



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

PR45/2016-DD/101/16/DC/1267/2020

**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**

File No. : PR-45/16-DD/101/2016/DC/1267/2020

**In the matter of:**

**Shri Joyson Sebastin Peter,**

Chairman, Samson Educational and Charitable Trust,

C/o. St. Peter's High School,

Manvelpada Road, Virar (E),

Tal : Vasai,

Palghar – 401305

.....Complainant

versus

**CA. Sagar D. Mehta (M. No.219780)**

Plot No. 70, 2<sup>nd</sup> Floor,

Super Market

Kalaburagi

KARNATAKA-585 101

.....Respondent

**Members present:**

CA. Nihar N Jambusaria, Presiding Officer

Smt. Anita Kapur, Member (Govt. Nominee)

Shri Ajay Mittal, Member (Govt. Nominee)

CA. Chandrashekhar Vasant Chitale, Member

CA. P.K. Boob, Member

Date of Final Hearing: 31<sup>st</sup> March 2021 through Video Conferencing

Place of Hearing: Mumbai

**Party Present:**

**CA. Sagar D. Mehta – Respondent (appeared from his personal location)**

1. That vide report dated 11th February, 2021 (copy enclosed), the Disciplinary Committee was of the opinion that CA. Sagar D. Mehta (M. No.219780) was **GUILTY** of Professional and Other Misconduct falling within the meaning of Item (2) of Part IV of First Schedule, Item (7) of Part I as well as Item (1) of Part II of the Second Schedule to the Chartered Accountants Act, 1949. It was stated that the Respondent audited the books of accounts of Samson Educational and Charitable Trust, Virar (hereinafter referred to as the "Trust") from financial year 2012-13 to 2014-15 and the allegations raised against the Respondent were as follows:-

- i) He failed to submit the audit report and accounting statements as approved by the Trust for the period 2012-13, to the office of the Assistant Charity Commissioner, Thane for which he was paid

**Shri Joyson Sebastin Peter-vs-CA. Sagar D. Mehta (M. No.219780)**



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

IPR45/2016-DD/101/16/CC/1267/2020

by the Trust (C-6 to C-14) so as to intentionally support his relatives and Trustees of the Trust, CA. Milind Mehta and Smt. Sonal Mehta,

- ii) That the Respondent carried out the Audit of the School and Trust wherein Trustee, CA. Milind Mehta and Smt. Sonal Mehta (Sister of CA. Sagar Mehta) used to write their books of accounts and co-ordinate the entire accounts and audit work since the inception of the Trust and that Smt. Sonal Mehta was paid for the said work every year. Further, despite reminders and legal notices to the Respondent, CA. Milind Mehta and Smt. Sonal Mehta (C15-C19), they failed to give the audited accounting reports and statements for the year 2013-14,
- iii) That he had not given NOC to the incoming Auditor, CA. Rajendra Kumar Jain, for the Trust for the period 2014-15, and
- iv) That he issued the audit report for the financial year 2014-15 without verification of books of accounts and without any mandate to carry out the audit of the Trust.

It was noted that Item (2) of Part IV of First Schedule, Item (7) of Part I as well as Item (1) of Part II of Second Schedule states as under:-

**First Schedule**

Item (2) of Part IV *"in the opinion of the Council, bring disrepute to the Profession or the Institute as a result of his action whether or not related to his professional work"*

**Second Schedule**

Item (7) of Part I *"does not exercise due diligence, or is grossly negligent in the conduct of his professional duties; and*

Item (1) of Part II *"Contravenes any of the Provisions of this Act or the regulations made thereunder or any guidelines issued by the Council".*

2. An action under Section 21B (3) of the Chartered Accountants Act, 1949 was contemplated against the Respondent and communication dated 19<sup>th</sup> March 2021 was addressed to him thereby granting him an opportunity of being heard in person and/or to make a written representation before the Committee on 31<sup>st</sup> March 2021 through video conferencing.

