

**CONFIDENTIAL**

**DISCIPLINARY COMMITTEE [BENCH – IV (2021-2022)]**

**[Constituted under Section 21B of the Chartered Accountants (Amendment) Act, 1949]**

**Findings under Rule 18(17) read with Rule 19(2) of the Chartered Accountants (Procedure of Investigations of Professional and Other Misconduct and Conduct of Cases) Rules, 2007.**

**File No. : [PR-370/14/DD/12/2015/DC/802/2018]**

**In the matter of:**

**Shri Sanjay Chiripal**  
N-1, Riviera Apartments  
45, Mall Road,  
DELHI – 110 054

**.....Complainant**

**Versus**

**CA. Rajnish Kumar Agrawal**  
**Partner, M/s SKR & Associates**  
**Chartered Accountants**  
Flat No.G-2, 4348/4C  
Ansari Road,  
Darya Ganj  
**NEW DELHI – 110 002**

**... (M. No. 072913)**  
**... (FRN No. 00160N)**

**..... Respondent**

**MEMBERS PRESENT:**

**CA. Nihar Niranjana Jambusaria, Presiding Officer**  
**Ms. Nita Chowdhury, Member (Govt. Nominee)**  
**Shri Arun Kumar, Member (Govt. Nominee)**  
**CA. G.Sekar, Member**  
**CA. Manu Agrawal, Member**

**DATE OF FINAL HEARING: 26.07.2021 through Video Conferencing**

**PARTIES PRESENT :**

**NIL**



### 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 held prima facie guilty of Professional Misconduct falling within the meaning of Clause (7) of Part-I of Second Schedule to the Chartered Accountants, Act, 1949. The said Clause to the Schedule state as under:-

*Second schedule*

*Part I*

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

2. It was noted that the matter pertains to audit of the accounts of Riviera Apartment Owners Co-operative Housing Society Limited (hereinafter referred to as '**Society**') for the financial year 2013-14 which was conducted by the Respondent. The charges levelled against the Respondent were as follows:
  - 2.1 That the Respondent had in violation of the restraint Order dated 04<sup>th</sup> June, 2013 issued by the Registrar of Co-operative Societies conducted audit of the Society when the strength of the Managing Committee was below the minimum required limit of seven and that vide the said Order the Society was restrained from taking any major financial or policy decisions.
  - 2.2 The alleged audit of the Society for the year 2013-14 was conducted without ensuring that the Registrar of Co-operative Societies, New Delhi had approved Respondent firm's name for conducting audit of Society for the said period and thus violated his own undertaking in the consent form/ acceptance certificate which states that "*Our consent is subject to approval by the office of the Registrar Co-operative Societies*".

### Brief facts of the Proceedings:

3. During hearing held on 26<sup>th</sup> July, 2021, the Committee noted that neither the Complainant nor the Respondent was present before it for hearing. It was, further, noted that whereas the Complainant had sought adjournment of previous hearing scheduled on 03.05.2021, in respect of extant hearing, there

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was no communication received from him. As regard the Respondent, it was noted that vide e-mail dated 14.07.2021, he had submitted to have already made his submissions in the matter vide e-mail dated 06.07.2021 and same be considered by the Committee to decide on the matter. In the absence of any adjournment request from any party, the Committee decided to proceed in terms of the principle of natural justice and proviso to Rule 18(7) of the Chartered Accountants (Procedure of Investigations of Professional and Other Misconduct and Conduct of Cases) Rules, 2007 which states as follows :-

*"Provided that if the respondent does not appear for the first hearing even after one adjournment, the reading out of charge or charges along with summary of prima facie opinion shall be made in his absence and the case proceeded with in accordance with the provisions of this Chapter."*

4. Based on the documents/information as available on record as well as written submissions of the Respondent, the , the Committee concluded hearing in the matter

#### **Findings of the Committee**

5. The Committee noted that that the charges alleged in extant matter were also proceeded against the Respondent, with another case bearing file reference no. **PR- 01/15-DD/13/15/DC/606/17** filed by the Complainant of the extant matter. On perusal of both complaints, the Committee is of the opinion that the charges alleged in extant matter against the Respondent were the same as alleged against him in case<sup>st</sup> registered with file reference no. PR- 01/15-DD/13/15/DC/606/17 that had already been decided and punished. Thus, Committee decided to dismiss the extant matter.

#### **Conclusion**

6. In view of the above, the Committee without touching upon the merits of the case and in terms of the reasoning discussed in para 5 above was of the considered opinion that the extant complaint against the Respondent i.e. **CA. Rajnish Kumar Agrawal (M. No. 072913)** be dismissed.

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7. Accordingly, in terms of Rule 19 (2) of the Chartered Accountants (Procedure of Investigations of Professional and Other Misconduct and Conduct of Cases) Rules, 2007, the Committee passed order for closing the case against the Respondent.

Sd/-  
(CA. NIHAR N JAMBUSARIA)  
PRESIDING OFFICER

Sd/-  
(SHRI ARUN KUMAR)  
MEMBER, GOVERNMENT NOMINEE

[Approved through mail dated 09/08/2021]  
(MS. NITA CHOWDHURY)  
MEMBER, GOVERNMENT NOMINEE

[Approved through mail dated 13/08/2021]  
(CA. G.SEKAR)  
MEMBER

[Approved through mail dated 06/09/2021]  
(CA. MANU AGRAWAL)  
MEMBER

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प्रमाणित सत्य प्रतिलिपि / Certified true copy  
*Suneel Kumar*  
सीए. सुनील कुमार / CA. Suneel Kumar  
सहायक सचिव / Assistant Secretary  
अनुशासनात्मक निदेशालय / Disciplinary Directorate  
इंस्टिट्यूट ऑफ चार्टर्ड एकाउंटेंट्स ऑफ इंडिया  
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