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-II (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/553/2022-DD/687/2022-DC/1904/2024]

In the matter of:
Shri Maheshwar Hiremath,
Managing Director,
Swati Airport Support Services Pvt. Ltd
Villa No. 208, APR Pranav Antilia,
Bachupally
Hyderabad – 500090 ..... **Complainant**

Versus

CA. Ajit Kothari (M. No.: 101832), **Professional Address: -** 104 Shree Shyam Chambers Opp., Sub Jail, Ring Road, **Surat - 395002, (Gujarat)**	**Residential Address: -** Flat No. B-602, Royal Residency B R Water Tank, VESU **Surat – 395007, (Gujarat)**

.....Respondent

MEMBERS PRESENT:
1. **CA. Prasanna Kumar D, Presiding Officer**
2. **CMA. Chandra Wadhwa, Government Nominee**
3. **CA. Mahesh Shah, Government Nominee**
4. **CA. Hans Raj Chugh, Member**

DATE OF HEARING : **15th October 2026**
DATE OF PRONOUNCEMENT OF ORDER : **15th October 2026**
DATE OF ORDER : **15th October 2026**

1. That vide Findings dated 29th August 2026 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. Ajit Kothari (M. No.: 101832)** (hereinafter referred to as the **Respondent**) is **GUILTY** of Professional and Other Misconduct falling within the meaning of Clause (7) of Part I of the Second Schedule and Clause (2) of Part IV of the First 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 representation before the Committee on 03rd October 2026 and 15th October 2026.

3. The Committee noted that this case was fixed before it for award of punishment under Rule 19(1) of the Chartered Accountants (Procedure of Investigations of Professional and Other Misconduct and Conduct of Cases) Rules, 2007. The Committee noted that the Respondent had neither filed any written representation on the Findings of the Committee in captioned case nor appeared before it. The Committee further noted that the proviso to Rule 19(1) of afore-stated Rules provides that if the Respondent does not appear for making representation before it at the stage of award of punishment, the Committee shall presume that he has nothing more to represent before it and shall pass order.

4. In view of above facts, the Committee decided that there was no need of granting any further opportunity to the Respondent as sufficient opportunities have already been extended to him. Therefore, the Committee decided to proceed with passing of order in the instant matter, in the absence of the Respondent, on the basis of documents/ material available on record.

5. The Committee noted that the Respondent, vide email dated 18th September 2026, stated that he would repay the amount to the Complainant by 15th October 2026. However, the Committee noted that submissions made by the Respondent as aforestated have been dealt with by it at the time of hearing under Rule 18.

6. The Committee considered the reasoning as contained in Findings holding the Respondent 'Guilty' of Professional and other Misconduct vis-à-vis verbal and written submissions of the Respondent.

7. Thus, keeping in view the facts and circumstances of the case, material on record including verbal and written submissions of the Respondent on the Findings, the Committee noted the charge that the Respondent had accepted an advance of Rs. 34,51,075/- from the Complainant Company for undertaking and completing the professional assignment but had neither completed the work nor returned the money. In this regard, on perusal of records i.e., email communications, bank transaction details and WhatsApp communication exchanged between the parties, the Committee noted that the Respondent acknowledged the receipt of the advance received from the Complainant and also requested the additional payments in relation to the assignment.

8. The Committee further noted that despite repeated demands and assurances by the Respondent regarding repayment, the outstanding amount remained unpaid, and the Respondent subsequently acknowledged the liability and undertook to repay the same. The

Committee was therefore of the considered view that, after accepting professional engagement and receiving the advance amount, the Respondent was required either to complete the assignment in accordance with the agreed terms or, upon failure to do so, to promptly refund the amount received. The Committee was of the view that the Respondent had failed to exercise due diligence in the conduct of his professional engagement.

9. As regards the charge relating to issuing repayment cheques that were dishonored due to insufficient funds, the Committee noted that copies of the said cheques along with the corresponding bank intimations were placed on record, which indicated that the cheques were returned unpaid due to insufficiency of funds in the Respondent's bank account. The Committee further noted that despite issuance of legal notice and repeated assurances made by the Respondent regarding repayment, the outstanding liability remained unpaid. The Committee was therefore of the considered view that the Respondent had failed to honour his repayment commitments and had issued cheques towards discharge of the admitted liability which were dishonoured due to insufficiency of funds. The Committee accordingly held that the Respondent had failed to exercise due diligence and acted with gross negligence. Hence, Professional and Other Misconduct on the part of the Respondent is clearly established as spelt out in the Committee's Findings dated 29th August 2026 which is to be read in consonance with the instant Order being passed in the case.

