



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

[PR/513/2023/DD/522/2023/BOD/802/2025]

ORDER UNDER SECTION 21A (3) OF THE CHARTERED ACCOUNTANTS ACT, 1949 READ WITH RULE 15 (1) OF THE CHARTERED ACCOUNTANTS (PROCEDURE OF INVESTIGATIONS OF PROFESSIONAL AND OTHER MISCONDUCT AND CONDUCT OF CASES) RULES, 2007

IN THE MATTER OF:

CA. Bimal Chandra Bothra (M.No.053852)
HIG 36, Serampore Housing Estate, PO Rishra, Dist. Hoogly,
Rishra (West Bengal).....**Complainant**

Versus

CA. Manmohan Jhawar (M.No. 061687)
C/o Prosenjit Mukherjee,
House No 9, Bani Nagar Bye Lane 2 Post Office Gali, Rehabari
Guwahati (Assam).....**Respondent**

[PR/513/2023/DD/522/2023/BOD/802/2025]

MEMBERS PRESENT (Through Video Conference):

CA. Rajendra Kumar P, Presiding Officer
Ms. Dolly Chakrabarty (IAAS, retd.), Government Nominee

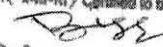
Date of hearing and passing of Order: 05th February 2026

1. The Board of Discipline vide its findings dated 16th January 2026, was of the view that **CA. Manmohan Jhawar (M.No. 061687)** is **GUILTY** of Professional Misconduct falling within the meaning of Items (8) & (9) of Part I of the First Schedule to the Chartered Accountants Act, 1949.
2. An action under Section 21A (3) of the Chartered Accountants Act, 1949 was contemplated against **CA. Manmohan Jhawar (M.No. 061687)** and communication dated 02nd February 2026 was addressed to him thereby granting him an opportunity of being heard on 05th February 2026 which was exercised by him by being present through video conferencing. He confirmed receipt of the findings of the Board.
3. Thus, upon consideration of the facts of the case, the consequent misconduct of **CA. Manmohan Jhawar (M.No. 061687)** and keeping in view his admission before it, the Board decided to impose a **Fine of Rs.25,000/- (Rs. Twenty-Five Thousand only)** upon him.

Sd/-
CA. Rajendra Kumar P
(Presiding Officer)

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

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बिष्णुनाथ तिवारी / Bishwa Nath Tiwari
वरिष्ठ कार्यकारी अधिकारी / Senior Executive Officer
अनुशासनालय निदेशालय / Disciplinary Directorate
राष्ट्रीय स्वामी सेवाकार संस्थान
The Institute of Chartered Accountants of India
आई.सी.ए.आई., नया, सी-1, सेक्टर-1, नोएडा-201301 (उ.प्र.)
ICAI Bhawan, C-1, Sector-1, Noida-201301 (U.P.)

BOARD OF DISCIPLINE

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

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

File No: [PR/513/2023/DD/522/2023/BOD/802/2025]

CORAM: (PRESENT IN PERSON)

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

IN THE MATTER OF:

CA. Bimal Chandra Bothra (M.No.053852)

HIG 36, Serampore Housing Estate

PO Rishra, Dist. Hoogly,

Rishra (West Bengal) **Complainant**

Versus

CA. Manmohan Jhavar (M.No. 061687)

C/o Prosenjit Mukherjee House No 9

Bani Nagar Bye Lane 2

Post Office Gali, Rehabari

Guwahati, (Assam)..... **Respondent**

Date of Final Hearing : 22nd December 2025

Place of Final Hearing : ICAI Bhawan, Kolkata

PARTIES PRESENT (IN PERSON):

Complainant : CA. Bimal Chandra Bothra

Respondent : CA. Manmohan Jhavar

FINDINGS:

BACKGROUND OF THE CASE:

1. As per the Complainant, he was the statutory auditor of the K.B. Syndicate Pvt. Ltd and Saksena Bros Pvt. Ltd (hereinafter 'Companies'). The Complainant was appointed in both the Companies till FY 2023-24; however, due to the



reluctance of the Companies to provide him with the necessary documents and explanations to conduct the audit for FY 2022-23, the Complainant has resigned from both the Companies on 14th October 2023. The Respondent has conducted the audit of the Company for FY 2022-23 on 30th and 31st August 2023, i.e., before the resignation of the Complainant.

