



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/434/2019/DD/29/2020/DC/1555/2022]

In the matter of:

CA. Kusum Goyal (M.No.089682)

M/s KC Goyal & Associates,

Chartered Accountants

A-3/9, IInd floor,

Paschim Vihar,

Delhi - 110063

.....Complainant

Versus

CA. Kaushal Kishor Singh (M.No. 531953)

M/s Kaushal Kishor & Associates,

Chartered Accountants

First Floor, Hotel Shree Nayak,

Purnea (Bihar) - 854301

.....Respondent

MEMBERS PRESENT:

1. CA. Ranjeet Kumar Agarwal, Presiding Officer (In person)
2. Shri Jiweesh 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. Kaushal Kishor Singh (M.No. 531953)** (hereinafter referred to as the **Respondent**) is **GUILTY** of Professional Misconduct falling within the meaning of Item (8) of Part I of First Schedule and Item (1) of Part II of Second Schedule to the Chartered Accountants Act, 1949.



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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 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 not present. The Committee also noted that the Respondent, vide email dated 23.03.2024, has apologized for not being able to participate in the scheduled hearing on account of illness, and prayed to the Committee for leniency in the matter. The Committee further noted that the Respondent had submitted his written representation dated 15th March 2024 on the Findings of the Committee, which, inter-alia, are given as under:-

(a) The Respondent received a No Objection Certificate (NOC) from M/s KC Goyal and Associates for undertaking the audit assignment of M/s Plaza Enterprises (Prop. Anil Kumar, PAN ABLPK0295M) on 16th March 2020. Additionally, M/s Plaza Enterprises has made a payment of Rs 2,80,728/- towards the full and final settlement of dues up to the date of receiving the audit assignment.

(b) That No Due Certificate obtained from the Complainant stated that no audit fee is outstanding, and M/s Plaza Enterprises is free to obtain professional services from any other Chartered Accountant.

(c) The Respondent requested the Committee for leniency and spare him from harsh punishment.

4. The Committee considered the reasoning as contained in Findings holding the Respondent 'Guilty' of Professional Misconduct vis-à-vis written 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 and material on record including written representation of the Respondent on the Findings, the Committee was of the view that, as per the Code of Ethics, the objective of communicating with the previous auditor is that the member may have an opportunity to know the reasons for the change in order to be able to safeguard his own interest, the legitimate interest of the public, and the independence of the existing accountant. Therefore, the plea of Respondent that he was preoccupied in other assignment(s) cannot be accepted as the basis for non-compliance of this requirement. The Committee noted that the Respondent had accepted his mistake that he did not communicate with the previous auditor (Complainant's firm) prior to acceptance of audit assignment.



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6. The Committee noted that the Respondent was well aware of pending audit fee payable to the Complainant while accepting the appointment as the Tax Auditor as he has mentioned in his written statement that he was assured by the proprietor of the Enterprise that he will clear the pending audit fee to the Complainant. The Committee also noted that the Complainant objected that the impugned tax audit assignment undertaken by Respondent pertained to FY 2018-2019 whereas the undisputed audit fee as evidenced by the bank statement of the entity M/s Plaza Enterprises reflect the fact that it was paid on 16th March 2020. The Committee was of the view that it is evident from the above, that undisputed audit fee as reflected in Balance Sheet was paid to Complainant on 16th March 2020 which was after the date of acceptance of audit assignment by the Respondent which is in violation of Council Guidelines. Accordingly, the Committee held that there was non-compliance on the part of Respondent in ensuring the payment of undisputed audit fee. 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. Kaushal Kishor Singh (M.No. 531953), 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
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मीनू गुप्ता / Meenu Gupta
वरिष्ठ कार्यकारी अधिकारी / Sr. Executive Officer
अनुशासनमय संशोधन विभाग / Disciplinary Directorate
इंस्टीट्यूट ऑफ चार्टर्ड एकाउंटेंट्स ऑफ इंडिया
The Institute of Chartered Accountants of India
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ICAI Bhawan, Vishwas Nagar, Shahdara, Delhi-110032

CONFIDENTIAL

DISCIPLINARY COMMITTEE [BENCH – IV (2023-2024)]

[Constituted under Section 21B of the Chartered Accountants (Amendment) 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/434/2019/DD/29/2020/DC/1555/2022]

In the matter of:

**CA. Kusum Goyal (M.No.089682)
M/s KC Goyal & Associates,
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A-3/9, IInd floor,
Paschim Vihar,
Delhi – 110063**

