

CONFIDENTIAL

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

Findings under Rule 18(17) and Order under Rule 19(2) of the Chartered Accountants (Procedure of Investigations of Professional and Other Misconduct and Conduct of Cases) Rules, 2007

File No: PR/G/289/2022/DD/203/2022-DC/1684/2022

In the matter of:

**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. Ashwarya Chandra (M. No. 451264)
RN-51, Basement,
B-Block Market,
Sector – 62,
Noida – 201 301.**

..... 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 (in person)
CA. Sanjay Kumar Agarwal, Member (in person)
CA. Cotha S Srinivas, Member (through VC)**

DATE OF FINAL HEARING : 23rd April, 2024

DATE OF DECISION TAKEN : 28th May 2024

PARTIES PRESENT:

**Authorised Representative of the Complainant Department: Shri. Gaurav, Dy. ROC
Delhi & Haryana (Through VC)**

**Respondent : CA. Ashwarya Chandra (In Person)
Counsel for the Respondent : Mr. Sukhmeet Lamba (In Person), Advocate**

1. BACKGROUND OF THE CASE:

- 1.1 As per the Complainant Department, certain information had come to the knowledge of Central Government that **M/s Empire Cornerstone Finance Private Limited** (hereinafter referred to as 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.
- 1.2 It is stated that some companies/individuals/entities who were directly or indirectly connected with the above Company 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 individuals/directors/subscribers to MOA have 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 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 in said Company.
- 1.5 In the instant case, the Respondent has certified E-Form INC-22 (Notice of situation or change of address of the Registered Office of the Company) vide SRN No. R71830806 on 21st November 2020 in respect of the subject Company.

2. CHARGES IN BRIEF:

2.1 (i) The Company i.e., 'M/s Empire Cornerstone Finance Private Limited' is not maintaining its Registered Office at "LG-006, DLF Grand Mall, MG Road, Near Sikanderpur, DLF Phase 1, Sector - 28, Gurugram, Gurgaon, Haryana - 122 001". The Company has not painted or affixed its name and the address of its Registered Office.

(ii) The Company has filed E-Form INC-22 (Notice of situation or change of address of the Registered Office of the Company) vide SRN No. R71830806 on 21st November 2020 wherein Company has changed its Registered Office from "Ground



Floor, Tower-B, Building no. 5, DLF Cyber City, Phase-III, Gurgaon to LG-006, DLF Grand Mall, MG Road, Near Sikanderpur, DLF Phase I, Sector-28, Gurugram, Gurgaon, Haryana-122001.” However, it has been observed that the Company has provided forged documents like NOC and Rent agreement with the Company namely ‘Spring House Co-working Pvt. Ltd.’ The rent agreement attached in the Form INC-22 was not duly signed by both parties i.e. ‘Spring House Co-working Pvt. Ltd’ and the Company. Also, the said agreement was not duly notarized by the Notary Public.

3. THE RELEVANT ISSUES DISCUSSED IN THE PRIMA FACIE OPINION DATED 19TH SEPTEMBER, 2022 FORMULATED BY THE DIRECTOR (DISCIPLINE) IN THE MATTER IN BRIEF, ARE GIVEN BELOW:

- 3.1 As regard the first part of the charge that the Company had not painted or affixed its name and the address of its Registered Office, it was viewed that though the Respondent claimed that he had physically conducted the verification of the premises yet he did not make any submissions stating that the Company had made compliance of provisions of Section 12(3) of the Companies Act, 2013. Apart from physically visiting the Registered Office of the Company, he was required to ensure that the Company is functioning from the said Registered Office in compliance of Section 12(3) of the Companies Act, 2013 at the time of verification of Registered Office but he appears to have failed in doing so.
- 3.2 As regard the second part of the charge, on perusal of attachments attached with e-Form INC-22, it was noted that the Rent agreement was not signed by any witness and the amount of rent to be paid monthly or yearly was also not mentioned in the said Rent agreement.
- 3.3 Further, the name of the person who has signed the rent Agreement on behalf of the lessor was also not mentioned on the rent agreement and NOC. The addresses as given on Utility bill and Rent Agreement were not matching completely as room / shop number was not given on Utility bill.
- 3.4 Hence, while verifying such documents, the Respondent was required to be more cautious and vigilant and was expected to verify other documents such as proof of ownership in the name of the lessor to satisfy himself about the authenticity of the Rent agreement. But the Respondent appears to have failed to do so.
- 3.5 The Respondent also failed to explain as to how unsigned Rent agreement came to his possession and why two copies of Rent agreements were lying in his office. The same indicates that he was either involved in the creation of these documents or failed to exercise due diligence while certifying e-Form INC-22.

