



THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA
(Set up by an Act of Parliament)

[PR/317/2021/DD/335/2021/BOD/704/2023]

**ORDER UNDER SECTION 21A (3) OF THE CHARTERED ACCOUNTANTS ACT, 1949
READ WITH RULE 15 (1) OF THE CHARTERED ACCOUNTANTS (PROCEDURE OF
INVESTIGATIONS OF PROFESSIONAL AND OTHER MISCONDUCT AND CONDUCT OF
CASES) RULES, 2007**

IN THE MATTER OF:

Ms. Namika Singhal,
E-152, Sector-17,
Kavi Nagar, Industrial Area Ghaziabad
Ghaziabad..... Complainant

Versus

CA. (Ms.) Rakesh Verma (M. No. 082388)

Professional Address from SSP	Residential Address
J-34, 1 st Floor, Sector-18, Noida-201 301	954, Vikas Puri, Vikas Kunj, New Delhi-110 018
Current Professional Address	
Opera Global, C-15,16,17, Sector-59 Noida- 201 307	

.....Respondent

[PR/317/2021/DD/335/2021/BOD/704/2023]

MEMBERS PRESENT (IN PERSON):

CA. Rajendra Kumar P, Presiding Officer
Ms. Dolly Chakrabarty (IAAS, rettd.), Government Nominee
CA. Priti Savla, Member

DATE OF HEARING AND PASSING ORDER: 25th JANUARY 2025

1. The Board of Discipline vide its Findings dated 12th June 2024 was of the view that CA. (Ms.) Rakesh Verma (M. No. 082388) is **Guilty** of Professional and Other Misconduct falling within the meaning of Item (11) of Part I and Item (2) of Part IV of the First Schedule to the Chartered Accountants Act, 1949.
2. The Board noted that when the matter was listed on 15th July 2024, the Respondent sought adjournment, which was accorded by the Board. Again, on 27th August 2024, the Counsel for the Respondent sought adjournment, which was again agreed by the Board. The matter was again listed on 25th September 2024, the Respondent along with her Counsel was present before it but the Board adjourned the matter due to the reason that the Respondent has not sought prior permission for the appearance of her Counsel



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because the opportunity of being heard at this stage was only meant to hear the Respondent without assistance of any authorized representative or an Advocate.

3. The matter was again listed on 10th January 2025, the Board noted that, despite due delivery of notice of the hearing, the Respondent was neither present before it nor was there any intimation as regard her non-appearance. The Board adjourned the hearing and directed the office to deliver a notice to the Respondent through hand delivery as well as through e-mail to give the last opportunity to the Respondent to appear before the Board through Video Conference on 25th January 2025.
4. In compliance with the directions dated 10th January 2025 of the Board, the Office on 15th January 2025 served the notice through hand delivery to the Respondent which was duly received and acknowledged by the Respondent. Thereafter, the Office sent the said notice of hearing, through speed post on 15th January 2025 and through email on 17th January 2025 to the Respondent.
5. On 25th January 2025, when the matter was listed, the Counsel of the Respondent informed the Board that the Respondent is not well, and she cannot even speak. Thus, the Board, as a special case, allowed the Counsel to represent before the Board through Video Conference. Thereafter, Counsel of the Respondent made his oral submissions before the Board wherein, the Counsel submitted that the Respondent is a senior member of the Institute and that till today, there is no other complaint against her.
6. Thus, upon consideration of the facts of the case, the consequent misconduct of CA. (Ms.) Rakesh Verma (M. No. 082388) and keeping in view of her Counsel's oral submissions before it, the Board decided to remove the name of CA. (Ms.) Rakesh Verma (M. No. 082388) from the Register of Members for a period of 30 (thirty) days.

