



**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.**

**[PPR/G/09/2022/DD/13/INF/2022/DC/1995/2025]**

**In the matter of: -**

**CA. Dweipayan Das (M. No. 059698)**  
Partner, M/s. PDR & Associates (FRN: 325180E)  
Chartered Accountants,  
Plot No. L/3/76, Acharya Vihar, Near Water Tank,  
Bhubaneswar, Odisha – 751013

**.....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 22<sup>nd</sup> 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 the opinion that **CA. Dweipayan Das (M. No. 059698)** (hereinafter referred to as the **Respondent**) is **GUILTY** of Professional Misconduct falling within the meaning of Item (7) of Part I of Second Schedule to the Chartered Accountants Act, 1949.



# भारतीय सनदी लेखाकार संस्थान

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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 20.01.2026.
3. The Committee noted that on the aforesaid date of the hearing held on 20.01.2026, the Respondent was present through video conferencing. The Committee noted that the Respondent has also given his written submissions dated 06.01.2026 and 16.01.2026 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 the formal termination of the coal mine allocation by the Ministry of Coal, which is the definitive and conclusive event, occurred on 10.05.2021, well after the close of the financial year 2020-21.
  - ii. That the Arkhpal (North block) Coal Mine was not a commercial asset of the Company, but a sovereign grant. Ministry of Coal retained full discretion to continue the allocation or to address the identified issues through regulatory or fiscal interventions. As on the Balance Sheet date, the allocation had not been withdrawn, and no final or operative decision terminating the mining rights had been communicated.
  - iii. That he had neither ignored the DPR nor suppressed the termination. Once the Ministry of Coal issued the formal termination letter dated 10.05.2021, the loss was duly and correctly recognized in the FS for the FY 2021-22, thereby, conclusively negating any suggestion of concealment and reinforcing the bonafide nature of his professional judgement.
  - iv. That the books and primary records were maintained at the Company's Delhi office and physical access to such records was not practicable during the relevant period.
  - v. That there was complete transparency in the financial statements. The pre-operative exploration expenditure of Rs. 1,719.96 lakh was not concealed and was properly classified and presented under "Other Current Assets". That a disclosure regarding the status of the coal mine, the receipt of the DPR indicating financial unviability and the

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fact that the matter was under consideration by the Competent Authority was made in the Notes to the Financial Statements.

- vi. That he had already faced severe professional consequences in the form of debarment by the CAG. Imposing further penalty in the presence of the prior penalty by CAG would operate cumulatively and excessively, resulting in a disproportionate and unduly harsh outcome for him.
  - vii. That the audit for the financial year 2020-21 was conducted during April 2021 to June 2021 under severe operational constraints arising from the prevailing COVID-19 situation, which constituted unprecedented and unforeseen circumstances materially affecting normal modes of audit execution.
4. The Committee noted that in the instant case, the Complainant has alleged that the Respondent, being the Statutory Auditor of a Public Sector Undertaking namely M/s Talcher Fertilizers Limited for the financial year 2020-21, failed to ensure compliance with the requirements of Ind AS-10 (Events after the Reporting Period) by not charging the pre-operative expenditure of ₹1,719.96 lakhs incurred on exploration of Arkhpal (North part) Coal Mine to the Profit and Loss Statement, despite the fact that the said coal mine was found financially unviable as per the Detailed Project Report received in March 2021 and its allocation having been terminated by the Ministry of Coal vide order dated 10th May 2021. During the course of hearing, the Committee deliberated on the matter by perusing the records on file, including the DPR, Board Minutes, Correspondence with the Ministry of Coal and the Financial Statements, and observed that evidence of conditions existed as at the end of the reporting period, thereby qualifying the event as an adjusting event under Ind AS-10, warranting adjustment in the financial statements rather than mere disclosure in the notes to accounts. The Committee further noted that non-charging of the said pre-operative expenditure resulted in overstatement of "Other Current Assets" and "Profit for the Year" by ₹1,719.96 lakhs which has hampered the true & fair view of financial statements.
5. The Committee concurred with the reasoning as contained in the findings dated 22<sup>nd</sup> December 2025 holding Respondent **GUILTY** of Professional Misconduct falling within the meaning of Item (7) of Part I of Second Schedule to the Chartered Accountants Act, 1949.

