The Institute of Cost Accountants of India
Board of Discipline u/s 21A of The Cost Accountants Act, 1959

Final order number: ICMAI/BOD/2026/53

Complaint number	Com/21-CA(133)/2024
In the matter of	Mehul Parmar [Complainant] Vs. Arindam & Associates (FRN: 000559) [Respondent]
Date of Hearing	As per records and order sheet
Date of order	17th September, 2026

CORAM:

1	Shri P.K. Pujari, IAS (Retd)	Presiding Officer
2	CMA Avijit Goswami	Member

PRESENT IN HEARINGS

1	CMA(Dr) Hemant Kumar Sindhwani	Director (Discipline)

Brief of the Case:

1. The Disciplinary Directorate is in receipt of a complaint in Form I dated 21st March, 2024 along with the prescribed complaint fee of Rs 2950/- (inclusive of GST) from Mehul Parmar (hereinafter referred to as the "complainant"), against Arindam & Associates (hereinafter referred to as the "respondent") bearing FRN number 000559, containing certain allegations against the respondent falling under various provisions of the Cost Accountants Act, 1959.
2. The complaint, comprising 128 pages including annexure, primarily contains allegations that the respondent submitted false and fabricated documents, furnished incorrect particulars relating to the firm's name, constitution and employee details, and made misrepresentations in the SECL tender process with the intention of securing the tender

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through fraudulent means. The particulars of the complaint, as set out in Form I, are reproduced herein below verbatim:

FORM I

[See sub-rule (1) of Rule 3]

1	Name of the Complainant: (With membership number, if member of Institute of cost Accountant of India)	Mehul Parmar Email Mehulparmar17081985@gmail.com Pan and adhar attached
2	Name of the member/ firm Against whom complaints is being made: (with membership Number/ registration number of the firm, if Known)	Arindam & Associates FRN : 000559
3	Latest address of the complainant for communication	ROW HOUSE-35, SHIVDHARA RESIDENCY, S NO 133/1, NEAR HARIDARSHAN, SOCIETY, ANDADA ROAD-ONGC POINT,ROAD,ANKLESHWAR, BHARUCH-393001
4	Last Available Professional address of the member or the firm against whom the complaints is made	D-16, Bhawna Nagar, khamardih Shankar Nagar, Raipur Chattisgarh 492007 741529544, 8981528896
5	Particulars of allegation(s) Serially numbered together with corresponding clause/part of the relevant schedule(s), or particulars of allegation(s) serially numbered together with clause /part of the relevant scheduled(s) under which the alleged acts commission or omission or both would fall.	As per Annexure-1
6	Particulars of evidence(s) adduced in support of the	Annexure as attached

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	allegation(s) made	
7	Name(s) of person who have knowledge of the facts of the case	NIL

3. The complainant has submitted annexure 1 along with Form I which particular of allegation vide which he alleged that the respondent has applied tender number SECL/BSP/CMC/e-EoI/406 vide Bid number 535559 dated 08th July, 2020 and submitted fraudulent, forged and fake documents to gain monetary benefits and securing audit through unfair means and made the following three allegations on respondent;
   a) Allegation No. 1: Fake & Fraudulent List of Employees
   b) Allegation No. 2: Name not approved by Council shown at the time of application to tender
   c) Allegation No. 3: Bringing Disrepute to the Institute
4. The above complaint was scrutinized and was registered in terms of Rule 5 of the Cost and Works Accountants (Procedure of Investigation of Professional and Other Misconduct and Conduct of Cases) Rules, 2007 and the same was proceeded with in the manner as prescribed in Chapter III of the Rules and was registered by the Disciplinary Directorate by giving a unique number, Complaint No. Com/21-CA(133)/2024.
5. The complaint dated 21st March, 2024 was duly forwarded to the Respondent vide letter No. G/DD/Com-CA(133)/(FRN000559)/1/04/2024 dated 25th April, 2024, followed by a reminder vide communication No. G/DD/Com-CA(133)/(FRN000559)/2/05/2024 dated 8th May, 2024, in terms of sub-rule (3) of Rule 8 of the Cost and Works Accountants (Procedure of Investigations of Professional and Other Misconduct and Conduct of Cases) Rules, 2007, calling upon the Respondent to submit his written statement of defence within 21 days from the date of service of the said communication.
6. The respondent has submitted his written statement vide letter dated 18th June, 2024 consisting of 11 nos of pages including Annexure. The same is reproduced below verbatim:

Quote

THE INSTITUTE OF COST ACCOUNTANTS OF INDIA
Complaint No. Com/21-CA(133)/2024

Mr. Mehul Parmar ...Complainant
Vs.
M/s. Arindam & Associates ...Respondent

WRITTEN STATEMENT ON BEHALF OF THE RESPONDENT TO THE COMPLAINT OF THE COMPLAINANT.

MOST RESPECTFULLY SHOWETH:

1. I, CMA Arindam Goswami (M.N0.-30993), one of partner of Arindam & Associates, Cost Accountants (FRN: 00559) have been authorised by the partners of the firm to respond to the complaint on behalf of the firm. I will be responsible for answering the complaint and the particulars of acts of commission or omission and the copy of the complaint sent to the firm by The Director (Discipline) has been duly received by me.
2. At the outset, the contents of the complaint filed by the Complainant are denied, misconstrued and misconceived except those that are specifically admitted hereinafter to be true and correct.