3. The Respondent appeared before the Committee on 31<sup>st</sup> March 2021 through video conferencing from his personal location and made his oral representations on the findings of Disciplinary Committee. The Committee considered both the oral submissions as well written submissions made by the Respondent vide his letter dated 24<sup>th</sup> March 2021. The Respondent, at the outset, submitted that as per Section 34(1) of the Maharashtra Public Trust Act 1950 (herein after referred to as the 'Act') he being the auditor was required to 'forward a copy' of the audited

**Shri Joyson Sebastain Peter-vs-CA. Sagar D. Mehta (M. No.219780)**

(10) ✓



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

IPR45/2016-DD/101/16/DC/1387/20201

accounts and audit report to Dy Commissioner or Asst Commissioner of Charity whereas under section 34(1A) of the said Act, it was duty of the trustee of public trust to file a copy of the financial statements to the said authorities. Thus, there was no professional misconduct on his part on account of non-submission of the alleged documents with Charity Commission authorities. Further, the findings of the Committee to hold him guilty that there was "familiarity threat" affecting independence of auditors was not based on correct understanding of the term 'relative'. The "Code of Ethics" has not defined what kind of "relation" or "relative" created familiarity threat and his relation with Mrs Sonal Mehta, one of the Trustees, of a cousin sister, was outside the scope of restrictions. He also stated that the Committee did not give due credit to the truth contained in his response letter to NOC as he had all genuine reasons to inform incoming auditor not to accept the auditor job which was to protect the interest of new auditor. He further submitted that by issuing a qualified audit opinion about the possible material misstatement, he was able to give appropriate effect in the audit report about the failure of the auditee in making available the records mentioned in the annexure.

4. The Committee considered both the oral submissions as well written submissions of the Respondent and noted that Section 34 of the Maharashtra Public Trust Act 1950 caste a responsibility on the auditor also to submit the financials of the Trust along with his audit report to the Deputy or Assistant Charity Commissioner of the region or sub region. Hence, his argument that it was management's responsibility was unacceptable. It was further noted that the Respondent had produced on record extract of the Register maintained at the office of Charity Commissioner as obtained on 15<sup>th</sup> March 2021(after receiving the Findings of the Disciplinary Committee), and argued that the accounts and audit reports of FY 12-13 and 13-14 were submitted with the relevant authorities. The Committee viewed that production of said documents even if considered correct and mitigating factor still it could not be ignored that the Respondent had failed to explain the safeguards adopted by him to independently conduct audit despite existence of close relationship with the Trustees when infact CA. Milind Mehta was in a position to exert direct and significant influence over the audit as he was the person who was responsible for maintenance of accounts and was coordinator for audit and ,accordingly, provisions of Guidance note on "Independence of Auditors" were not complied with. The Committee also noted that the requirement of communication between the incoming and outgoing auditor has been laid to communicate an understanding of professional environment in relation to audit assignment of the client but the act of the Respondent in highlighting certain kind of violations and controversies purported to be prevalent in the Management of the Trust to the incoming auditor clearly hints

**Shri Joyson Sebastain Peter-vs-CA. Sagar D. Mehta (M. No.219780)**



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

IPR45/2016 DD/10/16/001/267/20201

upon his unprofessional approach which was unexpected from a Chartered Accountant. The Committee also noted regarding issue of audit report FY 2014-15 without verification of books of accounts that his audit report was self-contradictory. On one hand he had reported about non-availability of vouchers, books of accounts, record, register and minutes book for his verification but on the fact of audit report he had reported about proper books of accounts were being maintained as it appeared from his examination of those books. It was also noted that his opinion was expressed subject to audit memo but no such audit memo was available on report. Thus, it was viewed that in the entire episode the Respondent had failed to adopt an independent and impartial role and also failed to perform his professional duties diligently which was unbecoming of a chartered accountant.

5. The Committee thus viewed that the misconduct on the part of the Respondent has been held and established within the meaning (2) of Part IV of First Schedule, Item (7) of Part I as well as Item (1) of Part II of the Second Schedule to the Chartered Accountants Act, 1949 and keeping in view the facts and circumstances of the case as aforesaid, ordered that the name of the Respondent, **CA. Sagar D. Mehta (M. No.219780)**, be removed from the Register of members for a period of 1 (One) Year along with a fine of Rs. 10,000/- (Rupees Ten Thousand Only) be levied upon him that shall be payable within a period of three months from the date of receipt of this Order. In case, the Respondent failed to pay the same as stipulated, the name of the Respondent, **CA. Sagar D. Mehta (M. No.219780)**, be removed for a further period of 1(one) month from the Register of members on the lines of Section 64 of the Indian Penal Code.

