



**THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA**

(Set up by an Act of Parliament)

[PR-141/2016/DD/245/16/DC/808/18]

**ORDER UNDER SECTION 21B(3) OF THE CHARTERED ACCOUNTANTS ACT, 1949 READ WITH  
RULE 19(1) OF THE CHARTERED ACCOUNTANTS (PROCEDURE OF INVESTIGATION OF  
PROFESSIONAL AND OTHER MISCONDUCT AND CONDUCT OF CASES) RULES, 2007.**

**In the matter of:**

**Asstt. General Manager,  
Bank of Baroda  
SME Loan Factory,  
Delhi Metro Region-I,  
12<sup>th</sup> Floor, Bank of Baroda Building,  
16, Sansad Marg, Connaught Place,  
NEW DELHI-110001**

**Versus**

**CA. Anil Saxena (M.No.089136)  
M/s Anil Saxena & Co.,  
F-22, Shakti Khand 2  
Indirapuram-201010  
Distt Ghaziabad**

**[PR-141/2016/DD/245/16/DC/808/18]**

**MEMBERS PRESENT:**

- 1. CA. Atul Kumar Gupta, Presiding Officer**
- 2. CA. Amarjit Chopra, Government Nominee**
- 3. CA. Rajendra Kumar P, Member**

1. That vide findings under Rule 18 (17) of the Chartered Accountants (Procedure of Investigations of Professional and Other Misconduct and Conduct of Cases) Rules, 2007 dated 04.09.2019, the Disciplinary Committee was inter-alia of the opinion that **CA. Anil Saxena (M. No. 089136)** (hereinafter referred to as the **Respondent**) was **GUILTY** of professional misconduct falling within the meaning of Clause (7) of Part I of Second Schedule to the Chartered Accountants Act, 1949.



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2. That an action under Section 21B (3) of the Chartered Accountants Act, 1949 was contemplated against the Respondent and communication dated 26<sup>th</sup> November, 2019 was addressed to him thereby granting an opportunity of being heard in person and/or to make oral/ written representation before the Committee on 16<sup>th</sup> December, 2019 at New Delhi.

3. Further, on 16<sup>th</sup> December, 2019, the Committee noted that the Respondent was not present and even there was no intimation for his presence. Further, he has not made any submission on the findings of the Committee holding him Guilty of professional misconduct within the meaning of Clause (7) of Part I of Second Schedule to the Chartered Accountants Act, 1949.

4. The Committee noted that there is only one charge against the Respondent i.e. he has signed/audited two different balance sheets for M/S. S K Traders (Prop. Mr. Mool Chand) wherein on comparison of the alleged balance sheet submitted to the Bank of Baroda, the amount outstanding to Allahabad Bank of Rs. 4.12 Crore as cash credit limit was not reflected.

5. The Committee noted the findings contained in Report of the Disciplinary Committee holding the Respondent guilty of professional misconduct, which are as under:-

5.1 The Committee reviewed the two sets of financial statements submitted along with the Complaint and found that there are gross variations in the various heads of financial statements. The financial statements submitted to Allahabad Bank, contains secured loan liability to this bank as Rs. 4,12,54,618.32 and unsecured loan from 3 persons Rs. 48,47,000.00, whereas the financial statement submitted to Complainant Bank has no liability towards Allahabad Bank and shows unsecured loan from six persons totalling Rs. 1,44,21,966.00.

5.2 On the same line, there is huge difference in the value of sundry creditors, expenses payable, cash and bank balance, stock in hand and sundry debtors which clearly depict that the Management (Prop) of M/s. S K Traders for the purpose of committing fraud prepared the two



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sets of financial statements which bear the signature of Respondent (CA. Anil Saxena, prop. of M/s. Anil Saxena & Co.) with two different dates.

Such a gross variation between the two financial statements can neither be case of clerical mistake nor of any grouping of heads.

In view of the above facts on record, the Committee is of the opinion that there is a clear case of negligence on the part of the Respondent.

6. The Committee perused the above facts and noted that there is gross negligence on the part of the Respondent as noted above.

Based on the above findings the Respondent being held guilty of professional misconduct, the Committee is of the view that ends of justice will be met, if the punishment awarded to the Respondent is commensurate with the seriousness of the nature of misconduct.

7. Thus, keeping in view the facts and circumstances of the case, the material on record before it, the Committee ordered that the name of the Respondent i.e. CA. Anil Saxena (M. No. 089136) be removed from the register of members for a period of 01 (One) year and a fine of Rs. 25,000/- (Rupees Twenty Five Thousand only) be also imposed upon him to be paid within 30 days of receipt of this order.

**Sd/-**

**(CA. ATUL KUMAR GUPTA)  
PRESIDING OFFICER**

**Sd/-**

**(CA. AMARJIT CHOPRA)  
GOVERNMENT NOMINEE**

**Sd/-**

**(CA. RAJENDRA KUMAR P)  
MEMBER**

**DATE : 16/12/2019**

**PLACE : New Delhi**



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**CONFIDENTIAL**

**DISCIPLINARY COMMITTEE [BENCH – II (2019-2020)]**

**[Constituted under Section 21B of the Chartered Accountants (Amendment) Act, 1949]**

**Findings under Rule 18(17) of the Chartered Accountants (Procedure of Investigations of Professional and Other Misconduct and Conduct of Cases) Rules, 2007.**

**File No. : [PR-141/2016/DD/245/16/DC/808/18]**

**In the matter of:**

**Shri Ravi Sharma**

Asstt. General Manager,  
Bank of Baroda,

SME Loan Factory,

Delhi Metro Region-I,

12<sup>th</sup> Floor, Bank of Baroda Building,  
16, Sansad Marg, Connaught Place,

