Action against CAs

Why in news?

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The Institute of Chartered Accountants of India (ICAI) has declared that substantial number of complaints have been registered against CAs.

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What prompted this issue?

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- Recently, Prime Minister indicated stringent measures against those involved in money laundering, including through shell companies.
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- He further asked the ICAI to hasten action against CAs “helping tax evaders.”
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- While he asked the auditors to help end black money and corruption, he also questioned the ICAI regarding action taken against low number of erring CAs.
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- PM had said that it was worrying that there were over 1,400 cases pending against CAs for several years, and that it took years for the ICAI to take a single decision.
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What was the reply from ICAI?

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- The ICAI is under the Corporate Affairs Ministry’s administrative control.
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- The CA regulator said that it was pushing for amendments to the norms to help expedite action against wrongdoers in the profession.
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- It said the action ranged from issuing letter of caution to permanent removal

from the ‘Register of Members’ with or without fine, depending upon the gravity of the charges established against the members.
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- It said that from the inception of the ‘New Disciplinary Mechanism’ in November 2006 till this June-end, as many as 3,810 cases were registered against CAs.
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Source: The Hindu

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