



भारतीय सनदी लेखाकार संस्थान
(संसदीय अधिनियम द्वारा स्थापित)
THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA
(Set up by an Act of Parliament)

[DISCIPLINARY COMMITTEE [BENCH-IV (2024-2025)]
[Constituted under Section 21B of the Chartered Accountants Act, 1949]

ORDER UNDER SECTION 21B(3) OF THE CHARTERED ACCOUNTANTS ACT, 1949 READ WITH
RULE 19(1) OF THE CHARTERED ACCOUNTANTS (PROCEDURE OF INVESTIGATIONS OF
PROFESSIONAL AND OTHER MISCONDUCT AND CONDUCT OF CASES) RULES, 2007.

[PR/248/2016-DD/189/2017-DC/1552/2022]

In the matter of:

Sh. Vashisht Kumar Goyal
842/18, Shanti Nagar,
Gurgaon,
Haryana – 122001

..... Complainant

Versus

CA. Ashok Bhartia (M. No 089100)
116, Durga Chambers,
1334, D B Gupta Road,
Karol Bagh,
New Delhi – 110005

..... Respondent

MEMBERS PRESENT:

1. CA. Ranjeet Kumar Agarwal, Presiding Officer (In person)
2. Shri Jiwesh Nandan, I.A.S (Retd.), Government Nominee (In person)
3. Ms. Dakshita Das, I.R.A.S. (Retd.), Government Nominee (Through VC)
4. CA. Mangesh P Kinare, Member (In person)
5. CA. Abhay Chhajed, Member (In person)

DATE OF HEARING : 28th MARCH, 2024

DATE OF ORDER : 16th May, 2024

1. That vide Findings dated 05.02.2024 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. Ashok Bhartia (M. No 089100)** (hereinafter referred to as the **Respondent**) is **GUILTY** of Professional Misconduct falling within the meaning of Item (7) of Part I of the Second Schedule to the Chartered Accountants Act, 1949.

2. That pursuant to the said Findings, an action under Section 21B(3) of the Chartered Accountants (Amendment) Act, 2006 was contemplated against the Respondent and a



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communication was addressed to him thereby granting an opportunity of being heard in person/ through video conferencing and to make representation before the Committee on 28th March 2024.

3. The Committee noted that on the date of hearing on 28th March 2024, the Respondent was present through video conferencing, but due to some technical issue, his voice was not audible. Thereafter, he was connected through mobile phone call, and he stated that he has submitted the written representation dated 01st March 2024 on the Findings of the Disciplinary Committee, which, inter-alia, are given as under:-

(a) That except for one particular error, all other allegations were found as baseless by the Director (Discipline) himself which suggested that the complaint was motivated.

(b) There is no impact on true and fair view of the financial statements, and therefore merely because typographical error occurred in two years, the same should not be a basis to hold the Chartered Accountant 'guilty' of professional misconduct.

(c) In financial year ending on 31.03.2012, he had even corrected the bonafide typographical error manually and filing fees expenditure had been debited in the profit and loss account in both the financial years which show that error was a bonafide typographical error.

(d) He relied upon the judgment of Hon'ble Supreme Court in the case of *Price Waterhouse Coopers vs. CIT reported in 348 ITR 306* wherein Hon'ble Supreme Court has held in para 19 that "*even professionals can commit bona-fide inadvertent errors. This can only be defined as human error which we are all prone to make. The calibre and expertise of the assessee has little or nothing to do with the inadvertent error*".

(e) The Respondent requested the Committee to drop the proceedings against him.

4. The Committee considered the reasoning as contained in Findings holding the Respondent 'Guilty' of Professional Misconduct vis-à-vis written and verbal representation of the Respondent. The Committee noted that the issues/ submissions made by the Respondent as aforesaid have been dealt with by it at the time of hearing under Rule 18.

5. Thus, keeping in view the facts and circumstances of the case as aforesaid and material on record including written and verbal representation of the Respondent on the Findings, the Committee noted that there was a significant variation in the amount of authorized share capital reported in the Company's financial statements as against which had been reported by the Company to the ROC. The Committee was of the view that the Complainant did not provide the substantial evidence proving any adverse impact on the true and fair view of the Company's financial position due to the reporting errors. Consequently, malafide intent on the part of the



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Respondent was not evident. However, the Committee raised concerns about the occurrence of these discrepancies / variations in the reported authorized share capital for two consecutive financial years.

