



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-I (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.

[PR/70/2018/DD/124/2018/DC/1949/2024]

In the matter of: -

Shri Shanta Prasad Chakravarty,
T R Phukan Road, Chiring Chapari
Dibrugarh, Assam -786001

.....Complainant

Versus

CA. P.K Goenka (M No. 050946)
Partner of Kanoi Associates,
M/s Kanoi Associates,
Central Chowkidingee, Rodali Path,
Dibrugarh, Assam -786001

.....Respondent

MEMBERS PRESENT: -

1. CA. Prasanna Kumar D, Vice President, ICAI & Presiding Officer (In Person)
2. Ms. Rani S. Nair, IRS (Retd.) (Government Nominee) (Through VC)
3. Shri Ajaib Singh, IA&AS (Retd.) (Government Nominee) (In Person)
4. CA. Vishnu Kumar Agarwal (Through VC)

Date of Hearing : 20.01.2026

Date of Order : 05.02.2026

1. That vide findings dated 22nd December 2025 issued 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 opinion that **CA. P.K Goenka (M No. 050946)** (hereinafter referred to as the **Respondent**) is

CA. P.K Goenka (M No. 050946), Dibrugarh, Assam



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GUILTY of Professional Misconduct falling within the meaning of Items (6) & (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 communication was addressed to him thereby granting him an opportunity of being heard in person / through video conferencing and to make his written & verbal representation before the Committee on 20th January 2026.
3. The Committee noted that on the aforesaid date of the hearing held on 20th January 2026, the Respondent was present through video conferencing. The Committee noted that the Respondent has also made his written submissions to the findings of the Committee. The Committee noted that the Respondent has inter-alia made following written and verbal submissions to the findings of the Committee:
 - i) That regarding Provident Fund Dues, the Court has granted stay on the proceedings pertaining to PF dues. Moreover, he was not able to mention about such PF dues due to oversight and his health condition for which he is undergoing treatment for his lungs.
 - ii) He also requested the Bench to take a lenient view in his matter.
4. The Committee noted that in the instant case, the Complainant has alleged that the Respondent, while acting as the Statutory Auditor of BTCO for the relevant period had wrongly reported in his audit annexure that the Company was regular in paying all statutory dues, including Provident Fund (PF), Employees' State Insurance, Income Tax, and Sales Tax, whereas in fact BTCO had defaulted in payment of PF contributions for several years. The Committee observed that the Respondent, in his Tax Audit Report under Section 44AB has himself reported about pending PF dues whereas on the other hand in his CARO reporting, he has mentioned that the subject Company has been regular in payment of Statutory Dues. The explanation that PF dues were "accrued but not due in law" due to stay orders was not acceptable, as such stays suspend recovery proceedings but do not extinguish liability. The Committee viewed that by failing to disclose this in the audit report, the Respondent misled stakeholders and compromised the true and fair view of the financial statements.
 - 4.1 The Committee noted that the Complainant has also alleged that the Respondent was involved in the preparation and compilation of BTCO's accounts for FY 2013-14, despite being the statutory auditor for the same period. The Committee observed that a bill raised by the Respondent explicitly referred to accountancy charges for compilation and preparation of accounts and related statements. This indicated direct involvement in preparing the financial statements, creating a self-review threat and impairing auditor

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independence. The Respondent's contention that he only facilitated payment to an independent accountant was rejected, as Section 144 of the Companies Act, 2013 prohibits Statutory Auditors from providing such non-audit services, and the Code of Ethics also mandates maintaining independence of mind and appearance.

