



भारतीय सनदी लेखाकार संस्थान
(संसदीय अधिनियम द्वारा स्थापित)

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

[DISCIPLINARY COMMITTEE BENCH-IV (2025-2026)]
[Constituted under Section 21B of the Chartered Accountants Act, 1949]

**ORDER UNDER SECTION 21B (3) OF THE CHARTERED ACCOUNTANTS ACT, 1949 READ WITH
RULE 19(1) OF THE CHARTERED ACCOUNTANTS (PROCEDURE OF INVESTIGATIONS OF
PROFESSIONAL AND OTHER MISCONDUCT AND CONDUCT OF CASES) RULES, 2007.**

File No.: [PR/215/19/DD-241/19-DC/1596/2022]

In the matter of:

Sh. Sujit Kumar Pandey,
Authorised Representative of Express View Apartment
(Subsequently changed to Shri Rakesh Pati Tripathi)
142-A, Express View Apartments,
Sector- 93, Noida - 201304

.... Complainant

Versus

CA. Sumit Khandelwal (M.No.523094)
M/s N S B & Co.
Chartered Accountants
C/o Shree Tara Chand
H.No.194/14, Gali No.19
Than Singh Nagar, Anand Parvat
New Delhi - 110005

.... Respondent

MEMBERS PRESENT:

1. CA. Prasanna Kumar D, Presiding Officer (In person)
2. Ms. Dakshita Das IRAS (Retd.), Government Nominee (Through VC)
3. Adv Vijay Jhalani, Government Nominee (In person)
4. CA. Mangesh P. Kinare, (Member In person)
5. CA. Satish Kumar Gupta, Member (In person)

DATE OF HEARING: 21st January 2026

DATE OF ORDER: 11th February 2026

1. That vide Findings dated 05th January 2026 under Rule 18(17) of the Chartered Accountants (Procedure of Investigations of Professional and Other Misconduct and Conduct of Cases) Rules, 2007, the Disciplinary Committee was, inter-alia, of the opinion that CA. Sumit

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Khandelwal(M.No.523094) (hereinafter referred to as the **Respondent**) is **GUILTY** of Professional and Other Misconduct falling within the meaning of Clause (2) Part - IV of the First Schedule and Clause (1) of Part – II of the Second Schedule to the Chartered Accountants Act, 1949.

2. That pursuant to the said Findings, an action under Section 21B (3) of the Chartered Accountants (Amendment) Act, 2006 was contemplated against the Respondent and a communication was addressed to him thereby granting an opportunity of being heard in person/ through video conferencing and to make representation before the Committee on 21st January 2026.

3. The Committee noted that on the date of hearing on 21st January 2026, the Respondent was present in person. During the hearing, the Respondent made verbal submissions and also referred to the written representation dated 15th January 2026 on the Findings of the Committee. The Committee noted the verbal and written representation of the Respondent dated 15th January 2026 on the Findings of the Committee, which, inter alia, are as under:

- Complaint arose due to internal rivalry among factions of the RWA and that the Complainant had subsequently withdrawn the complaint against the Respondent.
- Audit report dated 11th July 2018 was only a draft or provisional document, issued subject to completion of audit procedures and resolution of pending audit queries. As the report never attained finality, the question of its revision does not arise, and reliance on the ICAI Guidance Note on revision of audit report is therefore misconceived.
- Even if the sharing of information is treated as issuance of an audit report, issuing the audit report dated 14th June 2019 without calling it a "revised" report constitutes, at most, a technical or procedural lapse. In the absence of any evidence of substantive violation of the Chartered Accountants Act, Regulations, or any binding ICAI directions or standards such lapse cannot amount to professional misconduct under Clause (1) of Part II of the Second Schedule.

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- The Respondent submitted that being in the initial years of practice, he exercised due professional diligence and care in discharge of his duties. Any lapses, if at all, were inadvertent and procedural in nature.

4. The Committee considered the reasoning as contained in Findings holding the Respondent 'Guilty' of Professional and Other Misconduct vis-à-vis verbal and written representation of the Respondent. The Committee noted that the issues/ submissions made by the Respondent as aforesaid have been dealt with by it at the time of hearing under Rule 18.

5. The Committee noted the correct provisions of Clause (1) of Part II of the Second schedule as given in para 3.21 of Findings dated 05.01.2026 be read as under: -

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

x x x x

(1) contravenes any of the provisions of this Act or the regulations made thereunder or any guidelines issued by the Council."

