



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

[PPR/141/15/DD/116/INF/2015/BOD/321/2017]

ORDER UNDER SECTION 21 A (3) OF THE CHARTERED ACCOUNTANTS ACT, 1949
READ WITH RULE 15(1) OF THE CHARTERED ACCOUNTANTS (PROCEDURE OF
INVESTIGATIONS OF PROFESSIONAL AND OTHER MISCONDUCT AND CONDUCT OF
CASES) RULES, 2007

In the matter of:-

CA. Vinay Kumar Singh (M. No. 097028) in Re:
[PPR/141/15/DD/116/INF/2015/BOD/321/2017]

MEMBERS PRESENT:

CA. Prasanna Kumar D, Presiding Officer
Mrs. Rani Nair, (IRS, Retd.), Government Nominee
CA. Durgesh Kumar Kabra, Member

Date of final hearing: 9th March 2020

1. The Board of Discipline vide Report dated 5th August, 2019 was of the opinion that CA. Vinay Kumar Singh is guilty of "Other Misconduct" falling within the meaning of Clause (2) of Part-IV of the First Schedule to the Chartered Accountants Act, 1949 read with section 22 of the said Act.
2. An action under Section 21A (3) of the Chartered Accountants Act, 1949 was contemplated against CA. Vinay Kumar Singh and communication dated 26th February, 2020 was addressed to them thereby granting them an opportunity of being heard in person and/or to make written representation before the Board on 9th March, 2020.
3. CA. Vinay Kumar Singh appeared personally before the Board on 9th March 2020 and made his oral as well as written representation before the Board.
4. CA. Vinay Kumar Singh in his written representation, inter-alia stated as hereunder:-
 - (a) The Order holding him guilty is ex-parte and hence illegal despite his application being pending and despite his additional application being pending before ICAI.
 - (b) He shall be preferring an appeal in the present matter holding him guilty in the course.
 - (c) He does not have any antecedents with him and his track record had been very clear and pious.



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- (d) The Complainant is himself not traceable and never appeared before this Institute.
- (e) The Respondent is being held guilty only on the basis of a bank transaction the clarification of the same is already submitted which has been disbelieved by ICAI.
- (f) He requested that the most lenient view be taken by ICAI while passing any Order on the quantum of punishment.
5. The Board has carefully gone through the facts of the case and also the oral and written representation of CA. **Vinay Kumar Singh**. Considering the said representation, the Board was of the view that since the instant case had been treated as 'Information', there is no question of the Complainant appearing before it and that the Board did not consider it relevant to ask the informant to appear before it to substantiate his case. Further, due consideration of the documents and submissions on record had been done by the Board while arriving at the finding of guilt against the Respondent.
6. The Board was of the view that, as per the findings of the Board as contained in its report holding that the payment of Rs. 6,00,000/- in cash to Capt. Rana Chatterji by the Respondent is in violation of the provisions of the Income Tax Act 1961 and the submission of the Respondent is an afterthought to cover up the misdeeds made by him, it has already been conclusively proved that the Respondent is Guilty of Other Misconduct falling within the meaning of Clause (2) of Part IV of the First Schedule of the Chartered Accountants Act, 1949 read with Section 22 of the said Act.
7. Upon consideration of the facts of the case, the consequent misconduct of CA. **Vinay Kumar Singh (M. No. 097028)** and keeping in view his written and oral representation before it, the Board decided to reprimand CA. **Vinay Kumar Singh (M. No. 097028)**.

Sd/-

CA. PRASANNA KUMAR D.
(PRESIDING OFFICER)

Certified to be true copy


R.S. Srivastava

Assistant Secretary,
Disciplinary Directorate

The Institute of Chartered Accountants of India,
ICAI Bhawan, Vishwas Nagar, Shahdra, Delhi-110032

BOARD OF DISCIPLINE (BENCH-II)

(Constituted under Section 21A of the Chartered Accountants Act, 1949)

Findings under Rule 14(9) of the Chartered Accountants (Procedure of Investigations of Professional and Other Misconduct and Conduct of Cases) Rules, 2007

CA. Vinay Kumar Singh (M. NO. 097028) in Re:
[PPR-141/15/DD/116/INF/2015/BOD/321/2017]

CORAM:

CA. Atul Kumar Gupta, Presiding Officer
Shri Arun Kumar (Government Nominee)
CA. Prasanna Kumar D, Member

In the matter of:

CA. Vinay Kumar Singh ... (M. No. 097028)
Bela More,
Above Mangalam Tyre House,
Near Shyama Regency Hotel,
DARBHANGA- 864 004

.....Respondent

DATE OF FINAL HEARING : 05.08.2019
PLACE OF HEARING : NEW DELHI

PARTY PRESENT : NIL

Findings:

1. The Board noted the allegation is that the Respondent alongwith one Captain Rana Chatterji took Rs. 6.00 Lacs from the Informant on guise of helping in allocating tender in his name and later on the tender was not allotted to the Informant and Rs.6 lakhs was not refunded by the Respondent. The Director (Discipline) found the activities of the Respondent suspicious and accordingly held him guilty of Other Misconduct falling within the meaning of Clauses (2) of Part IV of the First Schedule to the Chartered Accountants Act, 1949.

