



27th February, 2025

Guidelines for Members on Use of Firm Name and submission of Tender documents

Disciplinary Directorate of the Institute is receiving number of complaints with reference to the following issues:

1. Using Firm Name which is not exactly as approved by the Council of the Institute.
2. Reporting about the Fully / Semi qualified Cost Accountants / Chartered Accountants on the Roll of the Firm while submitting the Tender documents.

The Board of Discipline constituted under section 21A has referred matter to the Council to clarify and provide the clear directions to the members:

The Council has deliberated on the matter in its 358th meeting held on 24th February, 2025 and decided to issue following guidelines which shall come into effect from the date of its notification:

Use of Firm Name:

1. As per the Regulation 108 of the CWA Regulations, 1959 a Firm of Practicing Cost Accountant has to use the name as approved by the Council. This principle is expected to be followed in letter and spirit. It is hereby clarified that the members have to strictly follow this discipline henceforth.
2. The term "**Equivalent Terms**" as mentioned in **Regulation 108 (3)(g)** of the **CWA Regulations, 1959** refers to variations of firm names that carry the same meaning and value without altering the essence of the approved name.
3. It is clarified that deviations in the Firm name used by the members till the time of this notification / guidelines are noted by the Council and the members are hereby cautioned to follow the provisions of CWA Regulations, 1959 in letter and spirit.

Examples:

- If "**X.Y.Z. & Company**" is approved, "**XYZ & Co.**" may be treated as **insignificant deviation**.



- If “Suresh Chand & Associates” is approved, “SURESH CHAND & ASSOCIATES” may be treated as insignificant deviations.
- If “Suresh Chand & Associates” is approved, “Suresh Chand and Associates” may be treated as insignificant deviations.
- If “Suresh Chand & Associates” is approved, “Suresh Chand & Company” is not allowed as it is completely a different name.
- If “Suresh Chand & Associates” is approved, “S.C. & Associates” is not allowed as it is completely a different name.
- If “Sureshbhai Kantibhai Soni” is approved, “S.K.Soni” or “S K Soni” or “SK Soni” or “Sureshbhai K Soni” is not allowed as it is completely a different name.

All the above examples pertaining to the insignificant deviations are only allowed. Other deviations are not allowed henceforth. Members are required to follow the clarification given by the Council vide this notification / guideline.

Reporting about the Fully / Semi qualified Cost Accountants / Chartered Accountants on the Role of the Firm while submitting the Tender documents

1. Fully qualified professional Cost Accountant / Chartered Accountant / Company Secretary means the person holding membership of the ICMAI/ICAI/ICSI as the case may be.
2. Semi-qualified Cost Accountant / Chartered Accountant / Company Secretary means a person who is pursuing CMA / CA / CS course and is a registered student at the respective Institute and has cleared Intermediate or equivalent exam of the respective Institute.
3. An Associate in a professional services firm is typically a junior partner or a qualified individual working within the firm, recognized by the relevant professional Institute.



4. In response to tender inquiry where the information is sought about fully-qualified/semi-qualified professional, whether as employees or associates or assistants or any other similar terminology used in the tender document, the firm shall only consider the persons who are in full time employment of the firm and not the persons employed by the partner's firm.
5. FORM M-3 for application for Issue / Renewal / restoration of COP explicitly requires following declarations:

"2. I hereby declare that I am not engaged in any other business or occupation besides the profession of Accountancy. When I intend to be so engaged, I shall obtain the prior permission of the Council.

3. I am engaged in other occupation as and propose to continue to be so engaged in addition to the practice of accountancy for which permission has already been applied for/obtained vide your letter No. ---- dated -----

6 b) I am not holding salaried employment in any organization or under any person and that I shall duly intimate to you if and when I take up such salaried employment."

It is hereby clarified that no person who is holding a Certificate of Practice issued by ICMAI shall work as Full Time Employee with a Firm of Cost Accountants. The responsibility of ensuring that the Employees of the Firm are not holding COP issued by ICMAI lies both with the Firm as well as the employee in question.

Person in charge of the Branch Office

1. Regulation 106 (2) of The CWA Regulations, 1959 state
"The person in-charge of any office or branch office of a Cost Accountant in practice or a Firm of Cost Accountants must either be a partner of the Firm or an Employee of the Firm who is a Cost Accountant in Practice as the case may be".



ICMAI

THE INSTITUTE OF
COST ACCOUNTANTS OF INDIA
(Statutory Body under an Act of Parliament)



2. Council has noted that there are issues in interpretation of the said regulation and hence following clarification is issued which is binding on the members of the institute from the date of this notification / guideline –
3. The person in-charge of any office or branch of a Firm of Cost Accountants or a Firm of Sole Proprietor can either be a Partner of the Firm or the Sole Proprietor or Full Time Employee of the Firm who is a Member of ICMAI. A person holding COP, who is not a Partner of the Firm cannot act as person in-charge of any office or branch of the Firm of Cost Accountants.

Members of the Institute are hereby directed to strictly observe all the above guidelines and violation of any of these guidelines will invite disciplinary actions under the Cost Accountants Act, Rules & Regulations.

Sd/-
CMA (Dr.) D P Nandy
Secretary (Officiating)