- 3.6 The Complainant Department also raised contention that forged / fabricated documents were used for incorporation of Company or for assisting in running the Company.
- 3.7 The Respondent himself admitted that there was an inadvertent mistake of uploading unsigned rent agreement.
- 3.8 Accordingly, the Director (Discipline) in terms of Rule 9 of the Chartered Accountants (Procedure of Investigations of Professional and Other Misconduct and Conduct of Cases) Rules, 2007, held the Respondent Prima-facie **Guilty** of Professional and 'Other' Misconduct falling within the meaning of Item (2) of Part IV of First Schedule and Item (7) of Part I of Second Schedule to the Chartered Accountants Act, 1949. The said Item of the Schedule to the Act states as under:

Item (7) of Part I of Second Schedule to the Chartered Accountants Act, 1949.

"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"

Item (2) of Part IV of First Schedule to the Chartered Accountants Act, 1949.

"A member of the Institute, whether in practice or not, shall be deemed to be guilty of Other Misconduct, if he-

(2) in the opinion of the Council, brings disrepute to the profession or the Institute as a result of his action whether or not related to his professional work."

- 3.9 The Committee at its meeting held on 7th December 2022, on consideration of the Prima Facie Opinion dated 19th September, 2022 formed by the Director (Discipline), concurred with the reasons given against the charge(s) and thus, agreed with the Prima Facie Opinion of the Director (Discipline) that the Respondent is **GUILTY** of Professional and 'Other' Misconduct falling within the meaning of Item (2) of Part IV of the First Schedule and Item (7) of Part I of the Second Schedule to the Chartered Accountants Act, 1949, and 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 'I' filed by the Complainant	15 th March 2022
2.	Date of Written Statement filed by the Respondent	18 th May 2022

3.	Date of Rejoinder filed by the Complainant	Not Submitted
4.	Date of Prima facie Opinion formed by Director (Discipline)	19 th September 2022
5.	Written Submissions filed by the Respondent after Prima Facie Opinion	2 nd March 2023 and 22 nd April 2024
6.	Written Submissions filed by the Complainant Department after Prima Facie Opinion	---

5. SUBMISSION OF THE RESPONDENT ON PRIMA FACIE OPINION:-

5.1 The Committee noted that the Respondent in his submissions dated 2nd March 2023, in response to the Prima Facie Opinion, inter-alia, stated as under: -

- a) Even though numerous restrictions were imposed on travel etc. and various relaxations were granted by Government towards physical verification of the records under various Statutes in order to curb the spread of Covid-19, Respondent personally visited the address being updated as the proposed Registered Office at that time and the particulars of which were filed through the e-form INC-22. At the time of his physical visit to the said premises, the office was in existence and the Company was functioning from the said Registered Office with proper Sign Board. He is not aware when the Company removed the Sign Board from the premises and the functioning of the said office was discontinued.
- b) The hard copy of the documents viz. Lease deed/rent agreement, utility bill etc. were verified by the Respondent physically at the time of certification of the e-form INC-22. The hard copy of the lease deed/rent agreement which was presented to him for verification was duly signed by both the parties. However, the e-form received from the Company had the version of rent agreement as attachment which was only signed by one party. Due to the fact that duly signed document, which was received for physical verification was mis-organized in his office, Respondent must have mixed up the attachment in the e-form with the physical document and inadvertently affixed his DSC on the e-form which had the rent agreement which was signed by only one party. The mix-up which is prima-facie responsible for affixation of DSC on the e-form having inaccurate attachment is purely a human error which can happen with anybody.
- c) The e-form INC-22 certified by him has not resulted in any kind of loss, fraud, non-compliance etc. to either the Company, Government authority/Department, general public, bankers, directors or shareholders of the Company etc. in any manner.



- d) The No-objection Certificate attached in the e-form pertains to updating the Registered Office details in terms of the relevant provisions of Goods & Services Tax Act, 2017 (GST) in the records of GST authority. Point no. 2 of

the NOC attached in the e-form clearly makes reference to the rent agreement which has been attached to the e-form INC-22 which was ultimately uploaded with the Registrar of Companies, NCT of Delhi & Haryana. Once the rent agreement was attached to the e-form, attaching NOC was not required as the two documents are separate compliances for two different requirements.

