

## Ethical Issues in Question-Answer Form

**Q. Can a Chartered Accountant in practice also practice as an Advocate?**

- A. Yes, Council direction under Clause (7) of Part I of the First Schedule to the Act prescribes that a Chartered Accountant in practice who is otherwise eligible may practice as an Advocate subject to the permission of the Bar Council but in such cases, he should not use designation 'Chartered Accountant' in respect of the matters involving the practice as an Advocate. In respect of other matters he should use the designation 'Chartered Accountant' but he should not use the designation 'Chartered Accountant' and 'Advocate' simultaneously.

**Q. Whether a Chartered Accountant in practice can use the designation 'Corporate Lawyer'?**

- A. No, a Chartered Accountant in practice is not permitted to use the designation 'Corporate Lawyer'.

**Q. Can a Chartered Accountant in practice/firm give advertisement in press?**

- A. No, however, the members in practice may advertise the services setting out the services provided by him or his firm, and particulars of his firm, through a 'Write-Up', subject to such guidelines as may be issued by the Council.

**Q. Whether a member can appear on television/radio or give lectures at forums?**

- A. Yes, Council direction under Clause (7) of Part I of the First Schedule to the Act prescribes that a member may appear on television/radio or give lectures at forums and may give his name and describe himself as a chartered accountant. Special qualifications or specialised knowledge directly relevant to the subject matter of the programme may also be given. But no reference should be made, in the case of practicing member to the name and address or services of his firm. What he may say or write must not be promotional of him or his firm but must be an objective professional view of the topic under consideration.

**Q. Whether Companies in which Chartered Accountants have been appointed as directors on their Board can publish**

**description about the Chartered Accountant's expertise, specialisation and knowledge in any particular field or add appellations or adjectives to their names in the prospectus or public announcements issued by these companies?**

- A. The Council's attention has been drawn to the fact that more and more companies are appointing Chartered Accountants as directors on their Boards. The prospectus or public announcements issued by these companies often publish descriptions about the Chartered Accountants expertise, specialisation and knowledge in any particular field or add appellations or adjectives to their names. Attention of the members in this context is invited to the provisions of Clause (6) and (7) of Part I of the First Schedule to the Act.

In order that the inclusion of the name of a member of the Institute in the prospectus or public announcements or other public communications issued by the companies in which the member is a director does not contravene the above noted provisions, it is necessary that the members should take necessary steps to ensure that such prospectus or public announcements or public communications do not advertise his professional attainments and also that such prospectus or public announcements or public communications do not directly or indirectly amount to solicitation of clients for professional work by the member. While it may be difficult to lay down a rigid rule in this respect, the members must use their good judgment, depending upon the facts and circumstances of each case to ensure that the above noted provisions are complied with both in letter and spirit.

It is advisable for a member that as soon as he is appointed as a director on the Board of a company, he should specifically invite the attention of the management of the company to the aforesaid provisions and should request that before any such prospectus or public announcements or public communication mentioning the name of the member concerned, is issued, the material pertaining to the member concerned should, as far as practicable be got approved by him. ■

\* Contributed by the Ethical Standards Board of the ICAI