

भारतीय सनदी लेखाकार संस्थान

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.

File No.- [PR/G/292/2022/DD/204/2022/DC/1709/2023]

In the matter of:

Registrar of Companies (NCT of Delhi & Haryana),
Through Shri Nitin Phartyal,
Deputy Registrar of Companies
NCT of Delhi & Haryana
Ministry of Corporate Affairs
4th Floor, IFCI Tower
61, Nehru Place
New Delhi – 110 019

.... Complainant

Versus

CA. Kashish Khunger (M. No. 540364)
243, New Sukhdev Nagar
Panipat – 132 103

.... Respondent

MEMBERS PRESENT:

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

DATE OF HEARING : 06th January 2025

DATE OF ORDER : 20th January 2025

1. That vide Findings dated 04.12.2024 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. Kashish Khunger (M. No. 540364) (hereinafter referred to as the "Respondent") is GUILTY of Professional Misconduct falling within the meaning of Item (7) of Part-I of Second Schedule to the Chartered Accountants Act, 1949.

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REPORT OF THE COMMITTEE

INSTITUTION OF CHARTERED ACCOUNTANTS OF INDIA
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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 06th January 2025.

3. The Committee noted that on the date of the hearing on 06th January 2025, the Respondent was present through video conferencing. During the hearing, the Respondent stated that he had already submitted his written representation dated 30th December 2024 on the Findings of the Committee. He submitted that he had attached No Objection Certificate from owner of the premise and utility bill with Spice+ Form INC -32 as per requirements of Rules 25 of the Companies (Incorporation) Rules 2014. The Committee also noted the written representation of the Respondent dated 30th December 2024 on the Findings of the Committee, which, inter alia, are given as under: -

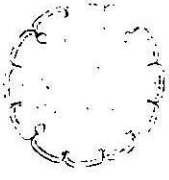
a) On the day of his visit on 21st September 2020, he met the subscriber cum directors who were present at the office. The Respondent had received documents on e-mail, but the visit of the Respondent to the registered office of the Company was in no way connected with receiving of documents by email.

b) The intent and the requirements of Rule 25(2) is that any one of the three documents mentioned in (a), (b) and (c) in Rule 25(2) along with the document mentioned in item (d) shall be attached with the Form INC 32, i.e., the incorporation documents to be submitted as per Rule 25(2) of the Companies (Incorporation) Rules 2014.

c) There was no mandatory requirement to submit the rent agreement in this case. The landlord had confirmed that there was rent agreement. It was just a case of a professional judgment of the Respondent not to attach the rent agreement.

4. The Committee, while considering the written submissions dated 30th December 2024, also noted that it has already dealt with the submissions of the Respondent as mentioned in written submissions dated 23.05.2024 placing reliance on judgments of Court which is covered in the Findings dated 04th December 2024. Further, in response to the specific question posed to

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the Respondent as to if he is aware of any judgment of Court on the interpretation of Rule 25 of the Companies (Incorporation) Rules 2014, the Respondent replied that there is no judgment in his possession on Rule 25.

5. 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. 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.

6. Thus, keeping in view the facts and circumstances of the case, material on record including written and verbal representation of the Respondent on the Findings, The Committee viewed that the Respondent had certified SPICe+ Form INC-32 and required document(s); viz. rent/lease agreement was not attached along with the said Form at the time of certification of Form INC-32, which itself was a violation of Rule 25 of the Companies (Incorporation) Rules 2014. Hence, the Professional Misconduct on the part of the Respondent is clearly established as spelt out in the Committee's Findings dated 04th December 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. Kashish Khunger (M. No. 540364), be REPRIMANDED under Section 21B(3)(a) of the Chartered Accountants Act 1949..