6. The Committee noted that, as a professional Chartered Accountant, the Respondent was expected to exercise due diligence and scrutinize the relevant Forms filed with the ROC. The Committee was of the view that the recurring discrepancies could not be attributed to inadvertent typographical errors. The Committee held that the Respondent's failure to detect and rectify discrepancies in the reporting of authorized share capital for two consecutive financial years shows the lack of due diligence exercised by him. Hence, the Professional Misconduct on the part of the Respondent is clearly established as spelt out in the Committee's Findings dated 05th February 2024, which is to be read in consonance with the instant Order being passed in the case.

7. Accordingly, the Committee was of the view that the ends of justice would be met if punishment is given to him in commensurate with his Professional Misconduct.

8. Thus, the Committee ordered that the Respondent i.e., CA. Ashok Bhartia (M.No.089100), be REPRIMANDED, under Section 21B(3)(a) of the Chartered Accountants Act,1949.

Sd/-
(CA. RANJEET KUMAR AGARWAL)
PRESIDING OFFICER

Sd/-
(SHRI JIWESH NANDAN, I.A.S. {RETD.})
GOVERNMENT NOMINEE

Sd/-
(MS. DAKSHITA DAS, I.R.A.S.{RETD.})
GOVERNMENT NOMINEE

Sd/-
(CA. MANGESH P KINARE)
MEMBER

Sd/-
(CA. ABHAY CHHAJED)
MEMBER

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

नीलम इंदौर / Neelam Pundir
वरिष्ठ कार्यकारी अधिकारी / Sr. Executive Officer
अनुशासनशास्त्रिक विदेशालय / Disciplinary Directorate
इंस्टिट्यूट ऑफ चार्टर्ड एकाउंटेंट्स ऑफ इंडिया
The Institute of Chartered Accountants of India
आईसीएआई भवन, विश्वास नगर, शाहदरा, दिल्ली-110032
(CA) Bhawan, Vishwas Nagar, Shahdara, Delhi-110032

Order- CA. Ashok Bhartia (M. No 089100)

CONFIDENTIAL

DISCIPLINARY COMMITTEE [BENCH – IV (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.: [PR/248/2016-DD/189/2017-DC/1552/2022]

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Shri Jiwesh Nandan, I.A.S. (Retd.), Government Nominee (In person)

CA. Mangesh P. Kinare, Member (In person)

CA. Cotha S. Srinivas, Member (In person)

DATE OF FINAL HEARING : 22nd January 2024

PARTIES PRESENT:

Respondent : CA. Ashok Bhartia (through VC)

Counsel for Respondent : Adv. Gautam Jain (through VC)



1. **Background of the Case:**

The Complainant was appointed as the Director of M/s Mahamaya Exports Private Limited ('Company') on 18th June 2011. The Complainant was holding 26% share of the Company and an agreement dated 18th June 2011 was entered into between the Complainant and the other shareholders of the Company namely Sh. Atul Bansal and Sh. Sona Bansal, which termed the following:

- i. The shareholding of the Complainant would not be reduced below 26% and
- ii. In case of further transfer/sale by any members of the Company, the shares will first be offered to the other shareholders of the Company including the Complainant before offering / transferring such shares to any outsider in accordance with Article 7 of the Article of Association of the Company

It is also stated that the Respondent had been the Statutory Auditor of the Company till Financial Year 2013-14 and resigned from the office of Statutory Auditor on 15th May 2015 as evident from Form 23B – 'Information by Auditor to Registrar' and Form ADT 3 – 'Notice of Resignation by the Auditor' filed to ROC.

2. **Charges in brief:**

2.1 **Illegal increase in authorized share capital of the Company for the period ended 31st March 2012, 31st March 2013, and 31st March 2014 in contravention of Rules and Sections of Companies Act 2013 and filing of illegal ROC forms:**

The Complainant alleged that the authorized share capital of the Company was increased thrice illegally from Rs. 2 Lakhs to Rs. 2.5 Lakhs, then from Rs. 2.5 Lakhs to Rs. 3.50 Crores and then from Rs. 3.50 Crores to Rs. 15 Crores in EGMs held on 25th August 2011, 9th March 2013 and 31st July 2013 respectively without giving proper notice to the Complainant being the 26% shareholder and also being a Director in Board of Directors of the Company. The Respondent being the Statutory Auditor of the Company allegedly assisted the Company in such illegal increase in authorized share capital of the Company.

