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 (2026-2027)]
[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.

File No.: [PR/G/296/2023/DD/438/2023/DC/ 1948/2024]

In the matter of:

Sh. Uttam Kumar Sahoo,
Registrar of Companies, Guwahati
5th Floor, Prithvi Planet,
Behind Hanuman Mandir, Ulubari,
G.S. Road, Guwahati-781007

.....Complainant

Versus

CA. Khushbu Bansal (M. No. 301597)
Partner of Rahul Bansal & Associates (FRN 327098E)

Professional Address:-	Correspondence Address:-
3A RK Chatterjee Road, Near Kasba Old Police Station, Kolkata (West Bengal)-700042	3A RK Chatterjee Road, Near Kasba Old Police Station, Kolkata (West Bengal)-700042

.....Respondent

MEMBERS PRESENT:

1. **CA. Mangesh Kinare, Presiding Officer**
2. **Ms. Rani Singh Nair IRS (Retd.), Government Nominee**
3. **Mr. Ajaib Singh, IA & AS (Retd.), Government Nominee**
4. **CA. Gyan Chandra Misra, Member**
5. **CA. Abhay Chhajed, Member**

DATE OF HEARING : 23rd October 2026
DATE OF PRONOUNCEMENT OF ORDER : 23rd October 2026
DATE OF ORDER : 23rd October 2026

1. That vide Findings dated 22nd December 2025 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. Khushbu Bansal (M. No. 301597),** (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.

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 her thereby granting an opportunity of being heard in person/ through video conferencing and to make representation before the Committee on **23rd October 2026.**

3. The Committee noted that on the date of hearing on **23rd October 2026**, the Respondent was present physically and made verbal submissions on the findings of the Committee. An opportunity was given for the submission of written representation and the Respondent filed a written response/submissions vide mail dated 28th January 2026 and 17th October 2026. The Committee noted that the Respondent, in her written submissions dated , inter alia stated, as under: -

i The Respondent submitted that the disciplinary proceedings were initiated pursuant to a complaint dated 31.05.2023 filed by the Registrar of Companies, Guwahati, based on an enquiry report dated 25.02.2022. However, the complete enquiry report was not provided to her, thereby violating the principles of natural justice.

ii She contended that the complaint was premature and procedurally defective, as the Institute, through its communication dated 04.12.2023, had subsequently sought additional documents and evidence from the Complainant before proceeding further.

iii She submitted that the complaint was not filed and registered in accordance with the Chartered Accountants (Procedure of Investigations of Professional and Other Misconduct and Conduct of Cases) Rules, 2007, including the requirements concerning authorisation, signature and registration of complaints.

iv The Respondent further contended that the complaint was not signed by an officer of the requisite rank under Rule 3(2) of the Rules and no unique reference number had been communicated to her.

v She stated that the initial communication dated 07.11.2023 could not be responded because it was received by a person who had left her service and she was unaware of its

receipt. She also submitted that her request for additional time to file a written representation and for a personal hearing had not been duly considered. Accordingly, she challenged the validity of the proceedings and the Committee's findings on the ground of procedural irregularities and violation of natural justice.

vi The Respondent submitted that the principal allegation concerned the classification of inventories amounting to ₹35.55 crore as at 31.03.2021, comprising equity shares held in physical form, and the alleged absence of proper break-up and disclosures in the financial statements for FY 2014-15 to FY 2020-21.

vii She contended that AS 2 was not applicable to inventories comprising shares, relying on paragraph 1 of AS 2, which excludes shares from its scope.

viii She maintained that the equity shares were correctly classified as finished goods, consistent with the accounting policy followed by the company, and disputed the finding that such classification was inappropriate.

ix She further challenged the Committee's observation that the inventory valuation was inconsistent with AS 2, particularly because the inventory value remained substantially unchanged over the years despite constituting approximately 85% of the balance sheet.

x Regarding the alleged deficiencies in the disclosure of non-current investments, trade receivables, and short-term loans and advances, she sought to rely on her earlier submissions and requested permission to make further oral submissions at the personal hearing.