Sd/-

(SHRI JIWESH NANDAN, I.A.S.{RETD.})
PRESIDING OFFICER AND GOVERNMENT NOMINEE

Sd/-

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

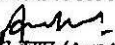
Sd/-

(CA. MANGESH P KINARE)
MEMBER

Sd/-

(CA. ABHAY CHHAJED)
MEMBER

सही प्रतिलिपि होने के लिए प्रमाणित
Certified to be true copy


अरुण कुमार / Arun Kumar
वरिष्ठ कार्यकारी अधिकारी / Sr. Executive Officer
अनुशासनात्मक निदेशालय / Disciplinary Directorate
इंस्टीट्यूट ऑफ चार्टर्ड अकाउंटेंट्स ऑफ इंडिया
The Institute of Chartered Accountants of India
आईसीएआई भवन, विवास नगर, शा. सं. 12, ब्लॉक-110032

CONFIDENTIAL

DISCIPLINARY COMMITTEE [BENCH – IV (2024-2025)]

[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/G/292/2022/DD/204/2022/DC/1709/2023]

In the matter of:

Registrar of Companies (NCT of Delhi & Haryana),
Through Shri Nitin Phartyal,
Deputy Registrar of Companies
NCT of Delhi & Haryana
Ministry of Corporate Affairs
4th Floor, IFCI Tower
61, Nehru Place
New Delhi – 110019

.... Complainant

Versus

CA. Kashish Khunger (M. No. 540364)
243, New Sukhdev Nagar
Panipat – 132103

.... Respondent

MEMBERS PRESENT:

CA. Ranjeet Kumar Agarwal, Presiding Officer (In person)
Shri Jiweish Nandan, I.A.S (Retd), Government Nominee (In person)
Ms. Dakshita Das, IRAS (Retd.), Government Nominee (through VC)
CA. Mangesh P. Kinare, Member (In person)

DATE OF FINAL HEARING : 15th July 2024

DATE OF DECISION TAKEN : 21st August 2024

PARTIES PRESENT:

Complainant : Mr. Gaurav, Dy. ROC Delhi (Authorized representative of the Complainant)
(Through VC)

Respondent : CA. Kashish Khunger (Through VC)

Counsel for the Respondent: Mr. C.V. Sajan (Through VC)

1. Background of the Case:

- 1.1. As per the Complainant Department, certain information had come to the knowledge of Central Government that certain individuals/ Directors/ shareholders/ entities has engaged dummy persons as subscribers to MOA & Directors by furnishing forged documents with falsified addresses / signatures, Director Identification Number (DIN) to MCA.
- 1.2. It is stated that some individuals/entities who were directly or indirectly connected with the Companies were found to be engaged in illegal/ suspicious activities, money laundering, tax evasion and non-compliance of various provisions of laws.
- 1.3. The Complainant Department stated that certain professionals in connivance with such companies/ its directors/ subscribers to MOA and have incorporated the Company(ies) and have assisted in running of these Companies for illegal/suspicious activities in violation of various laws by certifying e-forms/various reports etc. on MCA portal with false information concealing the real identities of such individuals.
- 1.4. It was further stated that professionals are duty bound to discharge their duties as per law and certify / verify documents / e-forms or give certificate / Report after due diligence so that compliance to the provisions of law shall be ensured. However, they had failed to discharge their duties and willfully connived with directors / company / shareholders / individuals in certifying e-forms knowingly with false information / documents / false declaration / omitting material facts or information.
- 1.5. In the instant case, the Respondent had certified Spice+ Form INC-32 in respect of 'M/s Dormouce Services Private Limited' (hereinafter referred to as "**Company**") on 23.09.2020.

2. Charges in brief:

- 2.1. The Complainant stated that after examination of the Forms filed by the Respondent on behalf of the Company during its incorporation and after physical verification of the registered office, it has been found that:-
 - a) The Company is not maintaining its registered office at 1974, Pocket D, Palam Vihar, Gurgaon, Haryana-122017

- (i) The Company has not painted or affixed its name and address of its registered office and has not kept the same painted or affixed outside the office
- (ii) As per the information provided by the owner of premises Mr. Harminder Singh, the Company has vacated the premises two years ago.

(b) That in Form INC-32 filed vide SRN: R57711459 dated 23/09/2020, it is observed that no objection certificate (NOC) has been provided by the owner of the premises Mr. Harminder Singh to the subject Company to use the premises situated at 1974, Pocket D, Palam Vihar, Gurgaon, Haryana-122017. It is mentioned in the NOC, that the subject Company has executed a rent agreement with the owner of the premises. But the rent agreement was not attached with said Form.

