(13th Edition)

Significant changes

INSURANCE !!

The views expressed are those of the presenter and, therefore, do not necessarily represent the views of either the Council or any Committee(s)/Board(s) of the Council of the Institute of Chartered Accountants of India (ICAI).

Agenda

1. **INTRODUCTION**
2. **VOLUME 1 Amendments**
   - 5 Chapters and Appendices
3. **VOLUME II Amendments**
4. **VOLUME III Replacement**
5. **RECOMMENDAITON – FOR DEBATE**
6. **FAQ ON**
7. **RECENT ESB DECISIONS**
8. **FEW Do's & Don'ts**
9. **OUR TIME**



Accounting is accountability

Accounting is base for tax, governance, credit, investment, sustenance

Opinion on FS is a communication: should be ONLY truthful and complete

"Throughout the world, there is a great awareness among citizens in general that every learned profession should develop a sense of social purpose and social obligation and this should be more so in the case of the accounting profession, which because of the present context in the country has assumed considerable importance.

The Chartered Accountant is a person on whom every member of the society could rely and rely strongly. His certificate would be one by way of a seal and a hall mark of which would inspire confidence in the minds of all concerned as certificates by a person fully competent and holding a charter from the Supreme Legislature of the country for the purpose."



INTRODCUTION

Applicability of Revised Code of Ethics, 2026



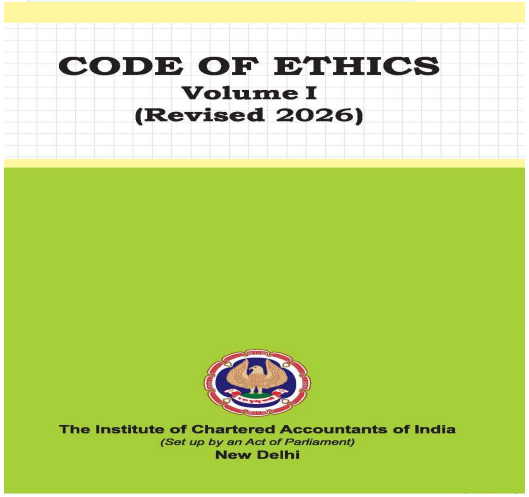
The Code of Ethics (13th Edition)- Volume-I, II & III is applicable with effect from **April 01, 2026** except for the s.no. (xxxi).



The s.no. (xxxi) “Assessment and evaluation of Social Impact, CSR Impact, Business Responsibility and Sustainability Reporting, and the like” of Management Consultancy and other services issued under Section 2(2)(iv) of the Chartered Accountants Act, 1949 in Code of Ethics, Volume-I is effective from December 11, 2025.

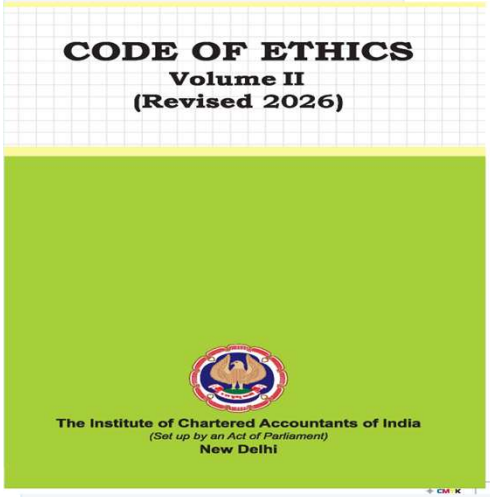
Structure

Volume I



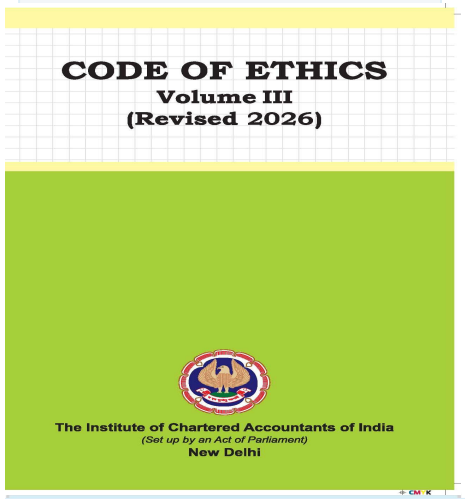
Incorporates amendments arising from the CA Act, Council decisions, Council General Guidelines. and revisions reflecting contemporary developments

Volume II



Converged with IESBA Code of Ethics 2024 and subsequent Pronouncements.

