

**BOARD OF DISCIPLINE**

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

**FINDINGS OF THE BOARD OF DISCIPLINE UNDER RULE 14 (9) READ WITH RULE 15 (2) OF THE CHARTERED ACCOUNTANTS (PROCEDURE OF INVESTIGATIONS OF PROFESSIONAL AND OTHER MISCONDUCT AND CONDUCT OF CASES) RULES, 2007**

File No: PR/304/2021/DD/310/2021/BOD/714/2023

**CORAM: (PRESENT IN PERSON)**

CA. Rajendra Kumar P, Presiding Officer  
Ms. Dolly Chakrabarty, Government Nominee

**IN THE MATTER OF:**

CA. Ravi Kumar (M. No. 530439)

Malighat, Chunna Bhatti

Muzaffarpur..... Complainant

**Versus**

CA. Rupesh Kumar (M. No. 530441)

S/o Arvind Prasad

Shahi Village & Post Damodarpur

Police Station- Kanti

Via Patahi,

Muzaffarpur..... Respondent

**Date of Final Hearing** : 16<sup>th</sup> January 2026  
**Place of Final Hearing** : ICAI Bhawan, Lucknow

**PARTY PRESENT (IN PERSON):**

**Complainant** : CA. Ravi Kumar

**FINDINGS:**

**BACKGROUND OF THE CASE:**

1. As per the records available in the ICAI database, it is observed that the Complainant, the Respondent, and another Chartered Accountant, Sugam Prasad, constituted a partnership firm under the name and style of M/s. RSR Kumar and Associates with effect from 08<sup>th</sup> June 2013. The Head Office of the firm was established at Patna, Bihar, with the Respondent designated as the Head Office In-charge. Simultaneously, on the same date, a branch office of the firm was opened at Muzaffarpur, and the Complainant was appointed as the Branch In-charge of the said branch. Both the Complainant and the Respondent have continued as partners of the firm since its inception.
2. Over a period, differences and disputes arose between the Complainant and the Respondent. These disputes primarily pertain to the issue of resignation or retirement of the Complainant from the

firm, as well as allegations concerning the opening and functioning of another office by the Respondent at Muzaffarpur, despite his role as the Head Office In-charge at Patna. The disagreements between the parties gradually escalated, resulting in prolonged professional discord.

3. The Director (Discipline), vide his Prima Facie Opinion (PFO) bearing reference No. PR/304/2021/DD-310/2021 dated 09<sup>th</sup> November 2023, examined the sole allegation raised in the complaint by bifurcating the same into five distinct components, each pertaining to the applications submitted by the Respondent on the SSP portal and otherwise. The applications examined were: (i) Manual application dated 11<sup>th</sup> May 2019 for addition of a branch office; (ii) Application dated 21<sup>st</sup> December 2019 submitted on the SSP portal for change of Head Office address; (iii) Application dated 11<sup>th</sup> January 2020 submitted on the SSP portal for change of Head Office In-charge; (iv) Application dated 19<sup>th</sup> June 2021 submitted on the SSP portal for opening a second office of the Firm; and (v) Application dated 19<sup>th</sup> June 2021 submitted on the SSP portal for closure of the branch office of the Firm, along with a manual application submitted to ICAI in 2017 for conversion of the Firm's status from partnership to proprietorship. Upon examination, the Respondent was held guilty by the Director (Discipline) in respect of the Second, Fourth, and Fifth applications as mentioned above for the reasons as recorded in the said PFO which was accepted by the Board of Discipline.
4. Accordingly, the inquiry conducted by the Board of Discipline was restricted solely to the charges where the Respondent was held Prima facie Guilty.