PRELIMINARY OBJECTIONS:

1. The complaint filed by the Complainant is misplaced and misconstrued. The same is based on surmises and conjectures of the Complainant. The complaint is bad in law as well as on facts. The same is liable to be rejected subject to this ground itself.
2. The present complaint is liable to be dismissed at the outset being vexatious complaint filed by the Complainant with a view to harass the Respondent. The Complainant have sought to present facts and issues by way of the present complaint which are false, frivolous, misconceived, illegal and unwarranted in light of the present written statement on behalf of the Respondent.
3. The Complainant has no locus whatsoever to file the present complaint against the Respondent. Further, no case has been made out by the Complainant against the Respondent for professional misconduct or other misconduct under the Costs and Works Accountants Act, 1959 (the Act) read with Costs and Works Accountants (Procedure of Investigations of Professional and other Misconduct and Conduct of Cases) Rules, 2007 (the Rules).
4. From the contents of the complaint, it is evident that the present complaint is motivated and has been filed at behest of a person behind the curtains having personal vested interest in causing harm and injury to the Respondent.
5. Allegation 1 - Part A:
   a. It seems the complaint is totally misconceived and false because the Complainant himself is not clear as to under which particular clause he is actually complaining. In his particulars of allegation, he has referred to Clause 2 of Part IV of First Schedule of the Cost and Works Accountants Act

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1959 alleging that ***"the member brings disrepute to the profession or to the Institute as a result of his action whether or not related to the professional work."*** superficially substantiate his allegation, the Complainant has alleged on Page 5 of the complaint that ***"Sheer Negligence by professional Cost Accountant which invites disrepute the Institute under clause (2) of Part IV of First Schedule of the Act."*** Thus, the enthusiastic jealous complainant without providing any proof as to how the reputation of the Institute is affected has made such allegation. By making such casual allegation, he has himself brought disrepute to him as a member of the society and or as a member of the Institute (if he is so) and also made him liable for criminal and civil defamation by making baseless allegations.

b. Clause (5) of Part I of the First Schedule to the CWA Act, 1959 – Secures, either through the services of a person who is not an employee of such Cost Accountant or who is not its Partner all by means which are not open to a Cost Accountant, any professional business.
The allegation is totally wild and possibly it shows very casual approach of the complainant. The complainant has not given any details as to whose services have been used by the Respondent or which are the means employed by the Respondent which are not open to a Cost Accountant to secure any professional business.

c. Clause (1) and (3) of The Part III of Second Schedule of the Act- The Complainant alleges "not supplying the factual information to the Institute to defraud clients, he has done professional misconduct" under the clauses as mentioned above. It may be noted that Part –III of the Second Schedule to the Act does not have any clauses. It provides that "A member of the Institute whether in practice or not, shall be deemed to be guilty of other misconduct, if he is held guilty by any civil or criminal Court for an offence which is punishable with imprisonment for a term exceeding 6 months.
There is no question of supplying any factual information to the Institute, or defrauding clients etc. as alleged by the complainant. This only shows an approach of harassment to the Respondent without any substance in the allegation.

d. Clause (6) and (7) of The Part I of First Schedule of the Act-
The Complainant alleges "While inviting professional work from another cost accountant or while responding to tenders or enquiries or while advertising through a write up . or anything as provided for in items (6) and (7) of Part I of this Schedule, gives information knowing it to be false.
The Complainant has not given the reference of the Schedule even i.e. whether First Schedule or Second Schedule. However, his complaint may go nearer to First Schedule the following provisions may be noted:
Clause (6) Part I First Schedule "A Cost Accountant in practice shall be deemed to be guilty of professional misconduct if he solicits clients or profession work either directly or indirectly by circular, advertisement,

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personal communication or interview or by any other means. The Complainant has not given any instance or proof for such solicitation of client by the respondent and hence the complaint under this clause is totally untenable.

Clause (7) Part I First Schedule "A Cost Accountant in practice shall be deemed to be guilty of professional misconduct if he advertises his professional attainments or services or uses any designation or expressions other than Cost Accountant on professional documents, visiting cards, letterheads, or signed boards, unless it be a degree of a University established in Law of India or recognized by the Central Government or a title indicating membership of the [Institute of Cost Accountants of India] or of any other Institution that has been recognized by the Central Government or may be recognized by the Council." ----

PART B: Regarding information provided by our firm in the Tender document

i. The Respondent had not given any false information while responding to the tender, to come within the purview of professional misconduct under CWA Act, 1959. The said fact shall be demonstrated in the preliminary submissions hereunder.

ii. It is a matter of fact that the Respondent's firm had participated in the tender floated by M/s South Eastern Coalfield Limited (SECL) vide e-Expression Notice (NIT No. SECL/BPS/CMA/eEoI/406/27-06-2020) for empanelment and selection for appointment of Cost Auditor of SECL for Financial Year 2020-21 & 2021-22.

iii. The firm of the Respondent was appointed as the Branch Cost Auditor of SECL after following all legal formalities as per the terms and conditions of the tender documents. All the procedures and formalities laid down in the tender documents were abided strictly.

iv. The firm of the Respondent had successfully discharged its obligations complying with the highest and strictest standards for which neither the client nor any other person except the complainant has the problem.

v. The firm had completed Cost Audit for the financial year 2020-21 and 2021-2022 to the utmost satisfaction of the appointing authority and that well within the statutory time limit too as laid down under Section 148 of the Companies Act, 2013.

vi. It is pertinent to note that the tender obligated the Respondent's firm to provide number of fully qualified and semi-qualified assistants (Cost/Chartered Accountants) in the firm. The tender never mentioned the condition that the assistants should be under the payroll of the Respondent's firm.

vii. As marked on page 3 of the complaint is the list of cost accountants who were working/associated with the Respondent's firm as on 01.01.2020. The same list was submitted along with other documents at the time of participation in the tender of SECL in order to fulfil the criteria as

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mentioned in Sl. No.3 of the Primary criteria. The criteria 3 required number of qualified assistants (cost/chartered accountants) in the firm. It is misconstrued to allege that the said persons though not in employment of the Respondent's firm have been wrongly declared to be in employment with the Respondent's firm.

viii. It is a matter of fact that the Cost Accountants/Chartered Accountants work on retainer ship basis or assignment to assignment basis with another Cost Accountant/Chartered Accountant or his firm. The same is permissible under rules and such a Cost Accountant/Chartered Accountant can retain his/her certificate of practice while being associated with any firm as they are not in employment of such a firm. The same was the case with the Respondent's firm and the persons associated with it.

ix. It is submitted that neither the said person as named in the complaint CMA Devendra Kumar Dilliwar was in employment in the Respondent's firm nor the criteria in the tender required employment nor the Respondent's firm ever construed or represented that the said person is in its employment. Therefore, the allegation of the Complainant is farfetched and stretched beyond the limit. Such an allegation has been made and a mountain out of a mole has been sought to be made only with mala-fide intention and ulterior motives.

x. In the selection Criteria Part B documentary evidence requirement- It is mentioned that proof of CA/ CMA final/inter CMA/CA-IPCC pass Certificates / Membership of the respective Institute for Qualified Assistance is to be provided along with date from which they are with the firm. Accordingly our firm submitted the details of Qualified Assistants who will be providing assistance to the firm in the conduct of Cost Audit assignment.

xi. Therefore, in view of the above, it cannot be alleged or stated that the Respondent's firm had provided any false information while participating in the tender of SECL.

xii. No harm or injury has been caused to either SECL or any other person due to the declaration made by the Respondent's firm i.e. Attachment-2 to the complaint during the tender process of SECL.