3. The relevant issues discussed in the Prima Facie Opinion dated 30th September 2022 Formulated by the Director (Discipline) in the matter in brief, are given below:

- 3.1. In respect of the allegation, the Respondent brought on record copy of Utility Bill and copy of No Objection Certificate to establish that he had verified the documents as required in terms of the requirement of the Companies (Incorporation) Rules, 2014.
- 3.2. The Respondent admitted that he has certified incorporation form based on the documents received on e-mail from his professional colleague. The Respondent claimed that he had physically visited the registered office before signing the e-form and where office set up was installed at that time. He was informed that IT consultancy services shall be provided by the Company after incorporation of the same. Though from the claim of the Respondent, it appears that the Respondent had visited the registered office of the Company before certifying the incorporation form yet keeping in view the fact that the Respondent had received the documents on e-mail and he has never claimed that he has ever come in contact of the subscribers of the Company, the claim so made by the Respondent of the physical visit becomes doubtful.
- 3.3. Further, he appears to have failed to verify original / certified copy of the documents as the copy of the documents so received on email from his professional colleague cannot be considered as equivalent to the original / certified copy of the original documents. Moreover, Utility Bill and No Objection Certificate were not signed by any subscribers of the Company and accordingly, the abovementioned facts indicate that the Respondent did not exercise due diligence while verifying the documents for incorporation of the Company. The Respondent did not bring on record copy of e-mails through which incorporation documents were received by him and accordingly, no document was on record to show that whether

not related to the Company,

- 3.4 Accordingly, the Respondent failed to ensure that the documents and forms were sent to him by the concerned / authorised person of the Company. Apart from the above the Complainant stated that as per owner of the registered office premises the Company has vacated the premises two years ago and the same raises question on the claim made by the Respondent that the registered office was in existence at the time of incorporation. Thus, keeping in view of above facts, based on claims made by the Respondent, benefit cannot be extended to the Respondent for verification of registered office.
- 3.5. Further, on perusal of MOA & AOA, it is observed that the Respondent has witnessed that the subscribers to the MOA & AOA signed in his presence. However, in view of the facts as mentioned in the preceding para that incorporation forms and other documents were provided to him on e-mail and the Respondent did not appear to be in touch with the subscribers of the Company, such declaration by the Respondent as witness appears to be doubtful.
- 3.6. The Director (Discipline) in his Prima Facie Opinion dated 30th September 2022 opined that the Respondent was prima facie **Guilty** of Professional Misconduct falling within the meaning of Item (7) of Part I of 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."

- 3.7. The Prima Facie Opinion Formed by the Director (Discipline) was considered by the Disciplinary Committee in its meeting held on 07th January 2023. 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.

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 '1' filed by the Complainant	15 th March 2022
2.	Date of Written Statement filed by the Respondent	21 st May 2022
3.	Date of Rejoinder filed by the Complainant	Not filed
4.	Date of Prima Facie Opinion Formed by Director (Discipline)	30 th September 2022
5.	Written Submissions filed by the Respondent after PFO	06 th March 2023
6.	Written Submissions filed by the Complainant after PFO	Not filed

5. Written submissions filed by the Respondent:

The Respondent vide letter dated 06th March 2023, inter-alia, made the submissions which are given as under:-

- 5.1. The NOC issued by the owner of the property indicated that the right to use was under a tenancy agreement. Therefore, the undisputed facts are that the property which was used by the company as its registered office at the time of incorporation, was taken on rent from Mr. Harminder Singh, and the company vacated the property afterwards. So regardless of the fact that the Company had vacated the premises afterwards, the address used as registered office and recorded in the incorporation documents was correct and the documents used were genuine and were confirmed by the complainant himself.
- 5.2. The NOC submitted with the forms was in compliance of Rule 25(2). There was no legal requirement of attaching the rent agreement either, because the requirement of law was to submit any of the documents mentioned in Rule 25(2).
- 5.3. It was necessary and unavoidable for a certification work related to filing of statutory forms with ROC, to receive the relevant documents by email. It was a regular and ordinary norm in compliance of the provisions of the law to achieve the online filing process.
- 5.4. On the day of his visit on 21st September 2020, he had met the subscriber cum directors who were present at the office.

