



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

[PR/G/496/2022/DD/488/2022/BOD/784/2024]

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. Padmini Solanki

Deputy Director of Income Tax (Inv.) Unit-1(1)
Office of the Principal Director of Income Tax (Inv.)
Room No. 142, 1st Floor, Aayakar Bhawan, Ashram Road,
Ahmedabad.....

Complainant

Versus

CA. Archit Bhavikbhai Shah (M. No. 154544)

I/B Parag Society, Opp Maulik Flat, Near Opera Flat, Paldi
Ahmedabad.....

Respondent

[PR/G/496/2022/DD/488/2022/BOD/784/2024]

MEMBERS PRESENT (THROUGH VIDEO CONFERENCE):

CA. Rajendra Kumar P, Presiding Officer

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

CA. Priti Savla, Member

Date of hearing and passing of Order: 30th December 2025

1. The Board of Discipline vide its findings dated 08th December 2025 was of the view that CA. Archit Bhavikbhai Shah (M. No. 154544) is **GUILTY** of Other Misconduct falling within the meaning of Item (2) of Part-IV of the First Schedule to the Chartered Accountants Act, 1949.
2. An action under Section 21A (3) of the Chartered Accountants Act, 1949 was contemplated against CA. Archit Bhavikbhai Shah (M. No. 154544) and communication dated 19th December 2025 was addressed to him thereby granting him an opportunity of being heard on 30th December 2025 which was exercised by him by being present through video conferencing. He confirmed receipt of the findings of the Board.
3. Thus, upon consideration of the facts of the case, the consequent misconduct of CA. Archit Bhavikbhai Shah (M. No. 154544) and keeping in view his representation before it, the Board decided to **REPRIMAND** CA. Archit Bhavikbhai Shah (M. No. 154544).

Sd/-

**CA. Rajendra Kumar P
(Presiding Officer)**

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

सत्यापित होने के लिए प्रमाणित/Certified to be True Copy

विश्वनाथ तिवारी/Bishwanath Tiwari
Sh. कार्यपाली अधिकारी/Executive Officer
अनुशासनालय/Disciplinary Directorate
मार्गीय सनदी सेक्टर संस्थान
The Institute of Chartered Accountants of India
आई.सी.ए.आई. भवन, सी-1, सेक्टर-1, नोएडा-201301 (उ.प.)
ICAI Bhawan, C-1, Sector-1, Noida-201301 (U.P.)

Sd/-
**CA. Priti Savla
(Member)**

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

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

FILE No: PR/G/496/2022/DD/488/2022/BOD/784/2024

CORAM: (PRESENT IN PERSON):

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

IN THE MATTER OF:

Ms. Padmini Solanki
Deputy Director of Income Tax (Inv.)
Unit-1(1), Ahmedabad, Office of the Principal Director of Income Tax (Inv.)
Room No.142, 1st Floor, Aayakar Bhawan, Ashram Road
Ahmedabad.....Complainant

Versus

CA. Archit Bhavikbhai Shah (M. No. 154544)
I/B Parag Society, Opp Maulik Flat, Near Opera Flat, Paldi
Ahmedabad.....Respondent

Date of Final Hearing : 26th September 2025
Place of Final Hearing : ICAI Bhawan, Ahmedabad
Date of Pronouncement of Judgement : 04th November 2025

PARTIES PRESENT (IN PERSON):

Representative of Complainant's Department: Shri Prem Prakash Prasad and Shri Girraj Meena, Inspectors
Respondent : CA. Archit Bhavikbhai Shah
Counsel for Respondent : CA. Deepak Shah

FINDINGS:

BACKGROUND OF THE CASE:

1. It is the case of the Complainant that a search and seizure operation under the Income Tax Act, 1961 (hereinafter referred to as the "Act") was conducted by the Complainant Department in the case of 03 Political Parties and 02 Charitable institutions based out of Ahmedabad, namely, Manvadhirak National Party, (MNP), Kisan Adhikar Party (KAP), All

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India Social Education Charitable Trust (AISECT) controlled by Shri Tribhawan Ramkarpal Ojha and Kisan Party of India (KPI), and Aadhar Foundation (AF) controlled by Shri Saumil Bhadaria, that were involved in widespread and multiple tax evasion practices.

