



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/G/244/17/DD/321/2017/DC/1788/2023]

In the matter of:

**Shri Anil Singh,
Superintendent of Police,
Central Bureau of Investigation,
EOU-V-EO-II, New Delhi,
4th Floor, B-Wing,
CBI Headquarters,
5-B, Lodhi Road,
New Delhi – 110 003**

.... Complainant

Versus

**CA. Anil Kumar (M. No. 090894)
306, Kiran Mansion,
4834/24,
Ansari Road,
Darya Ganj,
New Delhi – 110 002**

.... 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



भारतीय सनदी लेखाकार संस्थान

(संसदीय अधिनियम द्वारा स्थापित)

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

(Set up by an Act of Parliament)

Cases) Rules, 2007, the Disciplinary Committee was inter-alia of the opinion that **CA. Anil Kumar (M. No. 090894)** (hereinafter referred to as the **Respondent**) is **GUILTY** of Professional Misconduct falling within the meaning of Clause (7) of Part I of 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 12th January 2026 on the Findings of the Committee. The Committee noted the verbal and written representation of the Respondent dated 12th January 2026 on the Findings of the Committee, which, inter alia, are as under: -

- The Respondent has consistently denied those signatures while admitting his signature only on Invoice No. 112. A bona fide denial of authorship cannot amount to misconduct.
- There is no evidence that the VAT returns allegedly forged and found in the Bank records were the same documents ever verified or signed by the Respondent. In the absence of proof linking the Respondent to those documents, attribution of responsibility is unsustainable.
- Visual comparison of signatures without expert evidence is unwarranted, particularly when the disputed signatures materially differ from the Respondent's admitted signatures.
- Several findings rely on speculative inferences regarding due diligence, document retention, seal usage, and non-filing of an FIR. These grounds were neither part of the original charge nor put to the Respondent, violating principles of natural justice.
- The Respondent has acted bona fide, cooperated fully with all authorities, and promptly informed the CBI. Neither the Bank nor the CBI have alleged wrongdoing to him. As no



भारतीय सनदी लेखाकार संस्थान
(संसदीय अधिनियम द्वारा स्थापित)
THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA
(Set up by an Act of Parliament)

professional misconduct is established, it is prayed that no penalty be imposed and the matter be closed with a lenient view.

4. The Committee considered the reasoning as contained in the Findings holding the Respondent 'Guilty' of Professional 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. 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 held that the Respondent was appointed by Bank of Baroda to verify VAT and Income Tax Returns of borrowers, including M/s S.K. Traders. During investigation, it was found that the VAT returns submitted to the Bank and verified by the Respondent were forged and materially different from those filed with the VAT Department. The Respondent admitted having raised Bill No. 112 dated 03rd October 2013 towards professional fees and, apart from a mere denial, did not produce any corroborative evidence to establish that his signatures on the disputed documents were forged.

6. The Respondent was appointed by the Bank for the specific purpose of verification of VAT and Income Tax Returns of borrowers. The Respondent was required to exercise a high degree of care, caution, and professional diligence while checking and verifying the returns. However, the Respondent did not discharge the said responsibility with the required level of diligence and professional care expected in such assignments.

7. Moreover, the Respondent admitted to not retaining office copies of the certified VAT returns, which proved to be a fundamental professional requirement. The Committee also observed that despite alleging forgery of his signatures, the Respondent did not file any police complaint and merely relied on an email sent to the CBI, which was considered insufficient. Hence, the Professional Misconduct on the part of the Respondent is clearly established as spelt

M

CA



भारतीय सनदी लेखाकार संस्थान
(संसदीय अधिनियम द्वारा स्थापित)

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

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 Misconduct.

9. Thus, the Committee upon considering the seriousness of charges and the gravity of the matter, ordered that the Respondent i.e. CA. Anil Kumar (M. No. 090894), New Delhi be REPRIMANDED and removed his name from the Register of Members for a period of two (02) months and also imposed a fine of Rs. 1,00,000/- (Rupees One lakh only) upon him which shall be paid within a period of 60 (sixty) days from the date of receipt of the order.