6. Allegation 2 –

Clause (1) Part II Second Schedule "A Member of the Institute, whether in practice or not, shall be deemed to be guilty of professional misconduct if he (1) contravenes any of the provisions of this act or the Regulations made there under or any guidelines issued by the Council.

The complainant has pointed out that in the bid information bidder name is mentioned as "Arindam and Associates" (Page 7) and thereby has contravened the provisions of the Act or Regulations etc. We may like to point out that it is an unintentional clerical flaw. The complainant himself has attached as supporting documents (Page no. 3, 6, 8) of the complaint where the letterhead of the firm

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clearly indicates the name of the firm as "Arindam & Associates". It is strongly felt that the complainant who himself may not be a Cost Accountant is filing such frivolous complaint which must be with some ulterior motive. Mere typographical errors are glorified and a lame attempt has been made by filing the complaint against our firm by the complainant for the reasons best known to him.

Respondent do not understand wherefrom the complainant has got information that Respondent have used 0(zero) instead of small 'o' because in the documents submitted by the complainant himself there is no single instance of the allegation which shows complainant allegation is false and utterly baseless. However, respondent could have chosen not to respond this allegation because this is not only flimsy and false but ridiculous and smacks of personal vendetta.

The approach of the complainant is so casual that the complainant has not even mentioned the Schedule no. under which he is filing the complaint. In good faith we have only ascertained the proper Clause, Part & Schedule under which the complainant may have intention to make the complaint. Being an old and established firm respecting all Rules and Regulations of the Institute we are trying to assist the disciplinary mechanism of the Institute.

The Respondent has thus not contravened with any of the provisions of the Act or regulations made there under or any guidelines issued by the Council. The complaint fails to make out any case under Clause (1) of Part II of the Second Schedule to the CWA Act, 1959.

7. Allegation 3-
   a. Clause (2) Part IV First Schedule "A Member of the Institute, whether in practice or not shall be deemed to be guilty of other misconduct if (2) in the opinion of the Council he bring disrepute to the profession or to the Institute as a result of his action whether or not related to his professional work.

      The Allegations made by the complainant are completely mischievous and the complainant has no right to exercise his judgment regarding fees whether they are meagre or not. This only shows that the complainant has no legal issue but the entire complaint is based on whims and fancies of the complainant with ulterior motives.

      The essential ingredient under this clause is "in the opinion of the Council" disrepute is brought to the profession or the Institute. Thus the authority rests with the Institute and not with the complainant. The complainant has not shown as to how "Disrepute" is brought to the profession or the Institute. It is only a wild charge levied by the complainant without any substance.

      Further, the Respondent has not brought any disrepute to the profession or the Institute as a result of any action on his part, whether related or not related to professional work. The Complainant has not made out a case against the Respondent as to how the Respondent has caused disrepute to the profession or the Institute by his actions. There are no particulars contained either in the complaint establishing iota of disrepute to profession or Institute. Merely making bald allegations is not sufficient to prove or establish that any

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disrepute has been caused or suffered by anyone or the Institute. Hence, no case has been made out under Clause (2) of Part IV of the First Schedule to the CWA Act, 1959.

In view of the foregoing facts and circumstances, it is submitted that the complaint of the Complainant is liable to be dismissed/rejected being misconceived and misconstrued. It is further prayed that the complaint be dismissed with exemplary costs being frivolous and unjustified.
For Arindam & Associates,
Cost Accountants
FRN: 000559
Arindam Goswami
M. No. 30993
Date: 18/06/2024

Unquote

7. The Respondent further submitted an Authority Letter even dated 18th June 2025, duly signed by eight numbers of partners of firm authorising CMA Arindam Goswami, Partner of Arindam & Associates, to represent and act on behalf of the firm in connection with the present complaint.

8. The written statement dated 18th June, 2024 submitted by the Respondent was forwarded to the Complainant vide letter No. G/DD/Com-CA(133)/2025/06/03 dated 4th June, 2025 followed by reminder dated 16th September, 2025 calling upon him to submit a rejoinder in terms of Rule 8(4) of the Cost and Works Accountants (Procedure of Investigations of Professional and Other Misconduct and Conduct of Cases) Rules, 2007. The complainant, vide his letter dated NIL forwarded his 15 nos pages of rejoinder which is reproduced below in verbatim:

Quote

CASE NO COM/21-CA(133)/2024
TO
DIRECTOR DISCIPLINE
ICMAI
SUB: REJOINDER REPLY

Dear sir,
Pointwise reply is as per below:

1. I, CMA Arindam Goswami (M.N0.-30993), one of partner of Arindam & Associates, Cost Accountants (FRN: 00559) have been authorised by the partners of the firm to respond to the complaint on behalf of the firm. I will be responsible

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for answering the complaint and the particulars of acts of commission or omission and the copy of the complaint sent to the firm by The Director (Discipline) has been duly received by me.

Reply: There is no resolution approved by Partnership firm Arindam & Associates kept on record in favour of CMA ARINDAM GOSWAMI to enable him to reply on behalf of the firm. Hence the reply is to be summarily rejected.