5.5. Receiving copies of documents by e-mail could not result in any inference that the Respondent did not verify the veracity of those documents with its originals.

5.6. There was no legal requirement that the utility bill and No objection certificate attached with the Forms, were required to be attested by the subscribers.

5.7. Shri Harminder Singh was confronted by the complainant department, and he had not denied the genuineness of the NOC dated 12th September 2020 in which existence of a rent agreement between landlord and the company was mentioned. Therefore, the averment of Shri Harminder Singh that the Company vacated the premises two years ago did not contradict the fact that the said property was under the possession of the Company on 21st September 2020, when the Respondent visited for verification of premises.

5.8. The Respondent had performed his professional responsibilities with utmost care and due diligence by undertaking proper examination of documents with their originals, and also by carrying out the physical verification of premises.

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

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

Particulars	Date of meeting(s)	Status
1 st Hearing	05 th June 2023	Part heard and adjourned
2 nd Hearing	28 th May 2024	Part heard and adjourned
3 rd Hearing	18 th June 2024	Adjourned due to Paucity of time
4 th Hearing	15 th July 2024	Hearing Concluded and Judgment Reserved
--	09 th August 2024	Deferred due to paucity of time
--	21 st August 2024	Decision taken

6.2. On the day of first hearing on 05th June 2023, the Committee noted that the Complainant and Respondent along-with his Counsel were present through Video conferencing mode. Being the 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 charges against the Respondent were read out. On the same, the Respondent replied that he is aware about the charges and pleaded Not Guilty to the charges levelled against him. 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 later date.

- 6.3. On the day of hearing on 28th May 2024, the Committee noted that the Counsel for the Respondent was present and appeared before it. The Complainant was not present and the notice of listing of subject case was duly served upon the Complainant. Thereafter, the Committee asked the Counsel for the Respondent to make submissions. The Committee noted the submissions of the Respondent which, inter alia, are given as under -
- (i) NOC issued by the owner of the property indicated that the right to use was under a tenancy agreement.
 - (ii) On the day of his visit on 21st September 2020, the Respondent met the subscriber cum directors who were present at the office.
 - (iii) There was no legal requirement that the utility bill and No objection certificate attached with the Forms, were required to be attested by the subscribers.
 - (iv) The Respondent had performed his professional responsibilities with utmost care and due diligence by undertaking proper examination of documents with their originals.
 - (v) There was no legal requirement to attach the rent agreement.
 - (vi) There had been no disputes regarding the genuineness of the signature of the promoters.
- 6.4. The Committee noted the submissions of the Counsel for the Respondent and in the absence of the Complainant, decided to adjourn the captioned case.
- 6.5. On the day of hearing on 18th June 2024, consideration of the subject case was deferred by the Committee due to paucity of time.
- 6.6. On the day of hearing on 15th July 2024, the Committee noted that the authorized representative of the Complainant and Respondent along with Counsel were present and appeared before it. Thereafter, the Committee asked the Counsel for the Respondent to make submissions. The Committee noted that the Counsel for the Respondent while relying upon some of the judgements of the Court, submitted that misconduct arises from ill-motive and mere acts of negligence, innocent mistake or errors of judgement do not constitute the misconduct. The Counsel for the Respondent further submitted that the Registrar of Companies allowed the registration based on the documents submitted. If there was any compulsion for submissions of rent agreement, the documents would have been held defective and registration of the Company declined.
- 6.7. Thereafter, the Committee asked the authorized representative of the Complainant to make submissions. The authorized representative of the Complainant Department submitted that Registrar of Companies can point out any discrepancy in the incorporation Forms and documents filed with Registrar of Companies at any point of time and even after registration

the Company by Registrar of Companies. The authorized representative of the Complainant Department submitted that he has no further submissions to make and that the matter be decided on merits of the case.

- 6.8 Based on the documents and material available on record and after considering the oral and written submissions made by both the parties, the Committee concluded the hearing in the matter and judgment was reserved.
- 6.9. On 09th August 2024, the subject case was fixed for taking decision in the matter. However, consideration was deferred by the Committee due to paucity of time.
- 6.10. On 21st August 2024, the Committee, after detailed deliberations, and on consideration of the facts of the case, various documents on record as well as oral and written submissions made by parties before it, the Committee took decision on the conduct of the Respondent.