6. Thus, keeping in view the facts and circumstances of the case, material on record including verbal and written representation of the Respondent on the Findings, the Committee was of the view that the Audit Report dated 11th July 2018 was a final audit report, as it was duly signed and stamped and contained no indication that it was a draft. As per para - 3 of the "Guidance Note on Issuance of Revised Audit Report" of ICAI which clearly reads that the auditor under no circumstances is permitted to withdraw in any manner whatsoever the audit report once issued. There was no evidence of follow-up communication after issuance of the audit report until 29th May 2019. The Committee observed that sharing a signed audit report without ensuring its proper and final issuance showed lack of due diligence and professional care.

7. In respect of the second allegation the Committee found that the actual audit fee for FY 2017-18 was Rs. 5,000/- only as per the engagement letter and financial statements. The Respondent's claim of Rs.25,000/- only verbally agreed fee was unsupported and admitted that

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audit was Rs. 5,000/-only. Hence, the Professional and Other Misconduct on the part of the Respondent is clearly established as spelt out in the Committee's Findings dated 05th January 2026 which is to be read in consonance with the instant Order being passed in the case.

8. Accordingly, the Committee was of the view that the ends of justice would be met if punishment is given to him in commensurate with his Professional and Other Misconduct.

9. Thus, the Committee ordered that the Respondent i.e. CA. Sumit Khandelwal (M.No.523094), New Delhi be REPRIMANDED under Section 21B (3)(a) of the Chartered Accountants Act, 1949.

Sd/-

(CA. PRASANNA KUMAR D)
PRESIDING OFFICER

Sd/-

(MS DAKSHITA DAS, I.R.A.S (RETD.))
GOVERNMENT NOMINEE

Sd/-

(ADV VIJAY JHALANI)
GOVERNMENT NOMINEE

Sd/-

(CA. MANGESH P. KINARE)
MEMBER

Sd/-

(CA. SATISH KUMAR GUPTA)
MEMBER

सत्यमित होने के लिए प्रमाणित / Certified to be True Copy

विश्वनाथ तिवारी / Vishwa Nath Tiwari
वरिष्ठ कार्यकारी अधिकारी / Senior Executive Officer
अनुशासनपालक निदेशालय / Disciplinary Directorate
भारतीय सनदी लेखाकार संस्थान
The Institute of Chartered Accountants of India
एड. सी.ए.आर्. भवन, सी-1, सेक्टर-1, नोएडा-201301 (उ.प्र.)
A1 Bhawan, C-1, Sector-1, Noida-201301 (U.P.)

CONFIDENTIAL

DISCIPLINARY COMMITTEE [BENCH – IV (2025-2026)]

[Constituted under Section 21B of the Chartered Accountants Act,1949]

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

File No: [PR/215/19/DD-241/19-DC/1596/2022]

In the matter of:

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...Complainant

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...Respondent

MEMBERS PRESENT:

CA. Prasanna Kumar D, Presiding Officer (in person)
Adv. Vijay Kumar Jhalani, Government Nominee (in person)
CA. Mangesh Pandurang Kinare, Member (in person)
CA. Satish Kumar Gupta, Member (in person)

DATE OF FINAL HEARING : 03rd October, 2025

PARTIES PRESENT:

Complainant- Shri Rakesh Pati Tripathi (in person)
Respondent - CA. Sumit Khandelwal (in person)

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1. **Background of the Case:**

1.1 The Respondent was statutory auditor for the year 2017-18 of **Express View Apartment, RWA (hereinafter referred to as RWA)** headed by the Complainant as the then President of RWA. Mr. Piyush Tripathi is a resident of the said RWA who had been involved in the audit of RWA as Coordinator to deal with the statutory auditor on behalf of RWA. However, his role had been disputed by the Complainant as a person who actually performed the audit on behalf of Respondent (the appointed Statutory Auditor). The Respondent had signed and stamped a copy of his qualified audit report on 11th July, 2018 and shared a scanned copy of that audit report along with audited financials with CA Piyush Tripathi who further shared that scanned copy on 11th August, 2018 through 'WhatsApp' to the Complainant, the then President of RWA. The said audit report along with financial statements for the period ended 31st March, 2018 then were adopted in the General Body Meeting of the Society on the next day i.e. 12th August, 2018. Later on, in May, 2019 that scanned copy of the audit report dated 11th July, 2018 has been disowned by the Respondent on the pretext of his unresolved audit queries.

2. **Charge(s) in brief:**

2.1 It was stated that the Respondent issued his Audit Report dated 11th July, 2018 duly signed and stamped on the Financial Statements of RWA for the period ended 31st March, 2018 however, only a scanned copy of that report was shared on 11th August, 2018 i.e., one month after its signing to the Complainant, being the then President of RWA through 'What's-app' account of Mr. Piyush Tripathi on the pretext that the email was not working. It was further stated that the said Audit Report dated 11th July, 2018 was also adopted in the General Body Meeting of the Society held on 12th August, 2018. It was alleged that the Respondent then withdrew his own signed Audit Report dated 11th July, 2018 on the financials of RWA for the period ended 31st March, 2018 without bringing this fact to the knowledge of Board of Members and for the first time vide his email dated 29th May, 2019 communicated to RWA that the report they were showing was inadvertent on certain grounds and was not proper therefore it was quashed/cancelled at inception.