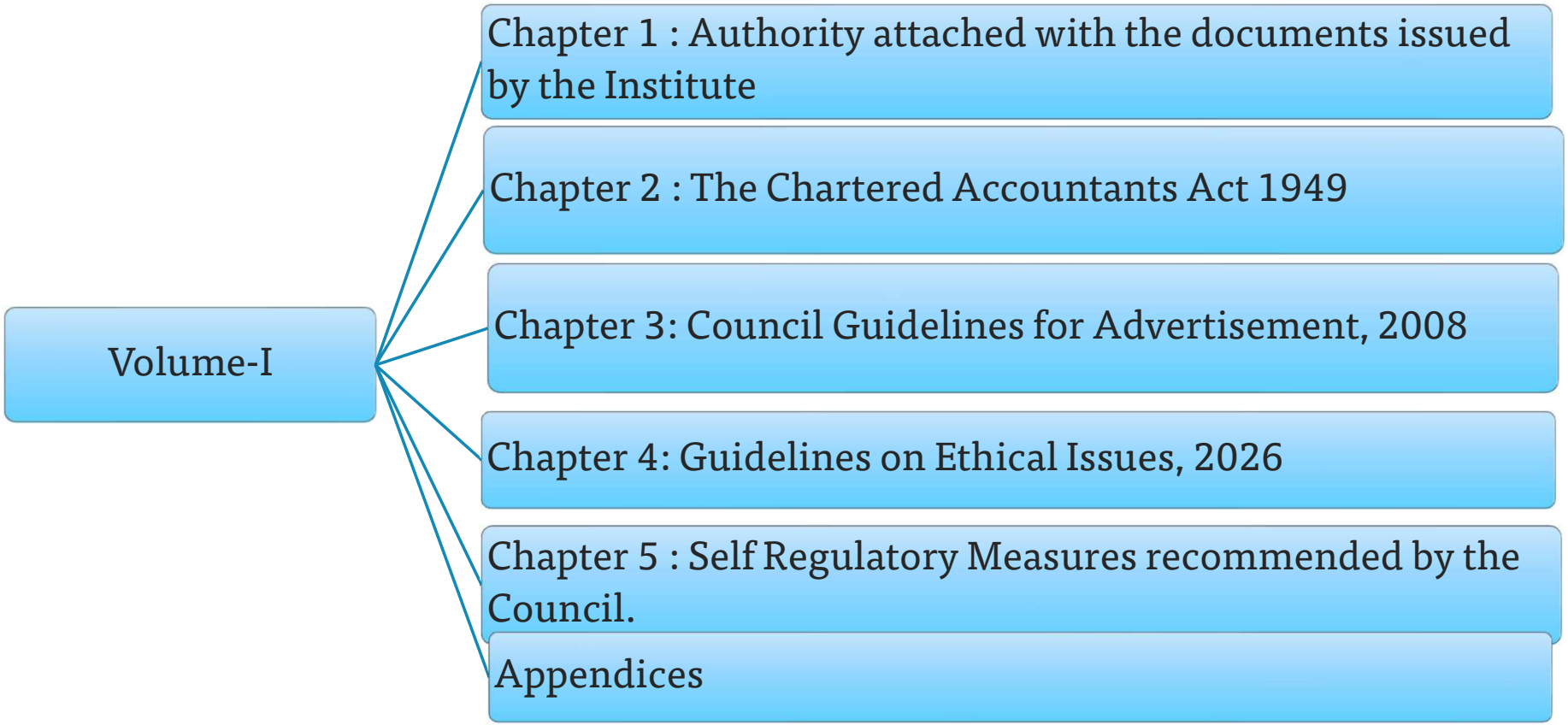
Volume III



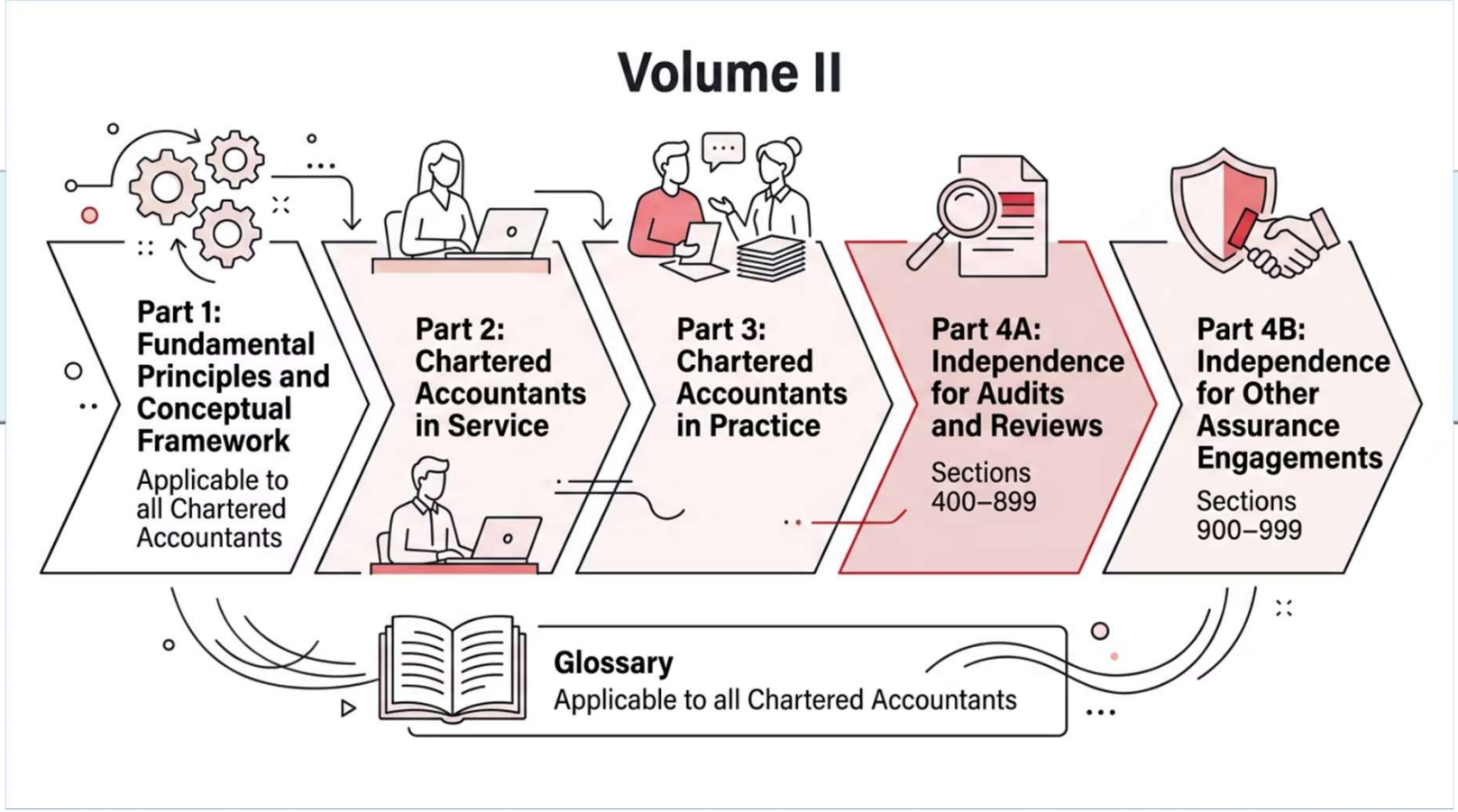
Ethics Standards for Sustainability Assurance (including independence standards).

📌 The earlier Volume III (Case Laws Referencer) as a separate publication.

Overview of Volume I



Overview of Volume II



Overview of Volume III

Ethics Standards For Sustainability Assurance (Including Independence Standards)



(a) Sections 5100 to 5350 set out ethics standards for all sustainability assurance engagements and other professional services performed for sustainability assurance clients; and



(b) Sections 5400 to 5600 which set out independence standards for sustainability assurance engagements.

Connect with INDIA ethos

The Revised Code of Ethics begins with the Shloka :

धर्मो रक्षति रक्षितः ।

Dharma protects those who protect it.

VOLUME I AMENDMENTS

CHAPTER 1

AUTHORITY FOR DOCUMENTS ISSUED BY THE INSTITUTE

Chapter 1 :
Authority for documents issued by the Institute

Clarification regarding Authority for Documents Issued by the Institute

Revision: The Institute has revised the 'Clarification regarding Authority Attached to Documents' in February, 2022. The same has been amended in the Code.

Engagement, Quality Control, Accounting Standards and Other Standards

Revision: Commentary to various Standards issued by the Institute (e.g. Engagement and Quality Control Standards, Accounting Standards, Standards on Internal Auditing, Standards on Sustainability etc.) is revised in Code of Ethics.

CHAPTER 2

THE CHARTERED ACCOUNTANTS ACT, 1949

AMENDMENTS INCORPORATED

Chapter 2 :

The Chartered Accountants Act 1949 Amendments

Statutory Amendments	Expansion of scope of Services
• Incorporation of amendments from CA, CS & CWA (Amendment) Act, 2022	• Changes in Section 2(2)(iv)

First Schedule	Second Schedule
1. Clause (4) : Partnerships with other professionals (IPE/RVE) 2. Clause (6) : Mentioning CA Firm name 3. Clause (7) : Conducting Virtual Programs, mention of firm name on Articles etc 4. Clause (8) : Communication to Previous Auditor 5. Clause (9) : Reference to Sec 141 of Companies Act	• New insertion Clause (5), Part-II



Statutory Amendments

1 Amendment Act 12 of 2022

Revisions in the Code of Ethics arising from amendments in the Chartered Accountants Act, 1949 vide Amendment No. 12 of 2022, which came into force w.e.f. **10th May 2022**.

2 Expanded Purpose of the Act

*"An Act to make provision for the regulation and **development** of the profession of Chartered Accountants"* — a significant addition of the word "development".

3 Sections Revised in the Code

Revisions in the Code are reflected under **Sections 6, 8, 20, 24, 25, and 26** of the CA Act, 1949.

Expansion of Scope of Services u/s 2(2)(iv) of the CA Act

The amendment to Entry No. (xiv) now includes **Information System Audit** within the definition of Management and Operational Audits. Additionally, four significant new service categories have been recognised:



Forensic Accounting & Investigation



Research Analyst recognized by a regulator



Assessment and evaluation of Social Impact, CSR Impact, BRSR, and the like



Artificial Intelligence (AI) Consultancy in areas of services which can be rendered by a Chartered Accountant in practice

Partnerships with other Professionals under IPE/RVE

(Under commentary to clause (4))

Chartered Accountants in practice earlier permitted to form partnerships with other recognized professionals under **an Insolvency Professional Entity (IPE) or Registered Valuers Entity (RVE).**

Revision in the Code now **explicitly** reinforces this permission under the commentary to Clause (4) of Part-I, First Schedule, CA Act, 1949 , allowing Chartered Accountants in practice to enter into such partnerships, subject to compliance with the provisions of the Code.

