BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED : 21.02.2019

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THE HONOURABLE MR.JUSTICE G.R.SWAMINATHAN

W.P.(MD)Nos.15314 & 15315 of 2017

and W.M.P.(MD)Nos.12123, 12124, 16729 & 16730 of 2017

R.Sridharan ... Petitioner in W.P.(MD)No.15314 of 2017
P.Suriyanarayanan ... Petitioner in W.P.(MD)No.15315 of 2017

Vs.

1. The Director,
Disciplinary Committee,
The Institute of Chartered Accountants of India,
ICAI Bhawan, Indraprastha Marg,
Post Box No.7100,
New Delhi - 110 002.

2. The Deputy Secretary,
Disciplinary Directorate,
The Institute of Chartered Accountants of India,
ICAI Bhawan, Indraprastha Marg,
Post Box No.7100, New Delhi - 110 002.

3. The Assistant Secretary,
Disciplinary Directorate,
The Institute of Chartered Accountants of India,
ICAI Bhawan, Indraprastha Marg,
Post Box No.7100,
New Delhi - 110 002.

4. T.Raja Meyyappan ... Respondents in both petitions

COMMON PRAYER : Writ petitions are filed under Article 226 of the Constitution of India, to issue a Writ of Certiorari, calling for the records in Ref.No.PR-271/14-DD/323/14/BOD/257/2017 dated 07.07.2017 and Ref.No.PR-271A-14-DD/322/14/BOD/258/2017 dated 07.07.2017 and subsequent notice dated 21.07.2017 following the above notice on the file of the third respondent and quash the same as illegal, incompetent, without jurisdiction.

(in all W.Ps.)
For Petitioners : Mr.S.Ramesh
for Mr.V.Ragavachari
For R-1 to R-3 : Mr.T.Mohan,
for Mr.S.Sukumar
For R-4 : M/s.P.Kalaiyarasi Bharathi

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COMMON ORDER

The petitioners in these Writ petitions are partners of a firm of Chartered Accountants. They had taken lease of the premises belonging to the fourth respondent. It appears that while taking the lease, the petitioners herein had represented that the lease premises will be utilised only for residential purposes. But contrary to the assurance held out to the fourth respondent, the building in question was used for running the firm. As a result, the building that belongs to the fourth respondent came to be categorised as commercial. Therefore, the fourth respondent initiated Rent Control proceedings against the Writ petitioners herein. While allowing the R.C.O.P. filed by the fourth respondent, the Rent Controller had made some caustic observations against them.

2. Parallelly, the fourth respondent had also lodged a complaint against the Writ petitioners under Section 21 of the Chartered Accountants Act 1949. The Institute took cognizance of the said complaint and decided to proceed further in the matter. Therefore, notice was given to the Writ petitioners to appear for hearing. Challenging the same, these Writ petitions have been filed.

3. The learned counsel appearing for the Writ petitioners submitted that respondents 1 to 3 will not have any jurisdiction in the matter because the dispute between the Writ petitioner and the fourth respondent is purely civil in nature and would not fall within the frame work of professional or any other misconduct as provided in the Chartered Accountants Act 1949.

4. This Court is unable to agree with the aforesaid stand taken by the Writ petitioners. As rightly pointed out by learned Standing counsel appearing for respondents 1 to 3, the issue on hand is no longer *res integra*. The Hon'ble Supreme Court in Civil Appeal No.11034 of 2018 decided on 16.11.2018 held that any act that brings disrepute to the profession whether or not related to his professional work would fall within the disciplinary jurisdiction of the Board. This decision rendered by the Hon'ble Supreme Court was followed by the Hon'ble Delhi High Court in W.P.(C)No.10020 of 2016 and CM Nos.39730 of 2016, 35843-35844 of 2018, dated 11.02.2019. Respectfully following the aforesaid decisions, this Court holds that respondents 1 to 3 are very much having the jurisdiction to go into the complaint given by the fourth respondent against the Writ petitioners.

5. It is made clear that this Court has not pronounced anything beyond the jurisdictional issue. All the other defences of the Writ petitioners are left open.

6. With these observations, the Writ petitions stand dismissed. No costs. Consequently, connected Miscellaneous petitions are closed.

Sd/-

Assistant Registrar (AD-I)

// True Copy //

Sub Assistant Registrar(CS)

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To

1. The Director, Disciplinary Committee,
   The Institute of Chartered Accountants of India,
   ICAI Bhawan, Indraprastha Marg,
   Post Box No.7100, New Delhi – 110 002.

2. The Deputy Secretary, Disciplinary Directorate,
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3. The Assistant Secretary,
   Disciplinary Directorate,
   The Institute of Chartered Accountants of India,
   ICAI Bhawan, Indraprastha Marg,
   Post Box No.7100, New Delhi – 110 002.

+2CC TO MR.V.RAGHAVACHARI, Advocate Sr. No.49112
+2CC TO MR.S.SUKUMAR, Advocate Sr. No.49563

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