1. The complaint filed by the Complainant is misplaced and misconstrued. The same is based on surmises and conjectures of the Complainant. The complaint is bad in law as well as on facts. The same is liable to be rejected subject to this ground itself.

   REPLY: HERE THE RESPONDENT FIRM IS TRYING MAKE ALLEGATIONS AGAISNT DIRECTOR DISCIPLINE THAT THE COMPLAINED IS MISPLACED AND MISCONTRUDED AND IS BASED ON SURMISED AND CONJECTURES AS DIRECTOR DISCIPLINE ON SAME GROUNDS HAS MADE PRIMA FACIE OPINION OF GUILTY IN case NO. Com/21-CA(108)/2022 & Com/21-CA(109)/2022.

   Also the respondent has alleged the complaint is bad in law as well as on facts and same is be rejected but DIRECTOR DISCIPLINE ON SAME GROUNDS HAS MADE PRIMA FACIE OPINION OF GUILTY IN Com/21-CA(108)/2022 & Com/21-CA(109)/2022.

2. The present complaint is liable to be dismissed at the outset being vexatious complaint filed by the Complainant with a view to harass the Respondent. The Complainant have sought to present facts and issues by way of the present complaint which are false, frivolous, misconceived, illegal and unwarranted in light of the present written statement on behalf of the Respondent.

   REPLY: DIRECTOR DISCIPLINE ON SAME GROUNDS HAS MADE PRIMA FACIE OPINION OF GUILTY IN Com/21-CA(108)/2022 & Com/21-CA(109)/2022.

3. The Complainant has no locus whatsoever to file the present complaint against the Respondent. Further, no case has been made out by the Complainant against the Respondent for professional misconduct or other misconduct under the Costs and Works Accountants Act, 1959 (the Act) read with Costs and Works Accountants (Procedure of Investigations of Professional and other Misconduct and Conduct of Cases) Rules, 2007 (the Rules).

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REPLY: REFER PRIMA FACIE OPINION IN case NO. Com/21-CA(108)/2022 WHEREIN COMPLAIANT WAS NOT EVEN A COST ACCOUNTANT ON LAST DATE OF TENDER SUBMISSION AND ALSO RESPONDENT WAS NOT AWARDED ANY WORK AGAISNT THE TENDER. THEN ALSO DIRECTOR DISCIPLINE HAS FORMED PRIMA FACIE OPINION OF GUILTY IN CASE NO Com/21-CA(108)/2022.

4. From the contents of the complaint, it is evident that the present complaint is motivated and has been filed at behest of a person behind the curtains having personal vested interest in causing harm and injury to the Respondent.

   Reply: REFER PRIMA FACIE OPINION IN case NO. Com/21-CA(108)/2022 WHEREIN COMPLAIANT WAS NOT EVEN A COST ACCOUNTANT ON LAST DATE OF TENDER SUBMISSION AND ALSO RESPONDENT WAS NOT AWARDED ANY WORK AGAISNT THE TENDER. THEN ALSO DIRECTOR DISCIPLINE HAS FORMED PRIMA FACIE OPINION OF GUILTY IN CASE NO Com/21-CA(108)/2022. ALSO THE COMPLAINAT HAS FILED COMPLAINT AFTER BECOMING COST ACCOUTNANT AND UNDER INFLUENCE OF HIS CURRENT PARTNERS OF PARTNERHSIP FIRM. BUT DIRECTOR DISCIPLINE HAS FORMED PRIMA FACIE OPINION OF GUILTY IN CASE NO Com/21-CA(108)/2022.

5. Allegation 1 Part A
   a. It seems the complaint is totally misconceived and false because the Complainant himself is not clear as to under which particular clause he is actually complaining. In his particulars of allegation, he has referred to Clause 2 of Part IV of First Schedule of the Cost and Works Accountants Act 1959 alleging that "the member brings disrepute to the profession or to the Institute as a result of his action whether or not related to the professional work." To superficially substantiate his allegation, the Complainant has alleged on Page 5 of the complaint that "Sheer Negligence by professional Cost Accountant which invites disrepute the Institute under clause (2) of Part IV of First Schedule of the Act." Thus, the enthusiastic jealous complainant without providing any proof as to how the reputation of the Institute is affected has made such allegation. By making such casual allegation, he has himself brought disrepute to him as a member of the society and or as a member of the Institute (if he is so) and also made him liable for criminal and civil defamation by making baseless allegations.

   b. Clause (5) of Part I of the First Schedule to the CWA Act, 1959 – Secures, either through the services of a person who is not an employee of such Cost Accountant or who is not its Partner all by means which are not open to a Cost Accountant, any professional business. The allegation is totally wild and

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possibly it shows very casual approach of the complainant. The complainant has not given any details as to whose services have been used by the Respondent or which are the means employed by the Respondent which are not open to a Cost Accountant to secure any professional business.

c. Clause (1) and (3) of The Part III of Second Schedule of the Act- The Complainant alleges "not supplying the factual information to the Institute to defraud clients, he has done professional misconduct" under the clauses as mentioned above. It may be noted that Part -III of the Second Schedule to the Act does not have any clauses. It provides that "A member of the Institute whether in practice or not, shall be deemed to be guilty of other misconduct, if he is held guilty by any civil or criminal Court for an offence which is punishable with imprisonment for a term exceeding 6 months.

There is no question of supplying any factual information to the Institute, or defrauding clients etc. as alleged by the complainant. This only shows an approach of harassment to the Respondent without any substance in the allegation.

d. Clause (6) and (7) of The Part I of First Schedule of the Act- The Complainant alleges "While inviting professional work from another cost accountant or while responding to tenders or enquiries or while advertising through a write up, or anything as provided for in items (6) and (7) of Part I of this Schedule, gives information knowing it to be false. The Complainant has not given the reference of the Schedule even i.e. whether First Schedule or Second Schedule. However, his complaint may go nearer to First Schedule the following provisions may be noted: Clause (6) Part I First Schedule "A Cost Accountant in practice shall be deemed to be guilty of professional misconduct if he solicits clients or profession work either directly or indirectly by circular, advertisement, personal communication or interview or by any other means. The Complainant has not given any instance or proof for such solicitation of client by the respondent and hence the complaint under this clause is totally untenable. Clause (7) Part I First Schedule "A Cost Accountant in practice shall be deemed to be guilty of professional misconduct if he advertises his professional attainments or services or uses any designation or expressions other than Cost Accountant on professional documents, visiting cards, letterheads, or signed boards, unless it be a degree of a University established in Law of India or recognized by the Central Government or a title indicating membership of the [Institute of Cost Accountants of India] or of any other Institution that has been recognized by the Central Government or may be recognized by the Council."