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He further, alleged that the Respondent further vide his email dated 10th May,2019 informed this fact to the incoming auditor for the year 2018-19 stating that the report was obtained fraudulently and public money was mis utilized and siphoned off and in that email it was also falsely mentioned by the Respondent to the incoming auditor that a draft audit report was shared through email dated 11th August,2018 which contained sufficient qualifications for the material discrepancies noticed during the audit and management has fraudulently presented that audit report by removing qualification in public meeting held on 12th August,2018.

It also noted that the Respondent had issued audit reports four times with fresh qualifications and negative observation on his own on the pretext of non-settled, unattended and unaddressed during audit claiming that no audit report was issued.

2.2 The Respondent had falsely informed the incoming auditor about the non- payment of his Audit Fee of Rs.25,000/- by RWA whereas the fee of Rs.5,000/- as fixed was paid which was also mentioned in the Financial Statements for the period ended 31st March,2018 duly signed and sent by him on WhatsApp to RWA on 11th August, 2018 through Mr. Piyush Tripathi.

3. **The relevant issues discussed in the Prima Facie Opinion dated 07th January 2021 Formulated by the Director (Discipline) in the matter, in brief, are given below:**

- 3.1 From the perusal of the information and documents on record it is seen that an audit report dated 11th July,2018 on the financial statements of RWA for the year ended 31st March,2018 was signed by Respondent and the said audit report was made available to the Complainant, the then President of RWA on late night of 11th August,2018 through WhatsApp number of CA Piyush Tripathi, however, the hard copy of that audit report had not been provided by the Respondent to the RWA. Further, it was also seen and agreed by the Respondent vide email dated 10th May,2019, that the next day i.e. on 12th August,2018 in the General Body Meeting of RWA was conducted wherein the said audited financials of RWA were circulated and adopted.
- 3.2. From the audit report, it was noted that the Respondent thereafter has not made any communication with RWA regarding the audit of RWA for the year 2017-18 as there

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has been no communication brought on record by the Respondent or the Complainant made with RWA in this regard till 29th May, 2019 when the Respondent sent an email through which he clarified the status of his audit report dated 11th July, 2018 as void/quashed. That an email dated 03rd May, 2019 was sent from the email id evaaudit2018@gmail.com which is registered in the name of CA Piyush Tripathi to the Committee Members of RWA wherein the fact was mentioned that the audit report for the year 2017-18 was considered as Draft Audit Report and no audit report duly signed and verified in original was issued to RWA. However, the said email was signed by the Respondent.

- 3.3. From the perusal of above two paras, it was viewed that the Respondent was taking contradictory stand as on the one hand he stated in his written statement that his Audit Report dated 11th July, 2018 was never issued and hence, cannot be considered as issued audit report while on the other hand in support of his another issued Audit Report dated 14th June, 2019, he had given the reference of Guidance Note of 'Revision of the Audit Report'. Here, the question arises as if an audit report was not issued at all and was quashed (as claimed by the Respondent) then how can it be revised.
- 3.4. However, in the extant case nowhere the Respondent had mentioned about any step at his end which he had taken to ensure that the stakeholders of such audit report and financial statements attached thereto, were informed about revision of the original audit report dated 11th July, 2018 on the financial statements of RWA for the period ended 31st March, 2018.
- 3.5. It was seen that the Respondent had prepared the audit report dated 11th July, 2018 and shared its scanned copy with the Coordinator CA. Piyush Tripathi who according to the Respondent was working on behalf of RWA, however it was not clear that if this audit report was mere a draft and was just to give a look into the content of the audit report to CA. Piyush Tripathi who (as per the statement of Respondent himself) was working on behalf of RWA, what was the need to sign that report along with his membership number and that too along with the stamp of his firm while sharing it with a person working on behalf of the management of RWA.