(10)

Sd/-  
[CA. Nihar N Jambusaria]  
Presiding Officer

Sd/-  
[Shri Ajay Mittal]  
Member (Govt. Nominee)  
[approved and confirmed through e-mail]

Sd/-  
[CA. P.K. Boob]  
Member  
[approved and confirmed through e-mail]

Date: 31<sup>st</sup> March, 2021

Sd/-  
[Smt. Anita Kapur]  
Member (Govt. Nominee)

Sd/-  
[CA. Chandrashekhhar Vasant Chitale]  
Member  
[approved and confirmed through e-mail]

प्रमाणित सत्य प्रतिलिपि / Certified true copy  
Mohite Khanna  
श्री. मोहित खन्ना / CA. Mohite Khanna  
सहायक सचिव / Assistant Secretary  
अनुशासन विभाग / Disciplinary Directorate  
इंस्टीट्यूट ऑफ चार्टर्ड एकाउंटेंट्स ऑफ इंडिया  
The Institute of Chartered Accountants of India  
आइसीएआई भवन, विद्यया नगर, वाहगा, दिल्ली-110022  
125/1 Bhawan, Vidya Nagar, Gurgaon, Delhi-110022

Shri Joyson Sebastain Peter-vs-CA. Sagar D. Mehta (M. No.219780)

**CONFIDENTIAL**

**DISCIPLINARY COMMITTEE [BENCH – III (2020-21)]**  
**[Constituted under Section 21B of the Chartered Accountants 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. : [PR45/2016-DD/101/16/DC/1267/2020]**

**In the matter of:**

**Shri Joyson Sebastin Peter,**  
Chairman, Samson Educational and Charitable Trust,  
C/o. St. Peter's High School,  
Manvelpada Road, Virar (E),  
Tal : Vasai,  
Palghar – 401305

**.....Complainant**

**Versus**

**CA. Sagar D Mehta (M. No.219780)**  
H. No. 4-244/A,  
Opp. Rajesh Bread Factory,  
Maktumpura,  
Kalaburagi - 585101

**.....Respondent**

**MEMBERS PRESENT:**

**CA. Atul Kumar Gupta, Presiding Officer**  
**Smt. Anita Kapur, Member (Govt. Nominee)**  
**CA. Manu Agrawal, Member,**  
**CA. Chandrashekhar Vasant Chitale, Member**

**Date of Final Hearing: 5<sup>th</sup> October, 2020**  
**Place of Hearing: New Delhi (through Video Conferencing)**

**PARTIES PRESENT:**

- (i) Sh. George Fargoes – the Counsel for Complainant**
- (ii) CA. Sagar D. Mehta – the Respondent**
- (iii) CA. C V Sajan – the Counsel for Respondent**

**Shri Joyson Sebastin Peter. vs CA Sagar D Mehta . (M.No.219780)**

**Charges in Brief:**

1. The Committee noted that in the Prima Facie Opinion formed by Director (Discipline) in terms of Rule 9 of the Chartered Accountants (Procedure of Investigations of Professional and Other Misconduct and Conduct of Cases) Rules, 2007, the Respondent was prima facie held guilty of Professional Misconduct falling within the meaning of Item (9) of Part I, Item (2) of Part IV of the First Schedule and Item (1) of Part II of the Second Schedule to the Chartered Accountants Act, 1949. The said Item to the Schedule state as under:-

***First Schedule***

***Part I***

*"(9) accepts an appointment as auditor of a company without first ascertaining from it whether the requirements of Section 225 of the Companies Act, 1956\* in respect of such appointment have been duly complied with"*

***Part IV***

*"(2) in the opinion of the Council, brings disrepute to the profession or the Institute as a result of his action whether or not related to his professional work."*

***Second Schedule***

***Part II***

*"(1) contravenes any of the provisions of this Act or the regulations made thereunder or any guidelines<sup>3</sup> issued by the Council;"*

**Background of the case & Allegations raised against the Respondent**

2. The Respondent audited the books of accounts of Samson Educational and Charitable Trust, Virar (hereinafter referred to as the "Trust") for the financial years 2012-13, 2013-14 and 2014-15. The Complainant was the Chairman of the said Trust.

