



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/G/46/2022-DD/354/2022/DC/1711/2023]

In the matter of:

Smt. Seema Rath,
ROC, Kanpur, Uttar Pradesh
Ministry of Corporate Affairs
37/17, Westcott Building, The Mall
Kanpur - 208001

..... Complainant

Versus

CA. Vivek Kumar (M. No. 532715)
15A/ 44, Office No. 408,
Pratap Chamber,
New Delhi-110005

..... Respondent

MEMBERS PRESENT:

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

DATE OF HEARING : 20th January 2025

DATE OF ORDER : 08th February 2025

1. That vide Findings dated 10.10.2024 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. Vivek Kumar (M. No. 532715) (hereinafter referred to as the Respondent") is GUILTY of Professional and Other Misconduct falling within the meaning of Item (7) of Part-I of Second Schedule and Item (2) of Part-IV of First 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 20th January 2025.

3. The Committee noted that on the date of the hearing on 20th January 2025, the Respondent was physically present for the hearing and appeared before it. Thereafter, the Committee asked the Respondent to make submissions in the matter. During the hearing, the Respondent made his oral submissions, wherein he admitted his mistake and submitted that he had no wrong intention. He also submitted that there were mistakes in Memorandum of Association and Articles of Association attached with Spice form INC-32 certified by him. He further stated that if the Central Registration Centre (CRC) of MCA had checked the same, these mistakes might not have occurred. He further submitted that it was his first mistake in 11 years of his professional career and requested the Committee to forgive him for this mistake and he assured the Committee that such mistakes will not be repeated in future.

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

5. Thus, keeping in view the facts and circumstances of the case, material on record including verbal representation of the Respondent on the Findings, the Committee observed that the Respondent had given false declaration as he had not verified the attachments of the Forms accurately and certified the Spice form INC-32 of M/s. Deer Smart India Private Limited which contained the agreement containing inconsistent clauses as the attachment to the Form. The Committee further observed that the Respondent while verifying the Memorandum of Association and Articles of Association, was required to verify the requirements of Sections 4 and 5 of the Companies Act, 2013 read with Rule 13(4) of Companies (Incorporation) Rules, 2014. However, the Respondent failed to verify the fact that Mr. Zhang Wenhua was authorized



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subscriber/ signatory to MOA and AOA on the behalf of M/s. Deer Smart HK. Co. Limited (which was the first non-individual subscriber) and Mr. Zhang Wenhua was also a second subscriber in his individual capacity which was in contravention of Rule 13(4) of Companies (Incorporation) Rules, 2014.

6. Hence, the Professional and Other Misconduct on the part of the Respondent is clearly established as spelt out in the Committee's Findings dated 10th October 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 and Other Misconduct.

8. Thus, the Committee ordered that the Respondent i.e. CA. Vivek Kumar (M. No. 532715), New Delhi 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

प्रमाणित सत्य प्रतिलिपि / Certified True Copy

Anju Grover

अंजू ग्रोवर / ANJU GROVER
सहायक सचिव / Assistant Secretary
अनुशासनात्मक निदेशालय / Disciplinary Directorate
भारतीय सनदी लेखाकार संस्थान
The Institute of Chartered Accountants of India
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ICAI Bhawan, Vishwas Nagar, Shahdara, Delhi-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.

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Ms Dakshita Das I.R.A.S (Retd), Govt. Nominee (through VC)
CA. Mangesh P. Kinare, Member (in person)
CA. Abhay Chhajed, Member (through VC)

DATE OF FINAL HEARING : 17th May 2024

PARTIES PRESENT:

Respondent : CA. Vivek Kumar (In person)

1. Background of the Case:

- 1.1. In the Instant case, the Respondent had certified SPICe Form INC-32 in respect of M/s Deer Smart India Private Limited, which was filed with the Registrar of Companies on 12th October, 2019. As per the Complainant Department, the Respondent had certified Form without exercising due diligence.



2. **Charges in brief:**

- 2.1. On examination of Form INC-32 filed on MCA Portal w.r.t. M/s Deer Smart India Private Limited vide SRN: R02497790 dated 12th October, 2019, it was observed that the Rent Agreement attached with Form INC-32, was executed on 28.09.2019, for using the premises as registered office of the Company in the name of one of the Directors namely Mr. Nasib Singh, who was appointed in the Company on 17.10.2019 whereas the agreement was entered by him on 28.09.2019. It was alleged that rent agreement should be in the name of the Company and not in the name of Director, which showed the malicious nature; and that the Director was appointed later and rent agreement was signed by him even before becoming the Director.
- 2.2. As per subscribers detail given in the Form INC-32 certified by the Respondent, the person authorized to be subscriber on behalf of holding Company M/s Deer Smart HK Co. Limited was also subscriber in his individual capacity, which was contradictory as per Rule 13(4) of the Companies (Incorporation) Rules, 2014.