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REPLY: DIRECTOR DISCIPLINE SHOULD STRICTLY ADHERE TO CASE NO Com/21-CA(108)/2022.& CASE NO Com/21-CA(109)/2022 AS A MATTER OF LAW OF NATURAL JUSTICE, LAW OF PRECEDENTS AND LAW OF NORMS AND FORM SAME PRICE FACIE OPINION AS DONE IN CASE NO Com/21-CA(108)/2022.& CASE NO Com/21-CA(109)/2022.

PART B : Regarding information provided by our firm in the Tender document i. The Respondent had not given any false information while responding to the tender, to come within the purview of professional misconduct under CWA Act, 1959. The said fact shall be demonstrated in the preliminary submissions hereunder. ii. It is a matter of fact that the Respondent's firm had participated in the tender floated by M/s South Eastern Coalfield Limited (SECL) vide e-Expression Notice (NIT No. SECL/BPS/CMA/eEoI/406/27-06-2020) for empanelment and selection for appointment of Cost Auditor of SECL for Financial Year 2020-21 & 2021-22. iii. The firm of the Respondent was appointed as the Branch Cost Auditor of SECL after following all legal formalities as per the terms and conditions of the tender documents. All the procedures and formalities laid down in the tender documents were abided strictly.

REPLY: point No 1 above, the respondent firm has shown fraudulent list of employee CMA DEVENDRA DILLIWAR WHO WAS HOLDING COP AND WITHOUT TAKING HIS CONSENT.

Point no 2: matter of fact
Point no 3: matter of fact and the firm has taken appointment by submission of fraudulent documents

iv. The firm of the Respondent had successfully discharged its obligations complying with the highest and strictest standards for which neither the client nor any other person except the complainant has the problem. V. The firm had completed Cost Audit for the financial year 2020-21 and 2021-2022 to the utmost satisfaction of the appointing authority and that well within the statutory time limit too as laid down under Section 148 of the Companies Act, 2013. vi. It is pertinent to note that the tender obligated the Respondent's firm to provide number of fully qualified and semi-qualified assistants (Cost/Chartered Accountants) in the firm. The tender never mentioned the condition that the assistants should be under the payroll of the Respondent's firm.

Reply: point no iv: the firm has taken monetary benefit by submission of fraudulent list of employees and shown CMA DEVENDRA DILLIWAR WHO WAS HOLDING COP AND WITHOUT TAKING HIS CONSENT.

Point no 5: took monetary benefit by submission of fraudulent documents.

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Point no 6: it was not obligation and the respondent firm has uploaded fraudulent list of employees and shown CMA DEVENDRA DILLIWAR WHO WAS HOLDING COP AND WITHOUT TAKING HIS CONSENT

vii. As marked on page 3 of the complaint is the list of cost accountants who were working/associated with the Respondent's firm as on 01.01.2020. The same list was submitted along with other documents at the time of participation in the tender of SECL in order to fulfil the criteria as mentioned in Sl. No.3 of the Primary criteria. The criteria 3 required number of qualified assistants (cost/chartered accountants) in the firm. It is misconstrued to allege that the said persons though not in employment of the Respondent's firm have been wrongly declared to be in employment with the Respondent's firm.

REPLY: DIRECTOR DISCIPLINE SHOULD STRICTLY ADHERE TO CASE NO Com/21-CA(108)/2022.& CASE NO Com/21-CA(109)/2022 AS A MATTER OF LAW OF NATURAL JUSTICE, LAW OF PRECEDENTS AND LAW OF NORMS AND FORM SAME PRICE FACIE OPINION AS DONE IN CASE NO Com/21-CA(108)/2022.& CASE NO Com/21-CA(109)/2022.

Director Discipline has already formed opinion in case NO. Com/21-CA(108)/2022 & Com/21-CA(109)/2022 and interpreted associates/employees/on rolls as being under employment of firm without any employment letter issued by firms (viz. respondents) in case NO. Com/21-CA(108)/2022 & Com/21-CA(109)/2022

As a part of Investigation. Director discipline should strictly adhere to investigation procedure done in case NO. Com/21-CA(108)/2022 & Com/21-CA(109)/2022 & should investigate the matter by writing letters to Coal India subsidiary (viz. tender inviting company) as well as the firm and confirm whether the respondent was employee of firm or not. If this is not done by Director Discipline it will deviate the principles of natural justice and law of precedents set fourth & investigation methodology as done in case NO. Com/21-CA(108)/2022 & Com/21-CA(109)/2022 by Director Discipline office.

viii It is a matter of fact that the Cost Accountants/Chartered Accountants work on retainer ship basis or assignment to assignment basis with another Cost Accountant/Chartered Accountant or his firm. The same is permissible under rules and such a Cost Accountant/Chartered Accountant can retain his/her certificate of practice while being associated with any firm as they are not in employment of such a firm. The same was the case with the Respondent's firm and the persons associated with it. xi. It is submitted that neither the said person as named in the complaint CMA Devendra Kurnar Dilliwar was in employment in the Respondent's firm nor the criteria in the tender required employment nor the Respondent's firm ever construed or represented that the said person is in its employment. Therefore,

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the allegation of the Complainant is farfetched and stretched beyond the limit. Such allegation has been made and a mountain out of a mole has been sought to be made only with mala-fide intention and ulterior motives. xii. In the selection Criteria Part B documentary evidence requirement- It is mentioned that proof of CA/ CMA final/inter CMA/CA-IPCC pass Certificates/Membership of the respective Institute for Qualified Assistance is to be provided along with date from which they are with the firm. Accordingly our firm submitted the details of Qualified Assistants who will be providing assistance to the firm in the conduct of Cost Audit assignment. Therefore, in view of the above, it cannot be alleged or stated that the Respondent's firm had provided any false information while participating in the tender of SECL. No harm or injury has been caused to either SECL or any other person due to the declaration made by the Respondent's firm i.e. Attachment-2 to the complaint during the tender process of SECL.