Sd/-

CA. Rajendra Kumar P
Presiding Officer

Sd/-

Ms. Dolly Chakrabarty (IAAS, retd.)
Government Nominee

Sd/-

CA. Priti Savla
Member

प्रमाणित सत्य प्रतिलिपि / Certified true copy
CA. Anshul Kumar
सहायक निदेशक / Assistant Director
अनुशासनात्मक निदेशालय / Disciplinary Directorate
भारतीय सचिवी लेखाकार संस्थान
The Institute of Chartered Accountants of India
आई.सी.ए.आई. भवन, किरास नगर, शाहदरा, दिल्ली-110032
ICAI, 2nd Floor, 24, Nagaria, Chandra, Delhi-110032

BOARD OF DISCIPLINE

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

**FINDINGS UNDER RULE 14 (9) OF THE CHARTERED ACCOUNTANTS
(PROCEDURE OF INVESTIGATIONS OF PROFESSIONAL AND OTHER
MISCONDUCT AND CONDUCT OF CASES) RULES, 2007**

CORAM:

CA. Rajendra Kumar P, Presiding Officer (In Person)
Ms. Dolly Chakrabarty, (IAAS, Retd.), Government Nominee (In Person)
CA. Priti Savla, (Through Video Conference)

IN THE MATTER OF:

Ms. Namika Singhal,
E-152, Sector-17,
Kavi Nagar, Industrial Area Ghaziabad
Ghaziabad-201002.....

Complainant

Versus

CA. (Ms.) Rakesh Verma (M. No. 082388)

Professional Address	Residential Address
J-34, 1 st Floor, Sector-18, Noida-201 301	954, Vikas Puri, Vikas Kunj, New Delhi-110 018

Chartered Accountant.....

Respondent

Date of Final Hearing : 30th May 2024
Place of Final Hearing : ICAI Bhawan, IP Marg, New Delhi

PRESENT:

Complainant: Ms. Namika Singhal along with her Counsel Mr. Sunil Kansal

FINDINGS:

BACKGROUND OF CASE

1. The Respondent was engaged in multiple businesses and had not paid the outstanding amount owed to the Complainant, as mentioned by the Complainant in her letter dated 07th August 2021. The Complainant runs a distribution business in the name of M/s Tirupati Marketing, a proprietorship firm, holding agencies for Bajaj Electricals and Pidilite Industries (Fevicol). In the year 2019, the Complainant supplied Fevicol materials worth Rs. 1,98,523/- on different dates

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to M/s HP Hardware, legally known as GVR Impex Private Limited (hereinafter referred to as the Respondent's Company). However, the Complainant received only Rs. 60,000/- with the remaining amount still unpaid. Further, the Complainant said that the GST number of the Respondent's Company, where the Respondent was one of amongst the three Directors along with Mr. Ritin Kainth and Mr. Vinod Kainth was registered in the Respondent's name, while business was conducted under the trade name 'HP Hardware'. Despite promises made by the Respondent to pay the outstanding amount, the payment was not made to her, and a cheque issued by the Respondent on behalf of the Company was stopped.

2. The Complainant also mentioned that the shop of HP Hardware, located on Hapur Road was closed overnight by the Respondent absconding with all the goods without settling her dues. It was further stated that the Respondent was a habitual offender as she did not pay debts and despite being a Chartered Accountant in practice was also a Director of many companies and firms simultaneously.

CHARGES ALLEGED:

3. The Complainant alleged that the Respondent being a Chartered Accountant in practice has been doing multiple businesses and has been Director in many Companies like M/s Opera Global Pvt. Ltd., M/s PPR Trading and Investment Pvt. Ltd and also in LLPs like AAA Insolvency Professionals LLP and AAAG & Co. and the Complainant further alleged that the Respondent Company failed to pay the balance amount of Rs.1,38,523/- to the Complainant (as the vendor of the company) even after her repeated calls, meetings and follow-ups and payment was also stopped by the Respondent on the cheques issued by the Respondent.

BRIEF OF PROCEEDINGS HELD:

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

Date of Hearing(s)	Status of hearings
07 th May 2024	Part heard and adjourned.
30 th May 2024	Matter heard and concluded.