xi The Respondent contended that the classification of equity shares as stock-in-trade was appropriate based on the Company's business activities, Memorandum of Association, consistent accounting treatment and applicable AS-13.

xii The Respondent maintained that the signed financial statements contained the required disclosures and discrepancies in AOC-4/XBRL filings could not be attributed to her, as she had not prepared or filed those forms.

xiii The Respondent contended that paragraph 5.1 of the findings did not conclusively hold that the shares were wrongly classified as stock-in-trade, as the Committee proceeded on the basis of "even if" that classification was accepted. According to the Respondent, the remaining objection related principally to the caption "Finished Goods".

xiv The Respondent argued that observations regarding stagnant inventory values, valuation methods, accounting-policy notes and the inventory caption went beyond the allegations stated in the Prima Facie Opinion dated 24.10.2024. She submitted that findings on matters not distinctly charged and put to her violated the principles of natural justice.

xv She sought a lenient view, citing the technical nature of the lapses, absence of mala fide intent or loss, and willingness to rectify the omissions.

4. With regard to the Respondent's submissions concerning the authorisation, signature, and registration of the complaints, the Committee noted that these were not raised at the hearing stage but were raised only at the Rule 19 stage, when the matter was listed for the award of punishment.

5. The Committee considered the reasoning as contained in Findings holding the Respondent 'Guilty' of Professional Misconduct vis-à-vis verbal and written submissions of the Respondent. The Committee noted that the issues/ submissions made by the Respondent as aforestated have been dealt with by it at the time of hearing under Rule 18.

6. Thus, keeping in view the facts and circumstances of the case, material on record including the verbal and written submissions of the Respondent on the Findings, the Respondent being a Statutory Auditor of the M/s Ispat Sheets Limited for the financial year 2014-15 to 2020-21 had failed to qualify her report in respect of wrong classification of assets and non-mentioning of schedules and breakup of items such as inventories, non-current investments, trade receivables and short-term loan and advances in the financial statement of the subject Company for the financial years from 2014-15 to 2020-21.

7. The Committee noted that the subject Company has not disclosed any specific policy for accounting of Inventories in its notes to accounts. Even if the contention of Respondent that equity shares were held by the subject Company as Stock-in-trade as per its Memorandum of Association, is accepted, then also the classification of Inventories as "Finished Goods" was considered inappropriate. Moreover, the policy for valuation of Inventories and carrying amount of Inventories was found not in line with AS-2 (Valuation of Inventories) more so when such inventories constitute approximately 85% of Balance Sheet size. The Committee noted that required classification of Short-term Loan and Advance into Secured or Unsecured and whether they are considered good or doubtful, whether they were given to related parties or others etc. was not disclosed in the said schedule as per the requirement of Schedule III of the Companies Act 2013. The Committee noted that the Respondent was not able to provide satisfactory

response to the same. Hence, the Professional Misconduct on the part of the Respondent is clearly established as spelt out in the Committee's Findings dated 22nd December 2025, which is to be read in consonance with the instant Order being passed in the case.

8. Accordingly, the Committee was of the view that the ends of justice would be met if punishment is given to her in commensurate with her Professional Misconduct established against her.

9. Thus, the Committee, keeping in view the facts and circumstances of the case, material on record and representation of the Respondent before it, ordered that CA. Khushbu Bansal (M. No. 301597), Kolkata be Reprimanded under Section 21B(3)(a) of the Chartered Accountants Act, 1949.

Sd/-

(CA. MANGESH KINARE)
PRESIDING OFFICER

Sd/-

(MS. RANI SINGH NAIR IRS (RETD.))
GOVERNMENT NOMINEE

Sd/-

(MR. AJAIB SINGH, IA & AS (RETD.))
GOVERNMENT NOMINEE

Sd/-

(CA. GYAN CHANDRA MISRA)
MEMBER

Sd/-

(CA. ABHAY CHHAJED)
MEMBER

सत्यापित होने के लिए प्रमाणित/Certified to be True Copy
निशा शर्मा/Nisha Sharma
सहायक सचिव/Assistant Secretary
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/G/296/2023/DD/438/2023/DC/1948/2024