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- 3.6. Further, it was also observed that the Respondent had not brought on record any evidence of any communication/follow-up with RWA regarding any pending queries between 11th August , 2018 till Q3rd May,2019.
- 3.7. Further, there was an email dated 13th August,2018 (sent by CA Piyush Tripathi to the Managing Committee members of RWA including the Complainant) brought on record by the Complainant wherein it was noticed that CA. Piyush Tripathi has nowhere mentioned any such fact of pending queries of audit or acceptance and adoption of audited accounts/Report dated 11th July,2018 by RWA fraudulently and instead he had shared his experience of audit of RWA with an advise to take the corrective steps on the basis of audit with the mention of attachment of an engagement letter of the Respondent for the audit of RWA for the next financial year i.e. 2018-19.
- 3.8. The Respondent in his statement as mentioned in para 9.4.7 of PFO had mentioned that even Mr. Piyush Tripathi shared the scanned copy of the Audit Report dated 11th July,2018 on the bona fide belief that such copy will not be made public on 12th August,2018 i.e. on the Annual General Meeting of RWA while from the copy of this email dated 13th August,2018 sent on the very next day of such meeting wherein such audited accounts were adopted, it does not appear that any such fact even existed at that time that the Respondent and Mr. Piyush Tripathi was not aware of the fact that the scanned copy of the audit report along with the Financial Statements were made public by the Managing Committee of RWA.
- 3.9. Further, it was also noticed that the Respondent although had mentioned that the audit Report dated 11th July,2018 was just a draft audit report which was prepared but not issued due to some pending audit queries sent to the Complainant vide letter dated 10th July,2018 which were never replied, it was very surprising to note that the Respondent (pending his audit queries) prepared the audit report and duly signed and stamped it on 11th July,2018 and shared the scanned copy of such Audit Report with Mr. Piyush Tripathi, who was, as stated by the Respondent, designated on behalf of RWA as Audit Coordinator.
- 3.10. Further, it was noticed that the main reason which the Respondent has mentioned for withdrawal of his audit report dated 11th July, 2018 was his audit query letter

dated 10th July,2018 duly acknowledged by Mr. Rajkumar Jha, the then Secretary of RWA which remained unanswered, while the Complainant had denied of any such audit query letter sent by the Respondent to RWA. In this regard when Mr. Rajkumar Jha, the then Secretary, was specifically asked by this office vide letter dated 29th May,2020 about the authenticity of the letter dated 10th July,2018 issued by the Respondent and acknowledged by him with his signatures, he had vide his letter dated 29th June,2020 has stated that he had signed that letter on back date of 10th July,2018 in November,2019 only as he was threatened by CA. Piyush Tripathi through his email dated 18th November,2019 to file a Complaint against him (Mr. Rajkumar) to the Income Tax Department and police.

3.11. From the above statement of Mr. Rajkumar Jha, the then Secretary of RWA, the plea of the Respondent behind withdrawal of his audit report dated 11th July, 2019 does not stand.

3.12. It was further noticed that as mentioned in para 9.4.11 of PFO that there had been an email dated 13th August, 2018 i.e. one day after Annual General Meeting of RWA brought on record by the Complainant sent by Mr. Piyush Tripathi to the -Managing Committee member of RWA in that email he has nowhere mentioned that any such pending audit queries to be replied by RWA for getting the hard copy of the Audit Report dated 11th July,2018.

3.13. It was further noticed that after 13th August, 2018 till 3rd May,2019 approximate for 9 months there was no communication either by the Respondent or Mr. Piyush Tripathi to RWA with regard to submission of their audit queries or any correspondence sent by the Complainant to the Respondent or Mr. Piyush Tripathi to obtain the Hard copy of the Audit Report dated 11th July, 2018.

3.14. It had been further noticed an email dated 10th May, 2019 had been brought on record by the Complainant sent by the Respondent to the incoming auditor of RWA for the F.Y.2018-19 wherein the Respondent had mentioned that a draft audit report through email dated 11th August,2018 was issued with sufficient qualifications for material discrepancies noticed during the audit and an email dated 11th August,2018 and along with a draft audit report dated 11th August,2018 too had been brought on record by the Complainant. The Respondent although in his written statement has

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confirmed the contents of such email dated 10th May, 2019, however, on specifically being asked vide this office letter dated 29th May, 2020 about the reason of issuance of such a draft audit report dated 11th August, 2018 when an audit report dated 11th July, 2018 was already signed by him, the Respondent vide his reply dated 25th July, 2020 has contradicted the fact of issuance of audit report dated 11th August, 2018 by stating that the said audit report was sent through the email id of CA Piyush Tripathi and hence, he (CA Piyush Tripathi) only should be asked this question. This creates doubt on the submissions made by the Respondent in his defence in the extant case.

3.15. From the perusal of all the above facts and circumstances it was viewed that the Respondent has signed, stamped and issued the audit report dated 11th July, 2018 on the financial accounts of RWA for the period ended 31st March, 2018 and shared a copy of such audit report with CA Piyush Tripathi who acted on behalf of the RWA and the fact that the said audit report was adopted in the General Body Meeting of RWA is sufficient in itself to make the audit report issued as it was made available to the member of RWA and they relied on that audit report. However, it is not clear as to what led the Respondent to disown the said audit report and issuance of another audit reports.

