



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

PR/307/17-DD/309/17-DC/1502/2021

[DISCIPLINARY COMMITTEE [BENCH-II (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/307/17-DD/309/17-DC/1502/2021]

In the matter of:

**Shri Firdosh Kassam Karachiwala,
102, Business Plaza,
33, Gazdhar Bandh Road,
Santacruz (West),
MUMBAI-400 054.**

...Complainant

Versus

**CA. Jayant Ishwardas Mehta (M.No.042630)
501-503, Sheel Chambers, 5th Floor,
10, Chawasji Patel Marg, Fort,
MUMBAI – 400 001.**

...Respondent

Members Present:-

**CA. Ranjeet Kumar Agarwal, Presiding Officer (in person)
Mrs. Rani S. Nair, IRS (Retd.), Government Nominee (through VC)
Shri Arun Kumar, IAS (Retd.), Government Nominee (through VC)
CA. Sanjay Kumar Agarwal, Member (in person)
CA. Cotha S Srinivas, Member (in person)**

Date of Hearing : 28th March, 2024

Date of Order : 17th May, 2024

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, the Disciplinary Committee was, inter-alia, of the opinion that **CA. Jayant Ishwardas Mehta (M.No.042630), Mumbai** (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.

Shri Firdosh Kassam Karachiwala, Mumbai -Vs- CA. Jayant Ishwardas Mehta (M.No.042630), Mumbai



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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 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 the hearing held on 28th March 2024, the Respondent was present through video conferencing and made his verbal representation on the Findings of the Disciplinary Committee, inter-alia, stating that the error was unintentional. The Committee also noted that the Respondent in his written representation on the Findings of the Committee, inter-alia, stated as under:

- (a) Even if there is any negligence in performance of duties or errors of judgment in discharging of duties, the same cannot constitute misconduct unless ill-motive in the acts are established.
- (b) Once the Complainant himself has accepted that the said error was inadvertent, the Complainant is estopped from contending or maintaining the present proceedings alleging that the Respondent is guilty of professional misconduct.
- (c) The Disciplinary Committee has accepted that the error in filing Income Tax Returns for AY 2014-15 was an inadvertent mistake.
- (d) The Respondent had prepared the computation of income and forwarded the same to the Complainant for his approval. When the Complainant approved the same then only his Income Tax Return was filed.
- (e) No loss has been caused to the Complainant as no penalty was imposed upon him as the Appeal filed by him before CIT was allowed. The Complainant was consequently permitted to claim exemption / deduction under Section 54 of the Income Tax Act 1961.
- (f) For the subsequent Assessment Year i.e. AY 2015-16, the Complainant approached the Respondent once again for filing of Income Tax Return.

4. The Committee considered the reasoning as contained in the Findings holding the Respondent Guilty of Professional Misconduct vis-à-vis written and verbal representation of the Respondent.

5. Keeping in view the facts and circumstances of the case, material on record including verbal and written representation on the Findings, the Committee on perusal of Income Tax Return of the Complainant filed for the Assessment year 2014-15 noted that the exemption/deduction was claimed under Section 54F of the Income Tax Act, 1961 instead of Section 54 of the Income Tax 1961. While claiming deduction under Section 54F of the Income Tax Act, 1961, the fact that the

Shri Firdosh Kassam Karachiwala, Mumbai -Vs- CA. Jayant Ishwardas Mehta (M.No.042630), Mumbai



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PR/307/17-DD/309/17-DC/1502/2021

property being sold was residential property was in the knowledge of the Respondent is evident from emails sent in November and December 2013 to the Respondent by the Complainant.

5.1 Thus, the Committee observed that the Respondent lacked diligent approach while filing the Income Tax return of the Complainant due to which the Complainant who is a senior citizen was mentally harassed. He also had to incur financial loss by appointing another Authorized Representative to defend his case.

5.2 Hence, professional misconduct on the part of the Respondent is clearly established as spelt out in the Committee's Findings dated 7th February 2024 which is to be read in consonance with the instant Order being passed in the case.

6. Accordingly, the Committee was of the view that ends of justice will be met if punishment is given to him in commensurate with his professional misconduct.