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3. The relevant issues discussed in the Prima facie opinion dated 10th February 2021 formulated by the Director (Discipline) in the matter in brief, are given below:

3.1 The Authorised share capital of the Company was increased from Rs.2 Lakhs to Rs.2.5 Lakhs as evidenced by Form-5 submitted to ROC on 5th September 2011 in respect of increase in share capital pursuant to resolution passed on 25th August 2011. The said Form-5 had been certified by the Company Secretary on behalf of the Company. However, the authorised share capital as per the audited balance sheet of the Company for the period ended 31-03-2012 was shown as Rs.2 Lakhs only which was signed by the Respondent on 22nd August 2012. This shows that Form-5 for increase in authorised share capital to Rs.2.5 Lakhs was already filed to the ROC by the Company when the Respondent signed his audit report on the financial statements as on 31st March 2012 in which he certified the authorised share capital of Rs.2 Lakhs as against the already increased authorised share capital of Rs.2.5 Lakhs by that time.

3.2 The Authorised share capital of the Company was increased from Rs.2.5 lakhs to Rs.3.5 Crores as evidenced by Form-5 submitted to ROC on 11th March 2013 pursuant to resolution passed on 9th March 2013. The said Form-5 had been certified by the Company Secretary on behalf of the Company. However, the authorised share capital as per the audited balance sheet of the Company for the period ended 31-03-2013 was shown as Rs.2 Lakhs only which was signed by the Respondent on 2nd September 2013. This shows that Form-5 for increase in authorised share capital to Rs.3.5 Crores was already filed in the ROC by the Company when the Respondent signed his audited report on the financial statement as at 31st March, 2013 in which he certified the authorised share capital as Rs.2 Lakhs as against the already increased authorised share capital of Rs.3.5 Crores by that time.

3.3 The Authorised share capital of the Company was increased from Rs.3.5 Crores to Rs.15 Crores as evidenced by Form-5 submitted to ROC on 01st August 2013 in respect of increase in share capital pursuant to resolution passed on 31st July, 2013. The said Form-5 had been certified by the

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Company Secretary on behalf of the Company. However, the audited financial statements for the financial year 2013-14 had not been brought on record by the Complainant and he vide his letter dated 01st December 2017 had informed that Form 23AC or Form 20B for filing financials of the Company for the financial year 2013-14 had been filed in ROC. However, an unsigned balance sheet of the Company had been submitted wherein the authorised capital of the Company was shown as Rs. 15 crores.

3.4 The Complainant mentioned that the share capital had been increased illegally by the Company on the basis of meetings which never actually took place on 25th August 2011, 9th March, 2013 and 31st July, 2013 and no notice in respect of those meeting was received by him and the resolutions and forms submitted to ROC in this regard were false and fabricated. Although, the Complainant contended that the share capital was increased illegally without giving him any notice of the EGMs held on 25th August, 2011, 9th March, 2013 and 31st July 2013 but it had nothing to do with the Respondent as non-receipt of notices of Board meetings by the Directors was not the responsibility of the Auditor. However, the fact remains that during the period 2011-12 and 2012-13, the authorised share capital was increased to Rs. 15 Crores by the Company and proper forms were also submitted to ROC in this regard. It was the professional responsibility of the Respondent being the Statutory Auditor of the Company that he should have verified the authorised share capital of the Company with ROC records or minutes books of the Board of directors and shareholders of the Company before certifying the same.

3.5 Further, the Respondent had been silent on the part of his verification responsibility in respect of share capital of the Company and had simply mentioned that he was not the part of the management and was not involved in the process of issue of share capital. By merely saying this, he could not escape from his professional duty as a Statutory Auditor while expressing his opinion on the financials of the Company for the respective years. It was viewed that although the disclosure of incorrect authorised share capital of the Company in financial statements does not impact the true and fair view of financial position of the Company, still it was a negligence and lack of due diligence on the part of Auditor while



conducting his audit. Thus, the Respondent certified an incorrect amount of authorised share capital of the Company for the period ended 31st March 2012 and 31st March 2013.

3.6 For the financial year 2013-14, it was noted that the Complainant had provided only an unsigned financial statements wherein although the authorised share capital of the Company was increased from Rs.2 Lakhs to Rs.15 Crores and which was as per the records of ROC based on required forms submitted in ROC, however, the Respondent in his Written Statement had not commented anything on the point of increase in authorised share capital to Rs.15 Crores as on 31st March, 2014. The Respondent kept silent on the point that on what basis, he had audited and certified the authorised share capital of the Company as Rs.2 Lakhs in the financials of the year ended 31st March 2012 and 31st March 2013 and then how it was shown as Rs.15 Crores in the unaudited Balance Sheet for the year ended 31st March 2014.