3.16. In the light of the discussion in above paras, prima facie it appears that the Respondent signed his first audit report on 11th July 2018 and shared a copy of that with CA Piyush Tripathi whom he has himself claimed as 'Audit Coordinator, acting on behalf of RWA, then withdrew that report without any reason and without ensuring that no stakeholder was affected from that report and every user of that audit report should know the fact that the report was revised later on. Thus the Respondent had not only contravened the provisions of Guidance Note of 'Revision of the Audit Report' as dealt in PFO also by issuing an another final audit report dated 14th June, 2019 but such an act on the part of Respondent is also unbecoming of a Chartered Accountant making him prima facie **Guilty** for Professional and Other misconduct falling within the meaning of Clause (1) of Part – II of the Second Schedule and Clause (2) of Part (IV) of the First Schedule to the Chartered Accountants Act, 1949.

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3.17. It was seen that the remuneration mentioned in the appointment letter dated 25th June, 2018 brought on record by the Respondent is Rs.5,000/- as fixed for the audit of RWA for the period ended 31st March,2018. Further, in the signed financial statements too of RWA for the period ended 31st March,2018 which were shared by the Respondent himself with CA. Piyush Tripathi, the amount mentioned towards Audit Fee has been shown as Rs.5,000/-. The contention of the Respondent given in his written statement that verbally the audit fee was decided as Rs.25,000/- while it was mentioned as Rs.5,000/- in the appointment letter and which was assured to be corrected in the revised engagement letter audit format is not justifiable as it is not clear as to how the Respondent prepared his audit report dated 11th July,2018 on such financial statements and that too he duly signed and stamped that audit report and financial statements when the fee provided in such financial statements was disputed and not agreeable to him. He even shared the scanned copy of that audited statement with CA. Piyush Tripathi to whom he has considered as Co-ordinator, worked on behalf of RWA for conducting the audit of RWA for the year 2017-18.

3.18. There had been an email dated 27th May,2019 sent through the email id evaaudit2018@gmail.com by the Respondent to the Complainant brought on record by the Complainant wherein the Respondent had stated as below:

"As far as money is concerned, there is an agreed fees vide your letter dated 25/06/2018 duly signed by you only and there is no point of asking any extra money."

The letter dated 25th June,2018 mentioned in the above said email appears to be that appointment letter which was signed by the Complainant and has been brought on record by the Respondent wherein the audit fee mentioned is Rs.5,000/-.

3.19. It was also pertinent to mention here that the Respondent had not brought on record any document or evidence to show that after sharing the scanned copy of the signed audit report dated 11th July,2018 and audited financial statements with CA. Piyush Tripathi in which the audit fee mentioned was Rs.5,000/- only, he followed up with RWA regarding his disputed fee, which arouse the suspicion about the genuineness of the statement / claim of the Respondent about the audit fee. On the other hand there are sufficient evidences on record to show that the audit fee was fixed as Rs.5,000/- only.

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3.20. Further, it was also seen that the said amount of Rs.5,000/- had already been paid by RWA and this fact had been confirmed by the Respondent also in his email dated 10th May,2019 to the incoming auditor of RWA that the audit fee was verbally agreed of Rs.25,000/- and only part payment was made to him. Hence, in the light of the above facts where there is no document/evidence on record for the agreed audit fee of Rs.25,000/- as claimed by the Respondent, the objection raised (without any document in hand for the agreed amount of Rs.25,000/-) by him to the incoming audit vide his email dated 10th May,2019 on this ground (i.e., the fee was verbally agreed of Rs.25,000/- and only part payment was made to him) is unreasonable and unbecoming of a Chartered Accountant on the part of the Respondent making him prima facie **Guilty** of other misconduct falling within the meaning of Clause (2) of Part IV of First Schedule to the Chartered Accountants Act, 1949.

3.21. Accordingly, the Director (Discipline) in his Prima Facie Opinion dated 07th January 2021 opined that the Respondent was Prima Facie **Guilty** of Professional and Other Misconduct falling within the meaning of Clause (2) Part - IV of the First Schedule and Clause (1) of Part -II of the Second Schedule to the Chartered Accountants Act, 1949. The said Clauses of the Schedule to the Act, states as under:

Clause (2) of Part IV of the First Schedule:

"A member of the Institute, whether in practice or not, shall be deemed to be guilty of other misconduct, if he:

x x x x x
 (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."

