



THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA
(Set up by an Act of Parliament)

[PR/345/17-DD/349/17-DC/920/18]

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.

PR/345/17-DD/349/17-DC/920/18

In the matter of:

Shri V K Angrish

Shri Suresh Rohra

Shri BD Hoshangadi

Flat No.14, Shree Trimurti Co-Operative Housing Society

17th Road, Khar (West)

MUMBAI – 400 052

.....Complainants

-Vs.-

CA. Ashok Kumar Juggilal Tripathi (M.No.115275)

Chartered Accountants

M/s Tripathi & Associates

101, Rajswastik CHS Ltd, Daulat Nagar Road, No. 3

Post Office Lane Daulat Nagar Borivali East

MUMBAI – 400 066

.....Respondent

MEMBERS PRESENT:

1. CA. Atul Kumar Gupta, Presiding Officer

2. CA. Amarjit Chopra, Government Nominee

3. CA. Rajendra Kumar P, Member

4. CA. Pramod Kumar Boob, 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 16.12.2019, the Disciplinary Committee was inter-alia of the opinion that **CA. Ashok Kumar Juggilal Tripathi (M. No.115275)** (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.

2. That an action under Section 21B(3) of the Chartered Accountants Act, 1949 was contemplated against **CA. Ashok Kumar Juggilal Tripathi** and a communication dated 21st

Shri V K Angrish, Shri Suresh Rohra, Shri BD Hoshangadi, Mumbai -Vs.- CA. Ashokkumar Juggilal Tripathi (M.No.115275), Mumbai



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February, 2020 was sent to him thereby granting an opportunity of being heard in person and/or to make oral/ written representation before the Committee on 2nd March, 2020 at Delhi/Mumbai.

3. That **CA. Ashok Kumar Juggilal Tripathi** did not appear before the Committee on 2nd March, 2020. In his absence, the Committee has carefully gone through the facts of the case and perused the available documents on record.

4. The Committee noted that **CA. Ashok Kumar Juggilal Tripathi** vide his letter dated 29/12/2019 had submitted that he certified sd/- copy in good faith. The Committee also noted that **CA. Ashok Kumar Juggilal Tripathi** also submitted that he had nothing further to add and hence he did not want personal hearing.

5. The Committee perused the above facts and looking into all these aspects noted that although it is apparent that the **CA. Ashok Kumar Juggilal Tripathi** had signed the Financial statements for F.Y. 2015-16 without checking its authentication, however, there is no question/complaint on figures certified by him in the financial statements. The Committee also noted that there was no charge of misappropriation/ fraud.

6. In view of above, the Committee is of the opinion that the certification by **CA. Ashok Kumar Juggilal Tripathi** is due to oversight and end of justice shall be met if he is reprimanded.

7. Thus, keeping in view the facts and circumstances of the case, material on record, the Committee ordered that the Respondent i.e. **CA. Ashok Kumar Juggilal Tripathi (M.No.115275)** be reprimanded.

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A
Sd/-
(CA. ATUL KUMAR GUPTA)
PRESIDING OFFICER

Sd/-
(CA. AMARJIT CHOPRA)
GOVERNMENT NOMINEE

Sd/-
(CA. RAJENDRA KUMAR P)
MEMBER

Sd/-
(CA. PRAMOD KUMAR BOOB)
MEMBER

DATE : 02/03/2020

PLACE : Delhi

Shri V K Angrish, Shri Suresh Rohra, Shri BD Hoshangadi, Mumbai -Vs.- CA. Ashok Kumar Juggilal Tripathi
(M.No.115275), Mumbai

Certified Copy
Ajay Kumar Jain
Deputy Secretary
Disciplinary Directorate
The Institute of Chartered Accountants of India
ICAI Bhawan, I.P. Marg, New Delhi-110 002

CONFIDENTIAL

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

[Constituted under Section 21B of the Chartered Accountants Act, 1949]

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

Ref. No. PR-345/17/DD/349/17/DC/920/18

In the matter of:

**Shri V K Angrish
Shri Suresh Rohra
Shri BD Hoshangadi
Flat No.14, Shree Trimurti Co-Operative Housing Society
17th Road, Khar (West)
MUMBAI – 400 052**

.....Complainants

-Vs.-

**CA. Ashokkumar Juggilal Tripathi...(M.No.115275)
Chartered Accountants
M/s Tripathi & Associates
101, Rajswastik CHS Ltd, Daulat Nagar Road, No. 3
Post Office Lane Daulat Nagar Borivali East
MUMBAI – 400 066**

.....Respondent

MEMBERS PRESENT:

**CA. Atul Kumar Gupta, Presiding Officer,
CA. Amarjit Chopra, Government Nominee
CA. Chandrashekhar Vasant Chitale, Member**

DATE OF FINAL HEARING : 24.06.2019

PLACE OF FINAL HEARING : ICAI Tower, Bandra Kurla Complex, Mumbai

PARTIES PRESENT:

**Complainant : Shri V.K. Angrish, Shri BD Hoshangadi
Respondent : Not Present**

CHARGE IN BRIEF:-

1. The Respondent was the auditor of Shree Trimurti Co-op Housing Society Limited (hereinafter referred to as the “**Society**”) for the financial year 2015-2016. It was alleged that for financial year 2015-16, the Office Bearers had signed the Balance Sheet and Profit & Loss A/c with prefix as Sd/- only and the Respondent had signed such financial statements without checking authentication of the financial statements.