3. **The relevant issues discussed in the Prima Facie Opinion dated 05th December, 2022 formulated by the Director (Discipline) in the matter in brief, are given below:**

- 3.1. With respect to first allegation, the Complainant had alleged against the rent agreement attached to Spice form INC-32 stating that the said rent agreement was entered on 28.09.2019 in the name of an individual namely Mr. Nasib Singh who was later appointed as Director of the Company on 17.10.2019. The Complainant had alleged that the rent agreement should have been in the name of the Company since the said Director was appointed later and rent agreement was signed by him even before becoming the director which shows the malicious nature.
- 3.2. It was observed that the premises was described to be located in Noida, Uttar Pradesh (which was stated to be Correspondence address as well as address of the Registered Office of the Company in accordance with INC-32) whereas at para 9, the tenant was directed to follow DDA/ Delhi Municipal Corporation bye-laws/ rules/ regulations. The alleged Rent Agreement contained inconsistent clauses which render the Agreement as void.
- 3.3. In the Company Master Data, as available on MCA Portal, Mr. Nasib Singh was not reported to be associated with the Company in any capacity for any period of time either as the Director or Signatory of the Company. Accordingly, the assertion of the Respondent that the said Rent Agreement was entered by Mr. Nasib Singh in his individual capacity

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could not be accepted. Thus, it was viewed that the Respondent had failed to exercise due diligence in performing his professional duties and accordingly, he was held prima facie Guilty for Professional Misconduct falling within the meaning of Item (7) of Part I of Second Schedule to the Chartered Accountants Act, 1949. The Respondent was also held Prima Facie Guilty of Other Misconduct falling within the meaning of Item (2) of part IV of First Schedule to the Chartered Accountants Act, 1949.

- 3.4. With regard to the second allegation, the Complainant had alleged that as per subscribers' details given in Spice Form-32, Mr. Zhang Wenhua had been noted to have subscribed AOA as well as MOA both in his individual capacity as well as authorised signatory/ representative of first subscriber i.e., M/s Deer Smart HK Co. Limited which was contradictory as per Rule 13(4) of Companies (Incorporation) Rules, 2014.
- 3.5. Considering the relevant extracts of Rule 13 of Companies (Incorporation) Rules, 2014, it is amply clear that the person who is the authorised signatory of body corporate could not act in his individual capacity as subscriber to the Memorandum of Association (MOA) and Articles of Association (AOA) at the same time.
- 3.6. It has been observed from MOA and AOA that M/s Deer Smart HK Co. Limited was the first subscriber of MOA and AOA holding 9999 shares of the Company and Mr. Zhang Wenhua, being authorised signatory to the Company, signed MOA and AOA on its behalf. Further, the name 'Mr. Zhang Wenhua' was also appearing as Second Individual Subscriber holding 1 share in his name.
- 3.7. It was evident that Mr. Zhang Wenhua had subscribed to MOA as well as AOA both in individual capacity and as authorised representative of the Company which was contradictory to the requirement of Rule 13(4) of Companies (Incorporation) Rules, 2014. Accordingly, the Respondent who had certified the Spice form INC-32 to which the alleged MOA and AOA were attached had failed to notice the said discrepancy. Resultantly, the Respondent was held 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.
- 3.8. The Director (Discipline) in his Prima Facie Opinion dated 05th December, 2022 opined that the Respondent was prima facie **Guilty** of Professional and Other Misconduct falling within the meaning of Item (7) of Part I of Second Schedule and Item (2) of Part-IV of First Schedule to the Chartered Accountants Act, 1949. The said items of the Schedule to the Act, states as under:-

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could not be accepted. Thus, it was viewed that the Respondent had failed to exercise due diligence in performing his professional duties and accordingly, he was held prima facie Guilty for Professional Misconduct falling within the meaning of Item (7) of Part I of Second Schedule to the Chartered Accountants Act, 1949. The Respondent was also held Prima Facie Guilty of Other Misconduct falling within the meaning of Item (2) of part IV of First Schedule to the Chartered Accountants Act, 1949.