In the matter of:
Sh. Uttam Kumar Sahoo,
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Professional Address	**Residential Address**
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.....Respondent

MEMBERS PRESENT (Through VC): -

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

DATE OF FINAL HEARING	:	13-10-2025
PLACE OF FINAL HEARING	:	Mumbai (Through VC)

PARTIES PRESENT (Through VC):

Complainant's Representative	:	Mr. A.K. Sethi, ROC, Guwahati
Respondent	:	CA. Khusbhu Bansal
Authorised Representative of the Respondent	:	CS. Anand Verma

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 24.07.2025 the Committee noted that the Complainant's Representative was present through VC, however, Respondent vide her email dated 16th July 2025 had placed her adjournment request stating that she is pursuing L.L.B for which exams have been scheduled and further that her authorised representative is out of station. 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 08th September 2025

On the day of hearing held on 08.09.2025, 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 she has received a copy of Prima Facie Opinion formed by Director (Discipline), she replied that she has received the copy of Prima Facie Opinion. On being asked as to whether she is aware of the charges levelled against her and whether she pleads guilty, she replied that she is aware of the charges and pleaded Not Guilty. Thereafter, the Respondent requested for the adjournment on the grounds of non-availability of her Authorised Representative. The Committee acceded to her request and

decided to adjourn the matter to a future date. With this the hearing in the matter was **Part Heard & Adjourned.**

(iii) **Brief of the Disciplinary Proceedings held on 29th September 2025**

On the day of hearing held on 29.09.2025, the Committee noted that the Complainant's Representative vide his email dated 25th September 2025 requested for adjournment of the case stating that he is out of station on the date of hearing. The Committee further noted that there was no response from the Respondent despite reminders. The Committee considered the adjournment request of the Complainant and decided to adjourn the matter to a future date. With this the hearing in the matter was **adjourned at the request of the Complainant and due to non-availability of the Respondent.**

(iv) **Brief of the Disciplinary Proceedings held on 13th October 2025**

On the day of final hearing held on 13.10.2025, the Committee noted that the Complainant's Representative and the Respondent along with her Authorised Representative were present through VC. The Complainant's Representative and the Authorised Representative of the Respondent made their detailed submissions on the allegations. The Committee also posed questions to Complainant's representative, Respondent and the Authorised Representative of the Respondent. Thereafter, the Committee perused all the documents available on record along with the Prima Facie Opinion formed by the Director (Discipline). The Committee also considered and deliberated on 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 parties, **the Committee decided to conclude the hearing**.

2. **CHARGES IN BRIEF**

The Committee noted that in the Prima Facie Opinion dated 24.10.2024 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 of Professional Misconduct falling within the meaning of Item (7) of Part-I of

Second Schedule to the Chartered Accountants Act, 1949. The said clause/ item of the Schedule provides 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 an inquiry u/s 206(4) of the Income Tax Act, 1961 was conducted in the matter of M/s Ispat Sheets Limited (hereinafter referred to as the subject "**Company**"). On scrutiny of financial statements of the subject Company for the period from 2014-15 to 2020-21, various discrepancies of wrong classification of assets, non-mentioning of schedules & their breakup etc. were observed in the financial statements of the subject Company for the said financial years. In the instant matter, the Ministry of Corporate affairs also issued summons to the Respondent under Section 207(3)(b) of the Companies Act, 2013. It is alleged that despite aforesaid discrepancies observed in the financial statements of the subject Company, the Respondent has failed to qualify her report in respect of said financial years. Accordingly, following allegation was levelled against the Respondent:

Allegation: That the Respondent being a Statutory Auditor of the subject Company for the financial year 2014-15 to 2020-21 had failed to qualify his report in respect of wrong classification of assets and non-mentioning of schedules and their breakup of items such as inventories, non-current investments, trade receivables and short-term loan and advances in the financial statement of the subject Company for the financial years from 2014-15 to 2020-21.