Mentioning CA Firm name

(Under commentary to clause (6))

Educational Audio, Video, Podcast	
Revised Code	**Earlier Code**
• Members may upload audios and podcasts **in addition** to videos. However, it should be educational in nature. • **Firm name may also be mentioned** in Educational Audio, Video & Podcast, wherein the member is partner/ proprietor. • **Contact details of members** (mobile number, email id and physical address) may be mentioned .	• Members could only upload videos of educational nature. • Firm name could not be mentioned in videos. • Not allowed to mention contact details

Mentioning CA Firm name

(Under commentary to clause (6))

Firm Names in Credits	
Revised Code	**Earlier Code**
• Now, name of the member or CA Firms may also be mentioned **at other places** where credits to different disciplines are customarily mentioned **in addition to Television or Movie Credits** which was permitted earlier.	• In Television or Movie Credits, name of the member or CA Firms may be mentioned.
• **However**, names should not be made differently as compared to other entries in the credits	• No provision

Conducting Virtual Programs and mention of firm name on Articles (under commentary to clause (7))

Revised Code	Earlier Code
Virtual programs/ webcast by members/ firm	
• Chartered Accountants in practice may now also conduct virtual programs/ webcast for staff.	• The earlier code was silent for conducting virtual programs/ webcast, however members could hold training courses, seminars for staff.
• **No restriction** on the categories to whom the **invite** may be sent	• Invitation can only be sent to staff of other Chartered Accountants, clients and others to attend the same
Firm name in articles or letters to the Press	
• **Name of the firm** in which member is a partner or proprietor may also be mentioned by members writing articles or letters to the Press on subjects connected with the profession.	• Name of the member and use of the description Chartered Accountants was only allowed.

Contd....

Network Firms and Networking Guidelines

(under commentary to clause (7))

Revised Code	Earlier Code
• The firms constituting a Network are permitted to mention **"the name of Network"** on all professional stationery.	• The firms constituting a Network are permitted to use the words "Network Firms" on their professional Stationery
• The Network can also mention in its professional stationery the **"names of Firms"** being part of its Network.	• Earlier Code was silent for Network mentioning the name of the firm on stationary.
• Network registered with the Institute can have its website subject to the Common Website Guidelines for CA Firms	• There was no provision in earlier code for website of Network registered with the Institute.

Mode of Communication to Previous Auditor

(Under commentary to clause (8))



The Postal Department has merged Speed Post and Registered Post services w.e.f September 1, 2025 “to streamline operations and improve efficiency”

The Mode of Communication is accordingly revised in Code from “Registered Acknowledgement due” be substituted with “**Registered/Speed post with Acknowledgement due**”.

Compliance with Section 141 of Companies Act

(Amendment & addition under commentary to clause (9))

The CA, CS, CWA (Amendment) Act, 2022 introduced two significant amendments to Clause (9), both of which have been incorporated into the revised Code:

Compliance Requirement

- Compliance with **Section 141 of the Companies Act, 2013** is required
- Compliances of any other law pertaining to appointments of auditor of the company for time being in force required.

Commentary Revision

The revised commentary includes the guidance for requirements of all other applicable laws governing the appointment of auditors of company, in addition to the provisions of sections 139 to 141 of the Co's Act, 2013, which previously included only sections 139 and 140.

For example, in the case of a banking company or an insurance company, the auditor's appointment shall be subject to compliance with the respective laws governing the Banking or Insurance.

New Clause (5), Part II, Second Schedule

New Insertion vide CA, CS, CWA (Amendment) Act, 2022 — applicable to all members whether in practice or not.

*"A member of the Institute, whether in practice or not, shall be deemed to be guilty of professional misconduct, if he — **Clause (5):** acts as an auditor of the company in contravention of the provisions of the Companies Act, 2013."*

Objective

To uphold the sanctity of the audit process and the statutory obligations attached to the role of an auditor as mentioned under the Co' s Act, 2013.

Member

Members are therefore required to exercise the highest degree of adherence to statutory requirements while discharging their audit responsibilities.

CHAPTER 3

COUNCIL GUIDELINES FOR ADVERTISEMENT, 2008

Chapter 3 : Council Guidelines for Advertisement, 2008

- Amendment in Advertisement Guidelines
- Amendment in Website Guidelines
- Listing with Application based Service provider Aggregators

Amendment in Advertisement Guidelines

- **Definition of "Write-up" is amended as under (Bold and underlined)**

  *"write up" means the writing of particulars in **contemporary form** according to the information given in the Guidelines setting out the services, rendered by the Members or firms and any writing or display of the particulars of the Member(s) in Practice or of firm(s)*

  - *Issued, circulated or published by way of print or electronic mode or otherwise including in*
  - *newspapers,*
  - *journals,*
  - ***Directories,***
  - *magazines and*
  - *websites, which include social Networking Websites (in Push as well as in Pull mode) in accordance with the Guidelines.*

- **Introduction of term 'contemporary' in the definition of "write-up" to permit advertising through modern presentation formats, including charts and diagrams.**

Amendment in Advertisement Guidelines

The Guidelines relating to directory has been repealed and now **“Directory” forms part of the definition of ‘write-up” as per Advertisement Guidelines** . The entry in a printed or electronic Directory will be treated as Advertisement and will be eligible for all features which are permitted to write-up.

Amendment in Advertisement Guidelines

Changes in the condition on the content of Advertisement through Write-up

Particulars	Revised	Earlier
Font Size	**Removal** of limit of font size	Font size should not exceed **14**
Mention of MRN/FRN	**Dispense with** requirement of Membership number/FRN	Mandatory mention of Membership number/FRN
Types of Content	**More flexibility of content** by allowing the inclusion of additional information by members	Provide only those particulars of firm that are expressly mentioned in the guidelines

Mention of Client Names	• **Mention of Client Assignments**
	  • For **Non-Exclusive Services**: Names of clients and nature of assignments may be mentioned, subject to permission.
	  • For **Exclusive Services**: Only client names may be mentioned subject to permission.
		• No mention of Names of Clients and nature of assignments

Exclusive vs Non-Exclusive services

1. Exclusive Services

Definition: Core attestation and assurance functions.

Examples: Statutory Audits, Tax Audits, Certifications, and core Assurance/Attestation services.

2. Non-Exclusive Services

Definition: Advisory, consulting, and compliance services.

Examples: Tax advisory, bookkeeping, management consultancy, forensic accounting, and AI consulting.

Why the Distinction Matters

ICAI's Code of Ethics strictly separates these two to **safeguard auditor independence** and avoid conflicts of interest.

Pull Mode: Exclusive services must be listed using "pull mode" on websites, meaning a potential client must deliberately search for or request the information.

Push Mode: Non-exclusive services can be showcased in "push mode," allowing firms to reach out to potential clients directly (e.g., via newsletters, social media, and informational campaigns

Amendment in Website Guidelines : FOR NETWORK

NEW:

Networks registered with ICAI can now develop and maintain their own websites, subject to the website guidelines.

Salient features of the Guidelines for Networks include: The Network/Alliance of firms registered with ICAI may display

- Registration Number on the Website.
- Model adopted for Networking (i.e., Alliance Model, Network Model, or Lead Firm Model).

Amendment in Website Guidelines : TECHNOLOGY

Revised:

- "Push technology" can be used for non-exclusive services in the website while exclusive services must continue to follow the "pull" model.
- "Push Technology" can also be used for Information like Area of Experience and Number of Article Assistant

Earlier:

- The website run on 'Pull' model of technology to ensure that website can be accessed only when a person specifically searches for or requests such information through a "pull" action.
- "Pull Technology" is used for Information contained in the website.

