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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

+ **W.P.(C) 18149/2025**

CA SHARAD VASANT

.....Petitioner

Through: Mr. Mukul Rohatgi and Mr. Sudhir Makkar, Sr. Advocates with Ms. Ruby Singh Ahuja, Mr. Zerick Dastur, Ms. Archana Uppuluri, Mr. Jappanpreet Hora, Mr. Devang Kumar, Mr. Tribhuvan N. Singh, Mr. Keshav Sehgal, Ms. Saumya Gupta & Ms. Sanya Oberoi, Advocates.

versus

**NATIONAL FINANCIAL REPORTING
AUTHORITY & ORS.**

.....Respondents

Through: Mr. Zoheb Hossain, Mr. Vivek Gurnani & Mr. Satyam, Advocates for R-1/NFRA.
Ms. Radhika Bishwajit Dubey, CGSC with Mr. Sujeet Singh, GP, Ms. Gurleen Kaur Waraich, Mr. Kritarth Upadhyay, Ms. Aprajita Verma, Mr. Vivek Sharma, Mr. Saksham Sharma & Mr. Mathy V. Kutty, Advocates for R-3/UOI.

**CORAM:
HON'BLE MR. JUSTICE PRATEEK JALAN**

ORDER

% **02.12.2025**

CM APPL. 75098-99/2025 (for exemptions)

Exemptions allowed, subject to all just exceptions.



The applications stand disposed of.

W.P.(C) 18149/2025 & CM APPL. 75097/2025 (for interim relief)

1. Issue notice. Mr. Zoheb Hossain, learned counsel, accepts notice on behalf of respondent No. 1-National Financial Reporting Authority [“NFRA”]. In view of the order that I propose to pass, notice to other respondents [respondent Nos. 2 and 3] is not necessary.
2. By way of this writ petition under Article 226 of the Constitution, the petitioner assails a circular dated 26.06.2023 issued by NFRA, and a show cause notice dated 30.12.2024 issued by NFRA to him.
3. The writ petition has been filed at the show cause notice stage. The matter remains pending before NFRA for a final decision. In the course of proceedings, the petitioner has filed various replies/representations and documents with NFRA raising objections, which according to him, show that NFRA lacks jurisdiction to continue with these proceedings.
4. One of the grounds taken by the petitioner is that the said show cause notice relates to his conduct as an Engagement Quality Control Reviewer [“EQCR”], in respect of the audit of financial statements of one M/s Religare Finvest Limited for Financial Year 2016-17. It is the contention of the petitioner that NFRA does not exercise authority over EQCR, but only over the engagement partner and engagement team, who conduct the audit.
5. Both, in the writ petition and the documents filed thereto, the petitioner has referred to interim orders passed in two writ petitions filed by similarly placed EQCR - *Charmi M. Shah v. National Financial Reporting Authority & Anr.* [W.P.(C) 1135/2025] [hereinafter, “*Charmi*”]



M. Shah”], in which the interim order was passed on 30.01.2025, and *Sunil Wahal v. National Financial Reporting Authority & Anr.* [W.P.(C) 1485/2025] [hereinafter. “*Sunil Wahal*”], in which the interim order was passed on 06.02.2025. This Court *inter alia* stayed further proceedings against the ECQR, finding a *prima facie* case in their favour on the question of jurisdiction of NFRA.

6. Mr. Mukul Rohatgi, learned Senior Counsel for the petitioner, submits that the interim order in *Charmi M. Shah* was carried to the Supreme Court in SLP (C) No. 5468/2025. He has handed over a copy of the order of the Supreme Court dated 07.03.2025, which is taken on record. By the said order, the special leave petition, as well as the writ petition before the High Court, were disposed of, with the following order:

“Issue notice to the respondents.

Learned counsel, Mr. Rachit Mittal accepts notice who is appearing on caveat for respondent No.1.

We dispose of this Special Leave Petition by reserving liberty to the respondents herein to file their objections to the Show Cause Notice issued by the petitioner herein within a period of four weeks from today.

Should such a reply be given by the first respondent to the petitioner herein, the same shall be considered both on the issue of jurisdiction, if any, as well as on any other aspect and pass a speaking order thereon.

Consequently, the Special Leave Petition as well as the Writ Petition filed by the first respondent herein before the High Court stand disposed of.

We state that we have not made any observation on the merits of the case.

Till the order is made by the petitioner on the issue of jurisdiction raised by the first respondent herein, no coercive steps shall be taken as against the first respondent herein.

In the event of any adverse order being made by the petitioner herein as against the first respondent, liberty is reserved with the first respondent to assail the same in accordance with law.



Pending application(s), if any, shall stand disposed of.”

7. The writ petition in *Sunil Wahal*, was disposed of by the High Court *vide* order dated 28.05.2025, relying upon the aforesaid Supreme Court order dated 07.03.2025 in *Charmi M. Shah*. The matter was thereafter carried to the Supreme Court by the petitioner therein in SLP (C) Diary No. 39744/2025, which was disposed of on 14.10.2025, on terms substantially similar to the above-extracted order passed by Supreme Court in *Charmi M. Shah*. Copies of order dated 28.05.2025 passed by the High Court, and order dated 14.10.2025 passed by the Supreme Court have also been handed up in Court, and are taken on record.

8. As the petitioner is relying upon the aforesaid interim orders of this Court, he ought to have placed the further orders passed by this Court, and the orders of the Supreme Court, on record with the writ petition. While the failure to do so is deprecated, I am of the view that the writ petition ought to be disposed of following the orders of the Supreme Court referred to above.

9. Having regard to the aforesaid position, the writ petition is disposed of with the following directions:

- a. I am informed that the petitioner has not yet submitted a response on merits to the show cause notice dated 30.12.2024. The petitioner may file a comprehensive response to the show cause notice dated 30.12.2024 within a period of six weeks from today. In the reply, the petitioner may take all objections, whether on jurisdiction or any other aspect, which he wishes NFRA to consider.



- b. NFRA will pass a speaking order thereafter.
 - c. As observed by the Supreme Court, until the order is made by NFRA on the issue of jurisdiction, no coercive steps shall be taken against the petitioner.
 - d. The right of the petitioner to challenge an adverse order by NFRA, if any, remains reserved.
10. It is made clear that this Court has not made any observations on the merits of the matter.
11. The writ petition, alongwith the pending application, stands disposed of with the aforesaid directions.

PRATEEK JALAN, J

DECEMBER 2, 2025

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