.....Complainant

Versus

**CA. Kaushal Kishor Singh (M.No. 531953)
M/s Kaushal Kishor & Associates,
Chartered Accountants
Plot No 41-42, 1st floor, Pocket 19
Near West Mega Mall, Sector 24,
Rohini,
Delhi – 110085**

.....Respondent

MEMBERS PRESENT:

**CA. Ranjeet Kumar Agarwal, Presiding Officer (In person)
Shri Jiwesh Nandan, I.A.S. (Retd.), Government Nominee (In person)
Ms. Dakshita Das, I.R.A.S (Retd.), Government Nominee (Through VC)
CA. Mangesh P Kinare, Member (In person)
CA. Cotha S Srinivas, Member (In person)**

DATE OF FINAL HEARING : 20.06.2023

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PARTIES PRESENT

Counsel for Complainant : Mr. Kshitij Goyal (Through VC)
Respondent : CA. Kaushal Kishore Singh (Through VC)

1. Background of the case:

The Complainant was the Tax auditor of "M/s Plaza Enterprises" (hereinafter referred to as "Enterprise") till the financial year 2017-18. The Respondent has accepted the position as Tax Auditor of the Enterprise for the financial year 2018-19 (A.Y.2019-20) without obtaining No Objection Certificate from the Complainant. The Complainant's Professional/Audit fee was due for more than three years, and duly reflected in the audited Balance Sheet of the Enterprise for last 3 years ended on 31st March, 2016, 31st March, 2017 and 31st March, 2018. The accumulated balance of Professional/Audit fees, as per audited Balance sheet of the Enterprise for F.Y. "2017-18" amounted to be Rs. 2,47,606/-. Despite this, the Respondent ignored this fact and accepted the tax audit assignment of the Enterprise for the A.Y.2019-20 even after her pending audit fee due from the Enterprise for past three years.

2 Charges in Brief: -

2.1 The Respondent has accepted the position as Tax Auditor of the Enterprise for the financial year 2018-19 (A.Y.2019-20) without obtaining No Objection Certificate from the Complainant. The Respondent has failed to communicate with the previous auditor (i.e. Complainant) prior to his appointment.

2.2 The Respondent has accepted the tax audit assignment of Enterprise for the A.Y.2019-20 despite of the fact that audit fee of the Complainant was pending for past three years.

3 The relevant issues in the Prima facie opinion dated 07th April 2021 formulated by Director (Discipline) in the matter in brief is given below:-

3.1 The requirement of communicating with the previous auditor (for any type of audit) is an absolute requirement even for any incoming auditor and that too through written mode of communication via 'Registered Post Acknowledgement Due' or by hand delivery against written acknowledgement so as to have a clear cut evidence of the delivery of such communication. In the extant matter, the Respondent has admitted that he did not communicate with the previous auditor before accepting his tax audit assignment of the Enterprise for the A.Y. 2019-20 and has given the plea that due to his occupation with other work assignments he forgot to take the NOC from the previous auditor however, at the same time he has also mentioned that at the time of acceptance of this assignment, he was assured by the proprietor of the Enterprise to provide the NOC from previous auditor. From the above, it signifies that the Respondent chose to ignore the provisions of Chartered Accountants Act (C.A. Act) and Code of Ethics -2009 on the assurance of the proprietor of the Enterprise (Client) to provide the NOC from previous auditor i.e., from the Complainant and thereby failed to communicate with the Complainant (the previous auditor) before accepting his assignment of tax audit of the Enterprise for the A.Y.2019-20 in the manner as being required under C.A. Act and Code of Ethics. Further, the plea given by the Respondent that he forgot to take the NOC from the Complainant seems more casual and unacceptable in the light of the fact that inspite of being aware of the pending undisputed audit fee of the Complainant, the Respondent failed to make any enquiry in the matter from the Complainant to check for her objection in such appointment.

3.2 As regard the second part of the allegation is concerned that the Respondent accepted the tax audit assignment of the Enterprise for the A.Y.2019-20 even when the dues of the Complainant from the Enterprise were pending, the Complainant in her complaint has mentioned the pending payable amount as Rs.2,47,606/- however, from the audited Balance Sheet of the Enterprises for the F.Y. 2017-18, only Rs. 2,09,830/- is appearing as payable under the head 'Audit Fee Payable' while Rs.15,694/- is shown as 'Professional Expense payable' and Rs.22,082/- has been shown as payable in the name of the Complainant Firm.