Contd....

Amendment in Website Guidelines : PHOTOS / CLIENT NAMES

Particulars	Revised	Earlier
Photo Gallery	• Photographs of persons associated with the Firm • Photographs of professional event(s) organized by the firm • Photographs of any professional event(s) where lectures are delivered by the partners / proprietor of the Firm are permitted.	Only Passport style photographs were allowed.
Mention of Client Names	**For Non-Exclusive Services:** Name of clients and nature of assignments may be mentioned, subject to permission. **For Exclusive Services:** Only client names may be mentioned subject to permission.	Earlier not allowed to mention client names.

Contd....

Amendment in Website Guidelines : ADDITIONAL INFO

Revised	Earlier
Member/CA firms can now mention the following: 1. Peer Review status 2. Audit Quality Maturity Model level as reviewed by a peer reviewer/ AQMM Reviewer 3. Affiliation with a Network registered with the Institute 4. Mention existing /past position(s) held in ICAI as elected representative of Central Council, Regional Council and Branches on website.	No provision to mention peer reviewed/AQMM level/ position held in ICAI etc.

Listing with Application based Service provider Aggregators

Revised	Earlier
• **Non-exclusive services :** Members/firms can list themselves with online Application based service provider Aggregators for • **Exclusive services: Not** permissible for members and their firms to list themselves • Permission for listing on Government or Regulator or authority portals for providing any professional services (e.g. GEM Portal). • Inclusion of Reference of CA Connect portal of the Institute for encouraging members to use the Portal.	• Prohibition for listing on online Application based service provider Aggregators wherein other categories like businessmen, technicians, maintenance workers, event organizers etc. are also listed

CHAPTER 4

GUIDELINES ON ETHICAL ISSUES, 2026

Chapter 4: Guidelines on Ethical Issues, 2026

- Change in terminology of ‘Council General Guidelines, 2008’ **to** ‘Guidelines on Ethical Issues, 2026.
- Amendments in Chapters:
  - “Maintenance of Books of Account”
  - ‘Appointment of an Auditor in case of Non-Payment of Undisputed Fees’
  - ‘Specified number of Audit Assignments of Audit ’
  - ‘Appointment as Statutory Auditor’
  - ‘Appointment of an Auditor when he is indebted to a Concern’
  - ‘Minimum Fee in respect of Professional Services’ **(New)**
  - ‘Non-payment of undisputed Audit fees’ **(New)**

Maintenance of Books of Account

Earlier Provision

A member or firm shall maintain and keep in respect of professional practice, proper books of account. The minimum requirements were:

1. **A Cash Book**
2. **A Ledger**

No provision for electronic form; no requirement for a Bill Register.

Revised Provision

1. **A Cash Book**
2. **A Ledger**
3. **Bill Register (newly added)**

Books may be maintained in electronic or physical form.

Appointment of an Auditor in case of Non-Payment of Undisputed Fees

- The earlier provisions restricts a member from accepting Audit in case the undisputed audit fees of previous Auditor for carrying out Statutory Audit is pending **except in case of a sick unit, which is continued in revised code**.

  Revised: Additional exemption in case of a company for which **insolvency resolution process** has been initiated and the Resolution Professional has been appointed.

- In earlier provisions which are continued in revised Code also, "undisputed audit fees" is considered as the provision for audit fee in accounts signed by both - the auditee and the auditor along with other expenses, if any, incurred by the auditor in connection with the audit.

  Revised: "Applicable taxes" are **also** included for the purpose of computing 'undisputed fee.'

Specified Number of Audit Assignments

30 Companies

Earlier

The maximum number of specified audit assignments permissible per member under the earlier guidelines.

40 Companies

Revised

The enhanced maximum limit under the Revised Code

Exemption : ONLY One Person Company (OPC) And Dormant Company

Revision in limit : Company audits

Companies Act, 2013: 141(3)(g) : Specified limit for audit is a maximum of 20 company audits. Exclusions are:

- One Person Companies
- Dormant Companies
- Small Companies and Private companies upto Rs ₹100 crores

Code of Ethics : Limit has been increased from 30 to 40 company audits, excluding One Person Companies and Dormant Companies.

Small Companies are not included in this exemption.

‘Appointment as Statutory Auditor’

- **Revised :**

  Member or firm shall **not** accept the appointment as statutory auditor of PSU/ Government Company/Listed Company and other Public Company having **turnover of Rs. 250 crores or more** in a year where he accepts any other work or assignment or service in regard to the same Undertaking/ Company on a remuneration which in total exceeds the fee payable for carrying out the statutory audit of the same Undertaking/company.

- **Earlier:**

  The Turnover limit was earlier Rs. 50 crore for these provision

Appointment of an Auditor when he is indebted to a Concern

A member shall not accept appointment as auditor of a concern while indebted to the concern or given any guarantee or provided any security in connection with the indebtedness of any third person to the concern, for limits fixed in the statute and in other cases for amount exceeding Rs. 5,00,000.

- Earlier the **limit of indebtedness** was Rs. ₹1 lakh **increased to ₹5 lakh**
- Further, in the revised code it is expressly mentioned that the **term "auditor" shall not include internal auditor, concurrent auditor** or an auditor giving report to the Management as per the earlier decision of Council.

‘Minimum Fee in respect of Professional Services’

NEW chapter

Member in practice shall **not** charge fees less than the minimum fees:

- Mandated by the Central or State Government or a Regulator; or
- Prescribed by the Council for any professional service prescribed under any law, rules or regulation for the time being in force.

‘Non-payment of undisputed Audit fees’

NEW Chapter:

- **PIE :** A member shall not sign the audit report if the ‘undisputed Audit fees’ of the said entity for the previous year, having audited by him, has not been paid.
- **Non-PIE :**The above restriction shall apply if the undisputed audit fees of the said entity for **two** consecutive previous years have not been paid.
- **Exemption :** Company for which insolvency resolution process has been initiated and the Resolution Professional has been appointed.

CHAPTER 5

SELF REGULATORY MEASURE RECOMMENDED BY THE COUNCIL.

Chapter 5 :
Self Regulatory Measure recommended by the Council.

Audit fees by Digital modes or through Banking channels :

In line with the policy of Government of India to promote digital economy, the Council has recommended that the members or firms should accept audit fees only through digital modes or banking channels.

APPENDICES

KEY AMENDMENTS

Appendices — Overview of Key Amendments

Appendix 'F'

Appendix (9) to CA Regulations, 1988 – Permission to engage in Other Business/ Occupation

Appendix 'H'

Amendments in Guidelines for Practice in Corporate Form of Practice

Appendix 'I'

Revisions to the guidelines for letterheads and visiting cards of elected representatives

Appendix 'L'

New CA India logo guidelines

Permission to engage in Other Business/ Occupation

- **Permitting additional business/occupation activities with Attest Function:**
  - Office of a MD, WTD or Manager of a body corporate within the meaning of the Companies Act, 2013**, being a Management Consultancy Company registered with the Institute**. (Earlier permitted, now expressly mentioned)
  - Transactions in securities, provided in case of commodity derivatives, only such transactions which are settled on cash basis.
  - Publishing Research Report on own behest.
  - WTD or MD in the case of an IPE /RVE with attest functions.
- **Teaching Hours:** Increase from 25 to 35 hours in a week for entitlement of attest function.