- 3.4. With regard to the second allegation, the Complainant had alleged that as per subscribers' details given in Spice Form-32, Mr. Zhang Wenhua had been noted to have subscribed AOA as well as MOA both in his individual capacity as well as authorised signatory/ representative of first subscriber i.e., M/s Deer Smart HK Co. Limited which was contradictory as per Rule 13(4) of Companies (Incorporation) Rules, 2014.
- 3.5. Considering the relevant extracts of Rule 13 of Companies (Incorporation) Rules, 2014, it is amply clear that the person who is the authorised signatory of body corporate could not act in his individual capacity as subscriber to the Memorandum of Association (MOA) and Articles of Association (AOA) at the same time.
- 3.6. It has been observed from MOA and AOA that M/s Deer Smart HK Co. Limited was the first subscriber of MOA and AOA holding 9999 shares of the Company and Mr. Zhang Wenhua, being authorised signatory to the Company, signed MOA and AOA on its behalf. Further, the name 'Mr. Zhang Wenhua' was also appearing as Second Individual Subscriber holding 1 share in his name.
- 3.7. It was evident that Mr. Zhang Wenhua had subscribed to MOA as well as AOA both in individual capacity and as authorised representative of the Company which was contradictory to the requirement of Rule 13(4) of Companies (Incorporation) Rules, 2014. Accordingly, the Respondent who had certified the Spice form INC-32 to which the alleged MOA and AOA were attached had failed to notice the said discrepancy. Resultantly, the Respondent was held 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.
- 3.8. The Director (Discipline) in his Prima Facie Opinion dated 05th December, 2022 opined that the Respondent was prima facie **Guilty** of Professional and Other Misconduct falling within the meaning of Item (7) of Part I of Second Schedule and Item (2) of Part-IV of First Schedule to the Chartered Accountants Act, 1949. The said items of the Schedule to the Act, states as under:-

Particulars	Date of meeting(s)	Status
1 st Hearing	05 th June 2023	Part heard and adjourned
2 nd Hearing	10 th April 2024	Adjourned at the request of the Respondent
3 rd Hearing	17 th May 2024	Hearing Concluded and Decision taken

- 5.2. On the day of first hearing on 05th June 2023, the Committee noted that the Respondent was present in person and appeared before it. However, the Complainant was not present.
- 5.3. 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 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 the absence of the Complainant and 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 and accordingly, the matter was part heard and adjourned.
- 5.4. On the day of hearing on 10th April 2024, the Committee noted that the Complainant was present for the hearing through video conferencing. The Committee further noted that the Respondent, vide email dated 09.04.2024, submitted that his father is hospitalized and therefore, he was not in a condition to attend the hearing before the Committee. Accordingly, the Respondent sought adjournment in the matter. The Committee, acceding to the request of the Respondent, adjourned the case to a future date.
- 5.5. On the day of final hearing on 17th May 2024, the Committee noted that 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. The Committee noted that the case was part heard and the Respondent was already on oath. The Committee noted that the Respondent had certified incorporation documents of M/s. Deer Smart India Private Limited, and rent agreement contained inconsistent conditions/ clauses.
- 5.6. Thereafter, the Committee asked the Respondent to make submissions. The Respondent submitted that rent agreement was signed by Mr. Nasib Singh in his individual capacity but not as a Director of the Company and it is within his legal right to sign the rent agreement in his personal Capacity. Rent agreement was made on 28th September 2019 and Spice Form for Company incorporation was filed with Registrar of Companies on 12th October 2019 which got approved on 17th October 2019 and that neither the Company nor any other person could register any agreement on its behalf before its incorporation, and

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therefore, Mr. Nasib Singh made an agreement in his individual name. He further submitted that INC-32 is not a Straight through Process "STP" Form, and it was duly approved by the officers of Central Registration Centre (CRC) and ROC Kanpur (Complainant). Further, he had not signed, Audited, filed or Certified any Financials, Balance Sheet and had not certified any other form except the Forms relating to the Company incorporation. He had neither certified nor uploaded any document to any regulatory authority in respect of the Company. Further, the Respondent accepted his mistake on second allegation related to shareholding and stated that there was no revenue loss.

5.7. The Committee, after considering the arguments of the Respondent and based on the documents and information available on record, decided to conclude the hearing in the captioned case and took the decision on the conduct of the Respondent.