REPLY: DIRECTOR DISCIPLINE SHOULD STRICTLY ADHERE TO CASE NO Com/21-CA(108)/2022.& CASE NO Com/21-CA(109)/2022 AS A MATTER OF LAW OF NATURAL JUSTICE, LAW OF PRECEDENTS AND LAW OF NORMS AND FORM SAME PRICE FACIE OPINION AS DONE IN CASE NO Com/21-CA(108)/2022.& CASE NO Com/21-CA(109)/2022.

NORMS AND FORM SAME PRICE FACIE OPINION AS DONE IN CASE NO Com/21-CA(108)/2022.& CASE NO Com/21-CA(109)/2022

Director Discipline has already formed opinion in case NO. Com/21-CA(108)/2022 & Com/21-CA(109)/2022 and interpreted associates/employees/ on rolls as being under employment of firm without any employment letter issued by firms (viz. respondents) in case NO. Com/21-CA(108)/2022 & Com/21-CA(109)/2022

As a part of Investigation. Director discipline should strictly adhere to investigation procedure done in case NO. Com/21-CA(108)/2022 & Com/21-CA(109)/2022 & should investigate the matter by writing letters to Coal India subsidiary (viz. tender inviting company) as well as the firm and confirm whether the respondent was employee of firm or not. If this is not done by Director Discipline it will deviate the principles of natural justice and law of precedents set fourth & investigation methodology as done in case NO. Com/21-CA(108)/2022 & Com/21-CA(109)/2022 by Director Discipline office.

6. Allegation 2 -
Clause (1) Part II Second Schedule "A Member of the Institute, whether in practice or not, shall be deemed to be guilty of professional misconduct if he (1) contravenes any of the provisions of this act or the Regulations made there under or any guidelines issued by the Council. The complainant has pointed out that in the bid information bidder name is mentioned as "Arindam and Associates" (Page 7)

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and thereby has contravened the provisions of the Act or Regulations etc. We may like to point out that it is an unintentional clerical flaw. The complainant himself has attached as supporting documents (Page no. 3, 6, 8) of the complaint where the letterhead of the firm clearly indicates the name of the firm as "Arindam & Associates". It is strongly felt that the complainant who himself may not be a Cost Accountant is filing such frivolous complaint which must be with some ulterior motive. Mere typographical errors are glorified and a lame attempt has been made by filing the complaint against our firm by the complainant for the reasons best known to him. Respondent do not understand wherefrom the complainant has got information that Respondent have used 0(zero) instead of small 'o' because in the documents submitted by the complainant himself there is no single instance of the allegation which shows complainant allegation is false and utterly baseless. However, respondent could have chosen not to respond this allegation because this is not only flimsy and false but ridiculous and smacks of personal vendetta.

REPLY: DIRECTOR DISCIPLINE SHOULD STRICTLY ADHERE TO CASE NO Com/21-CA(108)/2022.& CASE NO Com/21-CA(109)/2022 AS A MATTER OF LAW OF NATURAL JUSTICE, LAW OF PRECEDENTS AND LAW OF NORMS AND FORM SAME PRICE FACIE OPINION AS DONE IN CASE NO Com/21-CA(108)/2022.& CASE NO Com/21-CA(109)/2022.

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IN CASE NO. Com/21-CA(109)/2022 DIRECTOR DISCIPINE HAS ALRADY FORMED PRIMA FACIE OPINION OF GUILTY FOR ONE ADDITIONAL ALPHABET "K" IN YS THAKAR & ASSOCIATES HOWEVER THE RESPONDENT HERE HAS AGREED THAT HE HAS CHANGED THE STYLE "&" INSTEAD OF USING "AND" VIZ 3 ADDITION ALPHABETS AND CHANGE IN STYLE WHICH CLEARLY ATTRACTS

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As per the guidelines, ' A member is prohibited from indicating any firm/trade name in any stamp/visiting card/letterhead or the like until it is approved by the Council.

The use of a firm/trade shall be effective from the date of approval by the Council, and shall not have any retrospective effect.

The use of any firm/trade name is not valid until it is approved by the Council'.

Director Discipline has already formed many opinions where respondent is held guilty of using extra alphabet or wrong style not resembling as per ICMAI Website.

Hence this clearly attracts PART II PROFESSIONAL MISCONDUCT IN RELATION TO MEMBERS OF THE INSTITUTE GENERALLY A member of the Institute, whether in practice or not, shall be deemed to be guilty of professional misconduct, if he- (1) contravenes any of the provisions of this Act or the regulations made there-under or any guidelines issued by the Council;

(2) in the opinion of the Council he brings disrepute to the profession or the institute as a result of his action whether or not related to his professional work

The approach of the complainant is so casual that the complainant has not even mentioned the Schedule no. under which he is filing the complaint. In good faith we have only ascertained the proper Clause, Part & Schedule under which the complainant may have intention to make the complaint. Being an old and established firm respecting all Rules and Regulations of the Institute we are trying to assist the disciplinary mechanism of the Institute.

The Respondent has thus not contravened with any of the provisions of the Act or regulations made there under or any guidelines issued by the Council. The complaint fails to make out any case under Clause (1) of Part II of the Second Schedule to the CWA Act, 1959.

REPLY: DIRECTOR DISCIPLINE SHOULD STRICTLY ADHERE TO CASE NO Com/21-CA(108)/2022.& CASE NO Com/21-CA(109)/2022 AS A MATTER OF LAW OF NATURAL JUSTICE, LAW OF PRECEDENTS AND LAW OF NORMS AND FORM SAME PRICE FACIE OPINION AS DONE IN CASE NO Com/21-CA(108)/2022.& CASE NO Com/21-CA(109)/2022.

