

**UNITED STATES OF AMERICA  
BEFORE the  
SECURITIES AND EXCHANGE COMMISSION**

**SECURITIES EXCHANGE ACT OF 1934**

**Release No. 59206 / January 6, 2009**

**ACCOUNTING AND AUDITING ENFORCEMENT**

**Release No. 2916 / January 6, 2009**

**ADMINISTRATIVE PROCEEDING**

**FILE NO. 3-13327**

**In the Matter of**

**R.K. DHAWAN & CO.**

**Respondent.**

**ORDER INSTITUTING PUBLIC  
ADMINISTRATIVE PROCEEDINGS  
AND IMPOSING TEMPORARY  
SUSPENSION PURSUANT TO RULE  
102(e)(3) OF THE COMMISSION'S  
RULES OF PRACTICE**

**I.**

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest that public administrative proceedings be, and hereby are, instituted pursuant to Rule 102(e)(3)<sup>1</sup> of the Commission’s Rules of Practice against R.K. Dhawan & Co. (“Respondent” or “Dhawan & Co.”).

**II.**

The Commission finds that:

**A. RESPONDENT**

1. Dhawan & Co. is an accounting firm with offices in New Delhi, India and Bangalore, India. R.K. Dhawan, a chartered accountant in India, is the founding partner of

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<sup>1</sup> Rule 102(e)(3)(i) provides, in relevant part, that: The Commission, with due regard to the public interest and without preliminary hearing, may, by order, ... suspend from appearing or practicing before it any ... accountant ... who has been by name ... permanently enjoined by any court of competent jurisdiction, by reason of his or her misconduct in an action brought by the Commission, from violating or aiding and abetting the violation of any provision of the Federal securities laws or of the rules and regulations thereunder.

Dhawan & Co. He was responsible for the reviews and audits of AremisSoft Corporation subsidiaries conducted by Dhawan & Co.

### III.

#### B. CIVIL INJUNCTION

1. On September 23, 2008, the U.S. District Court for the Southern District of New York entered a final default judgment against Dhawan & Co., permanently enjoining it from future violations of Section 17(a) of the Securities Act of 1933 and Section 10(b) of the Securities Exchange Act of 1934 (“Exchange Act”) and Exchange Act Rule 10b-5 and from aiding and abetting future violations of Sections 13(a), 13(b)(2)(A) and 13(b)(2)(B) of the Exchange Act, and Exchange Act Rules 12b-20, 13a-1 and 13b2-1. *Securities and Exchange Commission v. Savvides & Partners/PKF Cyprus, Pavlos Meletiou, et. al.*, 06 CV 2223 (CSH) (S.D.N.Y.).

2. The Commission’s complaint alleged, among other things, that Dhawan and Co. issued audit reports on nine AremisSoft subsidiaries in 2000 signed by its partner Dhawan that falsely stated that the audits were conducted in accordance with U.S. Generally Accepted Auditing Standards (“GAAS”) and that the AremisSoft subsidiaries’ financial statements were presented in conformity with U.S. Generally Accepted Accounting Principles (“GAAP”). The complaint further alleged that the companies’ false financial statements were included as part of AremisSoft’s consolidated financial statements filed with AremisSoft’s year 2000 Form 10-K. The complaint alleged that five of the nine companies were never in fact acquired by AremisSoft and four were shells with insignificant assets, revenues, and income. The complaint also alleged that Dhawan had no training or experience in U.S. GAAS or U.S. GAAP.

### III.

Based upon the foregoing, the Commission finds that a court of competent jurisdiction has permanently enjoined Dhawan & Co. from violating the Federal securities laws within the meaning of Rule 102(e)(3)(i)(A) of the Commission’s Rules of Practice. In view of these findings, the Commission deems it appropriate and in the public interest that Dhawan & Co. be temporarily suspended from appearing or practicing before the Commission as an accountant.

IT IS HEREBY ORDERED that Dhawan & Co. be, and hereby is, temporarily suspended from appearing or practicing before the Commission as an accountant. This Order shall be effective upon service on the Respondent.

IT IS FURTHER ORDERED that Dhawan & Co. may within thirty days after service of this Order file a petition with the Commission to lift the temporary suspension. If the Commission within thirty days after service of the Order receives no petition, the suspension shall become permanent pursuant to Rule 102(e)(3)(ii).

If a petition is received within thirty days after service of this Order, the Commission shall, within thirty days after the filing of the petition, either lift the temporary suspension, or set

the matter down for hearing at a time and place to be designated by the Commission, or both. If a hearing is ordered, following the hearing, the Commission may lift the suspension, censure the petitioner, or disqualify the petitioner from appearing or practicing before the Commission for a period of time, or permanently, pursuant to Rule 102(e)(3)(iii).

This Order shall be served upon Dhawan & Co. by registered mail at its last known address.

By the Commission.

Elizabeth M. Murphy  
Secretary