10. Accordingly, the Committee was of the view that the ends of justice would be met if punishment is given to him in commensurate with his Professional and Other Misconduct.

11. **Thus, the Committee, keeping in view the facts and circumstances of the case and material on record, ordered that CA. Ajit Kothari (M. No. 101832), Surat be Reprimanded and also imposed a fine of Rs. 3,00,000/- (Rupees three lakhs only) upon him, which shall be paid within a period of 60 (sixty) days from the date of receipt of the order.**

Sd/-
(CA. PRASANNA KUMAR D)
PRESIDING OFFICER

Sd/-
(CMA CHANDRA WADHWA)
GOVERNMENT NOMINEE

Sd/-
(CA. MAHESH SHAH)
GOVERNMENT NOMINEE

Sd/-
(CA. HANS RAJ CHUGH)
MEMBER

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 – II (2026-2027)]

[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.

File No:- [PR/553/2022-DD/687/2022-DC/1904/2024]

In the matter of:
Shri Maheshwar Hiremath,
Managing Director,
Swati Airport Support Services Pvt. Ltd
Villa No. 208, APR Pranav Antilia,
Bachupally
Hyderabad – 500090

..... Complainant

Versus

CA. Ajit Kothari (M. No.: 101832),

Professional Address:-	**Residential Address:-**
104 Shree Shyam Chambers Opp., Sub Jail, Ring Road, **Surat - 395002 (Gujarat)**	Flat No. B-602, Royal Residency B R Water Tank, VESU **Surat – 395007 (Gujarat)**

.....Respondent

MEMBERS PRESENT:
CA. Prasanna Kumar D, Presiding Officer (In person)
CMA Chandra Wadhwa, Government Nominee (Through VC)
CA. Mahesh Shah, Government Nominee (In person)
CA. Satish Kumar Gupta, Member (In person)

DATE OF FINAL HEARING : 11th May 2026
DATE OF DECISION TAKEN : 25th July 2026
DATE OF PRONOUNCEMENT OF DECISION : 29th August 2026

PARTIES PRESENT:
Complainant : Shri Maheshwar Hiremath (Through VC)
Respondent : CA. Ajit Kothari (Through VC)

1. **Background of the Case:**

1.1 As per the Complainant, the Respondent owe his company a sum of Rs. 35,51,075/- which he took from them as an advance for an assignment work which he could not do. To execute the assignment, he had requested and received amount from the Complainant Company through account transfer several times and also sent false evidence to believe that work is about to complete. Believing that he is a fellow member of the country's reputed Chartered Accountancy regulatory statutory body, payments were made to him on his requests. However, he didn't turn up after receiving the amount and prevaricated when asked about the given assignments.

1.2 The Complainant personally visited the Respondent's place and asked him to return the received amount. He accepted his mistake and gave two signed cheques to the Complainant to return the received amount. The cheques when deposited to bank as per his instructions got dishonoured with a reason that "Insufficient funds in issuer's bank account. After giving sufficient time to him and on his instructions deposited cheques into bank account for the 2nd time which were again dishonoured too. After allowing much time for his corrective action, the Complainant has also issued a legal notice to initiate legal action under section 138 of the Negotiable Instruments Act, 1881.

1.3 The Complainant also stated that his business is suffering from working capital issues due to fraudulent actions done by the Respondent who intentionally took the Complainant's requirement as his opportunity and is causing severe problems to his business.

2. **Charges in brief:**

2.1. The Complainant alleged that the Respondent took an advance of Rs. 35,51,075/- from the Complainant Company through account transfer several times to execute an assignment. However, he did not turn up after receiving the amount and prevaricated when asked about the assignments. The Complainant also alleged that the Respondent sent him false evidence to the Complainant to make him believe that the work is about to complete. Despite repeated requests of the Complainant, the Respondent is not returning his money.