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

6.1. With respect to **first charge**, the Complainant had alleged against the rent agreement attached to Form INC-32 stating that the said rent agreement was entered on 28.09.2019 in the name of an individual namely Mr. Nasib Singh who was later appointed as Director of the Company on 17.10.2019. The Complainant had alleged that the rent agreement should have been in the name of the Company since the said director was appointed later and rent agreement was signed by him even before becoming the director which shows the malicious nature.

6.2. On perusal of Spice Form INC-32 of the Company and its attachments, the Committee noted that a rent agreement was attached as a valid proof of office address of the Company along with the Form. The Committee also noted that the aforesaid rent agreement was executed on 28.09.2019 between Mr. Vishal Verma, as the landlord and Mr. Nasib Singh, as the tenant, and the Company's name was not mentioned in the rent agreement. The Committee further observed that the Articles of Association (AOA) was attached with the Form wherein, Mr. Nasib Singh was mentioned as the first Director of the Company.

6.3. The Committee noted that the Company was incorporated on 17.10.2019 whereas the rent agreement was executed on 28.09.2019, which was before the incorporation of Company. The Committee further noted that when the Company came into the existence after the date of execution of the rent agreement then in such a situation, it will not be possible for the Company to enter into rent agreement in its own name. The Committee noted the submissions of the Respondent that the rent agreement was signed by Mr. Nasib Singh in

his individual capacity but not as a Director of the Company and both in Spice Form INC-32 and Articles of Association (AOA) of the Company; Mr. Nasib Singh was mentioned as the Director of the Company.

- 6.4. After consideration of the submissions of the Respondent, the Committee noted that Mr. Nasib Singh, being the first Director of the Company had executed the rent agreement before its incorporation and in relation thereto, the Respondent certified Form INC-32 wherein the name of Mr. Nasib Singh was mentioned as the Director of the Company. The Committee also noted that Mr Nasib Singh was the director of the Company at relevant time which could be verified from DIN details of the Director as available on MCA Portal.
- 6.5. Upon perusal of rent agreement, the Committee further noted that the following clauses were included in the aforesaid rent agreement: -

"The Rent agreement is made and executed on 28th September, 2019 between Mr. Vishal Verma S/o SH R K Verma Owner C-59, Sector-40 Gautam Budh Nagar Noida 201301 UP (hereinafter called the landlord) and Mr. Nasib Singh S/o Omprakash S/o 2912, 2 Block No 155 Khunga (97) Jind, Haryana-12611 (hereinafter called the Tenant)"

Whereas the landlord is the owner of: Village Bijliwala Vansh Electrical Mata Colony, Hosiarpur, Near Antriksh Society Sec 52 Noida Gautam Budh Nagar UP-201307.

Further point 9 of Rent agreement dated 28th September, 2019 to be read as under:

"Tenant shall keep the rented premises in good sanitary condition and the same shall be used after keeping in view the prevailing rules regulation/ bye laws of the Delhi Municipal Corporation/DDA."

- 6.6. From the above, the Committee noted that the premise in the rent agreement was located in Noida, Uttar Pradesh which was also the registered and correspondence address of the Company as mentioned in Form INC-32 of the Company. The Committee observed that as para 9 of the rent agreement, the tenant was required to follow the Rules/ Regulations/ Bye Laws of the Delhi Municipal Corporation/ DDA, whereas the premise was located in Noida. Accordingly, the Committee opined that the rent agreement contained inconsistent clauses. The Committee noted that the Respondent while certifying the Form INC-32 had declared that he had verified the attachment of the Form, as stated below:-

I have opened all the attachments to this form and have verified these to be as per requirements, complete and legible.

- 6.7. From the above, the Committee noted that the Respondent had given false declaration as he had not verified the attachments of the Forms accurately and certified the Spice form

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INC-32 which contained the agreement containing inconsistent clauses as the attachment to the Form. As such, the validity of the Agreement itself is questionable. Hence the Committee was of the view that the Respondent had failed to exercise due diligence in performing his professional duties and accordingly, he was held **GUILTY** of Professional Misconduct falling within the meaning of Item (7) of Part I of Second Schedule to the Chartered Accountants Act, 1949. In this context, the Committee also noted that the Respondent had certified Spice "Form INC-32" without assessing the validity of the rent agreement which was attached with it and accordingly, the Respondent was also held Guilty of Other Misconduct falling within the meaning of Item (2) of part IV of First Schedule to the Chartered Accountants Act, 1949.

6.8. The Committee noted the **second charge** against the Respondent that as per subscriber's detail given in the Form INC-32 certified by the Respondent, the person authorized to be subscriber on behalf of holding Company M/s Deer Smart HK Co. Limited was also subscriber in his individual capacity, which is contradictory as per Rule 13(4) of the Companies (Incorporation) Rules, 2014.