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

सत्यापित होने के लिए प्रमाणित / Certified to be True Copy

Charan Singh

चरण सिंह / Charan Singh

कार्यकारी अधिकारी / Executive Officer

अनुशासनारणक निदेशालय / 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.)

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/G/244/17/DD/321/2017/DC/1788/2023]

In the matter of:

**Shri Anil Singh,
Superintendent of Police,
Central Bureau of Investigation,
EOU-V-EO-II, New Delhi,
4th Floor, B-Wing,
CBI Headquarters,
5-B, Lodhi Road,
New Delhi – 110 003**

.....Complainant

Versus

**CA. Anil Kumar (M. No. 090894)
306, Kiran Mansion,
4834/24,
Ansari Road,
Darya Ganj,
New Delhi – 110 002**

.....Respondent

MEMBERS PRESENT (in person):

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

DATE OF FINAL HEARING : 07th November 2025

PARTIES PRESENT:

**Respondent : CA. Anil Kumar (through VC)
Counsel for Respondent: Advocate T M Shiva Kumar along with Advocate Sanjana
(Through VC)**

1. Background of the Case:

- 1.1. The Complainant alleged that their office has registered a criminal case vide RC 220/2016/E0023 on 27/12/2016 against (1) M/s S.K. Traders (Prop Firm), Faridabad (2) Shri Mool Chand Gupta, Proprietor of M/s S.K. Traders and (3) Shri Anil Saxena and unknown

others on the basis of a written complaint received from Shri Ravi Kant Thakral, DGM, Bank of Baroda, Regional Office (DMR-1), New Delhi for commission of offence punishable u/s 120-B r/w Sec. 420, 468 & 471 of IPC and substantive offences thereof.

- 1.2. It was alleged in the FIR that Shri Moolchand Gupta, proprietor of M/s S.K. Traders obtained credit facility from SME, DMR-1, Bank of Baroda (hereinafter referred to as **Bank**) by submitting forged documents such as VAT Returns and Balance Sheets. Shri Moolchand Gupta fraudulently and dishonestly induced the Bank to sanction the credit facility and thereby has defrauded the bank to the extent of Rs 534 lacs (Approx) and caused wrongful gain to himself and wrongful loss to the bank.
- 1.3. The Complainant also submitted on record the statement of Shri Rajesh Kumar, Excise & Taxation Officer, Faridabad East, Faridabad, wherein he stated that he was shown the VAT returns of M/s S.K. Traders for the period from 1-4-2012 to 30-6-2013. The said VAT returns submitted in the bank were not the same as filed by the dealer in their office and were totally different.

2. **Charges in brief:**

- 2.1 The service of the Respondent firm had been taken by Bank of Baroda for verifications of VAT returns for the period from 01.04.2012 to 30.06.2013 of accused firm, M/s. S.K. Traders and Income Tax Returns of its Proprietor for 2011-12 and 2012-13 which were submitted by the proprietor to Bank of Baroda while availing the questioned cash credit limit. During the investigation, it was found that the Respondent firm verified the VAT returns of the firm and Income Tax Returns of the accused vide his reports dated 11.09.2013. However, the verified VAT returns were found forged during the investigation. The Respondent during investigation denied of signing the said reports though he stated that he raised bills to the bank for verifying the VAT and IT Returns. It was alleged that the Respondent deliberately did not identify the signature on the verification reports verified by him.

3. **The relevant issues discussed in the Prima Facie Opinion dated 15th December, 2022 & 11th February 2019 formulated by the Director (Discipline) in the matter in brief, are given below:**

- 3.1 On perusal of self-contained note along with copy of "Notice to witness" provided by the Respondent, it seems that the Respondent has not been made an accused in the criminal case filed by the Complainant department in the alleged matter and he had been made only a witness as he is acquainted with the circumstances of the case.