2.2. Further, on following up the above matter with the Respondent, he issued various cheques at different times which got dishonored due to insufficient fund in the respondent's bank account. The Complainant has also issued a legal notice to initiate legal action under section 138 of the Negotiable Instruments Act, 1981.

3. **The relevant issues discussed in the Prima Facie Opinion dated 06th May 2024 formulated by the Director (Discipline) in the matter in brief, are given below:**

3.1. As regard the assignment taken by the Respondent from the Complainant Company, it was observed that the Respondent was appointed by the Complainant Company for resolving the following issues of the Company as accepted by the Respondent's firm vide its letter dated 08.09.2021: -

(i) Reviving the cancelled DSITC of PBB bid (tender) of Rs. approx. 100 crores and placement of order.

(ii) Getting required permissions to open INR account of Shenzhen CIMC- TianDa Airport Support Ltd., China to receive their INR payments towards work done for the existing contract payment of approximate 3.5 crores.

As per the aforesaid letter, the Company was fully responsible for supplying the financial as well as other information required by the Respondent firm and the mandate in favour of the Respondent firm was to remain valid for a period of 30 working days from the execution of the mandate. Total fees of Rs.1.55 crore was payable by the Complainant Company to the Respondent and out of the total fees, an amount of Rs.15 lakhs was payable to the Respondent as advance. Further, the advance payment was to be returned if the work was not completed within 30 working days.

3.2. The Respondent had taken an advance of Rs. 35.51 lakhs on different dates through several transfers but he neither completed the assignment nor returned the advance. Further, when asked about the status of the work, the Respondent had sent false evidence to the Complainant to make him believe that the work was about to be completed. Moreover, the various cheques given by the Respondent were dishonoured due to insufficient funds in the Respondent's bank account.

3.3. In respect of the **first leg** of the charge, the Respondent stated that he was in financial stress due to the disease of his parents at the relevant time. The Respondent admitted that he had received the money from the Complainant through the Complainant Company and he could not complete the assignment. On the contrary, the Complainant stated that being in financial stress did not give the Respondent a right to grab funds in unlawful manner from those who were in need of professional services. The Complainant further stated that when the Respondent was asked to repay the money, he gave bank cheques to the Complainant twice with zero/insufficient balance in his account with the purpose to deceive.

3.4. In respect of the allegations, on perusal of the documents and information available on record, it was noted that on 09.09.2021, the Respondent firm had signed the mandate and raised an invoice of Rs. 17,70,000 i.e., Rs. 15,00,000/- plus GST on the Complainant Company and had obtained the following amounts from the Complainant Company **as** under:-

Date of payment	**Nature of payment**	**Amount**	**Page Reference**
09.09.2021	Advance towards professional fees *(recoverable by the Company in case of non-completion within 30 working days)*	**15,00,000/-** (15,00,000 plus GST @18% - 2,70,000 less TDS @10% - 150000 i.e., 16,20,000/-)	*(Email addressed to Mr. Prem Jain, President (Marketing) at Respondent firm by Complainant confirming payment and transaction details). The Respondent firm vide its e-mail dated 09.09.2021 confirmed receipt of payment*
16.09.2021	For deposit to ICBC Bank for opening account	**7,50,000/-**	*(Copy of whatsapp chat between the Respondent and the Complainant wherein the Respondent confirming receipt of funds against payment made to ICBC* *As per the Complainant, cheque issued by the Respondent was never actually deposited to ICBC bank)*

18.10.2021	For payment of administrative expenses at RBI	**2,01,075/-**	*Copy of whats app chat between Respondent and Complainant & Copy of e-mail from Respondent firm to the Complainant requesting payment of Rs. 2,01,075/- as administration fees. As per the Complainant, the said amount was transferred to the Respondent firm.*
20.10.2021	For minimum bank deposit in ICBC Bank Account	**10,00,000/-**	*Copy of e-mail from account department of Company to Complainant confirming transfer of funds* *Copy of whatsapp chat between the Respondent and the Complainant wherein Respondent has confirmed receipt of funds on 20.10.2021*
Total		**34,51,075/-**	

3.5. The Complainant stated that in order to create a belief that the work was about to be completed, the Respondent had submitted false evidences to him. In this regard, on perusal of the documents and information on record, it was noted that the Complainant had brought on record a copy of a cheque issued by the Respondent in favour of "ICBC A/c Shenzhen CIMC-Tianda Airport Ltd Indian Currency A/c" amounting to Rs. 7,50,000/- and a copy of an unsigned letter dated 15.09.2021 addressed to the RBI for opening of an INR account in ICBC Bank.