The Committee noted that as regard wrong classification of assets, the subject Company has classified Investment in Equity Shares under the head "Inventories", whereas the same should have been classified under the head "Investments" and the particulars of investments should have been disclosed as per Section 129 of the Companies Act, 2013 read with Scheule III of the Companies Act, 2013 and AS-13 (Accounting of Investments).

The Committee also noted that the financial statements of the subject Company were without any schedules and break-up of items such as Inventories, Non-Current Investments, Trade Receivables and Short-term Loan and Advances.

The Committee noted that Director (Discipline) in his Prima Facie Opinion dated 24th October 2024 has held Respondent Prima Facie Guilty of Professional Misconduct falling within the meaning of Item (7) of Part I of the Second Schedule to the Chartered Accountant Act, 1949.

4. SUBMISSIONS OF THE RESPONDENT

It is observed that the Respondent in her verbal submissions and also through her Written Statement has inter-alia made the following submissions in her defense:

4.1 That the Equity Shares were shown as inventories since financial year 2004-05 by the preceding Statutory Auditors. As per SA-510 (Opening Balances) she was obligated to rely upon the Opening Balances & the continuity of classifications. Moreover, based on management's explanation & examination of financial statements it is coming out that equity shares were held by the Company as Stock-in-trade & not as Investments and hence the classification of shares as Inventory was correct as per AS-13. Also, that Supreme Court in its judgment in (i) CIT Vs Sutlej Cotton Mills & (ii) CIT Vs Associated Industrial Development Company held that shares are to be classified as Stock-in-trade or as investment based upon the object of its acquisition, nature & purpose of holding. That during the relevant period, no regularity authority including ROC expressed any objections or queries or concerns pertaining to the classification of Equity shares as inventories.

4.2 That the object clause of Memorandum of Association of the subject Company includes "To carry on business as underwriters & brokers of stock, shares, debentures etc. & to invest/acquire, hold, sell, purchase or deal in shares/debentures etc. Further AS-13 does not bar classification of equity shares as inventories rather it clarifies that shares, debentures and other securities held as stock-in-trade (i.e., for sale in the ordinary course of business) are not investments as defined in AS-13.

4.3 That as regards allegation that during FY 2019-20, the figures of non-current investments, inventories, trade receivables and short-term loans and advances as stated on the face of the Balance Sheet are not matching with the relevant schedules as appended with the Balance Sheet, she stated that she has not done XBRL filings of the subject Company for any of the financial years in question in which such discrepancies are coming.

4.4 That Disciplinary Committee in ICAI vs. P.K. Manoharan case held that errors in judgment without any element of fraud or negligence do not constitute professional misconduct. That Disciplinary Committee in KC Chaturvedi Vs ICAI held that responsibility of preparation of financial statement lies with the Management & Auditor's role is limited to verification & reporting based on information provided to him.

FINDINGS OF THE COMMITTEE

5. The Committee noted that in the instant case the Complainant has alleged that the Respondent being a Statutory Auditor of the subject Company for the financial year 2014-15 to 2020-21 had failed to qualify his report in respect of wrong classification of assets and non-mentioning of schedules and breakup of items such as inventories, non-current investments, trade receivables and short-term loan and advances in the financial statement of the subject Company for the financial years from 2014-15 to 2020-21.

5.1 In respect of allegation pertaining to wrong classification of investment in equity shares as Stock-in-Trade instead of classifying them as Investments the Committee noted that Respondent in her written and verbal submissions has stated that Equity Shares were shown as inventories since financial year 2004-05 by the preceding Statutory Auditors and as per SA-510 (Opening Balances) she was obligated to rely upon the Opening Balances & the continuity of classifications. She further stated that based on management's explanation & examination of financial statements it is coming out that equity shares were held by the subject Company as Stock-in-trade & not as Investments and hence the classification of shares as Inventory was correct as per AS-13. The Respondent also quoted some Supreme Court judgment wherein it has been held that shares are required to be classified as Stock-in-trade or as investment based upon the object of its acquisition, nature & purpose of holding. She also stated that during

the relevant period, no regulatory authority including ROC had expressed any objections or queries or concerns pertaining to the classification of equity shares as inventories.

