



THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

(Statutory Body under an Act of Parliament)
CMA Bhawan, 3 Institutional Area,
Lodhi Road, New Delhi-110003



Phone : +91-11-24622156-57-58
Website : www.icmai.in

The Institute of Cost Accountants of India

The Board of Discipline constituted u/s 21A of the Cost and Works Accountants Act, 1959

In the matter of:-

Complaint No Com/21-CA(95)/2020

CMA Rohit Aggarwal.....Complainant

Vs

CMA Sandeep Kumar Bhatt (M/14652).....Respondent

ORDER

Dated 17/09/2021

1. The Disciplinary Directorate is in receipt of a complaint dated 25th August 2020 in Form 'T' together with the prescribed complaint fee of Rs 2950/- (inclusive of GST) from Shri Rohit Aggarwal (hereinafter referred to as the "complainant") against Shri Sandeep Kumar Bhatt (hereinafter referred to as the "respondent") bearing membership number 14652 containing certain allegations stated by the complainant to be falling under the First and Second Schedule to the Cost and Works Accountants Act, 1959.

2. The complaint was made on the following grounds which is given below:

- a) Schedule 1 (3) accepts or agrees to accept any part of the profits of the professional work of a person who is not a member of the Institute.

The respondent has claimed to share fees of the complainant for his engagement as and Resolution Professional. He has claimed that he has facilitated the payment as the payee was his client company where he is holding a fiduciary position as and Resolution Professional.



Page | 1



THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

(Statutory Body under an Act of Parliament)
CMA Bhawan, 3 Institutional Area,
Lodhi Road, New Delhi-110003



Phone : +91-11-24622156-57-58

Website : www.icmai.in

- b) Schedule 1 Part IV (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.
- i. The respondent has sent a bogus bill (bill no Vyom/01 dated 11.11.2019) to the complainant purportedly raised by the firm Poornima Srivastava & Co. another CMA Firm. The complainant had never engaged this firm and the assignment or work mentioned in the bill was bogus.
- ii. The respondent has taken Rs.2,50,000 from the complainant as advance or loan and when the respondent was asked to return, the latter along with Mr. Mukesh Kumar and Ms. Poornima Srivastava raised bogus bills for this amount and also for other amounts.
- iii. The respondent has even claimed that he has an agreement with the complainant to share his fee (65%) for getting him appointed as Resolution Professional (RP).
- iv. The respondent tried to extort money from the complainant and company and also from Financial Creditors and when the complainant did not agree on this illegal and unethical activities, he tried to disrupt the CRIP proceedings and harm the Financial Creditors and the Corporate Debtor Company.
- v. He made threatening calls and sent threatening messages to the complainant for extorting money.
- c) Schedule 2 Part II (1) contravenes any of the provisions of this Act or the regulations made there-under or any guidelines issued by the Council;
- The respondent along with Mr. Mukesh Bhatt and Ms. Poornima Srivastava did unethical activities of defrauding the CRIP proceedings and harassment of the complainant.
- d) Schedule 2 Part II (4) embezzles moneys received in his professional capacity.
- e) In support of the complaint, the complainant had annexed the following evidences:
- a. Bills Raised by the complainant (No. of Bills 12)
- b. Bills Raised by Ms. Poornima Srivastava. One bill dated 11.11.2019 and other similar bill dated 11.12.2019
- c. Bill Raised by Mr. Mukesh Kumar. Bill dated 08.09.2019.
- f) The complaint was registered by the Disciplinary Directorate after it was found to be in order and the same proceeded with in the manner as prescribed in Chapter III of the Cost and Works Accountants (Procedure of Investigations of



[Handwritten signature]

Page | 2



THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

(Statutory Body under an Act of Parliament)
CMA Bhawan, 3 Institutional Area,
Lodhi Road, New Delhi-110003



Phone : +91-11-24622156-57-58
Website : www.icmai.in

Professional and Other Misconduct and Conduct of Cases) Rules, 2007. A unique complaint number Com/21-CA(95)/2020 was allotted to the complaint.