3.2 However, the Respondent by revealing the fact that he had signed the Bill No.112 which was raised against the verification of VAT Returns of M/s. S.K. Traders and Income Tax Returns of Shri Mool Chand, admitted that he had provided service of verification of VAT returns of M/s. S.K. Traders to the Bank of Baroda. But the Respondent neither provided copy of VAT Returns which were actually verified by him for Bank of Baroda nor the verification report which had actually been submitted by him to the Bank of Baroda after verification of VAT returns under question. Moreover, the Respondent had not filed any police complaint against the forgery done in his name which raises doubt on the claim made by the Respondent that he had not signed alleged VAT verification report.

3.3 In view of above facts, at this stage, benefit cannot be extended to the Respondent merely based on his denial of having not signed the verification report as provided by the Complainant department. Hence, the matter was required to be examined further.

3.4 The Director (Discipline) vide his Prima Facie Opinion dated 11th February, 2019 held the Respondent **Guilty** of Professional Misconduct falling within the meaning of Clause (7) of Part I of the Second Schedule to the Chartered Accountants Act, 1949. The Prima Facie Opinion of Director (Discipline) was considered by the Disciplinary Committee in its meeting held on 28th & 29th August, 2019. However, after consideration of the aforesaid Prima Facie Opinion, decided to refer back the matter for further investigation in terms of Rule 9(2)(c) of CA Rules 2007. While referring back the matter, the Committee directed to call for certain documents from the Complainant and the Respondent.

3.5 Thereafter, the Director (Director) in his further Prima Facie Opinion dated 15th December 2022 viewed that the Respondent failed to bring on record copy of Police complaint filed by him for alleged forgery of his signature on Verification Report and VAT returns despite the same being specifically asked from him. Further, the defence adopted by the Respondent was not supported with the documentary evidence. Hence, no benefit can be granted to the Respondent merely because he claimed that his signature had been forged on the Verification Report and VAT Returns of M/s. S.K. Traders. Thus, there was no change in the Prima Facie View as expressed in the Prima Facie Opinion dated 11th February, 2019.

3.6 Accordingly, the Director (Discipline) in his Prima Facie Opinion dated 11th February, 2019 and 15th December 2022 opined that the Respondent was prima facie **Guilty** of Professional Misconduct falling within the meaning of Clause (7) of Part I of the Second Schedule to the Chartered Accountants Act, 1949: The said Clause of the Schedule to the Act, states as under:

Clause (7) of Part I of the Second Schedule:

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

(7) does not exercise due diligence or is grossly negligent in the conduct of his professional duties."

3.7 The Prima Facie Opinion formed by the Director (Discipline) was considered by the Disciplinary Committee in its meeting held on 09th June 2023. The Committee on consideration of the same, concurred with the reasons given against the charge(s) and thus, agreed with the Prima Facie opinion of the Director (Discipline) that the Respondent is GUILTY of Professional Misconduct falling within the meaning of Clause (7) of Part-I of Second 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	03 rd November 2017
2.	Date of Written Statement filed by the Respondent	18 th January 2018
3.	Date of Rejoinder filed by the Complainant	Not Filed
4.	Date of Prima Facie Opinion formed by Director (Discipline)	15 th December 2022 & 11 th February 2019
5.	Written Submissions filed by the Respondent after Prima Facie Opinion	10 th August 2023
6.	Written Submissions filed by the Complainant after Prima Facie Opinion	Not Filed

5. **Written Submissions filed by the Respondent: -**

The Respondent vide letter dated 10th August 2023 has made the following submissions:

Ⓟ

CSA

5.1 Upon investigation, the Complainant (CBI) found discrepancies between the VAT returns submitted to the VAT authorities and those given to Bank of Baroda for the period 01.04.2012 to 30.06.2013. The Respondent, who had provided verification services for VAT returns and ITRs to the Bank of Baroda, was summoned by the CBI on 24.05.2017 at 10:00 a.m. and shown the following documents:

1. Copies of five VAT returns of M/s S.K. Traders (for 01.04.2012 to 30.06.2013)
2. Copy of ITRs of Shri Mool Chand Gupta.
3. Copy of alleged verification report dated 11.09.2013.
4. Copy of Bill No.112 dated 03.10.2013 for ₹20,791 (₹14,000 for VAT verification, ₹4,500 for ITRs verification)
5. Copies of five invoices (Nos. 157, 158, 159, 169, and 170) allegedly issued by the respondent for VAT verification services.