2. Further, the Complainant stated that during the search of their department carried out on 02nd February 2021, 28 Chartered Accountants including Respondent, were found to have solicited clients for bogus donations scam who have categorically, unambiguously and repeatedly admitted their role in the aforementioned bogus donation scam in their statements recorded on oath u/s 132(4) and 131(1A) of the Act.
3. Furthermore, the Respondent colluded with the key persons from the Political party in this elaborate scam to facilitate widespread tax evasion and electoral funding fraud. The Respondent solicited clients/donors looking to reduce their taxable income by claiming fraudulent deductions as per the Income Tax Act. After soliciting the clients these commission agents (professionals including Respondent) provided bank account details of the political party to the client, who in turn transferred the donation amount to the said bank account and provided the details such as Name of donor, PAN, address, Bank A/c details, RTGS/NEFT/UTR no. etc. on WhatsApp to the key persons of political party, who in turns generated donation receipt in the name of the client. Thereafter, the said amount was then finally returned to the original donor's i.e., clients in the form of cash after deduction of the commission of the mediators, i.e., (Respondent), in the extant matter.

CHARGE ALLEGED:

4. The Respondent was involved in a political party donation scam to facilitate tax evasion by soliciting clients for bogus donations in lieu of commission income.

BRIEF OF PROCEEDINGS HELD:

5. The details of the hearings fixed and held in the said matter are given below:

S. No.	Date of hearings	Status of hearings
1.	10 th July 2025	Part Heard and Adjourned.
2.	26 th September 2025	Matter Heard and Concluded. Judgment Reserved.
3.	4 th November 2025	Judgment Pronounced.

BRIEF SUBMISSIONS OF THE PARTIES:

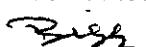
RESPONDENT:

6. The Respondent vide letter dated 28th February 2025 submitted that the whole case is based upon the WhatsApp Chat as recorded in the mobile numbers of the person connected with the parties accepting the bogus donation. However, the Hon'ble Supreme Court, in the case of South Delhi Municipal Corporation v. A2Z Infra Services, had remarked, "What is the evidential value of WhatsApp messages these days? Anything can be created and deleted on social media these days. We don't attach any value to WhatsApp messages." Thus, WhatsApp chats hold no evidentiary value. Beyond the WhatsApp chats, no other evidence existed to prove his involvement in any dubious activities. Therefore, a mere reliance on WhatsApp chats was insufficient to establish guilt for misconduct. Although this argument had been specifically raised in his written statement, the Prima facie Opinion (hereinafter 'PFO') failed to address it in its report. The whole allegation is based on his statement recorded by the income-tax department, and there is no independent

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evidence that he was involved in such activity. It is settled law that a person cannot be asked to depose against himself. In the present case, there is nothing on record that the Respondent was involved in such activity except his statement. Moreover, no statement of any donor or receiving party is filed stating his involvement.

7. The Respondent submitted that his statement recorded is not a correct statement as told by him but is moulded to suit the requirements of the person recording his statement. Further, the records pertain to the year when he was a partner of a firm M/s Archit Shalin & Associates, which was dissolved in February 2019. He was not handling such work but the same was looked after by Mr. Shalin Shah. Since Mr. Shalin Shah was also the auditor of the political parties, he was aware of all these activities. This fact is discernible from the Respondent's answer to Q-10 of the statement. Hence, he was not the person who was involved in paying donations and receiving commissions, which is the main allegation in the entire complaint. Furthermore, a copy of his statement recorded on 04th February 2021 had never been made available to him, except when the complaint was filed on 13th May 2022, which was subsequently sent to him by ICAI on 13th September 2022. Therefore, before 13th September 2022, he did not know the incorrect facts mentioned in the statement. When he filed his reply, he specifically stated that the recorded statement did not accurately reflect his answers. However, the AO who recorded the statement had wrongly inferred its content and had assured him that nothing would go against him. Based on this assurance, his signatures had been obtained through misrepresentation, making the statement inadmissible as evidence. Therefore, he could not be held guilty solely based on his statement dated 04th February 2021.
8. By a letter dated 19th February 2024, the Disciplinary Directorate inquired the Respondent that whether he had retracted his statement. In response, he filed an affidavit affirming that the recorded statement was incorrect and, therefore, retracted it while providing a fresh statement explaining the situation. The PFO, however, disregarded the retraction, stating that it had been filed belatedly. It should be noted that there was no undue delay. The statement dated 04th February 2021 was made available to him only on 13th September 2022. When he filed his Written Statement on 06th October 2022 in response to the complaint, he clearly mentioned the incorrect recording of his statement. Thus, the retraction was made within just 22 days, which cannot be considered an inordinate delay. Furthermore, even when he was specifically asked to file a retraction statement on 19th February 2024, he submitted an affidavit retracting his statement. Therefore, neither the original written statement nor the retraction affidavit was so delayed as to be disregarded. Under these circumstances, the PFO should have taken cognizance of the explanations provided in both the original written statement and the retraction affidavit.
9. The PFO noted that an admission serves as the best piece of evidence unless the individual demonstrates its incorrectness. In this case, he had sufficiently demonstrated how and why the statement was incorrect. Therefore, the PFO should have considered his explanation.
10. The Respondent further submitted that the complaint was against 28 members of ICAI based on a common cause, as well as their admission given to the Income Tax Department. However, in the status report filed, the list contains only 22 members. How and in what circumstances the names of 6 members are left out is not known. If that be so, the Respondent should have been left out of the proceedings as the principles of natural justice demand equal treatment for all equally accused persons. Furthermore, even if the Respondent referred to a client to another person for a loan, work, or investment-related advice, any wrongful act committed by that third party cannot be attributed to the Respondent. Mere referral does not amount to culpability, particularly