5. Accordingly, the Committee concurred with the reasoning as contained in the findings dated 22nd December 2025 holding the Respondent **GUILTY** of Professional Misconduct falling within the meaning of Items (6) & (7) of Part I of Second Schedule to the Chartered Accountants Act, 1949.
7. Keeping in view the facts and circumstances of the case and the material on record including verbal submissions of the Respondent on the findings of the Committee, the Committee ordered that **the Respondent, CA. P.K. Goenka (M. No. 050946) be Reprimanded along with fine of Rs. 100,000/- (Rupees One Lacs Only) to be paid within 60 days of receipt of this Order.**

Sd/-

(CA. Prasanna Kumar D)
PRESIDING OFFICER

Sd/-

(Ms. Rani S. Nair, IRS (Retd.))
GOVERNMENT NOMINEE

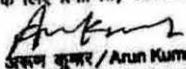
Sd/-

(Shri Ajaib Singh, IA&AS (Retd.))
GOVERNMENT NOMINEE

Sd/-

(CA. Vishnu Kumar Agarwal)
MEMBER

DATE: 05.02.2026
PLACE: New Delhi

सत्यापित होने के लिए प्रमाणित / Certified to be True Copy

अरुण कुमार / Arun Kumar
वरिष्ठ कार्यकारी अधिकारी / Sr. 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.)

CONFIDENTIAL

DISCIPLINARY COMMITTEE [BENCH – I (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

Ref. No. – [PR/70/2018/DD/124/2018/DC/1949/2024]

In the matter of:

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..... **Complainant**

Versus

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..... **Respondent**

MEMBERS PRESENT: -

- i) **CA. Prasanna Kumar D, Vice President, ICAI & Presiding Officer (In Person)**
- ii) **Ms. Rani S. Nair, IRS (Retd.) (Government Nominee) (In Person)**
- iii) **Shri Ajaib Singh, IA&AS (Retd.) (Government Nominee) (Through VC)**
- iv) **CA. Chandrashekhar Vasant Chitale, Member (Through VC)**

DATE OF FINAL HEARING : 17-10-2025
PLACE OF FINAL HEARING : Noida

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Shanta Prasad Chakravarty Vs CA. P.K Goenka (M. No. 050946)

PARTIES PRESENT:

Respondent : CA. Pawan Kumar Goenka
(through video conferencing)

1. **BRIEF OF THE DISCIPLINARY PROCEEDINGS: -**

i) **Brief of the Disciplinary Proceedings held on 24th July 2025**

On the day of first hearing held on 24th July 2025, the Committee noted that the Complainant was neither present nor any adjournment request was received from him. However, Respondent vide his email dated 23rd July 2025 placed his adjournment request on grounds of death of one of his family members. The Committee considered the adjournment request of the Respondent and decided to adjourn the matter to a future date. With this the hearing in the matter was **adjourned at the request of the Respondent.**

ii) **Brief of the Disciplinary Proceedings held on 20th August 2025**

On the day of hearing held on 20th August 2025, the Committee noted that the Complainant was not present. However, the Respondent was present through VC. Thereafter, the Respondent was put on oath. On being enquired from the Respondent as to whether he has received a copy of Prima Facie Opinion formed by Director (Discipline), he replied that he has received the copy of Prima Facie Opinion. On being asked as to whether he is aware of the charges levelled against him and whether he pleads guilty, he replied that he is aware of the charges and pleaded Not Guilty. Thereafter the Respondent made his detailed submissions on the allegations. The Committee also posed questions to the Respondent. After hearing his submission, the Committee directed office to seek following information/ documents from the Complainant, to be submitted within 7 days: -

Directions to the Complainant: -

Copies of the Sale Deed of 3 lands which were reportedly sold by M/s Bochapathar Tea Estate Pvt. Ltd. to M/s LK Tea Company Pvt. Ltd.

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Shanta Prasad Chakravarty Vs CA. P.K Goenka (M. No. 050946)

With aforesaid directions, the Committee decided to adjourn the hearing to a future date. Accordingly, the matter was **Part Heard & Adjourned**.

iii) Brief of the Disciplinary Proceedings held on 24th September 2025

On the day of hearing held on 24th September 2025, the Committee noted that the Respondent was present through VC, however, the Complainant vide his e-mail dated 24th September 2025 sought adjournment stating that he has some personal commitment on the day of hearing. Thereafter, the Respondent made his brief submissions on the allegations. The Committee also posed questions to the Respondent. After hearing his submission, the Committee decided to adjourn the matter with following direction to him:

Directions to the Respondent: -

- a) To provide the details & breakup with supporting of Other Current Liabilities in order to substantiate his plea that the advance received towards sale of land was included in the Other Current Liabilities.