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2. The Board noted that in last hearing held on 18.07.2019, though the Board wanted to conclude the case, but the Counsel of the Respondent wished to submit his final submissions and took an adjournment for giving his final submission. The Board noted that despite the said adjournment, the Respondent/ his Counsel failed to submit their final submissions.
3. Looking into absence of the Complainant, the Board in this regard took reference to Rule 14 of the aforesaid Rules relating to "Procedure to be followed by the Board of Discipline" whereby as per sub rule (7) it is mentioned as under:

"(7) On the date of hearing, if the respondent, in spite of the service of notice, under sub rule (6) does not appear either in person or through his authorised representative the Board of Discipline may proceed ex-parte and pass such orders as may think fit or direct fresh notice to be served.

Provided that such adjournment shall not be given more than one stage at any stage of the proceedings."

The Board accordingly, decided to take up the matter ex-parte the Respondent and decided to proceed on the merits of the case.

4. The Board noted that the Respondent/ his Counsel on earlier occasion submitted as under:
- a. The informant Col. J.P. Singh and Capt. Rana Chatterji were known to each other being course mate of 25th Batch (March 1978) SSRC Ex-Officer's Training School, Madras. The Respondent had not been known to Col. J.P. Singh Informant.
 - b. Capt. Rana Chatterji was serving as Security Officer with ECIL at Raniganj. ECIL was employing DGR sponsored security agencies for security and that DGR had sponsored the name of Col J.P. Singh Informant for bidding for security services at ECIL tender.
 - c. The Respondent with his team was acting only as an Auditor and carrying out audit of many offices at AHQ including the office of DGR.
 - d. It is Capt. Rana Chatterji who could award the contract for security agencies. The Informant took part in bidding process through which he was awarded a placement of 237 security guards.
 - e. At Raniganj, Capt. Rana Chatterji introduced one Mr. Vikas Ganguly to the Informant and told him that Mr. Vikas Ganguly was known to him and will be organizing the security guards for the Informant.
 - f. However, the tender was short lived and the entire security tender stood cancelled on account of faulty tendering process and in re-tendering, the Informant was not allotted any job.

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- g. The alleged payment of Rs.6 lakhs has been made in the account of the Respondent through Bank transaction as per the directions of Capt. Rana Chatterji.
 - h. The Respondent was not aware as to any transaction between the Informant and Capt. Rana Chatterji. Capt. Rana Chatterji was to travel to USA and he required cash at New Delhi for expenses, such as VISA fees and shopping etc. since his son was getting married in the USA. The Respondent paid cash to Capt. Rana Chatterji and the amount received from Col. J.P. Singh was only by way of reimbursement repayment of the amount paid to Capt. Rana Chatterji. The Respondent did not and could not visualize the mischief by either of them i.e. Col. J.P. Singh and Capt. Rana Chatterji.
 - i. The Respondent withdrew the amount from his savings Bank Accounts bearing No.025501001708 with ICICI Bank at Bansal Chambers, Kaushambi, Sahiabad. A perusal thereof would indicate substantial personal funds being sufficiently available and accordingly the amount was withdrawn to advance Capt. Rana Chatterji by way of accommodation at personal level.
 - j. The Respondent paid Capt. Rana Chatterji towards the end of June, 2011/beginning of July 2011 at New Delhi and the remittance from Col. J.P. Singh through RTGS was received only in Middle of July 2011, on account of reimbursement /repayment of the amount paid to Capt. Rana Chatterji.
 - k. The payment was made in cash at Delhi to Capt. Rana Chatterji accompanied by his friend Naulesh Kumar Singh R/o Asansol. The head quarter of ECIL is located (West Bengal) and Capt. Rana Chatterji was stationed at Asansol itself where his friend Navlesh Kumar Singh is residing.
 - l. The Respondent believes that Capt. Rana Chatterji accompanied by his friend Navlesh Kumar Singh must not deny the receipt of payment as aforesaid. The Respondent has been made a victim of circumstances, apparently on account of disputes between Col. J.P. Singh and Capt. Rana Chatterji.
5. The Board further noted that the Respondent has received payment of Rs. 6.00 Lacs from the Informant in his bank account which has also been admitted by the Respondent in his written statement. The plea taken by the Respondent that he had received that amount on behalf of his friend Capt. Rana and he also refunded this amount to his friend appears to be an afterthought because the Respondent failed to submit the proof of refunding amount of Rs.6.00 Lacs to Capt. Rana Chatterjee.
6. Moreover, it is also incomprehensible that why a person who is Chartered Accountant by profession shall allow to route an entry of Rs.6 Lacs from his bank

account without any reason or only for the sake of friendship. However, the fact remained that the Respondent had given the amount of loan by way of cash which is also not permissible as per Income Tax Act. In view of the above, the self-speaking evidences before it, the Board noted payment of Rs. 6,00,000 in cash to Capt. Rana Chatterji by the Respondent is violation of provision of Income Tax Act and the submission of the Respondent is an afterthought to cover up the misdeeds made by him and certainly a conduct which is not expected of a Professional. Accordingly, the Board decided to hold the Respondent guilty.

CONCLUSION:

7. Thus, the Board concluded that the Respondent is **GUILTY** of "Other Misconduct" falling within the meaning of Clause (2) of Part IV of the First Schedule to the Chartered Accountants Act, 1949 read with Section 22 of said Act.

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Sd/-
(ATUL KUMAR GUPTA)
PRESIDING OFFICER

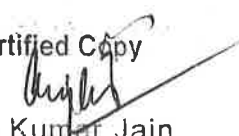
Sd/-
(ARUN KUMAR)
GOVERNMENT NOMINEE

Sd/-
(PRASANNA KUMAR D)
MEMBER

DATE : 05.08.2019

PLACE : NEW DELHI

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