6. Allegation 3-

   a. Clause (2) Part IV First Schedule "A Member of the Institute, whether in practice or not shall be deemed to be guilty of other misconduct if (2) in the opinion of the Council he bring disrepute to the profession or to the Institute as a result of his action whether or not related to his professional work.

   The Allegations made by the complainant are completely mischievous and the complainant has no right to exercise his judgment regarding fees whether they are meagre or not. This only shows that the complainant has no legal

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issue but the entire complaint is based on whims and fancies of the complainant with ulterior motives.
The essential ingredient under this clause is "in the opinion of the Council" disrepute is brought to the profession or the Institute. Thus the authority rests with the Institute and not with the complainant. The complainant has not shown as to how "Disrepute" is brought to the profession or the Institute. It is only a wild charge levied by the complainant without any substance.

Further. the Respondent has not brought any disrepute to the profession or the Institute as a result of any action on his part, whether related or not related to professional work. The Complainant has not made out a case against the Respondent as to how the Respondent has caused disrepute to the profession or the Institute by his actions. There are no particulars contained either in the complaint establishing iota of disrepute to profession or Institute. Merely making bald allegations is not sufficient to prove or establish that any disrepute has been caused or suffered by anyone or the Institute. Hence, no case has been made out under Clause (2) of Part IV of the First Schedule to the CWA Act, 1959.

In view of the foregoing facts and circumstances, it is submitted that the complaint of the Complainant is liable to be dismissed/rejected being misconceived and misconstrued. It is further prayed that the complaint be dismissed with exemplary costs being frivolous and unjustified.

REPLY: DIRECTOR DISCIPLINE SHOULD STRICTLY ADHERE TO CASE NO Com/21-CA(108)/2022.& CASE NO Com/21-CA(109)/2022 AS A MATTER OF LAW OF NATURAL JUSTICE, LAW OF PRECEDENTS AND LAW OF NORMS AND FORM SAME PRICE FACIE OPINION AS DONE IN CASE NO Com/21-CA(108)/2022.& CASE NO Com/21-CA(109)/2022 & PLACE PRIMA FACIE OPINION OF GUILTY BEFORE DISCIPLINARY COMMITTEE.

YOURS SINCERELY
MEHUL PARMAR

Unquote

9. **Investigation and Analysis**

It is pertinent to note that a separate matter concerning CMA Devendra Kumar Dilliwar, Membership No. 42145, who was associated with M/s Arindam & Associates, is also under consideration. In the said matter, CMA Devendra Kumar Dilliwar has, inter alia, submitted that he was not in the full-time employment of M/s Arindam & Associates and that his association with the said firm was on a retainer basis or on an assignment-to-

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assignment basis. For the sake of completeness and ready reference, the relevant portion of the submission made by CMA Devendra Kumar Dilliwar is reproduced hereunder:

> I, CMA Devendra Kumar Dilliwar (M. No.-42145), proprietor of Devendra Kumar Dilliwar & Co., Cost Accountants (FRN: 002313). in respect of the above-referred complaint, state the following: The complainant has alleged that despite being a full-time practicing Cost Accountant, I am employed as a full-time employee at M/S Arindam & Associates. This allegation is unfounded and made without any basis by the complainant. I have worked with M/S Arindam & Associates on a retainer basis or on an assignment-to-assignment basis. not as an employee
>
> In light of the aforementioned facts and circumstances, I would like to request you to please understand the matter is based on misunderstandings and misinterpretations. It is further requested that the complaint be dismissed, as it is baseless and unjustified.
>
> Thank you for your understanding and consideration.
>
> Sincerely,
>
> CMA DEVENDRA KUMAR DILLIWAR
> M-42145
> MO. 9098410220
> EMAIL- cma.devd@gmail.com

25/07/2024

The Firm and CMA Devendra Kumar Dilliwar have consistently stated that he was not an employee of the Firm but was associated on a retainer or assignment basis. Accordingly, his non employment with the Firm during the relevant period remains an undisputed fact on record.

10. **Comments of the Discipline Directorate**

There are three allegations against the respondent. Allegation wise comments are as under.

a) Allegation No.1: Fake and Fraudulent List of Employees

(i) It is alleged that, while participating in the tender floated by South Eastern Coalfields Limited (SECL), the Respondent Firm included the name of CMA Devendra Kumar Dilliwar (M/42145) amongst its qualified assistants, despite his not being an employee of the Firm, thereby allegedly furnishing false and fraudulent particulars for securing the professional assignment.

(ii) The Respondent denied the allegation and submitted that the tender required particulars of qualified assistants associated with the Firm and did not stipulate that such persons must necessarily be its employees or on its payroll. It was further submitted that CMA Devendra Kumar Dilliwar was associated with the Firm on a retainer/assignment-to-assignment basis and was never represented as being in its employment.

(iii) During investigation, it has been observed that CMA Devendra Kumar Dilliwar, in the separate disciplinary proceedings concerning him, has also stated that he was not in the employment of M/s Arindam & Associates and was associated with the Firm on a retainer/assignment basis. Thus, his association with the Respondent Firm, though not as a full-time employee, is not disputed.

(iv) It is pertinent to note that a substantially similar issue has already been adjudicated by the Hon'ble Disciplinary Committee in Complaint Nos. Com/21-CA(108)/2022 and Com/21-CA(109)/2022. The Committee observed that the Guidelines for Members on Use of Firm Name and Submission of Tender Documents dated 27th February, 2025 are prospective in nature and that, during the relevant period, neither the applicable tender conditions nor the Institute's guidelines defined the term "associate". Accordingly, where professionals acknowledged their association with the concerned firm on a retainer, assignment-to-assignment or similar basis, their inclusion as associates in the tender documents was not considered sufficient to constitute professional misconduct.

