

## Exposure Draft

### Changes in the Name of the Partnership Firm

A Firm of PCMA is bound to undergo changes in its constitution when partners are admitted or retired. This brings about change in the structure of the firm. It may happen that the admission or retirement of the partner may require the firm to change its name. It is also likely that the revised internal structure of the firm will need a change in the name of the Firm.

Current guidelines for PCMA's allow restructuring the firm and lays down a procedure for the same. But it does not allow change in the name of the partnership firm. This can create practical problems for the functioning of the firms. In this connection following guidelines are proposed to handle practical difficulties –

#### **Guidelines for Change in the Name of the Existing Firm, without affecting the Tenure / Seniority of the Firm:**

1. A firm of PCMA's can change its name with prior approval of the Council.
2. Name can be changed if there is no change in the existing partnership structure (i.e. existing partners are remaining same)
3. Name can be changed on admission of new partner / s provided that the 2/3<sup>rd</sup> of the existing partners are continuing in the existing firm.
4. Name can be changed on retirement of the partner /s provided that the change of name is to only to remove the name of the retiring partner and 2/3<sup>rd</sup> of the existing partners are continuing in the existing firm.
5. In all the above cases the Firm Registration Number will not change even after change in the name of the Firm and the seniority / tenure of the firm will be maintained.
6. After the change in the name, the Firm has to mention its old name in all of its official communication for 1 year after such change in name is affected. The new & old name of the firm shall be mentioned in the below style / format "***firm name (formerly known as old firm name)***".  
E.g. ABC & Associates (formerly known as AC & Associates)
7. The old firm name will not be allowed to be used by any other firm of PCMA.