

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 INVESTIGATIONS OF
PROFESSIONAL AND OTHER MISCONDUCT AND CONDUCT OF CASES)
RULES, 2007****CORAM (PRESENT IN PERSON):**

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

IN THE MATTER OF:

Shri Ashraf Gani,
 Director, M/s Lo Faro Shop Pvt. Ltd.
 504, Building 12A, Sanchi CHS
 R C Marg, Vashi Naka Railway Crossing
 Near Buddha Vihar, Chembur East
Mumbai

Complainant

Versus

CA. Vikash Thakur, (M. No. 544359)
 Partner, M/s VIAN & Associates,
 Chartered Accountants

Professional Address:

BW-53A, Shalimar Bagh
 New Delhi- 110088

Residential Address:

B-10, Top Floor
 Mig Flats, Vivek Vihar,
 Phase-2, New Delhi- 110095

Respondent

Date of Final Hearing : 18th August 2025
Place of Final Hearing : ICAI Bhawan, New Delhi

PARTIES PRESENT:

Complainant : Shri. Ashraf Ghani (Through VC)
Respondent : CA. Vikas Thakur (In person)
Counsel for Respondent : Adv. Sheshank Agarwal (In person)

FINDINGS:**BACKGROUND OF THE CASE:**

1. The Respondent Firm was appointed as the Statutory Auditor of M/s Lo Faro Shop Pvt. Ltd. (hereinafter referred to as "**the Company**") for the Financial Years 2020-21, 2021-22, and 2022-23 vide appointment letter dated 28th August 2021. Prior to this appointment, the

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statutory audit of the Company was being carried out by M/s Rakesh Doshi & Associates. The Complainant has alleged that the Respondent, upon accepting the audit assignment, failed to obtain the requisite No Objection Certificate (NOC) from the previous auditor as mandated under the Chartered Accountants Act, 1949 and the relevant auditing standards. It is further alleged that the Respondent exerted undue pressure on the Complainant to procure the NOC from the previous auditor, threatening to discontinue the audit work in case of non-compliance. The Complainant has also contended that the Respondent wrongfully retained certain documents belonging to the Complainant and failed to tender a formal resignation from the position of statutory auditor. Additionally, it has been alleged that the Respondent did not file Form ADT-3 intimating his resignation or cessation as auditor with the Registrar of Companies, as a result of which other Chartered Accountants were reluctant to accept the audit assignment of the Company.

CHARGES ALLEGED:

2. It is alleged that the Respondent accepted the position as a Statutory Auditor of the Company without first communicating with the previous auditor in writing.

BRIEF OF PROCEEDINGS HELD:

3. The details of the hearing fixed and held in the said matter are given as below:

S. No.	Date of Hearing	Status of hearing
1.	18 th August 2025	Matter Heard and Concluded.

BRIEF SUBMISSIONS OF THE RESPONDENT:

4. Refuting all the allegations, the Respondent has submitted that M/s Rakesh Doshi & Associates, the previous Auditors of the Company, did not have any objection on the appointment of the Respondent Firm as Statutory Auditor of the Company. The Respondent has further submitted that the Complainant did not pay entire dues pertaining to a professional consultancy company, namely Venus Legal Services Pvt. Ltd. and the said amount was reflecting in the financials of the M/s Lo Faro Shop Pvt. Ltd. The Respondent has further submitted that during discussion with the previous Auditor, the Respondent gave an assurance to them to ensure that the outstanding payment was made, however, it could not fructify, therefore, the Respondent asked the Complainant to collect the NOC on their behalf, as such it is a sign of fair practice among professionals and not threatening.
5. The Respondent has further submitted that the Respondent Firm received NOC from the previous auditor i.e., Rakesh Doshi & Associates, but the Respondent was not willing to continue work with the Company. The Respondent has further submitted that they also received a termination letter dated 6th July 2022 from the Company.
6. The Respondent has further submitted that the Complainant approached other auditors to join the Company and asked for NOC from the Respondent, though, the Respondent was ready to resign from his post but was not willing to give NOC to the incoming auditor until the payment of his outstanding audit fee of Rs 9500/- was made.
7. Vide a letter dated 06th January 2025 the Respondent denies the allegation made by the Complainant. He explains that he had received a verbal NOC from the previous auditor, M/s Rakesh Doshi & Associates, through a mutual professional friend, and later obtained a written confirmation dated 10th September 2022, confirming there was no objection to

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his appointment. He states that this was a bona fide procedural lapse, not misconduct. The Respondent clarifies that the dispute arose only after he demanded his pending fees of Rs. 9,500/- out of the agreed Rs. 12,500/- as he had received only Rs. 3,000/-. He alleges that the complaint was made to avoid payment. Finally, he requests the Director (Discipline) to review and reconsider the prima facie opinion in light of his explanations and supporting documents.

OBSERVATIONS OF THE BOARD:

8. The Board after careful consideration of the oral submissions made and the documents placed on record noted that the Complainant submitted a letter purporting to be a resolution passed in a meeting convened on 1st July 2022 of the Board of Directors of the Company. The said letter was purportedly issued pursuant to a communication received from the Institute of Chartered Accountants of India. It is further noted that the instant complaint was filed by the Complainant on 27th May 2022 and received on 02nd June 2022. Therefore, the Board observed that it is an afterthought because the complaint in rectified Form-I itself was filed on 1st July 2022. This fact is a pointer that such a Board Meeting was never held.
9. In view of the above, the Board finds that no valid Board Resolution, as statutorily required, duly passed and certified by the Company has been submitted authorising the Complainant to initiate the present Complaint on behalf of the said Company. In absence of such a valid authorisation, the Complaint lacks fulfilment of the statutory requirements. Thus, the instant Complaint is deemed to be void-ab-initio. Consequently, the Board dismissed the Complaint without delving into the merits of the case and accordingly resolved to close the matter.

CONCLUSION:

10. Thus, in conclusion, in the considered opinion of the Board, the Respondent is '**Not Guilty**' of Professional Misconduct falling within the meaning of Item (8) of Part I of the First Schedule to the Chartered Accountants Act, 1949. 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.
11. Ordered accordingly, the case stands disposed of.

Sd/-

CA. Rajendra Kumar P
Presiding Officer

Sd/-

Dolly Chakrabarty, IAAS (Retd.)
Government Nominee

Sd/-

CA. Priti Savla
Member

सत्यापित होने के लिए प्रमाणित / Certified to be True Copy

Charan Singh

अध्यक्ष / Charan Singh
कार्यकारी अधिकारी / Executive Officer

अभ्युक्तनियन्त्रक विभाग / Disciplinary Directorate

भारतीय सनदी लेखाकार संस्थान

The Institute of Chartered Accountants of India

आई.सी.ए.आई. भवन, सी-1, सेक्टर-1, नोएडा-201301 (उ.प्र.)
ICAI Bhawan, C-1, Sector-1, Noida-201301 (U.P.)

Date:08-12-2025