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6. Keeping in view the facts and circumstances of the case and the material on record including written and verbal submissions of the Respondent on the findings of the Committee, the Committee ordered that the Respondent, CA. Dweipayan Das (M. No. 059698) be reprimanded along with a fine of Rs. 300,000/- (Rupees Three 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

*Jyoti/g*  
सौर ज्योतिका/CA. Jyotika  
उप सचिव/Deputy Secretary  
अनुशासनसूचक निर्देशालय/Disciplinary Directorate  
भारतीय सनदी लेखाकार संस्थान  
The Institute of Chartered Accountants of India  
आई सी ए आई, ब्लॉक, सी-1, सेक्टर-1, नोईडा-201301 (उ.प्र.)  
ICAI Bhawan, C-1, Sector-1, Noide-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. – PPR/G/09/2022/DD/13/INF/2022/DC/1995/2025**

**In the matter of:**

**CA. Dweipayan Das (M. No. 059698)**

Partner, M/s. PDR & Associates (FRN: 325180E)

Chartered Accountants,

Plot No. L/3/76, Acharya Vihar, Near Water Tank,

Bhubaneswar, Odisha – 751013

..... Respondent

**MEMBERS PRESENT: -**

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

**DATE OF FINAL HEARING : 29-09-2025**

**PLACE OF FINAL HEARING : New Delhi**

**PARTIES PRESENT:**

**Respondent : CA. Dweipayan Das**  
**(through video conferencing)**

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In the matter of M/s. PDR & Associates (FRN: 325180E) (Member Answerable - CA. Dweipayan Das (M. No. 059698), Bhubaneswar)

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

i) **Brief of the Disciplinary Proceedings held on 8<sup>th</sup> September 2025**

On the day of first hearing held on 8<sup>th</sup> September 2025, the Committee noted that 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 Committee decided to adjourn the matter to a future date. Accordingly, the matter was Part Heard & Adjourned.

ii) **Brief of the Disciplinary Proceedings held on 29<sup>th</sup> September 2025**

On the day of final hearing held on 29<sup>th</sup> September 2025, the Committee noted that the Respondent was present through VC. The Respondent made his detailed submissions on the allegations. The Committee also posed questions to the Respondent. Thereafter, the Committee perused the Prima Facie Opinion along with detailed written and verbal submissions of the Respondent. The Committee also deliberated on all other relevant documents available on record in respect of instant case. 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 in the above matter.

2. **CHARGES IN BRIEF**

The Committee noted that in the Prima Facie Opinion 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 of Professional Misconduct falling within the meaning of Item (7) of Part-I of Second Schedule to the Chartered Accountants Act, 1949.

**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-

(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, it is stated that the Respondent firm which was the Statutory Auditor of a Public Sector Undertaking namely M/s. Talcher Fertilizers Ltd. (hereinafter referred to as subject **Company or TFL**) for financial year 2020-21 was debarred (**A-1 to A-3**) by the Comptroller & Auditor General of India for one year due to unsatisfactory performance as Statutory Auditors of the Company. It is stated that a Coal Mine at Arkhpal (North part) Talcher Coalfield, Odisha which was allotted to the subject Company was found financially unviable according to a consultant's report in March 2021 (**C-9 to C-11**) and its allocation was terminated by the Ministry vide order dated 10<sup>th</sup> May 2021 (**C-16**). Since the coal mine was found financially unviable and its allocation was also terminated by the Ministry, the pre-operative expenditure of ₹1,719.96 lakhs (**A-46 read with A-76**) incurred on mine exploration should have been charged to the Profit and Loss Statement as per the provisions of Ind AS-10 being an adjusting event after the reporting period. However, the same was not done, which resulted in overstatement of other current assets and profit for the year each by Rs 1,719.96 lakhs (**A-46 to A-47**). The following has been alleged by the Complainant: -

**Allegation:** The Respondent failed to ensure compliance with the requirements of Ind AS 10 resulting in a misstatement in the financial statements of the Company for the year 2020-21. Non-charging of the pre-operative expenditure related to Arkhpal (North part) Coal Mine Talcher Coalfield in the Profit & Loss Statement led to an overstatement of "Other Current Assets" and "Profit for the Year" by ₹1,719.96 lakh which has hampered the true and fair view of the financial statement (**A-47**).

The Committee noted that the Director (Discipline) in his Prima Facie Opinion dated 3<sup>rd</sup> April 2025 has opined that the condition of unviability of Arkhpal unit of the coal mine existed with the management in March 2021 i.e. at the end of the reporting period. Thus, in view of provisions of IND AS-10, such event was an adjusting event, and any loss/expenses on account of the said termination should have been charged to the profit and loss statement. Therefore, a mere disclosure in the notes to accounts of the financial statements for the F.Y. 2020-21 was not sufficient, and proper adjustment in the alleged matter was not in accordance with the requirements of IND AS-10. Further

non-charging of pre-operative expenses of Rs. 1,719.96 lakhs resulted in an overstatement of profit during the FY 2020-21 by Rs.1,719.96 lakhs. If the loss / expenses had been charged to the Profit & Loss Statement, the profit of the Company would have turned into a loss of Rs.1,062.87 lakh. Since the amount not charged to the Profit & Loss Statement was quite material, being 261.75% of the disclosed profit of the Company, it was viewed that the financial statements of the Company for the year 2020-21 did not represent a true and fair view which the Respondent being statutory auditor failed to point out in his audit report. Accordingly, the Respondent was held Prima Facie Guilty of Professional Misconduct falling within the meaning of Item (7) of Part-I of Second Schedule to the Chartered Accountants Act, 1949.