The respondent confirmed signature only on Invoice No.112 dated 03.10.2013 and categorically denied signatures on all other documents.

5.2 The CBI officer accepted the submission and directed him to email, details of the proceedings, which were held on 12.06.2017. In the email dated 12.06.2017, the respondent stated as under:

- i. His firm, Anil Ram & Associates, had long been empanelled by Bank of Baroda for verification of ITRs.
- ii. Staff used to collect documents from bank branches and verify them either online (for e-filed returns) or manually (for paper-filed returns).
- iii. After verification, documents were signed, returned to the branch with verification reports, and bills for professional charges were raised.
- iv. In this case, when shown VAT returns, ITRs, and verification reports, only Bill No.112 bore his genuine signature; other documents were not signed by him.
- v. No payment was received for Bill No.112.
- vi. Verification work for Bank of Baroda was discontinued after 23.10.2013 due to lack of staff and time.

5.3 On 01.08.2018, Director (Discipline) asked for a copy of a complaint/FIR filed by the him regarding forgery of his signature. Respondent replied that he had already informed CBI verbally and through email dated 12.06.2017 about the forgery of his signatures.

5.4 Allegations of the Complainant are based purely on suspicion. The Complainant never prosecuted the Respondent, indicating absence of incriminating evidence. CA

(P)

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

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

S. No.	Date of meeting(s)	Status/remark
1	18 th August 2023	Part heard and adjourned.
2	18 th September 2024	Adjourned at the request of Respondent
3	15 th October 2025	Adjourned at the request of Respondent
4	29 th October 2025	Part heard and adjourned.
5	07 th November 2025	Hearing concluded and decision taken

6.2 On the day of hearing held on 18th August 2023, the Committee noted that the Respondent along with the Counsel was present in person and appeared before it. The office apprised the Committee that the Complainant was not present and notice of listing of the case has been served upon him. Being first hearing of the case, the Respondent was put on oath. Thereafter, the Committee enquired from the Respondent as to whether he was aware of the charges and then charges against the Respondent were read out. On the same the Respondent replied in the affirmative and pleaded Not Guilty to the charges levelled against him. In the absence of the Complainant and in view of Rule 18(9) of the Chartered Accountants (Procedure of Investigation of Professional and Other Misconduct and Conduct of Cases) Rules, 2007, the Committee adjourned the case to a later date. With this, the case was part heard and adjourned.

6.3 On the day of hearing(s) held on 18th September 2024, the Committee noted that in the captioned case, the Respondent vide mail dated 12.09.2024 had sought an adjournment on account of him being busy due to pendency of Audit work on the date of the hearing. Acceding to the above request of the Respondent, the Committee adjourned the captioned case to a future date. The Committee also directed the office to inform the Respondent to appear before it at the time of next listing and in case of his failure to appear, the matter would be decided ex-parte based upon the documents and materials available on record. With this, the case was adjourned to a future date.

6.4 On the day of next hearing held on 15th October 2025, the Committee noted that the Respondent had sought an adjournment vide email dated 10/10/2025 due to personal difficulty in attending the hearing on the said date and time. Acceding to the request of the

①

②

Respondent, the Committee adjourned the said case to a future date. With this, the case was adjourned.

- 6.5 On the day of next hearing held on 29th October 2025, the Committee noted that the Counsel for Respondent was present and he denied the allegations, asserting that his signature was forged on several documents, including VAT returns and invoices, except for invoice number 112, which he admitted as genuine. He argued that the discrepancies in formatting and signatures between the invoices he retained and those presented by the CBI indicate forgery. The Respondent emphasized that he had no connection with the alleged fraudulent activities and maintained that the onus of proving the authenticity of the signatures lies with the complainant. The Committee raised concerns about the similarity of seals and signatures across documents, questioning the Respondent's claim of forgery.

After recording the submissions of the Counsel for the Respondent, the Committee adjourned the matter to a later date.