3.6. Though there was nothing on record to show that either the copy of cheque was fake or the cheque was not deposited or the copy of letter dated 15.09.2021 was not issued to the RBI Bank, yet the Respondent neither denied the allegation of submitting false evidence nor submitted any evidence to negate the allegation. The Respondent only stated that he had received the money and he could not complete the assignment/work. Hence, in view of the above facts, it was stated that the Respondent was not only grossly negligent in conduct of his professional duties but

his conduct of submitting false evidence to his client had brought disrepute to the profession. Thus, he was held prima facie Guilty of Professional and Other Misconduct falling within the meaning of Clause (7) of Part I of the Second Schedule and Clause (2) of Part IV of the First Schedule to the Chartered Accountants Act, 1949.

3.7. In respect of the **second leg** of charge that the cheque issued by the Respondent got dishonoured due to insufficiency of funds in his bank account, the Respondent only cited the circumstances that had led to his facing financial crisis. On the other hand, the Complainant submitted a copy of the cheque dated 13.02.2022 of Rs. 34,51,075/- issued by the Respondent, and the intimation issued by the bank citing the reason for return of cheque as "Fund Insufficient". The Complainant also brought on record two more cheques issued by the Respondent dated 13.02.2022 of Rs.1 lakh and dated 27.06.2022 of Rs. 24.01 lakhs which were also returned by the bank due to insufficiency of funds. In addition to the above, the Complainant also submitted an e-mail received from the Marketing Head of the Respondent firm dated 18.02.2022 stating therein that due to some document issue in the loan being processed, the disbursal had got delayed which led to bouncing of the cheque.

3.8. The Complainant also submitted a copy of the legal notice dated 28.02.2022 issued to the Respondent for recovery of the alleged funds and taking action under Section 138 of the Negotiable Instruments Act, 1881. Since the Respondent had entered into an agreement with the Complainant Company to provide his professional services, which also contained a clause regarding the return of the amount if the work was not completed within 30 days, it was incumbent upon the Respondent to return the amount to the Complainant Company.

3.9. Considering the above, it was stated that the conduct of the Respondent was unbecoming of a Chartered Accountant which had brought disrepute to the profession as he had failed to honour the cheques issued by him on a number of occasions. Accordingly, the Respondent was held Prima Facie Guilty of 'Other Misconduct' falling within the meaning of Clause (2) of Part IV of the First Schedule to the Chartered Accountants Act, 1949.

3.10. Accordingly, the Director (Discipline) in his Prima Facie Opinion dated 06th May, 2024 opined that the Respondent was Prima Facie **GUILTY** of Professional and Other Misconduct falling within the meaning Clause (7) of Part I of Second Schedule and Clause (2) of Part IV of First Schedule to the Chartered Accountants Act, 1949.The said Clauses of the Schedule to the Act, states as under:

Clause *(7) of Part I of the Second Schedule:*

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

x x x x x x x

(7) does not exercise due diligence, or is grossly negligent in the conduct of his professional capacity; "

Clause *(2) of Part IV of the First Schedule:*

"A member of the Institute, whether in practice or not shall be deemed to be guilty of other misconduct, if he-

x x x x x x x

(2) in the opinion of the Council, brings disrepute to the profession or the Institute as a result of his action whether or not related to his professional work."

3.11. The Prima Facie Opinion formed by the Director (Discipline) was considered by the Disciplinary Committee in its meeting held on 18th September 2024. The Committee on consideration of the same, concurred with the reasons given against the charges and thus, agreed with the Prima Facie Opinion of the Director (Discipline) that the Respondent is **GUILTY** of Professional and Other Misconduct falling within the meaning of Clause (7) of Part I of Second Schedule and Clause (2) of Part IV of First Schedule to the Chartered Accountants Act, 1949 and accordingly, decided to proceed further under Chapter V of the Chartered Accountants (Procedure of Investigations of Professional and Other Misconduct and Conduct of Cases) Rules, 2007.