Against the aforesaid background, the allegations raised against the Respondent were:-

- i) The Respondent had failed to submit the audit report and accounting statements as approved by the Trust for the period 2012-13, to the office of the Assistant Charity Commissioner, Thane. It was stated that the Trust had

*B/A* paid to the Respondent for the said work (C-6 to C-14) but the Respondent  
Shri Joyson Sebastin Peter. vs CA Sagar D Mehta . (M.No.219780)

had refrained from his professional duties, intentionally to support his relatives and Trustees of the Trust, CA. Milind Mehta and Smt. Sonal Mehta.

- ii) The Respondent carried out the Audit of the School and Trust for the period of 2013-14. It was stated that their Trustee, CA. Milind Mehta and Smt. Sonal Mehta (Sister of CA. Sagar Mehta) used to write their books of accounts and co-ordinate the entire accounts and audit work since the inception of the Trust in the year 2002. Smt. Sonal Mehta was paid for the said work every year. In spite of repeated reminders and legal notices to the Respondent, CA. Milind Mehta and Smt. Sonal Mehta (C15-C19), had failed to give the audited accounting reports and statements for the year 2013-14 and the same was also not submitted to the Office of the Assistant Charity Commissioner, Thane.
- iii) The Respondent had not given NOC to the Incoming Auditor, CA. Rajendra Kumar Jain, for the Trust for the period 2014-15 on the pretext of a change report pending with the office of the Assistant Charity Commissioner, Thane. The Complainant enclosed copy of letters of CA. Rajendra Kumar Jain and the Respondent (C20-C29)
- iv) The Complainant in next allegation alleged that Respondent issued the audit report for the financial year 2014-15 without verification of books of accounts and without any mandate to carry out the audit of the Trust

**Proceedings:**

3. On the day of hearing, 5<sup>th</sup> October, 2020, the Committee noted that the Counsel for the Complainant and the Respondent alongwith his Counsel were present during the hearing. Thereafter, they all gave a declaration that there was nobody except them in their respective room from where they were appearing and that they would neither record nor store the proceedings of the Committee in any form. It was noted that the substantially the matter was heard during the previous hearing and that the Counsel for the Respondent had therein sought certain time to prepare for merits in context of a charge being examined by the Committee. Accordingly, the Committee, at the time of

*B* *(W)*

hearing, asked the Counsel for the Respondent to give his submission on the remaining charge. Thereafter, the Counsel for the Respondent made his final submissions.

Based on the documents and information available on record and after considering the oral and written submissions made by the Respondent, the Committee concluded hearing in the matter.

**Findings of the Committee:**

4. The Committee noted that the Complainant had raised four allegations against the Respondent but the Director Discipline while forming his prima facie opinion dated 25<sup>th</sup> February, 2020 held the Respondent guilty only in respect of allegation discussed in sub-para (ii) and (iii) of paragraph (2) above. The Committee decided to concur the Prima Facie Opinion of the Director (Discipline) as regard charges wherein the Respondent was held guilty. It also noted with respect to first allegation relating to non-submissions of audit report and financial statements for the financial year 2012-13 with the Office of the Assistant Charity Commissioner, Thane that Section 34 of Maharashtra Public Trust Act, 1950 cast a responsibility on the auditor to forward the copy of the financial statements of the Trust along with the audit report thereon prepare a balance sheet and income and expenditure account, and to forward a copy of the same along with a copy of his report to the trustee, and to the Deputy or Assistant Charity Commissioner of the region and if the Charity Commissioner requires so then to him. It was further noted that although the Respondent has, in this regard, submitted letters dated 14.10.2013 (C-41) and 22.09.2014 (C-42) as an evidence of submission of the said documents in the office of the Assistant Charity Commissioner, Thane but the said letters have been alleged to be forged and fabricated letters by the Complainant in fifth charge to show false submissions in the office of the Assistant Charity Commissioner, Thane pertaining to financial year 2012-13 and 2013-14 and thus submissions to the Office of Assistant Charity Commissioner was disputed. Accordingly, the veracity of the said letters written by the Respondent was itself in doubt and need to be established. Similarly, the nature of relationship that the Respondent had with the Trustees was also needed to be enquired further.