With the said direction the Committee decided to adjourn the matter to a future date. Thus, the hearing in the matter was **Part Heard & Adjourned at the request of the Complainant**.

iv) Brief of the Disciplinary Proceedings held on 6th October 2025

On the day of hearing held on 6th October 2025, the Committee noted that the Respondent was present through VC, however, the Complainant vide his e-mail dated 6th October 2025 sought adjournment on the grounds of medical emergency. Thereafter, the Respondent made his brief submissions on the allegations. The Committee also posed questions to the Respondent. After hearing his submissions, the Committee decided to adjourn the matter to a future date. With this, the hearing in the matter was **Part Heard & Adjourned at the request of the Complainant**.

v) Brief of the Disciplinary Proceedings held on 17th October 2025

On the day of final hearing held on 17th October 2025, the Committee noted that the Complainant vide his e-mail dated 16th October 2025 sought adjournment on the grounds of medical exigency, however, the Committee did not accede to his request



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and the same was communicated to him telephonically and he was granted a final opportunity to attend the said meeting through VC. However, he chose not to avail this opportunity and did not join the proceedings. Since the Respondent was present through VC, the Committee decided to proceed further with the hearing. The Committee noted that the Respondent had already made his detailed submissions in the previous hearings. Accordingly, the Committee decided to conclude the hearing in the matter.

The Committee perused all the documents available on record along with the Prima Facie Opinion formed by the Director (Discipline). The Committee also considered the detailed written and/or verbal submissions made by the parties during the course of hearing. After due deliberations and keeping in view the facts and circumstances of the case, material on record and the verbal and/ or written submissions of the Respondent, the Committee decided to conclude the hearing.

2. CHARGES IN BRIEF

The Committee noted that in the Prima Facie Opinion dated 28th October 2024 formed by Director (Discipline) in terms of Rule 9 of the Chartered Accountants (Procedure of Investigations of Professional and Other Misconduct and Conduct of Cases) Rules, 2007, the Respondent was held Prima Facie Guilty in three out of total 4 allegations (Allegation No. 1, 3 & 4). The Respondent was held Prima Facie Guilty of Professional Misconduct falling within the meaning of Items (6) and (7) of Part-I of Second Schedule to the Chartered Accountants Act, 1949 which is as under:

Item (6) of Part-I of Second Schedule states as under: -

"A chartered accountant in practice shall be deemed to be guilty of Professional Misconduct, if he:

(6) "fails to report a material misstatement known to him to appear in a financial statement with which he is concerned in a professional capacity"

Item (7) of Part-I of Second Schedule states as under: -

"A chartered accountant in practice shall be deemed to be guilty of Professional Misconduct, if he:

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

3. **BRIEF BACKGROUND OF THE MATTER AND ALLEGATIONS: -**

In the instant case, Respondent is reported to be the Statutory Auditor of two Private Limited Companies namely M/s Bochapathar Tea Estate Pvt. Ltd. (hereinafter referred to as “BTCO”) & Madarkhat Tea Company Private Ltd. (hereinafter referred to as “MTCO”) reportedly for the last 40 years upto FY 2014-15. Complainant is reported to be the shareholder of the aforesaid Companies. In aforesaid background, Respondent was found Prima Facie Guilty by Director (Discipline) in respect of following three allegations (Allegation No. 1, 3 & 4):-

Allegation 1: At point (vii) (a) of Annexure to the Independent Auditor's Report dated 1st September 2015 (C-139) of Bochapathar Tea Estate Pvt. Ltd (BTCO), for the FY 2014-15 the Respondent had wrongly reported that BTCO had been regular in paying all statutory dues including contribution for Provident Fund, Employees' State Insurance subscription, Income Tax, Sales Tax etc. whereas in fact BTCO had been irregular and in default in respect of its provident fund liability for several years.