- 6.6 On the day of hearing held on 07th November 2025 the Committee noted that the Respondent along with Counsel for Respondent were present. The Respondent's counsel submitted that there is no evidence linking the Respondent to the forged documents, emphasizing that the CBI itself acknowledged the lack of clarity regarding the source of the forged documents. Furthermore, the Respondent denied any association with the accused individuals or involvement in fraudulent activities, asserting that the allegations are based on assumptions.

The Counsel stated that the Respondent acted diligently in his professional capacity and that the allegations of negligence are unfounded. The Committee noted that the Respondent did not file a police complaint against the alleged forgery.

- 6.7. Based on the documents/material and information available on record and the oral and written submissions made by the Respondent, and on consideration of the facts of the case, the Committee concluded the hearing in subject matter and took the decision on the conduct of the Respondent

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

- 7.1 The Committee noted that there is one allegation against the Respondent in which has been held Prima Facie Guilty, and the same has been explained in para 2.1 above. 

④

- 7.2 The Committee perused the submissions of the Respondent and documents brought on record. The Committee noted that the Respondent was appointed by Bank of Baroda for the task of verification of VAT and Income Tax Returns of its various borrowers. These returns were submitted by the proprietor of M/s. S.K. Traders for availing cash credit loan from the bank. The Complainant during the investigation, came to know that verified VAT returns submitted for verification were forged which was not pointed out by the Respondent in his report. In support of said allegation, the Complainant department submitted a copy of statement of the excise officer stating therein that VAT Returns submitted in the bank are not same as filed by the Proprietor of M/s. S.K. Traders with their office and are totally different. The Committee further noted that the Complainant raised allegation in respect of VAT returns only and did not point out discrepancy in respect of verification of Income Tax Returns, hence, the Committee gives its findings in context of verification of VAT returns by the Respondent.
- 7.3 The Committee noted the submissions made by the Respondent at Prima Facie stage and before the Committee during the hearing. The Committee observed that the Respondent admitted that he was appointed by the Bank for verification of VAT returns of M/s. S.K. Traders and he had verified the same and thereafter he had raised bill no. 112 dated 03.10.2013 for professional charges. The Committee also noted a vital fact that except said bill, the Respondent has denied having signed any other documents/report brought on record by the Complainant Department.
- 7.4 The Committee further noted that except simple denial of having not signed the VAT verification return/report, the Respondent has not produced any corroborated evidence that his signatures on submitted VAT returns, bills and reports were forged by someone. The Committee noted that Bill no. 112 raised by him for his professional fees, but it is strange to note that he had denied his signatures on VAT returns and reports.
- 7.5 Thereafter, the Respondent has made a request to the Committee to examine the certain persons/officials as witness like the officials of bank of Baroda and Shri Rajesh Kumar, Excise & Taxation Officer, Faridabad East, Faridabad, who in his statement had stated that he was shown the VAT returns of M/s S.K. Traders for the period from 1-4-2012 to 30-6-2013 and said VAT returns submitted in the bank were not the same as filed by the dealer in their office and were totally different. The Committee noted that the Respondent has not given valid reasons for examination of said witness and did not corroborate the relevance of these witness.. Thus, calling for examination of witness was not warranted as the documents/evidence placed on record are ample for the purpose of consideration of the matter. The Committee, on consideration, was of the view that the said request was clearly

④

CA

made for the purpose of vexation and delay and therefore, be refused in view the provisions of Rule 18(14) of the Chartered Accountants (Procedure of Investigation of Professional and Other Misconduct and Conduct of Cases) Rules, 2007.