4. **Date(s) of Written Submissions/Pleadings by parties:**

4.1 The relevant details of the filing of documents in the instant case by the parties are given below:

S. No.	Particulars	Dated
1.	Date of Complaint in Form 'I' filed by the Complainant	01st November 2022
2.	Date of Written Statement filed by the Respondent	23rd February 2023
3.	Date of Rejoinder filed by the Complainant	04th April 2023
4.	Date of Prima Facie Opinion formed by Director (Discipline)	06th May 2024
5.	Written Submissions filed by the Respondent after PFO	19th November 2025
6.	Rejoinder filed by the Complainant after PFO	----

5. **Written Submissions filed by the Respondent:**

5.1 The Respondent vide letter dated 19th November 2025, inter-alia, made the submissions which are given as under: -

i The Respondent had taken an advance from Swati Airport Services and could not complete the work as committed. He further submitted that during the last meeting, he had assured that the liability would be cleared by 31.08.2025; however, he failed to do so.

ii The Respondent stated that he has now decided to dispose of his property situated in his village in Rajasthan and shall clear the said liability by 15th December 2025 in any case. He therefore requested that one opportunity may kindly be granted to him to clear the liability and oblige.

6. **Brief facts of the Proceedings:**

6.1. The details of the hearing(s)/ meetings fixed and held/adjourned in said matter is given as under:

S. No.	Date of meeting(s)	Status
1.	16th December 2024	Adjourned in the absence of both parties.
2.	09th July 2025	Oath taken by parties and adjourned.
3.	19th November 2025	Adjourned in the absence of Respondent.
4.	20th March 2026	Adjourned in the absence of Respondent.
5.	27th March 2026	Deferred due to paucity.
6.	11th May 2026	Hearing concluded & Finding Reserved.
7.	25th July 2026	Decision Taken.

6.2. On the day of first hearing held on 16th December 2024, the Committee noted that when the case was taken up for hearing at that time, none of the parties to the case were present before it. Accordingly, the hearing in the case was deferred on account of the absence of both the parties to the case.

6.3. On the day of the hearing held on 09th July 2025, the Committee noted that both the Complainant and the Respondent were present before it through video conferencing. Thereafter, the Complainant and Respondent were administered on Oath. the Committee enquired from the Respondent as to whether he was aware of the charges against him and whether he pleads guilty. The charges as contained in prima facie opinion were also read out. On the same, the Respondent replied that he is aware of the charges and pleaded 'Not Guilty' to the charges levelled against him. The Committee, looking into the fact that this was the first hearing, decided to adjourn the hearing in the case to a future date.

6.4. On the day of the hearing held on 19th November 2025, the Committee noted that the Complainant was present before it through Video Conferencing. However, there was no representation from the Respondent when the case was taken up for hearing. In the absence of the Respondent and in the interest of justice, the Committee decided to adjourn the hearing in the case to a future date. Accordingly, the hearing in the case was adjourned to provide another opportunity to the Respondent to defend the case before it.

6.5. On the day of the hearing held on 20th March 2026, the Committee noted that no party to the case was present. The office apprised that notice(s) issued to the parties

have been served upon them. In the absence of both parties, the Committee decided to adjourn the matter to a future date.

6.6. On the day of the hearing held on 27th March 2026, consideration of subject case was deferred by the Committee due to paucity of time.

6.7. On the day of the hearing held on 11th May 2026, the Committee noted that the Respondent and the Complainant were present through VC and appeared before it. Thereafter, the Committee noted that the case was part heard and the Respondent and the Complainant were already on oath. The Committee enquired from the Respondent that since the composition of the Committee had changed subsequent to the last hearing held on 09.07.2025 in this case, whether he wished to have a de-novo hearing by taking all submissions/representations already on record or may continue from the stage it was last heard. The Respondent & the Complainant submitted that the proceedings in the instant matter(s) be continued from the stage these were last heard.

The Respondent stated that he had taken money and accepted liability; express his willingness to repay the amount. The Respondent explained that the assignment related to recovery of money stuck with a Chinese supplier, which could not be completed despite efforts. The Respondent admitted that the assignment was not completed and wants to repay the amount by 30th June 2026. The Complainant objected that the Respondent had also made earlier commitments but had not repaid the amount and requested the Committee to not rely on further assurances of Respondent. The Committee noted the submissions of both the parties.