7. Thus, the Committee ordered that CA. Jayant Ishwardas Mehta (M.No.042630), Mumbai be Reprimanded under Section 21B(3)(a) of the Chartered Accountants Act 1949.

sd/-

(CA. RANJEET KUMAR AGARWAL)
PRESIDING OFFICER

sd/-

(MRS. RANI S. NAIR, IRS RETD.)
GOVERNMENT NOMINEE

sd/-

(SHRI ARUN KUMAR, IAS RETD.)
GOVERNMENT NOMINEE


sd/-

(CA. SANJAY KUMAR AGARWAL)
MEMBER

sd/-

(CA. COTHA S SRINIVAS)
MEMBER

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


नीलम पुंडीर / Neelam Pundir
वरिष्ठ कार्यकारी अधिकारी / Sr. Executive Officer
अनुशासनात्मक विदेशालय / Disciplinary Directorate
इंस्टिट्यूट ऑफ चार्टर्ड एकाउंटेंट्स ऑफ इंडिया
The Institute of Chartered Accountants of India
आईसीएआई भवन, विश्वास नगर, शाहदरा, दिल्ली-110032
ICAI Bhawan, Vishwas Neger, Shehdra, Delhi-110032

CONFIDENTIAL

DISCIPLINARY COMMITTEE [BENCH – II (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/307/17-DD/309/17-DC/1502/2021]

IN THE MATTER OF:

**Shri Firdosh Kassam Karachiwala,
102, Business Plaza,
33, Gazdhar Bandh Road,
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.....Complainant

Versus

**CA. Jayant Ishwardas Mehta (M.No.042630)
501-503, Sheel Chambers, 5th Floor,
10, Chawasji Patel Marg,
Fort,
MUMBAI – 400 001**

.....Respondent

MEMBERS PRESENT

CA. Ranjeet Kumar Agarwal, Presiding Officer, (Present in Person)

Smt. Rani Nair, Govt Nominee (Present in Person)

Shri. Arun Kumar, Govt Nominee (Present in Person)

CA. Sanjay Kumar Agarwal, Member (Present in Person)

CA. Sridhar Muppala, Member (Present in Person)

DATE OF FINAL HEARING: 16th October 2023

DATE OF JUDGEMENT : 31st October 2023

PARTIES PRESENT:

Complainant: Shri. Firdosh Kassam Karachiwala (From BKC Office, Mumbai)

Counsel for Complainant: CA. Amit Prabhu (From BKC Office, Mumbai)

Respondent: CA. Jayant Ishwardas Mehta (Through Video Conferencing)

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BACKGROUND OF THE CASE

1. The brief background of the case is that:
 - a. The Respondent had filed the Income Tax return of the Complainant for Assessment Year 2014-15.
 - b. In the said Income Tax return details relating to deduction with respect to capital gain was filed in the wrong column.
 - c. The case of the Complainant was selected for scrutiny and Assistant Commissioner of Income Tax issued notices U/s 143(2) and 142 (1) of the Act. In response to the notices, the Complainant had to appear before the Department from time to time.
 - d. As per the Complainant, the Respondent did not represent his case with Income Tax authorities and the Complainant had to engage another professional to represent his case.
 - e. The proceedings of Income Tax Department put the Complainant who is of old age into mental agony, mental harassment and tremendous loss.

CHARGES IN BRIEF

2. The Committee noted that the charge against the Respondent was that he had filed incorrect statement in the Income Tax Return for Assessment year 2014-15 and put the assessee (i.e. the Complainant) into tremendous loss, mental agony, mental harassment and financial damages.
3. The Respondent in his reply at the stage of PFO had, inter-alia, mentioned as under:
 - a. The Respondent had been appointed as tax Auditor of the Complainant from financial year 2011-12 and had not been assigned the job of preparing and filing his Income tax returns and hence the Respondent had charged only tax audit fees and had not charged any separate fees for this income tax filing work.
 - b. That the audit report of the Complainant for the financial year 2013-2014 under Section 44AB of the Income Tax Act, 1961 was prepared by the Respondent and was sent for approval and verification to the Complainant.

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The Complainant had informed the Respondent to upload the said Tax audit report.