Allegation 3: That Respondent was involved in the preparation and compilation of accounts of BTCO for the year 2013-14, despite being its statutory auditor for the said year.

Allegation 4: In the year 2012, three sale agreements were entered into with regard to sale of land of BTCO, but the Respondent failed to make any disclosure in his Audit Report for the FY 2012-13, 2013-14, 2014-15 & 2015-16 and the same being material information, its non-disclosure does not give a true and fair view of the state of affairs of BTCO.

4. **SUBMISSIONS OF THE RESPONDENT & FINDINGS OF THE COMMITTEE**

- 4.1 **Allegation 1:** In respect of instant allegation, the Complainant has alleged that the Respondent has wrongly reported in his annexure to the independent audit report that BTCO had been regular in paying all statutory dues including contribution to the Provident Fund, Employees' State Insurance subscription, Income Tax, Sales Tax etc. whereas in fact BTCO had been irregular and in default in respect of its provident fund liability for several years. The Committee noted that Respondent during the course of

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hearing and also through his written submissions has taken the plea that Prima Facie Opinion is based on demand notice dated 26.09.2017 from the Assam Tea Employees Provident Fund Organization which was issued after the audit report (dated 01.09.2015); hence, it cannot form the basis of any inference on the auditor's reporting. The Respondent also stated that PF dues were "accrued" but "not due in law" as they were stayed by the appropriate authorities.

The Committee in this regard noted that though the Respondent in his Statutory Audit Report has certified that BTCO was regular in making payment towards its statutory dues including Provident Fund, however, in his Tax Audit Report filed under the provision of Section 44AB (Form 3CD) he himself in Point No. 26 has reported that the Companies were in default of payment of statutory dues. Such contradictory reporting clearly establishes that the Respondent had complete knowledge of the default but chose to suppress the same in the Statutory Audit Report, thereby misleading the stakeholders, including shareholders, regulators, and statutory authorities. Moreover, the Committee viewed that the explanation offered by the Respondent that provident fund dues were "accrued but not due in law" due to a stay granted by the competent authority, was not acceptable since stay order merely suspends the recovery proceedings; it does not extinguish the liability. Hence, the auditor was under a professional obligation to disclose this fact by way of an appropriate note in the audit report. By not disclosing the fact in the audit report, the Respondent not only contradicted himself but also compromised the true and fair presentation of the financial statements. This conduct on the part of Respondent was considered as lack of due diligence and failure on his part to report material misstatements, thereby misleading users of the financial statements. Accordingly, the Committee decided to hold the Respondent **GUILTY** of Professional Misconduct falling within the meaning of Items (6) & (7) of Part I of the Second Schedule to the Chartered Accountants Act, 1949.

- 4.2 **Allegation 3:** In respect of instant allegation, it is alleged that the Respondent was involved in the preparation and compilation of accounts of BTCO for the year 2013-14, despite being its statutory auditor for the said year. The Committee noted that Respondent during the course of his submission has denied the allegation stating that he was not involved in preparation and compilation of financial statements of the subject Company. He stated that he had only suggested names of few competent accountants and for administrative convenience he had initially paid to the accountant and thereafter raised bill for the reimbursement of same. Respondent also stated that

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the said accountant was neither his employee, nor under his supervision and that Code of ethics does not prohibit an auditor to suggesting independent accountants or facilitating payment recovery in respect of same.

The Committee in this regard noted that a bill dated 9th September 2014 has been raised by the Respondent to BTCO wherein following is stated:

"Being the Accountancy charges for Compilation and preparation of Accounts for the year ended 31st March 2014 and preparations of various statements attached to the Accounts."