- e) Neither at the time of certification of the said e-form nor at present, the Respondent was involved in any manner whatsoever in any financial transaction except the professional fee towards certification of the e-form or non-financial transaction with the Company which could have resulted in providing assistance in running of the said Company for any kind of illegal/suspicious activities in violation of any applicable law of the land. This fact can be ascertained by verifying the books of account maintained by the Company.
- f) The Respondent had no intention of colluding with any Company or entity to defraud the Government Authorities, ICAI or general public at large in any manner whatsoever.

5.2 The Committee noted that the Respondent made further submissions vide email dated 22nd April 2024 wherein he, inter-alia, stated as under: -

- a) As regard the First part of the charge relating to e-filing Form INC-22, the Respondent stated that e-Form INC-22 is required to be filed pursuant to Section 12 (2) & 12 (4) of the Companies Act, 2013 and Rule 25 & 27 of the Companies (Incorporation) Rules, 2014.
- b) Although the Complainant Department has raised the allegation that during physical verification by the officials of Complainant Department, it was seen that the said Registered Office was not maintained by the Company and it has not painted or affixed its name and the address of its Registered Office but it may be noted that the said allegation is general in nature to the extent that no information about the date and time of carrying out the physical verification of the Registered Office of the Company by the officials of Complainant Department has been provided along with the complaint.
- c) The Respondent carried out the verification on 17th November, 2020 and the Complainant Department conducted the inspection somewhere in probably June, 2021. Thus, if due to difference in time period, the Company later on in probably June, 2021 ceased to function from the said premises, then no

responsibility can be affixed on the Respondent in this regard as he conducted the physical verification of the Registered Office at a much earlier date.

- d) Despite specifically seeking copy of relevant abstract of inspection report w.r.t M/s Empire Cornerstone Finance Private Limited wherein the alleged role of the Respondent was stated along with relied upon documents by the Disciplinary Directorate under Rule 8(5) of the Chartered Accountants (Procedure of Investigations of Professional and Other Misconduct and Conduct of Cases) Rules 2007, the Complainant Department failed to provide any such document.
- e) The Complainant Department has although raised allegations against the Respondent but failed to lead evidence to corroborate the same. Not even the copy of the physical verification report signed by the concerned Inspection Officer of the ROC Department has been submitted, which was the basis to raise allegations in the extant case
- f) As regard to the Second part of the charge that the Company has provided forged documents like NOC and Rent agreement with the Company namely 'Spring House Co-working Pvt. Ltd' is false and baseless. No documentary evidence has been submitted on record to corroborate the same.
- g) A telephone bill is one of the valid documents and goes to prove the ownership of Property. In the extant case, as per the Telephone bill, the owner of the property was 'Spring House Co-working Pvt. Ltd' through Mr. Mukul although Floor, LG 006, was not mentioned in the address. Secondly, Spring House Co-working Pvt. Ltd has given a No objection Certificate to the subject company "M/s Empire Cornerstone Finance Private Limited". In the said 'No objection certificate', the address of the property is clearly mentioned, and it is duly signed by Authorized Signatory of Spring House Co-working Pvt. Ltd.
- h) The hard copy of the lease deed/rent agreement duly signed by both the parties was presented to him for verification. However, it happened that the e-form received by the Respondent from the Company had the version of the rent agreement as attachment which was only signed by the one party i.e. the lessor and it was purely an inadvertent error. The partly signed rent agreement and the rent Agreement signed by both the parties are absolutely the same and it happened only due to oversight that partly signed rent agreement was uploaded with E-Form INC-22.
- i) Rule 25 of the Companies (Incorporation) Rules, 2014 categorically states that any of the mentioned documents therein can be submitted along with Form No. INC-22 for verification of the Registered Office and thus submission of Telephone bill or any document to prove ownership and NOC

satisfactorily met the requirement laid under the Rules 2014. Hence, it is incorrect to conclude that E-Form INC-22 was certified with attachments containing incomplete information.