- g) The respondent was intimated vide letter dated 26th August 2020 to send response to the complaint through a written statement in his defence within 21 days from the date of service of the letter. The respondent vide his letter dated 26th August 2020 denied the allegations made against him and stated inter alia as below:

That the complainant has cheated them for a sum of Rs.5.81 lakh and they had initiated all actions long back against him for such cheating and fraud

The respondent had attached the following with his written statement which in fact is a counter allegation against the complainant:

- i. Complaint filed to the IBBI on 21.07.2020 for starting disciplinary proceedings against the complainant which contains full details and is self-explanatory. The respondent requested the Disciplinary Directorate to treat the same as their submission.
- ii. Proof as Annexure of whatever is stated in their submission which has been attached separately.
- iii. Police complaint filed on 14.08.2020 against the complainant for which investigation is in process.
- iv. The respondent was also contemplating of filing case in NCLAT against the complainant for such fraud, cheating and criminal breach of trust.

3. The written statement dated 26th August 2020 of the respondent was emailed to the complainant vide Ref. No. G/DD/Com-C-95/2/09/2020 dated 24th September 2020 with a request to send rejoinder on the written statement within 21 days. The complainant, by his email dated 9th October 2020 submitted his rejoinder which is as follows:

"Respected Sir,

A. Brief facts

We (me the undersigned and the Mr. S K Bhatt) were in touch with each other and Mr. Bhatt asked for my details and resume both as Legal Firm and Insolvency Professional, I supplied these to him in January 2019. In our various previous discussions we have agreed to work together as his being CMA and my being Practicing Advocate and a FCS was mutually suitable.



Page | 3



THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

(Statutory Body under an Act of Parliament)
CMA Bhawan, 3 Institutional Area,
Lodhi Road, New Delhi-110003



Phone : +91-11-24622156-57-58
Website : www.icmai.in

The first proposal in this joint effort came in March 2019 for the appointment as Resolution Professional for two related companies Ms/ Morpheus Developer Pvt. Ltd. and 'M/s Vyom Infrastructure and Projects Pvt. Ltd. He first offered that I became RP in both these matter but later on his request I gave consent for one i.e. Vyom Infrastructure and Projects Pvt. Ltd. The reason was fee for RP in Morpheus Developer Pvt. Ltd. is Rs. 5 Lakh per month and for Vyom was only 1 lakh per month.

As we both were handling these matters from complainants office (we have planned to work together and use his office for such matters) it was agreed that his staff will do the supporting service. For such assistance I have paid out of the CRIP cost which was approved by the COC and also in cash towards cash expenses for travelling and sundary (Rs. 37,000/- in total).

Apart from this in the month of December I advanced him Rs. 2,50,000/- which he has requested as short term advance and promised to repay soon when his some pending payments were released. I have information that his fees in the matter of Morpheus was pending. He also claim that part of the amount is for office upgrade. I gave him 2 cheques of Rs. 1,50,000 and Rs. 1,00,000/- and kept the names of beneficiary blank as he has told he might use only on cheque and most probably gave it to some other person directly.

All the documents and files were kept in the complainant's office as all the work in both the matters (Morpheus & Vyom) and other such issues that came up as work or discussions were handled jointly at that place. My primary responsibility was legal and structural. Everything went fine till December 2019. However, the complainant tried to pressurise me to put pressure on Vyom Management and the COC so that they clear his dues in Morpheus.

The complainant was trying to extract brokering fee for the settlement between the Vyom Management and the Creditors. I was totally against any such activities as to my mind these are illegal and unethical. I conveyed him that though we share office and working together my responsibilities is to protect the interest of all the stakeholders in CRIP process and I will act strictly by rules.

In the mean time I also came to know about his other dubious activities which are unethical for me, thus, I became anxious and uninterested in working any further with him. Therefore, in the month of March 2020 I asked him to return my advance which he promised to return by the month of February. I also had shown my inability to continue in the arrangement.

