



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

[PR-9/2014-DD/32/2014/DC/544/2017]

**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.**

[PR-9/2014-DD/32/2014/DC/544/2017]

In the matter of:

**Shri Rakesh Kabra,
A/12, Narayan Plaza, 2nd Floor,
Chandivali Road,
Andheri (East),
Mumbai-400072**

.....Complainant

-Vs.-

**CA. Pranav Dilip Shah (M.No. 152738),
99/A Walkashwar Road Mangalam
Apartment 3rd Floor Block no. 5,
Next to White House & Jain Temple,
Mumbai – 400006.**

.....Respondent

MEMBERS PRESENT:

- 1. CA. (Dr.) Debashis Mitra, Presiding Officer (Present in person)**
- 2. Mrs. Rani Nair, I.R.S. (Retd.), Government Nominee (Present in person)**
- 3. CA. Rajendra Kumar P, Member (Present through Video Conferencing)**
- 4. CA. Cotha S Srinivas, Member (Present in person)**

DATE OF MEETING : 25.04.2022 (Through Physical/ 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 dated 04.02.2022, the Disciplinary Committee was inter-alia of the opinion that **CA. Pranav Dilip Shah (M. No. 152738)** (hereinafter referred to as the Respondent) was **GUILTY** of professional misconduct falling within the meaning of Item (7) of Part I of Second Schedule to the Chartered Accountant Act, 1949. R



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2. The Respondent was present before the Committee from Mumbai office of ICAI through video conferencing mode. He submitted that he had checked the share transfer deeds, their payments etc. before certification. Hence, he requested the Committee to take a lenient view in his case.
3. The Committee noted that the role of the Respondent was very limited and was related to filing of the Annual return of the Company for the years 2012 and 2013 only. The Committee also noted that no negligence was noticed in figures certified by the Respondent. The Committee also noted that there was an ongoing dispute between the Directors and the Respondent had not certified the resignation of the Directors. However, he was required to be more vigilant while filing the annual returns.
4. Therefore, 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 i.e. CA. Pranav Dilip Shah (M. No. 152738) be reprimanded.

Sd/-
(CA. (DR.) DEBASHIS MITRA)
PRESIDING OFFICER

Sd/-
(MRS. RANI NAIR, I.R.S. RETD.)
GOVERNMENT NOMINEE

Sd/-
(CA. RAJENDRA KUMAR P)
MEMBER

Sd/-
(CA. COTHA S SRINIVAS)
MEMBER

Date: 01.06.2022

Place: New Delhi

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

सी.ए. आर. चंदन / CA. Akshay Chandan
वरिष्ठ कार्यकारी अधिकारी / Sr. Executive Officer
अनुशासनशास्त्र विभाग / Disciplinary Directorate
इंस्टीट्यूट ऑफ चार्टर्ड एकाउंटेंट्स ऑफ इंडिया
The Institute of Chartered Accountants of India
आर्डीसीआई भवन, विश्वास नगर, शाहदरा, दिल्ली-110032
ICAI Bhawan, Vishwas Nagar, Shahdara, Delhi-110032

CONFIDENTIAL

DISCIPLINARY COMMITTEE [BENCH – II (2021-2022)]

[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. : [PR/9/14-DD/32/14-DC/544/17]

In the matter of:

Shri Rakesh Kabra,
A/12, Naryan Plaza,
1st Floor, Chandivali Road,
Andheri (East)
MUMBAI – 400 072

.... Complainant

-vs-

CA. Pranav Dilip Shah (152738),
99/A, Walkeshwar Road,
Mangalam Apartment,
3rd Floor, Block No. 6,
Next to White House and Jain Temple,
MUMBAI – 400 006

.... Respondent

MEMBERS PRESENT AS ON 13.07.2021:

CA. Amarjit Chopra, Government Nominee – through video conferencing mode

CA. Rajendra Kumar P, Member - Present-in-person

CA. Babu Abraham Kallivayalil, Member – through video conferencing mode

DATE OF FINAL HEARING : 13.07.2021 (through Video Conferencing)

PARTIES PRESENT:

Complainant : Shri Rakesh Kabra
Respondent' Counsel : Mr. Amit Nikam, Advocate

CHARGES IN BRIEF:

1. In the instant matter, the Committee noted that the Annual Return of M/s NRK Overseas (India) Pvt. Ltd. for the year 2012 and 2013 submitted to RoC by the Respondent. These Annual reports disclosed a change in its shareholding pattern in the Balance Sheet despite of the fact that there existed one Company Law Board order for maintaining status quo in respect of shareholding pattern.