Amendments in Guidelines for Practice in Corporate Form of Practice

- **Expansion of Services Permissible for ICAI-Registered Management Consultancy Companies:**
  - Administrative Services
  - Forensic Accounting and Investigation.
  - Research analyst recognized by a Regulator
  - Assessment and evaluation of Social Impact, CSR Impact, BRSR, and the like
  - Artificial Intelligence (AI) Consultancy in areas of services which can be rendered by a CA in practice
- **Enable Website of Company-** Permission to develop website, subject to requisite amendments which will be notified by the Institute**.**

Revisions to the guidelines for letterheads and visiting cards of elected representatives

The Council guidelines governing the use of designations, as well as the format and content for printing letterheads and visiting cards of the elected representative of the Institute i.e, President, Vice-President of the Institute, Council Members, etc.

Revision:

- These guidelines were revised earlier and are now reflected in the revised Code.
- It is now allowed to mention the “term” in ICAI as elected representative on the visiting card.
- Council Members can mention their nominations or memberships of national or international bodies on their visiting cards.
- The use of logos advised by the Central Government for promotion and public awareness etc can also be used.

New CA India logo guidelines

The new logo of CA India, issued in 2023, reflects the brand's connection to India while retaining its existing identity. The new CA India Logo guidelines are included in revised Code of Ethics.



The new logo consists of the letters 'CA' in blue colour with a tri colour tick mark (upside down) with white background.

'India' is also added in the logo, as it epitomizes the Institute's connection to India First Approach and commitment to serve the Indian economy in public interest.

VOLUME II AMENDMENTS

Revision in Volume- II of Code of Ethics

(Key Changes in subsequent slide)

- Revision in Convergence with the International Ethics Standards Board for Accountants (IESBA) Code of ethics, 2024 edition
- Updates reflecting technology-related revisions
- And with necessary modifications as per domestic provisions

Employing Terms from CA Act in place of IESBA terms

CA Act, Regulations refer member as a 'Chartered Accountant' (CA)

IESBA Code uses term "professional Accountant" (PA), i.e. "An individual who is a member of an IFAC member body".

Earlier:

Earlier Volume-I of COE uses the term "Professional Accountant"

Revised:

"Chartered Accountant" (CA) in place of "Professional Accountant" (PA)

"Chartered Accountant in practice" in place of "professional accountant in public practice"

"Chartered Accountant in service" in place of "professional accountant in service"

“Honesty” Fundamental Principle of Integrity
(In Subsection 111 of COE Vol-II)

R111.1 A CA shall comply with the principle of integrity, which requires an accountant to be straightforward and honest in all professional and business relationships.

Added Application guidance

111.1.A1 A CA shall comply with the principle of honesty, which requires an accountant to be honest and upright as a citizen, and in the personal affairs..

111.1.1 A2 A CA shall imbibe the ideal of **Satyameva Jayate** (Sanskrit: सत्यमेव जयते) which means 'Truth alone triumphs', being part of the Mundaka Upanishad , and adopted as national motto of India.

Concept of Bias

Earlier:

- Incidental reference of “bias” in the fundamental principle of objectivity is appearing in the earlier Volume I of COE.

Revised:

- Bias has been bifurcated as: **(i) Conscious and (ii) Unconscious Bias.**
- Introduced under the head “Other Considerations when Applying the Conceptual Framework”.
- Explanation and examples of bias such as Anchoring, Automation, Availability, Confirmation, Groupthink, etc. have been revised.

Examples of bias

- **Anchoring** bias, which is a tendency to use an initial piece of information as an anchor against which subsequent information is inadequately assessed.

- **Automation** bias, which is a tendency to favor output generated from automated systems, even when human reasoning or contradictory information raises questions as to whether such output is reliable or fit for purpose.

- **Availability** bias, which is a tendency to place more weight on events or experiences that immediately come to mind or are readily available than on those that are not.

- **Confirmation** bias, which is a tendency to place more weight on information that corroborates an existing belief than information that contradicts or casts doubt on that belief.

- **Groupthink,** which is a tendency for a group of individuals to discourage individual creativity and responsibility and as a result reach a decision without critical reasoning or consideration of alternatives.

- **Overconfidence** bias, which is a tendency to overestimate one's own ability to make accurate assessments of risk or other judgments or decisions.

- **Representation** bias, which is a tendency to base an understanding on a pattern of experiences, events or beliefs that is assumed to be representative.

- **Selective perception**, which is a tendency for a person's expectations to influence how the person views a particular matter or person anchor against which subsequent information is inadequately assessed.

Actions to mitigate bias

Conscious or unconscious bias affects the exercise of professional judgment when identifying, evaluating and addressing threats to compliance with the fundamental principles.

Actions that might mitigate the effect of bias include:

1. Seeking advice from experts to obtain additional input.

2. Consulting with others to ensure appropriate challenge as part of the evaluation process.

3. Receiving training related to the identification of bias as part of professional development

Section 360 - NOCLAR



- **Revised:**

  For Section 360 “Responding to Non-Compliance with Laws and Regulations ”, the applicability criterion of Rs. 250 crores is removed and now made **applicable to all** listed companies and its “material subsidiaries as defined in regulation 16C of SEBI LODR. (“Material subsidiary” shall mean a subsidiary, whose turnover or net worth **exceeds 10%** of the consolidated turnover or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year)

- **Earlier:**

  Section 360 “Responding to NOCLAR ” was deferred from its applicability till 30.09.2022.

  This Section 360 had been made applicable to Audit engagements of entities, the shares of which are listed on recognized stock exchange(s) in India and have net worth of Rs. 250 crores or more w.e.f. 01.10.2022.

Section 360 - Responding to NOCLAR

- **Revised:**

  The repealed provisions R360.26 on imminent breach **restored.**

  > *R360.26 In exceptional circumstances, the CA might become aware of actual or intended conduct that the accountant has reason to believe would constitute an **imminent breach** of a L or R that would cause substantial harm to investors, creditors, employees or the general public.*
  >
  > *Having first considered whether it would be appropriate to discuss the matter with management or those charged with governance of the entity, the accountant shall exercise PJ and determine whether to disclose the matter immediately to an appropriate authority in order to prevent or mitigate the consequences of such imminent breach.*

- **Earlier:**

  The provisions relating to course of action to be taken by PA in case of "Imminent breach" was repealed th[illegible]ot made applicable.



Definition of Public Interest Entity (PIE)

Revised	Earlier
(a) A listed entity; or	(a) A listed entity; or
(b) **An entity one of whose main functions is to take deposits from the public; or**	(b) An entity: (i) Defined by regulation or legislation as a PIE ; or (ii) For which the audit is required by regulation or legislation to be conducted in compliance with the same independence requirements that apply to the audit of listed entities. Such regulation might be promulgated by any relevant regulator, including an audit regulator.
(c) An entity: (i) Defined by regulation or legislation as a PIE; or (ii) **Having borrowings of ₹500 crores of rupees or more (to be assessed at both the beginning and end of the year)".**	
For purpose of this definition, it may be noted that Banks and Insurance Companies are to be considered as PIE.	For purpose of this definition, it may be noted that Banks and Insurance Companies are to be considered as PIE.
Other entities might also be considered by the Firms to be PIEs as set out in paragraph 400.13 and 400.14.	Other entities might also be considered by the Firms to be public interest entities, as set out in paragraph 400.8.

Non-Acceptance of Audit of PIE where NAS of same entity was done prior (in case of threats) - Para R400.32

NEW: Par R400.32 introduced where it is provided that , a firm shall **NOT** accept appointment as auditor of a PIE to which the Firm/network firm has provided a NAS prior to such appointment that might create a self-review threat in relation to the financial statements on which the firm will express an opinion unless :

- The provision of such service **ceases** before the commencement of the audit engagement period;
- The firm **takes action** to address any threats to its independence; and
- The firm determines that any threats to the firm's independence have been or will be **eliminated or reduced** to an acceptable level.