**CHARGE ALLEGED:**

5. It is alleged that the Respondent, without obtaining the knowledge or consent of the Complainant, submitted various applications/forms to the ICAI through the SSP portal and manually, seeking changes in the constitution and particulars of the Firm, thereby acting beyond his authority. The specific applications so submitted are as under:
  - (i) Manual application dated 11<sup>th</sup> May 2019 to add Branch office.
  - (ii) Application dated 21<sup>st</sup> December 2019 on SSP to change Head office address.
  - (iii) Application dated 11<sup>th</sup> January 2020 on SSP to change Head office In charge.
  - (iv) Application dated 19<sup>th</sup> June 2021 on SSP to open Second Office of the Firm.
  - (v) Application dated 19<sup>th</sup> June 2021 on SSP to close Branch office of the Firm and a manual application to ICAI in 2017 to convert the status of the Firm from partnership to proprietorship.
6. It was further alleged that the Respondent adopted corrupt practices and misused his official position and authority as Head Office In-charge for personal gain, in violation of the terms of the Partnership Deed dated 01-08-2015 and in breach of mutual trust between the partners. Regarding the closure of the Branch Office at Malighat, Muzaffarpur, the Complainant, being the Branch In-charge, has categorically stated that he never expressed any intention to close the said branch. It is also alleged that the Respondent had earlier submitted Form-18 on 20<sup>th</sup> November 2017 for reconstitution of the Firm as a proprietorship concern, and thereafter, on 19<sup>th</sup> June 2021, again submitted Form-18 showing the status of the Firm as a partnership, thereby allegedly misleading the ICAI and making false statements before it.

**BRIEF OF PROCEEDINGS HELD:**

7. The details of the hearings fixed and held in the instant matter are given as below:

S. No.	Date of Hearing	Status of hearing
1.	01 <sup>st</sup> September 2025	Adjourned at the request of Complainant.
2.	16 <sup>th</sup> January 2026	Matter Heard and Concluded.

**SUBMISSION OF THE PARTIES:**

8. In his submission, the Respondent contended that the genesis of the dispute could be traced to an incident dated 22 October 2017, when the Complainant allegedly made a misleading telephone call to the Income Tax Officer, Muzaffarpur, falsely stating that the Respondent, along with an assessee, had threatened the said officer. The Respondent submitted that a certified copy obtained from the Income Tax Officer clearly contradicted the Complainant's version, thereby demonstrating that the allegations were false and misleading. According to the Respondent, this act amounted to a deliberate conspiracy against him and the firm and was in complete violation of the fundamental principles governing a partnership, particularly Section 9 of the Indian Partnership Act, 1932, which mandates partners to act justly and faithfully towards each other. On this basis, the Respondent asserted that the mutual trust underlying the partnership had irretrievably broken down and that, in substance, the partnership had ceased to exist from that date.
9. The Respondent further submitted that several material issues remained unanswered by the Complainant, including the reasons for making the alleged misleading call to the Income Tax Officer, the intent behind an SMS dated 08 November 2017 seeking valuation of certain assets, the circumstances under which the firm's assets were valued and apportioned, and the attempt made by the Complainant to close the sole bank account of the firm without justification. He also alleged that the Complainant had received a sum of Rs. 1,54,243/- towards full and final settlement with an assurance to resign from the firm, but subsequently reneged on the said assurance, thereby acting dishonestly and to the Respondent's detriment.
10. It was further submitted by the Respondent that, despite the above, the Complainant had continuously lodged frivolous and unsubstantiated complaints before the ICAI without producing any evidence of alleged professional misconduct. The Respondent alleged that the Complainant had also made derogatory statements against him before the Institute and on social media platforms, causing reputational harm to both the Respondent and the firm. According to the Respondent, such conduct was unethical, contrary to the terms of the Partnership Deed, and had even extended to threats and extortion attempts, compelling him to lodge a police complaint. The Respondent further stated that during court proceedings, the Complainant's own mother had admitted that she had been coerced by the Complainant into lodging a false FIR against him.
11. The Respondent asserted that since 2017, the Complainant had acted consistently against the interests of the firm by creating conspiracies, obstructing the Respondent's professional work, and refusing to resign despite having received settlement amounts. In these circumstances, the Respondent submitted that he was left with no alternative but to place the true facts before the ICAI, seek changes in the firm's constitution, and subsequently apply for shifting of the Head Office to Muzaffarpur. He further contended that the disputes and allegations raised were entirely attributable to the Complainant's own misconduct, which, according to him, also stood corroborated by the police investigation report, leading to issuance of arrest orders against the Complainant.
12. On the other hand, the Complainant, in his submissions, expressed appreciation for the efforts of the Director (Discipline) in examining the matter and delivering justice. He stated that the case had been rightly adjudicated with reference to the Partnership Deed, which, according to him, constituted the primary and decisive evidence, and based on which the Respondent had been held guilty of professional misconduct at the prima facie stage. In view thereof, the Complainant submitted that he did not consider it necessary to file any rejoinder and requested the Board to proceed to decide the matter on merits.
13. The Complainant further alleged that the Respondent had failed to submit his reply within the stipulated period of 14 days, which, according to the Complainant, reflected disregard for the authority of the ICAI and pointed towards alleged corruption. He also claimed that the Respondent had been found guilty in earlier matters and that his continued conduct, including allegedly running an illegal office and unilaterally effecting changes in the firm's particulars despite the matter being sub judice, clearly established mala fide intent. The Complainant emphasized that such actions demonstrated disrespect towards the ICAI as well as the Court of Law.