6. BRIEF FACTS OF THE PROCEEDINGS:

6.1 The instant case was placed before the Committee for consideration on the following dates: -

S.No.	Particulars	Date(s) of Meeting	Status
1.	1 st Hearing	20.04.2023	Part heard and adjourned.
2.	2 nd Hearing	23.04.2024	Concluded and Judgement Reserved.
3.	-----	28.05.2024	Decision on the conduct of the Respondent

6.2 On the day of first hearing held on 20th April 2023, the Committee noted that the Respondent was present in person before it. The Committee noted that neither the Complainant was present, nor was any intimation received from his side despite due notice/e-mail to him. The Respondent was administered an 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 leveled against him. The Committee, looking into the absence of the Complainant and the fact that this was the first hearing, decided to adjourn the hearing to a future date. With this, the hearing in the matter was part heard and adjourned.

6.3 On the day of second hearing held on 23rd April 2024, the Committee noted that the Authorized representative of the Complainant Department was present before it through video conferencing and the Respondent along with his Counsel was present in person who were duly intimated of the change in the composition of the Committee.

6.3.1 Thereafter, the case was taken up for hearing. On being asked by the Committee to substantiate their case, the authorized representative of the Complainant Department referred to the contents of their Complaint in Form 'I' and confirmed that they have nothing more to add in this case. Subsequently, the Counsel for the Respondent presented the Respondent's line of defence, inter-alia, reiterating the written submissions made by him on the Prima Facie Opinion.

- 6.3.2 On consideration of the submissions made by the authorized representative of the Complainant Department and the Counsel for the Respondent, the Committee posed certain questions to them which were responded by them. Thus, on consideration of the submissions and documents on record, the hearing in the case was concluded. However, the decision on the conduct of the Respondent was kept reserved by the Committee.
- 6.4 Thereafter, the Committee at its meeting held on 28th May 2024, duly considered the submissions and documents, on record and decided on the conduct of the Respondent.

7. FINDINGS OF THE COMMITTEE: -

- 7.1 In the instant case, the Committee noted that the alleged Company was incorporated on 13th July 2020 having a PAN and TAN. The Respondent certified E-Form INC-22 (Notice of situation or change of address of the Registered Office of the Company) vide SRN No. R71830806 on 21st November 2020 in respect of the Company wherein he declared that he personally visited the Registered Office at the address given in the said Form and verified that the said Registered Office of the Company is functioning for the business purposes of the Company. Whereas the Complainant Department on physical verification of the Registered Office found that the Company is not maintaining its Registered Office at LG-006, DLF Grand Mall, MG Road, Near Sikanderpur, DLF Phase 1, Sector - 28, Gurugram, Gurgaon, Haryana - 122 001". Also, the Complainant Department found that the Company has not painted or affixed its name and the address of its Registered Office. Further, the Company has filed the said Form INC-22 using forged documents like the Rent Agreement and NOC
- 7.2 As regards first part of the charge as outlined in para 2(i) above relating to non-maintenance of the Registered Office of the Company, the Committee on perusal of e-Form INC-22 observed that the Respondent while certifying the said Form, had declared as under: -

"I declare that I have been duly engaged for the purpose of certification of this form. It is hereby 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 records maintained by the Company 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 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;*
- ii. all the required attachments have been completely and legibly attached to this form,*
- iii. I further declare that I have personally visited the Registered Office given in the form at the address mentioned herein above and verified that the said Registered Office of the company is functioning for the business purposes of the company."*

- 7.3 The Committee noted that it is the case of the Respondent that when he carried out the physical verification of the Registered Office of the Company on 17th November 2020, at that time, the office of the Company was in existence and the Company was functioning from the said Registered Office with proper Sign Board. The Committee noted that said submission of the Respondent was not rebutted by the authorized representative of the Complainant Department who was present during the hearing held in the case.
- 7.4 Further, the Respondent brought on record the copy of the Rent Agreement dated 24th September 2020 duly signed by both the parties to the Agreement for the use of office space, the original of which was shown to him when he visited the said premises.
- 7.5 Also, the address of the premises used as Registered office of the Company is the same in the Rent Agreement and the No-Objection Certificate issued by Mr. Mukul Pasricha who is one of the directors of the Lessor Company. Further, the Utility bill is in the name of the Lessor Company and addressed to Mr. Mukul Pasricha who is one of the directors of the Company. In response to the communication seeking additional documents from the Respondent at Rule 8(5) stage, he informed that he had travelled to the registered office location through his personal car. However, he could not track the pictures of the Registered Office which he may have taken at the relevant time.
- 7.6 The Committee further noted that the Respondent was appointed by the Company for the limited purpose of certification of e-Form INC-22 for a professional fee of Rs. 1,000/-. The Committee also noted that there is a time gap in the date of Certification (21st November 2020) of e-Form INC-22 by the Respondent and the date of physical inspection (around June 2021) by the ROC.
- 7.7 The Committee also noted that the Complainant Department did not bring on record the copy of the physical Inspection report or any other documentary evidence to substantiate that the Registered Office of the Company was not maintained at the said address at the time of their inspection.