3.7 In the light of above observations, the Director (Discipline) in his Prima Facie Opinion dated 10th February 2021 opined that the Respondent was Guilty of Professional Misconduct falling within the meaning of Item (7) of Part-I of the Second Schedule to the Chartered Accountants Act, 1949. The said Items of the Schedule to the Act, states as under:

Item (7) of Part I of the Second Schedule:

"A Chartered Accountant in practice shall be deemed to be guilty of professional misconduct if he:

(7) does not exercise due diligence or is grossly negligent in the conduct of his professional duties.

3.8 The Prima facie opinion formed by the Director (Discipline) was considered by the Disciplinary Committee at its meeting held on 08th April 2022. The Committee on consideration of the same, concurred with the reasons given against the charges and thus, agreed with the prima facie opinion of the Director (Discipline) that the Respondent is GUILTY of Professional Misconduct falling within the meaning of Item (7) of Part-I of the Second Schedule to the Chartered Accountants Act, 1949 and



accordingly, decided to proceed further under Chapter V of the Chartered Accountants (Procedure of Investigations of Professional and Other Misconduct and Conduct of Cases) Rules, 2007. The Committee also directed the Directorate that in terms of the provisions of sub-rule (2) of Rule 18, the prima facie opinion formed by the Director (Discipline) be sent to the Complainant and the Respondent including particulars or documents relied upon by the Director (Discipline), if any, during the course of formation of prima facie opinion and the Respondent be asked to submit his Written Statement in terms of the provisions of the aforesaid Rules.

4. **Date(s) of Written submissions/Pleadings by parties:**

The relevant details of the filing of documents in the instant case by the parties are given below:

S. No.	Particulars	Dated
1.	Date of Complaint in Form 'I' filed by the Complainant	01 st June 2017
2.	Date of Written Statement filed by the Respondent	22 nd July 2017
3.	Rejoinder filed by the Complainant	14 th October 2017
3.	Date of Prima facie Opinion formed by Director (Discipline)	10 th February 2021
4.	Date of Written submissions filed by the Respondent on the PFO	12 th May 2023

5. **Written submissions filed by the Respondent:**

5.1 The Respondent vide letter dated 12.05.2023 made additional submissions wherein he stated that it was apparent from PFO that disclosure of incorrect authorised share capital of the Company in financial statements had no impact on the true and fair view of financial position of the Company. In such circumstances, inadvertent, typographical, bonafide error in the financial statements should not be a ground to uphold the

charge of professional misconduct inferring non-exercise of due diligence under Item (7) of Part I of the Second Schedule.

5.2 The Respondent further stated that 'Hon'ble Supreme Court of India in the case of Price Waterhouse Coopers vs. CIT reported in 348 ITR 306 in para 19' held that even professionals can commit bona-fide inadvertent errors. This can only be defined as human error which we are all prone to make. The caliber and expertise of the assessee has little or nothing to do with the inadvertent error.

6. **Brief facts of the Proceedings:**

6.1 The details of the hearing(s) fixed and held/adjourned in said matter is given as under:

Particulars	Date of meeting(s)	Status
1 st time	18 th May 2023	Part heard and adjourned.
2 nd time	02 nd November 2023	Adjourned at the request of the Complainant.
3 rd time	28 th November 2023	Adjourned at the request of the Complainant.
4 th time	22 nd January 2024	Hearing Concluded

6.2 On the day of first hearing on 18th May 2023, the Committee noted that the Respondent was present in person. The Committee noted that the Complainant was not present and notice of listing of the case had been served upon him. Thereafter, the Respondent was put on oath and the Committee enquired from the Respondent as to whether he was aware of the charges, and the same were read out. The Respondent replied in affirmative and pleaded Not Guilty to the charges levelled against him. Thereafter, in view of Rule 18(9) of the Chartered Accountants (Procedure of Investigation of Professional and Other Misconduct and Conduct of Cases) Rules, 2007, the Committee adjourned the case to a later date and accordingly, the matter was part heard and adjourned.

6.3 On the second day of hearing on 02nd November 2023, the Committee noted the presence of the Counsel of the Respondent through video-

by Counsel

conferencing mode. The office apprised the Committee that the Counsel for the Complainant had sought adjournment due to his ill health. In view of the request of the Complainant, the Committee adjourned the case to a future date.