Total fees - Fee Dependency (Earlier known as Fees-Relative size)

(410.15-410.18 of Volume-II)

For PIE Clients: Disclosure is required where for 2 consecutive years, the gross annual professional fees from audit client being a PIE represent more than 20% of the total fees of the firm.

For Non PIE Clients: Disclosure is required where for 5 consecutive years, gross annual professional fees from an audit client being a Non-PIE represent more than 40% of the total fees of the firm.

(Changed from earlier 2 years to 5 years)

Disclosure to Peer Review Board in prescribed form within nine months from commencement of the relevant financial year during which the disclosure is to be made .

(Earlier - disclosure is made to Ethical Standards Board)

Exemption:

- Not applicable where total fees of the firm does not exceed Rs. 50 lakhs in respect of a firm including fees received by the firm for other services rendered.
- Not applicable where total fees from any audit client and its related entities do not exceed Rs. 20 lakhs.

Making Loan or Guarantee to Audit Clients
(Section 511)

Revised:

- To provide greater clarity on the threshold of immateriality, it is revised to explicitly quantify the limit as ₹5 lakh.

Earlier:

- Loan and Guarantee which inter alia also contains the eventuality of making or accepting loan or guarantee to the Audit Client. A firm shall not make, accept, or guarantee a loan to an audit client, unless such loan or guarantee is considered immaterial.

Amendments in NAS to Audit Clients
(Section 600)

Consistent

The requirements and application material in the revisions to subsections 601 to 610 follow a consistent structure.

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New Prohibitions for

New requirements that expressly prohibit firms from providing certain NAS to their audit clients, particularly when the clients are Public Interest Entities (PIEs) and services might create self-review threat such as Valuation Services, tax advisory services when effectiveness is Dependent on a Particular Accounting Treatment.

Advisory Services

Additional guidance indicating that the provision of advice and recommendations to Audit Clients may create a self-review threat. The revision clarifies the situations in which a firm or network firm may provide only such advisory services to an audit client which will not create threat to independence.

Management

Provisions prohibiting firms from assuming management responsibilities have been made more prominent by repositioning them within the Code.

Amendments in NAS to Audit Clients - R600.17

New requirement introduced where firm shall NOT provide a NAS to an audit client that is a **PIE,**

- if the provision of that service might create a self-review threat in relation to the audit of the financial statements on which the firm will express an opinion.

Amendments in NAS to Audit Clients-Communication with TCWG

Revised: As per new requirement R600.22, before an audit firm (or its network firm) provides NAS to a **PIE**, its parent, or subsidiary, firm shall, unless already addressed when establishing a process agreed with TCWG:

- Inform **TCWG** of the PIE that the service
  - is not prohibited,
  - will not create a threat to the firm's independence (or that any such threat has been reduced to an acceptable level),

- Provide sufficient information to enable TCWG to make an informed assessment of how the service may affect the firm's independence as the auditor.

Earlier : No provision to inform TCWG before a firm accepts an engagement to provide a NAS to an audit client.

Amendments in NAS to Audit Clients-Valuation Services 603

Change from Material effect on FS to Self Review Threat

Revised:

- A firm shall not provide a valuation service to an audit client that is a **PIE** if the provision of such valuation service might create self-review threat.

Earlier:

- A firm shall not provide a valuation service to an audit client that is a **PIE** if the valuation service would have a material effect, individually or in the aggregate, on the financial statements on which the firm will express an opinion.

Amendments in NAS to Audit Clients-Taxation Services 604

New provision R604.4

- Firm shall **NOT** provide a tax service, or recommend a transaction to an audit client if the service or transaction relates to marketing, planning, or opining in favor of a tax treatment that was initially recommended, directly or indirectly, by the firm or network firm, and a significant purpose of the tax treatment or transaction is tax evasion.

Amendments in NAS to Audit Clients-Taxation Services 604

Tax Calculation Services R604.10

- **Revised**: The materiality aspect has been removed. Under the revised provision, a firm shall not prepare any tax calculations for PIE Audit Client, regardless of materiality.
  - However, the CA may review the tax calculation prepared by the client and provide recommendations.

- **Earlier** : Firm shall not prepare tax calculations of current and deferred tax liabilities (or assets) for an audit client that is a PIE for the purpose of preparing accounting entries that are material to the financial statements on which the firm will express an opinion.

Amendments in NAS to Audit Clients-Taxation Services 604



New requirement on providing tax advisory and tax planning services to PIE Audit Client in Paragraph R 604.15 :



A firm or a network firm shall not provide tax advisory and tax planning services to an audit client that is a PIE if the provision of such services might create a self-review threat.

Amendments in NAS to Audit Clients-Taxation Services 604

Change from Material effect on FS to Self Review Threat

New provision in para R 604.19 “Tax Services Involving Valuations” For PIE Clients

- **Revised**: New Requirement; firm shall **not** perform a valuation for tax purposes for an audit client that is **PIE** if the provision of that service might create a self-review threat.

- **Removal of materiality** for PIE audit client.

- **Earlier**: A firm shall not perform valuation for tax services if it would have a material effect, individually or in the aggregate, on the financial statements on which the firm will express an opinion.

Amendments in NAS to Audit Clients-Taxation Services 604

NEW provision under Assistance in the Resolution of Tax Disputes; For PIE

- Requirement in para R604.24 provides that, for an audit client that is a PIE, a firm **shall not** provide assistance in the resolution of tax disputes if the provision of that assistance might create a self-review threat.

Earlier:

- It is provided that providing assistance in the resolution of tax disputes to an audit client might create a self- review or advocacy threat and certain safeguards were provided to reduce threats.

Amendments in NAS to Audit Clients -Litigation Support Services R 607

NEW:

- An entry for Forensic Accounting and Investigation is included in Management and Consultancy Services u/s 2(2)(iv)
- Forensic or investigative service is introduced as litigation support service in Volume-II
- A firm or a network firm shall **not** provide forensic or investigative service to an audit client.

Amendments in NAS to Audit Clients -Litigation Support Services R 607

NEW provision R607.6 “Provision of Litigation Support Services”

- A firm or a network firm shall **NOT** provide litigation support services to an audit client that is a **PIE** if the provision of such services might create a self-review threat.

Amendments in NAS to Audit Clients – Legal Service
R 608

NEW provision R608.7 :"A. Providing Legal Advice" for PIE audit client

A firm or a network firm shall **NOT** provide legal advice to an audit client that is a PIE if the provision of such a service might create a self-review threat.

(Ref: Para. R600.15 and R600.17)

VOLUME III REPLACEMENT

Volume-III - Ethics Standards for Sustainability Assurance

- “Ethics Standards for Sustainability Assurance” based on the International Ethics Standards for Sustainability Assurance (including International Independence Standards) issued by IESBA.
- This volume outlining provisions for sustainability assurance providers while providing sustainability assurance engagement.
- It also includes provisions related to independence when providing sustainability assurance services.



Volume-III - Sustainability Assurance Overview

- **Converged with International Ethics Standards for Sustainability Assurance (IESBA)**
- Outlines requirements for Sustainability Assurance providers
- Includes provisions related to independence for sustainability assurance services
- **Structure:**
  - Sections 5100-5350: Ethics standards for all sustainability assurance engagements
  - Sections 5400-5600: Independence standards for sustainability assurance

Volume-III - Key Provisions

- Sets high-quality standards of ethical behavior for sustainability assurance providers
- Establishes 5 fundamental principles for all sustainability assurance providers
- Includes conceptual framework to identify, evaluate, and address threats
- Sustainability information may cover comprehensive disclosures on various topics

Compliance with Legal & Industry-Specific Provisions (R5100.7)

- Where laws/regulations preclude compliance with certain provisions, laws prevail
- More stringent industry/sector-specific provisions shall be applicable

Compliance with Legal and Industry-Specific Provisions

R5100.7

- If there are circumstances where laws or regulations preclude a sustainability assurance provider from complying with certain provisions in this Part, those laws and regulations prevail, and the practitioner shall comply with all other provisions in this Part.