#### 4. SUBMISSIONS OF THE RESPONDENT

It is observed that the Respondent during the course of hearing and also through his Written Statement has inter-alia made the following submissions in his defence:

- 4.1 That only detailed project report (DPR) by Central Mine Planning and Design Institute Limited (CMPDI) was received in March 2021 which indicated a negative IRR and Non-Viability of Project, however no final decision was made by the Ministry of Coal (MOC) until May 10, 2021. The DPR by CMPDI was Preliminary and subject to decision of MOC. The termination of Akharpal Coal Block allocation was formalized in FY 2021-22 (after reporting period) and this loss was duly recognised in the first quarter of FY 2021-22.
- 4.2 That in the absence of a conclusive decision, it was impracticable to determine the recoverable amount with certainty, as required by IND AS 36 (Impairment of Assets), so this Impairment loss is not recognized.
- 4.3 That due to COVID 19 pandemic, all the documents were not provided to him by the subject Company. Further the entire audit was conducted remotely from Bhubaneswar from his place, either through mails or scanned documents, whereas the documents were maintained at Delhi.
- 4.4 That he relied on the statement of management that no final decision regarding the termination of the coal block has been received from MOC as on 31<sup>st</sup> March 2021. This assertion was supported by ministry's continued extension of deadline and TFL's letter dated 16<sup>th</sup> April 2021 requesting allocation of alternative coal block.

- 4.5 Since TFL was a pre-operative entity, the exploration expenditure was rightly shown under "Other Current Assets" as on 31<sup>st</sup> March 2021, in anticipation of a final decision from the Ministry of Coal.
- 4.6 That the picture became clear only when the Mining Department vide its letter/email dated 25<sup>th</sup> July 2021 and 3<sup>rd</sup> August 2021 had instructed to treat the pre-operative expenses as sunk cost.
- 4.7 That this case pertains to difference of professional judgement and does not amount to gross negligence or misconduct.
- 4.8 That it is requested to take lenient view in the matter by the Committee as the Comptroller & Auditor General of India has already punished him by debarring him for one year due to unsatisfactory performance as statutory auditors of the Company.

5. **FINDINGS OF THE COMMITTEE**

- 5.1 In the instant case, it is alleged that the Respondent failed to ensure compliance with the requirements of Ind AS 10 resulting in a misstatement in the financial statements of the Company for the year 2020-21. Non-charging of the pre-operative expenditure related to Arkhpal (North part) coal mine Talcher Coalfield in the Profit & Loss Statement led to an overstatement of "Other Current Assets" and "Profit for the Year" by ₹1,719.96 lakh which has hampered the true and fair view of the financial statement. The Committee observed that the Respondent in his submissions has mentioned that the detailed project report (DPR) by Central Mine Planning and Design Institute Limited (CMPDI) was Preliminary and subject to decision of Ministry of Coal (MOC) and MOC has not taken any final decision until May 10, 2021. He further submitted that the fact of termination of coal block is disclosed in the notes to accounts and no stakeholder was misled or suffered any loss as a result of Reporting. Further the termination of Akharpal Coal Block allocation was formalized in FY 2021-22 (after reporting period) and this loss was duly recognised in the first quarter of FY 2021-22.
- 5.2 The Committee in this regard noted that Ind AS-10 states as under:-

**Indian Accounting Standard (Ind-AS) 10 'Events after the Reporting Period'**

**Definitions**

3. The following terms are used in this Standard with the meanings specified:

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*Events after the reporting period are those events, favorable and unfavorable, that occur between the end of the reporting period and the date when the financial statements are approved by the Board of Directors in case of a company, and, by the corresponding approving authority in case of any other entity for issue. Two types of events can be identified:*

*(a) Those that provide evidence of conditions that existed at the end of the reporting period (adjusting events after the reporting period); and*

*(b) Those that are indicative of conditions that arose after the reporting period (non-adjusting events after the reporting period).*

*Notwithstanding anything contained above, where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the agreement by lender before the approval of the financial statements for issue, do not demand payment as a consequence of the breach, shall be considered as an adjusting event.*

....

*Recognition and measurement*

*Adjusting events after the reporting period*

*8 An entity shall adjust the amounts recognized in its financial statements to reflect adjusting events after the reporting period.*

.....