6.4 On the third day of hearing on 28th November 2023, the Committee noted the Complainant had requested to adjourn the case as he had some urgent personal assignment. The Committee acceded to the request of the Complainant and adjourned the captioned case to a future date with directions that both the parties be informed to be present at next meeting and in case of their absence, the case(s) be decided ex-parte, the Complainant / Respondent. In view of the request of the Complainant, the Committee adjourned the case to a future date.

6.5 On the day of final hearing on 22nd January 2024, the Committee noted the presence of the Respondent along with his Counsel through video-conferencing mode. The Committee noted that the allegation was limited to non-reporting of increase in authorised share capital in the financial statements by the Respondent. The Counsel of the Respondent submitted that it was a bonafide and typographical mistake and no paid-up capital was increased in these years and there was no share application money as well. The Counsel for the Respondent further stated that there was no grievance and no malafide intention in the matter.

6.6 After detailed deliberations, and on consideration of the facts of the case, various documents / material on record as well as the oral and written submissions, the Committee concluded the hearing in the instant case.

7. **Findings of the Committee:**

7.1 The Committee thoroughly examined the charges levelled against the Respondent, that the authorized share capital of the Company was increased thrice illegally from Rs. 2 Lakhs to Rs. 2.5 Lakhs, then from Rs. 2.5 Lakhs to Rs. 3.50 Crores and then from Rs. 3.50 Crores to Rs. 15 Crores in EGMs held on 25th August 2011, 9th March 2013 and 31st July 2013 respectively without giving proper notice to the Complainant, and the

Respondent being the Statutory Auditor of the Company assisted the Company in such illegal increase in authorized share capital of the Company. In this context, the Committee examined the provisions of the Companies Act 1956 and observed that the provisions regarding increase in share capital were contained in **Sections 94 of the Companies Act, 1956** which states as under:

"94. Power of limited company to alter its share capital:

(1) A limited company having a share capital, may, if so authorised by its articles, alter the conditions of its memorandum as follows, that is to say, it may:

(a) increase its share capital by such amount as it thinks expedient by issuing new shares;

(2) The powers conferred by this section shall be exercised by the company in general meeting and shall not require to be confirmed by the Court."

7.2 The Committee deliberated on the procedure followed for increase in the authorized capital of the Company and observed that following procedure is required to be followed by the Companies in case they decide to increase their authorized capital of the Company:

- i. To check whether Articles of Association of a Company contain a provision authorizing to increase its Authorized Share Capital. If there is no such provision in Articles, then appropriate steps are required to be taken to amend its Articles of Association first.
- ii. To convene a meeting of the Board of Directors and pass the necessary Board Resolutions while considering and approving the increase of Authorized Share Capital.
- iii. To authorize the Director(s) or Company Secretary to sign and issue the notice of the General Meeting and to do such acts, deeds and things as may be necessary to give effect to the Board's decision.
- iv. To hold the General Meeting (Extra-Ordinary General Meeting) on the fixed day and pass an Ordinary Resolution for increasing the

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Authorized Share Capital and make relevant changes in the Memorandum of Association (MoA).

- v. To file a notice of alteration of Share Capital with the Registrar in relevant Forms (Form No. 5 under Companies Act 1956) along with the prescribed fee within 30 days of such alteration along with certain documents viz., certified true copy of Ordinary Resolution for increase in Authorized Share Capital, copy of altered MOA, copy of altered AOA, if any etc.

7.3 The Committee deliberated on the above procedure followed for increase in the authorized capital of the Company and observed that the Chartered Accountants are not expected to have any role in convening the board meeting, general meeting or sending relevant notices to the members. In the present case, the Committee observed that there was no substantive evidence to prove that the Respondent had any role in effecting the increase in the authorized share capital of the Company. Furthermore, the Committee noted that Form No. 5 filed by the Company to ROC informing about the increase of authorized Share Capital, were even certified by the Company Secretary and not by the Respondent. This fact strengthened the Committee's observation that the allegations related to the improper filing of forms with the Registrar and the unauthorized increase in share capital during Extra-Ordinary General Meetings, without serving proper notices to the Complainant, were not sustainable against the Respondent.