- c. That the Income-tax return of the Complainant was prepared by the Complainant himself as by qualification he is an advocate and understands the law reasonably well. The Respondent had only assisted him in preparing the statement of income on the relevant software's on compassionate grounds as the Complainant did not have software support and due to his age, he was not conversant with the electronic processes as represented by him to the Respondent.
- d. In respect of preparation of Income-tax returns, the Complainant had taken assistance of his regular tax consultants. The Respondent had uploaded the Income tax return which was duly verified by the Complainant and his income tax consultant who looks after his Income tax matters. The Respondent had received the Complainant's instructions to upload the Income tax return on 11th October 2014 through a telephonic conversation for which the Complainant also thanked him through an email.
- e. That despite of having prior professional commitments during the Income tax return filling period, he helped the Complainant by uploading his Income tax return on a gratuitous ground and humanitarian basis as the Complainant is a senior citizen and he was not well versed with the procedure to file the return electronically and he had requested the Respondent to do the same.
- f. That the Complainant had authorized his income tax consultant Shri Suhas Surte to appear and to plead on his behalf before the income tax officer in the assessment proceedings for the matter and he had miserably failed in putting across the case on law as well as on facts.
- g. The Complainant and his authorized representative who attended the hearings in assessment proceedings failed in citing the legal provisions which provide for overlooking such venial mistakes, defects or omissions. The authorized representative also failed to bring on record the necessary judicial precedents with regards to such claims and admittance thereof before the Assessing Officer during the course of the proceedings as is evident from the assessment order filed as evidence by the Complainant.

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- h. The Complainant's grudges if any, should be for improper representation by his tax consultant and not against the Respondent for uploading return of income duly prepared under his instructions and approvals on compassionate grounds towards a senior citizen and learned professional.
- i. That while filling the return the Complainant claims that the Respondent inadvertently entered the amount of long term capital gains in column B8 instead of column B1 on which grounds the order was passed against the Complainant, the Respondent once again reiterated that the information and details were supplied by the Complainant himself and the return of income was prepared under his directions as he understands the law himself. Also, what was uploaded as return of income was duly done under his instructions and approvals.
- j. That an appeal was filed against the order of income tax officer before CIT APPEAL 5 No.IT-256/2016-2017. The Respondent stated that the written submissions provided by the Complainant in CIT APPEAL 5 No.IT-256/2016-2017, the Complainant has repeatedly stated that it was a "*Bonafide and an inadvertent mistake*" in entering the amount in column B8 instead of B1 which is stated in para 5, para 6 and para 7 of Complainant's written submission made by him before CIT (Appeal) IT-256/2016-2017.
- k. That appeal was decided in favour of the Complainant and he was provided relief as asked by him before the CIT. The Respondent stated that after being provided with the adequate relief forming the whole and sole part of his prayers of the appeal, there arises no question of any loss being suffered by the Complainant at all.
- l. That he has been auditing the Complainant's accounts as required under the Income-tax laws since year 2012 and has been disclosing all the material facts and statements as per the standards and guidelines of the Institute and Income Tax Act, 1961 which have been duly acknowledged by the Complainant. The Complainant has no grievances in respect of the same.
- m. That after appointing an Income Tax Consultant, Shri Suhas Surte who in his professional capacity had also verified the return before being

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uploaded online did not find any error whatsoever in the computation and return.

4. The Director (Discipline) had, in his Prima-facie opinion dated 19th January, 2021, held the Respondent **Not Guilty** of the allegations on the grounds that
 - a. there is nothing on record which may show that appointment letter was issued by the Complainant to the Respondent for filing of return.
 - b. Since the error appears to be an inadvertent only which has also been allowed by CIT (A) later on and no penalty has been imposed on Complainant, the benefit may be extended to the Respondent assuming it to be an unintentional error only in Complainant's return for assessment year 2014-15.

5. The Committee noted that the said matter was placed for consideration of Prima Facie Opinion before Board of Discipline in its 168th meeting held on 16th June, 2021 wherein the Board of Discipline on consideration of the same noted as under:
 - a. That the Respondent had prepared computation of income of the Complainant and forwarded the same to him vide e-mail dated 18th September, 2015 from his e-mail id for his approval. In this regard, the Board was of the view that it was the duty of the Respondent to fill correct details in correct column of the Income Tax Return form and the Complainant was not expected to have knowledge of the details to be filled in the relevant column of the Income Tax Return form.
 - b. It was the admitted fact that there was a mistake occurred on the part of the Respondent and he, being a professional, should have filed Return of Income of the Complainant for the financial year 2013-14 by claiming exemption under Sec 54 instead of Sec 54F of the Income Tax Act, 1961.
 - c. Due to which the Complainant who is senior citizen was not only mentally harassed but also had incurred financial loss by appointment of other Authorized Representative to defend his case.