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3.3 The provisions of Code of Ethics – 2009 mentioned on page 163 reads as below:

"The existence of a dispute as regards the fees may be root cause of an auditor being changed. This would not constitute valid professional reasons on account of which an audit should not be accepted by the member to whom it is offered. However, in the case of an undisputed audit fees for carrying out the statutory audit under the Companies Act, 1956 or various other statutes having not been paid, the incoming auditor should not accept the appointment unless such fees are paid. In respect of other dues, the incoming auditor should in appropriate circumstances use his influence in favour of his predecessor to have the dispute as regards the fees settled"

Further, it also reads as below:

"In this connection, attention of members is invited to the Council Guidelines No. 1-CA/(7)/02/2008 dated 08.08.2008 appearing in Chapter-3 of the book and also published at page 686 of October, 2008 issue of the Journal. In the said guidelines, Council has explained that the provision for audit fee in accounts signed by both the auditee or the auditor shall be considered as "undisputed" audit fee

3.4 In view of the above provisions, it is clear that it is the professional responsibility of an incoming auditor not to accept the assignment if the undisputed audited fee of previous auditor is pending for payment by the client. In the extant case, regarding the alleged pending amount of Rs.15,694/- shown as 'Professional Expense payable' and alleged Rs.22,082/- shown as payable in the name of the Complainant Firm in the Balance sheet of the Enterprise for the period ended 31st March, 2018, it is viewed that it is covered under 'Other Dues' as mentioned in the above provision and hence, does not make a valid ground for the Respondent not to accept his appointment in the Enterprise as Tax Auditor however, it is noted that the balance amount Rs.2,09,830/- is clearly covered under the undisputed audit fee and the Respondent has accepted the appointment as Tax Auditor of the Enterprise for the A.Y.2019-20 even after such undisputed audit fee of

Rs.2,09,830 remains payable to the Complainant (the previous auditor) as evidenced from the audited Balance Sheet of the Enterprise for the period ended 31st March, 2018.

- 3.5 At the time of acceptance of such assignment, the Respondent was well aware of such pending dues as he has mentioned in his written statement that at the time of acceptance, he was committed by the proprietor of the Enterprise that the pending amount will be cleared. It clearly indicates the casual approach and the scant respect towards the Guidelines of the Council on the part of the Respondent. Hence, for the pending undisputed audit fee of Rs.2,09,830/-, the Respondent has violated the Guidelines of the Council making him prima facie guilty within the meaning of Item (1) of Part II of the Second Schedule to the Chartered Accountants Act, 1949.
- 3.6 Although the Respondent in his defence, has mentioned that after acceptance of his appointment, he forced the proprietor of the Enterprise to clear the dues of the Complainant and to provide NOC from him (Complainant) and he has also brought on record a 'No Dues Certificate' dated 16th March, 2020 issued by the Complainant in support of his claim. However, from the perusal of such document it is noted that such certificate is issued by the Complainant Firm in respect of "M/s Newtech Home Appliances Pvt Ltd" which is not the Enterprise for which the Complainant has filed her complaint i.e., M/s Plaza Enterprises and hence, irrelevant for the instant complaint. This also reflects on the casual approach being adopted by the Respondent while dealing with the allegations of professional misconduct against him.
- 3.7 The Director (Discipline) in his Prima Facie Opinion dated 07th April 2021 has held that the Respondent is prima facie GUILTY of professional misconduct falling within the meaning of Item (8) of Part I of the First Schedule and Item (1) of Part II of the Second Schedule to the Chartered Accountants Act, 1949. The said Item to the Schedule to the Act, states as under:

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Item (8) of Part I of Second Schedule:

A chartered accountant in practice shall be deemed to be guilty of professional misconduct if he-

(8) accepts a position as auditor previously held by another chartered accountant or a certified auditor who has been issued certificate under the Restricted Certificate Rules, 1932 without first communicating with him in writing;

Item (1) of Part II of the Second Schedule

A member of the Institute, whether in practice or not, shall be deemed to be guilty of professional misconduct, if he:-

(1): contravenes any of the provisions of this Act or the regulations made thereunder or any guidelines issued by the Council:

3.8 The Prima Facie Opinion formed by Director (Discipline) was considered by the Disciplinary Committee at its meeting held on 8th 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 prima facie **GUILTY** of Professional Misconduct falling within the meaning of Item (8) of Part – I of the First Schedule and Item (1) of Part II 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, 2007.