- If provisions which are more stringent or additional to those prescribed in this part have been stipulated vide any industry/Sector specific provisions, the said provisions shall be applicable with regard to such industry/Sector.



5270 — Pressure to Breach the Fundamental Principles

Pressure exerted on, or by, a sustainability assurance provider might create an intimidation or other threat to compliance with one or more of the fundamental principles.

Recognise

Identify when requests or circumstances create threats to compliance.

Evaluate &

Apply the conceptual framework; consult internally or with regulators where needed.

Documentation

Sustainability assurance provider is encouraged to document the facts, communications, how the matter addressed.

5300–5350 — Applying the Conceptual Framework

1. 5310 — Conflict of Interest
2. 5320 — Professional Appointments
3. 5330 — Fees & Remuneration
4. 5340 — Inducements, Gifts & Hospitality
5. 5350 — Custody of Client Assets

5400 — Independence for Sustainability Assurance Engagements

- 5410 — Fees
- 5411 — Compensation & Evaluation Policies
- 5420 — Gifts & Hospitality
- 5430 — Actual or Threatened Litigation



5520–5525 — Business & Personal Relationships

5520 — Business

A close business relationship with a sustainability assurance client or its management might create a self-interest or intimidation threat.

5521 — Family & Personal Relationships

Immediate family members employed in key positions at the client, or close personal relationships with client management, create familiarity threats.

5522 — Recent Service with Client

If a sustainability assurance team member has recently served as a director or officer, or employee of the sustainability assurance client, a self-interest, self-review or familiarity threat might be created.

5523 — Serving as Director or Officer

Serving as a director or officer of a sustainability assurance client creates self-review and self-interest threats.

5524 & 5525 — Employment & Temporary Assignments

Employment relationships with a sustainability assurance client might create a self-interest, familiarity or intimidation threat. The loan of personnel to a sustainability assurance client might create a self-review, advocacy or familiarity threat.

Section 5600- Provision of Non-assurance Services to a Sustainability Assurance Client

- Firms and network firms might provide a range of non-assurance services to their sustainability assurance clients, consistent with their expertise.

- Providing non-assurance services to sustainability assurance clients might create threats to compliance with the fundamental principles and threats to independence.

RECOMMENDATION FOR DEBATE

ETHICS - a recommendation

1. Intent : Debate and adopt

   - A powerful brand communication to Govt and other stakeholders that ICAI is an Effective regulator

   - Effective regulation means member have ZERO non- compliance, just like quality standards is zero PPM : it does not mean allowing members to make 100 mistakes, detecting 90 and punishing 70

ETHICS - a recommendation

2. To be applied to whom ?

- Every fresh CA on passing CA and before applying for membership, 3 hour online exam (open book) to be written on Ethics. Most international accounting bodies have this model

- Members who are applying for COP, whatever stage, should write an advanced paper on Code of Ethics (open book)

ETHICS - a recommendation

3. Has to be CONTINUING to be effective:
   a. Every 5 years, to write a 1 hour on line (open book) exam on Ethics (including ICAI code of ethics, ESB opinions & gist of DC cases last 5 years) ;

   b. Every year, Membership application, have a declaration that:
      i. Member is update on Code of ethics, AS and SA at the minimum and all other aspects in areas of work which he is serving;
      ii. Member has not violated any Code of Ethics/ Standards in the last year, to the best of his…….

Declaration is very powerful and creates good awareness and makes one sensitive.

ETHICS - other recommendation

4. Other related key debate to be done :
   - Members in industry coming to practice should work in an audit firm for minimum 2 years (some international accounting bodies have a 3 year requirement) before applying for COP.

   - Multiple advantages:
     - Member will get updated on nuances of practice;
     - Existing firms will get some experienced resources and quality of work will improve (like stipend, we can prescribe minimum salary);
     - Most likely after 2 years member will join same firm and we can build bigger firms; firm will also walk extra mile to retain the person and pay well

FAQ : FEW ESB OPINION

What is the evidence of Communication with retiring auditor?

The incoming auditor while communicating with a outgoing auditor should retain positive evidence of the delivery of the communication to the addressee.

Communication by a letter sent “Reg. AD” or by hand against a written acknowledgement or Acknowledgement of communication vide the retiring Auditor's email address registered with ICAI would in the normal course provide such evidence.

Are ISO Certifications of CA Firm allowed

A Chartered accountant firm should **not** use expression like "ISO Certified" although it is permitted to the firm to go in for ISO 9001: 2000 certification or other similar certifications.

Whether a CA firm can accept Branch Audit of a Bank when a partner has taken a loan from any other Branch of the same bank

Independence of Auditors can neither be diluted nor any scope be left for dilution in the perception of stakeholders.

The term ‘indebtedness ‘must continue to be a qua an entity and not qua branch.

Can a member in practice accept original professional work emanating from the client introduced to him by another member?

A Chartered accountant in practice should not accept the original professional work emanating from a client introduced to him by another member.

If any professional work of such client comes to him directly, it should be his duty to ask the client that he should come through the other member dealing generally with his original work.

Whether a member while conducting Internal Audit of a client can also do tally entry along with manual audit for the same client?

ESB has opined that it is prohibitive to undertake the assignments of Internal Audit of a client and Tally entry of the Accounts simultaneously, being violative of the provisions of the 'Guidance Note on Independence of Auditors'

Whether Concurrent audit of one of the branches of a bank can be accepted by an auditor who has conducted statutory audit of 3 different branches of the same bank?

On principle of strict independence, it is not permissible to accept Concurrent audit of one of the branches of a bank by an auditor who has conducted Statutory audit of 3 different branches of the same bank.

Whether internal auditor of an entity can be appointed as Tax Consultant of the same entity for a particular year?

An internal auditor of an entity may be appointed as Tax Consultant of the same entity for a particular year.

On designation

- Members in practice who are otherwise eligible may also practice as Company Secretaries and/or Cost Accountants. Such members shall, however, not use designation/s of the aforesaid Institute/s simultaneously with the designation “Chartered Accountant”.

- Members in practice who are otherwise eligible may practise as advocates subject to the permission of the Bar Council but in such case, they should not use designation ‘Chartered Accountant’ in respect of the matters involving the practice as an advocate. In respect of other matters they should use the designation ‘Chartered Accountant’ but they should not use the designation ‘Chartered Accountant’ and ‘Advocate’ simultaneously.

RECENT ESB DECISIONS

Recent decisions of ESB (1/3)

1. CAs in practice cannot become Financial Advisors and receive fees/commission from Financial Institutions such as Mutual Funds, Insurance Companies, NBFCs etc.
2. A CA cannot exercise lien over the client documents/records for non-payment of his fees.
3. It is not permissible for CA Firm to print its vision and values behind the visiting cards, it would result in solicitation and therefore would be violative of the provisions of Clause (6) of Part-I of First Schedule to the Chartered Accountants Act, 1949.
4. It is not permissible for Cas in practice to take agencies of UTI, GIC or NSDL.
5. It is permissible for a member in practice to be a settler of a trust.
6. A member in practice cannot hold Customs Brokers Licence under section 146 of the Customs Act, 1962 read with Customs Brokers Licensing Regulations, 2013 in terms of the provisions of Code of Ethics.
7. A CA in service may appear as tax representative before tax authorities on behalf of his employer, but not on behalf of other employees of the employer.

