

Ch. 19 - PE and liabilities of Auditor

(4) Schedules to CA Act, 1949:

First Schedule, Part I - Professional Misconduct for Members in Practice:

Clause - 5 : Restriction on securing professional work through the services of Others:

A member in practice is deemed to be guilty of professional misconduct, if he secured professional work through:

- (a) services of persons other than partner or employee; or
- (b) the means which are not open to a CA.

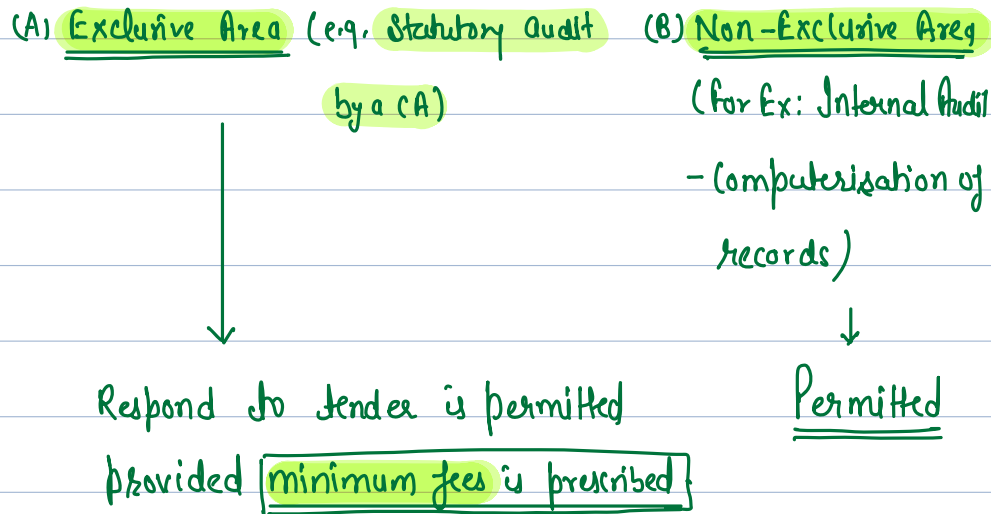
Clause 6 : Restriction on Solicitation of client or Professional work:

A member in practice is deemed to be guilty of professional misconduct, if he solicits client or professional work, directly or indirectly by:

- ✓ (a) Circular;
- ✓ (b) Advertisement;
- ✓ (c) Personal communication;
- ✓ (d) Interview; or
- ✓ (e) Any other means. (e.g. website)

Exception: (i) Securing professional work from another CA in Practice.
For. Ex: Sending a mail to practicing CAs, with a request for some professional work.

Imp. (ii) Responding to tenders:



- Ex. - [1] - No fees Prescribed - ~~fees~~ to be specified by Applicant
✓ [2] - Min fees " - Applicant can quote \geq Min. fees
[3] - Max fees " - ~~X~~ " " \leq Max. fees

Note: Earnest money deposit (EMD) / Security deposit / Caution money, if required to be deposited while responding to tenders, is permitted.

Council Guidelines w.r.t. Permitted and Prohibited forms of Solicitation:

- To be covered from book -

Council Guidelines for development of website:

- To be covered from book -

H.W.: \rightarrow (Practice of Questions over clause - 6) + (Written practice - 2 Questions)