4 Date(s) of Written submissions/pleadings:

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

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S.No.	Particulars	Dated
1.	Complaint in Form 'I' filed by the Complainant	21 st January 2020
2.	Written Statement filed by the Respondent	Dated 'Nil' (received on 06 th August 2020)
3.	Rejoinder if any	---
4.	Prima facie Opinion by Director (Discipline)	7 th April 2021
5.	Further Written Submissions by the Respondent	11 th June 2022
6.	Further Rejoinder submitted by Complainant	11 th July 2022

5 Further written submissions filed by the Respondent:

- 5.1 The Committee noted that the Respondent vide his submissions dated 11th June 2022 submitted that No dues certificate was received from the Complainant firm wherein it is mentioned that M/s Plaza Enterprises is free to obtain professional services from any other Chartered Accountant or professional and Complainant firm has received the payment of Rs. 2,80,728 from M/s Plaza enterprises on 16th March 2020 towards full and final settlement of the dues for the period for which audit assignment was carried out by him. In this regard, Respondent has enclosed a bank statement of the enterprise wherein the amount of Rs. 2,80,728 is debited in the account of M/s Plaza Enterprises against the payment to Complainant's firm.

6 Further written submissions filed by the Complainant:

- 6.1 The Committee noted that the Complainant vide her written submissions dated 11th July 2022 submitted that her firm has received outstanding dues from M/s Plaza Enterprises, however, Complainant has not received any communication from the Respondent, with respect to No objection certificate from the Respondent.

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7 Brief facts of the Proceedings:

7.1 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	20 th June 2023	Hearing concluded and decision taken

7.2 On the day of first hearing on 18th May 2023, the Complainant was present through Video Conferencing Mode for the hearing and the Respondent was present in person before it. Being first hearing of the case, the Respondent was put on oath. Thereafter, the Committee enquired from the Respondent as to whether he was aware of the charges, and the same was read out to him as contained in para 2.1 and 2.2 above. On the same the Respondent replied that he is aware about the charges but pleaded Not Guilty on the charges levelled against him. Thereafter, as per 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 later date and the matter was part heard and adjourned.

7.3 Thereafter, on the day of hearing on 20th June 2023, the Committee noted that the Respondent and the Counsel for the Complainant were present through Video conferencing mode. The Counsel for the Complainant submitted that Complainant firm has received outstanding dues from auditee client. The Committee then asked the Respondent to make submissions in the matter. however, communication for NOC from the Respondent was not yet received. The Respondent submitted that a sum of Rs. 2,80,728/- was duly paid on account of full and final settlement of dues of the Complainant and he had accepted the audit assignment. Further, he admitted that due to other assignments, he forgot to take NOC from the Complainant.

8 Findings of the Committee

The Committee noted the background of the case, oral and written submissions of both the parties and gave its findings as under:

- 8.1. The Committee noted the following clause 8 of part I of the First Schedule to C.A. Act and relevant provision of Code of Ethics- 2009 merits consideration and the same read as under: -

"A Chartered Accountant in practice shall be deemed to be guilty of professional misconduct, if he accepts a position as auditor previously held by another Chartered Accountant or a certified auditor who has been issued certificate under the Restricted Certificate Rules 1932 without first communicating with him in writing"

It must be pointed out that the professional courtesy alone is not the major reason for requiring a member to communicate with the existing accountant who is member of the Institute or a certified auditor. The underlying objective is that the member may have an opportunity to know the reasons for the change in order to be able to safeguard his own interest, the legitimate interest of the public and the independence of the existing accountant. It is not intended, in any way, to prevent or obstruct the change. When making the enquiry from the retiring auditor, the one proposed to be appointed or already appointed should primarily find out whether there are any professional or other reasons why he should not accept the appointment. The object of the incoming auditor, in communicating with the retiring auditor is to ascertain from him whether there are any circumstances which warrant him not to accept the appointment. "

In view of the above, as per clause (8) of Part I of the First Schedule to the Chartered Accountants Act, 1949 read with the provision of Code of Ethics issued by ICAI, it is evident that the incoming Auditor can accept the position as an auditor which was previously held by another auditor only after first communicating with the previous auditor in writing.

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- 8.2. From the perusal of above provisions, it is clear that the requirement of Chartered Accountants Act read with Code of Ethics – 2009 as discussed in preceding paras casts clear responsibility on the incoming auditor to communicate with the previous auditor and there is no circumstance mentioned in such provisions under which the requirement of such communication can be exempted. Hence, the contention of the Respondent that he forgot to communicate with the Complainant due to occupation in other work assignment is not acceptable. In the instant case, the Respondent has admitted his mistake that he did not communicate with the previous auditor due to other assignments prior to acceptance of audit and therefore it is evident that the Respondent failed to ensure compliance of the requirement of Item (8) of Part I of First Schedule to the Chartered Accountants Act, 1949.
- 8.3. The Committee noted that as per the Code of Ethics, the objective of communicating with the previous auditor is that the member may have an opportunity to know the reasons for the change in order to be able to safeguard his own interest, the legitimate interest of the public and the independence of the existing accountant. Therefore, the plea of Respondent that he was preoccupied in other assignment(s) cannot be accepted as the basis for non-compliance of this requirement. As regards the first charge related to non communication with the previous auditor (Complainant's firm) prior to accept the audit assignment , the Committee noted that the Respondent had accepted his mistake and accordingly, the Committee held the Respondent **GUILTY** of Professional Misconduct on this count.
- 8.4. As regards the second charge of acceptance of audit without ensuring that outstanding audit fees of previous auditor has not been paid for more than three years , the Committee noted that the contention of Complainant was that her total audit fee due was Rs 2,47,606/- . However, the Committee noted that, in the extant case balance of Rs 15,694/- and Rs. 22,082/- reflected in Balance Sheet of the enterprise for the period 31.3.2018 as 'professional expense' and 'other dues' do not make a valid ground for Respondent not to accept the appointment in the Enterprise as Tax Auditor. However, Rs. 2,09,830/- against the item 'audit fee