Suddenly he started asking for money on the pretext of his appointment to handle the matter and refused me to take my personal stationary and material including files, records and documents of 'Vyom'. He sent various bogus bills which are 24 in total and all were bogus and fabricated. These bill are enclosed as Annexure 1 (Colly)



Page | 4



THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

(Statutory Body under an Act of Parliament)
CMA Bhawan, 3 Institutional Area,
Lodhi Road, New Delhi-110003



Phone : +91-11-24622156-57-58
Website : www.icmai.in

His behaviour was not only fraudulent but highly unreasonable too. He appeared to have volatile and illogical thought process and often sounded dangerous. Therefore, I decided to keep silent as it was difficult to have any reasonable discussions with this person. I was seriously concerned for my personal safety and also of my family.

Mr. Bhatt is a consummate liar and has made false allegations and submitted fabricated facts and partial information. To nail his lies I am submitting the time line of events and contradictory facts and statements of MR. Bhatt.

Time Line of Events

Jan, 2019 Me and Mr. S K Bhat started conversation about development of legal and IP work
27-01-2019 Mr. S K Bhat mailed for " Engagement of Advocate for one CIRP assignment"
14-03-2019 proposal for morpheus at 4.25 pm
14-03-2019 proposal for vyom at 5.47 pm
14.03.2019 Consent to be appointed as RP
03-04-2019 My appointment of RP confirmed by AA (NCLT)
18-04-2019 taking help in his election of CMA
29-04-2019 COC meeting
01.05.2019 An email claimed to be sent by Mr. Bhatt's office to me for sharing of fee. I have no knowledge of such email
27-11-2019 all payments done. For assistance in CRIP to Mr. S K Bhatt and Mr. Mukesh Kumar
04-12-2019 COC meeting
04-12-2019 I paid Rs. 2.5 Lakhs to Mr. Bhatt (Two Checks of Rs. 1.5 and 1Lakh)
Mar-20 I asked Mr. S K Bhat to repay my Rs. 2,50,000/- advanced to him on 04 december 2019
April May 2020 Got threatening calls and messages from Mr. SK Bhatt
May-20 Sent various bogus bills on two different dates. All these bills were bogus
20-May-2020 Mr. S K Bhat wrote an email for some merger proposal (Ostensibly to dupe me further)
16-June-2020 I Initiated professional misconduct complaint against Mr. Bhatt
17-June-2020 I filed police complaint against Mr. Bhatt
23-June-2020 Mr. Bhatt replied to complaint via email dated 23rd June 2020 stating that FIR is lodged against Rohit Agarwal. Claimed that agencies have verified all evidences and complaint is in process of finalisation.
20-July-2020 Formal complaint filed against Mr. Bhatt with the Institute (ICMA)
17.07.2020 Bhatt filed Application with NCLT case filed. WE received advance copy on 17.07.2020 hearing 21.08.2020 / order same date dismissed /
21.08.2020 Matter listed and heard by NCLT (Application by MR. Bhatt) Dismissed on same day as misconceived application
27.08.2020 NCLT order published





THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

(Statutory Body under an Act of Parliament)
CMA Bhawan, 3 Institutional Area,
Lodhi Road, New Delhi-110003



Phone : +91-11-24622156-57-58
Website : www.icmai.in

After 21st August Mr. Bhatt filed complaint before IBBI. Deliberately backdating the application 21.07.2020. We got notice from IBBI on 31 st August.

26-08-2020 Replied submitted by Mr. Bhatt to ICMA vide email.

Email contains:

Police complaint Filed by Mr. Bhatt on 14.08.2020

IBBI complaint dated 21.07.2020

NCLAT complaint is also filed.

18.09.2020 NCLAT Appea – Advance Copy served on me but I refused as it was incomplete

09.10.2020 Received advance copy again. Not listed till this date in NCLAT. Filign status unknown

Mr. Bhatt has made various false submissions and statements. These false statements will show that his claims were as bogus as his invoices and he should be held accountable for his misconduct(s). I am listing few such instances.