Shri Joyson Sebastin Peter. vs CA Sagar D Mehta . (M.No.219780)



The Committee further deliberated on the opinion of the Director (Discipline) as regard third charge wherein it was alleged that the Respondent has not given NOC to the incoming auditor. In this regard, the Committee on perusal of the letter written by the Respondent to the incoming auditor (C-21 & C-22), noted the reply of the Respondent contained therein and was of the view that the same was not restricted to the issues related to auditor's professional duties, responsibilities and rights or any other point related to audit but rather inappropriately hint at certain kind of violations and controversies purported to be prevalent in the Management of the Trust. The same in opinion of the Committee clearly hints upon the unprofessional approach being adopted by the Respondent which is unexpected from a Chartered Accountant. The Committee, accordingly, decided to proceed with the inquiry in respect of this charge also levelled against the Respondent. Accordingly, the Committee, on consideration of the said opinion, viewed that a prima facie case was made out in all the matters alleged against the Respondent and therefore decided to proceed with the inquiry in respect of all the charges levelled against the Respondent.

5. The Committee gave its findings in respect of charges as discussed above as under:-

6. The Committee noted that first allegation against the Respondent was that he had not submitted the audit report and accounting statements which was approved by the Trust for the period 2012-13, to the office of the Assistant Charity Commissioner, Thane. It was stated that the Trust had paid the Respondent for the said work but the Respondent had refrained from his professional duties, intentionally to support his relatives and Trustees of the Trust, CA. Milind Mehta and Smt. Sonal Mehta. It was noted that the Respondent in his defense had stated that all the work relating to filing of financial statements with the Charity Commissioner was being done by CA. Milind Mehta. The auditor had no statutory responsibility to file the accounts with Charity Commissioner. It was the duty of the Trust management to file those documents with the Charity Commissioner. However, as a helping gesture, he was filing the audited

accounts of the Society with Charity Commissioner and was prompt in his acts. He further argued that as per the information received from the office of Charity Commissioner, the audited accounts of the Trust were available in its record.

6.1 The Committee noted that Section 34 of the Maharashtra Public Trust Act, 1950, which lays down the requirements of submissions of audit report and financial statement, reads as under:-

*"34. Auditor's duty to prepare balance sheet and to report irregularities, etc.*

*(1) It shall be the duty of every auditor auditing the accounts of a public trust under section 33 to prepare a balance sheet and income and expenditure account, and to forward a copy of the same along with a copy of his report to the trustee, and to the Deputy or Assistant Charity Commissioner of the region or sub region or to the Charity Commissioner, if the Charity Commissioner required him to do so.*

*(1A) It shall be the duty of the trustee of a public trust to file a copy of the balance sheet and income and expenditure account forwarded by the auditor before the Deputy or Assistant Charity Commissioner of the region or sub-region or to the Charity Commissioner, if the Charity Commissioner requires him to do so."*

6.2 From the above, it was noted that the Act has also cast responsibility on the auditor to submit the financials of the Trust along with his audit report to the Deputy or Assistant Charity Commissioner of the region or sub region. Further, with respect to letters of the Respondent to the Office of the Charity Commissioner as available on record (C-41 & C-42) regarding submission of the audited accounts of the financial years 2012-13, 2013-14 and 2014-15, it was noted from the copy of the Register maintained by the Office of the Charity Commissioner Office (C-43), as available on record, that the said Register only showed receipt of the financials upto the period 2011-12 while the said copy was issued in 2014 as well as in 2016. It was noted that Respondent had not placed on record any concrete evidence to establish authenticity of the said letters and thus guilt on the part of Respondent was established. It was viewed that the Respondent had failed to perform his professional duties diligently and held him

guilty within the meaning of Item (7) of Part I of Second Schedule to the Chartered Accountants Act, 1949.

7. In respect of Second charge, the Committee noted that it was undeniable fact that Mr. Milind Mehta and Smt. Sonal Mehta were writing books of account of the Society and Smt. Sonal Mehta was paid for the said work. Further, as per the Complainant the Respondent was the brother of Smt. Sonal Mehta, whereas, the Respondent in his written submissions stated that Smt. Sonal Mehta was his cousin sister. In order to support the same, he also brought on record an affidavit filed by Smt. Sonal Mehta stating that Respondent's mother was her maternal aunt and thus they both held the relationship of being cousin. However, in view of the Respondent's submission that CA. Milind Mehta & Mrs. Sonal Mehta were his family relative and also the facts that both of them were involved in the management of the financial affairs of the Society with Mr. Mehta looking after its affairs, issuing cheques and Mrs. Sonal Mehta being responsible for writing books of accounts, it indicates that there were conditions imposing threat to his independence as auditor of the Society. It was noted that CA. Milind Mehta was in a position to exert direct and significant influence over the audit as he was the person who was responsible for maintenance of accounts and was coordinator for audit. The Committee further noted that the Respondent had failed to explain the safeguards adopted by him to independently conduct audit and CA. Milind Mehta not exercising significant influence over his audit opinion despite existence of close relationship with the Trustees. It was viewed that in the extant matter there was 'familiarity threat', thus, non-complying with the provision of Guidance note on "Independence of Auditors". Accordingly, the Respondent was held **Guilty** of professional misconduct falling within the meaning of Item (1) of Part II of Second Schedule to the Chartered Accountants Act, 1949.