Clause (1) of Part II of the Second Schedule:

"A Chartered Accountant in practice shall be deemed to be guilty of professional misconduct if he:

x x x x
 (1) discloses information acquired in the course of his professional engagement to any person other than his client so engaging him, without the

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consent of his client or otherwise than as required by any law for the time being in force;

3.22. The Prima Facie Opinion formed by the Director (Discipline) was considered by the Disciplinary Committee in its meeting held on 10th august 2022. The Committee on consideration of the same, concurred with the reasons given against the charges and thus, agreed with the prima facie opinion of the Director (Discipline) that the Respondent was prima facie **GUILTY** of Professional and Other Misconduct falling within the meaning of Clause (1) of Part – II of the Second Schedule and Clause (2) of Part (IV) of the First Schedule to the Chartered Accountants Act, 1949. and accordingly, 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	06 th June 2019
2.	Date of Written Statement filed by the Respondent	17 th December 2019
3.	Date of Rejoinder filed by the Complainant	25 th January 2020
4.	Date of Prima Facie Opinion Formed by Director (Discipline)	07 th January 2021
5.	Written Submissions filed by the Respondent after PFO	06 th October 2022

5. **Further Written submissions filed by the Respondent: -**

The Respondent vide letter dated 6th October 2022 inter-alia, made the submissions which are given as under:-

5.1 No audit report was issued. The audit report used by the Complainant was obtained by false means and should not be considered as an "audit report issued through proper channel.

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- 5.2 The auditee has deliberately abstained to sign and revert the engagement letter Shared through email dated 12th July 2018 and further requested through email dated 5th September 2018. On this ground itself the act of auditee is not warranted, and he is not eligible to obtain any audit report on 11th August 2018.
- 5.3 The auditee has deliberately and consciously given an incorrect letter of representation on 11th August 2018 at 21:56 PM through email and specifically denied getting it signed from majority members as requested through email dated 11th August 2018. In the email dated 11th August, 2018, it specifically asked to remove the name of Mr. Debdas as he was not a member and was not authorized to sign the letter of representation.
- 5.4 The auditee has not answered any of the queries on merits and constantly tried to get an audit report without answering queries and by threatening to file this complaint.
- 5.5 No engagement letter was signed and returned by Complainant till 5th September 2018, but he used the audit report on 11th August 2018.
- 5.6 Complainant is a proven criminal in police records as well as convicted by other government authorities too. Here he has cheated purposefully but didn't succeed because of the ICAI code of conduct for getting NOC from the previous auditor.

6. **Brief facts of the Proceedings:**

- 6.1 The details of the hearing(s)/ meeting(s) fixed and held/adjourned in said matter is given as under:

S.No.	Date of meeting(s)	Status
1	22nd May 2023	Adjourned in the absence of Complainant and Respondent.
2	26 th August 2025	Part heard and adjourned at the request of the Complainant.
3	09 th September 2025	Adjourned at the request of the respondent.
4	03 rd October 2025	Hearing concluded and decision taken

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- 6.2. On the day of hearing on 22nd May 2023, the Committee noted that the Counsel for the Respondent was present. The office apprised the Committee that the Complainant was not present and notice of listing of the case has been served upon him. Thereafter, in the absence of the Complainant and the Respondent, the Committee adjourned the captioned matter to a later date so as to provide one more opportunity to the Complainant and the Respondent.
- 6.3. On the day of hearing on 26th August 2025, the Committee noted that the Respondent was present through VC and appeared before it. The Committee further noted that the complainant had sent an email on the date of hearing, seeking an adjournment on the ground of his father's ill health and stating that he would be unable to appear before the Committee. Being first hearing of the case, the Respondent was put on Oath. Thereafter, the Committee enquired from the Respondent as to whether the Respondent was aware of the Charges against him and Whether he Pleads Guilty. The charges as contained in prima facie opinion were also read out. On the same, the Respondent replied that he is aware of the charges and pleaded 'Not Guilty' to the charges Levelled against him. The Committee then directed the Respondent to make his submissions. The Respondent submitted that he had appointed an Authorized Representative to appear in the matter but Representative was not available on the date of hearing. The Respondent thus requested the Committee to adjourn the matter. The Committee, acceding to the request of Respondent, adjourned the matter.
- 6.4. On the day of hearing on 09th September 2025, the Committee noted that Mr. Markanday Mishra, Secretary, Express View Apartments RWA, vide email dated 08.09.2025 informed that the Association wanted to change its authorised representative for which copy of resolution passed in the meeting held on 29.11.2024 was enclosed; and it was also informed that the Association had also decided to withdraw the instant complaint and did not want to proceed. Noting the same, the Committee directed that the name of new authorised representative now communicated by RWA be taken on records and notice for future hearings be sent to him. Thereafter, noting the request of Respondent seeking adjournment, the Committee acceded to the said request of the Respondent and granted adjournment.