1. I was appointed RP in Vyom Infrastructure in March 2019 and confirmed by NCLT (AA) on 03.04.2019.
2. He has claimed that I was appointed through his IPE however, we have no such agreement or arrangement.
3. He had submitted an email purported to be sent by his office to me on 01.05.2019. I had no knowledge of such email. HE failed to show any of my communication or document on appointment of his IPE as support or process advisor.
4. If his IPE has appointed me as RP in march 2019, than, why he was writing a email for our understanding. It has to be done prior to the commencement of assignment not in between. There is no formal agreement between IPE and company or COC or even with me. Reason this is nothing but after thought and his imagination.
5. I have paid him 2.5 Lakhs as advance on 04.12.2019. Which he claimed was paid as his IPE has fee sharing arrangement with me. This is bogus claim. HE sent invoice in his personal name and in name of his accomplice or associate for some bogus work on may 2020. Even dates of invoices of His accomplice are after the date of payment. Her (Poornima Srivastava) invoice was dated 11.12.2019 whereas payment was made on 04.12.2019 incidentally invoice was sent after 6 months on May 2020. The invoices are for some work which was never undertaken. Invoices were for finalisation of accounts of Corporate Debtor, however, Corporate Debtor has never shares any records and documents with me or us. So the work was bogus. I have never met Ms. Poornima Srivastava or discussed any work with her or her firm.
6. He even sent me some proposal and discuss work related to some proposed merger on 20th May 2020. If I have defrauded him why was he interested in working together?
7. On 23rd June 2020. Mr Bhatt replied to ICMAI (Director Discipline) and stated that he has filed an FIR against me and the process of evidences and verification is in process of finalisation.



Page | 6



THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

(Statutory Body under an Act of Parliament)
CMA Bhawan, 3 Institutional Area,
Lodhi Road, New Delhi-110003



Phone : +91-11-24622156-57-58
Website : www.icmai.in

8. However, he later submitted a copy of police complaint dated 14.08.2020. He do not think twice before making false claims before any Institution including ICAI. I will be surprised if ICAI take such instance lightly.
9. In his recent email dated 26.08.2020 he claimed he had initiated disciplinary proceedings in IBBI against me on 21.07.2020. This again is false and misleading. HE has deliberately back dated the application to IBBI at 21.07.2020 but must have submitted in August, most probably after 21.08.2020 when he Application in related matter was dismissed by NCLT. We have received notice of the complaint from IBBI vide email dated 31.08.2020. This needs to be clarified from Mr. Bhatt.
10. Mr. Bhatt also claimed vide email dated 26.08.2020 that he had filed NCLAT complaint. This is false as NCLAT do not entertain complaint it is an appellate authority and only appeal against NCLT order are entertained.
11. Facts are he filed an Application to NCLT on 17.07.2020 and this complaint was heard on 21.08.2020 and dismissed on same date as Hon'ble NCLT find the application misconceived.
12. Mr. Bhatt has lied that he has filed appeal before NCLAT as on 26.08.2020 when he claimed this the order of NCLT was not published. He got the order on 29.08.2020, so his filing appeal before NCLAT was not possible.
13. True sequence of events is:
 - a) I was asked by Mr. Bhatt to give proposal and profile as Lawyer and RP.
 - b) I supplied the same on January 2019
 - c) We started working together and got the first assignment as Morpheus and Vyom. He has enhanced his profile by adding my profile to show common group to gain the assignment.
 - d) I was asked to submit consent for both. He later requested that let him be RP of Morpheus and I submit consent for Vyom only. Reason was Fee for Morpheus was 5 Lakh per month and Vyom was only 1 Lakh per month. He assured me that in later assignments I will get priority. I agreed as I believe in sharing. It was decided we will use his office, though I had offered my office also.
 - e) As per our arrangement we worked together but no formal arrangement was made as we both are getting assignment and he was getting more fee.
 - f) However, due to his disputes in Morpheus and conduct of old management his fees was delayed. He asked for temporary advance for few months and also told he needs it for meeting some obligation and also for office equipment. I paid him through 2 cheques without filling name as he may pay any one directly to the vendor for purchase, as he also told that he might not need whole amount.
 - g) He started making unnecessary and unwarranted interference with work of Vyom as he was interested in some outside extra payment during the process of settlement. I did not agree to this and later showed my unwillingness to work together.
 - h) I asked him to repay my amount and also sought to remove my personal files, files of vyom matter and other personal documents and stuff which he did not allow on pretext of lockdown and later blatantly refused else I pay him. He started making ludicrous and bogus claims for services and fee sharing and even sent threatening messages. I avoided these as this is highly unprofessional and surprising to me.



