

CIVIL MISCELLANEOUS

*Before D. Falshaw, C.J., and Mehar Singh, J.*

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF  
INDIA,— *Petitioner.*

*versus*

V. K. VERMA,—*Respondent*

Chartered Accountants Case No. 2-D of 1963

1964

September, 21st

*Chartered Accountants Act (XXXVIII of 1949)—S. 21—Complaint of professional misconduct made against a Chartered Accountant—Reference by the Council to Disciplinary Committee for inquiry—Committee finding charges not proved but holding him guilty of misconduct in respect of certain matters coming to light during proceedings before the Committee—Finding of the Committee—Whether valid and can form basis of punishment.*

*Held*, that the ordinary and the normal procedure is the one that is provided in sub-section (1) of section 21 of the Chartered Accountants Act, 1949, and regulations 11 and 12, according to which the occasion for an enquiry by the Disciplinary Committee only arises on a reference to it of a charge or charges against a member of the Institute after the Council has done its preliminary statutory duty of forming an opinion that there exists a *prima facie* case of professional or other misconduct against the member. Without such a reference there can be no proceedings before the Disciplinary Committee. However, there may be cases in which, on the material available to the Council or the Disciplinary Committee, charges may be added over and above those found in a complaint or information, but then

For the reasons given above, therefore, the case Bhola and others  
is remanded to the trial Court, before whom the Jhundoo and  
parties are directed to appear on 20th January, 1964, for others  
taking date for further proceedings. Parties will be given Harbans Singh,  
a reasonable opportunity for leading such evidence as they J.  
may deem fit and as may be considered relevant on the  
two issues, referred to above, and a report will be  
submitted, through the District Judge, to this Court  
without any avoidable delay. In any case, effort should  
be made to submit this report within three months of the  
date of the appearance of the parties.

D. FALSHAW, C.J.—I agree.

Falshaw, C. J.

B.R.T.