BRIEF FACTS OF THE PROCEEDINGS:

2. In the instant matter, the Committee noted that the Complainant was present before it through video conferencing mode, while, on the other hand, the Respondent was not present. However, the counsel of the Respondent - Mr. Amit Nikam, Advocate was present through Video Conferencing to defend his case.

2.1 At the outset, the Committee enquired from the parties present that as to whether they wish to opt for the de-novo hearing by the present new bench as a consequence of change in composition of the earlier bench post last hearing in this matter. The parties submitted that the Committee may continue its proceedings in the matter from the stage it was completed in the last hearing by the earlier bench. The Committee acceded this request of the parties and continued the hearing.

2.2 Both the parties presented their line of arguments. The Committee also cross-questioned them to understand the possible role of Respondent in the alleged professional misconduct. Thereafter, it decided to conclude the matter.

FINDINGS OF THE COMMITTEE:

3. After hearing both the parties patiently, the Committee observed that the Complainant had filed one petition before Company Law Board (CLB) seeking two interim reliefs. One - CA. Pramod Kumar Surolia and CA. Raveesh Singh be restrained from transferring, alienating or dealing with in any manner the assets of the Company and the second – that they will be directed to maintain status quo in respect of shareholding pattern as it existed on 17th December, 2012. Noting, the Company Law Board passed the order in favour of the Complainant providing him relief on both of such grounds.
4. The Committee noted from Annual return of 2011 filed on 14th March 2012 by one Company Secretary that name of the Complainant and his wife was duly disclosed as shareholder of the Company i.e. M/s NRK Overseas (India) Pvt. Ltd. However, in Form 20B and Annual return of 2012 and 2013 the Company signed/ filed by the Respondent the name of Complainant and his wife were not appearing in the list of shareholders in the Company. These Annual returns were uploaded by the Respondent on 13th November 2013.
5. The Complainant had brought on record certificate from Company Secretary dated 18th December 2014 wherein the latter submitted that shareholding pattern of the Company was changed from Complainants to other persons on 13th November 2013 w.e.f. 26th September 2009.
6. Hence, the Committee noted the Company had filed the resignation letter of the Complainant & his group from the back date and the Respondent while, filing the annual returns for Financial Years ending 2012 & 2013, did not consider this fact of filing of resignation from the back date. Noticeably, in the meanwhile, the CLB order was passed ordering maintaining status quo as far as shareholding pattern of the said company is concerned. This lack of due diligence on the part of Respondent resulted into change in shareholding pattern of the said company and this in turn, caused non-compliance with the alleged CLB order in question. Accordingly, the

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Committee find the Respondent grossly negligent in exercising his duties and hold him Guilty.

CONCLUSION:

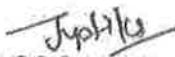
7. The Committee, in view of the abovesaid observation and considering the documents on record and the submissions of the parties concerned decided to hold the Respondent - CA. Pranav Dilip Shah **GUILTY** of professional misconduct falling within the meaning of Item (7) of Part I of the Second Schedule to the Chartered Accountants Act, 1949.

sd/-
(CA. AMARJIT CHOPRA)
(PRESIDING OFFICER & GOVERNMENT NOMINEE)

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

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

DATE : 4TH FEBRUARY, 2022


प्रमाणित सत्य प्रतिलिपि / Certified true copy

सीए. ज्योतिका ग्रोवर / CA. Jyotika Grover
सहायक सचिव / Assistant Secretary
अनुशासनमूलक निदेशालय / Disciplinary Directorate
इंस्टीट्यूट ऑफ़ चार्टर्ड एकाउंटेंट्स ऑफ़ इंडिया
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