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6.1 Thus, the Board did not concur with the reasons given against the charge(s) and accordingly, **did not agree** with the prima facie opinion of the Director that the Respondent is **Not Guilty** of Professional Misconduct falling within the meaning of Item (7) of Part I of Second Schedule to the Chartered Accountants Act, 1949 and in terms of Rule 9(3)(b) of the Chartered Accountants (Procedure of Investigations of Professional and Other Misconduct and Conduct of Cases) Rules, 2007 decided to refer the matter to Disciplinary Committee to proceed under Chapter V of the aforesaid Rule. Accordingly, the instant complaint has been referred to the Disciplinary Committee for enquiry under Chapter V of the aforesaid Rule.

6.2 The said item in the Schedule to the Act states as under:

Clause (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".

SUBMISSIONS OF THE RESPONDENT ON PRIMA FACIE OPINION

7. The Committee noted that the Respondent in his Written submission dated NIL had inter alia mentioned as under:

- a. That all the averments, statements, submissions, made in the Complaint are denied in toto.
- b. The Respondent was never engaged / appointed by the Complainant for providing professional service of "FILING INCOME TAX RETURNS. The Respondent was only engaged for providing professional service for the limited purpose of carrying out/ conducting "TAX AUDIT" of the Complainant since 2012.
- c. The Respondent had agreed to file income tax return as an act of gratitude and on humanitarian grounds on account of the Complainant seniority, without charging any consideration.

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- d. In spite of the inadvertent error, in the year 2014 -2015, the Complainant had once again in the next assessment year 2015-2016 called the Respondent to file his income tax return which was duly filed and acknowledged by the Complainant.
- e. That the Complainant's consultant (Shri Suhas Surte) with the sole intention to escape his negligence in taking appropriate steps before the income tax officer had shifted the blame on the Respondent before the income tax.
- f. It is pertinent to note that even after the draft working was forwarded to the Complainant and his Income tax Consultant, they had at no time to raise any query / question or objection with the contents of the working of the income tax.
- g. It is further said that the entry made in wrong column was an unprecedented error on account of oversight by the Respondent which could not be traced or assessed by income tax consultant bearing the same competency to verify records.
- h. It is reiterated that the entire dispute forming a part of the claim before the Income tax authority has ceased with the passing of order of income tax appellate authority in favour of the Complainant and he has been provided with the all relief as sought in appeal, making this present compliant infructuous.
- i. It is submitted that the present complaint is a mere after thought which is devoid of any merit whatsoever, filed with the mere intention to extort monies from the Respondent.

BRIEF FACTS OF THE PROCEEDINGS

8. The Committee noted that the instant case was fixed for hearing on following dates:

S. No	Dates	Status of hearing
1.	07.11.2022	Part Heard & Adjourned
2.	16.10.2023	Concluded. Judgement Reserved
3.	31.10.2023	Final Decision taken on the case

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9. On the first day of hearing held on 7th November 2022, the Committee noted that the Complainant along with his Counsel CA. Amit Prabhu were present through Video Conferencing Mode. The Committee noted that the Respondent was also present through Video Conferencing Mode. Both the parties were administered on Oath. Thereafter, the Committee enquired from the Respondent as to whether he was aware of the charges. On the same, the Respondent replied in the affirmative and pleaded Not Guilty to the charges levelled against him. Thereafter, looking into the fact that this was the first hearing, the Committee decided to adjourn the hearing to a future date. With this, the hearing in the matter was partly heard and adjourned.
10. On the Second day of hearing held on 16th October 2023, the Committee enquired from the Respondent that, since, the composition of the Committee had changed further from the previous hearing, as to whether he wished to have a de-novo hearing. On the same, the Respondent submitted that the Committee may continue its proceedings in this matter from the stage it was left at the last hearing. The same was not objected to by the Complainant. Accordingly, the Committee acceded to his request and continued the hearing. Thereafter, the Committee asked the Complainant to present his case.
- 10.1 The Complainant in his submissions apart from re-iterating facts of the case, had had, inter-alia, mentioned as under:
- a. That he got a notice from Assistant Commissioner for incorrect filing of his return so he along with his advocate, Shri Suhas Surte, appeared before the Assistant Commissioner and filed written submissions and other documents.
 - b. The Assistant Commissioner said that since the instant case is time barred under Supreme Court judgement so he can't do anything.
 - c. Thus, he filed an appeal with CIT (A) wherein he has to appear several times for submitting documents and for attending hearings. Finally the appeal was allowed by CIT (A) on the grounds that it was not his fault and no penalty was imposed on the Complainant.