payable' under the head 'Expenses Payable' is clearly covered under the undisputed audit fee. The Committee observed that incoming auditor is required to ensure that the payment of undisputed outstanding audit fee is settled before acceptance of audit assignment to the outgoing auditor.

- 8.5. In this regard the Council General Guidelines 2008 merits consideration and the same read as under:

A member of the Institute in practice shall not accept the appointment as auditor of an entity in case the undisputed audit fee of another Chartered Accountant for carrying out the statutory audit under the Companies Act, 2013 or various other statutes has not been paid. Provided that in the case of sick unit, the above prohibition of acceptance shall not apply.

- 8.6. The Complainant also noted that Clause 1 of Part-II of the Second Schedule clearly mandated that non compliance of any Council Guidelines in *professional conduct*.

Further, it also reads as below:

"In this connection, attention of members is invited to the Council Guidelines No. 1-CA/(7)/02/2008 dated 08.08.2008 appearing in Chapter-3 of the book and also published at page 686 of October, 2008 issue of the Journal. In the said guidelines, Council has explained that the provision for audit fee in accounts signed by both the auditee or the auditor shall be considered as "undisputed" audit fee

- 8.7. The Committee noted that the Respondent has neither contended that there was any dispute about the fees between the Complainant and M/s. Plaza Enterprises (the client) nor M/s. Plaza enterprises to be a sick unit and so the exception mentioned in the Guidelines does not apply in this case. The Committee further noted that that the word "Shall" in the Guidelines leaves no room for any further exception in the compliance of the Guidelines.

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8.8. The Committee further observed that the Respondent was well aware of such pending audit fee payable to the Complainant while accepting the appointment as the Tax Auditor as he has mentioned in his written statement that he was assured by the proprietor of the Enterprise that he will clear the pending audit fee to the Complainant. The Committee further noted that the Complainant objected that the impugned tax audit assignment undertaken by Respondent pertained to FY 2018-2019; whereas the undisputed audit fee as evidenced from the bank statement of entity M/s Plaza Enterprises reflect the fact that it has been paid on 16th March 2020. The Committee was of the view that it is evident from the above that undisputed audit fee as reflected in Balance Sheet as stated above, was paid to Complainant on 16th March 2020 which was after the date of acceptance of audit assignment by the Respondent which is in violation of Council Guidelines. Accordingly, the Committee opined that there was non-compliance on the part of Respondent in ensuring the payment of undisputed audit fee. In view of the above, the Committee held the Respondent **GUILTY** of Professional Misconduct.

9. **Conclusion**

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

Charge(s) (as per PFO)	Findings	Decision of the Committee
Para 2.1 as above	Para 8.1 to 8.3 as above	Guilty- Item (8) of Part I of First Schedule
Para 2.2 as above	Para 8.4 to 8.6 as above	Guilty- Item (1) of Part II of Second Schedule

10. In view of the above observations, considering the submissions of the Respondent and Complainant, and documents/material on record, the Committee held the Respondent **GUILTY** of Professional Misconduct falling within the meaning of Item (8) of Part – I of First Schedule and Item (1) of Part-II of the Second Schedule to the Chartered Accountants Act, 1949.

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

Sd/- (SHRI JIWESH NANDAN, I.A.S. {RETD.}) (MS. DAKSHITA DAS, I.R.A.S.{RETD.})
GOVERNMENT NOMINEE 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
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मीनू गुप्ता / Meenu Gupta
वरिष्ठ कार्यकारी अधिकारी / Sr. Executive Officer
अनुशासन शाखा / Disciplinary Directorate
इंस्टीट्यूट ऑफ चार्टर्ड एकाउंटेंट्स ऑफ इंडिया
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The Institute of Certified Accountants of India
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