

CONFIDENTIAL

BOARD OF DISCIPLINE

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

File No. : [PR/157/16/DD/169/16/BOD/428/2018]

CORAM:

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

In the matter of:

Shri. Vikas Gupta
E-1/1, DLF, Phase-1,
Gurgaon 122002
Haryana.

....Complainant

-vs-

CA. Mukul Kant Mangla (M.No. 524231) in Re:
1st floor, Prince Book Depot,
Near Shanti Public School,
Railway Road
Palwal-121102
Haryana.

....Respondent

DATE OF FINAL HEARING : 20th November, 2020
PLACE OF HEARING : Through video conferencing

PARTIES PRESENT:

Respondent : CA. Mukul Kant Mangla (through VC)
Counsel for Respondent : CA. C.V Sajan (through VC)

FINDINGS:

1. The Board noted the charge against the Respondent that Form DIR-12 was filed with ROC for appointment of an additional director namely, Mr. Salaj Jain) in M/s Amour Buildwell Pvt Ltd.(hereinafter referred to as the company) which was digitally signed and uploaded by the Respondent having certain documents with forged signatures as an attachment.
2. Subsequent to the hearing held in the case on 6th November 2020 wherein the Respondent along with his Counsel was present through video conferencing and made their submissions, an email dated 20th November 2020 was received from the Complainant wherein he stated that he does not want to pursue this case anymore and

in reply to the same vide email dated 20th November 2020, he was asked to send a scanned signed copy of his withdrawal letter. However, nothing was received till the initiation of the hearing before the Board. The Counsel for the Respondent also informed of the said fact to the Board and did not wish to make any further submission in the case. Considering the submissions and documents on record, the Board decided to conclude the proceedings in the case and the decision on the conduct of the Respondent was kept reserved by the Board. Thereafter, the case was placed before the Board at its meeting held on 11th February, 2021 wherein the Board on consideration of the facts together with the documents on record arrived at its findings.

3. The Board noted that the Respondent, in his defence, submitted as under:-
 - (a) He was appointed to file E-Form DIR-12 with the ROC for the appointment of additional director, Mr. Salaj Jain on the verbal instructions of the Complainant.
 - (b) He was engaged as consultant for looking after statutory filing for various companies promoted by the Complainant, his associates Mr. Salaj Jain and Mr. Nishant Singhal.
 - (c) DIR-12 was filed by him from his office on 27th March, 2016 on the basis of the copy of the Minutes of the Board meeting of the Company held on 21st March, 2016 attested by the Complainant, appointment letter signed by Mr. Nishant Singhal and DIR 2 signed by Mr. Salaj Jain which were provided to him by the Complainant in a meeting wherein he along with Mr. Salaj Jain was present .
 - (d) In May, 2016 Mr. Nishant Singhal communicated the Respondent that the appointment of Mr. Salaj Jain was not with his consent and the documents provided to him were also not genuine. Keeping in view the fact that Mr. Nishant Singhal was not present at the time of meeting with the Complainant and Shri. Salaj Jain and there could be a possibility of certain dispute, the Respondent issued an affidavit which reflects disowning the consent of Shri. Nishant Singhal in respect of appointment of Shri Salaj Jain. Further, Shri Nishant Singhal used the affidavit issued by the Respondent as evidence against the Complainant by filing a police complaint on 27th May 2016. In order to defend himself , the Complainant made complaint against the Respondent with ICAI.
 - (e) The Complainant and Shri. Salaj Jain consider themselves as directors of Amour Buildwell Private limited and they are comfortable about this. A Form — 11 was submitted in MCA in case of "VNU Technologies LLP", another LLP in which Complainant and Mr. Salaj Jain are designated partners and Mr. Salaj Jain has mentioned himself as director of M/s Amour Buildwell Private Limited. Also this E-form is digitally signed and verified by both the Complainant and Shri. Salaj Jain and filed by them. In another case, when new company was incorporated by the name of "Ufirst Healthcare Private Limited" CIN No. U74999HR2016PTC065498 , it was subscribed by the Complainant and Shri. Salaj Jain and Shri. Salaj Jain has marked his directorship in M/s Amour Buildwell Private Limited and attached a list of directorship in other companies mentioning himself as director of M/s Amour Buildwell Private Limited.

4. The Board on consideration of the submissions and documents on record, observed that the Respondent filed DIR-12 as regards the appointment of the director (Mr. Salaj Jain) with the ROC on the basis of the verification of the following documents:
 - (a) Copy of the appointment letter dated 21/3/2015 signed by Shri Nishant Singhal in respect of appointment of Mr. Salaj Jain as the additional director of the company

- (b) certified true copy of the extract of the Board meeting dated 21/3/2015 wherein Mr. Salaj Jain was appointed as the additional director of the company duly signed by the Complainant himself
- (c) Consent dated 19th March 2016 signed by the incoming director (Shri Salaj Jain) to act as the director of the company in Form – DIR 2.
Further, E-form DIR-12 was digitally signed by Mr. Nishant Singhal himself as director of the company.
5. The Board also observed that the Respondent used the digital signatures of Shri Nishant Singhal which was provided to him by the Complainant to file DIR-12 with the ROC. Later on, when Mr. Nishant Singhal alleged the aforesaid documents which were used to verify Form DIR 12 to be forged, the Respondent realising that since Mr. Nishant Singhal was not present at time of meeting with the Complainant and Mr. Salaj Jain and there could be a possibility of certain dispute amongst directors, the Respondent issued an affidavit which reflected the disowning of the consent of Shri. Nishant Singhal in respect of appointment of Mr. Salaj Jain.
 6. The Board also noted that the Complainant and Mr. Salaj Jain are the designated partners of VNU Technologies LLP and their name is also shown as partners in Amour Developers LLP. The Board further noted that, when new company was incorporated by the name of "Ufirst Healthcare Private Limited" the Complainant and Mr. Salaj Jain had shown their directorship in M/s Amour Buildwell Private Limited also which clearly shows that they were associated/known to each other. The Board also took into account the fact that the Complainant did not come forward to substantiate the allegations alleged against the Respondent.
 7. Considering the above, the Board viewed that on one hand in the current disciplinary proceedings, the Complainant is challenging the appointment of Mr. Salaj Jain as additional director of the Company whereas on the other hand, the Complainant and Mr. Salaj Jain have shown their directorship in the company in details of Directorship in the "VNU Technologies LLP.
 8. Thus, the Board was of the view that in the instant case, the role of the Respondent was limited to certification of an E-form on the basis of the verification of the underlying documents and its subsequent e-filing which had been diligently done as coming out of the documents on record and there is no evidence to show any kind of malafide intent on the part of the Respondent in execution of the said assignment so as to bring disrepute to the profession.
 9. Thus, having regard to the attendant circumstances, the evidence put forth during the proceedings and the submissions of the Respondent on record, the Board is of the considered view that the Respondent is not guilty of "Other Misconduct" falling within the meaning of Item (2) of Part IV of the First Schedule to the Chartered Accountants Act 1949 read with Section 22 of the said Act. UD

CONCLUSION:

10. The Board of Discipline, in view of the above, is of the considered opinion that the Respondent is Not Guilty of "Other Misconduct" falling within the meaning of Item (2) of Part IV of First Schedule to the Chartered Accountants Act 1949 read with Section 22 of the said Act. Accordingly, the Board passed Order for closure of the case in terms of the provisions of Rule 15(2) of the Chartered Accountants (Procedure of Investigations of Professional and Other Misconduct and Conduct of Cases) Rules, 2007.

**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