- d. Further the Assistant Commissioner aggrieved by the order of CIT (A) filed an appeal before the Tribunal for which he had to engage advocates to appear before them.
- e. That from starting he was requesting the Respondent to appear before the authorities and to accept that it was his mistake however he did not respond and also denied to appear before the authorities over telephonic conversation with the Complainant.
- f. That he had to incur a lot of expenses in all these proceedings which is a mental torture and agony for him.
- g. That he had written a mail to the Respondent to settle the matter by paying the half of the cost which he had incurred in all these proceedings but the Respondent did not respond.
- h. That even if the Respondent had filed the revised return on time then such a scenario would not have happened.

10.2 Thereafter, the Respondent was asked to make his submissions. The Respondent in his submissions had inter-alia submitted as under:

- a. That the case was settled by CIT (A) and no penalty has been imposed on the Complainant.
- b. That all the proceedings before the authorities were attended by Complainant's consultant, Shri Suhas Surte.
- c. That only for the last hearing before the Income Tax authorities, the Complainant called him however when he called back, the Complainant responded that the things have been closed so there is no need to come.
- d. That he had filed the return of Complainant for next year also however there is no issue for the same.
- e. That in November, 2021, the Complainant had written an email to him asking Rs 1.5 lakhs to withdraw the present Complaint.
- f. That the said mistake was an inadvertent error and not done intentionally.
- g. That the CIT (A) has also put the same comment on its order that there was no error committed, it was a typographic or inadvertent mistake.
- h. That he had charged fees only for tax audit not for filing the return.

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- i. That before receiving the notice from Assistant Commissioner he had no idea about the error that's why he failed to revise the return in time.
- j. That in all the correspondence with the Assistant Commissioner, advocate of the Complainant, Shri Suhas Surte, had highlighted only one thing that the Respondent had made a mistake.
- k. That if Shri Suhas Surte had taken a call and rectified the computation before Assistant Commissioner then the matter could not have erupted further.
- l. That only presentation had gone wrong in the return as there is no revenue loss to the department.

10.3 The Committee posed certain questions to both the parties to understand the issue involved and the role of Respondent. On consideration of the same, the Committee gave directions to Respondent to submit the copy of email wherein the Complainant has demanded money from him in lieu of settlement/ withdrawal of the case with a copy to the Complainant.

10.4 Thereafter, the Committee, looking into the Respondent's submissions against the charges levelled, recorded his plea and accordingly concluded the hearing by reserving its judgement.

11. Thereafter, this matter was placed in hearing held on 31st October 2023 wherein the same members, who heard the case earlier, were present for consideration of the facts and arriving at a decision by the Committee. The Committee noted pursuant to its direction given in the meeting held on 16th October, 2023, the Respondent vide his email dated 16th October 2023 had forwarded the desired email dated 23rd November 2021 sent by the Complainant to him. The Committee, upon consideration of documents and submissions on record, and keeping in view the facts and circumstances of the case, the material on record and the submissions of the parties, the Committee passed its judgement.

FINDINGS OF THE COMMITTEE:

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12. The Committee noted that the charge against the Respondent was that due to incorrect filing of Income Tax return of the Complainant by the Respondent, the Complainant received notices by Income Tax Authorities. Further, the Complainant has to bear financial loss due to appointment of other Authorized Representative to defend his case.
13. The Committee noted that in the present case the Respondent, while filing the Income Tax return of the Complainant, had claimed deduction of capital gain under section 54F of the Income Tax Act, 1961 instead of section 54 of the Income Tax 1961.
14. The Committee noted that in computation of Income, the Respondent had calculated the amount of capital gain as under:

LONG TERM CAPITAL GAINS (TAXABLE @ 20%)									
Nature Of Asset: Other Capital Asset									
Description	Qty.	Sale Date	Net Sales	Purchase Date	Purchase Amount	Index	Indexed Cost	Taxable Profit	Loss
FLAT	0	29/07/2013	12500000	07/12/1990	893000	899182	4607291	7892709	0
			12500000		893000		4607291	7892709	0
								0	
Taxable Short Term Capital Gain (Taxable @ 15%)									NIL
Long Term Capital Gains									
Other Capital Asset									
Capital Gains (as per annexure above)								7892709	
Less : Exemption u/s 54F									
- Amount Invested						13500000	13500000		
- Eligible Capital							7892709		
- Eligible Net Consideration							12500000		
- Exemption ()								7892709	
								0	

15. The Committee on perusal of the same noted that the while claiming deduction under Section 54F of the Income Tax Act, 1961, the Respondent was aware that the deduction is being claimed for sale of residential property.
16. The Committee also noted that the fact that the property being sold was residential property is in the knowledge of the Respondent is evident from emails sent in November and December 2013 to the Respondent by the Complainant.

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17. The Committee in this regard noted that exemption/ deduction under section 54F of the Income Tax Act, 1961 is available for *the capital gain arising from the transfer of any long-term capital asset, not being a residential house*. The Committee noted that in the present case the property sold was residential property and hence deduction under Section 54F of the Income Tax Act, 1961 cannot be claimed for the same.
18. The Committee however on perusal of Income Tax Return of the Complainant for the Assessment year 2014-15 noted that the exemption/deduction is claimed under section 54F of the Income Tax Act, 1961 and accordingly the details relating to exemption/ deduction was claimed under wrong column in the Income tax return of the Complainant.
19. The Committee noted that due to said incorrect filing of return, the Complainant's return was selected under scrutiny and was issued notice from Assistant Commissioner of Income Tax under section 142 (1) of the Income Tax Act. Thereafter, the Assistant Commissioner of Income Tax passed the order under section 143 (3) and raised a demand of Rs. 23,55,130/-. Aggrieved from the said order, the Complainant filed an appeal before CIT (A) which was allowed by CIT (A) and no penalty was imposed. However, the Income Tax Authorities then filed an appeal before the Tribunal which was also settled in the favour of the Complainant.
20. The Committee noted that it is an admitted fact that the Respondent was filing IT returns of the Complainant and only during assessment year 2013-14 an inadvertent mistake had occurred.
21. The Respondent in his defence claimed that he, vide his email(s) dated 25th October 2014 and 22nd September 2015, had requested the Complainant to confirm the details before filing of Income Tax Return of Complainant. The Committee in this regard felt that the Respondent being aware of the Income Tax provisions was expected to ensure the correctness of the details before

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sending the same to the Complainant. However, it is apparent that he had adopted a casual approach regarding claiming of deduction under Section 54F of the Income Tax Act, 1961 in lieu of sale of residential property.

22. The Committee also noted that the Respondent vide his email dated 16th October 2023 had forwarded the email dated 23rd November 2021 sent by the Complainant to him demanding money in lieu of settlement/withdrawal of the case. The Committee noted that although the Complainant had tried to settle the matter by asking for money, which is not appropriate but at the same time also observed that the Respondent lacked diligent approach while filing the return of the Complainant, due to him the Complainant who is senior citizen was mentally harassed and also had to incur financial loss by appointing of other Authorized Representative to defend his case.

CONCLUSION

23. In view of the above observations, considering the submissions of the Respondent and documents 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/-

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

SD/-

(SHRI ARUN KUMAR, I.A.S, RETD.)
GOVERNMENT NOMINEE

SD/-

(CA. SANJAY KUMAR AGARWAL)
MEMBER

SD/-

(CA. SRIDHAR MUPPALA)
MEMBER

DATE: 07.02.2024

PLACE: New Delhi

सही प्रतिलिपि होने के लिए प्रमाणित
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शिव नाथ शिवारी / Bishwa Nath Thwari
कार्यकारी अधिकारी / Executive Officer
अनुशासनात्मक निदेशालय / Disciplinary Directorate
इंस्टिट्यूट ऑफ चार्टर्ड एकाउंटेंट्स ऑफ इंडिया
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