**NEW DELHI-110001**

**.....Complainant**

**Versus**

**CA. Anil Saxena (M.No.089136)**

M/s Anil Saxena & Co.,

F-22, Shakti Khand 2

**Indirapuram - 201010**

**Distt - Ghaziabad**

**.....Respondent**

Shri Ravi Sharma, Delhi – vs.- CA. Anil Saxena (M.No.089136)

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**MEMBERS PRESENT:**

CA. Atul Kumar Gupta, Presiding Officer  
CA. Amarjit Chopra, Government Nominee  
CA. Rajendra Kumar P, Member

**DATE OF HEARING** : 15.05.2019

**PLACE OF HEARING** : ICAI Bhawan, New Delhi

**PARTIES PRESENT:**

**Complainant** : Mr. Vibhay Kant Bakshi, Manager, Bank of Baroda

**Charges in Brief:-**

1. The Respondent has signed/audited two different balance sheets for M/S. S K Traders (Prop. Mr. Mool Chand) wherein on comparison of the alleged balance sheet submitted to the Bank of Baroda, the amount outstanding to Allahabad Bank of Rs. 4.12 Crore as cash credit limit was not reflected.

**Brief facts of the Proceedings:**

2. The Committee noted that the representative of Complainant bank was present and appeared before it. The office apprised the Committee that the Respondent vide letter/e-mail dated Shri Ravi Sharma, Delhi – vs.- CA. Anil Saxena (M.No.089136)



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14/05/2019 has sought adjournment in view of collecting original documents from the bank. The Committee rejected said plea of the Respondent and decided to proceed ahead ex-parte the Respondent based upon documents/papers available on record.

2.1 The Committee recorded the submissions of the representative of complainant bank and concluded the hearing in the captioned matter.

## **Findings of the Committee:**

3. The findings of the Committee in subject case are as under:-

3.1 Today i.e. 15/05/2019, this case was listed before the Disciplinary Committee Bench – II, wherein the allegation on the Respondent is that he has signed/audited two different balance sheets for M/s. S K Traders (Prop. Mr. Mool Chand) wherein on comparison of the alleged balance sheet submitted to the Bank of Baroda, the amount outstanding to Allahabad Bank of Rs. 4.12 Crore as cash credit limit was not reflected.

3.2 The Committee noted that today on the day of hearing also, the Respondent requested for adjournment and the notice was serviced for the final hearing. The attention of the Committee is drawn to Rule 18(18) of the Chartered Accountants (Procedure of Investigation of Professional and/or Other Misconduct and Conduct of Cases) Rules, 2007 which states that *“The Committee may, at the request of any of the parties before it or due to other reasons, and on such terms as it thinks fit, and at any stage of the proceedings, adjourn the hearing provided that such adjournment shall not be given more than once at any state of the proceedings.*



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*[Explanation : For the purpose of this rule, inability of the complainant, advocate, authorized representative or witness, to appear shall not be treated as a valid reason for adjournment of a hearing.]*

Accordingly, the Committee decided to move ahead with the case based on the submissions given by the Respondent.

3.3 The Committee reviewed the two sets of financial statements submitted along with the Complaint and found that there are gross variations in the various heads of financial statements. The financial statements submitted to Allahabad Bank, contains secured loan liability to this bank as Rs. 4,12,54,618.32 and unsecured loan from 3 persons Rs. 48,47,000.00, whereas the financial statement submitted to Complainant Bank has no liability towards Allahabad Bank and shows unsecured loan from six persons totalling Rs. 1,44,21,966.00.

3.4 On the same line, there is huge difference in the value of sundry creditors expenses payable, cash and bank balance, stock in hand and sundry debtors which clearly depict that the Management (Prop) of M/s. S K Traders for the purpose of committing fraud prepared the two sets of financial statements which bear the signature of Respondent (CA. Anil Saxena, prop. of M/s. Anil Saxena & Co.) with two different dates.

Such a gross variation between the two financial statements can neither be case of clerical mistake nor of any grouping of heads.

3.5 The Respondent in his defence, submitted that he never signed the balance sheet of the firm. It seems that somebody has scanned or photocopied his signature and stamp and he is enquiring this matter. Whereas the Complainant in his counter submission submitted the letter dated 3<sup>rd</sup> September, 2013 wherein on the letter-head of Anil Saxena & Co., the Respondent gave the confirmation that he has signed the balance sheet of M/s. S K Traders for the Financial Year 2009-10, 2010-11 and 2011-12. It is to be noted



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here that the alleged financial statement relates to the earlier year ending on 31<sup>st</sup> March, 2012.

In view of the above facts on record, the Committee is of the opinion that there is a clear case of negligence on the part of the Respondent. The Committee referred Clause (7) of Part-I of the Second Schedule to the Chartered Accountants Act, 1949 which states that “A chartered accountant in practice shall be deemed to be guilty of professional misconduct, if he does not exercise due diligence, or is grossly negligent in the conduct of his professional duties”.

Accordingly, the Respondent is held guilty under the above Clause (7) of Part-I of the Second Schedule to the Chartered Accountants Act, 1949.

**Conclusion:**

4. Thus in conclusion, in the considered opinion of the Committee, the Respondent is held **GUILTY** of ‘Professional Misconduct’ falling within the meaning of Clause (7) of Part I of the Second Schedule to the Chartered Accountant Act 1949.

**Sd/-**  
**(CA. ATUL KUMAR GUPTA)**

**PRESIDING OFFICER**

**Sd/-**  
**(CA. AMARJIT CHOPRA)**  
**GOVERNMENT NOMINEE**

**Sd/-**  
**(CA. RAJENDRA KUMAR P)**  
**MEMBER**





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**DATE : 04-09-2019**

**PLACE : Mumbai**