Recent decisions of ESB (2/3)

9. A CA who is the statutory auditor of a bank cannot for the same financial year accept stock audit of the same branch of the bank or any of the branches of the same bank or sister concern of the bank, for the same financial year.
10. A CA Firm which has been appointed as the internal auditor of a PF Trust by a Government Company cannot be appointed as its Statutory Auditor.
11. A concurrent auditor of a bank ‘X’ cannot be appointed as statutory auditor of bank ‘Y’, which is sponsored by ‘X’.
12. A CA/CA Firm can act as the internal auditor of a company & statutory auditor of its employees PF Fund under the new Companies Act (2013).
13. The Ethical Standards Board while noting that there is requirement for a Director u/s 149(3) of the Companies Act, 2013 to reside in India for a minimum period of 182 days in the previous calendar year, decided that such a Director would be within the scope of Director Simplicitor (which is generally permitted as per ICAI norms) , if he is non –executive director, required in the Board Meetings only , and not paid any remuneration except for attending such Board Meetings.
14. Mentioning the firm as a "Knowledge Partner" or in the "Thank You" advertisement, is not permissible, however mention of name of an individual member with prefix/suffix “CA” as a “knowledge partner “ is permissible.

Recent decisions of ESB (3/3)

15. Permitting the use of firm name by client, mentioning the firm as a "Knowledge Partner" or in the "Thank You" advertisement, is not permissible.
16. Concurrent auditor of an entity cannot accept an assignment done under any statute.
17. Quick Response Code (QR Code) may be printed on the visiting Card by a member in practice, provided that the Code does not contain information that is not otherwise permissible to be printed on a visiting Card.
18. A statutory auditor and tax auditor cannot be valuer of the unquoted equity shares as it would create threats to independence of the auditor, which may not possibly be reduced by application of safeguards.
19. The use of banner with name of CA firm is not permissible in terms of provisions of Items 6 and 7 of Part –I of First Schedule to The Chartered Accountants Act, 1949.

COMMON NON-COMPLIANCES

Non Communication to the outgoing auditor

Clause (8) of Part –I of First Schedule to the CA Act mandates communication with the retiring auditor before acceptance of audit

Non-compliance with this Clause is often committed misconduct .

In case of dispute, positive evidence of delivery is considered and not proof of dispatch.

Non Compliance of provisions of Companies Act

Clause (9) of Part-I of First Schedule to the CA Act mandates ascertaining compliance with provisions of Sections 139 and 140 of Companies Act, 2013 before acceptance of audit

Non -compliance with this Clause is also an often done misconduct

Advertisement beyond permissible terms

As a general rule, Advertisement is prohibited under Clause (7) of Part-I of the First Schedule to CA Act.

However, proviso to above permits advertisement through a “write-up” in accordance with the ICAI Advertisement Guidelines, 2008

Non-compliance with these Guidelines while advertising result in misconduct

Solicitation of Work

Clause (6) of Part-I of First Schedule to the CA Act bars solicitation of work directly or indirectly.

Certain exceptions to this general rule have been defined by the Council e.g. mention of Firm name on wedding invitation cards (to clients, relatives and friends) has been permitted.

Acting beyond the permitted categories would result in misconduct on part of the member.

Exceeding permitted No. of Audit limits

Council General Guidelines lay down permissible No. of Tax Audit limit (60)

It is also a common area of violation

It would result in misconduct on account of Clause (1) of Part-II of Second Schedule to the CA Act

Going beyond the permissible limit of information on Firm Websites

Under commentary to Clause (6) in Code of Ethics, ICAI Website Guidelines are appearing.

These clearly stipulate permissible limits of information that may be mentioned on website of CA Firm/individual member.

This is also an area of violation, as members put information like rank, client names, Firm logo, fees etc., which is not permissible.

Gross Negligence / Non exercise of due diligence

Clause (7) of Part-I of Second Schedule to the CA Act defines misconduct on account of gross negligence or non exercise of due diligence.

This is also an area vulnerable to violation

The expression ‘negligence’ covers a wide field and extends from the frontiers of fraud to collateral and minor negligence. He is a watch-dog but not a blood-hound [Karnataka High Court in a disciplinary case of B. Shantaram Rao - page 168 Vol-V of Disciplinary cases in 1977]

Engages in other business or occupation

Clause (11) of Part-I of First Schedule to the CA Act says that it shall be misconduct if a member in practice engages in any business or occupation other than the profession of chartered accountants unless permitted by the Council so to engage

Under this Clause, Council has through resolutions, given general and specific permission to the members to engage in certain activities (mentioned in Appendix (9) to CA Regulations)

oing beyond the warrant of this amounts to misconduct

FEW Do’s & Don’ts

Do's for Members

1. A member should comply with the following fundamental principles:

a. Integrity: Should be straightforward and honest

b. Objectivity: Should not allow bias/ conflict of interest/ undue influence of others to override professional judgments.

c. Professional Competence and Due Care: Should provide competent professional service based on current developments in practice, legislation and techniques.

d. Confidentiality: Should respect the confidentiality of information

e. Professional Behaviour: Should comply with relevant laws and regulations and should avoid any action that discredits the profession.

Do's for Members contd...

2. Threat Evaluation: A member should identify, evaluate and respond to threats to compliance with above fundamental principles.

- If identified threats are other than clearly insignificant, he should apply safeguards to eliminate the threats or reduce them to an acceptable level, such that compliance with the fundamental principles is not compromised.

- If he cannot implement appropriate safeguards, he should decline or discontinue the specific professional service involved.

Do's for Members contd...

3. Guidance Notes: A member should ordinarily follow recommendations in a guidance note relating to an auditing matter except where he is satisfied that in the circumstances of the case, it may not be necessary to do so.

4. Advertisement: While advertising for staff, members should avoid the expression such as "a well-known firm", since this would savour of advertisement.

5. Sign board :As regards the size of sign board for his office that a member can put up, the member should exercise his own discretion and good taste.

- Use of glow signs or lights on large-sized boards as is used by traders or shop-keepers would not be proper.

Do’s for Members contd…

6. Merchant Banker: A CA / CA firm acting as Advisor or Consultant to an Issue should ensure that the description ‘Merchant Banker’ is not associated with their names in the offer documents and/or advertisements regarding capital issue of their client Companies.

Don’ts for Members contd…

4. Members should not advertise for soliciting work or advertise in a manner which could be interpreted as soliciting or offering to undertake professional work. The exceptions to the above rule are-

   (i) A member may request another CA in practice for professional work.

   (ii) A member may advertise changes in partnerships or dissolution of a firm, or of any change in the address of practice and telephone numbers.

   (iii) A member is permitted to issue a classified advertisement in the Journal/Newsletter of the Institute intended to give information for sharing professional work on assignment basis or for seeking professional work on partnership basis or salaried employment in the field of accounting profession.

Don’ts for Members contd…

1. A CA in practice should not use expression like ‘Income Tax Consultant’, ‘Cost Accountant’, ‘Company Secretary’, ‘Cost Consultant’ or a ‘Management Consultant’ as per direction given by the Council under Clause (7) of Part I of the First Schedule to the CA Act.

2. A member in practice should not indicate in a book or an article, authored / contributed/ published by him, any professional attainments, with which he is associated. *However, he may indicate in a book , article or presentation the designation “Chartered accountant” as well as the name of the Firm.*

3. Except the common CA logo designed for members, a CA firm should not use logo / monogram of any kind/form/style/design/ colour etc., whatsoever.



Accounting is accountability : Accounting is base for tax, governance, capital, sustenance : FS & Opinion on FS is a communication: should be ONLY truthful & complete



M P VIJAY KUMAR

STAY SAFE. STAY HEALTHY. STAY ACCOUNTABLE