In this respect the Committee perused the financial statement of the subject Company for various financial years audited by the Respondent (i.e., 2014-15 to 2020-21) and noted that following figures are appearing under Note 5 of Inventories:

Items In Rs.	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Inventories	35,79,70,566.85 (C-15)	35,79,70,566.85 (C-24)	35,54,71,566.85 (C-380)	35,54,71,566.85 (C-321)	35,54,71,567 (C-250)	35,54,71,567 (C-170)	35,54,71,567 (C-97)

On perusal of aforesaid figures of Inventories comprising of equity shares, the Committee noted that the figures of inventories as appearing in various financial year are almost stagnant except in FY 2016-17 when some minor change is observed. The Committee also noted that the subject Company has not disclosed any specific policy for accounting of Inventories in its notes to accounts. The Committee also noted that as per AS-2 on Valuation of Inventories, the inventories are required to be valued at the lower of cost and net realisable value, however, it was observed from the figures as appearing in the financial statements of various financial years that the value of Inventories was almost stagnant over the years. During the course of hearing when the Committee asked the Respondent as to whether these equity shares are listed in Stock exchange, she replied that they are listed however, some are kept in physical form whereas some are kept in demat form.

The Committee noted that when asked, the Respondent was not able to give satisfactory response to the query that when equity shares are kept as stock-in-trade then why their value was stagnant over the years. The Committee also noted that in Note 5 pertaining to Inventories **(C-28)**, mentioning such equity shares as "Finished Goods" was not appropriate. Accordingly, the Committee viewed that even if the contention of Respondent that equity shares were held by the subject

Company as Stock-in-trade as per its Memorandum of Association, is accepted, then also the classification of Inventories as "Finished Goods was considered inappropriate. Moreover, the policy for valuation of Inventories and carrying amount of Inventories was found not in line with AS-2 (Valuation of Inventories) more so when such inventories constitute approximately 85% of Balance Sheet size.

5.2 The second leg of instant allegation pertains to non-mentioning of schedules and breakup of items such as inventories, non-current investments, trade receivables and short-term loan and advances in the financial statement of the subject Company for various financial years i.e., 2014-15 to 2020-21.

The Committee noted that Schedule-III of the Companies Act, 2013, provides general instructions with regard to the preparation of Balance Sheet and Profit and Loss Account of a Company. Notably, with regard to the treatment of non-current investments, inventories, trade receivables and short-term loans and advances in the Balance Sheet, the following sub-heads are invariably required to be disclosed in the notes to accounts as attached to the financial statements:

"K. Non-current investments

(i) Non-current investments shall be classified as trade investments and other investments and further classified as:

(a) Investment property

(b) Investments in Equity Instruments

(c) Investments in preference shares

(d) Investments in Government or trust securities

(e) Investments in debentures or bonds

(f) Investments in Mutual Funds

(g) Investments in partnership firms

(h) Other non-current investments (specify nature).

Under each classification, details shall be given of names of the bodies corporate indicating separately whether such bodies are (i) subsidiaries, (ii) associates, (iii) joint ventures, or (iv) controlled special purpose entities in whom investments have been made and the nature and extent of the investment so made in each such body corporate (showing separately investments which are partly paid). In regard to investments in the capital of partnership firms, the names of the firms (with the names of all their partners, total capital and the shares of each partner) shall be given.

(ii) Investments carried at other than at cost should be separately stated specifying the basis for valuation thereof.

(iii) The following shall also be disclosed:

(a) Aggregate amount of quoted investments and market value thereof

(b) Aggregate amount of unquoted investments

(c) Aggregate provision for diminution in value of investments.

O. Inventories

(i) Inventories shall be classified as:

(a) Raw materials

(b) Work-in-progress

(c) Finished goods

(d) Stock-in-trade (in respect of goods acquired for trading)

(e) Stores and spares

(f) Loose tools

(g) Others (specify nature).

(ii) Goods-in-transit shall be disclosed under the relevant sub-head of inventories.

(iii) Mode of valuation shall be stated.

P. Trade Receivables

(i) Aggregate amount of Trade Receivables outstanding for a period exceeding six months from the date they are due for payment should be separately stated.