7.4 The Committee then noted that the Respondent had audited the financial statements of the Company for the relevant period during which the authorized capital of the Company was increased. In this context, the Committee examined the relevant Forms (Form No. 5) which were filed by the Company to the ROC and the financial statements of the Company audited by the Respondent. Upon examination, the Committee identified discrepancies / variations in the reported amount of the increased authorized share capital between what was filed to the ROC by the Company and what was disclosed in the audited financial statements. These discrepancies / variations, which were observed by the Committee, are stated as under:



Revised Authorised Share Capital as given in Form No. 5 filed to ROC (Rs.)	Relevant date of the meeting of member of the Company wherein the increase in Authorised Share Capital was approved as given in Form No. 5	Relevant date of filing of Form No. 5 to ROC / Date of Digital signature and relevant financial year	Balance Sheet of the Company audited by the Respondent as at:	Amount of Authorised Share Capital reported in the audited financial statements for the relevant period and relevant financial year. (Rs.)
2.5 Lakhs	25.08.2011	05.09.2011 (FY 2011-12)	31-3-2012	2 Lakhs (FY 2011-12)
3.5 Crores	09.03.2013	11.03.2013 (FY 2012-13)	31-3-2013	2 Lakhs (FY 2012-13)
15 Crores	31.07.2013	01.08.2013 (FY 2013-14)	31-03-2014	15 Crores (FY 2013-14)

7.5 From the above comparison, the Committee noted that the authorized share capital of the Company was increased to Rs. 2.5 lakhs and Rs. 3.50 crores during Financial Years 2011-12 and 2012-13 respectively and the relevant Forms (Form No. 5) were submitted to the ROC. The Committee also noted that even though authorized share capital of the Company was increased during Financial Years 2011-12 and 2012-13, but the increased authorized share capital was not reported in the financial statements of the Company audited by the Respondent for the same period. The Committee observed that there was significant variation in the amount of authorized share capital reported in the Company's financial statements as against which had been reported by the Company to the ROC. The Committee considered the Respondent's submission that the said reporting / disclosure of incorrect authorized share capital in the financial statements of the Company, had no impact on the true and fair view of its financial position. The Committee also took note of another submission of the Respondent that in such circumstances, an inadvertent typographical error

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in the financial statements should not be a ground to uphold the charge of Professional Misconduct against him. After overall consideration, the Committee was of the view that the Complainant did not provide the substantial evidence proving any adverse impact on the true and fair view of the Company's financial position due to the reporting errors. Consequently, malafide intent on the part of the Respondent was not evident. However, the Committee raised concerns about the occurrence of these discrepancies / variations in the reported authorized share capital for two consecutive financial years. The Committee was of the view that, as a professional Chartered Accountant, the Respondent was expected to exercise due diligence and scrutinize the relevant Forms filed with the ROC. The Committee opined that the recurring discrepancies could not be attributed to inadvertent typographical errors.

- 7.6 In light of the above, the Committee was of the view that the Respondent's failure to detect and rectify discrepancies in the reporting of authorized share capital for two consecutive financial years shows the lack of due diligence exercised by him. Consequently, in the presence of these discrepancies / variations in the amount of authorized share capital in the financial statements of the Company and in the absence of reporting of these variations done by the Respondent in his audit reports for the relevant period, the Committee held the Respondent **GUILTY** of Professional Misconduct falling within the meaning of Item (7) of Part I of the Second Schedule to the Chartered Accountants Act, 1949.

8. **Conclusion:**

In view of the findings stated in above paras, vis-a-vis material on record, the Committee gives its charge wise findings as under:

Charges (as per PFO)	Findings	Decision of the Committee
Para 2.1 as above	Para 7.1 to 7.6 as above	Guilty – Item (7) of Part I of Second Schedule

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9. In view of the above observations, considering the oral and written submissions of the Respondent and material on record, the Committee held the Respondent **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. RANJEET KUMAR AGARWAL)
PRESIDING OFFICER

Sd/-
(SHRI JIWESH NANDAN, I.A.S. {RETD.})
GOVERNMENT NOMINEE

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(MS. DAKSHITA DAS, I.R.A.S. {RETD.})
GOVERNMENT NOMINEE

Sd/-
(CA. MANGESH P KINARE)
MEMBER

Sd/-
CA. COTHA S. SRINIVAS
MEMBER

DATE: 05.02.2024
PLACE: NEW DELHI

सही प्रतिलिपि होने के लिए प्रमाणित
Certified to be true copy

Charan Singh

चरण सिंह / Charan Singh

कार्यकारी अधिकारी / Executive Officer

अनुशासनात्मक निदेशालय / Disciplinary Directorate

भारतीय सनदी लेखाकार संस्थान

The Institute Chartered Accountants of India

आईसीएआई भवन, विश्वास नगर, शाहदरा, दिल्ली-110032

ICAI Bhawan, Vishwas Nagar, Shahdara, Delhi-110032