Based on the documents and material available on record and after considering the verbal and written submissions of both of the parties, the Committee concluded the hearing in the matter and findings was reserved.

6.8. At the meeting held on 25th July 2026, the Committee noted that the subject case was heard by it at length in the presence of the Complainant and the Respondent and the hearing was concluded at its meeting held on 11th May 2026 and the Findings was reserved. The Committee considered the material on record including

the submissions of the parties. The Committee deliberated in detail on the said case and took decision on the conduct of the Respondent.

7. **Findings of the Committee:-**

7.1. The Committee noted that the charge against the Respondent (as given in Para 2 above) is that he accepted an advance amount aggregating to Rs. 34,51,075/- from the Complainant Company for undertaking and completing a professional assignment, and neither he completed the assignment within the stipulated period, nor refunded the advance amount despite contractual obligation to do so. He also furnished false evidence indicating progress of the assignment and subsequently issued cheques towards repayment which were dishonoured on presentation due to insufficiency of funds.

7.2. With respect to **first charge** related to failure to discharge a professional engagement after receiving advance fees and failure to refund the amount, coupled with misleading representations regarding progress of the assignment, the Committee noted that the professional engagement between the Complainant Company and the Respondent's firm stood evidenced by the letter dated 08.09.2021. The Committee further noted that the letter expressly provided that the assignment was to remain valid for a period of 30 working days and that the advance paid by the Complainant was liable to be refunded in the event of non-completion of the assignment within the stipulated period.

7.3. The Committee observed that the documentary evidence placed on record, including e-mail communications, bank transaction details and WhatsApp communications exchanged between the parties, indicated that the Respondent acknowledged receipt of the amounts received from the Complainant and subsequently requested additional payments in relation to the assignment, including amounts stated to be required for deposit with ICBC Bank and for administrative expenses relating to obtaining regulatory approvals.

7.4. The Committee noted that despite receipt of the aforesaid amounts aggregating of Rs. 34,51,075, the Respondent admittedly failed to complete the assignment entrusted to him. The Committee further noted that the Respondent has never denied

receiving the amount from the Complainant Company. On the contrary, in his written submissions Respondent expressly admitted that he had received the money and could not complete the assignment.

7.5. The Committee further noted that the Respondent, in his Written Statement, attributed his inability to perform the assignment and refund the amount to financial difficulties arising from the illness of his parents. However, the Committee is of the view that personal financial hardship, howsoever genuine, cannot absolve a Chartered Accountant from his professional obligations towards a client nor justify retention of monies received for professional services which remained unperformed. A member of the profession is expected to conduct himself with integrity, diligence and accountability while dealing with clients' funds and professional engagements.

7.6. In the opinion of the Committee, the Respondent's admission that he accepted professional fees for an assignment which he failed to complete, read together with his repeated failure to adhere to commitments regarding repayment, reflects a lack of due diligence and professional accountability expected of a member of the profession. Such conduct is inconsistent with the obligations owed to a client. The Committee is of the view that the Respondent's actions have resulted in a breach of the trust and confidence reposed in him by the Complainant and have adversely affected the credibility of the profession. Accordingly, the Committee held that the Respondent is **GUILTY** of Professional and Other Misconduct under Clause (7) of Part I of Second Schedule and Clause (2) of Part IV of First Schedule to the Chartered Accountants Act, 1949 in relation to the charges levelled against him.

7.7. With respect to **second charge** related to issuing repayment cheques that were dishonoured for insufficient funds, thereby failing to honour financial commitments, the Committee observed that the record reveals that after repeated demands by the Complainant for return of the amount, the Respondent issued various cheques towards repayment. The Committee noted that the copies of the cheques along with the corresponding bank intimations indicating that the cheques were returned unpaid due to insufficiency of funds in the Respondent's bank account. The Committee further noted that the Respondent has not denied issuing cheque dated 13.02.2022 for Rs. 34,51,075/-, cheque dated 13.02.2022 for Rs.1,00,000/-, and cheque dated

27.06.2022 for Rs.24.01 lakh in favour of the Complainant. The Committee also noted that the said cheques were subsequently dishonoured on presentation due to insufficiency of funds in the Respondent's bank account, a fact which has not been disputed by the Respondent.The Committee noted that despite issuance of legal notice and repeated assurances made by the Respondent, the liability remained unpaid.

