



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

[PPR/P/360/17-DD/151/INF/18-DC/1219/19]

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.

[PPR/P/360/17-DD/151/INF/18-DC/1219/19]

In the matter of:

CA. Deepak Kumar Verma, (M.No.402050)  
Shri Ram Plaza, Room No. 328,  
Third Floor, Bank More,  
DHANBAD (JHARKHAND)- 826 001

..... Respondent

MEMBERS PRESENT:

CA. (Dr.) Debashis Mitra, Presiding Officer, (Through VC)  
Shri Rajeev Kher, I.A.S. (Retd.), Government Nominee, (Through VC)  
CA. Amarjit Chopra, Government Nominee, (Through VC)  
CA. Babu Abraham Kallivayalil, Member, (Through VC)  
CA. Rajendra Kumar P, Member, (Through VC)

DATE OF MEETING : 15.09.2021 (Through Video Conferencing Mode)

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, the Disciplinary Committee was inter-alia of the opinion that **CA. Deepak Kumar Verma, (M.No.402050) Partner of M/s. Verma DK & Co., Dhanbad** (hereinafter referred to as the **Respondent**) was **GUILTY** of professional misconduct falling within the meaning of Clause (7) of Part I of the Second Schedule to the Chartered Accountant Act 1949.
2. The Committee noted that the Respondent was present before the Bench through Video Conferencing mode. He submitted his detailed submissions mentioning that there was no enhancement on basis of his audit report. He further submitted that only the Complainant Bank has filed complaint whereas SIDBI and Saraswat Bank (who were also part of consortium) had not filed any complaint. He further submitted that complaint was not filed against the directors of the Company.

CA. Deepak Kumar Verma, (M.No.402050) Partner of M/s. Verma DK & Co., Dhanbad



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

[PPR/P/360/17-DD/151/INF/18-DC/1219/19]

3. The Committee noted that when the Respondent is relying upon the figures given by the particular area office of BCCL, he should have mentioned in his certificate that gross receipts certified by him pertains to a particular area only but he failed to mention the same and consequently, the certificate issued by the Respondent provide misleading information about gross receipts of the firm. The Committee noted that Respondent admitted this mistake.
5. The Committee further looking into the gravity of charges alleged vis-a-vis admission of the Respondent before it was of view that the ends of justice shall be met if reasonable punishment is imposed upon him.
6. Keeping in view the facts and circumstances of the case, material on record and submissions of the Respondent before it, the Committee ordered that the Respondent - CA. Deepak Kumar Verma, (M.No.402050) be reprimanded and a fine of Rs.50,000/- (Fifty thousand Rupees) to be payable by him within period of 30 days. The Committee further ordered that in case of failure of payment of such fine by the Respondent, his name will stand removed from register of members for 01 (one) month.

sd/-

(CA. (Dr.) DEBASHIS MITRA)  
PRESIDING OFFICER

approved & confirmed through email  
(SHRI RAJEEV KHER, I.A.S. RETD.)  
GOVERNMENT NOMINEE

approved & confirmed through email  
(CA. AMARJIT CHOPRA)  
GOVERNMENT NOMINEE

approved & confirmed through email  
(CA. RAJENDRA KUMAR P)  
MEMBER

approved & confirmed through email  
(CA. BABU ABRAHAM KALLIVAYALIL)  
MEMBER

DATE: 10<sup>TH</sup> FEBRUARY, 2022  
PLACE: NEW DELHI

सही प्रतिरूप होने के लिए प्रमाणित /  
Certified to be true copy

नीलम पुंडीर / Neelam Pundir  
कार्यकारी अधिकारी / Executive Officer  
अनुशासनात्मक निदेशालय / Disciplinary Directorate  
इंस्टिट्यूट ऑफ चार्टर्ड एकाउंटेंट्स ऑफ इंडिया  
The Institute of Chartered Accountants of India  
आईसीएआई भवन, विश्वविद्यालय रोड, दिल्ली-110022  
ICAI Bhawan, Vasant Vihar, New Delhi-110022

CA. Deepak Kumar Verma, (M.No.402050) Partner of M/s. Verma DK & Co., Dhanbad

**CONFIDENTIAL**

**DISCIPLINARY COMMITTEE [BENCH – I (2020-2021)]**

**[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.**

**[Ref. No. PPR/P/360/17/DD/151/INF/18/DC/1219/19]**

**In the matter of Information treated against:**

**CA. Deepak Kumar Verma (M.No. 402050) in Re:  
Room No.328, Shri Ram Plaza,  
Third Floor, Bank More,  
Dhanbad - 826001  
JHARKHAND**

**.....Respondent**

**MEMBERS PRESENT:**

**CA. Nihar Niranjan Jambusaria, Presiding Officer  
Shri Jugal Kishore Mohapatra, I.A.S. (Retd.) (Government Nominee)  
Ms. Rashmi Verma, I.A.S. (Retd.) (Government Nominee)  
CA. G. Sekar, Member  
CA. Pramod Jain, Member**

**DATE OF FINAL HEARING : 17.03.2020**

**PLACE OF FINAL HEARING : ICAI, Delhi**

**PARTIES PRESENT:**

**Respondent - CA. Deepak Kumar Verma**

**BRIEF OF THE DISCIPLINARY PROCEEDINGS:-**

1. The Committee noted that on the day of hearing i.e. 17.03.2020, the Respondent was present. He was put on oath. On being enquired from the Respondent as to whether he is aware of the charges, the Respondent replied positively and pleaded not guilty with respect to the same. Thereafter, the Respondent decided to make his submissions and accordingly, made his submission on the charges. After hearing submissions, the Committee adjourn the hearing for some time and took up the case no. 14 wherein similar charges were made.

against other member (CA. Ashish Kumar). After hearing the case no.14, the Committee called the Respondent again. He appeared before the Committee. The Respondent made his further submissions. The Committee also posed questions to the Respondent. After hearing the final submissions, the Committee decided to conclude the hearing in the above matter.

