

**BOARD OF DISCIPLINE**

(Constituted under Section 21A of the Chartered Accountants Act 1949)

**FINDINGS UNDER RULE 14 (9) READ WITH RULE 15 (2)  
OF THE CHARTERED ACCOUNTANTS (PROCEDURE OF  
INVESTIGATION OF PROFESSIONAL AND OTHER  
MISCONDUCT AND CONDUCT OF CASES) RULES, 2007**

**CORAM:(IN PERSON)**

**CA. Rajendra Kumar P, Presiding Officer  
Ms. Dolly Chakrabarty, Government Nominee**

**IN THE MATTER OF:**

**CA. Sidharth Gupta (M. No. 530416)**

323 1a, Dr. Sham Singh Road

Opposite Bhuriwale Mandir

Civil Lines, **Ludhiana**.....**Ccomplainant**

**Versus**

**CA. Hitesh Goyal (M. No. 503976)**

#275B, Sector 20A,

Motia Khan,

**Mandi Gobindgarh**.....**Respondent**

**Date of Final hearing : 27<sup>th</sup> December 2024**

**Place of Final hearing : 'ICAI Bhawan' CHANDIGARH**

**PARTIES PRESENT**

Respondent : CA. Hitesh Goyal (In Person)

**FINDINGS:**

**BACKGROUND OF THE CASE**

1. It is stated by the Complainant in his complaint dated 17<sup>th</sup> November 2020, that the Respondent was an executive member of Ludhiana Branch of NIRC of the Institute of Chartered Accountants of India (hereinafter referred to as "ICAI") and held the post of Secretary of the Ludhiana Branch during the term 2020-21. Further, that the Complainant came across a letter dated 23<sup>rd</sup> September 2020, which was addressed by the Respondent to the Chairman of Ludhiana Branch and a copy thereof was endorsed to all the respected seniors, all the Past Chairman and auditor of the

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Ludhiana Branch of NIRC of ICAI wherein he made serious allegations regarding the functioning of Ludhiana Branch during 2019-20. Allegedly, the allegations were not supported by any evidence and direct allegations were made.

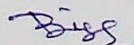
2. Further, it is the case of the Complainant that the letter dated 23<sup>rd</sup> September 2020, contained certain allegations with regard to the functioning of the Ludhiana Branch, therefore, the issues raised therein should have been first discussed among the Executive team and after such discussion if anomalies were found, the same were required to be referred to the Head Office, but the Respondent had not only sent the aforesaid letter dated 23<sup>rd</sup> September 2020, through e-mail to all past Chairmen, senior members of Ludhiana Branch but also circulated it in various WhatsApp groups resulting in spoiling the reputation of the Branch as well as raising doubt towards the integrity of the whole executive team, without establishing the facts.
3. It is also the allegation of the complainant that the Respondent had also contested NIRC elections in 2018-19 and by doing this he tried to get the political mileage and instead of discharging his duties diligently he made this a political issue which was against the rules and regulations of ICAI to be followed by elected Executive member.
4. It has also been alleged in the complaint that in the aforesaid letter dated 23.09.2020, at Page No.2, Point No.7 and Line No.2, the Respondent has stated that "*Bill No. 2267 dated 12<sup>th</sup> February 2020 of Rs. 70,000/- of 'Cater 2 You' for 'One Day Workshop on MS Excel for Students', but I think Ludhiana Branch never conducted any workshop for students of such a large level.*" It is the case of the Complainant that the Respondent has used the words "I think" which indicates that he was making allegations on assumptions only, however, on the contrary workshop was conducted, proper attendance was there, Committee approvals and grants were received.
5. It is also the case of the Complainant that the Respondent has approved and signed the Balance Sheet on 26<sup>th</sup> May 2020, of the Ludhiana Branch of NIRC of ICAI along with other executive members of the Managing Committee. That the Respondent has not raised the issues at the time of signing the Balance Sheet, rather has raised the same after a gap of 6 months.

**CHARGE ALLEGED:**

6. The Complainant alleged that the Respondent being the Secretary of Ludhiana Branch (during the year 2020-2021) had unauthorizedly circulated letter dated 23<sup>rd</sup> September 2020, through e-mail dated 24<sup>th</sup> September 2020, to the members of Ludhiana Branch, its past Chairmen and auditor highlighting certain anomalies in the functioning of the Ludhiana branch, thereby maligning the image of the Branch.

**BRIEF OF PROCEEDINGS HELD:**

7. The details of the hearings fixed and held in the matter, are given as under:



<b>Date of Hearing(s)</b>	<b>Status of hearing(s)</b>
04 <sup>th</sup> April 2024	Adjourned at the request of the Respondent
27 <sup>th</sup> December 2024	The case is heard and concluded

**OBSERVATIONS OF THE BOARD:**

8. After considering the facts, submissions, and proceedings in this matter, the Board noted that the Respondent was an Executive Member of the Branch during the relevant period and became the Secretary only in February 2020. The allegations against the Respondent pertain to misleading conduct and purported actions that allegedly maligned the image of the Branch.
9. The Board observed that the Complainant had not raised the issues in any established forums, such as the Branch's Managing Committee meetings, the Annual General Meeting (AGM), or before the President of the ICAI. It was also established during the proceedings that the AGM of the Branch was conducted virtually due to the COVID-19 pandemic, and the Complainant neither attended the meeting nor submitted any material, either before, during, or after the AGM, to substantiate his allegations. Instead, the Complainant approached the Disciplinary Mechanism directly without following due process.
10. The Respondent submitted that the financial matters of the Branch, including the alleged incidents, were reflected in the Branch's balance sheet and were within the knowledge of the Branch. Additionally, there were no complaint(s) against the Respondent in any Managing Committee meetings.
11. Based on the lack of evidence, the absence of the Complainant, and the Respondent's clear and credible submissions, the Board finds no merit in the allegations. It is evident that the Complainant failed to exhaust the established mechanisms to address his grievances before escalating the matter to the ICAI. Accordingly, the Board unanimously holds the Respondent Not Guilty of the alleged misconduct.

**CONCLUSION:**

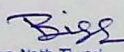
12. Thus, in conclusion in the considered opinion of the Board the Respondent is **Not Guilty** of Professional Misconduct falling within the meaning of Clause (2) of Part IV of First Schedule to the Chartered Accountants Act, 1949 read with Section 22 of the said Act. Accordingly, the Board passed an Order for closure of the case in terms of the provisions of Rule 15 (2) of the Chartered Accountants (Procedure of Investigations of Professional and Other Misconduct and Conduct of Cases) Rules, 2007.

**Sd/-**  
**CA. Rajendra Kumar P**  
**Presiding Officer**

**Date: 25-01-2025**

**Sd/-**  
**Dolly Chakrabarty, IAAS (Retd.)**  
**Government Nominee**

सही प्रतिलिपि होने के लिए प्रमाणित  
Certified to be true copy

  
बिषा नाथ तिवारी / Bishwa Nath Tiwari  
कार्यकारी अधिकारी / Executive Officer  
अनुशासनात्मक विदेशालय / Disciplinary Directorate  
इंस्टिट्यूट ऑफ चार्टर्ड एकाउंटेंट्स ऑफ इंडिया  
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