(ii) Trade receivables shall be sub-classified as:

(a) Secured, considered good

(b) Unsecured, considered good

(c) Doubtful.

(iii) Allowance for bad and doubtful debts shall be disclosed under the relevant heads separately.

(iv) Debts due by directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member should be separately stated.

R. Short-term loans and advances

(i) Short-term loans and advances shall be classified as:

(a) Loans and advances to related parties (giving details thereof)

(b) Others (specify nature).

(ii) The above shall also be sub-classified as:

(a) Secured, considered good

(b) Unsecured, considered good

(c) Doubtful.

(iii) Allowance for bad and doubtful loans and advances shall be disclosed under the relevant heads separately.

(iv) Loans and advances due by directors or other officers of the company or any of them either severally or jointly with any other person or amounts due by firms or private companies respectively in which any director is a partner or a director or a member shall be separately stated.

The Committee noted that following figures of Non-current Investment, Trade Receivable and Short-term Loan and Advances are appearing in the financial statements of the subject Company in various financial years i.e., FY 2014-15 to 2020-21:

Items In Rs.	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Non-current investments	2,67,95,000 (C-15)	2,67,95,000 (C-24)	2,99,69,500 (C-380)	2,99,69,500 (C-321)	2,99,69,500 (C-250)	2,99,69,500 (C-170)	2,99,69,500 (C-97)
Trade receivables	1,97,00,000 (C-15)	1,97,00,000 (C-24)	1,97,00,000 (C-380)	1,97,00,000 (C-321)	1,97,00,000 (C-250)	1,97,00,000 (C-170)	1,97,00,000 (C-97)
Short-terms loans and advances	1,42,45,436	1,42,45,436	1,30,45,436	1,30,45,436	1,30,45,436	1,30,45,436	1,30,45,436
	(C-15)	(C-24)	(C-380)	(C-321)	(C-250)	(C-170)	(C-97)
Size of the Balance Sheet	41,89,34,462	41,82,26,969	41,82,79,909	41,82,47,521	41,82,27,437	41,82,21,514	41,82,07,901
	(C-15)	(C-24)	(C-380)	(C-321)	(C-250)	(C-170)	(C-94)
Percentage in terms of non-current investments	6.39%	6.40%	7.16%	7.16%	7.16%	7.16%	7.16%
Percentage in terms of trade receivables	4.70%	4.71%	4.70%	4.71%	4.71%	4.71%	4.71%
Percentage in terms of short loans and advances	3.40%	3.40%	3.11%	3.11%	3.11%	3.11%	3.11%

On perusal of financial statement of the subject Company the Committee noted that the relevant break-up of various items in line with the requirements of Schedule III of the Companies Act, 2013 has not been included by the subject Company. During the course of hearing the Respondent was shown the financial statement of the subject Company for the FY 2015-16 **(C-24 to C-30)**. When asked, the Respondent was not able to provide satisfactory response for non-mentioning of Schedule and break-up of Non-current investment **(C-24)** in the financial statement of FY 2015-16. Moreover, she was shown Note no. 8 of Short-

term Loan and Advance **(C-29)**. The Committee noted that required classification of Short-term Loan and Advance into Secured or Unsecured and whether they are considered good or doubtful, whether they were given to related parties or others etc. was not disclosed in the said schedule as per the requirement of Schedule III of the Companies Act 2013. When asked, the Respondent was not able to provide satisfactory response to the same.

In view of the above analysis, it becomes abundantly clear that the Respondent has failed to report improper & incomplete classification of various items of Balance Sheet, mandatory disclosures, valuation details, and break-ups as required under Schedule III of the Companies Act, 2013. Accordingly, the Committee decided to hold Respondent Guilty of Professional Misconduct falling within the meaning of Item (7) of Part I of Second Schedule to the Chartered Accountants Act, 1949.

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/-
(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

प्रमाणित होने के लिए प्रमाणित / Certified to be True Copy
चरण सिंह / Charan Singh
कार्यपालनी अधिकारी / Executive Officer
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