- 7.6 The Committee perused the VAT returns submitted by M/s. S.K. Traders to bank which were verified by the Respondents and the VAT returns submitted with the VAT Department and following difference in the figures of total sales were noted:-

Sl. No.	Period	Sales as per Quarterly VAT Returns verified by the Respondent and submitted to bank as alleged by the Complainant (Rupees)	Sales as per originally filed Quarterly VAT Returns filed with VAT Department (Rupees)
1.	01.04.2013 to 30.06.2013	12,06,18,940	Not available
2.	01.01.2013 to 31.03.2013	11,91,13,600	1,94,40,320
3.	01.10.2012 to 31.12.2012	12,05,66,259	1,61,31,132
4.	01.07.2012 to 30.09.2012	11,78,52,315	1,59,82,406
5.	01.04.2012 to 30.06.2012	11,59,10,477	1,54,02,059

- 7.7 From the above table, the Committee noted that there was huge difference in the figures of VAT returns submitted by M/s. S.K. Traders to the bank and the original VAT returns submitted with the VAT Department. However, the Respondent denied that he had issued the alleged report on verification of VAT returns and denied of having signed VAT Returns.
- 7.8 Thereafter, the Committee noted that the Respondent by revealing the fact that he had signed the Bill No.112 which was raised against the verification of VAT Returns of M/s. S.K. Traders and Income Tax Returns of Shri Mool Chand, this amounts to his admission that he had provided service of verification of VAT returns of M/s. S.K. Traders to the Bank of Baroda. But the Respondent neither provided copy of VAT Returns which were actually verified by him for Bank of Baroda nor the verification report which has actually been submitted by him to the Bank of Baroda after verification of VAT returns under question. Moreover, the Respondent has not filed any police complaint against the forgery done in his name which raises doubt on the claim made by the Respondent that he had not signed alleged VAT verification report, except showing an email sent to CBI in this regard on 12.06.2017

Ⓟ

GR

- 7.9 The Committee observed that the Respondent submitted that there is no report of any signature/forensic expert, which might prove that signatures on these documents pertains to the Respondent. In view of these submissions, the Committee was of the view that neither the Complainant Department nor the Respondent has brought on record any such report in support of their allegation/defense. The Committee was of the view that it is not the necessary for the Committee to seek such kind of evidence i.e. report of handwriting/forensic expert at its own. Further, the Committee noted that the Respondent has accepted that he had issued a bill for professional fees, which is on record and on comparing the signatures contained on this bill with alleged documents, prima facie with bare eyes, seems to be similar. Furthermore, it is duty of the Respondent to establish with authenticated document that signatures on alleged VAT returns are forged by someone.
- 7.10 The Committee noted that the Complainant also submitted on record the statement of Shri Rajesh Kumar, Excise & Taxation Officer, Faridabad East, Faridabad, wherein he stated that he was shown the VAT returns of M/s S.K. Traders for the period from 1-4-2012 to 30-6-2013. The said VAT returns submitted in the bank were not the same as filed by the dealer in their office and were totally different, but the Respondent has not made any submissions on this issue.
- 7.11 The Committee noted that the respondent admitted that he did not retain copies of the VAT returns he certified, which is a fundamental requirement for professionals engaged in verification and certification services. The Committee observed that the absence of such records, raises serious concerns about the respondent's adherence to professional standards and his ability to substantiate his claims of forgery.
- 7.12 The Committee noted that the examination of invoices for rendering services highlighted significant discrepancies between the invoices submitted by the Respondent and those found in the records of the Bank of Baroda. While the Respondent provided copies of invoices from his own records, the formatting and details of these invoices differed from those in the bank's possession. Such discrepancies suggest that the Respondent either was not maintaining the office copies of the invoices or the invoices on his record were prepared afterwards, by the Respondent.
- 7.13 Further, the Committee noted that the seal used on the allegedly forged documents was identical to the seal used by the respondent's firm, including a typographical error in the spelling of "Accountants." This raises a strong presumption that the seal was either provided by the respondent or negligently handled, allowing it to be misused. The Committee also

④

④

noted the inconsistencies, such as the use of "M/s" for addressing the Chief Manager, which is atypical for Chartered Accountants.

7.14 The Committee noted that the Respondent acknowledged that his signature on one invoice was genuine but denied the authenticity of signatures on other documents. However, the examination of the documents revealed similarities between the disputed signatures and the respondent's admitted signature, casting doubt on his claim of forgery. The Respondent's explanation that he uses different styles of signatures was not substantiated with credible evidence.

