

RESPONDING TO TENDERS

The matter pertaining to responding to tenders issued by various users of professional services or organization in areas exclusively reserved for the members of the Institute was recently considered by the Council of the Institute. The Council on a consideration of the matter has decided that-

a) In the exclusive areas of practice of Chartered Accountants, like audit and attestation services i.e. those areas where the assignments can be performed only by Chartered Accountants or where only Chartered Accountants have been invited for audit assignments, members should not respond to such tenders. In such cases, entities may avail the multipurpose empanelment data available with ICAI. However, wherever minimum fee of the assignment is prescribed in the tender document itself, members may participate in such tendering process.

b) In those areas, where along with Chartered Accountants, other professionals can also apply for the tender, there is no restriction for the Chartered Accountants to respond to the tenders floated by authorities from time to time.

The Council has further decided that its aforesaid decision be suitably issued as a guidelines of the Council under clause (1) of Part II of the Second Schedule to the Chartered Accountants Act, 1949 and any member who contravenes any of the provisions of the above guidelines shall be liable for disciplinary action under Section 21 of the Chartered Accountants Act, 1949.

While the guideline of the Council on the above matter is being issued separately under clause (1) of Part II of the Second Schedule to the Chartered Accountants Act, 1949, this Announcement is being issued for advance information of the members at large.

(Source: www.icaai.org)