Page | 7



THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

(Statutory Body under an Act of Parliament)
CMA Bhawan, 3 Institutional Area,
Lodhi Road, New Delhi-110003



Phone : +91-11-24622156-57-58
Website : www.icmai.in

- i) On May 2020 he sent few bogus invoices. HE send the invoices again and those invoices are so bogus and various that I failed to understand. Copies of Invoices are Annexed herewith.
- j) I approached ICMAI on 16th June 2020
- k) I also filed a police complaint on 17 June.
- l) As counterblast to my complaint he lied to your office and told he has filed police complaint and same is in final process, though he has not filed any such police complaint.
- m) When I persisted on seeking my money (Rs. 2.5 Lakhs) and formally filed professional misconduct application on 20th July 2020. He as counter measure to escape disciplinary scrutiny and process filed bogus case in NCLT, which was summarily dismissed on 21.08.2020 than he filed complaint in IBBI which is under process. This all is afterthought.

Mr. Bhatt has enclosed a complaint made to IBBI and I am submitting my para wise reply to that complaint for your perusal.

Para wise reply to IBBI:

- i. Engagement letter for appointing complainant and his team for clerical works, along with CoC approval regarding such appointment.

Reply: As stated in our previous email dated 02 September 2020 there is no such engagement of the team of the complainant in the matter. This claim is fabricated and false. CMA Mukesh Kumar and the complainant has assisted in this matter and their invoices were approved in COC and accordingly paid. This was duly reported.

- ii. Documents in support of payment made to the complainant.

Reply: Please find attached details of payment as Annexure – R2. The documentary proof were with the records which complainant has illegally retained.

- iii. Complainant has provided an email conversation dated 1st May 2019 addressed to you stating,

“This refers to the discussions which you had with our CMA S K Bhatt, Director of Shrea Insolvency Professional Pvt Ltd. We are providing you complete support services. As discussed, you will share fee of 65% to our account of which details may be had from our Mr Kamal over office phone”. Copy attached herewith.

Reply: I deny any such agreement or engagement. I came to know about this only from the complaint. This is very unreasonable and also unethical. I would not have consented for this appointment if I have any inclination that it will be on fees sharing. This claim is contrary to the facts and evidences like the invoices and dates of events. I have consented on March 2019 which was approved on 3rd April 2019 by Honble Adjudicating Authority. Why would this





THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

(Statutory Body under an Act of Parliament)
CMA Bhawan, 3 Institutional Area,
Lodhi Road, New Delhi-110003



Phone : +91-11-24622156-57-58
Website : www.icmai.in

arrangement be proposed on 01.05.2019. Is there any agreement or document submitted by the complainant or any confirmation of this or any other kind of arrangement by me.

If we were sharing fees then where is my share in 'Morpheus'. This claim is unfounded and after thought. Why he sent invoices in his personal capacity. There are various lacunas and gaps in this claim:

- Dates of events, appointment is one month prior to the purported email.
- Invoices raised by the complainant and his accomplice Mr. Mukesh Kumar which were approved by COC and duly paid.
- Bogus and various Invoices of the complainant.
- Time of raising invoices. Work claimed to be done by December 2019 and invoices first time raised on May 2020.
- Bogus invoice for amount Rs. 1,50,000 by the complainant. Amount was paid to him on 04 December 2019 for which he raised invoice on May 2020 after 5 months. He may be asked to explain and if this was genuine invoice why no GST on the invoice and why I was not deducting TDS. This is because this amount was not income or expense but an advance.
- Invoice raised by Ms. Poornima Srivastava. A complete stranger to me whom I have never met or dealt with and the invoice is raised for the work which never took place. A completely bogus and fabricated invoice.