6.9. On perusal of Spice Form INC-22 of the Company brought on record by the Complainant Department and its attachment, the Committee observed that under the heading "Particulars of non-individual first subscriber(s)," Mr. Wenhua Zhang was identified as the authorised representative of the non-individual subscriber, "Deer Smart HK. Co. Limited". The Committee further observed that the same person was also mentioned as first subscriber of the Company in Point (6)(d) of the Form. Further, on consideration of attachments to the Form, the Committee observed that M/s Deer Smart HK Co. Limited was the first non-individual subscriber to the Articles of Association and Memorandum of Association holding 9999 shares of the Company and Mr. Zhang Wenhua was authorised signatory on its behalf. Further, Mr. Zhang Wenhua was also appearing as the second subscriber holding 01 Share of the Company. Accordingly, it is evident that Mr. Zhang Wenhua had subscribed to MOA as well as AOA both in individual capacity and as authorised representative of the Company.

6.10. In this context, the Committee noted the relevant extracts of Rule 13 of Companies (Incorporation) Rules, 2014, which states as under:-

13. Signing of memorandum and articles.-

The Memorandum and Articles of Association of the company shall be signed in the following manner, namely:-

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(4) Where the subscriber to the memorandum is a body corporate, the memorandum and articles of association shall be signed by director, officer or employee of the body corporate duly authorized in this behalf by a resolution of the board of directors of the body corporate and where the subscriber is a Limited Liability Partnership, it shall be signed by a partner of the Limited Liability Partnership, duly authorized by a resolution approved by all the partners of the Limited Liability Partnership:

Provided that in either case, the person so authorized shall not, at the same time, be a subscriber to the memorandum and articles of Association.

- 6.11. In the light of above provisions, the Committee was of view that the person who is the authorised signatory of body corporate could not act in his individual capacity as subscriber to the Articles of Association and Memorandum of Association at the same time. Accordingly, the Committee noted that the act of Mr. Zhang Wenhua as described in above paras was not in conformity with the provisions of Rule 13 of Companies (Incorporation) Rules, 2014. The Committee also noted that the Respondent has not made any submission in response to this charge.
- 6.12. Further, the Committee noted that as per the Form INC-32, the Respondent had declared that the draft Memorandum of Association and Articles of Association were in conformity with the provisions of Section 4 and 5 of the Companies Act, 2013 and the rules made thereunder and relevant extract of declaration is given as under:-

"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

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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."

6.13. From the above, it was noted that the Respondent while verifying the Memorandum of Association and Articles of Association, was required to verify the requirements of Sections 4 and 5 of the Companies Act, 2013 read with Rule 13(4) of Companies (Incorporation) Rules, 2014. The Committee was of the view that Respondent had failed to verify the fact that Mr. Zhang Wenhua was authorized subscriber/ signatory to MOA and AOA on the behalf of M/s Deer Smart HK. Co. Limited (which was a first non-individual subscriber) and Mr. Zhang Wenhua was also a second subscriber in his individual capacity which was in contravention of Rule 13(4) of Companies (Incorporation) Rules, 2014. Accordingly, such failure on the part of the Respondent substantiates that he had given false declaration in the Spice Form. Thus, the Committee held that the Respondent was **GUILTY** of Professional misconduct falling within the meaning of Item (7) of Part I of Second Schedule to the Chartered Accountants Act, 1949.

7. 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 6.1 to 6.7 as above	Guilty- Item (7) of Part I of the Second Schedule and Item (2) of Part-IV of First Schedule
Para 2.2 as above	Para 6.8 to 6.13 as above	Guilty- Item (7) of Part I of the Second Schedule

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8. 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 and Other Misconduct falling within the meaning of Item (7) of Part-I of Second Schedule and Item (2) of Part-IV of First 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

Sd/-
(CA. ABHAY CHHAJED)
MEMBER

DATE: 10/10/2024

PLACE: New Delhi

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


नीलम पुंडीर / Neelam Pundir
वरिष्ठ कार्यकारी अधिकारी / Sr. Executive Officer
अनुशासनशास्त्रक विदेशालय / Disciplinary Directorate
इंस्टिट्यूट ऑफ चार्टर्ड एकाउंटेंट्स ऑफ इंडिया
The Institute of Chartered Accountants of India
कॉईसीएआई भवन, विरमास नगर, शाहदरा, दिल्ली-110032
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