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**OBSERVATIONS OF THE BOARD:**

14. At the outset, the Board noted that the Respondent vide his e-mail dated 15<sup>th</sup> January 2026 had sought an adjournment at the eleventh hour of the hearing stating therewith as "***Unfortunately, due to an unforeseen medical reason I am not in a position to attend or participate in the said hearing on the scheduled date. The situation is sudden and beyond my control, and hence my absence would be completely unintentional***". In support, he attached medical prescription of a doctor. Upon perusal of the medical prescription, it was observed that the medicines prescribed were only for diabetes and blood pressure, which did not constitute sufficient cause for adjournment. Accordingly, the request for adjournment was rejected by the Board and the matter was heard ex-parte in the absence of the Respondent.
15. During the course of hearing, the Board examined the substance of the allegations, particularly in light of the Prima Facie Opinion, and interacted with the Complainant on the factual aspects concerning the opening, nature, and functioning of the office at Muzaffarpur. It emerged from the Complainant's own submissions that the office in question was opened with the approval of the Institute, continued to function from the same premises, and that certain issues raised were essentially inter se disputes between the partners of the firm. The Board observed that such disputes primarily arise out of the interpretation and alleged violation of the Partnership Deed.
16. The Board further perused the Partnership Deed dated 1<sup>st</sup> August 2015 executed between the parties and noted that Clause 21 thereof provides that, in the event of any dispute among the partners, the matter shall be referred to an arbitrator or arbitrators, whose decision shall be final and binding upon all the partners, thereby incorporating a specific arbitration clause as a contractual mechanism for resolution of inter se disputes. The Board specifically inquired of the Complainant whether the said arbitration clause had been invoked. In response, the Complainant submitted that he had not exercised the said contractual remedy and had instead directly approached the Institute. The Board was of the considered view that ICAI is not the appropriate forum for adjudication of purely civil or contractual disputes between the partners, particularly when an agreed dispute resolution mechanism exists and has not been availed.
17. It was also observed that although the Respondent had initiated steps for closure of the branch office, but the same was not effectuated, as such closure required the consent of the Complainant, which was admittedly not obtained. Consequently, the branch office continued to operate, and no irreversible or prejudicial action was ultimately taken against the Complainant. In these circumstances, the Board found that the issues raised by the Complainant essentially pertain to internal partnership disputes rather than professional misconduct warranting disciplinary action.
18. In view of the above facts, circumstances, and reasoning, the Board concluded that the allegations do not establish professional misconduct under the Chartered Accountants Act, 1949. Accordingly, the Respondent is held **Not Guilty** of Other Misconduct falling within the meaning of Item (2) of Part IV of the First Schedule to the Chartered Accountants Act, 1949.

**CONCLUSION:**

19. Thus, in conclusion, in the considered opinion of the Board, the Respondent is '**Not Guilty**' of Other Misconduct falling within the meaning of Item (2) of Part IV of the First Schedule to the Chartered Accountants Act, 1949. Accordingly, the Board passed an Order for closure of the case in terms of the provisions of Rule 15 (2) of the Chartered Accountants (Procedure of Investigations of Professional and Other Misconduct and Conduct of Cases) Rules, 2007.
20. Ordered Accordingly. The Case stands disposed of.

Sd/-  
**CA. Rajendra Kumar P**  
Presiding Officer

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

Date: 31-01-2026

सत्यापित होने के लिए प्रमाणित / Certified to be True Copy  
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