CONFIDENTIAL
PR/160/23-DD/198/2023/BOD/860/2026

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/160/23/DD/198/2023/BOD/860/2026

CORAM:

CA. Babu Abraham Kallivayalil, Presiding Officer (Present in Person)
Dolly Chakrabarty, Government Nominee (Through VC)
CA. Pankaj Shah, Member (Present in Person)

IN THE MATTER OF:

CA. Sunil Kumar (M. No. 075294)
Alora House, Near Surjeet School
Namak Katra
BHARATPUR.. .... Complainant

Versus

CA. Pavan Kumar Mittal (M. No. 413648)
A-9 Triveni Nagar, Gopalpura Bypass
JAIPUR... ....Respondent

Date of Final Hearing	:	06th July 2026
Place of Final Hearing	:	ICAI Bhawan, Jaipur
Date of Pronouncement of Judgment	:	27th July 2026

PARTIES PRESENT:

Respondent	:	CA. Pavan Kumar Mittal (In Person)

FINDINGS:

BACKGROUND OF THE CASE:

1. The Respondent was the incoming auditor who accepted the assignment for conducting audit u/s 44AB of the Income Tax Act, 1961 for the financial year 2015-16 of M/s Satyam Agriculture Implements Works. The Complainant was the previous auditor of M/s Satyam Agriculture Implements Works (hereinafter referred to as the "Proprietor" or "Client"), Top Circle ke pass, Kumher Gate, Exhibition Road, Bharatpur, Rajasthan who had audited the financial statements of the Proprietor for the FY 2014-15. The Complainant alleged that the Respondent accepted the Tax audit assignment for the financial year 2015-16 of the Proprietor without communicating in writing and

without obtaining the No Objection Certificate (NOC) from the Complainant being the previous auditor.

CHARGES ALLEGED:

2. The Complainant alleged that the Respondent conducted the tax audit of M/s Satyam Agriculture Implements Works for the financial year 2015-16, without obtaining the No Objection Certificate (NOC) or without communicating from the previous auditor. It was alleged that the Respondent committed professional misconduct under Clause (8) of Part I of the First Schedule to the Chartered Accountants Act, 1949 by failing to obtain NOC and by not initiating prior communication with outgoing auditor i.e. the Complainant before accepting the audit assignment.

BRIEF OF PROCEEDINGS HELD:

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

S. No.	Date of Hearing	Status of hearing
1.	06th July 2026	Matter heard and concluded. Finding reserved.

OBSERVATIONS OF THE BOARD:

4. The Board noted that upon careful consideration of the complaint, the documents available on record, the affidavit of the Proprietor and the oral submissions made by the Respondent during the hearing, the allegation against the Respondent is that he had accepted the tax audit assignment of the Proprietor for the Financial Year 2015–16 without first communicating in writing with the previous auditor, as required under Item (8) of Part I of the First Schedule to the Chartered Accountants Act, 1949.

5. The Board observed that the Respondent has consistently maintained, both in his written statement and during the hearing, that before accepting the assignment he requested the Proprietor to obtain a No Objection Certificate (NOC) from the previous auditor and had also addressed a letter to the Complainant for this purpose through the Auditee. This version has been supported by the affidavit of the Proprietor dated 12th July 2023, who has affirmed that the Respondent had instructed him to deliver the letter to the previous auditor and obtain the necessary documents and NOC. The Proprietor has further stated that while the previous auditor provided certain records, he declined to issue an NOC on the ground that there was no statutory requirement for issuing one. Significantly, this affidavit containing the fact that communication was made with the Complainant was specifically sent to complainant which has remained unrebutted by the Complainant.

6. The Board further noted that in view of the aforesaid Affidavit although the Respondent has been unable to produce a copy of the communication or proof of its delivery after the lapse of nearly ten years, the absence of such documentary evidence, by itself, cannot conclusively establish that no communication was made. The Respondent has explained that the matter is very old, that he had shifted his office multiple times and

that records could not be preserved. The Board finds this explanation plausible in the facts of the case. Moreover, there is no material on record to suggest that the Respondent deliberately bypassed the previous auditor or acted with any dishonest intention. It is also an admitted position that no audit fees of the previous auditor were outstanding at the time when the Respondent accepted the assignment.

7. Professional misconduct under Item (8) requires a clear finding that the incoming auditor accepted the assignment without first communicating with the previous auditor. In disciplinary proceedings, such a finding must rest on cogent and reliable evidence. In the present case, while documentary proof of communication is unavailable, the Respondent's consistent stand, supported by the Proprietor's affidavit and the surrounding circumstances, creates sufficient doubt regarding the allegation. In these circumstances, the benefit of doubt must be given to the Respondent.

8. Accordingly, after considering the entire material available on record including the facts and circumstances of the instant complaint, the Board is of the opinion that the allegation of professional misconduct under Item (8) of Part I of the First Schedule to the Chartered Accountants Act, 1949 has not been established. The Respondent is, therefore, held **Not Guilty** of professional misconduct under the said provision.

CONCLUSION:

9. Thus, in conclusion, in the considered opinion of the Board, the Respondent is **'Not Guilty'** of Professional Misconduct falling within the meaning of Item (8) of Part I of 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.

10. Ordered accordingly. The case stands disposed of.

Sd/-
CA. Babu Abraham Kallivayalil
Presiding Officer

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

Sd/-
CA. Pankaj Shah
Member

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