BRIEF SUBMISSIONS OF THE RESPONDENT:

5. The Respondent in her written reply submitted that the Complainant has leveled baseless and bald allegations against her being totally unrelated with her conduct as a Chartered Accountant. It is further submitted that the Respondent has not actively participating in the functioning of the Company GVR Impex Pvt. Ltd. from which allegedly the Complainant had to receive a certain sum of rupees. Respondent further submits that she has not performed any task for the Complainant in the capacity of a Chartered Accountant, therefore, the present complaint is beyond the jurisdiction of the adjudicating authority. Additionally, the Respondent submits that she is the Managing Director of a Company functioning under the name and banner of Opera Global Pvt. Ltd. and has nothing to do with the active operations of the Company in question that

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is GVR Impex, which was being actively run by the other two Directors specifically named in the Complaint. The Respondent also submits that given the commercial nature of the dispute, the appropriate legal recourse for the Complainant would be to file a recovery suit in a court having jurisdiction to deal such matters.

OBSERVATIONS OF THE BOARD:

6. The Board noted that the contention before it is that the Respondent is holding a full time Certificate of Practice and involved in other business as being the Director of these Companies without taking permission from the Council of the Institute of Chartered Accountants of India. The fact of being the Director of these Companies also admitted by her before the Board in the hearing of this matter on 7th May 2024. The Presiding officer of the Board enquired from the Respondent as to whether she had sought specific permission to act as a Director of a Company while holding a Certificate of Practice, she replied that she had written a letter to the Institute for this purpose and will submit the letter written /permission granted by the Institute. The Board allowed the Respondent to submit the said letter within next 10 days.
7. In response, the Respondent submitted a letter written by the then Additional Secretary of the Institute dated 11th October 1993 addressed to the Respondent whereby she was allowed to continue her salaried employment as a '**General Manager, Opera House Exports Limited**' besides the practice of the Profession of Accountancy under the Chartered Accountants Act, 1949.
8. The Board noted that neither the Respondent nor her Counsel was present either in person or through video conference despite due notice. The Complainant along with her counsel appeared in person before the Board. Two advocates also presented themselves before the Board without having any authorization or duly signed Vakalatnama on behalf of the Respondent. Thus, the Board does not allow them either to appear or advance any argument before the Board on behalf of the Respondent considering absence of any valid authorization to do so.
9. The Board noted that the Respondent is acting as a Whole-Time Director in this company without obtaining specific permission from the Institute to act as a Director. The Permission granted by the Institute, which she does have, is the permission exclusively to continue her employment as a General Manager and not for Directorship in any Company.
10. The Board, while considering the facts of the case besides perusing all records available and pursuant to hearing arguments advanced by the parties, is of the view that in absence of grant of the required specific permission to the Respondent by the Council of the Institute to act either as a Managing Director or a Whole Time Director while holding a full time Certificate of Practice simultaneously, is a violation within the meaning of Item (11) of Part-I of the First Schedule to the Chartered Accountants Act, 1949 and thus the Respondent is '**Guilty**' of the said violation.

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11. Further, as regards the issue of balance payment, the Board noted that the local Police Station after receiving complaint from the Complainant had sent its preliminary report to the Senior Superintendent of Police, Ghaziabad vide letter dated 19th July 2021 wherein it was stated that during the enquiry the material was found supplied by the Complainant to Respondent's Company and the amount towards such material was not fully paid.

CONCLUSION:

12. Thus, in conclusion, in the considered opinion of the Board, the Respondent is held '**GUILTY**' of Professional and Other Misconduct falling within the meaning of Item (11) of Part-I and Item (2) of Part-IV of the First Schedule to the Chartered Accountants Act, 1949.

Sd/-

CA. Rajendra Kumar P
Presiding Officer

Sd/-

Dolly Chakrabarty, IAAS (Retd.)
Government Nominee

Sd/-

CA. Priti Savla
Member

Date: 12-06-2024

सही प्रतिलिपि होने के लिए प्रमाणित
Certified to be true copy



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