when the Respondent has not received any fee or consideration, which is an admitted and undisputed fact.

COMPLAINANT/COMPLAINANT DEPARTMENT:

11. The Complainant, vide letter dated 2nd July 2025, while reiterating the submissions earlier placed before the Director (Discipline), stated that the statement on oath under Section 132(4)/131(1A) of the Income-tax Act, 1961, was recorded during the period from May to June 2021. The statement was duly read over to the Respondent (hereinafter "deponent"), who, being a qualified professional well-versed in legal matters, personally certified under his signature that no threat, undue pressure or coercion was exerted upon him during the course of his deposition. The Department further submitted that apart from the statement on oath, there are numerous other incriminating evidence gathered during the search operation, as well as post-search enquiries, which clearly indicate the involvement of such professionals in the large-scale bogus donation scam.
12. The Respondent's claim of having been subjected to undue influence or coercion during the post-search inquiry, which was raised only after a considerable lapse of time and notably after the initiation of disciplinary proceedings by the Disciplinary Directorate, is clearly baseless, factually incorrect and therefore untenable in law. Such an act of the Respondent appears as an effort to derail the inquiry initiated by the Board of Discipline.
13. The Department further submitted that the re-assessment proceeding in the case of the Respondent has been completed on 28th December 2022 for the AY.2021-22 by making an addition of Rs. 3,58,654/- as commission income and a penalty u/s 270A was also initiated against him.

OBSERVATIONS OF THE BOARD:

14. The Board observed that when the Complainant department initiated the search and seizure operation in the case of 03 Political Parties and 02 Charitable institutions based out of Ahmedabad, namely, Manvadhirak National Party, (MNP), Kisan Adhikar Party (KAP), All India Social Education Charitable Trust (AISECT) controlled by Shri Tribhawan Ramkarp Ojha and Kisan Party of India (KPI), and Aadhar Foundation (AF) controlled by Shri Saumil Bhadaria; it was emerged that the Respondent had facilitated tax evasion by soliciting clients to make bogus donations in consideration of commission payments.
15. The Board observed that the Complainant Department brought on record the Statement on Oath of the Respondent dated 02nd February 2021, 03rd February 2021 and 04th February 2021 recorded before them under Section 131 of the Income Tax Act, 1961. The relevant portions of the Statement on Oath of the Respondent are reproduced below:

"प्रश्न 11. क्या आपने **bogus political/charitable donation** का काम किया है या किसी के लिए करवाया है?

उत्तर 11. मार्ग में **bogus political/charitable donation** का काम विभिन्न पार्टीज (APNA DESH PARTY, KISAN ADHIKAR PARTY, KISAN PARTY OF INDIA, RASHTRIYA KOMI EKTA PARTY) के लिए करवाया है परन्तु मेरा इन **political parties** से डायरेक्ट कोई कनेक्शन नहीं था। मैं उनके **contact person** के संपर्क में रहकर यह काम करके केवल **commission** लिया करता था। यह **commission** मुझे CA/Consultant द्वारा refer किये गए **client (beneficiary)** के **bogus** डोनेशन पर मिलता था। मैं मात्र एक **mediator** था।

प्रश्न 12. जैसा कि आपने प्र० 11 के 3^o में बताया है कि आपने **bogus political/charitable donation** का काम विभिन्न **client (beneficiary)** के लिए करवाया है तो इस सम्बन्ध में कृपया यह बताएं कि आप यह काम कब से कर रहे हैं और उन **client (beneficiary)** की पूरी **list submit** करें।

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उत्तर 12. सर यह का काम में वर्ष 2015-16 से कर रहा हूँ इसकी लिस्ट अभी मेरे पास तैयार नहीं है इसको बनाने काफी समय लगेगा है यही मैं आपको जल्द से जल्द बना कर submit कर दूँगा।