7. **Findings of the Committee: -**

The Committee noted the background of the case as well as oral and written submissions made by the Complainant and Respondent, documents / material on record and gives its findings as under: -

- 7.1 In respect of the charge related to non-attachment of rent agreement with Spice+ Form INC-32 (the details of the charge are given in Para 2.1 above), the Committee noted that the Respondent had certified Spice+ Form INC-32 in respect of 'M/s Dormouce Services Private Limited' on 22nd September 2020 and the Respondent while certifying the said form, had given the declaration which stated as under:-

"I Kashish Khunger, "Who is engaged in the formation of the company declare that I have been duly engaged for the purpose of certification of this form. It is hereby also certified that I have gone through the provisions of the Companies Act, 2013 and rules thereunder for the subject matter of this form and matters incidental thereto and I have verified the above particulars (including attachment(s)) from the original/certified records maintained by the applicant which is subject matter of this form and found them to be true, correct and complete and no information material to this form has been suppressed". I further certify that;

- (i) *the draft memorandum and articles of association have been drawn up in conformity with the provisions of sections 4 and 5 and rules made thereunder; and*

- (ii) *all the requirements of Companies Act, 2013 and the rules made thereunder relating to registration of the company under section 7 of the Act and matters precedent or incidental thereto have been complied with. The said records have been properly prepared, signed by the required officers of the Company and maintained as per the relevant provisions of the Companies Act, 2013 and were found to be in order;*
- (iii) *I have opened all the attachments to this form and have verified these to be as per requirements, complete and legible;*
- (iv) *I further declare that I have personally visited the premises of the proposed registered office given in the form at the address mentioned herein above and verified that the said proposed registered office of the company will be functioning for the business purposes of the company (wherever applicable in respect of the proposed registered office has been given).*
- (v) *It is understood that I shall be liable for action under Section 448 of the Companies Act, 2013 for wrong certification, if any found at any stage."*

7.2. On perusal of Spice+ Form INC 32, the Committee observed that rent agreement was not attached with the said Form. The Committee also noted that the said Form has been filed pursuant to provisions of Section 12 of the Companies Act, 2013. In this regard, the Committee perused the relevant extracts of Section 12 of the Companies Act, 2013 read with Rule 25 of the Companies (Incorporation) Rules 2014, and the same are given hereunder:

"Section 12 of the Companies Act, 2013

- (1) *A company shall, within thirty days of its incorporation and at all times thereafter, have a registered office capable of receiving and acknowledging all communications and notices as may be addressed to it."*
- (2) *The company shall furnish to the Registrar verification of its registered office within a period of thirty days of its incorporation in such manner as may be prescribed*

"25 Verification of Registered Office

- 1) *The verification of the registered office shall be filed in Form No. INC.22 along with the fee, and*
- (2) *There shall be attached to said Form, any of the following documents, namely:-*

(a) the registered address of the company, as per the Memorandum of Association, in the name of the company; or

(b) the notarized copy of lease or rent agreement in the name of the company along with a copy of rent paid receipt not older than one month;

(c) the authorization from the owner or authorized occupant of the premises along with proof of ownership or occupancy authorization, to use the premises by the company as its registered office; and

(d) the proof of evidence of any utility service like telephone, gas, electricity, etc. depicting the address of the premises in the name of the owner or document, as the case may be, which is not older than two months."