2. The Director (Discipline) vide its Prima facie opinion dated 20th January 2025 held the Respondent Prima Facie Guilty in respect of the allegations made out in the instant complaint.

CHARGES ALLEGED:

3. The Respondent has accepted his appointment as the Statutory Auditor of the Companies for the financial year 2022-23 without first communicating with the previous auditor (i.e., Complainant) in writing as required under Item (8) of Part I of First Schedule to the Chartered Accountants Act, 1949.
4. The Respondent had signed the audit reports before the resignation of the Complainant without first ascertaining whether the requirements of Section 140 of the Companies Act 2013 in respect of the resignation of the Complainant had been duly complied with.

BRIEF OF PROCEEDINGS HELD:

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

S. No.	Date of Hearings	Status of hearings
1.	15 th October 2025	Adjourned at the request of the Complainant
2.	22 nd December 2025	Matter Heard and Concluded.

BRIEF SUBMISSIONS OF THE PARTIES:

RESPONDENT:

6. The Respondent vide his written statement dated 06th April 2025 submitted that he has neither any misguided intention nor professional bias in his action while doing the audit of the Companies. He further submitted that there was a conference call arranged by the Auditee Company to inform and explain to the Complainant about his appointment. As such, he was under a genuine belief that his appointment had been communicated to the Complainant in the matter. Thus, although the provisions of Clause (8) of Part I of the First Schedule do call for a communication in writing, he sincerely requests the Board of Discipline to keep the intention and spirit of the Respondent in mind while deciding this charge. As there is neither any undue haste on the part of the Respondent to snatch the work of a professional brother nor any evil intent in the mind of the Respondent to commit any act against the Ethics of the noble Institute. His act of non-communication was a mere oversight of

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professional routine; moreover, the Respondent had informally checked with the clients to ensure no audit fees were pending for the Complainant.

7. That he is not shirking away from his responsibility for having ensured the compliance of statutory provisions of the Companies Act by the Companies yet construing/stretching the same as deliberate non-adherence of clause (9) of Part I of First Schedule to the Act by the Complainant could at best have been avoided. He requested the Board not to hold him responsible for the violation of Clause (9) of Part I of the First Schedule, as the failure was of the company in respect of Section 139 & 140 of the Companies Act and, in their hurry, to get the audit completed in time. The Respondent prayed accordingly.

COMPLAINANT:

8. The Complainant vide his rejoinder dated 28th April 2025 submitted that no conference call was arranged with him, and the Respondent signed the audit reports for FY 2022-23 in August 2023, whereas the directors of the auditee companies furnished supporting documents for that year to us in a piecemeal manner until the second week of October 2023. Therefore, the issues raised by the Respondent regarding communication with the Complainant or conference call by the auditee company are irrelevant, baseless, untrue and misleading. Furthermore, the Respondent's wrongdoings, as well as his subsequent blatant lies to cover them up, have caused the Complainant immense pain.
9. Further, there has also been a violation of Sections 139 and 140 of the Companies Act, 2013 and acting in good faith on behalf of a director does not absolve a professional from the consequences of non-compliance with laws or rules.
10. Furthermore, it is ironic that the Respondent has helped the directors obtain audit reports on their own terms, ignoring the basic tenets of auditing. The Respondent not only violated the applicable laws and rules himself but also assisted the clients in committing violations. The Respondent has undermined the dignity of the profession.

OBSERVATIONS OF THE BOARD:

11. At the threshold, this Board deems it appropriate to advert to the relevant statutory provisions governing both the charges.