- 7.8 The Committee also observed that the Company is currently active as per MCA records and the Registered Office address of the Company as certified by the Respondent on 21st November 2020 is still the Registered Office address of the Company i.e. LG-006, DLF Grand Mall, MG Road, Near Sikanderpur, DLF Phase I, Sector-28, Gurugram, Gurgaon, Haryana-122001.
- 7.9 In view of the aforesaid observations, the Committee was of the view that the Complainant Department has not been able to establish that the Registered Office of the Company was not maintained at the said address at the time of certification by the Respondent.
- 7.10 Further, the Committee was also of the view that although the Respondent has not been able to bring on record any direct evidence of his personal visit to the registered office of the Company prior to certification of Form INC-22 , however, on account of corroborative evidence as regard the existence and maintenance of the registered office of the Company at the premises certified by the Respondent and the time gap between the date of certification by the Respondent and the date of physical inspection by the Complainant Department, the Committee was inclined to hold that required diligence was exercised by the Respondent while certification of e-Form INC- 22 . Accordingly, the Committee held the Respondent Not Guilty on this part of the charge.
- 7.11 As regard the second part of the charge as outlined in Para 2(ii) above that the e-Form INC-22 has been filed using forged documents, the Committee noted that e-Form INC-22 is required to be filed pursuant to Section 12 (2) & 12 (4) of the Companies Act, 2013 and Rule 25 and 27 of the Companies (Incorporation) Rules, 2014 which are reproduced hereunder:

Section 12 (2) & 12 (4) of the Companies Act, 2013

“(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.

....

(4) Notice of every change of the situation of the Registered Office , verified in the manner prescribed, after the date of incorporation of the company, shall be given to the Registrar within fifteen days of the change, who shall record the same.”

Rule 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 document of the title of the premises of the Registered Office in the name of the company; or
- b. the notarized copy of lease / 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."

Rule 27: Notice and verification of change of situation of the Registered Office .-

"The notice of change of the situation of the Registered Office and verification thereof shall be filed in Form No. INC-22 along with the fee and shall be attached to said Form, the similar documents and manner of verification as are prescribed for verification of Registered Office on incorporation as above in terms of sub-section (2) of section 12."

7.12 The Committee also noted that as per Instruction Kit for e-Form INC-22 issued by MCA, the following two attachments are mandatory in all cases:

- a) Proof of Registered Office address (Conveyance/Lease deed/ Rent Agreement etc. along with the rent receipts).
- b) Copies of the utility bills (proof of evidence of any utility service like telephone, gas, electricity etc. depicting the address of the premises not older than two months is required to be attached).
- c) Altered Memorandum of association. This is mandatory to attach in case of shifting of Registered Office from one state to another within the jurisdiction of same ROC or from one state to another outside the jurisdiction of existing ROC.
- d) A proof that the Company is permitted to use the address..... Authorization from the owner or occupant of the premises along with proof of ownership or occupancy and it is mandatory if Registered Office is owned by any other entity/ person (not taken on lease by company).
- e) Certified copy of order of competent authority. It is mandatory to attach in case of shifting of Registered Office from one ROC to another within the same state or from one state to another within the jurisdiction of same ROC or from one state to another outside the jurisdiction of existing ROC.

- f) List of all the companies (specifying their CIN) having the same Registered Office address, if any.

Any other information can be provided as an optional attachment(s).

7.13 The Committee noted that the Respondent brought on record the copy of the following documents verified by him for the purpose of certification of e-Form INC-22:

- a) Copy of Rent Agreement dated 24th September 2020 with a period of Agreement of 11 months and 29 days executed on a non-judicial stamp paper duly signed by both the lessor i.e. Spring House Co-working Pvt. Ltd. and the lessee i.e. the Company.
- b) Copy of No objection Certificate issued by the lessor i.e. "Spring House Co-working Pvt. Ltd." in favour of the Company for using the underlying co-working space running at the said address for its business purposes to the extent permitted by the Agreement and that the Company may apply for GST registration in the said premises.
- c) Copy of the Utility bill in the name of the lessor i.e. "Spring House Co-working Pvt. Ltd." in which the 'LG 006' (Floor No), was not mentioned in the address.