*Non-adjusting events after the reporting period*

*10 An entity shall not adjust the amounts recognised in its financial statements to reflect non-adjusting events after the reporting period.*

From the above provision, the Committee observed that the events occurring between the end of the reporting period and the date of approval of the financial statements need to be adjusted in the financial statements or to be disclosed in the notes to accounts, depending on whether they are adjusting or non-adjusting events.

5.3 The Committee noted that Minutes of 62<sup>nd</sup> Meeting of Board of Directors of the subject Company held on 10<sup>th</sup> April 2021 is on record (C-8) and from Para 3.3.1 of its Annexure

(C-9) it is coming out that a Detailed Final Project Report (DPR) for the Arkhpal Coal Mine was provided by CMPDIL to the subject Company and its Board vide its email dated 28.03.2021, in which it was informed that the said project has a negative IRR and had many other constraints (See Para 3.3.6 & 3.3.7 – C-11). The Committee also noted that based on the said DPR, the Board had decided to request Ministry of Coal for allotment of alternative captive coal mine (See Para 3.3.8 – C-11).

The Committee also noted that based on above, the subject Company vide its letter dated 16<sup>th</sup> April 2021 (C-12) had also requested Ministry of Coal for allocating an alternative coal mine. Accordingly, the Committee observed that there was adequate evidence of conditions that existed at the end of the reporting period and accordingly the same qualify for adjusting events after the reporting period and as per the provision of IND AS-10, the subject Company should have written off the pre-operative expenses in its financial statements to reflect adjusting events after the reporting period.

Moreover, the Committee also noted that based on the request of subject Company dated 16<sup>th</sup> April 2021 (C-12), the Ministry of Coal vide its letter dated 10<sup>th</sup> May 2021 (C-16), terminated the allocation of Arkhpal (North) Coal Mine. The Committee also observed that Respondent was very well aware about the termination of aforesaid Coal Mine since the financial statements itself contains Note 15 (A-16) in the Note to Accounts giving reference to the letter of Ministry of Coal dated 10<sup>th</sup> May 2021 for termination of allocation of said Arkhpal (North) Coal Mine.

- 5.4 The Committee also noted that Respondent during the course of his verbal submission has stated that his audit report was signed on 28<sup>th</sup> June 2021, however picture about writing off Pre-operating Expenses became clear only when the Mining Department vide its email dated 26<sup>th</sup> July 2021 (C-14) had instructed to treat the pre-operative expenses as sunk cost. In this connection, the Committee perused the aforesaid correspondence exchanged between the subject Company and the Mining Department in the month of July. The Committee observed that a letter dated 25<sup>th</sup> July 2021 (C-14) was written by the subject Company (through Ms. Sandhya, Dy Manager (F)) wherein the subject Company was only informing the Mining Department that the expenses incurred for Arkhpal (North) Coal Mine are being charged to revenue since they are in the nature of sunk cost owing to termination of allotment of Coal Mine by the Ministry. In the said letter, the Committee viewed that the subject Company was only asking the mining department about the correctness of stand taken by the subject Company and possibility if any for recovery of such cost. The Committee also observed that Mining

department in response vide its reply letter dated 26.07.2021 (C-14) only ruled out any possibility of recovery of such cost on being asked by the subject Company.

Accordingly, the Committee opined that merely writing an email by the subject Company after adoption of audited accounts and signing of audit report by the Respondent does not absolve Respondent from the allegation of not reporting violation of Ind AS-10. Thus, in the considered opinion of the Committee based on the documents available on records, the Respondent is **GUILTY** of Professional Misconduct falling within the meaning of Item (7) of Part I of Second Schedule to the Chartered Accountants Act, 1949.

6. **CONCLUSION**

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

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

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

Sd/-  
(CA. Chandrashekhar Vasant Chitale)  
MEMBER

DATE: 22.12.2025  
PLACE: New Delhi

सत्यप्रति होमे से लिए प्रमाणित / Certified to be True Copy  
मैनु गुप्ता / Manu Gupta  
वरिष्ठ कार्यकारी अधिकारी / Sr. Executive Officer  
अनुशासनमय निदेशकत्व / Disciplinary Directorate  
भारतीय सशुद्धी सेवाकार संस्थान  
The Institute of Chartered Accountants of India  
आई.सी.ए.आई. भवन, सेक्टर-1, नोएडा-201301 (उ.प्र.)  
ICAI Bhawan, C-1, Sector-1, Noida-201301 (U.P.)

In the matter of M/s. PDR & Associates (FRN: 325180E) (Member Answerable - CA. Dweipayan Das (M. No. 059698), Bhubaneshwar)