- 7.3. The Committee noted that for the purpose of verification of registered office of the Company, Section 12 of the Companies Act, 2013 provides that the Company shall furnish to the Registrar, verification of registered office within a period of 30 days of its incorporation in the manner as may be prescribed.
- 7.4. The Committee further noted the submission of the Counsel for the Respondent that rent agreement is one of the documents to be attached with incorporation documents which is an optional requirement. The Counsel for the Respondent submitted that Rule 25(2) of the Companies (Incorporation) Rules 2014 provides for attaching alternative documents along with incorporation Form and that the rent agreement is not a mandatory document. The Registrar of Companies allowed the registration based on the documents submitted. If there was any compulsion for submissions of rent agreement, the documents would have been held defective and registration of the Company declined. The Committee observed that the utility bill dated 27.07.2020 and NOC dated 12.09.2020 were enclosed with the Spice+ Form INC 32 certified by the Respondent.
- 7.5. Responding to the argument of the Counsel for Respondent that the incorporation of the Company has been approved by the government which shall not be disputed later, the authorised representative of the Complainant Department informed that the examination and investigation of various documents even after incorporation of the Company is generally undertaken and approval granted by ROC are revisited.
- 7.6. The Committee also noted that the Respondent at the prima facie stage had submitted that he has certified Incorporation Form based on documents received on email from his professional colleague and never claimed that he was in contact with the subscribers of the company. However, the Respondent later claimed that he met the subscribers of the company during his visit to the registered office of the company on 21.09.2020.

- 7.7. In this regard, the Committee noted the provisions of Rule 25 of the Companies (Incorporation) Rules 2014 related to verification of registered office which stipulated the relevant documents that are required to be attached with the incorporation form of the company.
- 7.8. The Committee observed that sub-rule (2) of Rule 25 mentioned four documents at (a) to (d) as attachments to the Form. The Committee, after detailed consideration of provisions of Section 12 of the Companies Act 2013 and Rule 25 of the Companies (Incorporation) Rules 2014, was of the view that either one of the documents mentioned at (a) or (b) under sub-rule (2) of Rule 25 is a mandatory document required to be attached with the Form. The Committee was further of the view that in addition to the above document, both the documents mentioned at (c) and (d) of sub-rule (2) of Rule 25 are also mandatorily required to be attached with the incorporation Form. In other words, the ownership papers of the premises i.e. either (a) the registered document of the title of premises of the registered office in the name of the company, or (b) the notarised copy of lease or rent agreement in the name of the company along with copy of rent paid receipt not older than one month, was a mandatory document to be attached with the incorporation Form. Additionally, the documents mentioned at (c) and (d) under sub-rule (2) of Rule 25 are required to be attached along with ownership papers.
- 7.9. The Committee noted that Rent agreement was not attached with SPICe+ Form INC 32 certified by the Respondent at the time of incorporation of the Company which was a mandatory requirement in the view of Rule 25 of the Companies (Incorporation) Rules 2014 as mentioned above. In view of the above requirement, the Committee viewed that the Respondent had certified SPICe+ Form INC-32, and required document(s); viz. rent/lease agreement was not attached along with said Form at the time of certification of Form INC – 32, which itself was a violation of above Rule. Hence, the Committee held the Respondent **“GUILTY”** of Professional Misconduct falling within the meaning of Item (7) of Part I of Second Schedule to the Chartered Accountants Act, 1949.
- 7.10. While arriving at its Findings, the Committee also observed that in the background of the instant case the Complainant Department informed that the Company was registered with ROC, NCT of Delhi & Haryana by engaging dummy persons as subscribers to MOA & Directors by furnishing forged documents with falsified addresses / signatures, Director Identification Number (DIN) to MCA. Further, certain professionals in connivance with such individuals/directors/subscriber to MOA assisted in incorporation and running of these Companies for illegal/suspicious activities in violation of various laws by certifying e-forms/various reports etc. on MCA portal with false information concealing the real identities

effect had been brought on record by the Complainant Department. As such, the role of the Respondent was limited to certification of incorporation form (SPICe+ Form INC 32) which has been examined by the Committee.

8 **Conclusion:**

In view of the findings stated in above paras, vis-à-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 7.9 as above	GUILTY as per Item (7) of Part I of Second Schedule

9. In view of the above observations, considering the oral and written submissions of the parties and material on record, the Committee held the Respondent **GUILTY** of Professional Misconduct falling within the meaning of Item (7) of Part-I of 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

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

Sd/-
(CA. MANGESH P KINARE)
MEMBER

DATE: 04/12/2024

PLACE: New Delhi

Received Sd/- Anju Grover / Assistant Secretary
Anju Grover
अनुज ग्रोवर / ANJU GROVER
सहायक सचिव / Assistant Secretary
अनुशासक विभाग / Disciplinary Department
भारतीय सनदी लेखाकार संस्थान
Chartered Accountants
Institution of Chartered Accountants of India