BRIEF OF THE DISCIPLINARY PROCEEDINGS:-

2. The Committee noted that on the day of first hearing i.e. on 29.05.2019, the Complainant was present. The Respondent was not present. Keeping in view the principal of natural justice and in order to provide final opportunity to the Respondent to present his defence, the Committee decided to adjourn the hearing in the above matter.

2.1 On the day of next hearing i.e. 24.06.2019, the Complainants were present. The Respondent was not present. Since there was no intimation from the Respondent for adjournment of hearing, the Committee decided to continue with the proceedings ex-parte the Respondent. The Complainants were put on oath. Thereafter, the Complainant explained the charges against the Respondent. The Respondent pleaded not guilty to the same. The Committee posed questions to the Complainants. After hearing the submissions of the Complainants and perusal of the documents on record, the Committee concluded the hearing.

FINDINGS OF THE DISCIPLINARY COMMITTEE

3. The Committee observed that the crux of the charges is that the Respondent relied upon the unauthenticated financial statements and completed audit relying upon the same. In respect of the charge, the Respondent in his written submissions stated that he had not signed any unapproved financial statements for the Financial Year 2015-16. The financial statements were duly approved and accepted by the Managing Committee though not putting full signature on financial statements but by giving their approval by signing as Sd/- and this fact was accepted by the Managing Committee of the Society.

3.1 The Respondent on earlier occasion stated that it is not always necessary or possible to circulate accounts bearing the signature but, as is the normal practice, only mention that they are signed. The records of the Society and the resolution of the meeting of that date bear testimony to the same. The Respondent also stated that approved financial statements by the Office Bearer were signed by him and approval was given by passing a resolution in the Managing Committee meeting dated 27.08.2016. The Respondent also stated that when clarification was sought from the Management about circulating unsigned copy in the AGM, he was told that the same was circulated just to get the queries from the members.

4. The Committee noted that during the course of hearing, the Complainants also raised contentions in respect of the accounts for the financial year 2016-17. Since no charge in respect of audit for the financial year 2016-17 was made by the Complainants in prescribed complaint Form 'I', the Committee clarified to the Complainants that they cannot expand and deal with the charges related to the year 2016-17 as the same was not part of the complaint.

5. Upon perusal of the documents on record and written submissions as well oral submissions of the Complainants, the Committee noted that it is a case where the Respondent relied upon unsigned financial statement of the Society and completed audit based on the same. It is noted that the financial statements were not signed by any official bearers of the Society. In place of signature, the word 'Sd/-' was written which cannot be taken as the financial statement signed by the Office bearer of the Society. The Respondent brought on record copy of the extract from the Resolution passed by the Managing Committee on 27.08.2016 to show that financial statements were approved by the Managing Committee. But the Complainant raised question on the said resolution by stating that it is false evidence.

5.1 Keeping in view all the facts and submissions, the Committee is of the view that the Respondent as an Auditor of the Society, before signing the financial statement, was required to check as to whether it was signed by the officer bearers of the Society or not as a testimony of authenticity. Since questions were raised on the authenticity of resolution brought on record by the Respondent and the same was not supported by the minutes of the Managing Committee and duly signed copy of the financial statements, the Committee decided not to give credence to the same.

Accordingly, the Committee is of the opinion that though signing the unauthenticated financial statements is not impacting other aspect of the financial statements but being a professional person and as per practice followed, the Respondent should have exercised prudence and should not have relied upon and signed the financial statements which had not been signed by any officer bearers of the Society. Hence, the Committee decided to hold the Respondent guilty of professional misconduct falling within the meaning of Clause (7) of Part I of the Second Schedule to the Chartered Accountants Act, 1949.

CONCLUSION

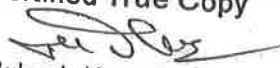
6. Thus, taking an overall view of the facts and circumstances of the case and law and based on the submissions / documents placed on record before it, in the considered opinion of the Committee, the Respondent is **GUILTY** of Professional Misconduct falling within the meaning of Clause (7) of Part I of Second Schedule to the Chartered Accountant Act, 1949.

Sd/-
(CA. ATUL KUMAR GUPTA)
PRESIDING OFFICER

Sd/-
(CA. AMARJIT CHOPRA)
GOVERNMENT NOMINEE

Sd/-
(CA. CHANDRASEKHAR VASANT CHITALE)
MEMBER

Certified True Copy


Mukesh Kumar Mittal
Assistant Secretary
Disciplinary Directorate

The Institute of Chartered Accountants of India
ICAI Bhawan, I.P. Marg, New Delhi-110 002

DATE: 16-12-2019
PLACE: New Delhi