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- 6.5. On the day of hearing on 03rd October 2025, the Committee noted that the Complainant and Respondent were present in person and appeared before it. The Office apprised the Committee that the Secretary of Express View Apartments, RWA vide e-mail/letter dated 08th September 2025 informed that the Association wants to change its authorised representative for which copy of resolution passed in the meeting held on 29.11.2024 was enclosed; and it was also informed that the Association had also decided to withdraw the instant complaint and does not want to proceed.
- 6.6. The Committee noted that in its meeting held on 09th September 2025, the above development was noted and also directed that the name of new authorised representative now communicated by RWA be taken on records and notice for future hearings be sent to him. The Committee further noted that the Secretary of Association vide letter dated 15.09.2025 submitted the original documents and informed that the complaint was lodged by the Association through its authorised representative i.e. Mr. Sujit Kumar Pandey. However, the Association has changed its authorised representative for which the resolution was passed in the meeting dated 29th November 2024. The Resolution was also passed in the Board Meeting of RWA that the complaint filed against CA Sumit Khandelwal with ICAI be withdrawn. The Board further passed resolution and authorised Shri Rakesh Pati Tripathi (Member-RWA) to act, represent and appear on the behalf of 'Express View Apartments Residents' Association in connection with instant complaint before Disciplinary Committee of ICAI. Accordingly, the authorisation earlier granted Shri Sujit Kumar Pandey to represent the Association in the instant complaint was withdrawn in the Meeting of the Governing Body of the Association.
- 6.7. The Committee further noted that the erstwhile authorised representative of the Society, Mr. Sujit Pandey, vide email dated 29.09.2025, raised objections on the validity of the newly constituted Management Committee of RWA and representation capacity of the new authorised representative, Shri Rakesh Pati Tripathi. In this regard, the Committee observed that although Mr. Sujit Pandey has disputed the constitution of the new Management Committee, he has neither produced any evidence to substantiate his claims nor submitted any order from a competent authority demonstrating that the resolution passed on 29th November 2024 was invalid. Accordingly, in the absence of any supporting documents, the Committee

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decided not to take the cognizance of the email communication received from Mr. Sujit Pandey.

- 6.8. Thereafter, the Committee directed the parties to make submissions. The Complainant submitted that the newly constituted Management Committee wished to withdraw the present Complaint against the Respondent. Upon due consideration, the Committee observed that, in view of the gravity of the allegations levelled against the Respondent, it would be appropriate to examine the matter on its merits. Accordingly, the Committee did not accede to the request of the Complainant for withdrawal and decided to hear the submissions of the Respondent in the matter. Accordingly, the Respondent made his submissions in the matter. Thereafter, the Committee concluded hearing in the matter and took decision on the conduct of the Respondent.

7. **Findings of the Committee: -**

The Committee noted the background of the case as well as oral and written submissions made by the Complainant and Respondent, documents / material on record and gives its findings as under: -

- 7.1 The Committee noted for **first charge** that the Respondent vide email dated 29/05/2019 informed the Society that the Audit Report dated 11-07-2018 was not the final one but a draft version of it. The Committee perused the same and noted that it was a duly stamped and signed Audit Report with no fact mentioned over it is giving any impression that it was a draft version. Thus, the Committee was of the view that the Audit Report dated 11-07-2018 was not in any manner in the nature of draft audit report. In this regard the Committee referred to para – 3 of the "Guidance Note on Issuance of Revised Audit Report" of ICAI which clearly reads that the auditor under no circumstances is permitted to withdraw in any manner whatsoever the audit report once issued. Further, the Guidance Note also refers to the fact that in case any revision is required in an earlier issued audit report then it has to be in a prescribed manner. The Committee took note of the fact that the Respondent before disowning his earlier issued full fledged signed and stamped Audit Report dated 11-07-2018 did not ensure to prevent reliance on such audit report by any stakeholders despite the fact that the said audit report had already been adopted in the General Body meeting

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of RWA on 12-08-2018. The Committee noted that the information contained in the allegation that the Respondent had issued audit reports four times with fresh qualifications and negative observation is not factually correct as per records.