On pursual of aforesaid bill, the Committee opined that the Respondent was not only facilitating the payment but was directly involved in the compilation and preparation of the financial statements of BTCO for FY 2013-14. The Committee also viewed that his subsequent role as statutory auditor for the same accounts creates a self-review threat and impairs independence both in mind and appearance. Such conduct is in contravention of Section 144 of the Companies Act, 2013, which explicitly prohibits a statutory auditor from providing certain non-audit services to the auditee company, including "accounting and book-keeping services". The Committee noted that the intent of Section 144 is to ensure that an auditor remains independent and is not influenced by any prior involvement in the preparation or maintenance of the Company's accounts. Accordingly, the contention of the Respondent that he has raised the bill for reimbursement of the amount paid to the Accountant was rejected by the Committee.

The Committee further noted that the Code of Ethics issued by ICAI clearly mandates that an auditor must maintain independence of mind and appearance and avoid any situation that could give rise to a conflict of interest. Accordingly, the Committee decided to hold Respondent **GUILTY** of Professional Misconduct falling within the meaning of Items (7) of Part I of the Second Schedule to the Chartered Accountants Act, 1949.

4.3 **Allegation 4: - Failure to disclose sale of three lands of BTCO**

In respect of instant allegation, it is alleged that in the year 2012, three sale agreements were entered into with regard to sale of land of BTCO, but the Respondent had failed to make any disclosure in his audit report despite the same being material information. The Committee noted that in respect of instant allegation, the Respondent has stated

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that the Company had only entered into the agreement for sale without receiving full consideration and accordingly, the advance was shown under "Other Current Liabilities".

The Committee also noted that during the course of its hearing when the Complainant was asked to furnish the copies of sale agreements in respect of sale of such lands, no response was received from him. On the other hand, when Respondent was asked to furnish the break-up & details of Other Current Liabilities to support his contention that the advance received against such agreement to sale has been included in the financial statements under Other Current Liabilities, the Respondent was able to furnish the desired break-up of Other Current Liabilities to support his contention. Thus, the Committee noted that the amounts received in advance from the prospective buyers were properly reflected in the financial statements under the head "Other Current Liabilities", and the Respondent has also submitted the break-up of the same where he has shown advances received towards sale of land.

Moreover, the Respondent was also able to bring on record the copies of Sale deeds from which it is coming out that actual sale was executed much later, on 20.02.2018, as evidenced by the Sale Deeds submitted by the Respondent.

The Committee observed that as per Accounting Standard (AS) 9 (Revenue Recognition), a sale can be recognized only when significant risks and rewards of ownership have been transferred to the buyer. In the present case, since the sale deeds were executed only in 2018 and the consideration had not been fully received earlier, the sale could not have been recognized in any of the financial years under audit. The treatment adopted by the management, as verified by the Respondent, was thus in accordance with generally accepted accounting principles. In view of aforesaid the Committee observed that the Respondent exercised due diligence and acted within the scope of professional standards. Since the sale was completed only in February 2018 and the advances were duly reflected under "Other Current Liabilities," there was no misstatement or concealment of material information in the audited financial statements for the relevant years. Accordingly, the Committee decided to hold Respondent **NOT GUILTY** of any Professional or Other Misconduct in respect of instant allegation.



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5. **CONCLUSION**

Thus, in the considered opinion of the Committee, the Respondent is **GUILTY** of Professional Misconduct falling within the meaning of Items (6) & (7) of Part I of Second Schedule to the Chartered Accountants Act, 1949.

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

Sd/-
(Ms. Rani S. Nair, IRS (Retd.))
GOVERNMENT NOMINEE

Sd/-
(Shri Ajaib Singh, IA&AS (Retd.))
GOVERNMENT NOMINEE

Sd/-
(CA. Chandrashekhar Vasant Chitale)
MEMBER

DATE: 22.12.2025
PLACE: New Delhi

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अरुण कुमार / Arun Kumar
वरिष्ठ कार्यकारी अधिकारी / Sr. Executive Officer
अनुशासनमयक निदेशालय / Disciplinary Directorate
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