7.15 Despite claiming that his signatures were forged, the respondent failed to file a police complaint or take any proactive steps to address the alleged forgery. The defence of the Respondent that he had informed to CBI verbally and through email dated 12.06.2017 about the forgery of his signatures, is not relevant as the Respondent was very well knowing the fact that CBI was investigating different case and no investigating authority would investigate any matter unless specific complaint made to them. In fact, the Committee was of the view that any diligent Chartered Accountant would leave no stone unturned if he comes to know that his signatures have been forged. However, the Respondent was very casual in his approach, which raises doubts whether he really wanted alleged forgery to be investigated. This inaction further undermines his defence and raises questions about his professional responsibility to protect the integrity of the documents he certifies.

7.16 Further, the respondent's counsel argued that the bank officials were responsible for maintaining proper documentation and that the respondent was being made a scapegoat in the matter. However, the Committee was of the view that allegations of the Respondent that the Bank officials themselves have forged the documents, including his invoices is farfetched allegation, especially when he is not able to produce the copy of documents signed by him. The Committee also felt that as a Chartered Accountant, the respondent had a professional obligation to exercise due care and diligence in verifying the authenticity of the documents submitted to the bank and maintaining record (office copy) of the documents certified by him. The lack of any proactive measures, such as filing a police complaint, further indicate a lack of professional responsibility on the part of the respondent. Merely casting aspersions on the Bank officials without any conclusive proof would not absolve the Respondent from his own lack of professional approach and conduct.

7.17 The respondent's defence that he is a small practitioner and that he performed his duties sincerely does not absolve him of the responsibility to adhere to the standards of professional conduct expected of a Chartered Accountant. In fact, when the Respondent had

undertaken a regular assignment to certify documents for the Bank, it is rather more important that he should have maintained complete record at his end. The respondent's role in verifying the documents was critical to the bank's decision-making process, and his negligence in this regard contributed to the fraudulent activities that caused significant financial loss to the bank.

7.18 The Committee noted that the Respondent's role in verifying VAT returns and invoices for the Bank of Baroda was critical in the process of sanctioning credit facilities. While the respondent denied any involvement in the forgery, his failure to identify the discrepancies in the documents and his lack of proper record-keeping indicate negligence in performing his professional duties. The Committee was of the view that not maintaining/producing office copies of the documents certified and not filing of the police complaint for the alleged forgery coupled with the similarities in the signatures and seal of the Respondent and identical grammatical mistakes on all the documents (mentioned above) indicate that the claim of the Respondent regarding forgery of his signature is not correct and is an afterthought.

7.19 In light of the evidence presented, including the CBI report and the observations of the Director (Discipline), the Committee concludes that the respondent failed to exercise due diligence and professional care in verifying the documents submitted to the bank.

7.20 Considering the above noted facts, the Committee was of the opinion that as the Respondent has failed to substantiate his defence that signatures on VAT verification returns/report produced by the Complainant does not pertain to him, in view of this fact, the Committee held the Respondent **GUILTY** of professional Misconduct for certifying the copies of VAT Return without verifying the genuineness of the same.

7.21 In the basis of above findings, the Committee held the Respondent **GUILTY** of Professional Misconduct" falling within the meaning of Clause (7) of Part I of the Second Schedule to the Chartered Accountants Act, 1949.

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:

①

GA

Charges (as per PFO)	Findings	Decision of the Committee
Para 2.1 as given above	Paras 7.2 to 7.21 as given above	GUILTY - Clause (7) of Part I of the of Second Schedule

9. In view of the above observations, considering the oral and written submissions of the parties and material on record, the Committee held the Respondent **GUILTY** of Professional Misconduct falling within the meaning of Clause (7) of Part-I of Second Schedule to the Chartered Accountants Act, 1949.

Sd/-
(CA. Prasanna Kumar D)
PRESIDING OFFICER

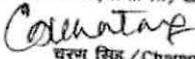
Sd/-
(Adv. Vijay Jhalani)
GOVERNMENT NOMINEE

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

Charan Singh / Charan Singh
कार्यकारी अधिकारी / Executive Officer
अनुशासनात्मक निदेशालय / 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.)