8. In respect of third allegation wherein it was alleged that the Respondent had not given No Objection Certificate to the incoming auditor. In this regard, the Committee perused the letter written by the Respondent to the incoming auditor (C-21 & C-22), On perusal of same the Committee noted that that the contents of the letter written by the

Shri Joyson Sebastin Peter. vs CA Sagar D Mehta . (M.No.219780)

Respondent to the incoming auditor. It was noted that he was raising objection on appointment of incoming auditor based on advice of one of the Trustee, Mr. Milind Mehta, thereby, indicating certain kind of violations and controversies purported to be prevalent in the Management of the Trust. It was noted that the respondent in his written submissions stated that he could not be selective in sharing the information with the incoming auditor. However, the Committee noted that the requirement of communication between the incoming and outgoing auditor has been laid to understand professional environment in relation to audit assignment of the client. Thus, in view of the Committee, the Respondent was required to keep his objection restricted to the issue related to auditor's professional duties, responsibilities and rights or any points related to audit but in this case, The Committee, noted, that such act on the part of the Respondent clearly hints upon his unprofessional approach which was unexpected from a Chartered Accountant. Accordingly, the Respondent was held guilty within the meaning of Item (2) of Part IV of the First Schedule to the Chartered Accountants Act, 1949.

9. In respect of fourth allegation that the Respondent had issued the audit report for the financial year 2014-15 without verification of books of accounts and without any mandate to carry out the audit of the Trust, the Committee noted the audit report issued by the Respondent (C-31 to C-35) for the year 2014-15, it was noted from Report of Auditor relating to Accounts under sub-section 33(2) & 34 of the Bombay Trust Act, the Respondent had stated that

- a. the vouchers in the custody of Trust as well as cash were not available for his verification,
- b. the books, deeds, accounts, vouchers or other documents and records required by him were not produced
- c. the register of movable and immovable properties were not available for verification
- d. the minutes book were not available for verification

Shri Joyson Sebastin Peter. vs CA Sagar D Mehta . (M.No.219780)

From the above, the Committee was unable to comprehend the basis of verification if vouchers, books of accounts, record, register and minutes book were not available for his verification. The Respondent submitted to have given qualified report because the opinion was expressed subject to audit memo. However, on perusal of the documents available on record, it was viewed that neither any audit memo was available on record. Further, his audit report was self-contradictory when despite of the above facts he was stating on the face of audit report that proper books of accounts were being maintained as it appeared from his examination of those books. It was accordingly viewed that the Respondent had failed to perform his professional duties diligently and accordingly held him guilty of professional misconduct falling within the meaning of Item (7) of Part I of second Schedule to the Chartered accountants Act, 1949.

**Conclusion :**

Thus, in the considered opinion of the Committee, the Respondent is **GUILTY** of professional and/or other misconduct falling within the meaning of and Item (2) of Part IV of First Schedule, Item (7) of Part I as well as Item (1) of Part II of the Second Schedule to the Chartered Accountants Act, 1949.

(H)

**Sd/-**  
**CA. Atul Kumar Gupta**  
**Presiding Officer**

**Sd/-**  
**Smt. Anita Kapur**  
**Government Nominee**

**Sd/-**  
**CA. Chandrashekhar Vasant Chitale,**  
**Member**

**Sd/-**  
**CA. Manu Agarwal**  
**Member**

**DATE: 11<sup>th</sup> February, 2021**

**PLACE: New Delhi**

Certified to be True Copy  
*Mohita Khanna*  
(Mohita Khanna)  
Assistant Secretary  
Disciplinary Directorate  
The Institute of Chartered Accountants of India

Shri Joyson Sebastin Peter. vs CA Sagar D Mehta . (M.No.219780)