प्रश्न 15. कृपया बताएं कि आपने किन-किन *political parties/charitable institution* के लिए *bogus donation* करवाया है उनकी *list* नाम पता एवं *PAN* के साथ बताएं।

उत्तर 15. सर जैसा कि प्र० 11 के उत्तर में बताया है कि मैं *political party* के *contact person* के संपर्क में रहकर यह काम करके कैम्बिज *commission* लिया करता था। यह *commission* मुझे CA/Consultant द्वारा refer किये गए client(beneficiary) के *bogus* डोनेशन पर मिलता था। मैं मात्र एक *mediator* था।....”

Thus, upon examination of the above, the Board noted that the Respondent has unequivocally admitted his involvement in the said political donation scam.

16. The Board observed that the Respondent retracted his statement dated 02nd February 2021, 03rd February 2021 and 04th February 2021 through an affidavit dated 17th December 2022 after almost two years. Moreover, the Respondent contended that the Prima Facie Opinion of the Director (Discipline) disregarded his rebuttal of the recorded statement because it had been filed belatedly and he became aware of the facts of his Statement on oath only upon receipt of Form-I, and that was the reason behind his late rebuttal. Subsequently, the Board further observed that the timing of the retraction closely coincides with the Respondent's receipt of Form-I. Furthermore, the Respondent's act strongly suggests to the Board that he stood by his original statement for an extended period and attempted to withdraw it only when confronted with the potential consequences of his own admissions through disciplinary proceedings. In view of these facts, the Board finds that the retraction lacks credibility and appears to be a self-serving attempt to evade disciplinary action. The Board further observed that, in addition to the circumstantial evidence, the Respondent also failed to make the retraction within a reasonable time, as required by law.
17. The Board observed that a rebuttal to an admission made in a Statement on Oath must be submitted within a reasonable time. In the present matter, the rebuttal was filed after approximately two years, which is far beyond what could be considered reasonable. Consequently, the belated rebuttal carries no evidentiary value.
18. The Board noted that the Respondent, through his affidavit dated 07th August 2025, submitted that “*No notice for reopening my case has ever been issued in my name for taxing the alleged income received by me by way of commission for assisting the client to claim deduction u/s 80GGC of the Income-tax Act. Except for my regular income from profession, no income is offered by me by way of commission for assisting the client to claim deduction u/s 80GGC of the Income-tax Act....*”

In Contra, the Complainant Department vide email dated 23rd November 2025 submitted that “*....the re-assessment proceeding in the case of Shri Archit Bhavik Shah....has been completed on 28.12.2022 for the AY.2021-22 by making addition of Rs. 3,58,654/- as commission income and penalty u/s 270A was also initiated....*”. Regarding such an assertion, the Income Tax Department brought on record an assessment order dated 28th December 2022 for AY 2021-22 as against the Respondent, wherein they have made the addition of Rs. 3,58,654/- into the income of the Respondent.

19. Nevertheless, the Board cannot lose sight of the fact that the Respondent's statement on Oath dated 02nd February 2021, 03rd February 2021 and 04th February 2021 is admissible in front of the law unless rebutted within a reasonable time. For the sake of repetition, in the present case, the rebuttal was filed only after a period of approximately two years, which cannot be regarded as a reasonable time.

Base

20. Keeping in view the statement on Oath recorded under Section 131 of the Income Tax Act, 1961, the Board found that Complainant has met the initial burden of proving the Guilt on the part of the Respondent. Accordingly, the onus therefore shifted to the Respondent to establish his innocence. However, the Respondent failed to produce any cogent evidence or documentation in support of his defence.

21. Thus, on a detailed perusal of the submissions and documents on record, the Board is of the view that the Complainant department had furnished corroborative evidence demonstrating that the Respondent was involved in a political party donation scam to facilitate tax evasion by soliciting clients for bogus donations in lieu of commission income. In view of the same, the Board held the Respondent **Guilty** in respect of the charge alleged.

CONCLUSION:

22. Considering the foregoing, in the considered opinion of the Board, the Respondent is held '**Guilty**' of Other Misconduct falling within the meaning of 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: 08-12-2025

सत्यापित होने के लिए प्रमाणित/Certified to be True Copy

विश्वनाथ तिवारी / Bishwa Nath Tiwari
कार्यकारी अधिकारी / Executive Officer
अनुग्रामनालयका निदेशालय / Disciplinary Directorate
भारतीय सनदी लेखाकारा संस्थान
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