7.14 The Committee also noted that the Respondent submitted that due to oversight, partly signed rent agreement was uploaded with E-Form INC-22 and that partly signed rent agreement and the rent agreement signed by both the parties which was presented to him on his visit for physical verification of the documents are absolutely the same. However, it so happened that e-Form received by the Respondent from the Company had the version of the rent Agreement as attachment which was only signed by one party i.e. the lessor and it was purely an inadvertent error.

7.15 The Committee also noted that as per MCA records, the lessor i.e. Spring House Co-working Pvt. Ltd. is an active Company. The Lessor had obtained the underlying property on lease on 3rd July 2019 wherein the Registered Office of the Company was shifted on 24th September 2020 and E-Form INC-22 in respect of the same had been certified by the Respondent on 21st November 2020. Further, the rent agreement and the NOC had been issued by the same director of the lessor Company. Further, the address of the premises used as Registered office of the Company is the same in the Rent Agreement and the No-Objection Certificate issued by Mr. Mukul Pasricha who is one of the directors of the Lessor Company. The copy of the Utility bill attached to the Form INC 22 is in the name of the Lessor Company and addressed to Mr. Mukul Pasricha who is one of the directors of the Company.

- 7.16 In view of the above observations, the Committee held that apart from the copy of the Rent Agreement, there are other evidences like copy of the NOC, Utility Bill which were attached to the e-Form INC-22 certified by the Respondent. Further, the documents on record establish that necessary verification was carried out by the Respondent while certification and filing of the e-Form INC-22. Also, the Complainant Department has not been able to make out a case that forged documents were used to file e-Form INC-22.
- 7.17 The Committee was also of the view that although, the Respondent should have been more careful while certifying Form INC 22 and ensured that the signed copy of the Rent Agreement is attached to the said Form, however, merely non-attachment of the signed copy of the Rent Agreement to Form INC 22 cannot be stretched so as to amount to Other Misconduct on the part of the Respondent while certifying Form INC 22 especially when the duly signed copy of the same Rent agreement had been brought on record by the Respondent during investigation in the instant case. Accordingly, the Committee held the Respondent Not Guilty on this part of the charge.
- 7.18 Thus, looking into the facts and circumstances of the case, the Committee was of the view that no case of misconduct is made out against the Respondent and accordingly, decided to hold the Respondent Not Guilty in respect of the Charge alleged against him.
- 7.19 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 of such individuals. However, no evidence of the involvement of the Respondent to that effect had been brought on record by the Complainant Department. The Committee further noted that other issues raised by the Complainant Department in their Complaint in Form-I were not against the Respondent as the certifying professional for e-Form INC 22. The role of the Respondent was limited to certification of e-Form INC 22 which has been examined by the Committee.



8 CONCLUSION:

- 8.1 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 as given above	Paras 7.1 to 7.18 as given above	NOT GUILTY – Item (2) of Part IV of the First Schedule and Item (7) of Part I of the Second Schedule

9. In view of the above observations, considering the submissions and documents on record, the Committee held the Respondent **NOT GUILTY** of Professional and Other Misconduct falling within the meaning of Item (2) of Part IV of the First Schedule and Item (7) of Part I of the Second Schedule to the Chartered Accountants Act, 1949.

10. ORDER:

Accordingly, in terms of Rule 19 (2) of the Chartered Accountants (Procedure of Investigations of Professional and Other Misconduct and Conduct of Cases) Rules, 2007, the Committee passes an Order for closure of this case against the Respondent.

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

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

Sd/-
(MR. ARUN KUMAR, I.A.S., RETD.)
GOVERNMENT NOMINEE

Sd/-
(CA. SANJAY KUMAR AGARWAL)
MEMBER

Sd/-
(CA. COTHA S SRINIVAS)
MEMBER

DATE : 08th February 2025
PLACE : New Delhi

प्रमाणित सत्य प्रतिलिपि / Certified true copy
Anshul
सीए अंशुल कुमार / CA. Anshul Kumar
सहायक निदेशक / Assistant Director
अनुशासनात्मक निदेशालय / Disciplinary Directorate
भारतीय सनदी लेखाकार संस्थान
The Institute of Chartered Accountants of India
आईसीएआई भवन, विश्वास नगर, शाहदरा, दिल्ली-110032
ICAI Bhawan, Vishwas Nagar, Shahdara, Delhi-110032