The narration or description of invoice "Support services provided for Accounts finalization, minutes, mails, Meetings and application drafting....etc" is false as we never got any financial records of the company (CD) and for that we have also filed an application before Hon'ble AA (NCLT). Mr. Mukesh and also billed for minutes and meetings and there are only few COC meetings.

Interestingly her invoice was sent by the complainant who first sent an invoice dated 11.12.2019 on May 2020 for which she was issued a cheque in 03.12.2020 and realised by her on 01.12.2020, thus she raised invoice dated after the date of receiving money, this was corrected and one more invoice was sent on June 2020 dated 11.11.2019.

- He claimed that an IPE "Shreya Insolvency Professionals Pvt. Ltd." has appointed the undersigned as RP and somewhere he claims the undersigned has appointed the IPE as "Resolutions Process Advisor or consultant" however, he has raised invoices on his personal names or names of other persons.
- The description of his invoice, invoice of Ms. Poornima Srivastava and Mr. Mukesh Kumar have same description and which are also for similar work for which their invoices were part of CRIP cost and duly paid. That is they have raised multiple invoices for same work.
- His invoice is very dubious and deceptive. Who is raising the invoice is never clear and it is not possible to have one invoice for various entities.
- He is claiming to raise invoice on behalf of a company "Shreya Insolvency Professionals Pvt.Ltd." which is a separate legal entity.
- He has raised several invoices in month of May 2020 and June 2020. Why he did not submit those invoices,. Reason is these invoices are apparently bogus and contradictory to his claim.



Page | 9



THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

(Statutory Body under an Act of Parliament)
CMA Bhawan, 3 Institutional Area,
Lodhi Road, New Delhi-110003



Phone : +91-11-24622156-57-58
Website : www.icmai.in

iv. A copy of Information Memorandum was provided to Mr Mukesh Kumar. Copy attached herewith.

Reply: They have access to all records for the reasons as stated earlier.

v. Copy of the minutes was also shared with Mukesh Kumar. Copy attached herewith.

Reply: They have access to all records for the reasons as stated earlier.

vi. Complainant has provided email conversation with you regarding Vyom NCLT Application for non-payment of fee by the CoC. Copy attached.

Reply: This has been discussed in details in brief submitted as above.

vii. Complainant has also provide email conversations between cirp.vyom@gmail.com to rohit@nkumarandaggarwal.com. Mail id created for CIRP purpose is to be used by RP and complainant has provided email conversation of that mail id itself. Copy attached.

Reply: This has been discussed in details in brief submitted as above. I was of the impression that they are part of my team and my office and we are giving reciprocals services.

viii. Almost all the mail communications relating to CIRP of CD has been CC to the complainant and Mr Mukesh Kumar.

Reply: This has been discussed in details in brief submitted as above. I was of the impression that they are part of my team and my office and we are giving reciprocals services.

I am not denying that we worked as a common team on both the matters Morpheus and Vyom. I came out of this arrangement when I find the complainant engaged in dubious activities and unreasonable.

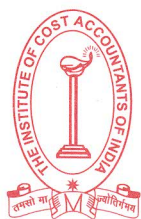
ix. If there exist a service provider relationship between you and the complainant as claimed by complainant, why payment has not been done in this regard and why Form III does not reflect the same.

Reply: This has been discussed in details in brief submitted as above. I was of the impression that they are part of my team and my office and we are giving reciprocals services. There was no such arrangement and for that reason no invoices were raised and no payment were made as there were not supposed to. For this reason Form III does not reflect the same.