7.8. The Committee also noted that the Respondent furnished documents to complainant indicating that the assignment was progressing and about to be completed. The Committee observed that the Complainant had produced on record a copy of a cheque purportedly issued in favour of "ICBC A/c Shenzhen CIMC-Tianda Airport Ltd Indian Currency A/c" and a copy of an unsigned communication purportedly addressed to the Reserve Bank of India relating to opening of the INR account. The Committee further noted that the Respondent merely admitted receipt of the money and non-completion of the assignment without adequately explaining the status of the work allegedly undertaken by him.

7.9. The Committee noted that the Respondent, in his written submission dated 19.11.2025, admitted that he had taken advance from the Complainant and had failed to complete the work committed by him. The Respondent further stated that he intended to dispose of his property situated in Rajasthan and clear the liability. The Committee observed that such submission constituted a clear acknowledgment of the outstanding liability owed by the Respondent to the Complainant.

7.10. The Committee is of the view that once the Respondent had accepted a professional engagement and received monies towards execution thereof, it was his obligation either to complete the assignment in accordance with the agreed terms or, upon failure to do so, to promptly refund the amount received in terms of the contractual arrangement. The Respondent failed to discharge either of these obligations.

7.11. The Committee considered the submissions made by both parties and the material placed on record. It is an admitted position that the Respondent received consideration from the Complainant in connection with the assignment entrusted to him. The Respondent has further conceded that the said assignment remained

incomplete and has acknowledged his obligation to refund the amount received. During the present proceedings, the Respondent has undertaken to repay the outstanding amount on or before 30 June 2026.

7.12. However, the Committee noted that this was not the first occasion on which such an assurance has been extended by the Respondent. As pointed out by the Complainant and not disputed by the Respondent, a similar undertaking was furnished during the previous hearing. Despite such assurance, the Respondent has failed to honour the commitment, and the amount remains unpaid.

7.13. The Committee, after considering the documentary evidence on record, the written submissions of the parties, the admissions made by the Respondent, and the overall conduct of the Respondent, is of the view that the Respondent failed to exercise due diligence and acted with gross negligence in the conduct of his professional engagement with the Complainant. Accordingly, the Committee held that the Respondent is guilty of Other Misconduct under Clause (2) of Part IV of First Schedule to the Chartered Accountants Act, 1949 in relation to the charges levelled against him.

7.14. In view of the facts and circumstances of the case, the Committee held that the Respondent is grossly negligent in the conduct of his professional duties and failed to discharge the obligations arising out of the professional engagement undertaken by him and has the effect of bringing disrepute to the profession. Accordingly, the Committee is of the opinion that the Respondent is Guilty of Professional and Other Misconduct falling within the meaning of Clause (7) of Part I of the Second Schedule and Clause (2) of Part IV of the First Schedule to the Chartered Accountants Act, 1949.

8. **Conclusion:**

8.1. In view of the findings stated in above paras, vis-a-vis material on record, the Committee gives its charge wise findings as under:

Charges (as per PFO)	Findings	Decision of the Committee
Para 2.1 as above	Para 7.2 to 7.6 as above	**GUILTY** - Clause (7) of Part I of the Second Schedule and Clause (2) of Part IV of the First Schedule.
Para 2.2 as above	Para 7.7 to 7.13 as above	**GUILTY**- Clause (2) of Part IV of First Schedule.

9. In view of the above observations, considering the material on record including verbal and written submissions of the parties, the Committee held the Respondent **GUILTY** of Professional and Other Misconduct falling within the meaning of Clause (7) of Part I of the Second Schedule and Clause (2) of Part IV of the First Schedule to the Chartered Accountants Act, 1949.

Sd/-
(CA. PRASANNA KUMAR D)
PRESIDING OFFICER

Sd/-
(CMA CHANDRA WADHWA)
GOVERNMENT NOMINEE

Sd/-
(CA. MAHESH SHAH)
GOVERNMENT NOMINEE

Sd/-
(CA. SATISH KUMAR GUPTA)
MEMBER

DATE: 29.08.2026

PLACE: Noida

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नीलम पुंडीर / Neelam Pundir
वरिष्ठ कार्यकारी अधिकारी / Sr. Executive Officer
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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.)