- 7.2 The Committee also noted the reasoning/defence of the Respondent behind rejecting his initially issued Audit Report dated 11-07-2018 that the audit queries raised by him vide his letter dated 10-07-2018 was unresolved and hence the audit was not yet completed. The Committee however, did not find the defence convincing looking into the facts on record that the letter dated 10-7-2018 (acknowledged by Mr. Raj Kumar, the then Secretary of RWA) itself has been disputed by Mr. Raj Kumar vide his letter dated 29-06-2020 to Directorate and, that after issuing Audit report no evidence of any communication took place between the Respondent and the RWA till 29-5-2019, is on record. The Committee also took note of Mr. Piyush Tripathi's email dated 13-08-2018 wherein the very next day of AGBM of RWA he shared his experience of audit along with an advice to take corrective steps on the basis of audit and also mentioned the engagement letter of Respondent for the next F.Y. 2018-19. This email itself, in view of the Committee, is an indication that the audit for the F.Y. 2017-18 was already concluded and submitted.
- 7.3 The Committee also noted the affidavit dated 06-10-2022 filed by Mr. Piyush Tripathi offering that the audit was in process in the month of August,2018 and the audit report was shared by Respondent to him to check its content. Later it was shared by him (Mr. Piyush Tripathi) in good faith to the Complainant, the then President of RWA over WhatsApp only. The Committee was of the view that if in case the Audit Report was issued for its verification only then the Respondent being a professional should have refrained himself from issuing it in a formal manner i.e. after signing and affixing his stamp thereon. Therefore, the Committee further viewed that the Respondent after issuing a formal Audit report could not have withdrawn it merely stating that it was not the final Audit Report.
- 7.4 The Committee observed that there was failure on the part of Respondent to file a police complaint against Mr. Piyush Tripathi which was a significant lapse in his professional conduct. This raised doubts about the Respondent's claims of fraudulent sharing of the audit report by Mr. Piyush Tripathi. The Committee further

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observed that the lack of clear communication and documentation regarding the draft audit report and its qualifications was totally unprofessional and is not expected from a Chartered Accountant. The Committee noted that the auditor did not take adequate steps to inform the RWA or other stakeholders about the alleged fraudulent actions, which could have mitigated the situation. The Committee further noted that the Respondent allowed Mr. Piyush Tripathi to handle significant aspects of the audit process, including communication with RWA, sharing audit reports, and addressing audit queries. This overreliance raises concerns about whether the Respondent exercised proper supervision and control over the audit process itself. The Committee observed that the Respondent shared a signed and stamped audit report with Mr. Piyush Tripathi, who was allegedly acting as an audit coordinator; and sharing of such signed report without ensuring its finality and proper issuance to RWA demonstrates a lack of due diligence and professional care. The Committee thus concluded that the Respondent's actions demonstrated lack of due diligence and misconduct on his part in handling the audit report. The Committee therefore finds the Respondent **Guilty** of Professional and Other misconduct falling within the meaning of Clause (1) of Part – II of the Second Schedule and Clause (2) of Part (IV) of the First Schedule to the Chartered Accountants Act, 1949.

- 7.5 The Committee noted the **second allegation** that the Respondent had falsely informed to CA Kapindra Tiwari, the incoming auditor for the F.Y. 2018-19 that the audit fee pertaining to F.Y.2017-18 was Rs.25,000 and it was partially pending. In this regard the Committee noted the Audit fee mentioned on Respondent's engagement letter dated 25-06-2019 which was Rs.5000 and further even in the Financial Statements of RWA it was booked with the same amount. On perusal of email dated 10-05-2019 sent by Respondent to CA. Kapindra Tiwari, the incoming auditor the Committee noted that the audit fee of Rs.25,000 as contended by Respondent was merely a verbally agreed fee with no substantiated evidence on record. The Committee finally noted Respondent's admission during hearing that the audit fee was Rs.5,000 only. Thus, the Committee was of the view that Respondent's objection to incoming auditor's email on account of any unsubstantiated audit fee, was totally unprofessional. Therefore, the Respondent is **Guilty** of other misconduct falling within the meaning of Clause (2) of Part IV of First Schedule to the Chartered Accountants Act, 1949.

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8. **Conclusion:**

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 2.1 as above	Para 7.1 to 7.4 as given above -	GUILTY - Clause (2) Part - IV of the First Schedule and Clause (1) of Part - II of the Second Schedule.
Para 2.2 as above	Para 7.5 as given above	GUILTY - Clause (2) of Part IV of First Schedule

9. In view of the above observations, considering the oral and written submissions of the Complainant and Respondent and material on record, the Committee held the Respondent **GUILTY** of Professional & 'Other' Misconduct falling within the meaning Clause (2) Part - IV of the First Schedule and Clause (1) of Part - II of the Second Schedule to the Chartered Accountants Act, 1949.

Sd/-
(CA. PRASANNA KUMAR D)
PRESIDING OFFICER

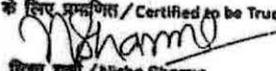
Sd/-
(Adv. VIJAY JHALANI)
GOVERNMENT NOMINEE -

Sd/-
(CA. MANGESH P. KINARE)
MEMBER

Sd/-
(CA. SATISH KUMAR GUPTA)
MEMBER

DATE: 05th January 2026

PLACE: Noida

सत्यापित होने के लिए प्रमाणित / Certified to be True Copy

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