This complaint and previous to this complaint his application filed before NCLT are nothing but attempt to stop professional misconduct proceedings and police case filed by the complainant. We have complained to the police on 17th June, 2020 a professional misconduct complaint with ICAI (Institute of Cost Accountants of India) against Mr. Bhatt on 16th June, 2020. He than as an afterthought and counterblast filed an Application before Hon'ble NCLT which was disposed on the same date then he made an appeal against the order before NCLAT which is yet to be listed. Later he complained to your kind office.



Page | 10



THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

(Statutory Body under an Act of Parliament)
CMA Bhawan, 3 Institutional Area,
Lodhi Road, New Delhi-110003



Phone : +91-11-24622156-57-58
Website : www.icmai.in

We further wish to submit our reasons for believing that the complainant is a person of dubious character and a threat.

- A. He is undergoing various litigation in Insolvency related matters. An IRP has filed contempt case against him. He is having dispute with CD (management) and Creditors of Morpheus Developer Pvt. Ltd. where he was RP. He is having dispute with other persons also in the professions.
- B. I being associate of the complainant helped him in the elections of ICAI (Institute of Cost Accountants of India) where his reputation has come up as a unreasonable and dubious person.
- C. He is very unprofessional in his conduct. He uses IPE "Shreya Insolvency Professionals Pvt. Ltd." as a proprietary firm rather than a company having separate entity. This is evident from his invoice.
- D. His main agenda is to extract money and has scant respect for regulations and processes. He tried to extract money for settlement to take place in Morpheus as well as in 'Vyom' through me. This was the root cause of conflict between us.
- E. He is a consummate liar and a bully. I had seen him using threatening language and he has also threatened to harm me and forcible take money coming to my home that too in lock down period (May 2020).
- F. He duped me and took Rs. 2,50,000/- as advance and then after 6 months issued bogus bills when I ask him to repay.
- G. He has submitted incomplete and wrong facts and information with the Hon'ble NCLT, NCLAT and now with your kind office.
- H. He is not afraid to take illegal actions, rather he do not consider many actions illegal like my personal stuff left within his office including the books and records of 'Vyom'. He has boldly stated this fact at every forum. I found him very unstable and unreasonable.

I request your kind office to take note of our reply and also request you to kindly make detailed investigation as we sincerely believe the complainant is a dubious person and allowing such person to run an IPE in such fashion is a threat. I will submit any other information or clarification that you may deemed fit and will also like to make personal appearance for any further clarification.

Regards
Rohit Aggarwal"

4. The respondent in the meantime by his email dated 5th November 2020 made the following submissions which is reproduced below:

Dear Sir,

This is to inform you that the IBBI has started disciplinary Proceedings against Mr Rohit Aggarwal for cheating done by him for a sum of Rs 5.81 Lac of which all evidence has been sent



Page | 11



THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

(Statutory Body under an Act of Parliament)
CMA Bhawan, 3 Institutional Area,
Lodhi Road, New Delhi-110003



Phone : +91-11-24622156-57-58
Website : www.icmai.in

to you by our previous mail. On investigation by the IBBI, they have found our claim genuine and have registered the case. The copy of communication received from the IBBI is enclosed.

Moreover, we had filed an appeal/ application to the Hon'ble National Company law Appellate Tribunal, Delhi. The court, while admitting our claim has asked us to approach the appropriate forum for recovery of the amount as it is not covered in the IBC. We are filing suit for recovery to the District court as per order of the Hon'ble NCLAT. The copy of the order of the Hon'ble NCLAT is enclosed.

When we started action for fraud and cheating, he filed bogus claims to your good offices. In the light of above, we request you to dismiss the complaint and also initiate action against the complainant for filing wrong facts before your goodself.

We await your early action on the matter”.

5. The Disciplinary Directorate as part of investigations under Section 21(4) of the Cost and Works Accountants Act, 1959 by email dated 9th November 2020 sought the following information from the complainant which is reproduced below:

“ Dear Sir,

This is in reference to your complaint dated 20th July 2020 against Shri Sandeep Kr Bhatt (M/14652), which has been registered with the Disciplinary Directorate vide Complaint number Com/21-CA(95)/2020.