The first allegation is founded upon Item (8) of Part I of the First Schedule to the governing statute, which reads as follows:

"A chartered accountant in practice shall be deemed to be guilty of professional misconduct, if he -

(8) accepts a position as auditor previously held by another chartered accountant or a certified auditor who has been issued certificate under the Restricted Certificate Rules, 1932 without first communicating with him in writing".

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Thus, a plain and literal reading of the aforesaid provision leaves no manner of doubt to the Board that the Code of Ethics has casted a mandatory obligation upon a practising Chartered Accountant to communicate, in writing, with the outgoing auditor before accepting the appointment as auditor of any organisation. Any violation of this provision will make a Chartered Accountant liable for misconduct. Further, the Board delved into the Code of Ethics (2009), wherein the underlying object of communication with the previous auditor is that the auditor may have an opportunity to know the reasons for the change to enable him to safeguard his own interest, the legitimate interest of the public and the independence of the existing accountant.

The second allegation is founded upon Item (9) of Part I of the First Schedule to the governing statute, which reads as follows: -

"A chartered accountant in practice shall be deemed to be guilty of professional misconduct, if he -

Accepts an appointment as auditor of a company without first ascertaining from it whether the requirements of section 225 of the Companies Act, 1956 (1 of 1956) 1 [or sections 139 to 141 of the Companies Act, 2013 (18 of 2013) or any other law pertaining to appointment of auditors for the time being in force] in respect of such appointment have been duly complied with.

The second allegation of the Complainant is that the Respondent did not ascertain whether the requirements of Section 140 of the Companies Act 2013 in respect of such appointment have been duly complied with.

In this regard the relevant extracts of Section sub section (4) of Section 140 of Companies Act, 2013 which provides for removal, resignation of auditor and giving of special notice reads as below:

"(i) Special notice shall be required for a resolution at an annual general meeting appointing as auditor a person other than a retiring auditor or providing expressly that a retiring auditor shall not be re-appointed, except where the retiring auditor has completed a consecutive tenure of 5 years or, 10 years, as provided under sub-section (2) of section 139.

(ii) On receipt of notice of such a resolution, the company shall forthwith send a copy thereof to the retiring auditor.

(iii) Where notice is given of such a resolution and the retiring auditor makes with respect thereto representation in writing to the company (not exceeding a reasonable length) and requests its notification to member of the company, the company shall, unless the representation is received by it too late for it to do so,

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(a) in any notice of the resolution given to members of the company, state the fact of the representation having been made; and

(b) send a copy of the representation to every member of the company to whom notice of the meeting is sent, whether before or after the receipt of the representation by the company, and if a copy of the representation is not sent as aforesaid because it was received too late or because of the company's default, the auditor may (without prejudice to his right to be heard orally) require that the representation shall be read out at the meeting"

12. Upon due consideration of the Respondent's unequivocal admission to both the charges levelled by the Complainant at the time of hearing, the Board is of the considered view that the Respondent has voluntarily and explicitly accepted his mistake. In view of this clear and conscious acceptance of mistake, and having examined the material available on record, this Board is of the considered opinion that no further inquiry is warranted either into the factual matrix or the veracity of the allegations.
13. Considering the above, the Board finds that the Respondent has acknowledged that he conducted the audit of K.B. Syndicate Pvt. Ltd and Saksena Bros Pvt. Ltd for the financial year 2022-23 without first communicating with the Complainant, who has not even resigned from K.B. Syndicate Pvt. Ltd and Saksena Bros Pvt. Ltd. This conduct constitutes a clear violation of Items (8) and (9) of Part I of the First Schedule to the applicable statute.

CONCLUSION:

14. For the reasons recorded hereinabove, the Board records its finding that the Respondent is **Guilty** of Professional Misconduct within the meaning of Items (8) & (9) of Part I of the First Schedule to the Chartered Accountants Act, 1949.

Sd/-

CA. Rajendra Kumar P
Presiding Officer

Sd/-

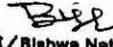
Dolly Chakrabarty, IAAS (Retd.)
Government Nominee

Sd/-

CA. Priti Savla
Member

Date :16-01-2026

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