

CONFIDENTIAL

DISCIPLINARY COMMITTEE [BENCH – I (2023-2024)]
[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: - PPR/157/16-DD/22/INF/16/DC/1565/2022

In the matter of CA. Saikat Datta (M. No. 062248), Tripura in Re:

Members present:

- i) CA. Aniket Sunil Talati, Presiding Officer - Through Online Mode**
- ii) Shri Jugal Kishore Mohapatra, IAS (Retd.) (Government Nominee)-
Through Online Mode**
- iii) Shri Prabhash Shankar, IRS (Retd.), (Government Nominee)**
- iv) CA. (Dr). Rajkumar Satyanarayan Adukia, Member**
- v) CA. Gyan Chandra Misra, Member**

Date of Final Hearing : 06th July 2023

Place of Final Hearing : New Delhi - Through Video Conferencing

Parties Present: -

Respondent : CA. Saikat Datta – (from ICAI Kolkata office)

BRIEF OF THE DISCIPLINARY PROCEEDINGS: -

1. On the day of hearing i.e., on 6th July 2023, the Committee noted that the Respondent appeared through VC from ICAI Kolkata office. The Respondent was put on oath. On being enquired as to whether he is aware of the charges leveled against him, the Respondent replied in affirmative and pleaded himself not guilty. Thereafter, the Respondent made his detailed submissions. The Committee also posed questions to the Respondent. After hearing the submissions, the Committee decided to conclude the hearing in the matter.

Brief Background of the matter: -

2. In the instant case, an informant based in Tripura has given a reference to an order of the Hon'ble High Court of Tripura dated 19th April 2016 [Case No. WPCC (PIL) 000016/2014], wherein the court inter-alia stated that the audit report of MGNREGA schemes operated in the State of Tripura submitted by the Respondent firm to the Ministry of Rural Development Department, Government of India have a mere one-pager Balance Sheet. It was further stated in the order of the court that the said audit commenced and was completed on the same day i.e., 19th June 2014, for all 45 blocks and more than 200 Gram Panchayats of the State of Tripura.

Charges In Brief: -

3. The main adverse observations in the said Order of Hon'ble High Court of Tripura are contained in Para 22 & 23 of the said order which are as under:

Para 22.Along with the Audit report submitted by the Chartered Accountant, M/s Saikat Datta & Associates (i.e., Respondent) they have filed a Balance sheet which runs into only one page and more shockingly it is stated that the date of commencement and date of completion of audit is 19.06.2014, therefore that audit had started and completed in one day itself on 19.06.2014 and at the relevant time there were at least 45 Blocks in the

State comprising of more than 200 Gram Panchayets and how could the Respondent have audited all these Gram Panchayets in one day”.

Para 23.....The Chartered Accountants have submitted their own reports in June 2014 and according to them, they commenced and completed their audit on 19.06.2014.These Chartered Accountants have not done their work as per the settled principal of audit of accounts..... The Audit conducted by the Chartered Accountants M/s Saikat Datta and Associates (Respondent firm) to say the least is an eye wash and we therefore direct the Government to consider rescission of the agreement, if any with the said Chartered Accountants and not to give the work of government audit in future to the said firm.

SUBMISSIONS OF THE RESPONDENT

4. The Respondent has inter-alia made the following written and verbal submissions in his defence:
 - 4.1 That the allegations levelled against him are merely based on the affidavit filed by the Principal Secretary, Rural Development Department and that he has not conducted audit of any of the Gram Panchayats as alleged in the judgement of the Hon'ble Hight Court of Tripura.
 - 4.2 That the Respondent has filed review petition against the impugned order of the Hon'ble Hight Court of Tripura, as the opportunity of being heard was not provided to the Respondent, and the same has been allowed by the Hon'ble Court thereby allowing to expunge a part of the impugned judgement that was detrimental against the interest of the Respondent.
 - 4.3 The Respondent also submitted before the Committee that in response to the receipt of the Complaint letter from the Joint Commissioner of Income Tax, Tripura, the Respondent in his response has clearly mentioned that the Respondent Firm was appointed as auditor in respect to the accounts of State Employment Guaranteed Fund (SEGF) and not for the audit of Gram panchayats and the Blocks.

Amika

4.4 The Respondent further submitted that the Report of the Joint Commissioner of Income Tax addressed to Principal Commissioner of Income Tax Shillong, distinctly states that the Respondent had not conducted the audit of more than 200 Gram Panchayats in one day i.e., 19th June 2014 and the allegation is not correct.

5. FINDINGS OF THE COMMITTEESS

- 5.1 The Committee noted that the Respondent has conducted the audit of the State Employment Guaranteed Fund (SEGF) along with other documents and records of MGNREGA for the Financial Years 2012-13 and 2013-14 and not the audit of Gram panchayats as alleged in the instant case.
- 5.2 The Committee noted that since the Respondent has not conducted the audit of the gram panchayat and therefore the allegation of having completed the entire audit of more than 200 Gram Panchayats in one day does not stand valid against the Respondent.
- 5.3 The Committee also noted that the Hon'ble High court of Tripura has taken cognizance of the review petition filed by the Respondent for not granting fair opportunity to bring out the essential facts before the Court of Law. Hence, the allegation that audit conducted by the Respondent was a mere eyewash is not tenable.
- 5.4 The Committee also perused and noted the report of the Joint Commissioner of Income Tax addressed to Principal Commissioner of Income Tax Shillong, that the Respondent had not done the audit of more than 200 Gram Panchayats in one day i.e., 19th June 2014 and that the Complaint received at the office of the Joint Commissioner of Income Tax, Agartala was treated as settled.

The Committee after due deliberation, based on submission of the Respondent and documents available on record held the Respondent **NOT GUILTY** of Professional Misconduct falling within the meaning of Clause (7) & (8) of Part I of Second Schedule to the Chartered Accountants Act, 1949.

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Conclusion: -

Thus, in the considered opinion of the Committee, the Respondent is **NOT GUILTY** of Professional Misconduct falling within the meaning of Clause (7) & (8) of Part I of Second Schedule to the Chartered Accountants Act, 1949.

Sd/-

**CA. Aniket Sunil Talati
(PRESIDING OFFICER)**

Sd/-

**Shri Jugal Kishore Mohapatra, I.A.S.
(RETD.), (Govt. Nominee),**

Sd/-

**Shri Prabhaskh Shankar
I.R.S. (RETD.), (Govt. Nominee)**

Sd/-

**CA (Dr). Rajkumar Satyanarayan
Adukia, Member**

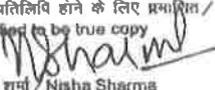
Sd/-

**CA. Gyan Chandra Misra
Member**

DATE: 06-12-2023

PLACE: New Delhi

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


निसा शर्मा / Nisha Sharma
वरिष्ठ कार्यकारी अधिकारी / Sr. Executive Officer
अनुशासनात्मक विदेशालय / Disciplinary Directorate
इंस्टीट्यूट ऑफ चार्टर्ड एकाउंटेंट्स ऑफ इंडिया
The Institute of Chartered Accountants of India
आईसीएआई भवन, विश्वास नगर, शाहदरा, दिल्ली-110032
ICAI Bhawan, Vishwas Nagar, Shahdara, Delhi-110032