On perusal of your complaint in Page 2 of Form I, it is observed that the following allegations, among others, have been leveled by you against the respondents which are reproduced below:

- (i) “CMA S.K. Bhatt has taken Rs 2,50,000/- from the complaint as advance on loan and when he was asked to return Mr. Bhatt along with Mr. Mukesh Kumar and Ms. Poornima Srivastava raised bogus bills for this amount and also for other amounts.
- (ii) Mr. Bhatt has even claimed that he has an agreement with the complainant to share his fee (65%) for getting him appointed as Resolution Professional.
- (iii) He tried to extort money from the complainant and company and also from Financial Creditors and when the complainant does not agree on this illegal and unethical activities, he tried to disrupt the CIRP proceedings and harm the Financial Creditors and the Corporate Debtor company”

In this connection, you are requested to clarify the above mentioned allegations and provide cogent evidence on the same.

Yours faithfully,”



Page | 12



THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

(Statutory Body under an Act of Parliament)
CMA Bhawan, 3 Institutional Area,
Lodhi Road, New Delhi-110003



Phone : +91-11-24622156-57-58
Website : www.icmai.in

When the above email dated 9th November 2020 was not responded, another email was sent on 13th April 2021 to the respondent seeking replies to the above mentioned queries raised by Disciplinary Directorate.

6. The complainant by his email dated 18th April 2020 provided the following reply which is quoted here below:

"Respected Sir,

In reference to your above mail, in the same, the clarifications are below:-

(i) "CMA S.K. Bhatt has taken Rs 2,50,000/- from the complainant as advance on loan and when he was asked to return Mr. Bhatt along with Mr. Mukesh Kumar and Ms. Poornima Srivastava raised bogus bills for this amount and also for other amounts.

R- The bogus bills are already attached with the complaint.

(ii) Mr. Bhatt has even claimed that he has an agreement with the complainant to share his fee (65%) for getting him appointed as Resolution Professional.

R- There is no such executed agreement in my knowledge. pls provide me with the executed agreement copy, if any.

(iii) He tried to extort money from the complainant and company and also from Financial Creditors and when the complainant does not agree on this illegal and unethical activities, he tried to disrupt the CIRP proceedings and harm the Financial Creditors and the Corporate Debtor company".

R- its clearly mentioned in the complaint. Secondly, contempt of court is going on against him in the Hon'ble NCLAT in the 'Morphesus mater' filed by IRP.

Regards
Rohit Aggarwal"

7. Similarly, inquiries were made with the respondent too by the Disciplinary Directorate at various points of time In the 35th meeting of the Board of Discipline held on 10th September 2021, the Board perused the complaint of the complainant, the written statement filed by the respondent, the rejoinder and the documents and email communication made between the parties themselves as well as communication between the Disciplinary Directorate and the parties and noted that the crux of the matter revolves on non-payment of Rs 2,50,000/-by the respondent alleged to have been taken from the complainant. This amount of Rs 2,50,000/- is



Page | 13



THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

(Statutory Body under an Act of Parliament)
CMA Bhawan, 3 Institutional Area,
Lodhi Road, New Delhi-110003




Phone : +91-11-24622156-57-58
Website : www.icmai.in

the apple of discord between the parties which led the complainant to file the disciplinary complaint against the respondent, CMA S.K. Bhatt.

8. Since, the subject of the complaint is about payment of Rs 2,50,000/- which is also disputed, the Board of Discipline is not the forum for adjudicating such disputes. It is open to the complainant to institute a money suit in the Civil Court. The Board therefore decided to drop the proceedings against the respondent as the subject matter of the complaint relates to "commercial matters" and there is nothing on record to prove that the respondent is guilty.
9. In view of the above, the Board is of the opinion that the respondent is not guilty of professional or even other misconduct. Therefore, the matter stands closed in terms of Rule 9(3)(a) of the Cost and Works Accountants (Procedure of Investigation of Profession and Other Misconduct and Conduct of Cases) Rules, 2007.




(CMA Rakesh Singh)
PRESIDING OFFICER