**CHARGES IN BRIEF AND FINDINGS OF THE COMMITTEE:-**

2. It was alleged that different Gross receipts certificates were issued to M/s Vimla Traders (hereinafter referred to as the "Firm") for financial years 2011-12 to 2013-14. One certificate was certified by M/s. Ashish K.P. Agarwal & Associates and other certificate was issued by the Respondent Firm.

3. The Respondent in his defence stated that has been accused and found prima facie guilty of not exercising due diligence while issuance certificate of Gross Turnover to M/s. Vimla Traders, Jharia (Proprietorship firm). The Respondent stated that the said certificate was issued after proper due diligence. No facts was overlooked or neglected while issuing the said certificates. The Respondent stated that a payment certificate issued by Bharat Coking Coal Limited (BCCL), Basttacula Area, Jharia and duly signed by Asst. Manager (Finance) in which Gross amount of bills paid by that Area Office in the respective years were clearly mentioned.

3.1 The Respondent clarified that in Jharia City, contractors are not highly literate and they do not know how to prepare books of accounts and they are totally depended on other persons for books of accounts. They do not prepare books of accounts unless their books are required to be audited. The Respondent stated that when a contractor applies for Tender and work is allotted to him, the finance department of BCCL prepares a Measurement Book in which everything related to that contract is mentioned such as contract value, work allotment date, volume of work done, period in which one has complete the work, how much the work has been completed, pending, bills paid for the part work done with or without tax etc.. As regard the practice prevailed at that time for issuance of certificate, he stated that for getting a certificate from Chartered Accountants for filling the Tenders, the contractors provide the Xerox copy of letter from the Area Assistant Manager and on the basis of such documents and the Measurement Book, the certificate was issued.

3.2 On being enquired from the Respondent, he stated that figures mentioned in Measurement Book were matched with figures reflected in the bank statement and he also stated that TDS was deducted on payment made to the Contractors. When the Respondent was asked to provide details of TDS deducted from the amount of Gross Receipt certified by him for the financial years under question, the Respondent could not provide the same. The Respondent clarified that at the time of certification, he did not demand the copy of Form 26AS from the Contractors.

4. The Committee observed that the Respondent prepared his certificate based on figures provided by BCCL, Bastacola Area Office, Jharia but it was certified by the Respondent in his certificate that receipts are from contracts works done at various places. On perusal of Form 26AS brought on record by CA. Ashish Kumar (who certified another certificate for the same financial years), it is noted that there was material difference between the figures certified by the Respondent and receipts as reflected in Form 26AS of the Proprietor which was as under:-

Sl. No.	Financial Year	Gross Receipt as per Form 26AS	Gross Receipt certified by the Respondent	Difference
1	2012-13	47,92,999/-	7,40,734/-	40,52,265/-
2	2013-14	61,38,975/-	3,78,600/-	57,60,375/-

5. From the above, it is clear that there was huge material difference between the amount of gross receipt as reflected in Form 26AS and as certified by the Respondent. Further, the Respondent could not produce copy of books produced before him for issuance of certificate. The Committee observed that in case where the Respondent is relying upon the figures given by the particular area office of BCCL, he should have mentioned in his certificate that gross receipts certified by him pertains to a particular area only but he failed to mention the same and consequently, the certificate issued by the Respondent provide misleading information of gross receipts of the firm. Accordingly, the Committee is of the view that while certifying the figures of gross receipts, the Respondent failed to exercise due diligence and accordingly, he is guilty of professional misconduct falling within the meaning of Clause (7) of Part I of Second Schedule to the Chartered Accountants Act, 1949.

**Conclusion:-**

6. Thus in the considered opinion, the Respondent is held **GUILTY** of Professional Misconduct falling within the meaning of Clause (7) of Part I of Second Schedule to the Chartered Accountants Act, 1949.

sd/-  
**(CA. NIHAR NIRANJAN JAMBUSARIA),**  
**PRESIDING OFFICER**

[approved and confirmed through e-mail]  
**(SHRI JUGAL KISHORE MOHAPATRA, I.A.S.(RETD.))**  
**GOVERNMENT NOMINEE & PRESIDING OFFICER**

sd/-  
**(MS. RASHMI VERMA, I.A.S. (RETD.))**  
**GOVERNMENT NOMINEE**

sd/-  
**(CA. G. SEKAR)**  
**MEMBER**

sd/-  
**(CA. PRAMOD JAIN)**  
**MEMBER**

Certified to be true copy



Anurag Sharma  
Assistant Secretary,  
Disciplinary Directorate

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