(v) The Complainant, in his rejoinder, has relied upon the earlier prima facie opinions of the Director (Discipline) in the aforesaid cases, wherein full-time employees of a firm were considered capable of being shown as "associates" for the purpose of tender participation. However, the said matters subsequently culminated in final adjudication by the Disciplinary Committee, which held that, in the absence of any specific guidelines governing the term "associate", professionals who had acknowledged their association with the concerned firm could be treated as associates for the purpose of tender participation. In keeping with the principle of judicial discipline, the final determination of the Disciplinary Committee, being the

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statutory adjudicatory authority under the Act, prevails over the earlier prima facie opinion and, unless set aside or modified by a competent judicial forum, ought to be followed in matters involving substantially similar facts and issues, absent any material distinguishing circumstance.

(vi) In the present case, it is undisputed that CMA Devendra Kumar Dilliwar was associated with the Respondent Firm on a retainer/assignment basis. Further, Bid submission date was 8th July, 2020 i.e prior to the Guidelines dated 27th February, 2025, and the material on record does not indicate that the tender conditions specifically defined "associate" or restricted the term exclusively to persons in full-time employment.

(vii) In view of the above facts and following the determination of the Hon'ble Disciplinary Committee in Complaint No. Com/21-CA(108)/2022 and Complaint No. Com/21-CA(109)/2022, the benefit of doubt is required to be extended to the Respondent in respect of the inclusion of CMA Devendra Kumar Dilliwar as an associate in the tender documents. In the absence of any contemporaneous provision or guideline prohibiting such inclusion, the same cannot, by itself, be construed as furnishing a fake, forged or fraudulent list of employees. Accordingly, Allegation No. 1 is not established against the Respondent.

b) <u>Allegation No.2: Name not approved by Council shown at the time of application to tender</u>

(i) It is alleged that the Respondent used the name "Arindam and Associates" in the tender documents submitted to SECL, whereas the firm name approved and registered with the Institute is "Arindam & Associates". It has accordingly been alleged that the Respondent used a firm name other than the name approved by the Council.

(ii) In its defence, the Respondent has not disputed that the approved name of the Firm is "Arindam & Associates", but has submitted that the use of "and" in place of "&" was an inadvertent clerical or typographical error and did not amount to adoption

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of a different firm name. However, the Respondent has specifically denied the alleged use of "0" (zero) in place of the letter "O" in the word "Associates."

(iii) Regulation 108 of the Cost Accountants Regulations, 1959, requires prior approval of the Council for the use of a firm or trade name and, inter alia, restricts the use of a name which has not been approved by the Council.

(iv) On examination of the record, it is observed that the variation in the tender documents is confined to the use of "and" in place of "&". The variation does not materially alter the identity or distinctive character of the approved firm name and there is no material on record to indicate that the Respondent intended to represent the firm under a different or unapproved name to mislead SECL.

(v) The explanation of the Respondent that the variation occurred inadvertently as a typographical error appears reasonable in the facts and circumstances of the case. In the absence of evidence indicating deliberate adoption or use of an unapproved firm name to mislead SECL, the allegation cannot be treated as constituting professional misconduct, merely on account of the aforesaid minor variation.

c) <u>Allegation No.3: Bringing Disrepute to the Institute</u>

It is observed that Allegation No.3 is consequential and arises from Allegation No.1 and Allegation No.2. Since Allegation No.1 and 2 have not been established against the Respondent, the consequential allegation that the Respondent has brought disrepute to the Institute also does not sustain. Accordingly, Allegation No.3 is held not established against the Respondent.

11. **<u>Findings and Order of the Board of Discipline</u>**

(a) The Board of Discipline has carefully considered the complaint, written statement of the Respondent, rejoinder of the Complainant, comments of the Director (Discipline), documents and other material available on record, and the provisions of the Cost Accountants Act, 1959 and the Rules framed there under.

(b) Upon consideration of the record, the allegation wise observation of Board of Discipline is as under;

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S. No.	Allegation	Findings of the Board
1	**Fake and Fraudulent List of Employees**	a) The Board notes that CMA Devendra Kumar Dilliwar was not in full-time employment of the Respondent Firm but was associated with it on a retainer/assignment-to-assignment basis, which fact has also been acknowledged by him in the separate proceedings concerning him. b) The Board observe that at the relevant time, neither the tender conditions nor the Institute's applicable guidelines defined the term "associate" or restricted it to full-time employees. c) Following the order of the Hon'ble Disciplinary Committee in Complaint No. Com/21-CA(108)/2022 and Complaint No. Com/21-CA(109)/2022 on substantially similar facts, the Board finds that the allegation of furnishing false or fraudulent particulars is not established.
2	**Use of Name not approved by the Council**	The variation from "Arindam & Associates" to "Arindam and Associates" is minor and does not materially alter the identity of the approved firm name. In the absence of evidence of deliberate use of an unapproved name or intent to mislead, the allegation is not established.
3	**Bringing Disrepute to the Institute**	Allegation No.3 is consequential to Allegation No.1 and 2. Since the said allegations are not established and no independent material establishes disrepute to the profession or the Institute, this allegation also does not sustain.

(c) In view of the above facts and circumstances, the Board upholds the findings/comments of the Director (Discipline) that no prima facie case of

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professional or other misconduct is made out against the Respondent. The complaint is, therefore, dismissed and the matter stands disposed of accordingly.

(d) Accordingly, in exercise of powers conferred under section 21A(4) of Cost Accountant Act, 1959 read with Rule 9(3)(a) of the Cost and Works Accountants (Procedure of Investigations of Professional and Other Misconduct and Conduct of Cases) Rules, 2007, the Board hereby orders that the proceedings against Arindam & Associates (FRN: 000559) be dropped, and the case stands closed.

(e) The complaint is, therefore, disposed of accordingly.

A Goswami.

CMA Avijit Goswami
(Member)

Shri P.K. Pujari, IAS (Retd)
(Presiding Officer)

Place: New Delhi
Date: 17th September, 2026

Distribution under Rule 15(3) of the Rule

1) Director(Discipline), The Institute of Cost Accountants of India
2) Complainant, Mehul Parmar
3) Respondent, Arindam & Associates (FRN: 000559)

The Institute of Cost Accountants of India ★ Board of Discipline